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Reducing the UK's reliance on migrant labour needs more than a cap on immigration

The UK economy will continue its heavy reliance on migrant labour unless there are fundamental changes to a wide range of public policies that go far beyond changes to immigration policy, according to new research by the ESRC-funded Centre on Migration, Policy and Society (COMPAS) at Oxford University.

Who Needs Migrant Workers?, (Oxford University Press 2010), edited by Martin Ruhs and Bridget Anderson, is a major new book on the role of immigration in meeting labour and skills shortages in the UK. It is a key contribution to current debates about immigration including capping skilled labour migration.

The share of foreign-born workers in total employment in the UK almost doubled from 7 percent in the early 1990s to over 13 percent in 2009. In this new research, 20 of the UK's leading experts in labour markets discuss the determinants of the increasing use of migrant workers in six key sectors: health care; social care; agriculture; construction; the hospitality sector, and the financial sector. They find that labour market regulation, long term restructuring, training, pay and wider welfare and public policies are all crucial determinants of the UK's demand for migrant labour.

Martin Ruhs, from COMPAS, said: 'Whatever one thinks about the merits of a cap and reduced labour immigration, it is clear that slowing or reducing Britain's increasing reliance on migrant workers will require more than changes in labour immigration policy. It requires fundamental changes to the public policies and institutions that help create the demand for migrant workers in the first place. These must go beyond reforms of the benefit system and include, for example, greater labour market regulation in some sectors and more investment in training. It also requires a move away from the reliance of some public services on low cost labour. Whether the UK is ready – or can – make these kinds of changes in exchange for fewer migrants is another question.'

The book's conclusions:

The construction sector

The difficulty in finding suitably skilled British workers in construction is critically related to low levels of labour market regulation and the absence of a comprehensive vocational education and training system. The industry is highly fragmented. It relies on temporary, project-based labour, informal recruitment and casualised employment, including widespread bogus self-employment. These practices have eroded employers' incentive to invest in long term training. In contrast, many European states have well developed training and apprenticeship programmes, producing workers with a wide range of transferrable skills.

The social care sector

The shortages of social-care workers and care assistants – two-thirds of care assistants in London are migrants – are largely due to the low wages and poor working conditions. Most social care in the UK is publically funded but provided by the private sector and voluntary organisations. Constraints in local authority budgets have contributed to chronic

underinvestment. Together with the structure of the care sector itself, this has resulted in a growing demand for low waged, flexible workers.

The hospitality sector

Despite the government directing numerous initiatives at employers in the hospitality sector over many years, recruitment and employment patterns continue to rely heavily on migrant workers. Any change from this scenario would mean a major shift in management philosophy and would require employers to reassess the reasoning behind their demand for particular types of workers. As in some other sectors, employers in hospitality sometimes prefer migrants over British workers because of migrants' perceived superior "work ethic" and "attitude".

Co-editor Bridget Anderson, from COMPAS, said: 'New migrants may be prepared to accept jobs whose requirements are significantly below their qualifications and experience, creating "high quality workers for low waged jobs". Moreover, immigration policies are not neutral "taps" that can be turned on and off at will. They create certain types of worker who often depend on their employer for visa renewal, who arrive without family, and who are therefore often perceived by employers as being more reliable and hardworking than UK nationals.'

For more information or for interviews, please contact the University of Oxford Press Office on 01865 280534 or email press.office@admin.ox.ac.uk. Alternatively, contact Martin Ruhs at martin.ruhs@compas.ox.ac.uk, Tel: 01865 274567, 07747 467530, or bridget.anderson@compas.ox.ac.uk, Tel: 01865 274719/ 07736855601

Notes for Editors:

Who needs Migrant Workers? Labour Shortages, Immigration and Public Policy, is published by Oxford University Press. See <http://ukcatalogue.oup.com/product/9780199580590.do>

A summary of the main findings in Chapter 1:

http://fds.oup.com/www.oup.com/pdf/13/9780199580590_chapter1.pdf

Martin Ruhs and Bridget Anderson are Senior Researchers at the ESRC Centre on Migration, Policy and Society (COMPAS, www.compas.ox.ac.uk) at the University of Oxford.

The book includes contributions from: Vanna Aldin, Bridget Anderson, Stephen Bach, Jonathan Beaverstock, Alessio Cangiano, Paul Chan, Linda Clarke, Andrew Dainty, Robert F. Elliott, Andrew Geddes, Howard Gospel, Dan James, Andrew Jones, Rosemary Lucas, Steve Mansfield, Philip Martin, Ken Mayhew, Linda McDowell, Jo Moriarty, Ben Rogaly, Martin Ruhs, Sam Scott and Jonathan Wadsworth

Reviews of the book:

'Ruhs and Anderson have put together a terrific team to analyse immigration for work in the UK. This is the definite research on the demand for migrant workers and will inform the debate for years to come.' *David Metcalf, CBE, Emeritus Professor, London School of Economic and Chair of the UK's Migration Advisory Committee (MAC)*

'A masterful volume of the role of immigration policy in addressing current and future labour shortages. Drawing on a stellar group of experts, it addresses the employment of foreign workers in a wide range of industries.' *Susan Martin, Director, Institute for the Study of International Migration, Georgetown University*

Shares of foreign-born workers in selected sectors and occupations in the UK
(taken from chapter 3, written by Vanna Aldin, Dan James and Jonathan Wadsworth)

Ruhs and Anderson

Table 1.1 Share (%) of migrants in total workforce in UK industries discussed in this book, 2002 and 2008

Industry	All migrants		
	2002	2008	Change
<i>All industries in UK economy</i>	8.2	13.3	+5.1
Agriculture, hunting, etc. (01)	3.9	6.5	+2.6
Food, beverage manufacturing (15)	8.1	21.4	+13.3
Construction (45)	4.5	7.9	+3.4
Hotels, restaurants (55)	15.7	23.0	+7.3
Financial intermediaries (65)	9.7	13.7	+4.0
Insurance, pensions (66)	7.3	9.1	+1.8
Health, social work (85)	10.1	14.1	+4.0

Notes: The industries in this table are measured at the two-digit level, with 1992 SIC codes in parentheses. Migrants are defined as foreign-born workers. The 'change' column refers to change in percentage points.

Source: Labour Force Survey (2002 and 2008), as reported in Aldin et al., Chapter 3, this volume.

Table 1.2 Share (%) of migrants in total workforce in selected occupations discussed in this book, 2002 and 2008

Occupation	All migrants		
	2002	2008	Change
<i>All occupations in UK economy</i>	8.2	13.3	+5.1
Health professionals (221)	25.1	27.8	+2.7
Business and statistical profs. (242)	12.8	13.7	+0.9
Health associate profs. (321)	14.2	18.2	+4.0
Construction trades (531)	3.8	8.5	+4.7
Building trades (532)	4.6	8.8	+4.2
Food preparation trades (543)	17.1	25.5	+8.4
Healthcare and related (611)	7.9	15.1	+7.2
Process operatives (811)	8.5	25.0	+16.5
Elementary agricultural (911)	2.4	10.7	+8.3
Elementary construction (912)	4.5	11.5	+7.0
Elementary personal services (922)	9.7	16.9	+7.2
Elementary cleaning (923)	8.8	18.4	+9.6

Notes: The occupations in this table are measured at the three-digit level, with 2002 SOC codes in parentheses. Migrants are defined as foreign-born workers. The 'change' column refers to change in percentage points.

Source: Labour Force Survey (2002 and 2008), as reported in Aldin et al., Chapter 3, this volume.