# Employment of migrant workers: case studies of selected employers in Wales and Scotland

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## Report summary


### *Aims and method*

The study was designed to explore the experiences of employers in response to A8 migration into Scotland and Wales. The study was qualitative, comprising case studies of 52 employers. The case studies were based on interviews with managers (those with an overview of human resourcing and line managers) only. Interviews were conducted between June and October 2007. The sample was drawn to provide a range of type of employers, with differing levels of A8 migrant employment (including some with none). Thus the sample enables the study to identify a range of employers' experiences of A8 migrants and is not a representative sample.

### *Types of employers of A8 migrants*

The case study employers may be classified into three groups, reflecting their differing needs for A8 migrants and requirements of employees:

- *Type 1*: employers whose core activities relied on unskilled jobs, paid at or close to the minimum wage and often with relatively poor working conditions, and who had serious labour shortages. The jobs were often seen as undesirable by locals. Training and progression were very limited.
- *Type 2*: employers whose core activities were semi-skilled or higher and who had serious shortages. Training and progression opportunities were greater in Type 2 employers.
- *Type 3*: employers without serious labour shortages or with very high skill requirements (e.g. doctors). Training and progression opportunities varied in Type 3 employers.

A8 migrants formed a very high percentage of unskilled workers for Type 1 case study employers. The percentage of A8 migrants varied for Type 2 case study employers. Type 3 case study employers employed very few (or no) A8 migrants.

### *Employers' experience of A8 migrants*

Type 1 case study employers were highly dependent on A8 migrants. They had either targeted recruitment at A8 migrants (i.e. recruited from abroad), used employment agencies which targeted A8 migrants or, having recruited a few A8 migrants, used word of mouth recruitment which resulted in A8 migrants applying. Not only did A8 migrants enable these employers to fill vacancies, but A8 migrants were reported to be much better than local employees. 'Better' tended to focus on reliability (good time keeping and low levels of absence), harder working and willingness to work long hours. A8 migrants were also found to be more effective workers. The strong contrast in the quality of A8 migrants and locals was undoubtedly because these employers had been recruiting at the bottom of the labour market and A8 migrants tended to come from higher levels. Over-qualification was not uncommon. Lack of spoken

English was not a barrier to employment in these jobs, although it could require employers to make some adjustments.

Type 2 case study employers used the same recruitment methods as Type 1. In some cases, recruitment drives were conducted abroad and recruits provided with training and some English language tuition. The key difference between Type 2 and Type 1 employers was that Type 2 employers required higher quality in their work and skills were required (which, in some cases, were limited to customers or client service skills). Consequently, employers were more selective in recruitment. They provided more training. Whilst these employers also commented on the high quality of A8 migrants (in terms of work ethic, absence, overtime and willingness to take responsibility), they often found local and A8 migrant employees to be of similar quality. This was because Type 2 had higher minimum criteria for their employees and their jobs were more attractive (even if some paid the National Minimum Wage) than those of Type 1 employers. Language requirements were higher, particularly for those with customer and client contact.

Type 3 case study employers mainly used general recruitment methods (excluding agencies targeting migrants). If they ever targeted A8 migrants, this was a minor recruitment method. The only exception was employers for whom A8 migrants were important as customers, where A8 migrants had been targeted for a very small number of specialist jobs dealing with A8 customers. Few A8 migrants were employed because few applied (and fewer were selected) through the general routes. These case study employers required fairly good spoken English. The quality of A8 migrant employees was seen as good or average, and, often, no different than local employees.

There was some evidence of a change in the quality and English language skills of A8 migrants over time. Employers thought that, with residence in the UK, A8 migrants' English improved, but some of their work qualities (e.g. hardworking, low absence, keen on overtime) declined, as they become more absorbed into local culture, more knowledgeable about their rights and as their personal circumstances change. At the same time, employers reported that the quality and language skills of new A8 migrants was declining. These suggest that, over time, A8 migrants and locals were likely to become more similar.

### *Settling in and non-job needs*

Case study employers recruited A8 migrants who were new to the UK and the locality and those who were not. Employers found A8 migrants settled in to their job well. The main non-labour market need employers reported was housing (which some provided). Help with registration under the Workers' Registration Scheme and in gaining a National Insurance Number was common. Other formal and informal pastoral support was provided by some employers. This ranged from very limited advice to extensive personal problem solving. Although some employers identified other information needs, many reported that A8 migrants were able to look after themselves.

### *English language*

Spoken English was not seen as essential for all jobs. It was required for customer contact jobs and jobs where training and quality control were important. For other jobs, the employment of A8 migrants with poor English was addressed in a number of ways.

- *Translation*. This was only seen as cost effective where there were a substantial number of speakers of an A8 language. Translation might be limited to a few documents (e.g. legal documents, such as employment contracts) or include all documents employees were expected to read. Both professional translators and bilingual employees were used to translate.
- *Employees acting as interpreters*. Employees were taken away from their normal tasks to interpret. Employees were grouped to mix A8 migrants who did and did not speak English. Interpretation was easier once some supervisors were A8 migrants.
- *Assisting English language learning.* On-site classes and working-time flexibility to facilitate attendance at courses was found. However, others did nothing to facilitate language learning and work demands could make course attendance impossible.

To facilitate interpretation and to reduce translation needs, employers might restrict recruitment to one linguistic group (for those who did not speak English).

On top of translation and interpretation costs, poor English led to other costs and problems. These included greater time demands on management, additional time communicating and misunderstandings. The greatest concerns were around health and safety and work (product) errors. To reduce the possibility of errors, some required English only to be spoken whilst working.

### *Welsh language*

Welsh was desirable for some jobs, where customers or clients spoke Welsh. (The only case study where Welsh was required did not employ A8 migrants.) In these jobs, employers ensured that at least some employees spoke Welsh.

### *Relations between A8 migrants, local workers and customers*

Good relations between A8 migrants and local workers were reported by the case student employers, although occasional problems could occur. (In some case studies, the issue did not arise, as there were no local employees.) Employers believed tensions stemmed from locals fearing that A8 migrants were 'taking their jobs', locals disliking A8 migrants being promoted over them, A8 migrants being seen to work harder than locals and locals not being able to understand when A8 migrants spoke their own language ('*they're talking about me*'). In addition, some locals were thought to feel alienated if most other employees were A8 migrants. Inter-migrant problems could also occur.

Problems were dealt with through normal management practices, including improved communication about the employers' need for A8 migrants (labour shortage) and the consequences of not employing A8 migrants (closure or contraction). The language issue was sometimes dealt with by requiring employees to speak English only at work.

### *Costs and benefits to employers of employing A8 migrants*

Type 1 case study employers benefited from employing A8 migrants through being able to fill vacancies and through having a higher quality and more productive workforce. Some employers benefited from a change in workplace culture, with a

reduction in tension at work. Management was easier and disciplinary incidents reduced. For some Type 1 employers, A8 migrants brought additional costs as well as benefits. Additional costs were incurred due to migrants' poor English and, for some, there were additional costs of recruiting abroad and of additional training. Benefits outweighed the costs and productivity was higher. Moreover, addressing severe labour shortages had enabled some employers to avoid plant closure, avoid shifting production elsewhere or enabled expansion.

The costs and benefits for Type 2 employers were similar. However, there was greater variation in the size of the costs and benefits compared with Type 1 employers. Benefits could be smaller, as the quality of A8 migrants and locals might be similar, particularly where English language affected quality. However, other language costs might be smaller (as higher English language was a condition of recruitment). As with Type 1 employers, A8 migrants enabled employers to fill vacancies and to maintain levels of output or service, although, for some, quality of service could suffer.

Type 3 employers with A8 migrant customers or clients could improve service or increase business by employing A8 migrants in relevant jobs. Otherwise, Type 3 employers did not appear to benefit from the availability of A8 migrants, as A8 migrants had little effect on their labour supply.

### *Costs and benefits to others*

For A8 migrants, we can only assume they benefited from employment in the UK. However, there were ways in which, perhaps, they might have benefited more.

- Even where language was not a barrier, there was underutilisation of A8 migrants. For some, their skills, qualifications and work ethic should have resulted in better and more highly paid employment.
- A8 migrants were not rewarded for their higher productivity with higher pay.
- It appeared that employment law (in relation to sex and race discrimination, the working time regulations, employment protection rights and health and safety) was not always complied with, resulting in some loss to A8 migrants. Lack of compliance may have been similar in the employment of local workers, but A8 migrants are in a weaker position to enforce their rights. Lack of compliance often appeared to be inadvertent, with employers unaware they might be contravening legislation.

Local, low skilled workers may have seen downward pressure on their wages (i.e., without A8 migrants, wages may have been more likely to rise).

For the economy, there were benefits in relation to increased productivity, increased profitability and, possibly, a reduction in closures and business relocation. The economy may also have been affected in terms of downward pressure on wages in low skilled work and reduction in employment conditions.

### *Policy issues*

Tackling the underutilisation of A8 migrants would be beneficial for the economy and also would reduce the, probable, downward pressure on low skilled wages. Measures might include the provision of better careers and recruitment knowledge to A8 migrants (so they can be employed at a level commensurate with their skills),

information on qualification equivalences (for employers and for A8 migrants) and better access to language training.

Compliance with employment legislation could be increased in a number of ways: better informing employers of legislation, greater inspection and enforcement, increased information and support for A8 migrants, including through Trade Unions.

Some employers were confused about immigration rules, including the Workers Registration Scheme, work permits and other schemes and the legislation in respect of Bulgarians and Rumanians. Increased information would be helpful.

A8 migrants might need assistance in settling into the UK, in terms of housing (both on migration and in the longer term) and information on day to day living. This may be particularly important if migrants are to be encouraged to settle permanently in Scotland and Wales and to make a more enduring contribution to the economies and lives of these countries.

# 1 Introduction

## 1.1 Background to the study

On 1 May 2004, ten new countries joined the European Union, eight Eastern European countries (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia) (also known as the Accession 8 or A8), together with Malta and Cyprus. The United Kingdom, Ireland and Sweden were the only existing European Union countries to allow immediate freedom of these new EU citizens to work in their countries. On 1 January 2007, Bulgaria and Romania (the Accession 2 or A2) joined the European Union. This time, only Sweden granted immediate free movement to work. In the UK, Bulgarians and Romanians who wish to work as employees are still subject to the same visa restrictions as most non-European Union nationals.

Since 2004, the UK (along with Ireland) experienced a large influx of migrant workers from the A8 countries[1]. After initial popular excitement about the presence of former communist block migrants and the reported new ease of finding builders, concerns started to surface about the effect of the number of A8 migrants on the labour market and on social systems.

This study was commissioned by the Welsh Assembly Government and the Scottish Government to examine the experience of employers in response to this influx and, particularly, to identify the costs and benefits to employers.

## 1.2 The aims of the study

The main aim of the study was to add to our understanding of the role of A8 migrant workers in the economy through improved knowledge of the employers' perspective on the costs and benefits of employing A8 migrant workers. The study was also to provide information on the characteristics of migrant workers and on employers' use and perceptions of managed migration schemes and of government support and advice services.

The study was to be based on case studies of selected employing organisations in Wales and Scotland.

[1] For many years, nationals of Malta and Cyprus had been entitled to live and work in the United Kingdom.

## 1.3 Method

The study was based on 52 employer case studies. The case studies explored managers' views and experiences. Other employees, including A8 migrants, were not interviewed.

*The sample structure*
The sample was structured on a number of theoretical and pragmatic grounds.

- It was assumed that the costs and benefits of employing A8 migrants would vary with employers' characteristics and situation. In particular, costs and benefits were expected to vary with the nature of the business (especially with skill needs, career structures and the sophistication of Human Resource systems), with labour shortage and with the number and percentage of employees who were A8 migrants (for example, the impact of language difficulties, cultural differences and tension between groups was expected to vary with the size of the A8 migrant group). Therefore the sample was selected to cover:
  - a range of industries (covering both the public and private sectors);
  - a range of labour markets (higher and lower unemployment; rural and urban);
  - a range of skill levels at which A8 migrants were employed;
  - organisations with differing levels of A8 migrant employment (including none); and
  - organisations with differing sophistication in Human Resource systems;
- To assist comparability, case studies were concentrated within selected industries and localities;
- To assist identification of employers of A8 migrants, selection concentrated on industries and locations which were thought to employ A8 migrants;
- It was seen as desirable to spread the samples geographically within Scotland and within Wales;

We were also concerned about the extent to which non-employers of migrants would be able to contribute to the study. It was important to include those who had taken a conscious decision not to recruit A8 migrants. However, little was likely to be learnt from those where the non-recruitment of A8 migrants was inadvertent (e.g. no recruitment had taken place, no A8 migrants had applied, the best person for the job had not been an A8 migrant). Therefore, to maximise the likelihood of interviewing those who had not recruited A8 migrants despite having the opportunity to do so (and having some knowledge of A8 migrants), non-employers of A8 migrants case studies were selected from the same industries and locations as employers of A8 migrants.

As a purposive sample, the experiences of the case studies are unlikely to be representative of all employers, but they identify the type of experiences of employers in certain situations.

*Fieldwork process*
Potential case studies were sent a letter explaining the purpose of the study. A sample of these were then telephoned to seek their participation. Repeat phone calls were made until contact could be made with an appropriate person or until it appeared unlikely that such contact would be made. In total, 283 employers were sent letters, 168 were followed up, 52 were completed, 34 refused and no appropriate contact was made with 82. The characteristics of the case studies are described in Section 3.4. Interviews were conducted between June and October 2007[2].

*The respondents*
In each case study, face-to-face interviews were held with personnel who could describe policies, practice and experience of recruiting and employing A8 migrants. Multi-manager interviews were necessary as, in larger organisations, relevant knowledge varies with job role. For example, human resource specialists are more likely to be aware of any impact on labour shortages and recruitment difficulties, whilst line managers will be more aware of performance, productivity and team working aspects. Therefore, except in small organisations where a senior manager had oversight of all aspects, several managers and specialists were interviewed, including senior managers, Human Resources specialists and line managers.

*The interview*
Interviews were conducted face-to-face[3] by experienced employment researchers, using a semi-structured discussion guide. A copy of the guide is appended. Interviews were recorded.

The interviews focussed on specific occupational groups. These were selected to ensure adequate coverage of a range of occupations and skill levels. Where possible, the interview focussed on two groups:

- for those employing (or recently employing) A8 migrants:
    - the occupation in which A8 migrants were most numerous; and
    - a higher level occupation, if possible in which A8 migrants are employed; and
- for those not employing (or recently employing) A8 migrants:
    - an occupation comparable to those in which A8 migrants are concentrated; and
    - a higher level occupation

*Analysis*

A detailed note of every interview was drawn up, structured similarly to the discussion guide. Analysis was then conducted thematically.

[2] Some of the case studies sectors were highly seasonal. The lengthy fieldwork period meant that employers were not precluded from participating either because the fieldwork was during a busy period or because the organisation was, effectively, closed during a slow period.
[3] Four supplementary interviews were conducted by telephone.

## 1.4 Structure of the report

The next chapter briefly reviews evidence on A8 migration in the UK, concentrating on Scotland and Wales. The following chapter provides background on the employment of A8 migrants in the case studies, describing the case study employers, the jobs to which A8 migrants had been recruited and the characteristics of the migrants. Chapter 4 focuses on the recruitment of A8 migrants: how and why they are recruited. The following chapters examine the case study employers' experience of A8 migrants: issues around settling in (Chapter 5), performance in the job (Chapter 6), training and progression (Chapter 7) and relations between local and A8 migrant employees (Chapter 8). Chapter 9 draws together evidence from the previous chapters to describe the impact of A8 migrant on the employing organisation. Chapter 10 discusses the implications of the findings for employers, A8 migrants and other workers and draws some policy implications.

# 2 A8 migration and employment

## 2.1 Introduction

This chapter provides contextual information for the study. Section 2.2 describes labour demand conditions in Scotland and Wales. Sections 2.3 and 2.4 provide legal information on the Worker Registration Scheme (which applies to A8 migrants) and entitlements to benefits and tax credits, respectively. Section 2.5 provides some data on A8 migrants and their characteristics. Finally, Section 2.6 reviews the evidence on the costs and benefits of employing A8 migrants.

## 2.2 Labour market conditions

Labour market conditions will be an important influence on A8 migrant employment and also on the benefits derived. Unemployment rates were similar in Wales and Scotland, 5.3 per cent and 5.2 per cent respectively (5.3 per cent for the UK) (April 2006 to March 2007) (Statistics UK, 2007).

However, more relevant for the case study employers, were local labour market conditions, as lower skilled jobs tend to be recruited locally. These varied. For example, Local Authority unemployment rates in Wales ranged from 3.6 per cent in Monmouthshire to 7.9 per cent in Merthyr Tydfil and, in Scotland, from 3.0 per cent for Aberdeenshire to 7.7 per cent for Glasgow City. Employers operating in smaller labour markets (as many of the case studies were doing) are likely to see unemployment rates outside these bounds. Certainly, some employers, particularly in parts of Scotland (e.g. the Highlands and Aberdeen and surrounds) and in North West Wales reported very low levels of unemployment and tight labour market conditions.

## 2.3 The Worker Registration Scheme

On 1st May 2004, ten countries joined the European Union. Citizens of two of the new member states (Malta and Cyprus) had previously had the right to work in the UK, but this right was new for the eight eastern European new members (the A8). Under transitional arrangements, A8 citizens who wished to work in the UK for more than one month needed to register under the Worker Registration Scheme, WRS[4] (Border and Immigration Agency, 2007). Migrants had to report any change in employment. Registration cost £90 (December 2007), but registering a change in employment was free.

After a year's registration and employment, A8 migrants citizens were free to work without registration. They were entitled to a residence permit which confirmed they were entitled to live and work in the United Kingdom.

[4] This applies to employees only; the self-employed do not register.

Registration was the responsibility of the A8 migrant. Employers merely needed to supply the A8 migrant with a letter confirming their appointment. However, employers were responsible for ensuring that all their employees were legally entitled to be employed. In the case of A8 migrants, employers had to ensure, within a month of employment, that the migrant had applied for registration (or its amendment). Employers had to hold a copy of the WRS application form and the employer was notified when the certificate was granted (or refused). If an employee's application was refused, the employer had to dismiss them[5]. Thus the operation of the WRS was simple and, for employers, less onerous than visa schemes.

## 2.4 Benefits and tax credits

Some of the case studies referred to tax credits and benefits affecting employment decisions (for all workers, not just A8 migrants). They also reported resentment (e.g. from local employees) towards A8 migrants due to their claiming benefits. Therefore it is useful to clarify the situation[6].

A8 migrants were entitled to tax credits and to certain benefits on the same terms as non-migrants. These included child benefit and housing benefit. However, they only became eligible for Job Seekers Allowance once they had been registered under the WRS and working in the UK for a year (although part-time workers were immediately eligible to Job Seekers Allowance for those working part-time).

## 2.5 A8 migration

Data on A8 migrants are problematic. Here, we provide data from the WRS. The main problem with WRS data is that records are not kept on those who leave the UK (or leave employment). The WRS only records the flow into registration and not the flow out. Without adjusting to take outflows into account, WRS data over-estimate the number of A8 migrants employed in the UK, perhaps by 100 per cent[7].

Data difficulties are even greater in relation to the characteristics of A8 migrants and their jobs. Much of the reported data relates to first job and residence and jobs and locations to which new migrants congregate are over-represented. Thus if migrants tend to take low level jobs initially, prior to getting better jobs, the data would overestimate their concentration in low level jobs. Similarly, if A8 migrants tend to take jobs first in England and then move to Scotland or Wales, the Scottish and Welsh figures will be under-estimated. Moreover, the characteristics of those who stay may differ from those who leave, so the aggregate overestimate cannot be used to adjust more detailed data. These issues should be borne in mind in interpreting the data.

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[5] We could not identify grounds for refusal other than the person not being an A8 migrant or that they (or the work, e.g. self-employed) did not need a work permit. Therefore, for A8 migrants, it was not clear that an employer would need to dismiss an 'employee' if their application failed.

[6] It was relatively difficult for the researchers to clarify entitlement, despite knowledge of benefit terminology and the government departments involved. This suggests that A8 migrants may be missing claiming some of their entitlements.

[7] Using LFS data, Riley and Weale (2006) estimated that, in the Spring of 2006, there were 142,000 A8 nationals employed in the UK. This contrasts with the 392,000 who had applied for registration under the WRS by March 2006 (Home Office *et al.* 2006b).

### *2.5.1 The number of A8 migrants*

Between May 2004 and September 2007, there were 743,000 WRS applications (Border and Immigration Agency, 2007b). Almost eight per cent (or 58,135) of applicants were based in Scotland and almost three per cent (or 19,240) based in Wales (Border and Immigration Agency, 2007b). As a percentage of employees, this translates to one per cent of employees in Wales and 1.6 per cent in Scotland[8]. As, perhaps, more than one half of registrants may have left the labour market (or the country) (see above) (and unless many who have registered in England have moved to Wales and Scotland), this suggests that A8 migrants form a very small percentage of employees in both countries[9].

### *2.5.2 Geographical dispersion*

There is little information on the pattern of A8 migrants within Scotland and Wales. Gilpin *et al.* (2006) find that A8 migrants are less clustered than previous major groups of immigrants. The Wales Rural Observatory (2006) found that a high percentage of A8 migrants were registered in rural areas. The finest breakdown of geographic location publicly available is at the Jobcentre Plus district level. This showed that, as a percentage of the local working age population, A8 migrants were most concentrated, in Scotland, in Grampian and Tayside and, in Wales, in West Wales, where registrations accounted for more than 1.5 per cent (by September 2005) (Gilpin *et al.*, 2006). Thus, in these areas of greater concentration, A8 migrants comprised perhaps 0.75 per cent of employees.

### *2.5.3 Job characteristics*

A8 migrants were concentrated in a small number of industries within Scotland and Wales (Table 2.1). It should be noted that the majority of those in Administration, Business and Management Services worked for recruitment agencies and so could be employed in a variety of industries (Border and Immigration Agency, 2007b). It seems likely that many of these were in Hospitality and Catering, Agriculture, Manufacturing and Construction (Dench *et al*., 2006; Wales Rural Observatory, 2006). These figures suggest that A8 migrants formed an important percentage of workers in some sectors (e.g. in Scotland, Agriculture and Food, Fish and Meat processing).

[8] Our calculations using WRS (registrations) and LFS (all employees) data.

[9] This is counter to common perception of A8 migration. It is possible that the tendency for A8 migrants to cluster in certain areas, leading to quite significant numbers and percentages in some local labour markets, results in this perception, despite low overall percentages.

**Table 2.1 Worker Registration Scheme: industrial 'sector', cumulative total, May 2004-September 2007**

Percent of A8 migrants

| WRS 'sector groups'[a] | Scotland | Wales |
|---|---|---|
| Administration, Business and Management Services | 19 | 45 |
| Hospitality and Catering | 25 | 18 |
| Manufacturing | 7 | 15 |
| Health and Medical Services | 4 | 6 |
| Food, Fish and Meat processing | 12 | 4 |
| Agriculture | 19 | * |
| Construction and Land Services | 7 | * |

* Under four per cent

[a] Termed 'sector' in the Accession Monitoring Reports and not based on a standard industry classification. Data given for the industries with the largest number of A8 migrants in the UK.
Source: Border and Immigration Agency *et al.* (2007b)

A8 migrants in the UK were concentrated in low skill jobs: 63 per cent process, plant and machine operatives and elementary occupations (Riley and Weale, 2006). This compared with 20 per cent of all UK employees. However, this left 27 per cent of A8 migrants in intermediate occupations and eleven per cent in professional and managerial occupations. The WRS data showed a greater concentration in low skilled jobs (Table 2.2).

**Table 2.2 Worker Registration Scheme: top 10 'occupations', UK, cumulative total, May 2004-September 2007**

Percent of A8 migrants

| WRS 'occupation groups'[a] | UK |
|---|---|
| Process operatives | 27 |
| Warehouse operatives | 8 |
| Packer | 6 |
| Kitchen and catering assistants | 6 |
| Cleaner, domestic staff | 5 |
| Farm-worker/farmhand | 4 |
| Waiter/waitress | 4 |
| Maid/room attendant | 3 |
| Labourer, building | 3 |
| Care assistants and home carers | 3 |
| Other | 31 |

[a] Termed 'sector' in the Accession Monitoring Reports and not based on a standard occupational classification.
Source: Border and Immigration Agency *et al.* (2007b)

Reflecting the occupations, pay tended to be low: 72 per cent earned £4.50 to £5.99 per hour and 21 percent earned £6.00 to £7.99 (Border and Immigration Agency *et al.*, 2007b). Blanchflower *et al.* (2007) found that A8 migrants earned approximately 14 per cent less than non-migrants once certain personal and job characteristics were taken into account. The differential was greater, 18 per cent, for recent A8 migrants.

Just over half, 52 per cent, were on temporary contracts. Contractual status varied substantially between sectors, with temporary working particularly high in agriculture (73 per cent), in administration, business and management services (80 per cent). In hospitality and catering 18 per cent of registrations were for temporary employment.

### *2.5.4 Personal characteristics*

Across the UK, A8 migrants were overwhelmingly young (44 per cent under 25 years old and 39 per cent were aged 25-34), the majority were male (57 per cent) and most were Polish (66 per cent), with Lithuanians and Slovaks the second most numerous, at 10 per cent each (Border and Immigration Agency *et al..,* 2007b). Data relates to aggregate applications since 2004). Very few, six per cent, had dependents living with them in the UK when they applied for registration.

Many A8 migrants were relatively highly educated. Poles had, on average, 13.6 years of education and others 11.9 years (Drinkwater *et al*, 2006). This suggests substantial over-qualification and underutilisation of A8 migrants' skills.

## 2.6 Costs and benefits of employing A8 migrants

Previous research has identified a range of benefits and costs from the influx of A8 migrants.

### *2.6.1 Macro-economic effects*

At the macro-economic level, an increase in net immigration may affect output, inflation, unemployment, wages and the return to capital. Certainly, the recent increase in net immigration (from all countries and not just A8 immigration) has been found to increase output and employment (Riley and Weale, 2006) and may have benefited consumers through reducing prices (House of Lords, 2008).

