

Migrant and student employment and labour market opportunities for less skilled people: indicative insights from one local labour market

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Context

Labour market trends point to increasing labour market disadvantage for people with poor skills → established local populations with poor skills may be hostile to 'newer arrivals' filling local jobs: *"they are taking our jobs"*

'Newer arrivals'

MIGRANT WORKERS
from Eastern European EU 'A8' countries arriving since 2004

Higher Education (HE)
STUDENTS
seeking part-time work in term-time

Questions

- Is the established local population with poor skills being displaced by migrant workers and students?
- Are existing patterns of labour market segmentation being reinforced or are new patterns emerging?
- What are the implications for the low skilled established local population of patterns and processes of labour market restructuring?

Lens – operation of a local labour market focused on COVENTRY

- 300,000+ population
 - central England location
 - manufacturing heritage – car industry
 - industrial restructuring – growth of distribution and services
 - ‘adaptable’ but ‘vulnerable’ – hard hit by recession
 - attractive destination for **migrant workers**
 - **students** at two universities:
Coventry – city centre
Warwick – edge of city
- ➔
- conditions conducive to displacement of low skilled established local population by new arrivals

Methodology

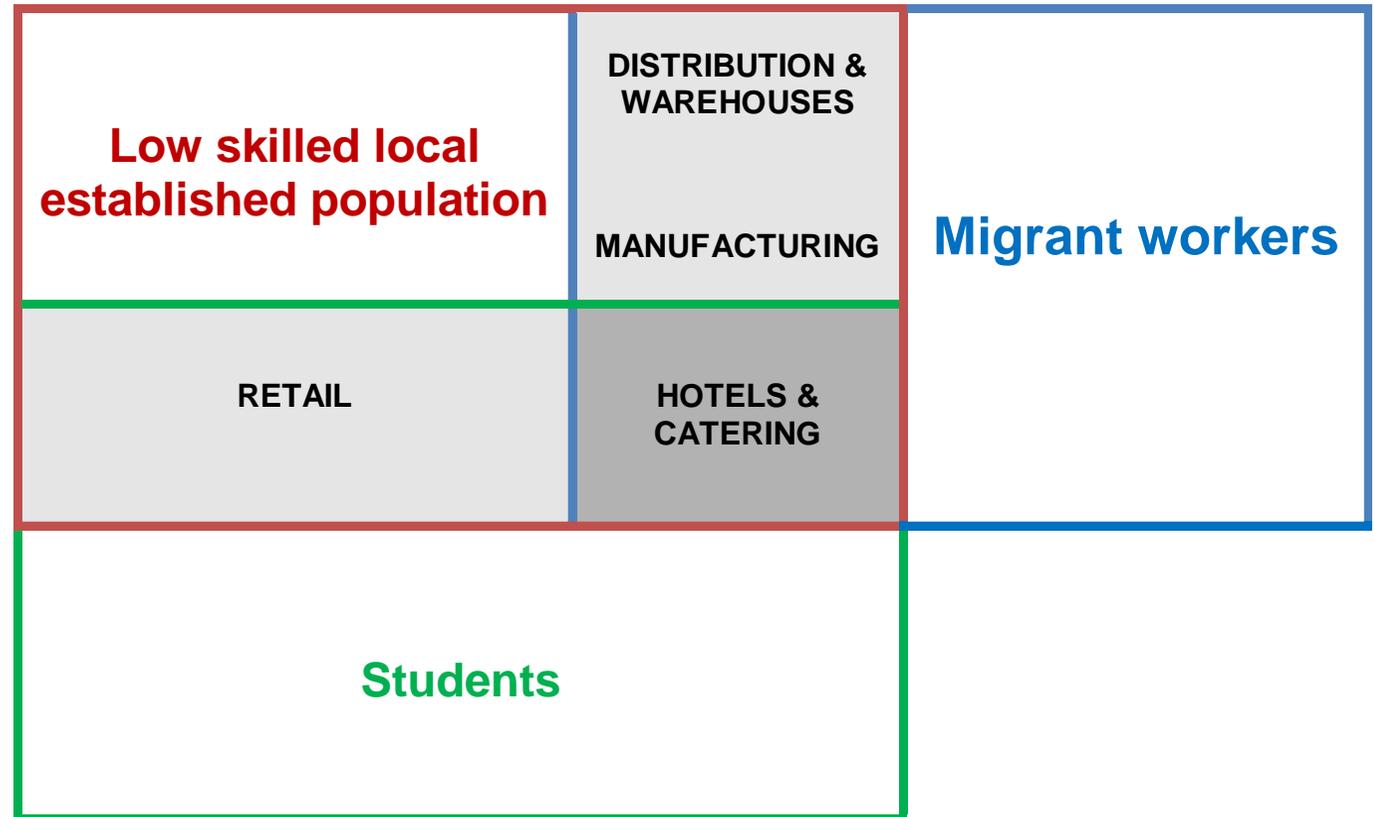
- **Coventry local study** – undertaken in late 2010/early 2011 - was *exploratory* and was designed to reveal *indicative insights into labour market processes and associated impacts*, rather than being statistically representative; but informed by analyses of secondary data (e.g. LFS)
- 16 **employer interviews** - employing students and/or migrant workers in low skilled jobs
- 25 **interviews with low skilled workers and job seekers** not currently in employment usually working in low skilled employment who were unemployed and actively seeking work
- 3 **focus groups** with students in employment
- 2 **focus groups** with **migrant workers** (from A8 countries who had arrived in the UK since 2004) working in low skilled employment

