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# Trends in East and Central European migration to the UK during recession

**How has the volume of in-migration to the UK from East and Central Europe changed since the onset of the recession? To what extent has the change in demand for migrant labour been spatially and sectorally uneven? What do these trends say about the function served by recent East and Central European migrants working in the UK labour market? This briefing paper summarises the findings contained in an article recently published in Population Trends number 145 (Autumn 2011) which explores the effects of the recession on East and Central European migration to the UK.**

### Key Points

- Most East and Central European migrants work in the hospitality and catering, agricultural, manufacturing and food processing sectors.
- Migrants from European accession countries make up a significant part of the agricultural workforce relative to other sectors where migrants are a smaller proportion of employees.
- The inflow of migrants has declined since the onset of recession but the volume of new arrivals remains sizeable.
- The decline in the number of new arrivals has been particularly large in the construction sector but relatively small in agriculture.
- In agriculture and agribusiness demand for migrant labour seems to be less sensitive to variations in the business cycles. Employers reported that they continue to struggle to source domestic labour regardless of prevailing economic conditions.

### Introduction

In a relatively short space of time Eastern Europe has become one of the principal source regions of migrants to the UK and citizens from these countries now constitute some of the largest foreign born populations in the country. Since their accession to the European Union in May 2004 citizens from Poland, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Slovakia and Slovenia (the A8 countries) have had the right to participate in the UK labour

Figure 1 WRS registrations May 2004 – June 2010 by sector

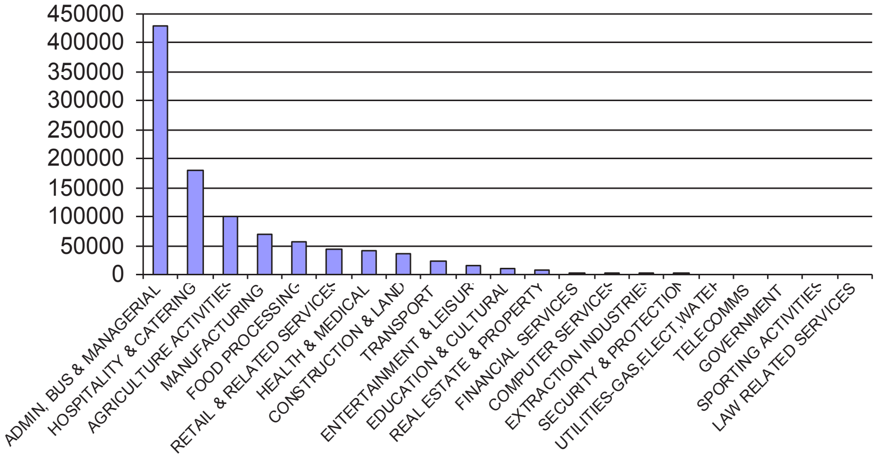


Figure 2 WRS registrations by quarter in the UK April 2006 – June 2010

Source: Author's analysis of WRS


market. A8 migrants were required to register under the Worker Registration Scheme within one month of taking up employment in the UK. This administrative dataset sheds light on where A8 migrants live and the parts of the economy that they work in after moving to the UK and can be used to explore how these patterns have varied over time from the accession to the current recession.

## The study

The research investigates trends in A8 migration since the recession and draws primarily on data from the Worker Registration Scheme (WRS) over the period May 2004 (the date of accession) and June 2010 (the most recent date for which WRS figures were available to the researchers at the time of analysis). In particular the study focuses on variations in the timing and type of work registered by A8 migrants. To estimate the impact of the recession WRS figures are compared for the second quarter of 2008 and the second quarter of 2009. Figures from the Annual Population Survey are used to explore the relative importance of A8 migrations in particular sectors of the economy and to investigate the differential impact of the recession on migrant and non-migrant employment.

## Where do migrants work?

Figure 1 shows the sectoral breakdown of all WRS registrations over the period May 2004 – June 2010. Most migrants appeared to have worked in the administration, business and management sector. However this is a function of the way that registrations are categorised and most of these migrants in this sector were in practice employed by labour recruitment agencies and worked as labour gangs or temporary employees provided by these recruitment agencies to employers in other sector of the economy. In cases where migrants were employed directly by their employers, most worked in the hospitality and catering, agricultural, manufacturing and food processing sectors.

## Migrant registrations decline, but migrants keep arriving

Figure 2 shows quarterly WRS registration between April 2006 and June 2010. Since people register on arrival, these figures therefore reflect the registered inflow of migrants as opposed to the total stock of East and Central European workers in UK. As might be expected, the recession seems to have resulted in an overall drop in new WRS registrations. What is striking however is that so many migrants were still arriving between 2008 and 2010 (a total of 316,720 new registrations between January 2008 and June 2010) despite the economic recession. This raises the question 'What kind of migrants have found work in the UK at a time when the labour market in general has been very tight?'

### Immigration during the recession

The fact that many migrants continued to enter the UK at a time of rising unemployment may be partially explained by variations in how demand for migrant labour has been affected by the recession across different parts of the UK economy. New registrations in the construction declined very considerably, whereas they remained relatively high in agriculture (Table 1). The decline in demand for migrant labour relative to overall changes in the total number of jobs over the recession was particularly sizeable in sectors such as construction and hospitality whereas in agriculture it has been affected to a much lesser extent .

### Discussion

The trends described above point towards A8 migration fulfilling different functions in the UK labour market. The recession has seen a very significant reduction in the number of new A8 migrants entering some sectors. This supports the concept of migrants acting as a malleable supply of additional labour. Demand for this type of migrant labour has proven more sensitive during the recession. By contrast in agriculture and agribusiness, East and Central European migrants seem to have continued to occupy a 'core' position in way that production is organised. Employers interviewed by CPC researchers argued that it was not just a matter of the quantity of labour available to them that was an issue, but that using A8 migrant labour offered many advantages to the running of their businesses. In many cases migrant workers were portrayed as being 'better' than domestic workers in terms of attributes such as work-ethic, 'flexibility' and aptitude. It is not therefore surprising that migrants believed to command these qualities continued to be much sought after even during the recession. The finding however raises questions about why agricultural employers represented migrants in this way. This is a topic explored in more depth in other research undertaken by the CPC researchers.

| WRS Sector | % change |
|---|---|
| Real estate & property* | -77.78 |
| Construction & land* | -75.48 |
| Transport* | -69.83 |
| Manufacturing* | -65.97 |
| Retail | -49.47 |
| Administration, business & managerial* | -41.99 |
| Hospitality & catering | -40.75 |
| Health & medical | -35.71 |
| Food processing* | -34.41 |
| Agricultural activities* | -28.52 |
| Average for all sectors | -43.85 |

Source: Author's analysis of WRS

Note: * Chi-Square significance 0.001

Table 1 Decline in new WRS registrations by sector 2008 Q2 – 2009 Q2, UK

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