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1. Introduction

Temporary employment agencies have a long history of mediating the employment relationship, dating back to at least the start of the twentieth century. Employment agencies have played an important role historically in processes of migration. In recent years, the relationship between employment agencies and migration dynamics has become increasingly complex. Temporary employment agencies are recognised as being one of the key routes used by migrants to access the labour market. In most economies, there has been an increased role for private employment agencies over the last two decades. ILO Convention 181, passed in 1997, recognises that agencies can potentially play a positive role in the functioning of labour markets. Yet, outcomes for migrant agency workers, in terms of pay, working conditions, and

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progression are typically worse than for other groups. Furthermore, the strategies of temporary employment agencies in relation to migration, and the extent to which agencies have adapted their strategies in the light of changing migration patterns remains underexplored. The aim of this paper is to develop an understanding of the use of temporary employment agencies by migrants in the UK, the labour market outcomes for those using agencies, and the current strategies of temporary employment agencies in the UK in relation to migrant workers. The paper draws on findings from in-depth qualitative research from four research projects conducted by the authors, spanning 2005-2012, a period where migration has dominated political and economic discourses, and where both migration, and the employment agency sector have grown.

Specifically, this paper addresses the following questions:

- To what extent do migrant workers utilise temporary employment agencies, and for what purposes?
- How, specifically, are agencies changing their strategies in the light of new migration patterns?
- What outcomes for agency temps are associated with working through these intermediaries?

The paper finds that temporary employment agencies continue to be an important means of accessing the labour market for migrants. Temporary employment agencies are clearly adapting their strategies in the light of changing migration dynamics. Indeed, a key argument of the paper is that through these strategies, temporary agencies are creating new roles for themselves, and in doing so are shaping labour market outcomes for workers. However, these outcomes can be negative or problematic for temporary migrant workers. Migrants using temporary employment agencies for an initial transition into work often remain in relatively low-paid, under-valued and precarious employment. Occupational downgrading for migrants using temporary employment agencies is commonplace, although not inevitable. Together, the evidence presented in the paper sheds new light on the complex and changing relationship between temporary employment agencies on the one hand and migrant workers and employers on the other. The remainder of the paper is structured as follows. In section 2, we review the

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literature on temporary employment agencies and migration. In section 3 we outline the methodology used in the paper. Section 4 presents the main findings, and section 5 concludes.

2. The role of agencies towards migrants in the labour market

A range of studies have highlighted how historically, there have been very close connections between labour market intermediaries and migration dynamics. Piore highlighted the key function of labour market intermediaries, both employment agencies and more informal ‘agents’, often located in countries of origin, in shaping opportunities for migrants.6 Piore argued that such intermediaries contributed to segmentation processes, with migrants often ending up in low-paid, insecure work in the secondary sector of the labour market. Waldinger too, highlighted how agencies and ‘middlemen’ mediated relations between migrants and small employers in the textile sector in the US, providing opportunities for newly-arrived migrants, but also contributing to their longer-term reproduction in precarious, temporary work.7 Freeman and Gonos chart the rise of immigrant agents from the American Civil war to the present day, noting how migrant workers were, in particular, a key source of labour for the newly established ‘temporary help’ firms that developed in the US in the immediate post World War II period.8 A reminder of the historically close connections between agencies and migrants has been provided in Fudge and Strauss’s recent edited collection on the role of temporary employment agencies in modern economies. A number of chapters in this collection show how migrants have been functional to agencies in their development of competitive strategies, by providing a relatively cheap labour force, flexibility, and specialist skills.9 This adds to a growing literature, and academic interest, in the labour market strategies of agencies towards

6 Piore 1979.
7 Waldinger, 1986.
migrants. Three issues, in particular, are prominent. First, there is the question of the extent to which migrant use agencies, and for what purposes? Secondly, how, precisely, do agencies utilise migrants, and to what extent is it possible to see specific strategies towards migrant groups. Finally, are these strategies associated with better or worse labour market outcomes for migrants. Literature on each of these issues is considered below.