The effect on unemployment is less clear. Blanchflower *et al.* (2007) reviewing both general migration research and research on recent A8 migrants into the UK, found that there was '*little or no evidence that immigrants have had a major impact on native labour market outcomes such as wages and unemployment. Recent work by a number of other authors for the UK is consistent with this view.*' Others suggest that the impact may be confined to younger workers (Riley and Weale, 2006). However, the impact, if any, is liable to be small in the long-term (House of Lords, 2008).

In respect of wages, the House of Lords (2008) concluded that migration overall had had a small depressing effect on low wages, due to migrants' concentration in low skilled jobs, which is where A8 migrants are also concentrated. Portes and French (2005) found downward pressure on nominal wages in some sectors (agriculture and fishing) associated with particularly large influxes of A8 migrants and no impact on other sectors. Other research suggests that the effect may be limited to migrants' (and not natives') wages (Manacorda *et al.*, 2006). Certainly, qualitative research with employers and employees has identified evidence of lower wage rates for A8 migrants (Wales Rural Observatory, 2006: Anderson *et al.*, 2006).

The effects, if any, on wages are unlikely to be discernable to individual employers (nor attributable by them to migration), even though employers might benefit from any downward pressure. Most important to employers' experience will be the effect on the supply of labour.

### *2.6.2 The quantity and quality of labour*

In some industries and localities, the increase in the supply of potential recruits is liable to ease recruitment problems. Certainly, studies of A8 migrants (Anderson *et al.*, 2006), and of immigrants more generally (McKay *et al.*, 2006; Dench *et al.*, 2006*)*, have found this to be very important. The effect will depend on the match between migrants and the skills required. The evidence suggests that the effect is greater for low skilled jobs. As recruits to low skilled jobs tend to be local, this implies that employers based in areas with low unemployment are more likely to see benefits.

The benefits are likely to extend beyond 'bodies in jobs'. As is common amongst migrants, A8 migrants tend to be over-qualified. They are relatively highly educated, but employed in low skilled and low paid jobs (Drinkwater *et al*, 2006). Thus employers may benefit from a rise in the quality of their employees. This may reduce the need for training. Employers may also benefit from reduced pressure on wages and lesser employment expectations (e.g. relating to hours of work and to overtime payments). Other benefits to employers identified include: greater flexibility over hours, reliability, work commitment and productivity (Metcalf and Forth, 2000; McKay *et al.*, 2006; Dench *et al.*, 2006; Anderson *et al.*, 2006). The age and gender composition (and a low percentage with dependents) may result in greater willingness to work full-time and long hours, a benefit reported in Dench *et al.* (2006). This may also reduce the likelihood of maternity and related costs. Recruitment costs may fall where a word-of-mouth network grows up amongst A8 migrants (see McKay *et al.*, 2006). Use of other new recruitment routes (e.g. greater use of agencies or use of foreign agencies) may also change recruitment costs (see McKay *et al.*, 2006).

### *2.6.3 Costs for employers*

At the same time, there may be costs. Language competence may not always be adequate, affecting supervisory/management time, team working, training costs, ability to do the job and work quality (Metcalf and Forth, 2000; McKay *et al.*, 2006), turnover may be high (although short-term turnover was reported as low in Dench *et al.*, 2006). Costs may be incurred in vetting. Migrants may have settling in demands (e.g. opening a bank account, finding housing) (Metcalf and Forth, 2000; Dench *et al.*, 2006). Tensions may arise between different groups of workers (Metcalf and Forth, 2000; Dench *et al.*, 2006).

# 3 Characteristics of case study employers and their A8 employees

## 3.1 Introduction

The research aimed to include a cross-section of organisations employing migrants and also some who did not. The aim was to include employers from a number of different sectors and locations in Wales and Scotland who would, in turn, employ migrants in a range of types of work. In this chapter we describe the characteristics of the organisations which participated in the research, in relation to sector, size, location and other features. We then describe the types of jobs to which A8 migrants were recruited and the terms and conditions on which they were employed. The chapter then looks at the characteristics of migrants employed in the case study organisations in terms of nationality, gender and age. The skills and qualifications of migrants, including English language and level of education are also discussed. In describing migrant characteristics, some comparisons are made with UK workers.

## 3.2 Characteristics of case study organisations

Interviews were carried out in 52 case study organisations across Wales and Scotland. As Table 3.1 shows, they were located in a range of sectors, including agriculture, food processing and other manufacturing, transport, construction, retail, hotel and catering, financial services and residential care. The research also included employment agencies and a small number of public sector employers, namely local authorities and health trusts. The sectors include those where A8 migrants were known to be strongly represented, for example food processing and hotel and catering and some where they were not. Public sector organisations and banks were among the second category.

**Table 3.1 Case studies characteristics: industry**

| | **Scotland** | **Wales** | **Total** |
|---|---|---|---|
| Agriculture | 2 | 2 | 4 |
| Other manufacturing | 3 | 4 | 7 |
| Food processing | 5 | 3 | 8 |
| Transport | 2 | 1 | 3 |
| Construction | 1 | 2 | 3 |
| Retail | 2 | 2 | 4 |
| Hotel and Catering | 4 | 3 | 7 |
| Financial Services/Real Estate | 3 | 1 | 4 |
| Employment agencies | 2 | 2 | 4 |
| Public sector (local government, hospitals) | 2 | 2 | 4 |
| Residential care | 2 | 2 | 4 |
| **Total** | **28** | **24** | **52** |

The research aimed to include a range of organisations by size so that small, medium and large employers were represented. As Table 3.2 shows, three of the case study organisations were very small, employing fewer than 25 employees; and 12 employed more than 25 but fewer than 100 employees. 25 of the case studies employed more than 100 but fewer than 500 employees, while 12 were large employers with workforces of more than 500.

**Table 3.2 Case studies characteristics: size**

| **Organisational size** | **Scotland** | **Wales** | **Total** |
|---|---|---|---|
| under 25 employees | 2 | 1 | 3 |
| 26 to 100 employees | 4 | 8 | 12 |
| 101 to 500 employees | 15 | 10 | 25 |
| more than 500 employees | 7 | 5 | 12 |
| **Total** | **28** | **24** | **52** |

It was planned to include organisations employing migrants and those who did not. As Table 3.3 shows, 19 case studies employed a small number of migrants and 30 employed larger numbers. Three case studies employed no migrants at all.

**Table 3.3 Case studies characteristics: extent of migrant employment**

| **A8 migrants employment** | **Scotland** | **Wales** | **Total** |
|---|---|---|---|
| Does not employ A8 migrants | 1 | 2 | 3 |
| Employs few migrants | 10 | 9 | 19 |
| Employs more than a few A8 migrants | 17 | 13 | 30 |
| **Total** | **28** | **24** | **52** |

The research was commissioned in recognition of the growing importance of A8 migrants to the economies of Scotland and Wales. Because of regional differences in the economies of the two nations, it was considered important to aim for a degree of dispersion of case studies rather than a concentration in the main economic centres. The location of case study organisations is shown in Table 3.4. In Scotland they were located in the main cities, the Highlands and in locations including the Borders and Tayside. In Wales, case studies were located in urban and rural locations in South and North Wales, in rural mid Wales and in the South Wales Valleys.

**Table 3.4 Case studies characteristics: location**

| **Scotland** | |
|---|---|
| Edinburgh | 4 |
| Glasgow | 4 |
| Aberdeen | 9 |
| Highlands | 4 |
| Other | 7 |
| **Total** | **28** |

| **Wales** | |
|---|---|
| North Wales | 6 |
| Mid-Wales | 6 |
| South Wales (excluding the Valleys) | 10 |
| South Wales Valleys | 2 |
| | |
| **Total** | **24** |

### 3.3 Characteristics of case study A8 migrants' jobs

Most A8 migrants in the case studies were employed in unskilled and low skilled jobs (Table 3.5).

**Table 3.5 Case studies: jobs of A8 migrant employees**

| Industry | fewer than 10% A8 migrants | many A8 migrants (10% or more) |
|---|---|---|
| **Agriculture** | | - labourers, drivers, managers (temp)<br>- pickers (temp)<br>- pickers, a few admin (temp) |
| **Rural estate** | - builders and decorators (temp) | |
| **Food, including fish processing** | | - unskilled<br>- unskilled (temp) |
| **Other manufacturing** | - fork lift truck drivers, trainee engineers<br>- unskilled | - unskilled<br>- unskilled (temp)<br>In addition to the above a small number:<br>- engineering and clerical<br>- skilled (trained by the company)<br>- clerical |
| **Building** | - electricians, joiners, other tradesmen, labourers | - unskilled |
| **Transport** | - cleaners | - bus drivers<br>- bus drivers, cleaners |
| **Leisure, hotels and catering** | - doorman, waiting, assistant manager | - housekeeping/cleaners, kitchen porters, waiting<br>In addition to the above a few in:<br>- reception, junior chefs<br>- managers and management trainees |
| **Bank** | - clerical and telephone staff<br>- customer advisor | |
| **Retail** | - retail assistants, cleaners<br>- retail assistants (part-time) | - retail assistants, shelf stackers |
| **Care homes** | | - carers, nurses<br>- carers, cleaners |
| **Hospital** | - dentists, nursing auxiliaries<br>- health care assistants, doctors | |
| **Employment agency** | | (all temps)<br>- drivers, labourers<br>- care, hospitality, industrial (unskilled)<br>- industrial (unskilled)<br>- industrial, catering (unskilled) |

Each set of jobs appears once, i.e. if two case studies in the same industry employed A8 migrants in the same occupations, this is recorded once only.

Many of the case studies in agriculture, food and fish processing, other manufacturing and retail employed large numbers of A8 migrants, nearly always in unskilled jobs, as did the Employment Agencies. Temporary contracts in these jobs were common. Temporary contracts were used to address demand fluctuations. These were most extreme in the agricultural case studies, where almost all staff were seasonal. Temporary contracts were also part of the recruitment process, with all recruits being placed on temporary contracts (of up to nearly one year), moving to permanent employment depending on performance and demand conditions. Some case study employers in these industries employed a few A8 migrants in more skilled jobs, including in engineering and clerical positions. In some of the agricultural case studies where all employees were migrants, some A8 migrants were managers.

Some had A8 migrants scattered over a wider skill range. Leisure, hotel and catering case studies also mainly employed A8 migrants in lower level jobs: housekeeping, waiting and kitchen porters, but some case studies also had A8 migrants in reception and as junior chefs and some had promoted A8 migrants to management. A transport company employed large numbers of A8 migrants as bus drivers. A building firm, which employed few A8 migrants, recruited tradesmen as well as labourers. Care home and hospital case studies employed A8 migrants in both professional (nurses, doctors and dentists) and in low skilled jobs (care assistants). The case studies in banking included those employing A8 migrants in low skilled jobs only (clerical and telephone sales) and one employing a customer adviser. This advisor was employed to assist with A8 customers.

The nature of the work in many of the case studies to which A8 migrants were recruited in large numbers tended to be unattractive, e.g. cold conditions, gutting fish or chickens, working outside in all weathers, stress or isolation. This was particularly true in many of the food industry case studies and in agriculture.

### *3.3.1 Terms and conditions*

The study focussed on two aspects of terms and conditions: pay and whether terms and conditions varied between A8 migrant employees and others. Terms and conditions might differ because employers treated locals and migrants differently. They might also differ between locals and migrants because terms and conditions changed with length of service or because temporary and permanent workers were treated differently. In which cases, if length of service or contractual status differed, on average, between locals and A8 migrants, their other terms and conditions would differ.

*Pay*

Detailed information on pay was not sought. (This would have only been useful if comparisons could have been made with labour market competitors.) However, unskilled jobs tended to pay the statutory minimum wage or very slightly above this. Many employers reported that their rates were comparable or slightly better than other unskilled jobs available locally. Sometimes higher rates were designed to compensate for poor working conditions or status. Otherwise, a building company paid above the industry set pay rates and, despite operating in areas of very low unemployment, did not have labour shortages. One of the banks reported setting rates relative to local pay rates, adjusted to recruitment difficulties.

*Contractual status*

Migrants working in the case study organisations included both employees and agency staff. The latter were temporary (including on fixed term contracts of just under a year), whilst many direct employees were also temporary. In some case studies, all employees started on temporary contracts, with employees moved to permanent contracts depending on their performance and demand. Agency temps might also be selected for permanent employment in the same way. Given the shorter length of service of A8 migrants, this meant that in some of the case studies, they were more likely to be on temporary contracts than were local employees. However, some of the case studies only recruited to permanent posts.

*Terms and conditions based on immigration status*
Case study employers were keen to stress that the terms and conditions of employment did not vary by immigration status. They commonly stated that, where A8 migrants and local workers were in the same job, the terms and conditions would be identical. It was reported that where differences did occur between the two groups these were based on criteria such as different levels of experience and the skill levels of jobs. Such differences were found to be common because, in some case study organisations, migrants and locals were not in the same jobs: migrants were sometimes found to be concentrated in lower skilled jobs, for example harvesting and routine assembly work. These jobs often had less favourable terms and conditions than jobs in which migrants were less numerous. Such work often involved piece rates rather than a fixed wage. Therefore, migrants were sometimes employed on different terms and conditions by virtue of the jobs they did rather than because they were migrants.

In practice, if not in theory, a number of employers were willing to be flexible over the terms and conditions of A8 migrants, in particular over arrangements for leave. For example, some employers granted unpaid leave for visits home, although this was usually granted on an individual basis and was not official practice.

*Terms and conditions based contractual status*
Many case study employers had mixed workforces of temporary and permanent employees, with many temporary employees hired through employment agencies. It was common practice for case study employers to employ workers via agencies on 'temp-to-perm' contracts. As agency workers, rather than direct employees, these workers generally had inferior terms and conditions to those of permanent employees. The length of time it took to progress on a temporary to a permanent contract varied between 13 weeks to up to 8 months in some cases. As A8 migrants were a disproportionately high percentage of recruits, they were disproportionately on these contracts and so tended to have worse terms and conditions than local employees.

Case study employers were asked about how terms and conditions of agency workers differed from those of directly employed temporary and permanent employees. Many said they were unable to answer this question because they unaware of the specific terms and conditions of agency staff. Where differences were identified by case study employers, they often involved pay, for example:

- while agency staff were usually paid the minimum wage or on a pro rata basis, permanent employees were likely to have a higher hourly rate of pay and be paid above the minimum wage;
- agency staff were sometimes paid on a piece rate basis (with total pay at the minimum wage level or above), while permanent employees were paid the hourly rate; (Wood Products Company, Wales; Construction company, Wales; Farm, Scotland)
- temporary and agency workers were not eligible for pay-related benefits such as access to pension schemes and pay bonuses.

Other examples of different treatment of permanent and temporary employees were found to include notice periods and annual leave entitlement: temporary workers were not always offered any paid leave but remunerated only for the time they worked. Where employers offered enhanced benefits, for example for maternity and paternity leave, these did not apply to workers on temporary contracts. Neither were they

entitled to other benefits which might be offered to permanent staff such as healthcare insurance. Differences were also found in training and development opportunities, with temporary and agency workers usually trained only directly for the work they were hired to do. Accordingly, promotion of temporary and agency workers was not common practice in the case study organisations.

*Terms and conditions based on length of service*
In the case studies, terms and conditions often varied with length of service. Differences in entitlement calculated on this basis could be substantial. The terms and conditions that were most likely to be enhanced by length of service were:

- annual leave
- sick pay
- pay (examples included incremental scales and training rates)
- bonuses and profitability pay
- sponsorship for training, such as NVQ level qualifications
- pension scheme participation.

In many case study organisations, migrants were recruited as permanent employees only relatively recently. Through having shorter length of service, their terms and conditions were inferior to local workers. However, many case study employers said that rates of turnover among migrants were relatively low (see Section 6.2.5). Therefore it might be expected that, in time, and with the proviso that they were given permanent contracts, A8 migrants would begin to benefit from entitlements based on length of service.

## 3.4 Characteristics of case study A8 migrant employees

Participating employers were asked about the characteristics of the migrants they employed, and about those of their non-migrant workers. In many cases, this information was provided as estimates and was not taken from employee records. Therefore it may not provide an accurate picture of the migrant workforce.

When estimating the number, or proportion, of migrants in the workforce, employers frequently referred to occupational groups. This often highlighted the degree of occupational segregation by gender as well as national origin. For example, hotels typically employed female migrants in housekeeping and cleaning roles and men as kitchen porters, while non-migrants predominated in management, administrative and reception roles.

### *3.4.1 Nationality*

In both Wales and Scotland, case study employers reported that their A8 migrant workers were predominantly Polish. In some cases, this was because the employer recruited from within Poland. For example, a bus company in Scotland had recruited several hundred drivers from within Poland in response to recruitment difficulties within the UK. In other cases, this was because the local area had developed a large Polish community. Other nationalities frequently mentioned by case study employers were Lithuanians, Latvians and Slovakians, with more occasional mention of migrants from the other A8 countries: Slovenia, Czech Republic, Estonia, and Hungary. Where

A8 migrants were predominantly of one nationality, this was either as a result of targeting or word of mouth recruitment. For example, a small manufacturing company in Wales recruited around a third of its production staff from Lithuania, with the assistance of a Lithuanian supervisor. In another case, recruitment through recommendation from existing employees had resulted in a predominance of Lithuanians and Latvians in the workforce of a Scottish food processing company.

### *3.4.2 Gender*

The gender composition of the migrant workforce varied between case study employers and also by occupation. A high degree of occupational segregation by gender was apparent both between and within the case study organisations. For example, the case study bus companies employed male migrants as drivers and the few women they employed were predominantly in cleaning jobs. Labouring and construction jobs were usually held by men while women predominated in areas such as healthcare, retail and banking. Mixed gender workforces were found in sectors including agriculture, food processing and other light production work, and in the hotel and hospitality industry. However, men and women were often reported as performing different tasks. For example, a Scottish soft fruit producer recruiting only migrant labour, employed women as fruit packers and men as pickers. Similarly, another Scottish fruit and vegetable grower employed mainly male migrants at the start of the season to construct tunnels but a more mixed workforce to pick the fruit. In the food processing industry less segregation was evident, but the explanation of one fish processing employer for the predominance of women in filleting suggests that gender stereotyping may be involved in job allocation:

> *'Women generally have smaller hands and are far better at using the small paring knives and building the packs of salmon than a great big navvy with big hands. You know, it's a fact of life'. (Fish Processor, Scotland)*

Across sectors, jobs such as forklift truck driving were commonly carried out by men and supervisors were invariably male. These patterns are unlikely to be explained by self-selection since, as we explain further in Chapter 5, migrants frequently made open applications rather than applied for specific jobs. In industries such as agriculture, food processing and hotels and catering applicants were often allocated to particular roles post recruitment.

### *3.4.3 Marital status*

Employers were asked whether their migrant employees were single or had partners and whether they had children living with them in the UK. Case study employers' knowledge of migrants' personal circumstances varied, largely according to the interest they had taken in their migrant employees' lives. Assorted arrangements were reported but it was found common for male workers to arrive alone or with friends and for any partner or children to arrive later. In some areas of Wales and Scotland settled communities, predominantly Polish, appeared to be developing. These were located in rural and coastal areas, as a result of employment in local traditional industries, as well as in towns and cities. Some variations were apparent by industry, with hotels and catering employing a younger, more transient workforce. The provision of accommodation may have attracted such individuals to work in this sector.

### *3.4.4 Comparison with the non-migrant workforce*

Patterns of migrant employment, particularly by gender, often reflected those of the non-migrant workforce, but not always. The main difference identified by case study employers was in age: some case study employers said that migrants were somewhat younger than local employees. This was particularly true of large male groups such as bus drivers. The younger age profile of the migrant workforce may be explained by several factors, the most obvious being greater mobility among young people and the presence of students in sectors offering seasonal work. A further factor was the high turnover of young workers in some industries and the presence of a small core of older, long serving local staff, particularly in administrative or support roles. A number of case study employers observed that the age profile of their migrant workforce had increased in the past year or so. They explained this with reference to an increase in non-student migration and to settlement of workers and their families. This development may lead to changes in migrants' expectations, for example they may seek more stable work and better pay and conditions.

### *3.4.5 Education, experience and English language skills*

The research explored how well matched migrants were to case study employers' jobs by asking employers whether migrant applicants and employees had the relevant skills, experience and qualifications for the work offered. As discussed in Chapter 2, the case study organisations covered a range of industries and occupations but the majority were labour-intensive, low skilled operations. Because of this, only some required specific skills or qualifications and some of these, for example bus companies, trained recruits instead of looking for experienced workers.

Where case study employers were looking for specific skills and experience, a number of problems were evident, most notably in the area of equivalence and recognition of qualifications. The least problematic area of recruitment was in health and social care. In this sector, the requirement to register with the relevant professional body, for example the General Medical Council or the Nursing and Midwifery Council, meant that only applicants whose qualifications were recognised as equivalent could apply. One area where problems were experienced was engineering, because of the possible range and level of qualifications covered and a lack of international standards. This problem was experienced by bus companies wishing to hire ready-trained mechanical engineers. There was also evidence that migrants who had applied for skilled work had not been recruited because of confusion among employers about their qualifications (see Chapter 4). In other cases, qualifications were used as an indicator only and recruits were put through UK certification courses in such areas as forklift truck driving. One hotel and restaurant in Scotland simply disregarded the hospitality industry qualifications of migrants, so that they joined at the lowest level and started SVQ training at Level 1.

Where case study employers were looking for experience, for example in such areas as personal care, customer service, catering and labouring, they were generally able to find these among migrants with relative ease, particularly if they used agencies. However, as stated above, many case study employers made the point that the jobs to which they recruited migrants did not require qualifications or experience and that the skills entailed could be obtained on the job. This applied particularly to jobs in agriculture involving picking and packing fruit and vegetables and in food processing, cleaning jobs and assembly work. However, while many jobs carried out by migrants

did not require qualifications and experience, they did involve learning processes and procedures and would be more accurately described as semi-skilled rather than unskilled. Case study employers therefore looked for aptitude and willingness to learn and for a positive attitude. As we explain in Chapter 4, migrant applicants were seen to possess such qualities in abundance.

Because of the low-skilled nature of the work for which migrants were recruited in the case study organisations, many employers did not collect information on the qualifications and experience they held. In some cases this was because the application process was relatively informal (see Chapter 4) and in others because only basic information was requested. Many case study employers did not know the work histories of their migrant workers and had little interest in their past. This was probably because of the dominance of low skilled jobs in these organisations and the limited relevance of past experience. This suggests there may be a missed opportunity to source other skills which are in short supply.

Some case study employers also said that migrants often did not give details of their qualifications and experience. We can only speculate on the reasons for this, but possible explanations include weak written English skills or concern that employers would be discouraged by high level qualifications. Because migrants often did not include full details of their qualifications, skills and experience, case study employers reported finding out such information after their recruitment. Although over-qualification was reported by many case study employers, others reported a change in the characteristics of migrant applicants. More recent arrivals were reported to have fewer academic and professional qualifications than those in the first wave of A8 migration. Although qualifications were generally not needed, case study employers did not necessarily see this as a positive development.

Case study organisations reported varying levels of English language competence among their migrant employees. Migrants' English was reported as ranging from fluent to non-existent. As one might expect, students and individuals with professional skills were reported to have better English skills than migrants educated to a lower level. Newer arrivals were also reported to have weaker language skills than those arriving in the first wave of A8 migration. This may also reflect a difference in educational background. A number of employers reported that the overall standard of English was improving, as a result of the growth of settled communities of A8 migrants in some areas. As a result of perceived improvements in English language, one hotel chain in Scotland had begun to employ more migrants in posts in bars and restaurants rather than in housekeeping work.

### 3.5 Previous employment in the UK

Some case study employers were aware that many of their migrant employees had not previously worked in the UK. This was most obvious to employers where recruits were not registered under the Worker Registration Scheme. However, this was not necessarily a clear indication: some case study employers reported that some migrants had worked for some time in the UK without registration or National Insurance (see Section 4.1). Where agencies were used to source migrants, either from within the UK or from within Eastern Europe, workers were often new to the UK. As we describe in Chapter 4, sourcing migrants directly from Eastern Europe had declined in the case study organisations and these employers were recruiting more migrants locally

without the involvement of agencies. Migrants recruited locally were thought to include more established residents as well as new arrivals.

Some case study employers were aware that their migrant employees had worked previously in the UK. In some areas, for example mid Wales, movement of labour was reported between local factories according to changes in pay and conditions. There was also evidence that migrants might have been moving into more skilled work, once their language skills had improved: some healthcare employers were aware that recruits to nursing auxiliary posts had initially worked in low skilled work within the UK before applying for their current posts.

### 3.6 Summary and implications

The research was based on the experience of employers from a number of different sectors and locations in Wales and Scotland. The 52 case study organisations were located in sectors known to employ migrants, for example agriculture and food processing, and some which were not. The research was designed to include a range of employers by size, location and extent of migrant recruitment. A small number of case studies which did not employ A8 migrants were also included. The case study employers hired migrants in a range of types of work. However, most only employed A8 migrants in unskilled jobs, which were often temporary and paid at or just above the statutory minimum wage. Some also employed A8 migrants in more skilled jobs, whilst a few had A8 migrants scattered over both skilled and less skilled jobs.

Employers were concerned to emphasise that migrants were employed on the same basis as all other workers and did not have inferior pay, terms and conditions. However, migrants were often found to be concentrated in jobs which offered the least favourable terms. It was also common practice for case study organisations to recruit through agencies and to use temporary contracts which again offered less favourable terms than permanent posts. Therefore, migrants terms and conditions did vary, but according to their mode of recruitment rather than because they were migrants *per se*.

The migrant workforce in the case study organisations was reported to be predominantly Polish. However, the dominant nationality varied between case study organisations, with some workforces largely Lithuanian and others with migrants from a range of A8 accession states. Variations were found largely where migrants were sourced from other A8 countries or where they were recruited through word of mouth.

Migrants were reported to be generally slightly younger than local workers, but this was said to be changing as families relocated to the UK. The main difference reported between migrants and local workers was in attitude to work, with migrants seen as more motivated and reliable.

