



## MIGRANT WORKERS IN THE SOUTH WEST EXECUTIVE SUMMARY, DECEMBER 2007

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### Introduction

The research study, *Migrant Workers in the South West*, was commissioned by the South West Regional Development Agency (RDA) and undertaken by the South West Skills and Learning Intelligence Module (SLIM) during the autumn of 2007. It also forms part of a programme of research in support of the South West Regional Skills Partnership (RSP). The research aimed to gain a greater understanding of the scale and nature of migrant working in the region and the impact on business and the economy.

For the purpose of this research, migrant workers are defined as non-UK citizens who have come to the UK for the purpose of employment and who have a legal right to work in the UK.

The economic impact of migrant workers is an issue which has invited much controversy. The contribution that migrants make to the UK economy has been one of the most contested areas within research, policy-making and in the media. This study therefore attempts to plug the gap in knowledge about the nature, scale and economic impact of migrant working in the South West.

However, the reality is that little robust information exists on the economic characteristics and contribution of migrant workers. The poor coverage of robust national, regional and local data means that policy-makers do not have the evidence base they need on which to base good policies. No single data source has comprehensive coverage of migration. A particular challenge facing migration studies is the lack of information on out-flows (i.e. emigration) from the UK. Each of the data sources drawn on for this report has its own strengths and weaknesses and adopts a different definition of migration and has partial coverage of the phenomenon.

This problem of data sources has been recognised most recently in the Audit Commission Report, *Crossing Borders (2007)*, which recommends plugging this gap by drawing on intelligence emerging at local levels. To this end the SLIM study not only analyses the official statistics in detail, but also contributes significant new primary research from local authorities, local strategic partnerships and community and voluntary organisations in the South West. This has enabled the development of a more detailed picture at local and sub regional levels within the region.

It is also important to note that the volume and nature of migration is shaped by the legislative framework at UK (and EU) level. Hence, in any consideration of the role of migrants in the labour market the legislative and policy framework is of key importance. The report maps the key legislative and policy changes that have taken place since 2005.

## **Scale and Characteristics of Migrant Working in the South West**

The overall main driver of population change in the UK is net migration. In 1996, foreign nationals made up 3.5% of the workforce; by 2006 this had risen to 6%. Whilst already on the increase, the accession of ten new states to the European Union in 2004 has greatly increased both the scale and pace of change.

The latest review of available data shows that:

The proportion of the region's working age population who are not UK nationals is rising quickly, but at 3.8% of the total, remains one of the lowest in England. There were around 85,700 non-UK nationals working in the South West in 2006, an increase of 35% from two years earlier. Employment growth has been driven by the employment of migrant workers, while the number of UK nationals in employment has remained fairly static.

Inflows of migrant workers into the region continue to grow. There were nearly 42,000 new National Insurance Number (NINo) registrations in the region in 2006/07, almost double the number of two years before. Within the region, Bristol is the most popular location for new migrants, accounting for 17.6% of all new NINo registrations.

The expansion of the EU has played a significant role in the growth of migrant workers, with numbers of registrants from the A8 countries accounting for 55% of the total in 2006/07, up from 29% in 2004/05. Three quarters of A8 country migrants are from Poland, with the same country accounting for 42% of all new NINo registrations in 2006/07.

In 2006, there were over 18,000 children in the region's primary and secondary schools whose first language is not English. This number has risen by over 40% in the last two years.

Unemployment among migrant workers is higher than for UK nationals, and is rising, suggesting that some migrants are now having trouble finding work once they have arrived in the UK.

The number of adults taking up ESOL opportunities has doubled in just two years.

In the case of migrant workers from the A8 countries:

- Around half of migrant workers coming to the region intend to stay in the UK less than three months, while around 25-30% simply do not know how long they will stay. Only around 10-11% of migrants intend to stay for more than two years.
- Migrant workers are more likely to be young (those aged 18-35 account for 80% of the total) and male (58% of all migrant workers are male).
- The 42,000 migrant workers coming into the region from the A8 countries have been accompanied by a further 3,600 or so dependants, half of whom are children.
- The sectors where migrant workers are most commonly working are administration, business & managerial services, hospitality & catering, agriculture and manufacturing.
- The majority of migrant workers tend to be found in low-paid and low-skilled occupations, most commonly as process operatives, kitchen and catering assistants, cleaners, care assistants and farm workers etc. Around 92% of migrants to the South West normally work full-time.