Quantitative, generalisable data on the extent of use by migrants of employment agencies remains relatively scarce, although a range of studies have highlighted recent growth in the use of agencies by migrants, and the continued ‘gatekeeping’ role played by agencies for migrants to access the labour market. Reviewing the position in the UK, Strauss notes that migrants’ use of agencies is growing, and widespread in occupational areas such as cleaning, catering, care and domestic work. Mavrakis notes how migrants are increasingly utilising agencies as a means of entering the labour market, and that the economic recession experienced in many European economies, notably Greece, has led to a rise in the use of agencies by migrants, as a means of searching for work. A joint report by the European social partners EuroCiett and UNI-Europa also points to the growing role of agencies in job-seeking by migrants. In the UK, a recent survey by the Chartered Institute of Personnel and Development found that as many as a quarter of employers that recruited migrants used an employment agency to do so (rising to one-third of private sector employers). Among employers that did use an employment agency, the vast majority recruited workers from the European Union. This same study found that the use of employment agencies was particularly widespread for low-skilled migrant roles, consistent with the findings of Strauss (2013). Case studies with employers in the CIPD study highlighted that recruitment consultancies were actively targeting migrant workers and were recruiting from the host country.


11 Strauss 2013.

12 Mavrakis 2015.


Turning to the strategies used by employment agencies towards migrants, as Strauss and Fudge point out, strategies need to be seen as part of broader, transformative efforts by agencies to develop and grow in different regulatory, institutional and cultural environments. The creation of strategies which focus specifically on migrant workers, and facilitate employers’ use of this, and other groups, is perhaps unsurprising, when seen in the longer-term context of agencies’ attempts to ‘make markets’ and expand their role. In this regard, Theodore and Peck highlight how temporary employment agencies in America sought to tap into areas with extensive migrant populations, by locating in specific urban locations, in order to help them fulfil their contracts to supply large-numbers of low-wage ‘day labourers’ to user firms. Coe et al note how agencies in the EU accession countries have actively facilitated cross border migration through their strategies to place relatively low-wage workers from Poland into jobs in the Netherlands and Germany. Mavrakis argues that employment agencies, with branches in host and origin countries, are effectively putting in place what ‘meso-structures’ to facilitate cross-border movement. The specific labour practices used by these agencies in relation to migrants do, however remain relatively under-explored to date.

Some understanding of these processes and practices of agencies towards migrants can be gleaned from studies which have looked at the outcomes of agency work for migrant workers. Reviews of the agency working sector by European social partners, and the European Parliament have emphasised the potentially positive role played by agencies in facilitating transitions to permanent work. A report by EuroCiett and UNI Europa boldly points to temporary agency work as an ‘integration pathway’ for migrants, providing opportunities for non-qualified migrants to learn skills, and allowing those with skills to find work in line with their experience.

Yet, a growing number of studies point to the negative outcomes and relatively poor experiences for migrants working through employment agencies. Mavrikis (2015) drawing on

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16 Theodore and Peck, 2013
17 Coe et al., 2010.
18 Mavrakis, 2015
19E. Voss et al., 2013.
studies of migrants using agencies in Greece and the UK reveals how the gatekeeping role played by when supplying temps in low-skilled areas, can result in deleterious consequences for migrant temps. His case studies revealed how agencies may insist on a minimum of 6-months work experience in the UK, and a sufficient command of the English language. Mavrikis’ study calls for closer attention to be paid to the labour practices of agencies towards migrant workers, particularly the strategies used by agencies to help them fulfil their contracts with client firms. He argues that agencies deliberately maintain an over-supply of temps, since this allows them to ‘maintain a continuous flow of the main pool of exploitable and self-disciplined workers. Hopkins et al. note how agencies, in conjunction with client firms had developed sophisticated absence management systems which were tailored specifically to address perceived absence problems with migrant workers in the hospitality industry. Strauss and Fudge conclude that the experience for migrant agency workers is often negative summarise evidence from a range of studies, across a number of countries, concluding that ‘the actual use of LMIs often reflects their regulatory capability to shift risk and lower wages, rather than the heralded role of matching skilled and mobile workers with flexible and highly paid contract work.’