Descriptions of the characteristics of migrants often revealed the segregated nature of employment in the case studies. Migrants were often concentrated in particular areas of work and, where British employees had been segregated by gender, migrants were also segregated[10].

[10] In some of the case studies, the gender segregation of migrants clearly identified the role of employers in creating segregation. Segregation can stem from employer discrimination and from

The English language skills of migrant workers were reported by case study organisations to range from fluent to non-existent. Students and individuals with professional skills were reported to have better English skills than migrants with more basic education. Newer arrivals were reported to have weaker language skills than those arriving in the first wave of A8 migration, which may also reflect a difference in educational background. At the same time, in many areas, case study employers reported that overall standards of English were improving as a result of the growth of settled communities of A8 migrants.

Case study employers were aware that some of their migrant workers were over-qualified in academic terms for their jobs and some had professional qualifications which were not being used. In some cases, this may be explained by the presence of students in temporary work. Some case study employers reported a change in the characteristics of migrant applicants. More recent arrivals were reported to have fewer academic and professional qualifications than those in the first wave of A8 migration. Although qualifications were generally not needed, case study employers did not necessarily see this as a positive development.

employee choice (and, in more skilled jobs, gender differences in skills). However, in some of the case studies, migrants had applied to the organisation and not to a specific post. The segregation was due to employers allocating them to jobs done by those of the same sex.

# 4 Recruitment of A8 migrants

## 4.1 Introduction

This chapter explores the reasons underlying the demand for migrant labour and considers the factors that influence whether migrants were employed. These include both absolute labour shortages and problems with the quality of labour supply. The chapter also looks at the reasons why some cases study employers were not employing A8 migrants. The chapter then looks at the process of recruitment, including use of agencies, advertising and the practice of targeting A8 migrants. Case study employers' experiences of using different recruitment methods are explored, including the role played by speculative applications and word of mouth. The chapter also explores the quality of applicants, practices in relation to references and checks and case study employers' experiences of using work permits.

## 4.2 Why employers recruit migrant workers

Many of the case study employers recruited A8 migrants because they had experienced difficulties with other sources of labour, particularly local workers. In some cases these problems were long standing, while in others they were more recent. While recruitment was the main problem for some case study employers, others had greater problems with retention: they could recruit locals but they would not stay. The quality of local labour was a problem for some employers. While some case study employers initially set out to recruit migrants to resolve these problems, others did not. Instead, having employed a few A8 migrants without targeting and finding them particularly good employees, they began to use methods resulting in their recruitment. These included use of agencies and recruitment through existing migrant employees.

Case study employers who did not recruit migrants gave a number of reasons for this. They included an absence of migrants among job applicants, a requirement for very good English language skills, often combined with technical skills, and very low job turnover.

### *4.2.1 Features of local labour markets*

There is no doubt that recruitment difficulties were a major driver for the recruitment of A8 migrants. Local labour market conditions varied (see Section 2.2), but for recruitment to unskilled posts recruitment difficulties were the norm. For example, one employer in the Scottish hospitality industry described how it faced acute shortages and competition from restaurants, bars, local authorities and banks when recruiting young people for housekeeping and porter posts. Such difficulties resulted in almost 60 per cent of the managers' time being spent on recruitment campaigns.

Difficulties were often attributed to low unemployment (‘*no one who is any good is unemployed’*) or, in areas of higher unemployment, that the unemployed did not want

to work or lacked basic employment skills. For example, a number of case study employers (in Wales and in Scotland) reported a particular problem in relation to the long-term unemployed who are likely to have lost or never gained general work skills, such as punctuality and regular attendance. Given the rural location of some case study employers in Wales, it is likely that transport contributed to difficulties in recruiting the local unemployed.

Case study employers had initially responded to recruitment problems in various ways, including offering slightly higher wage rates. However, for the case study employers of large numbers of low skilled workers, these strategies were not seen as sustainable so that, when A8 migrant workers became available, other strategies were generally abandoned.

### *4.2.2 The demand for low-skilled and flexible labour*

Many case study employers, in both Scotland and Wales, stated that the main reason they had recruited A8 migrants was because of long-standing difficulties with recruitment and retention, particularly for unskilled labour. They found it difficult to attract local workers to unskilled jobs and many would leave after a short period, before they had become fully productive. This raised costs of recruitment and training. Some employers had traditionally relied on local workers and sometimes students, either as permanent employees, or for seasonal work such as fruit picking. However, while students remained a key resource, problems were increasingly experienced with other sources of labour. Some case study employers had gone to some lengths to advertise vacancies locally, and had been disappointed with the local response.

Recruitment difficulties were exacerbated by:

- high seasonal demand for labour, for example for farms and holiday centres;
- high levels of turnover;
- rapid growth, for example having acquired new service contracts.

However, for many of the case studies, problems also stemmed from local workers not being keen to take (or remain in) low skilled jobs due to their nature and terms and conditions. The main problems were:

- the predominance of shift work and variable hours;
- unfavourable working conditions, including cold, noise and smells;
- pay at minimum wage rates;
- poor occupational or industry image.

The nature of the work was certainly a problem in some of the food processing case studies. As two such employers explained:

> *'Not everybody wants to work in a cold factory that smells of fish and be paid the minimum wage'. (Fish Processor, Scotland)*

> *'People don't like working with meat and cold'. (Meat Processor, Wales)*

Difficulties were reported in relation to shift work and variable hours. Some employers, including in food processing and agriculture, sought flexibility because of

the need to react to the varying demands of supermarket contracts. Others, such as hotels, required 24 hour staffing. Local workers were described as wanting to work regular daytime hours rather than shifts and unwilling to do overtime. Employers sometimes interpreted such preferences as being 'awkward' or uncooperative. The comments of an employer in the hotel sector illustrate this view:

> *'With Scottish people there are an awful lot of conditions attached [to employment] and what gets them are the working hours and the shifts and the wage'. (Hotel Chain, Scotland)*

While it was not uncommon for case study employers to express such views, some believed that local workers, and increasingly migrants, faced disincentives to work overtime and flexible hours because of possible effects on benefits, such as family tax credit or housing benefit. It was not possible to verify this. However, understanding the possible reasons for lack of flexibility did not affect employers' practices.

It is important to recognise that the jobs offered by many of the case study organisations were unattractive in a number of ways. Often these exhibited both undesirable traits, including their physical nature and difficult working environments, and poor terms and conditions. This applied particularly to jobs in food processing but also to jobs in other sectors, for example bus driving. Employers explained recruitment problems in this industry with reference to shift work and the solitary and stressful nature of the job. Therefore, it was unsurprising that these employers had recruitment and retention difficulties.

The image of the occupation or industry was also considered to contribute to recruitment difficulties in some cases. Case study employers in the hospitality and food processing sectors frequently referred to difficulties in recruiting young local workers because of the poor image of these industries and workers' perception of available jobs as 'dead-end' with limited prospects.

Although employers' accounts largely concerned recruitment difficulties for low skilled, low paid jobs, some examples were given of shortages in professional areas. For example, in the public sector in Scotland, a health trust had recruited migrants because of a shortage of dentists.

While labour shortages were the overriding reason why migrants were recruited, it was not the only reason. A small number of case study employers were recruiting migrants for their specific skills: a local authority employer had recruited Polish teachers so that the teaching workforce would reflect the growing student and wider Polish community in the area; and a high street bank in Wales was recruiting A8 workers to help improve their customer service and draw on their language skills to assist in selling financial products specifically to the A8 migrant community.

### *4.2.3 Quality of local applicants*

Many of the case study employers reported problems with the quality of local applicants. For a number of case study employers their experiences of employing local workers had led them to perceive many locals as unreliable, having higher rates of absence and sickness, a poor work ethic and attitude and less willing to work overtime. A number of employers complained about the quality of unemployed people recruited through their local Jobcentre Plus. These were described as '*generally unemployable*', (Fish Processor, Scotland), '*unsuitable'* (Nursing Home, Wales) and more likely to leave once they became entitled to benefits again. An

employer manufacturing wood products in rural North Wales explained the problem in the following way:

> *'The difficulties were with getting quality local applicants because unemployment here is very, very low at about 1.5 percent. Those who were unemployed we found…. were quite unemployable. They had a lot of social issues: drug-related problems, serious family issues.'* (Wood Products Company, Wales)

This employer explained that, while she had wanted to '*strike a balance*' between the number of local recruits and migrant workers, this had been abandoned because of problems of high turnover and unreliability among local employees.

While general problems were reported with local applicants in some areas, in some cases, Jobcentre Plus recruits were seen as deficient in particular qualities required by the employer. For example, the manager of a nursing home explained:

> *'Unfortunately, the kind of people we get from the Jobcentre don't have good communication skills. In some jobs you can get away with it, but in a care home you've got elderly people who are perhaps a little hard of hearing, can't see very well and are confused, it doesn't help'*. (Nursing Home, Wales)

Some case study employers complained that even when local workers were successfully recruited, this was often followed by rapid and high rates of staff turnover. Some employers who still relied on local workers reported turnover rates at almost 100 per cent per annum. As we explain in Section 6.2.5, a key advantage of employing migrants was their higher retention rates.

### *4.2.4 Employers' response to recruitment difficulties*

Faced with difficulties in recruiting local labour, some case study employers had used agencies to try to fill vacancies and retain levels of production. These agencies, also experiencing difficulties recruiting locally, had begun to look further afield for labour and focused on the A8 countries, particularly Poland. Therefore, employers recruiting through agencies found themselves recruiting Eastern Europeans either on temporary or permanent contracts. A small number of case study employers, including the agencies themselves and a bus company, set up recruitment facilities in Eastern Europe. These organisations purposefully targeted Eastern European labour, but were unusual in doing so. It is important to emphasise that many case study employers did not set out with the intention of recruiting migrants to resolve the difficulties they experienced. Rather, migrants were found to be an increasing source of labour at the same time as the local labour market was shrinking or declining in quality. This situation was described by a recruitment consultant in the Scottish Highlands:

> *'By January 2006 we were getting to the very bottom of what was available, employment wise. Then we had the influx of the foreign workers and they just came at the right time in the market because we had pretty much exhausted either people who had worked here and had not been suitable or anyone else who might fill these jobs'*. (Recruitment Agency, Scotland)

Many case study employers had not targeted migrants but said they recruited them simply because they had applied. This was most common in the larger conurbations where A8 migrant communities had settled and in particular within the hospitality,

agriculture and care sectors. Other case studies found that as a result of employing a few A8 migrants they were then able to rely on speculative applications being submitted, either because of local knowledge that the company recruited migrant labour or through word of mouth recommendations via the existing workforce.

Case study employers were often keen to emphasise that migrants had not been targeted and were considered on the same basis as other applicants and would be appointed based on merit and their suitability for the post.

### *4.2.5 Why employers do not recruit migrant workers*

A small number of case study employers were interviewed because they had not employed migrant workers in the last five years. Given the growing importance of migrants to the economies of Scotland and Wales, the reasons for not employing migrants were of interest to the research. A number of case study employers, including employers who did not employ migrants, were keen to stress that there had not been a deliberate policy to appoint local applicants over migrants. The reasons given most frequently for their non-employment of migrants were:

- not having received applications from A8 workers;
- the transferability and UK equivalence of qualifications; and
- the need to recruit individuals with good English and sometimes Welsh language skills.

A number of case study employers said they had not recruited migrants because they did not apply. These were generally for jobs involving more formal application processes. They also included an employer in the transport sector with very low turnover and therefore few employment opportunities. It was also apparent that fewer migrants were recruited where more effort was made to advertise posts locally. Migrants were far more likely to form a sizeable group in workplaces using agencies, speculative applications and word of mouth (see later). Conversely, it was also apparent that fewer migrants were employed where formal and lengthy application processes were used (see later), as, for example, in the finance sector. What is perhaps surprising is that many employers appeared to be unaware that the composition of their workforce, in terms of the balance of local recruits and migrants reflected their methods of recruitment and did not come about simply by chance.

A small number of employers recruiting to skilled technical and professional roles referred to difficulties in relation to qualifications. For example, an engineering company in Scotland had not employed migrants because of its requirement for engineers trained in imperial measures and with good spoken English. Problems were also reported in recruiting Polish teachers to posts in Scottish schools because of difficulties over the recognition of the Polish teaching qualification by the UK teaching authority. At the same time, some case study employers reported that a number of their employees who performed routine duties had professional qualifications, in such areas as law. Therefore, it is possible that some migrants facing barriers to practice in their own professional area, such as teaching, turned to less skilled work. It is also possible that some migrants who encounter problems with recognition of their qualifications decide not to stay in the UK, but this was beyond the scope of the research.

Some case study employers referred to the need for good spoken English and said they had rejected migrant applicants on such grounds. In Wales there was a preference among some case study employers for Welsh speakers. This was principally found in the care sector where staff needed to communicate with Welsh speakers, for example elderly people in care homes. In addition, locals were preferred for their understanding of local culture. The manager of a care home in rural mid Wales explained,

> *'I would prefer to employ a local person because they have their own accommodation, they may speak Welsh, their English would be better and they would have a slightly better understanding of the culture.'* (Care Home, Wales)

Other reasons for not having recruited migrants were based on the types of applications employers had received. For example, a retail employer in Scotland had rejected migrants on the grounds that the individuals applying were over-qualified and would be unlikely to stay long before moving to more suitable work. However this case study employer also described possible perceptions about A8 migrants' ability and aptitude.

> *'I suppose you perceive there to be more barriers than there are….. So you may assume they might have difficulties with the computer, and they might have difficulties with the customers on a one to one basis. It's not always genuine barriers, sometimes it's perceptions.'* (Optometrist, Scotland)

It is possible that the case study employers who did recruit migrants had such misgivings at first, but their positive experiences of employing Eastern European workers meant that such concerns were long dispelled.

## 4.3 The recruitment process: advertising and targeting

Case study employers recruited migrants through a number of different channels, including the following four main methods:

1. direct recruitment from the local labour market;
2. sourcing from within Eastern Europe through company recruitment initiatives or through agencies;
3. hiring through agencies based in the UK; and
4. hiring through intermediaries, or gangmasters.

Other methods used included advertising and recruiting through web-sites targeted at international job-seekers and in directories such as *Summer Jobs in Britain.* In addition, case study employers used different methods to recruit to professional posts, which, as described in Section 3.3, were rarely held by migrants in the case study organisations. These included web-sites and specialist publications.

### *4.3.1 Employers' use of agencies*

Whichever methods they currently used, many case study employers initially hired Eastern European workers through agencies. Some had continued to do so, while others had moved on to other methods of recruitment, including local sourcing.

Agencies were used either to recruit temporary workers, to deal with fluctuating labour requirements, or to source permanent employees. In each of these cases, the problem was essentially one of the local labour supply: of the quantity or quality of local workers. Some case study employers used agencies to target Eastern European workers, but this was not usually the main motivation, particularly at first.

It was apparent from interviews with a number of agencies that many individuals on their books were Eastern European migrants. In some cases this was because migrants were referred from sister agencies or collaborative ventures in Eastern Europe. For example, the manager of one recruitment agency in Wales explained how the company had experienced severe recruitment problems in the UK and had set up a division in Poland. This had recently been closed down because of the increased availability of workers locally, most of whom were migrants.

In other cases the predominance of migrants among workers on agencies' books was not explained by targeting on the part of agencies. Rather, it appears to be explained by the location of agencies in areas of Scotland or Wales with sizeable migrant communities. This in itself was no accident, since agencies clearly position themselves in areas of high employment demand, and migrants are likely to be attracted to these locations. It may also be explained by migrants' use of agencies rather than other methods of job search, such as newspapers and Jobcentres.

A number of case study employers combined the use of agencies with other methods, particularly local recruitment. This sometimes resulted in a workforce split between migrant agency workers and locals employed directly. One meat processing company in mid Wales purposefully engineered such a mix by asking its local recruitment agency to supply only migrants. A redundancy programme had reduced the size of the local workforce dramatically, but a number had been re-employed on zero-hours contracts. The HR manager explained the company's preference for recruiting migrants rather than local agency workers:

> *'We used to employ locals through an agency but two Christmases ago they let us down badly and I will not have a local person through the agency any more, because they don't turn up every day and the migrants do.'* (Meat Processor, Wales)

Other case study employers who saw migrants as a way of meeting their labour needs used methods other than agencies. A number of case study employers had made their own arrangements for sourcing employees from overseas, including from A8 countries. In some cases, these were effectively agencies, involved in initial screening, checking qualifications and other documents, but for recruitment to only one employer. These included a bus company which had recruited hundreds of Polish drivers. Prior to accession, the manager of a Scottish fish processing company visited fishing towns in Poland and Latvia, placing advertisements in local newspapers and then hiring a hotel room to carry out interviews for direct recruitment. Similarly, HR managers from a bus company visited Poland to post recruitment notices in shop windows.

A number of case study employers said they had used agencies in the past but no longer used this approach. Some reported negative experiences with agencies, including with the rates charged to the employer and with the wages paid to migrants. One employer in a fish processing company reported problems where an agency deducted the costs of accommodation from migrants' pay, bringing it well below the

level of non-agency staff. However, the main reason for a reported decline in the use of agencies was the increased availability of migrants locally. This allowed employers to cut out agency fees and to pay wages directly. A further reason for the move to direct recruitment was that case study employers were finding they could achieve the flexibility they required without the use of agencies: some case study employers had initially employed agency workers to cover peaks in production, typically caused by supermarket pressure on the supply chain, but had found that migrants' willingness to work overtime gave them this flexibility.

We have described how some agencies and employers themselves targeted migrants. Eastern European recruits were also targeted by other means, in particular through initiatives and use of intermediaries. For example, one health trust in Scotland described how it had targeted dentists from Poland through a scheme organised by the Scottish Executive. This was of limited success, since only two dentists were recruited, one of whom quickly left. However, the Trust was keen to be involved in similar initiatives in the future. The other way of targeting migrants was through the use of intermediaries or gangmasters. These were found in the fruit and vegetable picking sector requiring large numbers of seasonal workers. As with other methods, these were often combined with the recruitment of locals to more permanent roles, and the by-passing of the intermediary to hire 'returners' from Eastern Europe through email.

### *4.3.2 Speculative applications and word of mouth*

We have described how the use of agencies had been giving way to direct recruitment of migrants. Although case study employers cited advantages in avoiding the use of agencies, the main reason they could do so was because of an increased supply of labour. This larger recruitment pool was largely composed of Eastern European migrants, both newly arrived and established in the UK and local area. Employers in areas of settled Eastern European communities reported receiving many speculative applications from migrants. A common approach, and one which distinguished them from other jobseekers, was to make an enquiry in person, either individually or in a group. Individuals would be issued with an application form or asked for a copy of their CV. A number of case study employers said they did not need to advertise posts because of the stock of speculative applications held. Such applications were usually held for a period of several months and used to compile shortlists for interview. Case study employers welcomed the savings in advertising costs made possible by speculative applications.

Speculative applications were not necessarily seen to produce recruits of the preferred quality. Common problems were reported to include poor spoken and written English and incomplete information on application forms. These problems were less likely to arise and more likely to be disregarded if an applicant was recommended by an existing worker. Word of mouth was therefore a very common way of recruiting migrants. Whether there were vacancies or not, migrant workers were reported as keen to recommend a friend or relative, sometimes newly arrived in Britain. The advantages for the employer were that the existing worker could provide a reference. In some cases responsibility went further and included induction training and even giving notice if it did not work out.

For many case study employers the key advantage of recruiting through word of mouth was that an existing valued worker was able to recruit a worker with similar

qualities to themselves. Because such recruits are likely to be similar to existing employees, this is poor practice in terms of equal opportunities. A more general concern is that it does not allow fair competition for jobs. Case study employers appeared unaware of such concerns. For them it was an easy method of reproducing good quality employees. Because of its advantages, word of mouth had become the main method of recruitment in some of the case studies, and for some it was the only method for most work groups. These included employers in fish processing and other routine production, hotels, farms and agencies. However, many other case study employers were increasingly using either word of mouth or speculative applications, and often a combination of both.

### *4.3.3 Advertising vacancies*

Despite the important role of agencies, speculative applications, word of mouth and recommendations, case study employers still advertised vacancies. Methods used included advertising in local papers and on local radio and placing vacancy details with Jobcentre Plus. These methods were found to result in fewer applications from migrants and more applications from British workers. These methods were not used for high volume recruitment because they were generally found to yield small numbers of applicants. For this reason they were often not cost-effective, except in the case of Jobcentre Plus in Wales, where subsidies were given to employers recruiting from the long-term unemployed. Despite the relatively small number of applications resulting from local advertising, a number of case study employers were committed to using such methods. One of the reasons for this was to attract local non-migrant workers.

As we described in Chapter 8, case study employers in some sectors felt it necessary to retain a balance between migrant and UK workers. Some of these employers saw particular benefits in employing local people for reasons of language, cultural knowledge and image. Aside from such issues, which are discussed further in Chapter 6, some case study employers felt that employing local people cemented the organisation's link to the local community. A number of food processing companies in Scotland and Wales were long-established in their local communities and had employed generations of local families. Some had strong connections to local schools and colleges. Therefore many employers continued to advertise locally despite the availability of alternatives. Whilst one might have expected equal opportunities concerns to be a further consideration in continuing open recruitment, this was not identified in the study.

Although a number of case study employers felt an obligation to advertise locally, many reported negative experiences of this process. Aside from yielding limited numbers of applications, the main shortcoming of local applicants was in quality. Particular problems were reported with individuals moving from long-term unemployment. While recognising that some of these applicants were long-term unemployed and lacking in experience, many case study employers complained of the poor quality of applicants referred by Jobcentre Plus. Case study employers felt that jobseekers coming through this route had not been adequately screened for suitability and quality.

Findings from the case studies reflect the conclusions of survey research commissioned by Jobcentre Plus (Bunt *et al*, 2007). This has found that 75 per cent of establishments using their services were satisfied. However, employers expressed

greater levels of satisfaction with recruitment agencies, internet services and newspapers. The same survey found that the poor quality of candidates was one of the main reasons for dissatisfaction with Jobcentre Plus. In addition, it was found that the most commonly cited reason for not using Jobcentre Plus was that it does not produce the most suitable candidates. A number of case study employers referred to such problems with the suitability of candidates. Stories included a recruit to a fish works who hated the smell of fish and recruits to a poultry processing plant who were squeamish about touching raw meat. Some case study employers felt that their time had been wasted either by just interviewing unsuitable applicants or in taking them on trial only for them to leave or be dismissed. The HR manager or a food processing company in Scotland explained:

> *'I'll say this in a nice way: they were getting their statistics up and we became a dumping ground. They sent everybody and anybody to us. I went and met the Jobcentre and said, while we're prepared to help people, we run a business.'* (Food Manufacturer, Scotland)

Basic screening of jobseekers, to ensure that they understand the vacancy for which they were being referred, might help to prevent such mistakes and encourage employers to use Jobcentre plus rather than agencies or less open practices such as word of mouth and speculative applications.

### 4.4 The recruitment process: selection and interviews

We have referred to the informal processes used by some case study employers to recruit employees. Although variation was found, this informality was evident in approaches to selection and interview.

Case study employers hiring through agencies or intermediaries and gangmasters did not generally have a selection and interview process since this was part of the service provided by the agencies or intermediaries. However, employers who undertook this process themselves often described selection and interview as somewhat short and superficial. One of the reasons for this was that many of the case study employers were recruiting to low-skilled work and were not therefore looking for specific skills or experience. In addition, some were looking to fill short-term vacancies to cover peaks in production or for seasonal work. Employers' accounts suggest that the main selection criteria included reliability, flexibility and other personal qualities, and could not be easily judged by interviews. Therefore, to assess suitability, employees were often taken on trial.

Although informal or minimal methods were often used, some case study employers had more formal and systematic processes of recruitment. These included banks, care homes and bus companies. Some agencies also had more formal recruitment processes than many other case study employers. This is probably because of the need to establish applicants' skills and experience in order for them to be successfully referred to and placed with employers. This was not always achieved, however, and some case study employers said they had stopped using agencies for this reason.

Where formal processes of selection were used, it appeared that migrants were less likely to be recruited. The main exceptions to this were organisations targeting migrants, for example bus companies and agencies. There are a number of possible reasons for this. First, migrants may have been deterred by more formal processes

because they can be lengthy and involved: individuals arriving in the UK may be in urgent need of work and may be unfamiliar with some methods used in the UK. Another reason why migrants were less likely to be recruited through formal methods concerns language. A number of case study employers used initial telephone interviews. This clearly disadvantages applicants with weak or no English language skills, although it may be a fair method if spoken English is a job requirement. Migrants were seen to perform less well at interview than UK applicants if their spoken English was at all weak. They were also seen to fare less well on competency tests used by employers such as banks. The reasons for this are not known, but may include lack of familiarity with such methods compared to UK applicants.

Although migrants may have been deterred or disadvantaged by lengthy and thorough recruitment processes, English language was seen by case study employers as the key area in which migrants were likely to fail. Many case study employers required some competence in spoken English and used the interview to assess this. Participating employers did not appear to use formal methods to assess spoken or written English but relied largely on subjective judgement of the application form and responses to standard interview questions. An agency had to assess applicants' language skills in order to match them with employers but felt out of its depth in assessing English language. It is unlikely to be alone in this. There was evidence from the case studies as a whole that applicants were rejected on grounds of English language ability, or at least told to reapply when their English had improved. This applied particularly to agencies, which were less able to find work for applicants with poor spoken English.

Although English language was sometimes a reason for rejecting applicants from Eastern Europe, some case study employers gave assistance. This included agencies which assisted migrants in completing forms required for registration for its services. One agency went further by allowing applicants to complete psychometric tests in their own language. Some case study employers were able to provide a member of staff to interpret for applicants at interview. These included two supermarkets largely recruiting migrants for the night shift and a fish processing factory. In all cases, existing employees were used as interpreters. Other case study employers said that migrant applicants sometimes came to interview accompanied by an English speaker. Case study employers' views on this practice varied: a hospital found it helpful in assessing an applicants' level of understanding about the job, while a nursing home saw it as proof of poor English and therefore that the applicant was ineligible for the job.