## Economic Impact

In terms of economic impact, the evidence emerging is one of an overall positive impact on the regional and local economies, with little evidence of a negative impact on the resident workforce, in terms of displacement or the depression of wage rates.

Local evidence of economic impact is confined to those areas where employer surveys have been commissioned. Studies in Cornwall and Gloucestershire in particular confirm that employers are recruiting migrant workers because of their inability to recruit locally or because of skills shortages. The impact of not doing so, employers report, would be: downgrading service delivery; loss of production and potential business closure.

Migrant workers are playing a key role in plugging recruitment difficulties and skills shortages for the region's employers. Operating mainly in lower-skilled jobs, evidence from other regions indicates that language barriers provide a significant factor in inhibiting migrants from improving their employment prospects.

Whilst links with employers are becoming a feature of the search for understanding of migrant workers and their economic impact, only one in three of the respondents to the survey of local authorities had made such links. If our knowledge and understanding of the impact of migrant working is to be fully understood at local level, then employer surveys and networks will be needed to plug this gap.

## The local picture

In the light of the acknowledged weaknesses in our knowledge of migrant workers, local authorities have been encouraged to conduct research on their new arrivals in order to plan their responses appropriately. Accordingly, a key strand of this research project was a survey of local authorities, local strategic partnerships and voluntary and community organisations to identify local intelligence; gaps in knowledge; policy responses; partnership working and support needs.

Since partnership working tends to have been strongest at county level in relation to migrant workers, all county councils were interviewed together with 50% of districts/unitary authorities from each county.

Strategic partnerships and county councils tend to have taken the lead across the region and with the exception of Somerset and Wiltshire, some primary migrant worker research has been conducted at county level across the region. In contrast, with the exceptions of South Somerset and Taunton Deane District Councils, the vast majority of unitary authorities and district councils have not undertaken individual pieces of research and three-out-of-four have no plans to do so in the future. In some instances this reflects the perceived limited impact of migrant workers in their area and their successful integration without support, in others, the data-sharing mechanisms in place mean that districts have been able to rely on county research to meet their needs; whereas others are just at the stage of identifying whether they need any research.

In the absence of local research, the majority of local authorities rely on migrant worker networks/statutory partners (particularly the police) and national statistics for their intelligence.

Whilst registration data shows that Polish people indeed dominate the new arrivals, it is important that, in the absence of more detailed information, migrant workers are not treated as one homogenous group with identical needs. The latest research in Gloucestershire illustrates this clearly: although Polish workers were identified in their employer survey, many more nationalities including other EU migrants were found.

Whilst national data indicates that few migrant workers have intentions to stay in the long term, the over-riding perception was that to an increasing extent, they are intending to settle. This view is backed up by research undertaken by Amber Initiatives in Plymouth which showed that in 2006, 60% of migrant workers were intending to settle, a figure which had risen to 84% by 2007. In Exeter, the CVS found that one-third of people interviewed planned to stay in Devon permanently. In the same vein, the latest Gloucestershire research indicated that only 18% of migrant workers expected to return to their homeland within a year; 26% planned to stay for up to five years and one in two (48%) planned to stay in the UK permanently. The contrast with Workers Registration Scheme (WRS) figures is stark. The official WRS figures indicate that only 8% of those who had registered intended to stay for more than two years.

