

CLR-GB

Newsletter 1/2008

The **CLR-GB** Office is a platform linking CLR activities at EU and GB levels as well as trade union and academic work in GB in the field of Construction Labour Research. It will support related initiatives specific to GB.

Introductory Note:

The topical issues of labour migration and migrant worker employment continue to propagate the political and academic discourse. The UK government coined the phrase “Managed Migration” and is set to introduce a whole set of new measures to shake up the British immigration system in the 21st century. On the one hand, the economic benefits that migrant workers bring to the host country are recognised. Recent figures estimate that migrant workers contribute to approximately £6bn per annum to the British economy, notwithstanding the cultural diversity that it potentially includes. There is also acknowledgement that migrant workers tend to be highly skilled. However, the somewhat rose-tinted view of migrant worker employment is shattered by claims that migrant workers create additional pressure on such public services as education, healthcare and even social housing. Furthermore, the utilisation of highly-skilled migrant workers raises the sticky issue of the failing system of training and education in Britain. From a much wider perspective, the Utopian view of free movement of labour across the European Union is most certainly challenged by critics and cynics of proponents of a flexible workforce.

It is fair to say that despite the growing number of studies examining the phenomenon of migrant workers in construction, there is still much to debate and discuss. We therefore report on the CLR seminar that took place in University of Westminster in

December 2007, which included presentations from a variety of perspectives (e.g. trade union, employer, government). What emerged from the seminar was a call for greater understanding of the situation and the strengthening of regulation (and regulatory enforcement) of migrant worker employment so that benefits from such employment can be genuinely reaped without the unnecessary exploitation and abuse of migrant workers. In all academic tradition, the journey to such understanding has only begun. We welcome comments and views from our readers, particularly in terms of potential future research in this area.

Paul W Chan/CLR-GB February 2008

LABOUR IN ‘NEVERNEVERLAND’?: Regulating the situation for migrants in the British construction industry

Seminar, 7th December 2007, University of Westminster and Northumbria University, in association with CLR

A précis of the key presentations, debates and discussions is summarised in this section. The seminar began with Jörn Janssen, who questioned the term ‘Neverneverland’ and highlighted that migrants are not foreigners. Jörn made the distinction between migrant workers and guest workers. Accordingly, the former makes choices of where they wish to settle and work and the latter are temporary workers who have intentions of returning home. In any case, Jörn argues that equal rights need to be given to all workers, and that this would be more effective in combating criminality, whether perpetrated by migrants or hosts (see after-thoughts below).

Bob Blackman from Unite (formerly TGWU) Construction echoed Jörn's observations by reinforcing that economic benefits must not be achieved by simply underpaying and exploiting migrant workers. Bob made a plea for the government to extend Gangmaster Licensing to the construction sector. He argued that the absence of effective regulation of labour agencies operating in construction consequently leads to malpractices that are detrimental to the welfare, health and safety, and training of vulnerable migrant workers. Gerry Lean from the Construction Confederation (CC) highlighted the problem of 'bogus' self-employment and the fact that migrants can easily acquire self-employed status by obtaining a CIS4 tax certificate - as many do. The CC's view is that this is contrary to the need for the industry to be regulated, especially for effective implementation of health and safety (CDM) regulations, which requires a properly training and qualified workforce.

However, evidence of malpractices, including underpayment, was presented later by Colin Ettinger of Irwin Mitchell Solicitors and Jan Post of RIFT. Jan, in particular, presented examples of real-life 'wage slips' where employers have exploited migrant workers' lack of awareness of tax rules (and in some cases their lack of language proficiency) to make unnecessary deductions. Similar observations were made by Ian Fitzgerald from Northumbria University, who presented a snapshot of research undertaken of Polish migrants in the North of England. Ian Fitzgerald reported on instances of payment of migrant workers below the minimum wage, as well as physical abuse made by some employers.

So what can be done? For a start, there is the opportunity of refreshing the institutional role of trade unions. Ian Greer from the University of Leeds presented findings from a comparative study of trade unionism and migration in the US, UK, Finland, Germany and Belgium. Ian argued that the national character of trade unions in Europe threatens to make trade unionism irrelevant to migrant workers in construction. He suggested that trade unions in Europe could learn from their US counterparts how to represent migrant workers in sectoral issues such as training and recruitment and wider societal issues such as the cost of housing. Ian Greer also proposed that UK union structures could be reorganised to steer away from the competitive dynamic between British union members and non-member immigrants, so as to remove the 'them' and 'us' mentality between indigenous and foreign workers. The European Migrant Workers Union (EMWU) established by the German union *Industriegewerkschaft Bauen-Agrar-Umwelt* (IGBAU) could be exemplary in this respect.