Occupational profile

Two-thirds of A8 & A2 *migrant workers* in elementary or operative occupations

Three-quarters of *students* in sales and elementary occupations

Sectoral competition



Frames of reference

“Potential workers are differentially constrained & have different frames of reference” (Anderson & Ruhs, 2010: 27)

- Frames of reference are crucial in understanding how individuals and different groups of people seek out opportunities and/or respond to those available to them
- ➔
- Motivations to work in particular types of jobs vary: what might be acceptable for some potential workers might not be acceptable for others
 - Attributes employers associate with particular workers stem in part from different frames of reference

	Established local population		More recent arrivals	
	Low skilled jobseekers	Low skilled employees	Migrant workers	Students
Volume of hours per week				
- full-time preferred	✓	✓	✓	
- part-time acceptable		✓	✓	✓
- part-time preferred				✓
Timing of hours worked				
- scheduled conventional day-time working preferred	✓	✓	✓	
- scheduled shift working acceptable	✓	✓	✓	✓
- scheduled night working acceptable	✓	✓	✓	
- atypical hours acceptable – including at short notice			✓	✓
- atypical hours preferred – weekends and/or evenings				✓

Timing of hours worked

“Generally, if you are looking at people in their thirties they are looking for daytime work, whereas students are quite prepared to work morning and evenings. Migrants seem to want to work anything, just to get a job. They will work wherever.”

(Retail employer)

Established local population

More recent arrivals

Low skilled jobseekers **Low skilled employees**

Migrant workers

Students

Type of work

- permanent preferred

✓

✓

✓

- temporary acceptable

✓

✓

✓

- temporary preferred

✓

Work location

- immediate vicinity preferred

✓

✓

✓

✓

- within easy access by public transport acceptable

✓

✓

✓

✓

- willing to be geographically mobile

✓

Gaining employment

	Local established population		More recent arrivals	
<i>Job search methods</i>	Low skilled jobseekers	Low skilled employees	Migrant workers	Students
<i>Jobcentre Plus</i>				
<i>Agency (general/university-based)</i>				
<i>Social networks</i>				
<i>Direct application</i>				

Employers' recruitment practices & experiences → implications

- Decline in use of *formal recruitment methods*
 - Jobcentre Plus as bureaucratic and time-consuming; enough applicants by other means
- Increase in *informal* and *direct recruitment* methods
 - social networks provide high calibre and committed workers
- Increase in use of *agencies* – provide numerical flexibility
- Jobseekers from local established population at a disadvantage – they used formal methods and had poor social networks
- Migrant workers' and students' job search methods matched more closely recruitment methods used by employers

Exemplar comment on changing recruitment methods

“We just have an ‘A’ frame in the doorway, and we find that we have more than enough applications just from that. ... We used to use the Jobcentre several years ago when the job market wasn’t so depressed – in addition to advertising at the doorway. However, now, if we used Jobcentre Plus, we would get a lot of applications from people who have been long term unemployed. There is a better quality of applicants’ response from advertising just inside the door of the shop.”

(Retail employer)

Comments on job search ... and implications

“You need to know someone who works there already and can go and ask for you. Giving a CV is less good, and your CV might never be seen by the manager, but if someone who works there mentions directly that you are looking for a job, you probably get an interview.”

(City centre university student)

“If I had the internet at home it would be easier to look for work.”

“You’d have had to have the paper yesterday to get the job today – they [the jobs] are just snapped up.”

(Low skilled jobseeker)

“You just get a thank you for hard work, not a bonus or anything. ... The agency workers are treated differently.”