## **Issues for Migrant Workers**

Drawing on research with migrant workers themselves and experience of voluntary and community organisations, the critical issues facing migrant workers are:

**Housing:** The high price of accommodation and unscrupulous landlords featured as the main issue. Horror stories abounded of houses in multiple occupation with, for example, a case cited of one worker being charged rent for the space under the stairs. Migrant workers are often housed in tied accommodation for which high rents are deducted from their pay. The requirement of a large deposit up front in the private sector means that multiple occupancy is the only way in which the deposit can be found. Limited entitlement to benefits means that those who are not able to find work (and in West Wiltshire this has been identified as an emerging issue) or who lose their jobs unexpectedly can then become homeless.

**Exploitation:** Despite the establishment of the Gangmasters Licensing Authority (GLA) migrant workers are still being exploited and examples were given of workers being tied into employer accommodation; housed in sub-standard accommodation; having money deducted from their wages for housing, union fees, registration etc; working for wages below the legal minimum; and being injured through unsafe working practices.

**English language needs:** The protection against exploitation is English language development, yet many voluntary and community organisations reported huge unmet needs for English courses. Language is a real barrier to integration and the ability of potential workers to support themselves. The Exeter CVS Survey found that as many as 74% said that their low level of English prevented them from getting a better job.

**The provision of information, advice and guidance** is still a key area of work for voluntary and community organisations, despite a number of innovative initiatives across the region. Moreover, as more dependants arrive, migrant workers' support needs are changing with advice sought for families, housing, children, integration into school and pre-school. Welcome packs have proved useful, but can quickly become out of date. Websites can overcome this more easily but many migrant workers either cannot access the Internet or do not have the basic skills to use a computer.

**Racial tensions:** The above issues can become self-perpetuating with a lack of English language leaving new arrivals vulnerable to exploitation from employers and landlords, and unable to readily understand English laws. In turn, migrant workers often come to the attention of the local community through "issues". Local authorities reported that in some areas hate crimes are on the increase, as are assaults on people perceived to be Eastern European.

## **Access to Services**

**Interpretation and translation services.** The provision of translation/interpretation services proved to be the major new challenge for public agencies. The multiplicity of translation/interpretation needs adds to the pressure. The costs of providing such services can be huge and Wiltshire Constabulary reported that interpretation/translation costs had increased 500% between 2004 and 2005 and is currently costing £5,000 per month in the county.

**Housing:** Although the demands on social housing have been low, there are issues around the increased costs associated with licensing houses in multiple occupation and ensuring people live in safe and healthy environments.

**Schools:** New arrivals with no English, different cultures and children arriving half way through the school year are impacting on school budgets. In particular, the way in which resources are calculated is not sufficiently flexible to deal with sudden influxes of children. As a consequence, Wiltshire County Council is running an EMAS service costing £500,000 on a grant of £94,000.

Other areas identified include refuse collection services; planning; health; libraries (with pressures around internet use); anti-social behaviour issues; the need for training and community cohesion.

## **Issues and Recommendations**

### **Building the local knowledge base**

The survey of statutory and voluntary organisations has been timely. At local government level, many district and unitary authorities have begun to turn their attention as to how effectively they are meeting the needs of migrant workers and have become acutely aware that they have no data to show where migrant workers are; who they are; where they work and what support services they need. Others, mainly at county level, but including a number of districts, have taken a lead and have identified a number of areas for action, but again, the need for data, intelligence and funding increases the complexity of this work. This local research has not necessarily taken place where national data tells us that migrant worker numbers are greatest.

The survey found little evidence of significant impact on local services, although some localised issues have been pinpointed such as the need for additional resources to cover translation services and English language support in schools.

### **Local Area Agreements**

Local Area agreements (LAAs) are an area where a range of local authorities have made clear plans for action. However, the extent to which migrant worker issues are reflected in LAAs is patchy (and this does not always reflect those areas where migrant working is lowest).

There is an urgent need to share best practice in the development of local plans and responses, as expressed in the LAAs.

### **Partnership arrangements**

Partnerships have been pivotal to successful working and the contribution and involvement of the voluntary and community sector as well as other statutory agencies such as the Police; Fire service and HSE has been essential. Many instances were identified of the voluntary sector playing a key role in developing initiatives on the ground to support migrant workers with their immediate needs, but uncertain funding is the chief barrier to further activity.