We returned to the discussion raised by Jörn on whether we are talking about migrants or foreigners with a presentation by David Beaney from Northumbria University on movement of migrants into and out of construction. David drew on his analysis of the UK Labour Force Survey (LFS) and made a number of interesting observations. First, his analysis revealed that there was already an increasing level of inward migration from the Accession 8 countries (i.e. Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovenia and Slovakia) before the 2004 ratification. This implies that the surge in migration is not simply a recent phenomenon. On residential mobility, David's analysis suggests that A8 migrants tend to display reduced residential permanence, and that migrants from the rest of the world (i.e. non EU) who are aged between 25 and 34 tend to be more mobile. David recognised the weakness of the LFS data to fully describe the migrant worker situation, and suggested that further work be done to examine how migrant groups may exhibit differences in their settlement into different industry sectors.

A panel discussion took place in the afternoon with Jan Cremers explaining the three instruments that are available for regulating the migrant worker's employment situation, namely: labour law, collective bargaining and collective action. Jan noted that labour legislation should consider the issues of liability in the chain, subcontracting and temporary workers (and labour agencies). Collective bargaining requires the constitution of codes of conduct (both at the high level and at the project level), whilst collective action necessitates the collaboration of social partners in enforcing both the legislative and collective bargaining instruments.

Jean Lambert, MEP (Member of Social Affairs Committee), raised a number of issues during the discussion, including: the workings of European policy-making in legislating for equal treatment of workers that is in the interest of both management and labour; the question of citizenship; the dilemma between flexibility and security; and the enforcement of legislative and regulatory framework (both nationally and within the EU). Others also raise the important issues of examining management practices in relation to migrant worker employment, and the opportunities for cross-country comparisons and learning.

Welcome the Migrants by Jörn Janssen/CLR-GB:

Migrants are the most dynamic segment of the working population. However, they are discriminated against whilst they are, at the same time, deprived of much of the support indigenous people can offer each other. They are not only paid less, but tend to be

denied full employment rights and are often pushed into a grey area of semi-legality if not criminality. They are at risk of being victims of criminal agents, taking advantage of their vulnerability. This is all very well known and was discussed in our seminar “Labour in Neverneverland?”.

CLR has been campaigning for the implementation of the Posting Directive and is committed to fight against ‘undeclared labour’. One essential cornerstone in this campaign is, at present, the European Directive for equal rights of ‘Temporary Agency Workers’. What can CLR-GB do on this issue?

As a network related to the construction industry, CLR-GB will keep on enforcing cooperation between academics and the social partners through its Newsletter and seminars in Britain. Equally CLR will keep using its European links and, in particular, its relationships with FIEC and EFBWW to back up campaigning in Britain. We expect proposals for further activities from our members.

Becoming comfortable with Diversity by Paul Chan/Northumbria University:

Robert Putnam, in his recent exposition of ‘*Diversity and community in the twenty-first century*’, coined the phrase ‘Becoming comfortable with diversity’ as he concluded his observations on ethnic diversity, immigration and American society. In essence, Putnam’s (2007) arguments resonate with Jörn’s observations above. Putnam (2007) asserted, “[...] a society will more easily reap the benefits of immigration, and overcome the challenges, if immigration policy focuses on the reconstruction of ethnic identities, reducing their social salience without eliminating their personal importance. In particular, it seems important to encourage permeable, syncretic, ‘hyphenated’ identities; identities that enable previously separate ethnic groups to see themselves, in part, as members of a shared group with a shared identity (p. 161).”

It appears that any early discussions surrounding diversity tend to emphasise the power of differences. And indeed, understanding differences is still important if we were to delve deeply into the intricate dynamics of migrant worker employment, as pointed out by David Beaney. After all, current work on migrant workers in construction seems to portray them as a homogenous group. There is relatively less research on, for instance, migrant professional workers in construction.

But, equally, we should be looking for sameness. For example, do migratory trends and impetuses for indigenous workers bear any semblance to foreigners moving to ‘greener pastures’? Are the lived realities of

migrant and temporary workers any different from the lived realities of indigenous workers? What about indigenous workers emigrating out of their countries to seek employment elsewhere? And so forth. There is much to be done in this respect.

