

---

# United Kingdom Country Report

## Work Package 2

---

Undocumented Worker Transitions

EU Sixth Framework Programme  
Contract Number: 044272

Prepared by Tessa Wright and Sonia McKay  
Working Lives Research Institute

July 2007  
(Minor revision November 2008)

---

## Contents

1. Introduction .....	3
1.1 Defining migrant workers .....	3
1.2 Terminology.....	4
2. UK immigration and employment law system .....	5
2.1. Historical account of immigration policies.....	5
2.2 Overview of current immigration legal framework.....	5
2.2.1 Asylum seekers and refugees.....	6
2.2.2 Family reunion .....	6
2.2.3 Working in the UK.....	6
2.2.4 Undocumented workers .....	9
2.2.5 Regularisation programmes.....	10
2.3. Employment law framework for migrants.....	11
2.4. Migrant registration and control processes.....	12
3. Statistical data on migration to the UK .....	14
3.1. Migration data from statistical reports.....	14
3.1.1 Immigration and emigration flows .....	14
3.1.2 Migrant workers .....	15
3.2. Estimates of undocumented migration .....	18
4. The impact and experience of undocumented migration .....	20
4.1 Pathways of undocumented migration .....	20
4.2 Impacts of migration on labour markets .....	21
4.3 The informal economy and migration .....	22
4.4 The experience of undocumented migrant workers.....	23
4.5 Gender and migration.....	25
4.6 Undocumented migrants' access to services .....	26
4.7 Forced labour and trafficking .....	27
References .....	29

# 1. Introduction

Since the election of the New Labour government in 1997 immigration has been high on the political agenda, with measures to control the numbers of asylum seekers entering the UK, and then a policy of 'managed migration' to encourage economic migration where it is seen to benefit the UK economy. Both immigration policy and immigration flows have therefore changed significantly during this period and are continuing to do so. Undocumented or 'illegal' migration has also become an increasing focus of interest, with concern from many quarters about the exploitation and conditions of migrants, particularly following the death of at least 21 Chinese migrant workers in Morecambe Bay in 2004 while picking cockles, at the same time as increasingly stringent government policy in relation to border controls and tackling 'abuse' of the immigration system.

## 1.1 Defining migrant workers

There is no single accepted definition of a migrant worker in the UK. The International Passenger Survey (IPS), on which much of the data collected on migration is based (see section 3), defines a migrant worker as 'a person who has resided abroad for a year or more and who states on arrival the intention to stay in the UK for a year or more' (Robinson, 2002). However, this definition fails to capture the complexity of the migrant workforce by excluding: seasonal workers who will not stay for a year or more; those who on arrival do not intend to stay for a year or more but who then overstay, whether lawfully or not; and those who enter with false documents or who avoid border controls.

To take account of this diversity, the WLRI has used the following definition of migrant workers: "Those who have come to the UK within the last five years specifically to find or take up work, whether intending to remain permanently or temporarily and whether documented or undocumented" (McKay et al, 2006: 15). However, defining "undocumented" migrant workers is more complicated.

## 1.2 Terminology

The terms 'undocumented' or 'unauthorised' are preferred to 'illegal', a term which is criticized for three reasons by the Platform for International Cooperation on Undocumented Migrants (PICUM): it has a connotation with criminality, and most undocumented migrants are not criminals; defining people as 'illegal' can be regarded as denying them their humanity; and labelling 'illegal' asylum seekers who find themselves in an irregular situation may further jeopardize their asylum claims (PICUM, 2006: 1). The term 'irregular migrants' is used by UK policy think tank the Institute for Public Policy Research to mean "people who are liable to be deported for issues related to immigration status" (ippr, 2006: 5) in preference to 'undocumented' which it believes is ambiguous as it refers to both those who have not been recorded and those without documents (see ippr, 2006 for further discussion of terminology).

A useful categorisation that takes account of the complexity of immigration status and permission to work are the terms "compliant", "semi-compliant" and "non-compliant" developed by Ruhs and Anderson (2006), where compliant migrants are legally resident and working in full compliance with the conditions of their immigration status, non-compliant migrants are those without the rights to reside in the host country and semi-compliance indicates a situation where a migrant is legally resident but working in violation of some or all of the conditions attached to their immigration status.