There was a sense that there is considerable duplication of effort in trying to understand needs and develop services and where, as in this case, resources are so stretched, this is inefficient and not cost effective. Thus, while current practice is being shared through county-wide forums, there was considerable interest in a regional resource (see below).

## **Support services**

Whether or not the numbers of migrant workers have peaked, it was clear from survey responses that because increasing numbers of migrant workers are looking to settle in the UK and expect to be joined by their families, their support needs will be on-going and potentially more complex. Any funding or services developed to support work in this area, therefore, are not only welcome but will give key partners in the region the opportunity to put in place the necessary infrastructure to support further waves of migration as and when they occur.

The research has shown that there are many examples of innovative and creative responses to addressing the needs of migrant workers across the South West and the challenge will be to identify how best to build on this work and expand its coverage. Support for local partnerships is needed not just on the grounds of social equity, but in the interests of community cohesion; diversity and the economic growth of the South West.

## **Language barriers**

Access to language training is critical. Migrant workers are interested in improving their English and in learning and skills development more generally. English language skills are important for employment progression, engagement and social integration.

This emerged clearly as an issue from those local surveys of employers, and from more detailed surveys of migrant workers themselves that have taken place in other regions. In these surveys, migrants and employers alike have pointed to problems with accessing services and understanding what is available, and with the flexibility of provision.

For the workers themselves, shift working, unsocial hours and low pay associated with their sectors of employment impact on the ability of migrant workers to apply for or attend EAL/ESOL classes. Communication difficulties in turn impact on the ability of migrant workers to work at levels appropriate to their qualifications. Research in Gloucestershire found that 39% of migrant workers had a university education/qualification and a further 15%, a vocational qualification, but are generally earning less than £6 per hour. Similarly in Dorset, 50% of interviewees had a degree but current occupations were generally unskilled – care, cleaning and factory work.

The new ESOL qualification may go some way towards improving this situation, but attention will also need to be given to information, advice and guidance for migrant workers and their employers. This should sit alongside broader advice services which enable migrants to work, and access services.

The region should continue to monitor the demand and supply of ESOL provision and ensure that migrant workers and employers have access to information about provision.

## **Understanding the skills base**

One area of particular weaknesses in the data is the lack of information on the migrants' skill base and its utilisation. No national data is available on this. Surveys in other regions show that workers possess skills over those which are required for the job, and it is the language skills and lack of comparability of qualifications which leads many migrants to work in low paid employment. Some further sample studies, focusing on migrant dense sectors may provide insight into the skills available in the migrant community within the region, particularly in sectors where higher level skills are at a premium.

## **Sharing best practice**

There is no doubt that a wide range of good practice is emerging at sub-regional and local level. It is hoped that this report has gone some way to highlighting that which exists. There is the potential to share this more widely and build on and replicate this practice more widely.

## **Voluntary and community sector**

Voluntary and community organisations find themselves at the frontline for requests for research and translation services as well as dealing with clients referred to them by statutory agencies and employers. Whilst resourcing has not emerged as an issue, amongst those organisations which have been particularly active in this area, it is a real and pressing concern which prevents them offering a wider range of support services for which there are perceived needs.

## **Regional resource**

As the issue of migrant working moves up the agenda, it is important to consider how best to respond to the emerging needs of migrant workers, employers, local authority and other statutory bodies that support them and the voluntary and community organisations working in the field. There is a need to:

- Share practice (particularly amongst local authorities and statutory agencies)
- Support networking (particularly for the voluntary and community sector) and champion the work and needs of service providers at regional and local levels.
- Be a central hub for information on employee and employer rights and responsibilities, translation service etc
- strategic support for better ESOL provision
- Build and maintain the knowledge base
- Develop tools for organisations to assess their needs and develop their responses.

Whilst this is beginning to happen there is no clear focus for this activity, as a result of which efforts are dissipated and uncoordinated. This argues strongly for some regional resource devoted to co-ordinating these activities.

The full report may be accessed from our website: <http://www.swslim.org.uk/research/slim-reports.asp>