Putnam, R. D. (2007) *E Pluribus Unum*: Diversity and community in the twenty-first century the 2006 Johan Skytte Prize Lecture. *Scandinavian political studies*, **30**(2), 137 – 174.

CONSTRUCTION SKILLS IN THE NORTH EAST

Workshop, 5th December 2007, Northumbria University

Building on the CLR seminar on VET in construction held at the University of Westminster in September, a workshop was subsequently organised in the North East to discuss what can be done to improve VET in UK construction, and who needs to be involved and how. The workshop brought together representatives from employers, public agencies, local authorities and training and education providers. The workshop raised further questions about future capacity issues in relation to construction demand and the supply of skilled (craft and professional) labour. Again, there were concerns as to whether the workshop was preaching to the enlightened and the challenge was set to engage beyond the ‘usual suspects’. The workshop was designed to be as interactive as possible, supplementing five presentations with a panel discussion and breakout sessions. Presenters were invited to share ongoing work undertaken in the region to either mitigate or better understand the skills problem in construction.

Amongst the presenters was Phil Young from The Esh Group who reported on how they targeted training and employment opportunities for workless people. Phil noted challenges in dealing with a myriad of organisations when working on targeting worklessness, as he raised a number of potential issues for the future, including the needs for: (i) quicker response from accrediting bodies, (ii) training and education providers to be more flexible in terms of delivery, (iii) schools to participate (e.g. teaching the teachers), (iv) strengthening the social support given to workless people in transition when they are not at the college/workplace, and (v) joined-up thinking in government (e.g. responsiveness from the benefits system).

Not knowing who is (and should be) involved in skills development appears to be a common theme raised throughout the course of this workshop. Ian

Murdoch from Northumbria University suggested that the fragmentation of industry representational bodies can be confusing for anyone looking in from the outside. This was reinforced by Robert Moehler from Northumbria University who is undertaking a research project examining construction skills capacity issues in Tyne and Wear. However, there are immense opportunities at present to be involved with VET in construction. Peter Renshaw from Newcastle College, for example, presented developments on their forthcoming 14 – 19 Diplomas, and noted that this was an exciting time for employers and universities to be involved in improving the situation.

For a more in-depth summary of the workshop, please contact Robert Moehler on robert.moehler@unn.ac.uk, or Paul W Chan on paul.chan@unn.ac.uk.

CLR-GB AGM

AGM, 7th December 2007, University of Westminster

The AGM for CLR-GB took place immediately after the seminar on migrants in the British construction industry. Amongst the issues raised was the need for a learned journal to capture the work related to CLR. Given that the existing publication *CLR News* contains articles of high quality, it was proposed at the CLR-GB AGM that this should be made an official publication with the assignation of an ISBN number.

Future activities for CLR-GB were discussed. It was agreed that more work needs to be done on researching the employment of migrant workers in construction. However, such discussions need to extend further to include an examination of how labour is employed, especially across geographical and organisational boundaries. Issues to be considered include: contract compliance; the role of the unions in equality and diversity; training; health and safety. It was agreed that a workshop should be organised on main contractor liability and the subcontracting chain, 'Where does social liability lie?'. CLR-GB plans to include discussions on these issues in both the newsletter and *CLR News*. If you wish to contribute to this discussion, please do not hesitate to get in touch (contact details on the right). And, watch this space for the workshop!

Members present at the AGM:

Chairperson:

Professor John Grahl (Middlesex University)

Other members:

Professor Linda Clarke (Westminster University)

Dr Paul W Chan (Northumbria University)

Dr Stephen Gruneberg (Westminster University)

George Fuller (UCATT Member)

Jan Cremers (University of Amsterdam)
Kevin Williamson (UNITE/TGWU)
Matthew Sardovi (Westminster University)
Monika Kaminska (University of Amsterdam)
Professor Jörn Janssen (CLR)

Apologies:

Ian Fitzgerald (Northumbria University)
Robert Moehler (Northumbria University)

To Our Readers:

The CLR-GB Newsletter is the organ of exchange for CLR in Great Britain. This function depends on the co-operation of its readers. The editors ask everybody who is interested in construction labour to contribute with information and commentaries.

In this particular case we most cordially invite you to contribute to the debate about migrants in the construction industry – or generally.

Please send your suggestions, articles, information, letters, etc. to

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