3. Methodology

The paper draws on data gathered in four separate research projects, all looking at aspects of employment agency work and migration, conducted by the authors between 2005 and 2012. This period is one in which the agency industry has expanded in the UK, despite the economic recession from 2009-2012. Indeed, studies have noted the resilience of the agency industry to the economic downturn. This period is also one in which migration has remained an important political and economic issue, in the UK and elsewhere. The methodologies, timings and overall objectives of these studies were quite distinct. However, the projects did share a common goal, of seeking to understand (as part of a broader set of objectives) the labour market experiences of migrants and their interaction with employment agencies. The broader objectives of these

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20 Mavrikis, 2015  
21 Hopkins et al., 2015  
22 Strauss and Fudge, 2013: 6  
projects allow for a *contextualised* understanding of the use of agencies by migrants, the experiences of migrants, and the evolving nature of agencies’ strategies towards migrants.

The distinctive objectives, methodologies and empirical focus of the projects mean that it is impossible, and indeed undesirable, to seek to provide a generalizable account of the role of agencies towards migrants. However, all four projects do share a focus on the actual experiences of migrants with employment agencies in the UK, and in this sense, summarising the findings across a number of discrete studies, is a meaningful endeavour. Together, the research included over 60 qualitative interviews with temporary employment agencies and migrant workers, participant observation conducted at one temporary employment agency, along with a survey of migrant workers. Brief details of the four separate research projects are detailed below.

Mackenzie and Forde’s study of asylum seekers, migrant workers, refugees and overstayers in a town in the North of England was undertaken between 2005 and 2006.24 As part of this study, a survey was distributed to provide data on the social and economic experiences of migrant workers, asylum seekers, refugees and overstayers, part of which looked at their labour market experience in their home country and in the UK and their use of labour market intermediaries. The survey was available in English, Farsi, Russian and Polish language versions. The survey was distributed through local contacts, and by the research team at community events, migrant worker information days, community cohesion conferences and via attendance at support groups. In total 400 questionnaires were distributed. 113 responses were obtained, constituting a response rate of 28 per cent. In addition 46 interviews were conducted with new arrivals between July 2005 and July 2006. Key themes covered in the interviews included access to support services, housing and medical care, educational background and learning, and voluntary and paid work experience both in their home country and (where appropriate) in the UK. Interviewees were identified through attendance at new arrival support group meetings, community events and conferences, and via local employers and other labour market agencies.

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Snowball sampling, where respondents identified other potential interviewees also formed an important part of the research process.

MacKenzie, Forde and Ciupijus conducted a second study into the experiences of migrant workers in the same town in the North of England in 2009 and 2010. This research was conducted as part of a Migration Impact Fund initiative evaluation being conducted by the local authority. This research was conducted between December 2009 and April 2010. The purpose of the study was to gain a better understanding of the size, demographics and places of work of the migrant population in this town. This included an understanding of the routes and institutions used to access and find work, including labour market intermediaries. As part of this evaluation, in-depth interviews with the migrant population were conducted to provide evidence on the experiences and needs of migrant workers. The interviews conducted were semi-structured in nature, to allow the exploration of emergent themes, to develop. In total, there were 30 migrant workers who participated in this research. As with the earlier study of Northtown, snowball sampling was a key tool in the identification of respondents for interviews. The data originated from interviews with individual economic migrants, from whole migrant households, and from focus groups with adult migrants.

Two further research projects are used in this project to provide 3 short case studies. First, MacKenzie and Forde gathered data between 2008 and 2012 into the activities of temporary employment agencies, as part of broader research into the nature of non-standard and contingent employment. This research involved interviews with a range of temporary employment agencies, including two reported here: Multico and Socialco. Each case involved evidence from two respondents. Secondly, a case study of Localco is drawn from the research conducted by Alberti on migrant employment in London. Evidence on the experiences of migrants with employment agencies were gathered through participant observation to explore the everyday lives and responses of migrants working in the hospitality industry and the nuances of the social stratification of migration in this relatively informal sector. Semi-

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26 Alberti, 2014.
structured and informal interviews were conducted with migrant workers employed under a variety of contracts (part-time, agency, fixed-term or casual contracts) and practitioners involved in the sector in 2008. One of the agencies researched (where many of the migrants worked) was Localco, which was one of the leading providers in London allocating migrants to catering and housekeeping jobs.