---

## 2. UK immigration and employment law system

### 2.1. Historical account of immigration policies

Legislation to control immigration, particularly from the Commonwealth, was introduced in the UK in the 1960s and in the Immigration Act of 1971, and during the 1970s and 1980s only strictly limited economic migration was permitted for skilled workers through the work permit scheme and further requirements were imposed for those seeking family reunification. Restrictions on economic migration continued until the mid-1990s when employers started putting pressure on the government to permit them to use more migrant labour. But at the same time the government was seeking to control the numbers of asylum-seeking refugees, whose numbers had increased from the late 1980s, and maintained a distinction between those who arrived in the UK as asylum seekers and who were not allowed to work (despite their skill levels) and those who were eligible as economic migrants (Baldaccini, 2003).

When the Labour government came to power in 1997, asylum and immigration procedures were considered to be failing so they began a 'modernisation' of immigration policy, concentrating on improving administrative procedures and deterring asylum seekers with the Asylum and Immigration Act 1999 (Flynn, 2005). The government's *Secure Borders, Safe Haven* White Paper in 2002 (Home Office, 2002) went further in developing its policies on 'managed migration', referring to the economic and social benefits of migration, but also talked about the need for social integration of migrants, community cohesion and routes to gaining citizenship of the UK. Flynn (2005) argues, though, that migration policy was being shaped by the needs of business both for skilled labour and unskilled labour, whose rights in relation to length of stay, family reunification etc., varied according to the scheme under which they entered and depending on employer demand for labour.

### 2.2 Overview of current immigration legal framework

The main routes for immigration into the UK are as an asylum seeker, for family reunion or for work, which are summarised in this section.

### **2.2.1 Asylum seekers and refugees**

In 2005 the UK government published its five-year strategy for asylum and immigration (Home Office, 2005), which continued its focus on tightening up the asylum system to deter those it perceived as 'economic migrants' rather than 'genuine refugees'. Asylum seekers are denied access to the legal labour market, and the government's position is that the integration of asylum seekers can only begin once they become refugees, although there is a scheme for asylum seekers to undertake volunteer community work (Ensor and Shah, 2005). Once asylum seekers are granted refugee status they can work legally. In the past refugees were granted Indefinite Leave to Remain, but since August 2005 refugees and people with Humanitarian Protection (HP) are granted five years' limited leave. Permanent settlement is then only granted to those refugees who, after five years, are still eligible to remain in the UK.

### **2.2.2 Family reunion**

There are provisions under the immigration rules for spouses, fiancé(e)s, unmarried and same sex partners of those who are settled in the UK, or in a category leading to settlement, to come to the UK and settle. Dependent children, aged under 18 and unmarried, can also apply to join their parent(s) and settle. There are very limited opportunities for other categories of relatives, so grandparents, for example, must be wholly or mainly financially dependent and have no other relatives in their country who could support them (Baldaccini, 2003). Some categories of work permit holders may be joined by their spouse and dependent children, but these rules are changing with the introduction of the new Points-Based System (see below).

### **2.2.3 Working in the UK**

The Work Permits system is currently the main mechanism for managing labour migration into the UK. In recent years it has expanded considerably, with several new schemes introduced, but from 2008 all existing visa and work permit systems will be replaced with a single points-based system, made up of five tiers. Tier 1 includes only highly-skilled professionals and entrepreneurs and offers a route to settlement, possibly after two years (Home Office, 2006a). Tier 2 is for skilled workers with a job offer from a UK

employer, who may apply for settlement after five years' residence. Tier 3 is for low-skilled workers, limited by quota where UK and EU labour is not available and offers only temporary residence for a maximum of 12 months with no right to bring dependants or switch to another route. Tier 4 is for students, with leave tied to a sponsoring educational institution and limited to the duration of the course, but most will be entitled to bring their dependants and work part-time. Tier 5 covers youth mobility schemes and temporary workers who might not qualify under Tier 2 but who are allowed into the UK for cultural, charitable, religious or international development reasons (Home Office, 2006a).

These proposals have been criticised for potentially exacerbating the vulnerability of migrant workers and their families, as critics fear that the effect might be to curtail legitimate labour migration routes and increase the likelihood, in the words of the chief executive of the Immigration and Advisory Service<sup>1</sup>, that “more workers will be sucked into the economy via smugglers and traffickers, with appalling consequences of exploitation” (UNA – UK, 2005).