### *4.4.1 Qualifications and experience*

As stated above, many case study employers said they were not looking for particular skills, qualifications or experience but to fill vacancies for jobs of a routine and repetitive nature. Rather than lacking the skills required by case study employers, many were aware that some migrant employees were over-qualified in academic terms for the jobs they were in. A number of participating employers were amazed that many of their migrant employees held higher academic or professional qualifications. For example, a Hotel Manager explained:

> *'We have vets working in housekeeping and people with degrees working as kitchen porters, but they can't get jobs in their field so they come and work at a different level'.* (Hotel, Scotland)

The presence of graduates and professionals was most evident to case study employers in the Scottish fish processing industry. Because of the availability of temporary seasonal work in this industry it is likely that many migrants were current students, as well as graduates. One of these remarked that:

> *'A lot of the people who come to the factory are very highly trained. They are educated, university educated and their skills are not relevant to the work they're doing'* (Fish Processor, Scotland).

Where migrants were treating this work as long-term rather than as a temporary form of employment while studying, some case study employers expressed concern for their situation. For example, an HR manager for a fish processing company stated:

> *"Most are highly intelligent people. I feel quite bad that they are in that situation."* (Fish Processor, Scotland)

Most case study employers saw few disadvantages with recruiting highly educated migrants, other than higher anticipated levels of turnover. In general, having such individuals was seen as an advantage in that they had good spoken English and could acquire skills very easily. This issue is discussed in greater detail in Chapter 6.

### *4.4.2 English language skills*

When recruiting migrants, participating employers varied in the importance they attached to English language skills. In the case study organisations, English language skills were seen as most important for jobs involving care and customer contact. Case study employers in the hospitality sector were influenced by the attitudes of some customers. As the Human Resources manager of a holiday park explained:

> *'If they're going to be front of house, they have to have a good command of English. Although we are quite a diverse working population, not all of our guests like that and some of them can be quite discriminative against Eastern Europeans. They have this attitude "they've taken all our jobs" type of thing, even though you couldn't get that person to do that job. So they've got to have a good command of English'.* (Holiday Centre, Wales)

Although recruits to jobs involving customer contact were generally required to have reasonably good English, many case study employers preferred to employ competent English speakers for other reasons, including general communication and team working. They were generally able to use this as a recruitment criterion (see Chapter 6).

Migrants with limited English were employed in food processing, cleaning in catering, night shift work in retail, room cleaning and kitchen portering in hotels and other 'behind the scenes' jobs. In these sectors, English language was a key criterion of allocation to jobs. Some case study employers felt they had little choice but to recruit some migrants with limited English, and relied on migrants with good English to translate. This was seen as less problematic where only one or two languages were involved and much more problematic where migrants spoke different Eastern European languages and little English. One employer in the meat processing industry identified a particular advantage to recruiting migrants from the same nationality:

> *'... that's another reason why I try to get them from the same nationality: so they can talk together and bond together'*. (Meat Processor, Wales)

In some sectors where employers recruited substantial numbers of migrants with weak or non-existent English language skills, this was not seen as ideal. However, non-English speakers were recruited through lack of choice and in the expectation that their language skills would improve. Some case study employers also referred to poor written English skills among local applicants and recruits, making the point that they were used to making allowances for literacy problems.

Although weak English was generally regarded as a drawback of employing migrants, one employer in the agriculture sector in South Wales identified a disadvantage in employing migrants with good English:

> *'It is better that somebody has some spoken English but it's not essential and, If I'm perfectly honest, if someone's English is very fluent, they don't tend to stay very long. They'll find a job that's cleaner generally. So most people that we lose are the English speaking ones'*. (Tomato Grower, Wales)

Although the turnover he described may reflect under-skilling, rather than language issues, it is nonetheless true that a migrant with good English has a far wider choice of employment than one without such skills.

### *4.4.3 Quality of applications from migrants*

Employers were asked about the quality of applications from A8 migrants and about their performance at interview. Aside from language, discussed above, case study employers referred to the information provided by migrants, their level of qualification and their attitude.

With regard to the completion of application forms, a problem was identified where migrants provided insufficient detail. Case study employers reported gaps in information about qualifications and experience. They also remarked on a tendency among migrants to make general applications, rather than to specific jobs (see Chapter 2). This may help to explain the lack of detail of qualifications and suitability, since migrants may have been concerned that by making these specific to a particular area of work they could be disqualified from other posts. The lack of detail found in some applications did not necessarily put migrants at a disadvantage, since applications from UK workers were also seen as deficient in some respects, often for reasons of poor literacy rather than completeness.

As explained in Chapter 2, where case study employers were looking for experience, for example in such areas as customer service and catering, they were generally able to find migrants with relevant skills. However, it is also important to reiterate that many of the jobs for which migrants applied and were recruited were of low skill and that case study employers were not necessarily looking for applications of good quality.

Despite many case study employers' lack of interest in qualifications, many were struck by the level of education and, in some cases, vocational skills possessed by migrant applicants. However, this was not necessarily apparent when migrants applied, often because they were not asked (see Chapter 2). Rather, case study

employers learned about the academic and professional achievements of some migrant employees after taking them on.

As explained in Chapter 3, although many jobs to which migrants were recruited did not require qualifications and experience, they did involve learning processes and procedures and training to semi-skilled level. Case study employers therefore often looked for aptitude, willingness to learn and a positive outlook. Migrants were seen to frequently possess these qualities in good measure and more so than many UK applicants.

### 4.5 References and checks

Employers were asked whether they asked for references and carried out checks, for example for criminal record. Case study employers' responses suggest a range of practices, with some employers conducting full identity and background checks and others doing nothing. In some cases, agencies took charge of these processes, relieving employers of these tasks, but making such recruitment costly for employers. Where employees were sourced directly from a number of countries, for example for holiday centres, using agencies to carry out background checks was seen as the only practical option.

It was common practice for case study employers to ask non-UK applicants for some form of identity such as a passport. This was seen as unproblematic and migrants were found to often carry identity documents with them. In contrast, UK workers were often found not to possess passports or other means of identity. Case study employers also checked whether applicants from A8 countries were signed up to the Worker Registration Scheme and had a National Insurance number. Absence of these rarely precluded employment but required employers to take appropriate action.

In a small number of cases, formal requirements existed to check applicants' qualifications and background, for example for posts in teaching, care work, work involving contact with children and finance. Where qualifications were a professional requirement, for example in nursing, checking these was relatively easy because applicants had to register with the relevant professional body before applying for jobs. Nevertheless, case study employers recruiting in areas such as care work and teaching were required to run various checks which were often lengthy because they involved overseas searches. Aside from the costs involved, the major drawback in conducting these checks was identified as loss of interest among applicants. One manager of a care home reported that nursing and care workers would sometimes find work in homes with more lax procedures.

While in some areas, checks were a formal requirement, in other areas references and checks were seen as more or less important according to the type of work involved. Therefore, the manager of a recruitment agency explained that for furniture removal, for example, references were not pursued, while for driving jobs they were. With the exception of some professions, for example nursing, the authenticity of qualifications was not generally checked, although qualification equivalents sometimes were. This finding reflects the type of work for which migrants were generally recruited which, as we have explained, did not generally require qualifications.

Where references were requested as part of a pre-employment check, a number of practices were adopted. They included writing to referees nominated by applicants

and acceptance of pre-written references. Case study employers requesting nominated referees had few difficulties where migrants had already worked within the UK. These were seen to be able to provide references quickly. In contrast, problems were identified in contacting referees in Eastern Europe. Employers were aware that writing to these referees in English might be unproductive, but did so anyway rather than arrange for translations. One exception to this was a food processing company which arranged for existing Eastern European staff to write letters in the relevant language on the employers' behalf. Often responses were not received, and migrants were employed without a reference. This practice is one indication of the low importance attached by many case study employers to references.

A number of case study employers expressed some doubt about the value of references compared to other ways of assessing an applicants' suitability. A number of participating employers felt they could judge this through a selection interview. For example the manager of an agency expressed the view that,

> *'Most of the time you just know whether they are going to be any good or not'*. (Recruitment Agency, Scotland)

The manager of another agency also explained that references were often not requested or followed up on the grounds of the limited information they contain:

> *'I'm not a strong believer in references. They mean nothing, especially in this day and age, when all a company will do is say they worked for them. That's as good as it gets. They're not prepared to put down any information'*. (Bus Company, Scotland)

Therefore, it was quite common for case study employers to state that, for manual jobs at least, references were never requested.

We have referred to the importance of word of mouth in recruiting migrants. In such cases, employers were often willing to rely on personal recommendation by an existing employee rather than request or follow up references. In addition, new recruits were often taken on trial. Migrants, and other employees found not to meet participating employers' requirements for performance or other criteria were simply not given permanent contracts. However, such action was reported to be rare and the judgements of employers and colleagues found to be reliable.

### 4.6 Experience of using work permits

For many case study employers, recruitment of A8 workers was not their first experience of employing migrants. Many had done so in the past, usually in order to meet labour requirements in the face of local shortages. This was often for temporary and seasonal work but some employers had also employed migrants for longer periods or for specialist skills such as research and development. To employ migrants legally many had used a variety of schemes and employed individuals through a range of permits, visas and schemes. Those most commonly used were:

- The Worker Registration Scheme (WRS)
- Student and Working Holiday Visas
- Work permits
- Sector based schemes in agriculture and fish processing

Smaller numbers of case study employers had been involved with recruitment through the following schemes:

- Government schemes such as the Fresh Talent: Working in Scotland Scheme (FT:WiSS)
- The Training and Work Experience Scheme (TWES)
- The Science and Engineering Graduates Scheme (SEGS)

While many case study employers made use of these permits and schemes, it was also apparent that some, sometimes unwittingly, employed some workers illegally. For example, a fish processing company reported having previously employed Brazilian workers presenting themselves as Portuguese and therefore having the right to work in the UK. However, most participating employers required ID such as passports to avoid this situation and to ensure that those they employed had the right to work in the UK.

As employers of A8 migrants, most case study employers had used the Worker Registration Scheme. Case study employers were involved in initial registration of A8 migrants and also in arranging certificates required for registered migrants starting a new job. A range of views were expressed about the operation of this scheme. It was generally seen as straightforward in requiring information which was easily obtained from prospective employees, along with a letter as proof of employment and a starting date. However, some case study employers were confused about how it operated. One employer had searched government websites for information about the scheme but was more confused than enlightened. In her view,

> *'The government websites were completely useless. They have four different websites and they all tell you different things. Some of these websites are not functioning anymore, yet they seem to be linked to each other. Its rubbish, it really is. It's a real pain and a worry.'* (Print Company, Scotland)

The main concern expressed by case study employers was, however, cost rather than bureaucracy. It was seen as expensive at £90 for each application. Some case study employers paid the fee for their employees. Others did not, but assisted employees by loaning them the fee and recouping the payment from the employees' wages.

Despite the paperwork and, sometimes, cost, involved with the Worker Registration Scheme, it allowed many case study employers to reduce or even discontinue their involvement with other permits and visas. This applied especially to employers in the agricultural sector who had used the sector based scheme SAWS. Other case study employers who had recruited applicants with work permits were also relieved at the relative ease of employing A8 migrants through the WRS. An employer in the fish processing industry explained,

> '*When accession states came in it was great, things became so much simpler.'* (Fish Processor, Scotland)

However, for many case study employers, accession had not dispensed with the need to deal with permits and schemes. Some employers in agriculture continued to use the sector based scheme and complained at the administration involved. It was not unusual for this to be done on their behalf by agencies, intermediaries and gangmasters.

Most case study employers did not use intermediaries for all or even any of their recruitment. Some of these employers had used a range of schemes and initiatives. As stated above, they included work permits, students and young people on working holidays and schemes such as the TWES and SEGS and FT:WiSS. Case study employers were generally more comfortable with schemes requiring the individual to make their own application, which then needed only to be checked for validity. This concerned, for example, student visas or the Highly Skilled Migrant Programme.

With regard to schemes requiring the employer to apply the general view of case study employers was that too much bureaucracy and time was involved, particularly for work permits. Some case study employers reported having to make numerous telephone calls for advice and receiving insufficient information.

Some schemes, including FT:WiSS and SEGS were seen as too short, allowing a stay or 24 and 12 months respectively. Therefore, the manager of an agency stated that graduates enrolled under Fresh Talent were working at the local Spar store. One employer in the hospitality sector had used the Training and Work Experience Scheme (TWES), for individuals outside of the EEA but found the rules and procedures difficult to understand, resulting in 'hours of paperwork'.

It is possible that some of the reluctance to use various schemes stemmed from lack of knowledge about their terms. For example, in relation to FT:WiSS it is conceivable that some employers did not realise that the period of extended stay was as long as two years. Indeed, it was apparent that some case study employers were in need of fairly basic information about migration and employment. Although most case study employers were aware of which countries were in the A8 group, one employer's (Construction firm, Wales) lack of knowledge in such matters had led to repeated applications for work permits for Polish staff, which were rejected without explanation.

While lack of knowledge relating to A8 migration appeared to be quite unusual in the case studies, it was reasonably common for case study employers to say they had purposely not involved themselves with work permits and schemes, employing only workers without the need for these. In some cases this was because employers had gone straight from recruiting locals to hiring A8 migrants as they became more available. However, this was not always the case. One employer in the hospitality sector in Wales had experienced labour shortages which could be met by employing applicants from Bulgaria and Romania, yet as the Human Resources manager explained,

> *'I've been telling them there are no vacancies because I don't know enough about the system to want to use it'.* (Hotel, Wales).

Other non-users were concerned about ease of use. Such concerns and confusion is likely to deter employers from recruiting migrants, resulting in lost opportunities for themselves and for potential workers.

### 4.7 Summary and implications

Many case study employers began recruiting migrants through agencies because of problems with the supply or quality of local labour. This was explained by low levels

of unemployment resulting in falling demand for jobs of low skill and low pay. Consequently, available local labour was of low quality, lacking experience of regular work and familiarity with work routines including punctuality and regular attendance.

Many case study employers had labour demands which fluctuated according to seasonal and market demands, including supermarket contracts. They wanted workers who could work shifts and vary their hours at short notice. Local workers were reported to find such terms unattractive for reasons which may include difficulties with benefit entitlements and childcare arrangements.

Case study employers who did not recruit migrants gave a number of reasons for this. They included an absence of migrants among job applicants, a requirement for very good English language skills, often combined with technical skills and very low job turnover. In a few case studies in Wales, Welsh and cultural familiarity was a further factor.

Many case study employers did not target A8 migrants, but simply found them easier to recruit and retain than local workers. Case study employers who had targeted migrants usually did so to meet particular, usually severe, recruitment needs. They met these through methods including agencies based in Eastern Europe and use of intermediaries and gangmasters. A small number of case study employers had targeted migrants with particular skills, for example dentists, but with limited success.

There appeared to be a move away from use of agencies as it became easier to recruit migrants directly. Case study employers were also increasingly meeting their labour needs through speculative applications and word of mouth. These methods were more likely to result in migrant recruitment, particularly where migrants were already employed. Recruitment by word of mouth and through speculative applications also reduced the costs of advertising and allowed for recruitment of workers with similar qualities to existing valued workers. Because such recruits are likely to be similar to existing employees, this is poor practice in terms of equal opportunities. A more general concern is that it does not allow fair competition for jobs.

Despite widespread use of agencies, speculative applications, word of mouth and recommendations, case study employers still advertised locally using newspapers and Jobcentre Plus among other methods. They did so partly to recruit local workers for reasons of language, culture or image or to retain a ‘balance’ between local and migrant employees. This commitment was sometimes shaken by bad experiences, including of recruits referred by Jobcentre Plus. These experiences deterred some case study employers from using their services and suggest a need for more thorough screening of clients before they are sent to employers.

Case study employers using more formal methods generally recruited fewer migrants than other case study organisations. The reasons for this are not known but it is possible that migrants may have been deterred by lengthy selection processes where their priority is to find work quickly. Other reasons may include language difficulties and unfamiliarity with methods such as competency tests.

When recruiting migrants, case study employers varied in the importance they attached to English language skills. These were important for jobs involving contact with the public, for reasons of communication but also image. Case study employers preferred migrants in other roles to have at least some spoken English, particularly for reasons of health and safety. For jobs where good spoken English was necessary,

employers used the selection process to assess language skills but did not always feel well-equipped to make such judgements.

Among case study employers the greatest demand was for workers to carry out low skilled operations, for example food processing, assembly work, catering and cleaning. These jobs required no previous experience or skills. Where qualifications were a requirement of the job, problems of recognition and equivalence varied between sectors: where registration was required with a professional body, as in teaching or nursing for example, this was straightforward. Elsewhere problems were reported and lack of understanding of qualifications obtained in Eastern Europe presented a barrier to recruitment.

Aside from language, some case study employers referred to problems with the quality of applications from migrants in the lack of detail provided about skills and experience. This is possibly a result of a concern among migrants to narrow their options by appearing more suited to some types of work than others. It may also reflect weak written language skills. However, reports from case study employers suggest that migrant applicants would be advised to improve their job application skills, particularly if they are aiming to enter more professional areas of work.

For some areas of work, for example care of the elderly, references and checks were essential and problems were reported in obtaining these. In other areas of work references were regarded as less important. Some case study employers went through the motions of contacting referees in Eastern Europe but others accepted pre-written references or none at all. Case study employers were often happy to have the recommendation of an existing worker and to use a trial period to assess suitability.

Case study employers had experience of using a number of work permit schemes. The Worker Registration Scheme was found to be relatively straightforward. Case study employers were generally more comfortable with schemes requiring the individual to make their own application, and disliked the amount of paperwork involved in applying for some work permits. The Scottish Fresh Talent: Working in Scotland Scheme (FT: WiSS) was not widely used by case study employers because they did not aim to recruit graduates. A few case study employers were not clear about the terms of A8 migration. There were indications that concern and confusion about permission to work may deter some employers from recruiting migrants, resulting in lost opportunities for employers and potential employees.

# 5 Settling in

## 5.1 Introduction

An employer of migrant labour can expect new entrants to have needs in relation to settling into the UK. While these needs will vary according to intended length of stay, they will include accommodation, banking and information about services in such areas as transport and health. They may also include language tuition. Clearly, such needs can be met by employers or through other means. It was beyond the scope of the research to establish the extent of such assistance by employers. Such information would be best obtained from migrants themselves. Rather, the research aimed to establish how migrants' needs in relation to settling in affected employers and the assistance that employers provided. The research also aimed to establish what additional support employers felt was needed by migrants, and by themselves as employers of migrant labour.

## 5.2 Migrants' needs for assistance with settling in

Case study employers made a distinction between migrants' needs for assistance in relation to employment and wider social needs. In both areas, migrant workers' needs for assistance with settling in were seen to vary according to how long they had been in the UK and whether they were single or in a family unit. Employers varied in the thought they had given to this issue and it was clear that in many cases migrants had settled in quickly and had made few demands on their employers.

### *5.2.1 Migrants' needs for assistance with settling in at work*

In relation to work, case study employers saw the principal need for assistance to be with matters such as registering with the WRS, obtaining a national insurance number and opening a bank account. Although new arrivals were seen as more in need of such assistance, a number of employers reported that some migrants had worked in previous jobs, including in public sector organisations, without having registered with the WRS or having obtained a national insurance number. However, in general, more established migrants were seen as in less need of assistance with such matters, along with those recruited from agencies which were believed to have been provided with the necessary help.

While settling into their current jobs was seen as relatively straightforward, some employers were aware that migrants were sometimes working outside of their own skill area and were therefore more likely to be mobile and unsettled. Therefore, a small number of case study employers talked of the need for greater awareness among migrants of the UK equivalents of their academic and vocational qualifications. For example, the manager of a care home stated that,

*'……..with a bit of guidance they could probably work in occupations which use their qualifications.'* (Care Home, Wales)

However, employers did not feel they could provide such assistance themselves because this was an area in which they often lacked knowledge.

### *5.2.2 Migrants' needs for wider assistance with settling in*

Outside of work, migrants were seen as in need of assistance and information about accommodation, health services, state benefits, schools and local services such as transport and post offices. As with work-related assistance, individual needs were seen to vary according to personal circumstances and length and permanency of residence. For example, in relation to health and dental care, migrants were sometimes reported to access these services during visits home to Eastern Europe rather than use local provision. We can only speculate on the reasons for this, which may have included language and communication issues, availability of personal records, perceived quality of services, and costs of dental treatment.

Employers were asked about the impact on their organisation of migrants having to make arrangements in relation to settling in the UK. Migrants were seen to sometimes need time off work to arrange personal matters such as finances or housing. However, this rarely affected the organisation because many of the case study organisations had shift systems and therefore could arrange for individuals requiring time off to re-arrange their shifts. In addition, employers did not pay migrants for any time off work to arrange personal matters. Therefore, aside from occasionally having to rearrange work rotas, migrants' needs to make arrangements in relation to accommodation and other matters relating to resettlement had little impact on employers.

Employers were asked about state provision of assistance to migrants in settling in. In many cases, case study employers had clearly given little thought to whether migrants might be in need of further help. However, areas in which this might be of benefit included the following:

- Increased availability of language tuition
- Affordable housing
- Information about health services, transport, churches and other local services
- Information about benefit entitlements

In most cases, employers had become aware of these needs through being approached by migrants requesting such information.

## 5.3 Employers' role in helping migrants to settle

The main areas of assistance provided by case study employers were with registering with the WRS and obtaining a national insurance number. Case study employers often wrote letters confirming employment for migrants to open bank accounts. Assistance was also given with form-filling. On non-work matters, they wrote letters confirming employment for migrants seeking to rent accommodation. Further help given by case study employers included assistance with completing forms for child benefit claims. It was apparent that some managers provided considerable additional help, for example assisting with accommodation problems, or help with sending money back home.

Managers appeared willing to give such assistance and did not resent the additional demands on their time. Where case study employers felt unable or reluctant to provide advice and assistance, they sometimes referred migrants to other sources of information, for example the Citizens Advice Bureau or a Jobcentre Plus European Advisor.

Employers were asked specifically if they had experienced difficulties arranging wage payments to migrant workers and had to provide assistance. Many reported that this had been a problem in the past, with banks often reluctant to allow migrants to open accounts. The reasons for this were unclear but were thought to have included lack of a UK identity or permanent address. As a result of such problems, many case study employers had developed a relationship with one local bank which would open accounts for employees. At the same time, banks were thought to have become aware of the potential business to be gained from migrants and that migrants were finding it easier to open accounts. The manager of an agency explained that it was offered payment for every successful referral of a migrant worker. Employers said that migrants often already had bank accounts and that they did not need to refer them or assist them in making an application. However, it was also reported as common for migrants not to have an account or to arrange for their wages to be paid into the account of a friend or relative. The reasons for this are not known.

The greatest degree of assistance with settling in the UK was provided by organisations engaged in high-volume recruitment from Eastern Europe. For example, a bus company recruiting in Poland to locations throughout the UK, including Scotland, provided language training, arranged accommodation for families, schools for children, opened bank accounts and carried out ‘orientation training’ about their new location prior to arrival in the UK. Information packs provided to recruits included general UK and local information, including local newspapers and maps. This degree of support was unusual. However, a number of case study employers, particularly in Scotland, were aware of the information needs of migrants and distributed information produced locally for new arrivals, for example by local authorities. This included information packs and pages of information for migrants printed from local authority websites.

Some case study employers who used agencies believed that migrants were well-assisted by these, for example in finding accommodation and settling into the local area. This may sometimes have been an assumption since the case study agencies did not always seem to provide such support. As we explain later, other case study employers felt that migrants were well supported by local Eastern European communities and therefore did not need assistance.

Some case study employers arranged accommodation for migrants, and sometimes for other staff. These were largely employers of temporary workers, including students, on farms or holiday parks, or workplaces with a supply of on-site accommodation, such as hotels and care homes. This accommodation included caravans and chalets. Accommodation was not regarded as a benefit to employees but as a necessary facility to recruit migrants to isolated workplaces and to jobs in areas with a shortage of low-cost housing. We were not able to judge the quality of the accommodation provided but there were indications that it was sometimes wanting in some respects, for example in one case, builders were housed in the holiday cottages they were renovating at the time. Some participating employers experienced difficulty in recruiting migrants because of accommodation shortages and were providing

accommodation for the first time. One employer with a migrant workforce of more than 20 had purchased 'two or three' houses locally, but it is not known whether these housed all the migrant employees.

### *5.3.1 The availability of informal help with settling in*

Although case study employers were able to identify the main requirements of migrants for further information and resources, many felt there was no need for employers to provide migrants with information about settling in the UK and how to access provision such as housing and services including schools. The main reason given for this was that such help is easily available outside of the workplace. Even new arrivals were seen as well-catered for in terms of access to information, resources and services. This view was particularly prevalent in areas where the Eastern European, usually Polish, community was seen as sizeable but was even found in areas with more mixed migrant communities, for example Scottish fishing towns. Apart from general support and information from the community, Polish shops and the Catholic Church were seen as information hubs. It was assumed that migrants used these services as sources of information and assistance and that they were able to meet their needs. Whether such assumptions are correct or false is not known, but case study employers saw the presence of Eastern European establishments, particularly Polish corner shops, as making more effort on their part unnecessary. For example, the manager of a small company in Aberdeen reasoned:

> *'To be honest, I think there's enough information. This is little Poland as they call it and there's enough help. There are also evening classes for them to learn English so we as a company don't provide anything.'* (Wood Products Company, Scotland).

Some case study employers appeared almost resentful of the apparently close communities that Eastern European migrants had rapidly built and the services they could access. This was evident in the remark of one employer that,

> *'If I turned up in Poland there wouldn't be anything for me'.*

It was not only the presence of Polish shops and churches which was seen to make employer assistance unnecessary. A number of case study employers referred to the size of Eastern European communities and their ability to assist one another. For example, the HR manager of a manufacturing company in mid Wales argued:

> *'It's one of these critical mass things. There's a sufficient number of Polish people that there's a network locally which can help on an informal basis'.* (Electronics Manufacturer, Wales)

Whether such assumptions were accurate is not known. However, many case study employers felt that such local resources discharged them of responsibility for assistance other than in areas already provided.