In the analysis that follows, the findings are presented thematically, in line with the three key research questions identified at the start of this paper.

4. Findings

a) The use of employment agencies by migrants

The studies all highlighted the importance of employment agencies as a source of finding work for migrants. The survey of new arrivals in Northtown, in 2005 and 2006, conducted by MacKenzie and Forde asked respondents about the sources they had used to find work in the UK. The most commonly used sources for finding work were: being told about a job by friends and family (cited by 51 per cent of those who had worked in the UK), private employment agencies (41 per cent), newspapers (36 per cent), Jobcentreplus (35 per cent), the internet (35 per cent) and being given a job by friends and family (22 per cent). Open ended comments at the end of questionnaires, as well as interviews pointed to the particular importance of temporary employment agencies for hearing about local job opportunities. This importance of employment agencies for finding employment was echoed in the follow up study of Northtown conducted by MacKenzie, Forde and Ciupijus in 2010. Here, respondents highlighted how recruitment for work in Northtown was often facilitated via employment agencies based in the UK and in countries of origin. One employment agency based in Northtown, and a Polish/UK agency with an office in the region, were cited as the main recruitment providers. Both were relatively small ‘local’ agencies (with a small number of branches in the UK, and/or Poland), rather than being a multinational recruitment agency with many branches.
In both these Northtown studies, interviewees indicated that they had registered with agencies in their countries of origin, including workers who were employed with one dominant employer in Northtown, which utilised around 300 migrant workers. Interviews with local employment agents revealed how agencies had developed almost a monopoly of supply of workers to some firms, and that migrant workers comprised a significant proportion of those seeking work in the local area, making up as much as 95 per cent of those on their books.

For some, the decision to locate in Northtown was based on the work opportunities available via the agencies that they had registered with, both in Northtown and in countries of origin. These agencies often recruited directly from their home countries to work for employers in the town. This was particularly the case for people who had migrated from new member states following the expansion of the EU in 2004. Whereas prior to that some people had arrived in Northtown as a consequence of state responses to political crisis, for example a number of Kosovons originally came as refugees from the conflict in Albania, over the past decade, post 2004, the Central and Eastern European migration was predominantly based on initiatives taken by individual migrants, and these were often orchestrated by employment agencies and employers. More recently there had been small numbers of people that had come to Northtown from other parts of Europe who had found work without the use of such labour market intermediaries by use of the internet. In line with other studies, then, agencies are an important means to access the labour market for migrants. The novelty of the findings from these studies is the extent to which some agencies are reliant or dependent upon migrants for their supply of workers. This issue is explored in more detail below.

b) The strategies of employment agencies towards migrant workers

The two studies of Northtown, and the case studies conducted by MacKenzie and Forde, and Alberti offer a number of insights into the extent to which agencies had actively adapted their strategies in order to seek a competitive advantage from the recent increases in new arrivals from EU accession countries. Both of the Northtown studies found evidence of agencies actively recruiting in countries of origin, establishing branches in countries of origin, employing recruitment consultants with Eastern European language skills, and employing migrants as recruitment consultants. The focus of agencies’ activities in Northtown was in the
supply of workers into low-skilled, low value added production jobs. Interestingly, this strategy would seem to be at odds with the competitive strategy espoused by EuroCiett/UNI-Europa (Voss et al., 2013) for the long-term growth of the sector, based on the supply of workers for higher value added jobs.

Low-value added, low wage jobs were also the focus for Alberti’s Localco case. Localco supplied temporary, contract and permanent staff at all levels including outsourcing management contracts to the local hotel industry. The agency’s strategy could be characterised as operated a hiring hall approach to recruitment, and participant observation revealed the daily conversations, stress, and fears of new migrants in London hospitality. Electronic forms were required to be filled in to register with the agency, although getting a job was more based on behavioural attributes. The agency staff emphasised the ‘posture’ that workers were expected to assume towards hotel guests and how aesthetic labour was more important than anything else in the delivery of their service. Besides the emphasis on attitude, posture and presentation, considered essential in front-desk hotel jobs, other values that the agency managers tried to develop in workers, were availability, adaptability, flexibility, multitasking and proactivity.