On 1 May 2004, when the A8 countries of Central and Eastern Europe<sup>2</sup> joined the European Union, nationals of these countries were granted the right to work in the UK, but are required to register under the Worker Registration Scheme (see 2.4)

Currently, under the **Work Permit scheme** employers can recruit people from outside the EEA, or those from outside the EEA can undertake work-based training or work experience, for example. In addition, there are specific schemes for certain types of worker:

- **Highly Skilled Migrant Programme (HSMP)**, allows foreign workers outside the EEA to enter the UK in order to seek work without already having a job with a UK employer, as long as they gain sufficient points based on criteria such as qualifications, previous earnings, age and

---

<sup>1</sup> A UK charity providing representation and advice in immigration and asylum law.

<sup>2</sup> Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia

experience of studying or working in the UK. Since December 2006 there has also been an additional English language requirement.

- **Seasonal Agricultural Workers' Scheme (SAWS)** allows low-skilled workers from outside the EEA to come to the UK for seasonal agricultural work, with an overall annual quota of 16,250 for 2007. However the government wishes to move towards recruiting only Romanian and Bulgarian nationals under SAWS by 1 January 2008, and in 2007 a minimum of 40 per cent of the annual quota will be allocated to a Romanian and Bulgarian nationals, with the remaining 60 per cent for students from non-EEA countries<sup>3</sup>.
- **Working Holiday Makers' Scheme** allows Commonwealth citizens aged between 17 and 30 to come to the UK for an extended holiday of up to two years, during which they can work, but only if it is incidental to the holiday. The source countries are predominantly the 'Old Commonwealth', with Australians and South Africans accounting for two-thirds in 2005, although the numbers from Ghana, India and Malaysia have risen substantially (Salt, 2006: 86).

In May 2003 the **Sectors-Based Scheme (SBS)** was introduced to address shortages in lower skilled occupations, in particular food processing and hospitality. In July 2005 the hospitality sector was withdrawn from the scheme, on the basis that the required labour could be drawn from the enlarged European Union (Home Office, 2005), and the scheme for the food manufacturing sector was extended on 1 January 2007 for Bulgarian and Romanian nationals only<sup>4</sup>.

**Domestic workers** can come with their employer to the UK, and are normally given permission to stay for six to 12 months, depending on the employers' length of stay. They can change employer to another job as a domestic worker in a private household, but must notify the Home Office. They can apply for an extension to their stay, and after four years' continuous

---

<sup>3</sup> Immigration and Nationality Directorate website 23 March 2007, [www.workingintheuk.gov.uk/working\\_in\\_the\\_uk/EN/homepage/work\\_permits0/seasonal\\_agricultural/general\\_information.html](http://www.workingintheuk.gov.uk/working_in_the_uk/EN/homepage/work_permits0/seasonal_agricultural/general_information.html)

<sup>4</sup> IND website 23 March 2007

employment can apply to stay in the UK indefinitely.<sup>5</sup> However, under the government's new proposals for a points-based system (see 2.1), there are fears that overseas domestic workers will be restricted to a six-month non-renewable visa and they will no longer have the right to change employers (Guardian, 5 May 2007).

In addition to the above categories, the number of **students** coming to the UK has more than doubled over the last decade, from just fewer than 60,000 in 1994 to more than 140,000 in 2003 (ONS, 2004). Students have the right to work for a limited number of hours, and many students take the opportunity to work, in some cases in excess of the permitted hours.

#### **2.2.4 Undocumented workers**

At the same time as reforming the routes to labour migration, the government is taking an increasingly 'tough' approach to border controls and 'illegal' migration, including measures such as the introduction of compulsory identity cards, containing biometric data, for non-EEA nationals living in the UK (Home Office, 2006b). This tough approach has been driven by a desire to enhance public confidence in the immigration system and public concern about perceived high numbers of immigrants, fuelled by sections of the popular press (Ensor and Shah, 2005). The most recent proposals further stress the distinction between 'good' (perceived as beneficial to the UK economy) and 'bad' (said to be abusing the system) migrants, who are equated with those without permission to reside or work. The stated aim is "to widen the gap between the experience of legal and illegal migrants" (Home Office, 2007b: 5) by making it easier for legal migrants to come to the UK, and for some to settle, but further denying access to benefits and services for 'illegal' migrants. The Home Office is proposing a series of sanctions for 'illegal migrants' appropriate to the level of harm that it perceives is caused, so, for example, those involved in criminal activity would face prosecution and removal, whereas overstayers would face lesser penalties (Home Office, 2007b). Specific measures include a "Watch List" of individuals to be provided to government departments and lists of overstayers for checking with employers

---

<sup>5</sup> IND website 23 March 2007

(ibid: 22). The Home Office is also intending to introduce a new system of civil penalties for employers of undocumented migrants, and to increase its enforcement action in relation to employers (Home Office, 2007c).