### *5.3.2 Language classes*

We have referred throughout the report to the importance of language, as a criterion for recruitment and deployment, for training and understanding instructions and for development. In recognition of the importance of acquiring English language skills, both to migrants and to employers themselves, a number of case study employers had arranged English language classes. These were usually delivered by external tutors on

the premises with funding from external agencies such as the Workers Education Association (WEA) or by colleges accessing support from the European Social Fund (ESF). Organisations providing English language courses included a bus company, a number of fish processors, a care home, two farms and a holiday centre.

While seeing such provision as useful in principle, employers did not always know how beneficial these classes had been to migrants and whether their language had improved as a result. A few case study employers reported problems with the courses provided, for example with the level or the methods used. One large retail employer reported dwindling attendance at the classes arranged by the company. It is puzzling that, despite knowing that classes were not meeting the needs of migrants, employers did not seek to improve this provision. One possible explanation was that they were not used to making such arrangements and saw their responsibility as extending only to fixing up courses rather than assessing their benefit.

Some case study employers who had not arranged English language classes saw potential benefit in such provision. These included improved communication and reduced costs of interpreting and translating. The case was made for more state provision of English language courses with reference to the benefits to be gained to individuals and employers. At the same time, it was clear that case study employers were reluctant to pay for English language classes and would only contribute in kind, for example providing space and allowing flexible working for migrants wishing to take part. Employers' responses therefore suggest that any expansion of workplace provision of English language tuition will need to be subsidised and rely only on minimal employer contributions. Other case study employers were keen to have information about local classes which they could pass on to migrants but did not support workplace provision.

Although some case study employers did organise English language provision for migrant workers, many others expressed the view that this was outside of employers' remit and that migrants should make such arrangements themselves. A number believed there were evening classes in English as a second language (ESOL) locally and that some of their employees had enrolled. However, it was also apparent that migrants might experience some difficulty attending such classes because of shift work or regular over-time. Unpaid leave was sometimes given for employees to attend classes but it some cases it was apparent that the shift system would make attendance at classes difficult. For example, a medical equipment manufacturer ran a shift system of two 12-hour shifts with a rota of four days on and four days off. This employer provided no assistance with English language yet provided packages for staff wishing to learn a foreign language for travel and tourism. Providing similar resources for Eastern European staff to learn or improve their English would therefore have been a small step.

Case study employers were sometimes aware of barriers to attending classes but did not feel they could assist, either because it was seen as difficult or because they did not view it as their responsibility. A small number expressed the view that it would be unfair to provide additional support for migrants but not for non-migrants. For example, the HR manager of a fish processing company asked,

> *'If we are doing that, what are we doing for local staff?'* (Fish Processor, Scotland).

This dilemma arose because employers in some of the case study industries were not accustomed to providing their employees with anything beyond the minimum wage and statutory terms and conditions. It also reflects a concern not to give special treatment to migrant workers.

*Other assistance with language*

As one would expect, case study employers recruiting new arrivals reported the greatest problems in relation to language. As explained in Chapter 4, interviews were often informal but it was still necessary to obtain basic information about applicants' backgrounds and to make assessments about suitability for particular posts. Therefore, where applicants' spoke little or no English, many of the case study employers organised for interviews to be conducted in their own languages. In some case study organisations induction and training was also delivered using translated materials or interpreters. In most cases interpreters were drawn from the workforce, and were paid their normal rate or given an overtime payment. Some case study employers had arranged for materials to be translated and one vegetable grower had accessed funding for training DVDs to be produced in a range of A8 languages.

## 5.4 Information and assistance needed by employers

Case study employers were asked about their own needs, as employers and identified a number of areas in which they would welcome clarification and assistance. The first of these was for greater clarity about the Worker Registration Scheme (WRS) (see Section 2.3). Arrangements for obtaining a National Insurance number were also unclear to some case study employers. Problems included whether appointments could be arranged at a time to suit the employer or employee and what documents a migrant had to provide. Confusion over necessary documents had led to migrants having to re-schedule appointments, resulting in more time off work and loss of pay. In some areas, particularly Scotland, distances to attend meetings in relation to National Insurance were considerable, leading to loss of employers' time and migrants' pay.

A number of case study employers were in need of guidance about who they could employ, in terms of country of origin and other characteristics. While most were reasonably clear about which countries belonged to the A8 group there was widespread confusion about the status of A2 workers and of the workings of programmes such as the Working Holiday Makers' Scheme and conditions of student visas. We described in Chapter 4, how one employer's lack of knowledge in such matters had led to repeated applications for work permits for Polish staff, which were rejected without explanation. Such confusion is likely to deter employers from recruiting migrants, resulting in lost opportunities for themselves and for potential workers.

Some case study employers said they would like information about qualification equivalents. These included academic as well as vocational qualifications: one particular area of confusion surrounded qualifications described as 'diploma' and whether these were intermediate qualifications, equivalent to 'A' levels of NVQ level 3, or to a university degree. Some non-employers of migrants identified knowledge of qualification equivalents as a barrier to their recruitment. These employers wanted an easy and reliable method of mapping the qualifications of migrant applicants against

UK qualifications. As described in Chapter 2, some case study employers wanted to establish migrant's credentials with a view to making better use of their skills, and this also required understanding how they mapped against UK vocational qualifications.

Case study employers also wanted materials to pass on to migrant recruits, including information on local services such as healthcare, schools and transport. As described above, some employers also said they would like information about English language courses in the local area to give to migrant employees.

Some case study employers with an established reputation as high volume recruiters of migrants found themselves in the position of giving advice to less experienced employers. Much of this was through presentations at seminars and articles in employer publications. One such employer, in the transport sector, had become aware of the unmet needs of other employers for information and advice on relocating and settlement of migrants and believed that this should be provided by government rather than by employers such as themselves.

Case study employers also expressed a need for resources, as well as for information. These included signage in Eastern European languages, for example warning signs such as 'overhead cables' or 'radiation risk' and documents covering workplace policies and procedures. Some case study employers had accessed materials produced by industry bodies, for example sector skills councils. These included health and safety materials produced by the Construction Industry Training Board (CITB). However, in most cases employers could not access such help or did not know where to obtain it.

Many case study employers made their own arrangements to have resources translated. Signage was relatively easy to translate, with many participating employers utilising the translation skills of current Eastern European staff for this purpose. Documents presented more of a challenge because they were lengthy and involved technical language which was seen as too difficult even for migrants with good English to translate. Case study employers wanted to have key documents in such areas as health and safety in employees' first language, particularly for migrants with little or no English. While some employers had arranged to have such documents translated, others had not done so for reasons of cost. Therefore, documents were often only translated when essential and where accuracy was critical. For example, one wood products company had arranged for a member of staff to translate signage into Lithuanian but had hired a translator to produce a waiver form for migrants to opt out of legislation on the maximum 48 hour working week. Other case study employers, including agencies recruiting large volumes of migrants with little or no English, were clearly failing to explain employees' statutory rights and health and safety matters. The manager of one agency saw employers' unwillingness to pay for translated documents in such areas as safety as contributing to workplace accidents among migrants. Although it is an employer's statutory duty to ensure that health and safety legislation is properly applied, this manager believed that, in view of employers' unwillingness to pay for translation services, governments should provide such services free of charge to prevent injury to migrant workers.

## *5.5* Summary and implications

Migrants had varying needs for assistance with settling in, both relating to employment and more broadly in relation to living in the UK. Case study employers routinely assisted migrants in registering with the Worker Registration Scheme (WRS) and with obtaining a National Insurance number. They also assisted migrants with opening bank accounts. Some employers clearly spent much time assisting with these matters as individuals and also with non-work issues. They were generally very willing to provide this assistance and did not regard it as a burden. Employers in certain circumstances provided accommodation but this was not regarded as an employee benefit but necessary to recruit migrants.

Case study employers providing most assistance were those engaged in high-volume recruitment direct from Eastern Europe. In such cases, information about life in the UK was included along with more basic assistance with re-settlement. Other case study employers were also aware of information needs and sourced this information locally. Many others did not provide such assistance, on the grounds that it was not their responsibility or that these needs were being met elsewhere. A number of case study employers expressed the view that migrants' needs were well provided for by agencies or by local migrant communities. Polish shops and churches were typically viewed by case study employers as information hubs. Whether they served this function is not known, but it appeared to be an assumption rather than based on knowledge of these establishments.

In recognition of the demand for classes and the need for migrants to improve their English, some case study employers organised tuition through external organisations. Case study employers were disinclined to pay for such provision and were not always willing to help in other ways, for example re-arranging shifts to enable employees to attend classes. The research findings suggest that any expansion of English language provision for migrants through workplaces will need to be subsidised and involve minimal inconvenience to employers. An alternative would be for employers to be better informed about local provision in order to advise migrants.

Case study employers had a range of needs for information and resources. These included clear guidance about the Worker Registration Scheme (WRS) and how to obtain a National Insurance number. A need was also identified for information about qualification equivalents and recognition of those gained in Eastern Europe. Case study employers also expressed a need for resources in Eastern European languages. These included signage and documents covering workplace policy and practice. There was evidence that lack of translated materials was resulting in a failure to explain employees' statutory rights and health and safety matters in some cases.

# 6 Performance in the job

## 6.1 Introduction

The study investigated employers' experience of A8 migrants in the workplace: their performance, progression, integration with the local workforce and customer response. All the case study employers commented favourably on A8 migrants' work performance, many finding it better than that of local employees, although others found it similar. The balance of case study experiences will have been affected by our choice of case studies. In particular, the jobs in which many of the case studies employed A8 migrants were low paid with undesirable conditions and many had difficulty attracting and retaining good local staff. Therefore, the findings should not be interpreted as meaning that employers in general would find A8 migrants' performance to be better: quantitative research would be necessary to determine this. However, the types of ways and circumstances in which employers appeared to benefit (or not) for the type of jobs in which A8 migrants were employed in the case studies is of interest and is discussed below.

The next section describes the job attributes which case study employers said distinguished their A8 migrant employees from their local employees. Section 6.3 discusses how these perceived differences might be related to the types of jobs done by the A8 migrants in the case studies. One of the issues raise in the case studies was whether migrants *per se* were better or whether this was connected with their migrant status. This is discussed in Section 6.4. The following chapters of the report turn to other aspects of performance: progression (Chapter 6.1) and relations between A8 migrants and others (Chapter 8). The final chapter provides a summary of the key points.

## 6.2 Job related attributes of A8 migrants and locals compared

Many of the case study employers found that, on average, A8 migrants and local employees performed differently. A number of employers described their A8 migrants as having a better work ethic. This tended to encompass a wide range of attributes, including harder working, more reliable, lower absence, greater flexibility and greater willingness to work longer hours. These and other ways in which A8 migrants and locals differed are described below. With the exception of English language skills and, for some case studies, turnover, differences were always in favour of A8 migrants.

A number of employers described migrants hard working and more productive than local workers. For example, the manager of a wood products company in North Wales explained,

> *'Their work is 100% better than an English worker. They work faster, they produce more. At the end of the day they are better for our company'.* (Wood Products Company, Wales).

For some case study employers, productivity was often combined with greater reliability and responsibility. These were among the qualities many case study employers valued most in their migrant workers. In these respects they were frequently contrasted with local workers. As an employer in the fish processing sector explained:

> *'They'll readily accept responsibility and be accountable. Locals tend not to want responsibility. We now have fewer disciplinary problems, less people with bad attitude and are more confident we can get the job done.'* (Fish Processor, Scotland)

Similarly, the manager of a care home in Wales, who had initially been reluctant to recruit migrants explained,

> *'You get reliable, flexible, pleasant, hard-working staff who work to a high standard of care, who respect each other, who respect the residents, respect the staff and will go out of their way to please you. They don't take time off for minor illness or family problems'.* (Care Home, Wales).

Sometimes the contrast with local workers was implied, but a number of employers were highly critical about the qualities of non-migrants they had employed. For example, the line manager in a bakery described his experiences as follows:

> *'The majority of them couldn't be bothered to get out of bed and never wanted to do any over-time……. They wanted money for nothing basically. They don't want to work'* (Food Manufacturer, Scotland).

It is important to acknowledge that many case study employers offered some of the least desirable work in the jobs market. It should therefore not be surprising that many had only been able to recruit locals with few other employment options. For this reason, many local recruits had problems such as drug and alcohol addiction. This had resulted in violence and other behavioural problems. As the manager of a fish processing plant explained,

> *'Some of the staff we used to employ were pretty threatening. A lot of people were taking drugs or were alcoholics and violence was common. This no longer exists. There's a less threatening culture now'.* (Fish Processor, Scotland)

While such experiences were not commonly reported, problems with poor work attitude and attendance were widely experienced. As another employer in the fish processing industry stated,

> *They won't turn up in the morning, or their attitude won't be good. Usually they are dismissed for absence. Sometimes you get the odd gem who will stay with you forever, but it is unusual'.* (Fish Processor, Scotland)

An abattoir, which used an agency for unskilled workers, had asked it to only send them migrants because they had been found to have a better 'work ethic'. It was

reported that locals hired through the agency were unreliable, frequently failing to arrive for work and being unwilling to do overtime, for fear of losing state benefits. This employer described the advantages of employing migrants:

> *'Their work ethic is extremely good. They don't have time off like our own employees and they will work overtime. If our employees would have worked overtime we wouldn't have gone looking elsewhere to be honest'*. (Abattoir, Wales)

It is important to acknowledge that many of the jobs offered by case study employers were not attractive in many respects. They included uncomfortable, cold and noisy working environments, repetitive tasks and paid the National Minimum Wage. Therefore, it is not surprising that local workers did not show commitment to such jobs. It must also be emphasised that case study employers did not have only negative experiences of local workers and many had valued employees recruited from local communities.

### *6.2.1 Attitude and work input*

A number of employers described their A8 migrants as having a better attitude to work, being both harder working and more flexible over tasks and working times. One employer in a fish processing factory described how migrants were more willing to carry out general cleaning duties associated with their job, while locals would leave this work for other workers to do. Willingness to do shift work and to change hours at short notice was a further difference reported between migrants and local workers. As the HR manager of a bakery in the Highlands explained:

> *'If you say to migrant workers you'll be working from 1 o'clock until 10, the late shift, they'll be here. They'll be here at 1 o'clock, they'll stay until 10 o'clock and they won't complain. If you tell the locals they're on the late shift, they'll immediately start saying, can we not work 8 til 4, can we not work 9 to 4, they just start moaning and groaning or don't come'*. (Food Manufacturer, Scotland)

Similarly, the manager of an abattoir in Wales stated:

> *' When you ask [migrants] to do overtime, they are very willing to stay and recently we had an inspection and there was a lot of cleaning and painting/ repair work and they're volunteering to do that as well. It's always really, really good when you have a crew of people willing to help us out like that.'*, (Abattoir, Wales).

### *6.2.2 Absence, reliability and discipline*

A8 migrants' lower absence and greater reliability, including being more likely to turn up for work, was a recurring theme in many of the case studies.

Some employers had experienced problems with employees failing to arrive for work and then leaving part way through the day. Such action caused severe problems in relation to output and increased the workload of other employees. Where employers were under pressure to meet the demands of clients, such as supermarkets, absence and poor reliability were particularly serious. As an employer supplying vegetables to a large supermarket chain said of his migrant workers:

> *'Their reliability is an asset. There's never a day when I wake up thinking I wonder how many guys are going to be there today, so that is very valuable. They have a great work ethic.* (Farm, Wales).

Similarly, the representative of an estate in Scotland said of its migrant tradesmen:

> *'They had a good attitude to work. They turned up on time and stayed all day. They didn't disappear during the working day'.* (Estate Manager, Scotland).

Reports from agencies suggest that such experiences of migrants are widespread rather than confined to a few employers. As the manager of an employment agency in Wales explained:

> *'A lot of our employers find local workers unreliable, and are actually asking for Polish or so candidates. Of course we say we can't be specific it is down to who is available. But employers have been let down - they're late, they don't turn up, they're lazy and they say (about the wage rate) 'well I'm not getting out of bed for that'. It is really difficult with local workers as, although you get some good workers, they let us down a lot.'* (Recruitment Agency, Wales).

Lower rates of sickness absence were also reported among migrants, compared with local workers. Clearly, where migrants were employed through agencies, as they sometimes were, this would result in loss of pay. However, lower sickness absence was also reported among directly employed migrants. The manager of a nursing home in Scotland stated:

> *'They have not learnt to skive as well as the local workers yet! The [local's] sickness levels are significantly higher and [A8 migrants] work harder… have the attitude that they are here to work and will work almost every day.'* (Nursing Home, Scotland)

One employer in the fish processing industry had compared the sickness absence rates of locals and migrants and had found that,

> *'Thirty per cent of staff are local and they account for 80 per cent of absence.'* (Fish Processor, Scotland).

A number of instances of reliability and disciplinary problems related to drinking. A number of case study employers had experienced particular problems with attendance on Monday mornings and with staff arriving with hangovers and therefore barely able to work. As the representative of a hotel chain in Scotland stated:

> *'[Migrants} rarely take sick leave in comparison to local workers who have hangovers.'*(Hotel Chain, Scotland).

This did not mean that all employers found all their A8 migrants workers wholly reliable. Indeed, one said,

> *'There have been some issues with migrants 'going wild' with alcohol and arriving for work still under the influence. They aren't used to the temptations of life in a big city with 24 hour bars, so they've gone a bit wild. Obviously, we have to have strict standards and we've had to make these very clear'.* (Bus Company, Scotland).

However, few of the case study employers experienced such problems with discipline and behaviour with migrant employees. One employer in the hospitality sector in Wales explained that they were more likely to experience problems of violence and unacceptable behaviour from guests rather than migrant workers, or indeed from locals. (Holiday Centre, Wales)

### *6.2.3 Hours and overtime*

A number of employers found that A8 migrants were more willing to do overtime and to work long hours. This was particularly an issue for case study employers who used overtime to cope with fluctuations in product demand or staff shortages. Indeed, it appeared that a condition of employment in some of case studies was that their employees waived the right to work no more than 48 hours per week (under the Working Time Regulations). Two employers in the food processing industry in Scotland explained that:

> *'……..if there's overtime on offer you'll just get a few locals, the rest will be migrants'* (Food Manufacturer, Scotland).
>
> *'They [A8 migrants] are very good workers, they will do any amount of overtime I want to throw at them. Basically we couldn't manage without them.'* (Fish Processor, Scotland).

Some employers appeared to expect migrants to work overtime at the normal rate rather than pay a premium and some case studies reported that A8 migrants were willing to do this. It appeared that, in some respects, case study employers may have been benefiting from migrants' lack of understanding of either employment law or common practice or from their insecure position.

Some case study organisations reported a difference between locals and A8 migrants around holidays: in preferences over how holiday was taken, expectations over the amount of holidays and having choice over when holidays were taken. This was reported to affect those who had not settled in Britain with their families. Unsurprisingly, such migrants tended to want more holiday in order to return to their home country. Some particularly wanted to take their holidays in fewer, but longer, blocks than locals, whereas others were keen for more very short holidays.

Some case study employers also reported problems in getting people to understand the system for booking holidays and consequent disgruntlement when staff could not take holidays when they wished. Difficulties were also reported by some employers whose peak labour demand coincided with peak periods of holiday demand. These issues appeared to be due to lack of effective communication over processes and business needs. They seemed to lead to dissatisfaction, but not unauthorised leave or resignation.

However, A8 migrants' demand for holidays was turned to advantage by some case study employers. These would allow unpaid leave at times of low labour demand and so reduce their labour costs.

### *6.2.4 Quality of work, responsibility, intelligence and ambition*

We have described a number of qualities which employers referred to as found more commonly among migrants than local workers. A few case study employers described how their A8 migrant employees were more likely to take responsibility for ensuring

a job was done properly. Some employers described the attitude of some migrant workers as more 'professional' than many local workers. One employer in the hospitality industry described this difference as follows:

> *'Locals see their jobs as a stop gap; migrants see it as a profession….. They have respect, personal pride, some get up and go and they perceive the hotel and catering industry as a profession. The A8 workers….. take pride in their work and are diligent and conscientious.'*(Hotel, Wales).

In some cases, the superior work performance of migrants was explained with reference to their higher levels of education. As explained in Chapter 4, many case study employers were aware that some of their migrant workers were highly educated or had professional qualifications which were not being used. This could present problems associated with dissatisfaction and boredom. However, these were not reported and case study employers generally regarded the presence of highly qualified staff in low skilled work as their gain. This was for two main reasons: students, graduates and professionals were found to be intelligent and could acquire skills very easily; secondly they had good spoken and written English and could be used as translators, sometimes for no additional pay or at over-time rate only. Migrants with higher level qualifications were also seen as a good source of recruits to supervisory positions or work involving more skill. For example, a law graduate working in a fish processing plant was given one of the few responsible jobs in the factory: weighing and labelling packs of smoked fish for export.

Over-skilling, particularly in terms of academic qualifications, was therefore rarely seen as a problem: stereotypes of students and graduates resentful at doing menial work had been dispelled, as migrants were seen to be willing to turn their hand to anything. The one disadvantage in having highly qualified staff was in turnover. Highly qualified individuals were seen as likely to leave for work which was better paid or more suited to their level of education. Improved English language was seen by case study employers as key to making this move. As the HR manager in a poultry processing plant explained:

> *'They are just grateful they can get work, but you know someone like that isn't going to stay very long. Once their English gets better they can apply for better jobs. They use it as a stepping stone first of all to improve their English.'* (Meat Processor, Wales).

While this was inconvenient to them, employers in the case study organisations were resigned to high turnover, and preferred to have 'quality' staff for short periods rather than have a stable but substandard workforce. The manager of a saw mill in Scotland explained that one of the operators had been a computer engineer in Poland and was attending college to gain UK qualifications. This employer took the view that:

> *'He's actually very good but I know we won't have him for long. We're just grateful to have him for now'.* (Wood Products Company, Scotland).

Most case study organisations were not able to utilise the skills of migrants with high level academic or professional qualifications. However, some case study employers had become aware that they had other untapped skills in their workforces, of a more directly vocational nature. These could not necessarily be used, for example a pharmaceutical manufacturer found an employee was taking a course in IT. In another

case, the employer only became aware of an employee's vocational skills when he left to take another job. This employer felt aggrieved, explaining that:

> *'We don't even ask about schooling, but you tend to find out. We employed someone recently who said he was leaving to get work as a joiner. We didn't even know he was a skilled worker. You can feel a bit used. We'll help them to register, get a national insurance number and bank account and that sets them up to move on someone else'.* (Tomato Grower, Wales)

At the same time, he recognised that the degree of turnover from over-qualified migrants was no higher than among local recruits.

Under-use of migrants' qualifications and skills therefore appears to be widespread. Within this general picture, an example of good practice was found in a food company which had become aware of the unused vocational skills and qualifications of its Lithuanian and Latvian workers. The company, which was expanding its bakery business in the Scottish Highlands, was planning to carry out a skills audit to identify skills which could assist its development plans. In another case study organisation in the hospitality sector, the training and development manager helped migrant employees to establish UK equivalents. This was in recognition that they were unlikely to stay long in any case but that having a career plan might reduce the practice of continual job-hopping which can result from aimless searching for more fulfilling work. However, the practice also appeared to involve some degree of altruism.

Migrants had been found by case study employers to be keen to accept any training and progression opportunities. As the manager of a large retail outlet in South Wales explained,

> *'There's a slight improvement in their thirst for knowledge. They seem to take on board and want to take on board more'* (Retail Chain, Wales).

And the manager of a care home stated,

> *'Migrants are more keen on training and development. Locals see training a chore and something they have to do, rather than something positive.'*(Care Home, Wales).

It is quite likely that the stronger motivation to train and to achieve career progression reported among A8 migrants in lower skilled jobs was a consequence of their higher education levels.

### *6.2.5 Turnover*

Turnover was one of the few factors where A8 migrants in some of the case study organisations were seen to perform worse than locals. Although some case study employers reported that A8 migrants' turnover was lower, some found it higher. One reason for this was believed to be over-qualification of some migrants. This may have been explained by the presence of students in sectors offering seasonal work, such as harvesting, and in sectors with fluctuating demands, for example fish processing.

Turnover was an issue for all types of case study employers, as it resulted in recruitment costs and some training costs, particularly in induction (although, given the low skill level of the jobs in which A8 migrants were employed, training costs

tended to be low). However, its reduction seemed to be particularly an issue for some of the manufacturing and agricultural employers which employed large numbers of unskilled labourers and where turnover was very high.

A number of employers reported a particular problem with local recruits staying for very short periods. This type of turnover was not found among migrant workers. The manager of a wood products company in North Wales explained,

> *'We had [local] people coming and they would only stay a day or two. We have employed people from Lithuania because we can't get people here to do the work.* (Wood Products Company, Wales)

Several of these attributed part of the problem to their reliance on the Jobcentre for local recruits. As explained in Chapter 4, local recruits with a history of long-term unemployment were seen to be less than keen to work and often to leave after a very short period of employment.

### *6.2.6 Language*

Language was the main attribute where A8 migrants were reported to perform worse than locals in the case studies. As described in Section 3.4, A8 migrants' English language competence varied from very good to virtually non-existent.

In part, the English language competence of employees was determined at recruitment. Some case study employers imposed minimum language recruitment criteria, depending on the requirements of the job. Although a number of case study employers said that English was essential, for many of the jobs either this was not applied or the level of English demanded was low. It was only in customer contact jobs in transport, banks, hospitality and retail that poor English seemed to have precluded employment. In other jobs (including carers and nurses in residential homes and dentists in hospitals), although respondents said that good English was required, it was apparent that not all A8 migrant employees reached the required level.

Poor English was not always seen as meaning lower English competence for the job. Some case study employers said that literacy problems amongst local employees meant that A8 migrants were no worse in terms of written English. However, for others lower levels of English language competence could cause problems.

This section describes the type of problems encountered and the measures taken to deal with this. It also examines the need for Welsh in Wales.

*Problems due to poor English*
Problems caused by poor English identified in the case study organisations were:

- difficulties with communication
- increased possibility of error due to misunderstanding, with particular concern about health and safety;
- failure to cope with exceptional situations;
- reduced level of customer service because of communication problems;
- limitations on deployment within organisations and on progression;
- difficulties with trust;
- greater demands on supervisors and managers.