These values were also emphasised by recruitment consultants in Multico. This agency was a large multinational agency with many branches in the UK, and its competitive strategy was quite different to Localco. Multico’s competitive strategy was based around the development of ‘high value-added’ relationships with client firms. These relationships typically involved the supply of large numbers of agency workers, alongside the provision of human resource and training activities. At the branch interviewed for the study, migrants made up around 40% of those on the books at this agency, and were seen as critical to the success of the long-term managed contracts that Multico had with large clients. In the case study branch, migrants, mostly from the EU accession countries, made up approximately 30% of the headcount on managed contracts. These managed contracts involved management personnel from Multico being present on-site in a range of local food processing and manufacturing plants. The success of these contracts was dependent upon the agency being able to supply large numbers of workers (necessarily the same workers each day). Clients demanded flexibility and reliability, both from the agency, and the workers supplied by that agency. Having a stock of migrant workers was seen by the agency as one means through which it could fulfil its contractual obligations.
The strategies used by agencies to ensure flexibility were numerous. At Localco, agency management at Localco adopted the discourse to migrants that the agency was their employer and that future work was dependent upon their meeting client expectations through their behaviour. There was an emphasis on the provision of a ‘high quality service’ and the need to maintain the ‘reputation of the agency’ vis-à-vis the clients. Temp workers’ loyalty was ensured by assigning more weekly shifts to those who accumulated ‘seniority’ in the agency. In this way, the length of registration with the same agency became a proof of the consistency and reliability of temps as compared to newer arrivals.

These case studies emphasise the functional role played by migrants in helping employment agencies meet client obligations. A counter-example to these strategies could be seen at Socialco, which was a social enterprise agency which began to operate in London in 2005. Socialco claimed that it could, because of its’ broader set of goals and objectives, focus beyond the initial transition into work for migrants. Their aspiration was to look at long-term opportunities for development of migrant skills.. Socialco recognised that migrants often ended up in a vicious circle of agency work, reproducing precarious jobs and skills underutilisation over time. Socialco, instead, sought to focus on multiple transitions and to think about the career trajectory of the migrants on its books. The agency had developed practices which sought to identify and develop the skills that migrants had, with a view to placing them in long-term sustainable employment, commensurate with their skills. This did, in some cases result in tensions and challenges, since Socialco did have to compete with private sector, profit-motive focused agencies for contracts. Nonetheless, the important aspect of the agency’s strategy, and what distinguished it from other agencies was its’ core commitment, reflected in its objectives and approach, to serving the long-term needs of the migrant worker.

c) The outcomes associated with agency work

In the light of the strategies above, what insights can be gathered about the outcomes associated with agency work for migrants? Interviews in the two studies of Northtown emphasized that registering and accessing work via temporary agencies gave the opportunity to earn higher wages when compared to home countries. However, the underutilisation of the skills of Central
Eastern European migrants was very evident from this study. Occupational downgrading, in particular was commonplace. Whilst in their country of origin some respondents had professional jobs or were educated to perform jobs such as journalism, accounting, nursing and teaching, in the UK, the migrants interviewed had worked in lower skilled jobs, at least initially. Participants lamented the difficulties in finding jobs matching their educational level. Migration was seen as a trade-off – higher wages – compared with those in for example Poland in exchange for occupational downgrading.

For many respondents in the Northtown studies, migration, and the use of temporary employment agencies was seen as a ‘least worst’ alternative to a vicious cycle of poor quality employment in countries of origin, although in fact the trade-off that many encountered was significant occupational downgrading. One respondent spoke about their decision to leave Poland and the challenges of arrival in Barnsley:

‘The reality in Poland was very cruel...but we still continued to look for jobs. Once I have checked an Internet site of local newspaper and, incidentally, it contained an advertisement of xx – the employment agency…it recruits directly from Warsaw and finds work for Poles willing to work in England’.