Government policy has been growing further away from the reforms advocated by organisations such as the Joint Council for the Welfare of Immigrants (JCWI), the Institute of Employment Rights (IER) and the Institute for Public Policy Research (ippr) that call for according explicit rights to migrant workers and emphasise their human rights. There are also increasing calls for a regularisation programme for irregular migrants. The JCWI has called on the government to consider a one-off regularisation giving 'indefinite leave to remain' to irregular migrants who have resided in the UK for seven years that would mainly benefit those who had fallen into irregularity such as failed asylum seekers and overstayers (JCWI, 2006). It has also joined the Strangers into Citizens campaign, an alliance of faith and community organisations in London and Birmingham that is calling for a one-off "earned amnesty" which will allow undocumented workers who have been in the UK here for four or more years to be admitted to a two-year pathway to full legal rights ("leave to remain"). It also commissioned a poll which found that two out of three (66 per cent) British people believe that undocumented migrants who have been in the UK for more than four years and who work and pay taxes should be allowed to stay and not be called illegal (Strangers into Citizens Press Release 24th April 2007).

### **2.2.5 Regularisation programmes**

Although the UK government is opposed to one-off amnesties for undocumented workers (JCWI, 2006), there is a permanent system of regularisation for those who have been in the country continuously for 14 years, regardless of legal status, and for families with small children who have been in the country for seven years (Levinson, 2005). These applicants are given indefinite leave to remain, with exceptions made only where there are serious concerns, such as a criminal history. In 1998, 5,900 long residence concessions were granted (Guild, 2000, cited in Levinson, 2005).

A domestic worker regularisation programme ran between July 1998 and October 1999 giving domestic workers the opportunity to regularise their status and therefore change employers. Previously they had not been permitted to move employers, and many had reported abusive and exploitative work situations (Levinson, 2005). An estimated 4,000 workers benefited from the regularisation programme<sup>6</sup>, although strict requirements were imposed that were difficult for many to meet, such as providing valid passports or gaining verification of employment, as well as lack of publicity.

When the UK granted free movement of workers to nationals of the A8 central and eastern European countries in May 2004 many workers were in effect regularised. Analysis of Worker Registration Scheme data shows that by December 2004 26 per cent of applicants had been in the UK prior to accession and a further 12 per cent did not give their date of arrival (Portes and French, 2005). While some will have been in the UK legally as visitors or students or working legally with a work permit, others are likely to have been working illegally (ibid).

### **2.3. Employment law framework for migrants**

In the UK the national employment law framework is based on the existence of a valid and legally enforceable employment contract and this contract remains the primary determinant of entitlement to statutory employment rights. The fact that in the UK employment rights are dependent on employment status and on the type of contract under which employment occurs means that some workers are excluded from basic rights like those to protection over matters like dismissal, redundancy, maternity, paternity and parental rights. McKay et al (2006) found that those working under illegal contracts were most likely to be paid less than the national minimum. Furthermore, whether or not a worker can enforce employment rights is dependent on the level of support and information available to the worker and is premised on knowledge of rights. Although this applies generally to all workers, given their labour market vulnerability, unauthorised migrants are disproportionately affected by the

---

<sup>6</sup> Figure from expert interview with Bridget Anderson, COMPAS, carried out for UWT project.

general failure of UK employment law to guarantee basic employment rights to all workers.

Migrants working with authority have access to the same employment rights as UK workers. However, for migrants who are non-compliant or semi-compliant (working without or beyond their authorisation), under UK law their employment contracts are 'illegal' and non-enforceable. Thus if workers are employed, *to any extent*, in circumstances where they have no legal authorisation to work, they place themselves in an illegal contractual situation, the effect of which is to deny to them the right to enforce any statutory or contractual employment rights. This outcome is not directly a consequence of specific legislation, but is based on interpretations of contract law made by the courts and which set precedent. The most recent court ruling in this area was in the case of *Vakante v Addey and Stanhope School [2005] ICR 231*. Here the UK Court of Appeal held that a Croatian national, who had been working in breach of immigration rules which did not authorise his right to work, could not pursue, against his employer, a claim of discrimination under the Race Relations Act 1976. In making its ruling the court endorsed the approach to the operation of the doctrine of illegality set out in the earlier case of *Hall v Woolston Hall Leisure [2001] ICR 99*. The effect of these rulings is that a non- or semi-compliant migrant worker is unable to enforce any employment rights that are dependent on the making of an individual claim.