On the issue of communication, problems were reported with extended training times where migrants' limited language skills required mangers and trainers to demonstrate work routines rather than explain verbally. A number of case study employers also expressed concerns about whether migrants with poor English had understood induction training. Particular concerns were expressed in relation to health and safety. Some employers felt frustrated at not knowing whether migrants had understood what was required of them, or had simply indicated understanding in order to be seen as cooperative and willing. The training manager of a large supermarket in South Wales explained,

> *'On the night shift 50 per cent can't speak English. If their English is poor, they're interviewed in Polish. Training sessions [including Health and Safety] need to have an interpreter, but we don't know that the interpreter has passed on information correctly, or that they are properly tested at the end, rather than told the answers'.* (Supermarket, Wales).

Also in relation to health and safety, a problem was reported with employees speaking in a language which is not understood by others who are able to intervene. This meant that opportunities to pick up mistaken information, relating for example to production techniques and to health and safety were fewer. As the representative of a manufacturing company in Scotland stated,

> *'There's a problem of migrants speaking to each other in their own language when they have queries about how to do things. The supervisor, or other local employees, can't overhear what they say and correct what's said if it is wrong. This is a Health and Safety issue. So we try to encourage people to speak in English when they are working. This is written into their induction.* (Electronics Manufacturer, Scotland).

Another employer had found that accident rates were higher amongst their A8 migrant employees than locals and that accident rates had increased overall. They, also, believed this might be due to poor communication, although they thought that the intensity with which many migrants were reported to be working was also likely to have been a factor.

A further problem relating to language skills is a reported failure among migrants in some jobs to cope with exceptional situations. The HR manager of a bus company spoke of the difficulties experienced by migrant bus drivers when their vehicle broke down. Despite having reasonable general English skills, lack of technical terminology caused difficulties in diagnosing problems and explaining these to passengers. Migrants with poor English were also reported to have problems understanding clients or people in their care. For example in residential homes for older people, staff with weak English could not chat to residents so well and could not always understand what a resident wanted. As the manger of a nursing home explained,

> *'A lot of the complaints we have say "they don't understand what I'm saying. I'll ask for a cup of tea and they'll open a window". It's quite frustrating, they're elderly, sometimes confused and they just don't need it'.* (Nursing Home, Wales).

Problems were also reported in other sectors involving customer contact where migrants' limited English skills were misconstrued as bluntness or rudeness. To

prevent problems of misunderstanding and complaints from members of the public, some employers limited migrants to jobs behind the scenes. For example in hotels and catering, those with better English were employed as waiting staff, receptionists and bar staff, whereas those with little or no English were employed as kitchen porters and in housekeeping; and in retail, those with better English were employed serving customers, whereas those with poor English were employed as shelf-stackers and cleaners.

Poor English also limited the extent to which migrants could progress, since many more senior posts involved supervision. Migrants were also excluded from jobs involving following detailed instructions. For example the manager of a saw mill in Scotland explained that, to progress from labourer, employees needed English to set up machinery and to read instructions. In relation to written English, the representative of a food processing company in Scotland explained that to progress from basic operative level, employees had to be able to make written recordings and that this precluded many migrants.

Some employers appeared to have a problem with lack of trust where migrants did not speak English. The reasons for this were not always clear, but some case study employers reported that some managers and supervisors believed that employees sometimes 'chose' not to understand when convenient to them. The manager of a manufacturing plant in Wales explained,

> *'Occasionally the workers play up and claim they don't understand English, especially when they are in trouble or a serious matter is being discussed.'* (Construction Company, Wales).

A further problem was identified in greater demands being made on supervisors and managers as a result of having to take more time and effort to explain issues to migrants. The HR manager of a meat processing plant in Wales explained,

> *'There is a need to be more patient and give more time to explaining things. Getting information across using a translator can be very slow and frustrating.'* (Meat Processor, Wales).

While the frustration of another employer, in the agriculture sector, is evident in the following account:

> *'It's fine that many speak no English, as they're in teams, but occasionally too few speak English and this is frustrating for supervisors who have to translate. If you're trying to explain and you ask 'do you understand' and they say 'yes, yes' and they go away and do it wrong. So you bring them back and say 'do you understand' and they still say 'yes' and they're doing the same, then we do find that a bit difficult, especially when there are 60 other people to train'.* (Farm, Scotland).

We have focused in this chapter on the problems faced by employers where A8 migrants spoke limited English. It is also important to state that many migrants spoke very good English. Moreover, poor English was not always seen as problematic, but sometimes had benefits. One of these was identified as reduced turnover in some case study organisations.

*Approaches to cope with inadequate English*

A range of measures were taken to reduce the problems caused by poor language. The most common approach was to use employees with good English to act as interpreters or to deliver instructions in languages spoken by A8 migrants. This was sometimes a formal practice and in other cases had developed informally in response to some of the problems with language described earlier. Where interpreters were used formally, for example in recruitment and induction, employees were sometimes paid extra for this work. Various informal arrangements had developed to interpret for non-English speakers when carrying out work functions. For example a farm and construction company in Scotland arranged for migrants to work in teams, with at least one speaking adequate English. Another construction company in Scotland reported a twist on this arrangement in reporting that their A8 migrant employees often applied in pairs, with one interpreting for the other. Other arrangements included having gangmasters act as interpreters or buying in interpreters when needed. This last approach was used more often to translate documents than to translate spoken English.

Clearly, interpretation and translation by employees relied on employing at least some bilingual employees. Interpretation and giving instruction in the A8 migrants employees' own language was easier when A8 migrants had progressed to supervisory positions. Interpretation and translation were also easier where all A8 migrants spoke the same language. This encouraged some case study employers to restrict recruitment to those with either English or to those speaking the most common A8 language in the organisation[11]. Some case study employers did not restrict employment in this way and needed to communicate in more than one A8 language. For example, an employment agency, with a large number of A8 migrants on its books from several countries, translated documentation into several languages.

As well as having Eastern Europeans translate for colleagues with poor or non-existent English, many case study employers aimed to ensure a mix of English speaking and non-English speaking staff. In some cases this was motivated by a concern for customers and clients. For example, the manager of a nursing home in Scotland explained,

> *'I could not have a purely Polish workforce as it does impact upon residents, so I couldn't have more Polish than Scottish on a shift'.* (Nursing home, Scotland).

In other cases, it was for work instructions to be conveyed to non-English speakers. For example, the manager of a supermarket in Scotland explained,

> *'After some problems with cleaning, the cleaning manager was told that there needed to be someone who can speak English and be able to head up the rest of the team. We needed to have a balance for communication purposes.'* (Supermarket Chain, Scotland).

[11] Some of the employers may have inadvertently fallen foul of the Race Relations Act in respect of language. As a recruitment criterion, some used nationality (as an indicator of language), whilst others used language explicitly. The former is discrimination on the grounds of nationality and prohibited under the Race Relations Act. The latter is indirect discrimination, which is allowed under the Act if it can be justified, as it almost certainly could.

However, these approaches did not overcome the difficulties caused by employees not speaking English and the problems described above remained.

With regard to the translation of documents, employers arranged for translated versions of only a small selection of documents, and some for no documents at all. Where translations were arranged, this was usually for health and safety instructions, grievance procedures, explanations of statutory rights and for contracts. One employer had arranged for all its documents to be translated, as required. This approach seemed more feasible where there were large numbers of A8 migrants from the same country. However, another employer, an agency translated documents into several languages.

Some employers arranged for specific documents to be translated. For example, a hotel in Wales had arranged for its Polish staff to translate the recruitment pack into Polish, and also to translate the fire notice. A Scottish estate which had hired Polish tradesmen through an agency had been provided with a comprehensive list of tools, devices and procedures in English and Polish.

In some cases, translations were available through industry bodies. For example, a construction company reported that they had bought a Health and Safety book in other languages for mandatory industry (CITB) tests; an agricultural company used a multi-lingual Health and Safety video and reported that a multi-lingual agricultural training DVD was being produced.

Another approach taken by employers aimed to improve migrants' English language skills by banning employees from speaking languages other than English or, in Wales, Welsh at work or whilst working. In one case, described earlier, this was because of concerns over identifying errors and staff giving the wrong instructions. Otherwise it was where local staff were upset by people speaking other languages (see above). However, the main motivation was to improve A8 migrants' English.

A further approach was to provide or facilitate English language training. This is described in chapters 5 and 7.

*The need for Welsh*

In Wales, the study explored whether lack of the Welsh language affected the employment of A8 migrants[12]. For the case study employers who said it would be better if their employees spoke Welsh, this was either for general communication between staff or for dealing with clients. It was only in the organisations which gave the latter reason (a hospital and a care home) that Welsh was seen as an important attribute, rather than nice to have.

> *'Migrants have little understanding or knowledge about Wales and the Welsh language. Residents with dementia often revert to speaking Welsh and, for this reason at least, we like to employ at least a proportion of Welsh speakers. ……If I was interviewing two people and one was English speaking and one was English and Welsh speaking, it would go to them.'* (Care Home, Wales)

Other views expressed by this employer suggest that it is not language alone which is important, but the cultural understanding which it confers. Therefore, migrants

[12] Note that the requirement for Welsh could also preclude recruitment, see Section 4.2.

learning Welsh may still have been considered less favourably than native Welsh speakers.

### 6.3 The characteristics of employers and jobs

The performance aspects that many of the case study employers focused on reflected the type of jobs in which many A8 migrants were employed in the case studies: low paid and unskilled, where, particularly in manufacturing, the main issues were getting employees to turn up and where overtime was important to meet fluctuations in demand for products or services.

For these jobs, low levels of commitment would be common, especially where unemployment was low. Often the local employees with whom the A8 migrant employees were compared were unemployed people recruited via the Jobcentre. A number of case study employers said the quality of Jobcentre recruits was low, in terms of reliability, absence and turnover (see Chapter 4). Such recruits were often perceived to have had to have applied for their job to avoid loss of benefits and to have little commitment.

Those who did not clearly find A8 migrants better employees than non-migrants seemed to fall into the following groups:

- Employers who were more selective over who they recruited and who paid above national, rather than local rates and above the minimum wage
- Individual employers who were reluctant to employ foreign workers for ideological reasons
- Employers with mixed experiences or no overall view on whether migrants or locals were better.

Employers in the first group included two of the banks, a hospital (recruiting dentists), a hotel and a manufacturing company which paid above the local rate. For these employers, A8 migrants were probably no better than other employees because they were able to ensure that other recruits were good. For example, a representative of the hotel said,

> *'They are much the same as non-migrants and not harder working or more punctual. Standards of the hotel are high and all employees are expected to meet these. The hotel aims to recruit hard-working people and training emphasises the hotel standards.'* (Hotel, Scotland).

A very small number of employers expressed views which can only be described as anti-migrant. This appeared to be directed specifically against Eastern European migrants and Poles in particular, but may have been more general. This was apparent both in their reluctance to recruit migrants, including in the face of labour shortages, and tendency to recount stories linking migrants to crime and other social problems.

A number of other employers saw A8 migrants as good workers (along with their other employees) and suggested ways in which migrants might have some better qualities. However, their overall impression was that the groups were similar. These employers had little in common other than that they had all experienced labour shortages. Some employers expressed disappointment that migrants had not been all

that other employers had made them out to be. As the manager of timber products company in Scotland explained,

> *'I've seen a lot of things on television and read articles saying that migrant workers are terrific and have been great for the economy. I think they are, but they're no different to anyone else. They want to better themselves, earn more money, buy a bigger car, just like everyone else. I think you get an initial spell out of them and then they want to move on'.* (Wood Products Company, Scotland)

These employers also included an employment agency which had had mixed experience of A8 migrants, with some found to be better than others. As with the employer quoted above, they were seen as similar in this respect to local workers. Another employer, in a manufacturing company, with a predominantly unskilled workforce said

> *'You can employ 6 [A8 migrants] and 4 will be perfect, but there'll be 2 whose output isn't so good, who take time off on Monday after a night out…… the same as Scottish workers'.* (Wood Products Company, Scotland).

However, some employers thought there were signs that migrants were becoming more similar to locals as they became settled. This is discussed in the next section.

### 6.4 Performance as a product of migration

Some of the performance benefits might be seen as a product of migration. Therefore it makes little sense to compare migrants with locals when the two groups differ in some fundamental respects. This includes both their personal characteristics and their situation in the UK.

Obviously, the relatively high education level of A8 migrants compared with local employees might contribute to better performance, but, as many of the benefits reported were attitudinal and behavioural, it could be postulated that over-qualification might have the opposite effect and lead to poorer performance (with demoralisation and resentment at being underemployed). Other explanations were:

- the personal circumstances of A8 migrant employees differed from that of local employees;
- those who become migrants are more motivated than those who do not;
- migrants have little to distract them from working; and
- they don't know their rights

On the first of these, a number of case study employers reasoned that, if the circumstances of migrants and locals were similar, performance would not be so different. For example, the manager of a hotel in Wales stated

> *'[A8] Migrants are more reliable – but they're similar if you take into account their personal circumstances. They don't live at home so they need the pay [and so have to turn up for work.* (Hotel, Wales).

Willingness to work long days was also seen as resulting from a desire to earn as much as possible. The manager of a wood products company in Wales explained,

> *'They work long days, 'they have all signed the 48 hour directive'. That would not be possible if workers had families here they wanted to see.'* (Wood Products Company, Wales).

She also expressed the view that,

> *'They work longer hours because they have no outside interests. They would rather work five or six weeks until 8 at night and then go home for a month.'*

Migrants have historically been regarded as superior in some respects to individuals who choose to stay put. A number of employers subscribed to this view. One employer in the food processing industry in Wales reasoned:

> *'If you were to compare the attributes of the British, Welsh and the migrant workers then you would find that the migrant workers are far better than their counterparts as they have the motivation to actually come over here'.* (Food Manufacturer, Wales)

Another employer in the agriculture sector explained the differences between migrants and locals with reference to the fact that migrants have come to the UK to work. As he argued:

> *'You can always say that some people want to work and some don't, but someone who has come across from another country wants to work, whereas you'll always get a proportion of any other applicants who are doing it because mummy has told them to, if they're younger, or because they have to apply for a certain number of jobs [to retain benefits].'* (Tomato Grower, Wales).

Where migrants were a small minority of staff, as they often were, their isolation from other workers, limited English and lack of cultural integration meant they had little to do but focus on work duties. The manager of a nursing home explained,

> *'Our own staff can become used to the work and it's almost like a soap opera; they come to work for the gossip, whereas the migrant workers will come and work from the minute they come and they won't necessarily chat and talk to each other but get on with it. They don't know a lot about our culture, they don't watch the telly, they aren't up on the news so much whereas the girls and boys from here are'.* (Nursing Home, Wales)

A further advantage, for unscrupulous employers at least, was that migrants tended not to be aware of their rights and were used to poorer terms and conditions in their countries of origin. For example, a lack of awareness of sick leave entitlement may explain the low reported rates of sickness absence. One employer in a large retail chain in Wales had noticed that,

> *'Foreign workers don't have familiarity with the system (in respect of taking sick leave)'.* (Retail Chain, Wales).

However, as suggested earlier, as migrants became more settled, these differences were beginning to disappear. The manager of an employment agency in Wales reported that,

> *'Initially when they came here they were very open-minded about what they would do and would do absolutely anything. Of course now there's more here they know their rights, they know the schemes and they are more choosey in terms of how much they'll work for and what they'll do, and in terms of the pay rate.'*(Employment Agency, Wales)

The experience of some of the employers suggested that over time, A8 migrants' relative advantages might decline. Certainly, some case study employers had noticed that keenness, reliability, flexibility and overtime had fallen amongst their A8 employees as they became more settled. A particular issue was identified in migrants' growing awareness of their entitlement to benefits. One of the case study employers suggested that overtime had declined as A8 migrants had started to claim tax credits and benefits, particularly where overall income might fall with overtime payments due to means-testing.

Some employers reported rising levels of turnover as migrants became aware of other opportunities locally. A bus company recruiting directly from Poland expressed disappointment with the lack of loyalty shown by drivers who left to work for rival companies offering slightly higher rates of pay.

In some cases, employers had found performance differences were less pronounced between later cohorts of A8 migrants and locals. The manager of a hotel in Scotland explained,

> *'There are differences between the first and more recent arrivals. Whereas the first arrivals were more keen, enthusiastic and ambitious and have tended to move on into better roles, the more recent arrivals lack in some respects that ambition and are happy to stay in posts such as housekeeping or porters.'* (Hotel Chain, Scotland).

This might be due to a number of factors. It is possible that students predominated in the first cohort of migrants. A further explanation is the greater levels of motivation required to migrate to a country without a host migrant community. These individuals may have had particular aims in relocating, for example to acquire language skills and work experience to pursue a particular goal. Later arrivals may have been driven principally by unemployment or to join friends and family.

## 6.5 Summary and implications

The case study experience of A8 migrants' work performance was good: in all cases, work performance was seen as good as 'locals' and many case studies reported it as better. However, it should be remembered that many of the case studies employed A8 migrants in low paid, low skilled jobs and had had recruitment difficulties. The case study employers without recruitment difficulties or with higher selection criteria found fewer or no difference in performance.

The ways in which performance was seen as better often derived from a better work ethic:

- lower absence
- more reliable timekeeping

- stay throughout the work day.

However, other aspects were also important:

- take responsibility: reducing management requirements
- greater ambition
- keen for overtime and longer hours

Relative turnover (A8 migrants compared with locals) varied (from higher through the same to lower).

The main downside in relation to performance was English (and in some circumstances Welsh) language competence. The language competence of A8 migrants varied and the employers recruited to their minimum needs. Therefore, those with higher requirements for good English (e.g. those where jobs involved customer contact) were less likely to report language problems.

The type of problems in respect of language encountered included:

- difficulties with communication
- increased possibility of error due to misunderstanding, with particular concern about health and safety;
- failure to cope with exceptional situations;
- reduced level of customer service because of communication problems;
- limitations on deployment within organisations and on progression;
- difficulties with trust (e.g. believing employees pretended not to understand when it suited them)
- greater demands on supervisors and managers.

These led to greater costs, including in relation to training and management time. Measures taken to cope with poor English included using bilingual employees to interpret, translation of documents (sometimes of essential documents such as contracts only) and ensuring teams were mixed in relation to language competence. In some cases, language training was supported. Other language difficulties were addressed by requiring all employees to speak only English either in the workplace or whilst working. Problems of language were reduced where A8 migrants had been promoted to supervisory positions.

Some of the performance difference between A8 migrants and locals will be due to the higher education and skill level of A8 migrants. Case study employers rarely regarded the presence of graduates and other skilled migrants in low skilled work as a problem because such workers were found to be intelligent and able to acquire skills easily. However, turnover among such staff was sometimes high with individuals leaving low skilled jobs for work more suited to their abilities, often once their English had improved. The problem of over-qualification and lack of recognition of skills may largely affect migrants themselves. However, it may also represent under-utilisation of skills and waste of resources. Some emerging good practice was found among case study employers, which included a skills audit to establish migrant skills which might be used and developed.

# 7 Training and progression

## 7.1 Training opportunities

Interviews with case study employers explored a range of issues related to training. They included whether such opportunities differed for migrants and non-migrants, the role of language skills in training, work ethic and interest in training and training as one of the costs of employing migrants. Employers were also asked directly about training, for example whether training opportunities were made available to assist with development and promotion.

## 7.2 Types of training opportunities

In general, the training opportunities could be divided into four types:

- Training leading to a career-related qualification;
- Un-certificated training to assist day-to-day performance on the job;
- Generic training in such areas as first aid and food safety;
- Short courses which authorised an employee to work with particular machinery or to gain an operating license, for example to spray crops

The most common type of training offered by employers was un-certificated, offered to familiarise new employees to the work environment and acquire the skills needed to carry out work routines. In addition to these, employers provided generic training courses in such areas as health and safety and first aid to meet legal and industry requirements. Employers also offered sector specific training in such areas as forklift truck driving and spraying crops. In some cases, recruits came with such skills, but had to be certificated. Therefore, short courses were offered to obtain the necessary certification. A range of other training offered by employers included vocational courses in the relevant area, for example health and social care or hospitality, basic skills and IT. As discussed in Chapter 5, a number of employers offered language tuition. In a small number of cases this was work-related and covered such issues as health and safety and hygiene.

Where training was offered to employees, case study employers in both Scotland and Wales were keen to emphasise that induction sessions and on-the-job training were offered to all employees on the same basis. Language training was usually offered only to migrants, although one company offered training packages to UK workers wishing to learn a language for holidays and leisure. Ironically, perhaps, this company did not offer language training to migrants.

### *7.2.1 Work-based learning*

The kinds of training and development opportunities provided by case study employers depended upon the type of job and sector in which they operated. For many case study employers, particularly in low skilled sectors, the approach to training was straightforward and pragmatic, aiming solely to provide workers with the necessary skills to perform their job efficiently. This training was generally limited to an induction session or non-accredited on-the-job training.

The specific content and length of the induction process often consisted of a day of simple information dissemination. However, in one case it consisted of a 3 week long series of sessions combined with competence assessments. In agriculture, construction, hotels and catering and food processing induction typically covered the basics of health and safety and sometimes basic training in food hygiene. However, where agencies provided labour to these sectors there was often a lack of clarity as to which party was responsible for providing basic training and induction, such as health and safety or food hygiene. Most recruitment agencies and labour providers we interviewed suggested that employers were responsible, but it was sometimes unclear whether agency workers were given the same degree of training as direct employees.

Job specific training was most prevalent amongst the low skilled sectors, such as food processing, hotels and catering, agriculture and construction. Although such jobs were often low skilled, they still involved some learning of processes and techniques. Often such skills were learned directly on the job, working alongside a more experienced worker. For example, kitchen porters or housekeeping staff in the hotels and restaurants would spend a period of time working alongside more experienced colleagues until they could work independently to an acceptable standard. This period might vary from a few days to a few weeks depending on the type of work and standard required. While this type of job specific training was typical in many of the case studies, the extent to which such training would enable workers to develop transferable skills and progress within the business or industry varied considerably. For example, in the hospitality sector, on-the-job training for housekeeping staff and kitchen porters enabled workers to access jobs with career paths such as a commis chef or reception work. However for agriculture and the food processing sectors, job specific training tended to specifically focus on day-to-day performance of the job and certification attracted small increments in pay rather than career progression. The other route to more senior posts was through supervisory roles. In many case study organisations such posts were fairly limited in number.

We have looked so far at case study employers who provided very limited training for simple tasks. It would be wrong to characterise all case study employers in this way. Some employers were providing intensive training in both skills and English language. For example, in the transport industry, because of an acute shortage of bus drivers, case study employers had set up tailored training programmes to train recruits in bus driving and prepare A8 migrant workers with the requisite level of English language ability and appropriate vocabulary to deal with passengers.

A small number of case study employers talked of opportunities for training linked to development and progression. These consisted largely of training for higher skill jobs or regulated professions training was on-going and often led to qualifications and enhanced career prospects. For example in the care industry and in a small number of the hospitality & catering and manufacturing case studies, employers usually offered access to SVQ/ NVQ level qualifications, though opportunities for progression within

the business or sector was limited. In the banking sector and public sector organisations, training was often specialist and specific to an identified career path, and often led to professional qualifications.

A few case study employers reported that, despite making training opportunities available, some workers were not taking up these opportunities because they were pursuing other courses outside of working hours. These were usually language classes or other courses that enabled entry or re-qualification to a skilled vocation or profession. For example, one care home employer in Scotland had found that some workers were not opting into the SVQ courses because they were pursuing university courses outside of work.

In a few case studies where opportunities for training were not available or progression was very limited, employers reported that workers were organising and funding relevant training themselves. These were most often language courses but also included courses leading to qualifications such as IT.

### *7.2.2 Language courses*

We described the availability of language courses within some case study organisations in Chapter 5. Where such tuition was organised it was in theory available to all workers, either as ESOL or as part of basic skills programmes. Most of the language courses were short-term and provided in partnership with locally based organisations such as the Workers Educational Association (WEA) or local colleges who would come on-site and tailor courses to the needs of the business. In two case study organisations, a bus company and a farm, language courses were combined with work-related information such as health and safety, food hygiene and first aid.

Employers' views on the costs and benefits of language tuition are discussed in detail in Chapter 5. In relation to training and development, the predominant view of case study employers was that migrants were themselves responsible for improving their English language skills. This was despite recognising that employers and colleagues would benefit from improved communication. Some case study employers appeared to believe that language can be acquired on the job, in a similar way to production and other work skills. Therefore some employers stated that classes were not required as A8 workers would develop their communication skills through the demands of working and interacting in mixed teams of local staff and other migrant workers.

Some employers did arrange for on-site tuition, but they were disinclined to pay for it. Moreover, they were not always willing to help in other ways, for example allowing flexible working arrangements to attend classes. There was also some concern that it would be unfair to provide migrants with a 'perk' such as language tuition while not offering an equivalent benefit to non migrants. As stated in Chapter 5, it was apparent that many case study employers were not accustomed to providing benefits to their workforces, other than those designed to improve output and performance.

### *7.2.3 Other support*

Where they were unable to offer training and work based support, such as language tuition, a few case study employers provided other forms of support or job-related guidance for migrant workers. This included providing information on courses available in the local area, such as those delivered by local colleges or other providers, or guidance on how to convert overseas qualifications. To assist employees taking

courses such as language, some employers offered unpaid leave or organised shifts and the rota around the individuals' study commitments. Examples of support provided by employers are discussed in more detail in Chapter 5.

## 7.3 Barriers

In accessing training opportunities the only barrier employers identified was language. For some sectors, such as care and nursing homes, training courses were often formally assessed and thus there was a greater need to develop reading and writing skills rather than oral skills. This was also found elsewhere.

Some employers were concerned not to exclude migrants from training because of their weak language skills. This was particularly important where training was needed to meet legal and industry requirements. Therefore many case study employers made some provision so that core information (such as health and safety, food hygiene and first aid) translated into the main A8 languages. Similarly, basic training and employment materials were sometimes translated, including the contract, staff handbook and fire notices. In a small number of case studies, employers used a translator in training sessions. These organisations were all in Wales and were in the agriculture, food processing and construction sectors.