Occupational downgrading and relatively poor employment outcomes were not an inevitability, however. At Socialco, the strategies employed by the agency sought to minimise occupational downgrading, although this did create challenges, and was an aspiration of the agency as much as a reality. In Localco, migrants themselves devised their own responses to agency strategies, and played an active role in negotiating the job queue to try and improve their experiences of working through agencies. Recognising that the agency placed value on flexibility and reliability in its’ temps, Alberti’s study showed how a crowd of temps would gather round the recruitment consultants announcing the hours available for the week. Those who had accumulated seniority in the agency tried to enhance their perception of reliability by standing in the front row to make sure they were noticed and would subsequently receive more weekly shifts.

5. Discussion and conclusion
The aim of this paper was to develop an understanding of the use of temporary employment agencies by migrants in the UK, the labour market outcomes for those using agencies, and the current strategies of temporary employment agencies in the UK in relation to migrant workers. Specifically, this paper addressed the following questions: to what extent do migrant workers utilise temporary employment agencies, and for what purposes; how, specifically, are agencies changing their strategies in the light of new migration patterns; and what outcomes for agency temps are associated with working through these intermediaries?

On the first question, the findings complement previous studies, and point to the continued widespread use of temporary employment agencies by migrants to access work. The studies summarised in this paper highlight that use of temporary employment agencies by migrants is one of the most commonly used channels. The strategies outlined by Coe et al. 27, where agencies in the EU accession countries have actively facilitated cross border migration are confirmed in this paper. Indeed, this migration seems to be facilitated via employment agencies based in the UK and in countries of origin. What is interesting is how agencies have become quasi-monopoly suppliers of workers to some firms, meaning that for some migrants, registering with an employment agency may be the only means to access work within a particular firm, or locality. This may mean that migrants are dependent upon agencies for work within particular sectors or localities.28

Turning to the strategies used by employment agencies towards migrant labour, the research summarised in this paper demonstrates how agencies can serve not only as an institutionalisation of flexible labour but also crucially they may act as a means of socialising workers’ into a certain regime of work.29 Agencies actively generate an excess supply of migrants on their books, and place emphasis upon the demonstration of characteristics such as flexibility and reliability for allocating work. Whilst these findings have been found in a range of studies of temp work more generally,30 the research here highlights how agencies have sought to exploit growing numbers of economic migrants, in order to facilitate their strategies. Many of these strategies derive from the need to supply temps in large numbers to client firms,

27 Coe et al., 2010
28 Mavrikis 2015; Strauss and Fudge 2013.
on an ongoing basis, with migrant labour being the latest group targeted by agencies in order to help them fulfil their contractual obligations with client firms. The result is that access to more stable forms of employment in an ‘internal labour market’ within such firms, may only be possible via an initial job through a temporary employment agency, although such transitions are by no means straightforward or automatic. Indeed, the paper shows agencies may actively cultivate dependence amongst temps for continued temporary work, using subjective criteria such as flexibility and reliability, in conditions where there is an excess supply of migrants, to allocate work. The paper also pointed to alternative competitive strategies being adopted by some agencies, particularly social enterprise agencies. These may offer a better means through which the needs of migrants can be met, although it is important to note that these agencies are very much the exception rather than the norm. 31

Finally, in terms of the outcomes associated with agency work, the most significant finding in the paper, is that occupational downgrading for migrants is commonplace, particularly accompanying the first transition into work in the UK. The skills of migrants are, on average, underutilised in the UK, and accessing job opportunities via agencies often involves a trade-off of relatively higher pay (in comparison to home country) for occupational downgrading. Similar findings have been reported elsewhere, although what has been neglected in previous studies is the agency of migrants, and the potential role of some forms of agency (such as social enterprise agencies) to overcome this occupational downgrading.

It is important to note that many of the strategies being adopted by agencies towards migrants are not new, but instead, agencies are using long-standing ‘market making’ strategies, to extend their role within and between economies.32 Tapping into growing numbers of migrant workers have opening up new sources of labour and new forms of demand for agencies. These migrant workers are functional to agencies, assisting them in fulfilling their long-term contractual obligations with client firms. The outcomes for migrant workers using agencies remain precarious and uncertain, however, with migrant workers often being dependent upon agencies for regular work, and with migrants remaining in temp work for significant periods of time, with limited opportunities for transition to permanent jobs.