(Migrant worker)

Attractiveness of new arrivals to employers

Migrant workers

- willing to work extra hours
 - do jobs others unwilling to
 - access to good support networks, so will work at short notice
 - work hard: good work ethic
 - reliable
 - well educated and well qualified
- provide numerical and some functional flexibility

Students

- willing to atypical hours
 - availability at peak periods – when others unavailable
 - willingness to do temporary work
 - ability to pick things up quickly – can slot into new roles as required, at short notice; *“ordinary people”* get *“stressed”* on *“simple”* tasks
- provide functional and numerical flexibility

Employers' reflections on experience

of migrant workers

“What we might lose is that flexibility [if we could not employ migrants], that when things go wrong, “yes, we’ll stay behind and give you a hand because we actually want to earn that extra money” and it’s not quite the same with a lot of our English guys.”

(Distribution employer)

of students

“We would suffer in the quality of the staff [if we could not employ students]. We would probably get people in to do the job, but they wouldn’t have the same level of intelligence, probably not the same speed of picking up ideas.”

(Distribution employer)

Local established population less attractive

Low skilled employees

- willing to take minimum wage work
- generally unwilling to vary hours but willing to work at minimum wage
- wanted permanent work – but willing to take temporary work on the way to permanency

→ provide more flexibility than jobseekers, less flexibility than new arrivals

Low skilled jobseekers

- want to earn more than get on benefits
- unwilling to be flexible over hourly pay and hours worked
- wanted permanent full-time work – unwilling to take temporary jobs unless of longer duration as a 'last resort'

→ provide neither numerical nor functional flexibility

Low skilled job seeker

reflecting on employment of migrant workers

“Them being here is stopping me getting a job because everywhere in Coventry, there is more minimum wage jobs and temp jobs but there aren’t any full time jobs. They [the employers] can get away with that because people will take it. I want to work, hate being out of work. ... Everywhere I have been, there have been more foreigners working ... than English people.” (Low skilled job seeker)

- Spatial concentration of migrant workers and students serves to heighten concerns about their **wider labour market effects** – particularly in context of economic fragility

Impacts can be +ve ... Focus here on -ve

- fill jobs that otherwise hard-to-fill
- enhance quality or productivity of goods and services
- support development of new goods and services → local economic growth
- **direct substitution / displacement** – ‘taking jobs’
- **indirect** – influence employers’ attitudes and context and organisation of work, in context of broader labour market restructuring → disadvantage low skilled from local established population seeking full-time permanent jobs

Displacement

- NO indicative evidence from Coventry of *DIRECT* displacement
- Negative effects were **INDIRECT**:
 - employers creating or modifying jobs such that low skilled job seekers from the established local population workers were unwilling or unable to take them
 - able to do this because of the existence of pools of migrant worker and student labour willing and able to take these jobs
- ➔ labour market change and restructuring, combined with employers' practices, have led to the residualisation of some low skilled people from established local population

Labour market segmentation

- Increasing labour market segmentation
- Prevalence of segmentation varies by sector *but* is based primarily on **FLEXIBILITY** of migrants and students – in hours of work and times of work
- In *theory* – there could be *complementarities*
- In *practice* in Coventry – increase in atypical jobs done by migrant workers and students; decrease in opportunities for sustainable, permanent low skilled work sought by established local population.
- If low skilled local people are excluded from atypical working because they cannot provide the flexibility it requires, this may be a further barrier to them finding sustainable employment.

Conclusions

- *No direct displacement* (despite conducive conditions) – effects are *indirect*
- *Increasingly segmented* labour market
- More flexible new entrants allow employers to restructure their workforces in ways that do not ‘fit’ with the frames of reference of established local population with poor skills
→ *reduced labour market opportunities* for them
- While there are pools of migrant workers and students ready and willing to do these new types of low skilled jobs, employers do not make them more attractive to established local population - **there is a dynamic relationship between supply and demand**

Policy implications

There is a *role for Government and public agencies* in:

- Informing job seekers about the attributes and skills employers are looking for in recruits and encouraging them to be as flexible and mobile as possible – in order to enhance their attractiveness to employers
- Supporting good working conditions, opportunities for advancement and job security, coupled with work-life balance, by labour market regulation and incentives – so making employment opportunities more attractive

Research implications

- There is a need for similar research in different local contexts

- **For more information:**
- Atfield, A., Green, A.E., Purcell, K., Staniewicz, T. and Owen, D. (2011) 'The impact of student and migrant employment on opportunities for low skilled people', *UKCES Evidence Report 32*.
- <http://www.ukces.org.uk/assets/bispartners/ukces/docs/publications/evidence-report-32-impact-of-student-and-migrant.pdf>