It was apparent from interviews with case study employers that one of the main barriers to training was the attitude that migrants were there to do unskilled labouring work and that training was largely irrelevant to this. Some case study employers even expressed the view that training could be detrimental to the business. As an employer in the agriculture sector explained,

> *'I don't want to necessarily vastly improve the skills of the people we have….for the massive majority it is an unskilled job that needs unskilled labour. And the danger is that as soon as you start to skill people up, such as language skills, then they don't want to be cutting leeks in December or Cauliflowers in April, and so it sounds like a really cruel thing to say but improving the skills of the guys we have now is not top of the agenda. Motivation absolutely – the happier they are the faster they work, just like the British guys…but as a business I don't need to improve them and the danger is that if they were improved they would want to move and work elsewhere.'*
> (Farm, Wales)

For this, and some other employers, with similar demands for low skilled labour, the priority was to keep production going and to meet the demands of clients, particularly supermarkets.

## 7.4 Progression

Many of the case study employers' reported that opportunities for progression were available, since there were grades within jobs and an incremental pay structure and opportunities for work based training. Accordingly, it was stated that A8 migrants had achieved a degree of upward mobility within the organisation. However, where this had happened, progression was very limited, usually involving the promotion of one or two A8 migrants to supervisory posts.

There was little variation with regards to the type of progression available and achieved by A8 migrants. Very often these opportunities, particularly within the low skilled sectors, were limited to taking on supervisory or junior management responsibilities. Where this occurred, particularly in workplaces where there was a sizeable cluster of A8 migrants, there was also a strategic purpose to the promotion. Quite often it appeared that case study employers had initiated promotion in order to create a group of supervisors that could specifically manage migrant workers and translate and disseminate work instructions and training given the varying levels of competence in English.

Other examples of progression included unskilled staff, such kitchen porters or housekeeping staff, receiving on-the-job training to gradually develop their skills to become commis chefs and receptionists. In agriculture, there were case study examples of where A8 migrant workers had again progressed through work based training to other parts of the business, such as sales teams or quality assurance management. In higher skilled jobs, there were examples in the banking industry of migrant workers progressing from counter staff positions to become managers in personal banking.

As discussed in Chapter 4, it was apparent that many migrants were over-qualified for the jobs they were doing. Not only did many have higher academic qualifications, some were reported to have professional qualifications. It is difficult to map an accurate picture of the educational and professional achievements of the A8 migrant workers in these case studies (since many employers neither asked for this information nor noted it the time of recruitment) it is clear from the data available that employers were aware that a number of migrant workers had professional qualifications and experience. Therefore, for some individuals, the work they were carrying out is likely to represent a down-grading of their own skills and abilities.

Some case study employers acknowledged that migrants had often experienced occupational downgrading and that migrants often face barriers in returning to their previous vocation, namely poor language skills and lack of recognition of overseas qualifications. However, a small number of case study employers recognised the skills A8 employees brought and were able to make use of them within the company. One employer managed to recruit an engineer and an electrician from their production line staff, while a construction employer made more effective use of a labourer who had previously worked as an electrician.

Finally, a minority of the case study employers stated very candidly that there were no opportunities for progression; in some case studies employers stated that there were few opportunities for progression as there were limited roles beyond the production line, while for the remaining case studies, opportunities for progression may have been limited because of their reliance on seasonal workers or possibly the precarious contractual status of their employees – these case studies, unlike other employers, provided no contract of employment.

## 7.5 Summary and implications

Many of the case study employers in low skilled sectors provided either no training or very few such training opportunities. In these organisations, job requirements were easily learned. Therefore, where training was provided, this was often limited to an initial induction session, though some employers augmented the induction with ad hoc on-the-job training, for example when product changes were made or improvements wanted. Although higher level jobs did exist, including in supervision, administration and management, these formed a small proportion of jobs so that scope for progression was very limited. Therefore, training for general development was unusual in the case study organisations. A further factor may have been high levels of staff, turnover which may have led employers to believe that investment in training was not worthwhile.

The most common type of training offered by employers was un-certificated, offered to familiarise new employees to the work environment and acquire the skills needed to carry out work routines. Employers also provided generic training courses in such areas as health and safety and first aid to meet legal and industry requirements. As discussed in Chapter 5, a number of employers offered language tuition. In a small number of cases this was work-related and covered such issues as health and safety and hygiene.

A small number of case study employers offered courses leading to NVQ/SVQ level qualifications, but this was by no means common. Even where training was provided, for most workers in low skilled jobs very few of these training opportunities were linked to progression into skilled positions or led to qualifications. In more highly skilled jobs, such as in banking or health, training opportunities were more diverse and often led to recognised qualifications or enabled career development.

While case study employers said there were opportunities for progression, these were usually very limited involving supervisory duties rather than professional development. Some case study employers were aware that some migrants were working below their level of education and sometimes had professional qualifications. However, many employers felt they were not in a position to assist these workers to make better use of these.

# 8 Relations between A8 migrants and other workers

One of the issues we wanted to examine was the relationship between A8 migrants and other employees: whether A8 migrants and locals mixed, whether there were good relations and whether there were any problems and how this was managed.

It should be remembered that the evidence has been gathered from managers, rather than from employees themselves. The accuracy of these views will be affected by the extent which managers know their employees' concerns. Moreover, in some cases, we suspect that managers were reporting their own views; regardless of whether these were also employees' views.

## 8.1 Mixing

The extent to which locals and A8 migrants mixed whilst they were not working varied. This may have been affected by the numbers of each nationality, by A8 migrants' English language competence and by the characteristics of the job.

Certainly, some case study employers (with large numbers of A8 migrants) found that locals and A8 migrants did not mix during breaks. Indeed, one reported that, as numbers had grown groups of A8 migrants and locals had formed. One described the behaviour as '*almost like a clannish type of thing*'.

Other case study employers found that employees mixed, including one which reported younger staff socialising after work. Some of these employed a large number of A8 migrants, but others had very few and so mixing seemed inevitable. Employees also mixed in the hotel and leisure industries where accommodation was provided.

Not surprisingly, language affected the extent to which employees mixed. Another factor was similarities in culture, which was mentioned for mixing between Poles and British.

A change occurred in one case study, sparked by complaints about Polish staff,

> *'There was a complaint to the care commission nine months ago - that the residents were suffering because the home was employing Polish staff. There was a full investigation and the complaint was found to have no substance. The presumed effect was to destabilise the staff, but it had the opposite effect. Where there had been limited socialisation up to that point, local staff were so incensed that they all rallied around the migrant staff. There was socialisation after that point.'* (Nursing Home, Scotland)

## 8.2 Relations between A8 migrant and local employees

Irrespective of whether A8 migrants and others mixed, many case study employers reported that relations between A8 migrants and other staff varied.

### *8.2.1 Good relations*

Many case study employers reported that relations were generally good between A8 migrants and other staff.

> *'The UK people have made an effort to welcome migrants, in particular learning how to greet migrants in their own language.'* (Food Manufacturer, Scotland)

In some cases, employers attributed the good relations, in part, to A8 migrants benefiting staff,

> *'The staff enjoy it because there are different cultures and different things to talk about'*. (Holiday Centre, Wales)

Similarly, in two of the banks, A8 staff had eased difficulties in serving A8 customers,

> *'Relations are good – they're delighted that they have people who can communicate with their A8 migrants customers'* (Bank, Scotland).

### *8.2.2 Tensions*

Whilst relations between A8 migrants and locals were generally good in the case studies, many case study employers reported some tensions including cases of bullying. In some cases tensions declined as A8 migrants and locals got to know each other. Occasionally, difficulties between A8 migrant groups occurred. Those reported to the study had resulted in violence.

Tension was reported as occurring around a number of issues: fear for one's (or other local's) job; A8 migrants' progression; differences in work ethic and effect on terms and conditions; A8 migrants' receipt of welfare benefits; lack of mixing; and language. However, it was not possible for the study to ascertain if these were the actual causes or the way that resentment was expressed (or interpreted by the employer).

*Locals fear for their own (or other locals') job*

Resentment about A8 migrants 'taking locals' jobs' was reported in some of the case studies. In some cases, this was a concern about jobs generally, but in others it related to specific circumstances. For example,

> *'There were concerns when migrants started being taken on as permanent staff, but again this has subsided. When redundancies were made, local workers were upset that agency workers [A8 migrants] were still being used.'* (Meat Processor, Wales)

Fear for one's own job may have been less likely to occur where an organisation was expanding or where employees were well aware of shortages.

*A8 migrants' progression*

Some employees were reported to resent A8 migrants progressing or being supervised by A8 migrants. For example,

> *'When migrants first arrived in small groups and did the lower skilled jobs, there were no comments as the local workers, at that stage, felt no threat. But when they stayed and started to return and progress to roles such as fork lift driving, then there was some*

*resentment and they did feel threatened. But as people get to know them and the company line 'you either work with them or you go' meant that any serious hostility was dealt with quickly.'* (Farm, Scotland)

*'Problems have been experienced where junior local staff are supervised by migrants. They can say, "who are they coming here and telling me to do this and that". We have to be very explicit and let them know that these people have skills.'* (Care Home, Wales)

*A8 migrants being harder working and more willing to accept worse conditions*
Another reported cause of tension was that A8 migrants worked harder than locals and that they affected locals' terms and conditions. For example,

*'The biggest factor is that the European workers will work over-time, work Saturday and Sunday and they'll do it at a single rate. That's where the government might help, by agreeing rates for everybody. If a European worker is willing to work at the normal pay rate then overtime for the standard employee is gone.' (*Employment Agency, Wales)

*'Ninety per cent of the local staff accepted migrants, but some still believe that the home could have recruited locals if they paid more.'* (Care Home, Wales)

This could result in resentment from A8 migrants as well. For example, in one case study, A8 migrant staff complained about local staff not pulling their weight and that they had to do more than their fair share of the work.

*A8 migrants receiving welfare benefits*
One employer reported that employees resented A8 migrants using (or abusing) welfare benefits (including the NHS and tax credits). However, it appeared as though this might be a concern of the employer, rather than of staff.

*Lack of mixing*
The variable extent to which A8 migrants and locals mixed was described in Section 8.1. Separation could cause tension:

*'There's a big crowd of them now and they don't want to intermix, just keep within their own group. This has caused a bit of conflict but not generally'.* (Food Manufacturer, Scotland).

*Language*
Language was a major cause of tensions. Not surprisingly, lack of good English appeared to result in social separation of A8 migrants and locals, but it could also result in insecurity, isolation and work difficulties.

Both local staff and managers could feel insecure when they could not understand what was being said,

*'There's sometimes a problem if there's a team of, say, five migrants and two Scottish. Migrants then chat to each other and Scots wonder if they are talking about them……After all it is a manufacturing company, it can cause problems, if people are on their feet all day and it's 12 hour shifts.'* (Manufacturing Company, Scotland)

> *'You could tell straight away that they weren't going to settle in. Maybe it was a language thing but they were in groups and would talk among themselves in Polish. I was thinking are they talking about me, what are they saying, do they want to be here?'* (Engineering Company, Scotland)

One of the managers commented on the irony of these responses,

> *'It's quite rich in some ways because there we are in Wales in an area where there's quite a lot of people speaking Welsh so you would think they'd be fairly open minded because quite a lot of customers come in speaking Welsh together so it's not as if they aren't used to hearing non-English on the sales floor, but it caused a few problems'.* (Retail Chain, Wales)

> *'Strange isn't it, there were two staff sharing the same language out of more than 60 and it's the locals who end up feeling insecure.'* (Retail Chain, Wales)

A8 migrants speaking their own language could also result in local employees feeling isolated,

> *'Relations are generally harmonious – we have many nationalities – but language has been a problem where migrants have been speaking together and an English member of staff has felt left out.'* (Hotel, Scotland)

> *'Poles gravitate together [because they speak the same language]. Sometimes there's some frustration from locals because they don't know what is going on.'* (Manufacturing Company, Scotland)

Language difficulties could also affect work directly, through affecting team working or leading to misunderstandings. In some case, this was reported to lead to tension and frustration (Agricultural Sector, Wales). For example,

> *'They are fine. Locals accept the need for the home to recruit migrants. The only area of complaint is about poor English skills. Team-working is fine although there are occasionally problems with language.'* (Nursing Home, Wales)

### 8.3 Managing relations

Many of the case studies reported having to manage relations between A8 migrants and locals. In some cases, this was done through enforcing existing policies which were not specifically aimed at migrants (e.g. anti-bullying policies) (Hospitality Sector, Wales; Electronics Manufacturer, Scotland) and through normal management practice. For example,

> *'The cleaner difficulty [no English and considered to be 'creepy'] could have been worse, as other staff may have started to typify all migrants as non-English speakers and creepy. But that was nipped in the bud.'* (Retail Chain, Scotland)

In other cases, special action was taken in relation to migrants. This included preparing staff for the recruitment of A8 migrants; communicating the need for A8 migrants; measures to address segregation and cultural training for managers.

The way that case study employers prepared existing employees for A8 migrant recruitment focussed on the business need for recruits,

> *'They were sat down and told that the home had no option but to go for overseas recruitment because of shortage of quality applications locally.'* (Care Home, Wales)

> *'Integration with the local workforce has been good. They were prepared for the arrival of migrants and it was a novelty. The existing workforce could see the need. It wasn't an issue.'* (Holiday Centre, Wales)

Where A8 migrants were employed due to shortages, this type of approach was also used to avoid or diffuse tensions, with employers ensuring that employees understood that migrants were necessary and did not replace locals.

> *'Two members of staff initially made remarks about 'people coming over here and taking our jobs'. I put them right on the fact that if there was enough people locally who wanted to work here we probably wouldn't at that time have employed migrant workers.'* (Wood Products Company, Scotland)

Segregation was addressed by managers in a number of ways. Some case studies made sure that teams comprised mixed nationalities. Others tried to maintain a 'balance' of local and A8 migrant employees in the workforce[13],

> *'We're always conscious that we need to find a balance, so that we don't upset, you know, anybody, we don't upset the current workforce'.*

Another approach was to encourage socialising,

> *'There are no non-migrants, [so there are] just inter-migrant relations – [relations are] pretty good. At the beginning of the season the nationalities each keep to themselves but the company organises events to help people mix so that by the end of the season they all mix and socialise.* (Farm, Scotland)

An alternative approach was not to worry about local/migrant relations, but to ensure that staff were not isolated by employing migrants from one country or of a small number of nationalities (see section 4.4.2),

Dealing with language problems was normally confined to the issue of local staff feeling excluded or talked about, with employees told either they had to speak English whilst at work or, less extremely, whilst working (but not in breaks).

One case study also recognised that cultural differences affected communication between managers and A8 migrant employees and so worked to improve managers' cultural awareness,

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[13] It seemed very unlikely that the case studies who reported treating people differently because of nationality (as, for example, creating a 'balance' requires) realised that this was prohibited by the Race Relations Act (1976).

> *'On a professional level there are some difficulties and frustration caused by language, but there is help and support given. In addition to language the style of communication can cause difficulties, but they are given advice and support to improve. Otherwise there have been some tension but again attributable to language and communication style. But they are working with all managers to ensure they are aware of how they can come across to workers from a different culture and language.'* (Hotel Chain, Scotland)

However, in some cases, management decisions appeared to exacerbate problems. This was identified in relation to holidays,

> *One problem last year was that a large number went home at Christmas on holiday (mid December until February). This led to complaints from UK workers because it was a busy time and they were having to work weekends.* (Food Manufacturer, Scotland)

It also was found in relation to segregation, where one case study had placed their only two A8 migrant employees together to work,

> *'In retrospect, the store shouldn't have paired them [the two A8 migrant employees] up together. I dealt with it by explaining to the migrants that it is important that they speak English at work, at least in part to improve their language skills.'* (Retail Chain, Wales)

## 8.4 Summary

### *8.4.1 Relations between A8 migrants and locals*

Relations between A8 migrants and locals appeared to be good generally, although some tensions were reported. However, the extent to which A8 migrants and locals mixed varied and appeared to be affected by the number of A8 migrant employees, their English language competence, culture similarities and differences and job characteristics.

### *8.4.2 Factors affecting relations between A8 migrants and locals*

Relations appeared to benefit from

- A8 migrants being able to reduce the workload of local staff through dealing with A8 migrant customers; and
- locals enjoying novel cultures and experiences.

Tensions were reported as being linked to:

- locals' fear of losing their job to A8 migrants and of other locals' losing their jobs;
- locals' resentment at seeing A8 migrants progress and being supervised by A8 migrants;
- differences in work ethic and A8 migrants' effect on terms and conditions;
- resentment at A8 migrants' receipt of welfare benefits;

- segregation between A8 migrants and locals; and
- language.

However, it was not possible for the study to ascertain if these factors caused tension or were the way in which resentment was expressed (or, indeed, whether these were correctly identified by the management respondent).

### *8.4.3 Managing relations between A8 migrants and locals*

Employers sometimes needed to manage relations between A8 migrants and locals. This was done through:

- enforcing existing policies (e.g. anti-bullying policies) and normal management practices which were not specifically aimed at migrants; and
- special actions in relation to migrants.

The latter included preparing staff for the recruitment of A8 migrants; communicating the need for A8 migrants; measures to address segregation and cultural training for managers. Preparing existing employees for A8 migrant recruitment and diffusing tensions focussed on the business need for recruits.

# 9 Impact on the organisation

## 9.1 Introduction

Previous chapters have identified differences between A8 and local employees and job applicants and changes in provision and processes in response to A8 migrants. It is obvious that these will have business effects. Here we describe the types of effects reported by the case studies. First, effects on service quality and customer demand are described. This is followed by a description of how the employment of A8 migrants affected organisational culture. The chapter then examines the overall impact on output, survival and growth (Section 9.4) and on overall benefits (Section 9.5).

## 9.2 Service quality and customer demand

The employment of A8 migrants had an effect on service quality and customer demand (both directly and via service quality). Both positive and negative effects were identified. Quality and customer impacts were found in the service sector case studies only. None of the production sector companies reported any impact on quality, although some found productivity and output increased (see Section 9.4).

### *9.2.1 Beneficial impacts on quality and demand*

Improvements in quality were derived from:

- higher general employment skills and performance of A8 migrants;
- improved staffing levels (i.e. filling vacancies);
- lower turnover;
- additional skills and knowledge related to the nationality of the A8 migrants.

The first three tended to work together and affect overall performance,

> *'The standard of patient care has been sustained and improved – without them the hospitals would have struggled'.* (Health Trust, Wales)

> *'Because they're good and committed, employer satisfaction has been higher.'* (Employment Agency, Wales)

> *'Being understaffed would affect the reputation of the home.'* (Care Home, Wales)

The additional skills of A8 migrants were used in a number of ways in the case studies. Some case study employers had deliberately recruited A8 migrants to meet the needs of A8 customers and clients. For example, the case study banks which were in areas with many Polish migrants had deliberately recruited Poles (or Polish

speakers) to assist Polish-speaking customers. These case studies believed this had led to an increase in business with Polish-speakers. In addition, productivity servicing these customers had improved.

Similarly, a council which did not employ A8 migrants was keen to do so, in order to provide support for children of A8 migrants who spoke little English.

Language skills were also found to be useful in a hotel,

> *'At the front of house having a diverse staff profile can bring advantages in terms of greeting guests.'* (Hotel, Scotland)

Another type of use of A8 migrants' additional knowledge was through the use of differences in cultural practices. In particular, some care homes held 'international days', which drew on the culture, including food, of their A8 migrant employees. These were found to be popular with residents. Similarly, a Holiday Centre ran special events drawing on different cultures.

A food manufacturer had also found that A8 migrants' different knowledge, in this case of foods, had led to product diversification and growth,

> *As a result of having a diverse workforce and employing migrant employees the company was directly approached about producing 'foreign food'.* (Food Manufacturer, Wales)

### *9.2.2 Detrimental impacts on quality and demand*

In the case studies, detrimental impacts on quality and potentially customer demand were found due to poor English language skills affecting service. In addition, customer discrimination against A8 migrant employees was also found. This could potentially affect demand. No case study reported that demand had suffered, although some had felt the need to take measures to prevent this.

As described in Section 6.2.6, language difficulties could affect service quality. The possibility of this affecting demand was identified in some of the care and nursing homes. Several described some residents and their families not being entirely happy about A8 migrant employment,

> *'Families and residents are beginning to realise that a lot more of our workforce is not from this country. I'm not saying they like it. I know some of the elderly who went through the war and all that aren't too keen and you will always find one or two who don't like the overseas nurses. That's difficult, that is difficult. Equally, you've got the rest of them who don't mind. But I do think that if you get over the language barrier then there'll be more acceptance'.* (Nursing Home, Wales)

> *'I have to be honest and say that within a care setting there is only a certain percentage of overseas staff you can employ because people who live locally expect on the whole to be nursed by local people, so you have to have a fine balance'.* (Care Home, Wales)

Many of the service sector organisations described customer resistance to A8 migrant staff, although this was often described as being confined to a few customers.

Sometimes, customer resistance appeared to be similar to that described by the case study employers for their employees,

> *'The only disadvantage has been the few comments from customers asking why we have employed a migrant worker and not a local person……[it] taps into the whole labour displacement argument.'* (Bank, Wales)

A number of the hotels described customer resistance,

> *'Some guests make comments that there aren't many English-speaking staff in the hotel'.* (Hotel, Wales)

The Hotel saw this as inevitable and something to be ignored.

In some case study hotels, guests felt that hotel staff should be local; they wanted to 'meet' locals and to hear local accents. Another related part of the problem to English language competence.

Employment and recruitment agencies had to cope with employer resistance to employing migrants. The following company had had to do more to sell their A8 migrant temporary workers to employers,

> *'One disadvantage is the attitude of local employers who are not particularly enlightened. Some still say, "I'm not having a woman driver". That's still an on-going thing. Then when they've employed a migrant they will say, "Oh, they're the best workers". Also you get employers saying "I want some cheap migrants who are going to work hard'. ……..They trust your opinion, so that if I phoned one of my customers and said, "I've got this guy" and then you say the name and they're a bit "errrr, …." and I'll say "He's done this and this, just take him, trust me" and once they've proved themselves it's fine. We do sell it, we don't hide it'* (Employment Agency, Scotland)

> *'In Inverness you've got the Highland culture of smaller companies that don't really want the migrant workers, really want their own people. They want Scottish people, you know, they don't even always want English people… They don't want a Polish person answering the phone, for a Scottish company, they don't think it's the right image.'* (Recruitment Consultant, Scotland)

Pressure sometimes came from beyond customers and clients, from the media and the general populace,

> *'In 2001 we were slated by the local media – that the company was taking jobs away from locals.'* (Fish Processor, Scotland)

> *'We hear comments, supposedly the word on the street – find the Brit who works at [company] – like a 'Where's Wally' situation. But other than that, few adverse comments.'* (Food Manufacturer, Scotland)

### 9.3 Impact on culture

The study sought to identify whether the employment of A8 migrants might affect the organisational culture in any way. Only a few examples of this were identified.

However, this was a difficult area to explore and it is possible that there were cultural effects which were not identified.

Some case study organisations had previously had little choice over who they employed, including people with drink and drug problems and people tending towards violence. These had seen workplace culture change to be relaxed, without violent incidents.

Other case studies found it added interest,

> *'It's more fun, it brings variety. We get sick of Aberdonians. I don't want to sit in my own little world that never changes'.* (Wood Products Company, Scotland)

Several commented how it seemed to have expanded their view of the world, giving them a more international outlook,

> *'The whole concept of the A8 countries, their presence here, that it's stimulated the organisation to think about its products, its customer service. I think there is a bit of shifting of thinking; that we are very UK-centric, that we are part European. I think one of the indirect impacts of the influx of Eastern Europeans…has been that the UK population has realised it is in Europe. Up until then, most of our migrants have not been European: West Indian, Asian. Its one of the things that has made us realise we are in Europe. From a business point of view it has made us wonder if we should be doing more in Europe.'* (Bank, Scotland)

## 9.4 Output, survival and growth

Being able to fill vacancies and improved productivity were the major benefit of employing A8 migrants for some of the case study organisations. These, whether separately or jointly, had enabled such employers to meet product and service demand and, for some, this led to business expansion, whilst for others it meant business survival. Not surprisingly, these benefits were reported by case studies which had experience of labour shortages. However, it is notable that, perhaps with one exception, these benefits seemed to be confined to case studies which paid low wages and were recruiting into very low skilled and often undesirable jobs.

### *9.4.1 Filling vacancies*

Some case studies had had severe recruitment difficulties, either being unable to fill vacancies or being unable to recruit the quality desired (see Section 4.2). For many of the case study organisations, A8 migrants had filled the gaps, often with higher quality labour.

> *'It has allowed us to fill gaps in recruitment that we couldn't have done any other way'.* (Bus Company, Scotland)

> *'We need them. We can't close the door on it. It would be absolutely stupid. I understand there are problems in England, but if the door was closed to them, I'd be going for independence. If there are too many in the South East, bring them up here'.* (Wood Products Company, Scotland)

Greater ease of recruitment could also result in the standard of locals recruited improving. For example, one manufacturing case study which employed many unskilled workers had seen the quality of their employees rise. A8 and local employees were of a similar standard, but they had been able to be more selective over who they recruited because of the greater supply.

As well as being able to fill vacancies and the quality of employees rising, A8 migrants had made recruitment easier,

> *'If we didn't have our migrant workers at the moment we would be struggling to recruit staff'.* (Wood Products Company, Scotland)

> *'We've been able to get workers, more reliable and more productive.'* (Wood Products Company, Wales)

They also reduced costs, through reducing turnover and reducing the need for casual staff,

> *'Recruitment costs are lower, as they stay, plus there's less agency costs as they'll do overtime. They have filled posts which may not have been otherwise filled.'* (Nursing Home, Scotland)

> *'If we did not have migrant workers, they would be really struggling, especially with growth. They definitely filled a gap. The alternative would have been to recruit from the south and that would have been very costly (recruitment costs, travelling, accommodation).'* (Manufacturer, Scotland)

> *'Had I had to rely on local workers, I would have been recruiting almost continuously. Now, there are months at a time when I don't recruit because of low turnover.'* (Fish Processor, Scotland)

A hotel listed the benefits,

> *'Being able to fill vacancies. Greater stability. Recruitment costs fallen. No longer use agencies.'* (Hotel, Wales)

This ability to fill vacancies could potentially have a downside. Some case study employers thought that having a high percentage of A8 migrant employees could make the employer less attractive to locals and so further reduce their supply. One was,

> *'concerned about having 40:60 migrants to locals. There are language problems and local people don't have anyone to talk to.'* (Food Manufacturer, Wales)

### *9.4.2 Output effects*

The ability to fill vacancies, in particular, and the higher quality of recruits, could have major implications for output and also for survival and growth.

*Avoiding closure*

Some case studies had previously had such severe difficulties that they believed that without the influx of A8 migrants, they would have closed or transferred production. For example

> *'Had a very positive impact – I've filled the gaps I was struggling to fill because of a lack of enthusiasm from local staff. If it had not*

*been for the migrant staff then the hotel would not be in existence or would still be struggling.'* (Hotel, Wales)

One case study had not only managed to survive, but also to expand,

*'Until four or five years ago, we had terrible shortages. It was absolutely horrendous, we just couldn't go on.…… If it wasn't for the foreign labour, I can assure you that this company would not be in existence right now.……We would be closed.……We would not be as successful, we would not have been able to grow'* (Fish Processor, Scotland)

*Meeting demand*

In other cases, the effects were not as extreme, but the inflow of A8 migrants had enabled organisations to maintain their production or to do so more easily, i.e. production would have fallen without A8 migrants. Organisations reporting this included a bus company, fish processor, food manufacturer and fruit grower in Scotland; and Agricultural Sector, and recruitment agency in Wales. For example,

*'We're able to maintain a bus service to more communities. We've got a larger fleet because we've got more mechanics'.* (Bus Company, Scotland)

*'In previous years we've met their [Head Office] targets, but it has been difficult. It has been easier to meet their targets with migrants.'* (Food Manufacturer, Scotland)

*Growth*

In other cases, the ability to recruit had enabled expansion. In some cases, this was due to being able to fill vacancies. For example, an employment agency could do more business because it had more people on its books. A food manufacturer, described the impact of A8 migrants,

*'I wouldn't say they have made us change anything or the way we do things. But they have been good news for this business. They have allowed us to grow at the rate we have grown and have a reliable and conscientious workforce and allowed us to grow, grow and grow. We would have struggled without them, definitely.'* (Food Manufacturer, Wales)

A number of the fish processing companies (all of which were in Scotland) had also been able to grow, due to being able to recruit,

*'If there were no migrants we wouldn't have been able to expand output to the extent we have. It's the same for a number of other local fish companies.'* (Fish Processor, Scotland)

For others, the higher quality of A8 migrant employees and their greater productivity or work quality were key factors,

*'We've been able to deliver on our contracts and acquire others because of higher productivity. There has been a noticeable impact on productivity: output and hours and an effect on how the company has grown [acquiring the sole contract for a major supermarket's lamb supplies].'* (Abattoir, Wales)

*'They have higher levels of productivity, they work longer hours and the weekends and, given their stabilising effect on our monthly and yearly staff numbers they are able to complete contracts and based on their reputation [we can] secure further work. The full benefit will come from when they are fully trained up.'* (Construction Company, Wales)

In some cases, both productivity and addressing shortages were important in allowing a substantial rise in output,

*'Output would be halved without migrants. Costs are minimal. We have a more stable workforce and reliable.'* (Fish Processor, Scotland)

### 9.5 Net costs and benefits

The study has identified both costs and benefits of employing A8 migrants in the case studies. Mostly benefits tended to derive from filling vacancies and having more effective workers (lower absence, more flexible etc.). Costs were mainly due to language difficulties (such as additional recruitment time, training time, translation costs, additional payments to employee/ interpreters, loss of production work by employee interpreters). In addition, there were other support costs (such as time assisting migrants with paperwork, providing general advice). Most of these other support costs were low. It might be assumed that, overall, for employers who employ A8 migrants, these employers believe the benefits outweigh the costs; otherwise they would be unlikely to employ A8 migrants. None of the employers were able to provide costed information and so the actual net benefits cannot be verified. However, it is useful to see how they describe the balance between costs and benefits.

Certainly, some reported net benefits. These included all those which had described a positive impact on output (Section 9.4). Other examples included one of the banks which had targeted a Polish speaker to assist with Polish speaking customers,

*'Overall, there's a huge payoff, benefits are massive.'* (Bank, Scotland)

Others, too, described how they had benefited,

*'From the production perspective they have brought stability because of their increased reliability. From the Human Resources side there is less management time spent because turnover is much lower.'* (Food Manufacturer, Scotland)

*'There are no disadvantages. The advantages are that they are good workers that are probably over-qualified but do the job very well.'* (Pharmaceutical Packaging Company, Wales)

*'With migrant labour as a whole the Primary Care Trust is delivering a better standard of care and saving some costs, for example, the stabilising effect on staff turnover means they do not have to pay for locums and the associated costs of recruitment. In the past there have been costs of WP which are considered to be negligible. The costs of recruitment are seen as an investment.'* (Health Trust, Wales)

However, many weighed advantages and disadvantages, but found the former to be greater,

> *'Benefits outweigh the costs: there can be a bit more training effort, but they are reliable [turn up] and hardly incur sickness pay and stay – better than locals.'* (Retail Chain, Scotland)

> *'The costs of recruitment and the training [including language training] programme are high. Plus you have welfare costs [including Bed and Breakfast costs for new arrival; [but these are] offset by lower turnover and so reduced recruitment costs. Overall it's seen as cost-effective.'* (Bus Company, Scotland)

> *'Overall, we'd struggle to recruit. Tiny cost due to language difficulties. No difference otherwise.'* (Wood Products Company, Scotland)

A company which had seen its recruitment difficulties addressed and higher productivity, which jointly had allowed it to expand, said,

> *'The only identifiable costs are from having a worker come off a job in order to translate. Other costs are the same as for other workers - agency costs, training and licence fees. But these are minimal as compared to the benefits to do with less turnover, productivity, reliability and work ethic.'* (Abattoir, Wales)

Productivity seemed to be a key factor for some,

> *'Overall made savings because of the economics of it all – get more work out of them even though paid the same money. Even though pay for their transport, provide housing and pay for the test (absorbed by the company), still overall considered to be saving given their stability, productivity levels and low levels of sickness and absence and lower rate of turnover in comparison to the local workers.'* (Construction Company, Wales)

> *'The big advantage is we're getting high quality workers doing a good job, and a sufficient number available, which we didn't have whereas before we were struggling. The disadvantages are nothing to do with their origin, they're simply all the other associated problems you have with temporary situations, where people are unsure of the future and don't have a stable environment. From a business point of view, the linguistic problems are small in comparison to a lot of other things.'* (Electronics Manufacturer, Scotland)

Others described a range of effects, affecting productivity and the business. For example,

> *'It has been great. …We've been able to bring a stable work-force that is hard working and has good levels of productivity which has contributed to a certain extent our expansion in recent years [new contracts and being able to fulfil them]. Without such a labour supply the business would inevitably struggle to function.'*(Farm, Scotland)

Bus companies which had recruited large numbers of A8 migrants directly from abroad and had then provided substantial training said,

> *'We're able to maintain service [i.e. there is a business benefit]. There are high costs in recruitment, training and the settlement programme, but overall it's cost effective.'* (Bus Company, Scotland)

> *'They've a good work ethic, low turnover…….… We've been able to meet shortages.……. But there's the poor language and, initially, the costs of the major recruitment programme [going to Poland] .Training takes a week longer.…… But, overall, there are savings, due to lower turnover [reducing recruitment and training costs], plus less acute shortage.'* (Bus Company, Scotland)

The extent of benefit seemed to be less where there were no labour shortages, nor specific service needs for A8 migrants (e.g. to serve A8 customers),

> *'The workers are great, good workers. Their commitment is good and their concentration is good. And having them available is always good. But we didn't have a shortage and they're only better because they're reliable and keen for hours.'* (Print Company, Wales)

# 10 Conclusions

## 10.1 Introduction

The study examined the use of A8 migrant labour for a variety of types of employers. It has shown a range of responses to A8 migration: whether A8 migrants are recruited, how they are recruited, the ways in which A8 migrants are employed, how they are seen to differ from British workers and the costs and benefits to the employer.

Whilst the size and the qualitative nature of the study preclude drawing conclusions about the response of all employers to A8 migration, the way that case study employers have responded suggest some general conclusions may be drawn.

In this chapter we first describe some key conclusions about the pattern of employment of A8 migrants. We then draw out the implications of our findings for four sets of stakeholders: employers, A8 migrants, non-migrants and others. The main issues we consider are the overall benefits and costs of A8 migrant employment for each stakeholder, the barriers to better utilisation of A8 migrants and the support needs of each group. Finally, we consider policy implications.

## 10.2 A8 migrant employment

### *10.2.1 The pattern of A8 migrant employment*

A8 migrants are employed throughout the economy in jobs at all levels. Whilst the study cannot quantify the pattern of A8 migrant employment, it did suggest four types of employment concentration:

- concentration in low skilled, low paid jobs;
- concentration in organisations where low skilled jobs form a larger percentage of the organisation's workforce;
- concentration in temporary and insecure employment;
- concentration in jobs which deal with A8 customers and clients and where the need for meeting language and cultural preferences has been recognised by employers (e.g. teachers and learning assistants, sales assistants and advisors in areas with sizeable migrant communities)

The latter are likely to provide few jobs for A8 migrants, but, because of language requirements, are likely to be filled predominantly by such migrants.

The concentration in low skilled, low paid jobs and in temporary and insecure employment tallies with the picture provided by WRS data, when compared with national employment patterns.

Progression opportunities from low skilled, low paid jobs vary. Progression is particularly important given the apparent over qualification of A8 migrants. The case studies with a high proportion of low skilled, low paid jobs did offer progression. However, in the agricultural and manufacturing companies, progression was usually limited to promotion to supervisor at best. Some of the other sectors, such as care, hospitality and retail, offered better scope for progression, although this rarely resulted in progression to the more senior jobs (i.e. for larger employers those which would have been filled by those entering on a corporate, rather than branch, programme).

### *10.2.2 Factors affecting the pattern of A8 migrant ethnic minority employment*

Concentration in low skilled, low paid jobs seems to be driven by language barriers, which confine migrants with poor English to low skilled jobs. In Wales, lack of Welsh will also concentrate employment, as A8 migrants are excluded from jobs which require the Welsh language. However, this concentration also appears to stem from:

- the recruitment processes:
    - the use of agencies and intermediaries seems to increase the percentage of migrants; whilst this will be greatest when migrants are targeted, it also seemed to occur without targeting, perhaps because migrants recognise agencies as a recruitment route;
    - increasing use of word of mouth as a means of recruitment by existing employers of migrants;
    - problems faced by migrants in accessing jobs with more formal, direct application processes and selection tests; this may be due to lack of knowledge of these routes and lack of knowledge of selection processes.
- problems with recognition of qualifications;
- recruitment difficulties, combined with a greater willingness amongst migrants than locals to work in low paid, low skilled jobs; local labour market supply and demand (including benefit entitlement rules and levels) affect this and result in the poor quality of local unemployed applicants (particularly those referred by Jobcentre Plus) reported by many case study employers.

### *10.2.3 Change in the pattern of A8 migrant employment*

There are reasons to believe the pattern of migrant employment has changed and will change over time. Three main factors are at work: a pure time effect; changes in individual migrant characteristics with their length of time in the UK; and changes in the characteristics of the flow of A8 migrants into the UK.

*The time effect*

The pattern of A8 migrant employment concentration is partly caused by a pure time element: migrant penetration is faster into jobs with more recruitment (i.e. with more vacancies due to higher turnover or greater expansion). This includes penetration into temporary jobs which are used as a selection device for permanent employment. Low paid, low skilled and temporary jobs tend to have higher rates of turnover and so new migrants will be concentrated in these jobs.

*Changes with length of residence*
With residence in the UK, English language skills (and, for some, Welsh language skills) will improve and so a wider range of jobs will open up. For migrants to develop the language skills needed to access a wider range of jobs, existing barriers to acquiring these need to be removed. The research findings suggest that any expansion of English language provision for migrants through workplaces will need to be subsidised and involve minimal inconvenience to employers. An alternative would be for employers to be better informed about local provision in order to advise migrants.

The case study evidence suggested that many employers placed a high value on some of the behavioural characteristics of migrant workers. There were indications that some of these qualities, so valued by some of the case study employers (e.g. hardworking, low absence, keen on overtime), might change with length of residence, as A8 migrants become more absorbed into the local culture, more knowledgeable about their rights and as their personal circumstances change.

With length of residence, labour market knowledge will also improve, allowing migrants to access a wider range of jobs. However, this may be slow: learning about recruitment processes (how to tap into processes and how to be successful at different processes) without advice is difficult. Therefore, for this to happen, steps must be taken to ensure that employment advice and guidance services are targeted at migrants. Moreover, the concentration of A8 migrants into low paid, low skilled jobs, where the organisation offers little opportunity for advancement will retard progress, as not only does progression require a change of employer and type of job, but concentration will reduce knowledge of better employment opportunities. Obviously, the sum total of these effects will depend on the extent to which migrants remain in the UK or move elsewhere.

*Changes in the flow of migrants*
The other change noticed by some case study employers is in the characteristics of those migrating to the UK. Some of the case study employers reported a decline in the language skills and work ethic of more recent new migrants. The study cannot establish whether a general decline had actually occurred. (This would need a quantitative study.) However, it is plausible that there has been a decline, due to earlier migrants being those who were most keen and, possibly, most able to make their way without support (for which English would be important). Whether such a process continues would depend, in part, on the changes in the economies of A8 migrants' countries.

An implication of these changes is that, in the longer term, employers are unlikely to be able to rely on A8 migrants providing a higher quality pool of labour pool.

## 10.3 Costs and benefits of A8 migrant employment

The study suggests that the entry of A8 migrants to the labour markets in Scotland and Wales has improved the quality of labour in low paid, low skilled jobs and has reduced recruitment difficulties for these jobs. Education levels are higher and the work ethic is stronger. The latter may, in part, be due to the selection process for migration: migration requires motivation and dynamism. It may also reflect under-utilisation of skills which allowed employers to benefit from having low skilled work carried out by more able individuals who are used to learning and dealing with new experiences. The consequences of these changes vary for different stakeholders.

### *10.3.1 Cost and benefits for employers*

All employers will benefit from an increase in the labour supply due to immigration (whether they employ immigrants or not). However, the case study evidence suggested that the employers who benefit most from A8 migration are those with a high percentage of jobs which are low skilled, do not require good English language skills and are seen as undesirable by the local population. Such jobs will tend to be low paid with relatively poor working conditions. Such employers may reduce or eliminate recruitment problems using A8 migrant labour and may reduce net labour costs, due to the higher quality of A8 migrants compared with local recruits. Additional costs resulting from language difficulties, greater support needs and WRS registration costs (where subsidised by the employer) may be outweighed by the improved quality of workers and by reduction in recruitment costs (due to the decline in turnover and increased overtime). For these employers, A8 migrants appeared to raise profitability, with increased staffing and productivity outweighing any increase in costs. Moreover, the case study evidence suggested that, without the presence of A8 migrants, some of these employers would either have to raise wages (or improve conditions) to attract workers or have to close. It seemed to us that the tightness or otherwise of the labour market had little effect on these employer benefits[14], as case study examples of this type of employer were found in both tight and less tight labour markets.

Where employers also experience extensive demand fluctuations, they seem likely to gain further from A8 migration, through A8 migrants' apparent greater willingness to work on temporary contracts and to vary their hours (and, particularly, to work overtime). This can be important both for profitability and survival. Certainly, meeting demand fluctuations was crucial to survival in some of the case studies, either because of the seasonality of the product (e.g. agriculture) or because of buyer demand (e.g. holidays, supermarket purchasing practices). For example, failure to deliver could result in loss of a supermarket contract and business closure.

Employers with A8 customers or clients might also benefit through employing A8 migrants. This seems most important where customers' or clients' needs could be met better by staff who speak the same language as the A8 customers and clients (and understand any cultural differences). For these employers, A8 migrants may increase business and raise productivity. This benefit may increase further if migration from A8 countries continues to rise, although it will decline as migrants become more settled.

Whilst other employers (i.e. those with jobs requiring better language skills, with more desirable jobs or where low skilled jobs are a relatively unimportant part of the labour force in the organisation) are unlikely to benefit to the same degree, this does not mean they may not experience some benefits. Certainly, at the lower skill levels, they are likely to experience a greater supply of higher quality staff. They may also benefit over time, as A8 migrants move into a wider range of jobs.

### *10.3.2 Cost and benefits for A8 migrants*

Because our study was based on employers' experience, we can only assume, as seems highly likely, that A8 migrants benefited from working in Scotland and Wales.

[14] Or, at least, within the range of labour market tightness experienced by the case study employers.

However, it is important to consider whether they benefited to the full extent that they might have.

A key issue was the under-utilisation of A8 migrants. Migrants' skills, abilities and other qualities, such as reliability and work ethic, ought to have resulted in employment in higher skilled and paid jobs. Language was a barrier to higher level jobs for some, but it appeared that underutilisation was not limited to those with inadequate English. It seemed likely that lack of knowledge of employment opportunities and how to secure these resulted in some A8 migrants being employed in poor quality jobs for which they were over-qualified. Progression into more appropriate level jobs was then impeded where employers lacked progression routes.

A second issue was pay. A8 migrants reduced labour costs due to their higher productivity. They tended to be harder working, more effective workers and to have lower absence. However, there was no indication that this translated into higher wages or improved working conditions. The study did not investigate the reasons for this, which might include competitive pressures in the product/service market (i.e. lower labour costs were translated into lower product/service costs), profit pressures or lack of pressure from employees.

Whilst some case study employers described how they met A8 migrants' employment rights, including supporting them against customer discrimination, others reported practices which might not provide full protection. Therefore the benefit A8 migrants derived from working in Scotland and Wales may have been reduced. Potential problems seemed to arise in relation to the Working Time Regulations (requiring employees to waive their right to work no more than 48 hours per week[15]), the Sex Discrimination Act (allocating jobs by gender[16]) and the Race Relations Act (discriminating on the grounds of nationality[17]). The practice of terminating contracts just before employees reach a year's service (when other employment protection rights are conferred)[18] was also found. Health and safety training may not have always been adequate. The way in which respondents reported these practices to the interviewers suggested that the case study employers were unaware they were, or could have been, unlawful. Most of these practices applied to both migrants and to locals. However, A8 migrants are more vulnerable because of lesser knowledge of their rights, of support structures to enforce those rights and of access to alternative employment.

In respect of heath and safety, A8 migrants may be subject to greater risks at work. Although some of the case study employers took additional care to try to ensure that A8 migrants were fully trained on health and safety issues, this did seem to present difficulties for some case study employers. An employment agency mentioned concern over higher accident rates amongst employers' A8 migrant employees compared with their local employees. The respondent thought this was due to

[15] This is not to deny that some A8 migrants may have wished to work more than 48 hours per week. The issue is about requiring long hours irrespective of individuals' preferences.
[16] This may not have resulted in a loss to A8 migrants in aggregate, but to individual A8 migrants (some of whom would gain, whilst others would lose) or to a subset of A8 migrants (females or males). For there to be a loss (or losers) requires jobs to differ by gender in respect of conditions and earnings, including overtime.
[17] This could also work in favour of A8 migrants or of those from certain countries.
[18] This is illegal if it is done to avoid employees gaining employment rights.

language difficulties reducing the effectiveness of training. A HSE study identified this as a problem amongst migrants in general (McKay *et al.*, 2006).

### *10.3.3 Cost and benefits for non-migrants*

The main labour market effects for non-migrants would be in terms of employment opportunities (and unemployment) and wages. A8 migrants were clearly relieving pressure on employers who substantially relied on low paid, low skilled jobs, enabling employers to continue to employ at the same low levels of pay and undesirable conditions. It seemed likely that, without A8 migrants, some employers would either have had to raise wages or conditions or to have had to close, all of which would reduce the amount of low waged work in the economy. Instead, it appeared that employers had not only continued to operate, but some may have also been increasing profits due to the higher quality of the A8 workers. Obviously, closures could cause problems for local employees and so, in the short term, A8 migration may have helped reduce unemployment locally. On the other hand, they were competition for local workers and so unemployment could have increased. It was therefore unclear whether A8 migrants affected employment opportunities (and unemployment) for local, low skilled, workers. However, it seems likely that, in the short-term at least, they exerted a depressing effect on wages in low skilled jobs[19].

These findings accord with other research on wages (see Chapter 2) and help explain the process by which wages in low skilled jobs may have been depressed by A8 migration. The study could not provide any indication of the effects on higher skilled jobs nor on longer term effects.

### *10.3.4 Cost and benefits for other stakeholders*

Although the study was not designed to identify macro-economic benefits, it is worth pointing out the factors we identified which might affect these:

- increased productivity in low paid work;
- increased profitability;
- downward pressure on wages and employment conditions;
- possibly, a reduction in closures and relocations and their disruptive effects.

## 10.4 Policy implications

The study clearly shows that some employers benefit from A8 migration and that there may be benefits to the economy as a whole, as well as to A8 migrants themselves. However, it also identifies some downsides to A8 migration, in terms of depression of wages within low paid, low skilled employment. It also finds that there is an underutilisation of A8 migrants' skills, which implies that there is scope for

[19] In the very short-term, without A8 migrants, closures might lead to fewer low paid jobs and also to lower demand for labour, producing downward pressure on wages (although this might not outweigh the rise in wages in some of the lower paid businesses and average wages may increase with the lower incidence of low paid jobs). However, over time, productive resources would be expected to shift into other types of business (which could afford higher labour costs) and so demand for labour would bounce back unless people simply could not do these jobs.

improving general economic benefits through improving utilisation. In addition, the study identified a range of support needs for employers and A8 migrants.

Below, we suggest policy approaches which may enhance the utilisation of migrants' skills and abilities and to address some of the unfair practices apparent in some of the case study organisations. However, the most appropriate responses will depend on A8 migrants' behaviour and knowledge, which were not addressed in this study.

### *10.4.1 Underutilisation, job concentration and wage depression*

The underutilisation of A8 migrants, their concentration in low paid, low skilled jobs and the resultant wage depression are closely linked. The following would help reduce all three.

- improved English language skills for migrant workers;
- improved Welsh language skills for migrant workers in Wales;
- improved careers and recruitment knowledge amongst A8 migrants; and
- improved access to employment rights for migrant workers.

The study clearly shows the importance of *language* as a factor which can restrict or open up opportunities for migrants. Subsidised ESOL classes are available in Scotland and Wales. In some cases, language training is provided on employers' premises. Some Welsh employers provided Welsh language support. This research was not designed to identify how A8 migrants might best be supported to improve their English or Welsh. However, the study did identify some barriers to attending regular language lessons caused by shift work and, perhaps by long working hours. It would be useful if provision could take employment demands into account or for providers, employers and A8 migrants to work together to overcome problems. Options include greater employer and provider flexibility to allow attendance at classes and the provision of distance and independent learning. High dropout from language classes was reported by some case study employers. If this is widespread, it suggests problems in either the content, level or delivery of courses which needs to be addressed.

Migrant workers would clearly benefit from *careers information, advice and guidance*. This should include improved information on job opportunities in the UK to prevent A8 migrants from being ghettoised in low skilled work. Information and guidance should cover job search and progression, as well as job choice. Application and interview training may also be useful given that many migrants may not be familiar with styles commonly used in the UK. British workers will have received this at school, college or at university, as well as benefiting from informal guidance from family and friends with experience of applying for jobs.

A8 migrants are likely to have relatively less power than local employees (due to difficulties communicating with their employer and due to lack of knowledge of processes and rights). Provision of information on rights and on sources of support (e.g. Citizen's Advice Bureaus, trade unions) might be useful.

The first two of these measures (language training and careers information, advice and guidance) would help A8 migrants move into jobs more appropriate to their skill levels and so reduce concentration into low paid, low skilled jobs and reduce any

downward pressure on wages. The latter (better access to rights) might help A8 migrants and locals counter any downward pressure on wages and conditions.

### *10.4.2 Other support needs*

*Employment law*

The study identified some unlawful or potentially unlawful practices (against the Working Time Regulations, the Sex Discrimination Act, the Race Relations Act, avoidance of employment protection rights and, possibly, inadequate health and safety training). The employers reporting these practices seemed to have been unaware that they may have been illegal. This suggests that employers may be in need of greater information on employment law to protect them from inadvertently breaking employment laws.

The practices are neither confined to A8 migrant employees nor to employers of A8 migrants. However, migrants are likely to have less knowledge of their rights or the resources to take action. As suggested in the previous section, improving A8 migrants' knowledge of their rights and of sources of support would be useful. With respect to health and safety, a focus on support for or enforcement against employers with substantial numbers of non-English speakers might be useful. Targeting Working Time Regulations enforcement at employers with substantial numbers of A8 migrants might also be appropriate.

*Employer education*

In addition to information on employment law in respect of discrimination and employment protection, there seemed to be a need for greater education of employers in respect of:

- immigration rules, including WRS, work permits and schemes, and the status of Bulgarians and Romanians;
- qualification equivalences.

Knowledge of the first of these would enable employers to make better use of migrant labour and would, in some cases, reduce costs of information search and unnecessary work-permit applications. In relation to qualifications, employers could benefit from improved information about equivalence. This might assist utilisation of skills. It might also enable more enlightened employers to provide guidance to migrants who clearly do not plan to stay in unskilled work.

*Information about living in the UK*

Many of the case study employers believed A8 migrants needed information about living in the UK, including accommodation, health services, schooling, banking and transport. Many also believed that these needs were met by other A8 migrants and information points, for example, Polish shops and churches. However, the study was not designed to be able to verify the accuracy of these beliefs. There is a need to establish whether current provision of information and support is meeting migrants' needs. This is particularly important if migrants are to be encouraged to settle permanently in Scotland and Wales and make a more enduring contribution to the economies and life of these countries.

*Housing*

Employers also reported A8 migrants facing major difficulties in finding adequate housing, both on arrival and in the longer term. This included issues of very poor

housing and overcrowding. The study was not designed to look at these issues in any depth, but it seems appropriate to suggest that ways of ensuring satisfactory housing might be needed.

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