The UK trade union movement is increasingly working to support and recruit migrant workers, with the Trades Union Congress (TUC, 2002, 2004) and its affiliated unions now producing employment rights' and health and safety leaflets in a range of languages, as well as running specific organising campaigns among migrant workers (see TUC website, [www.tuc.org.uk](http://www.tuc.org.uk)), many of which work with migrant or ethnic minority community organisations.

## **2.4. Migrant registration and control processes**

In April 2007 the Border and Immigration Agency took over responsibility for immigration control, work permits, nationality and asylum from the Immigration and Nationality Directorate, but remains part of the Home Office.

Both indigenous and migrant workers require a National Insurance Number before they start work, and these are allocated by the Department for Work and Pensions.

Workers from the eight Central and Eastern Europe states that joined the European Union on 1 May 2004 are required to register under the **Worker Registration Scheme (WRS)**. The scheme requires these workers to register with the Home Office when they start work in the UK, as a way of monitoring the impact of EU enlargement on the UK. Workers have the right to come to the UK and work where they chose, although it is only after 12 months' 'habitual residence' that they gain an entitlement to income-related state benefits. Self-employed workers are not required to register under the WRS.

The government's latest proposals for tackling illegal migration (see 2.2.4) include the introduction of compulsory identity cards for non-EEA nationals living in the UK, which will hold biometric data, which would allow the use, for example of iris scanning technology (Home Office, 2006b). Non-EEA nationals, therefore, would be required to have identity cards, while UK or EEA nationals do not currently.

---

## 3. Statistical data on migration to the UK

### 3.1. Migration data from statistical reports

There is no single, comprehensive source of data on migration or migrant workers in the UK. However, an annual report to the OECD draws together data based on the International Passenger Survey, work permit applications, asylum grants and the Labour Force Survey to produce a picture of international migration in the UK (Salt, 2006). A brief overview of sources and figures is provided here.

#### 3.1.1 Immigration and emigration flows

Estimates of immigration to and emigration from the UK are provided by the International Passenger Survey (IPS), a voluntary sample survey of passengers at air, sea and Channel Tunnel ports. The estimates have been adjusted to take account of data from the 2001 Census. Immigrants and emigrants are defined as those intending to remain in, or be away from, the UK for a year or more, and who have lived out of the UK (for immigrants) or in the UK (emigrants) for a year or more.

The overall trend since the 1990s has been for a net increase in migration to the UK, with the number of people arriving to live in the UK in 2005 estimated to be 565,000, compared to the 380,000 estimated to be leaving the UK for at least a year, a net inflow of 185,000 (see table 1). The largest inflow in 2005 was of EU citizens (of which 80,200 were from the A8 countries). The largest number of those leaving in 2005 were British citizens, and the second half of 2005 also saw a notable outflow of A8 citizens for the first time, although it is too early to observe trends in A8 out-migration (Salt, 2006).

Slightly more men came to the UK in 2005, at 55 per cent of the inflow, but they also accounted for more of the outflow (57 per cent). The largest numbers of both those coming to the UK and leaving were aged between 25 and 44 (246,000 in and 175,000 out), but the greatest net inflow was among 15 to 24 year-olds (124,000). Among those aged over 45 there was a net outflow (Salt, 2006: table 1.5).

**Table 1: International migration by citizenship, 2005 (thousands)**

	<b>Inflow</b>	<b>Outflow</b>	<b>Balance</b>
British	91.4	198.4	-107.0
EU (25)	144.9	55.7	89.2
Old Commonwealth	68.2	39.4	28.8
New Commonwealth	120.7	24.2	96.5
Other foreign	140.0	62.1	77.9
<b>All</b>	<b>565.3</b>	<b>380.0</b>	<b>185.4</b>

Source: Salt, 2006, Table 1.1

### 3.1.2 Migrant workers

The Labour Force Survey (LFS) is the only comprehensive source of data on migrants working in the UK. It is a quarterly household survey of people of working age, from which estimates of the total population are derived, and it records both nationality and country of birth. It is likely, however, to underestimate migrant workers as it does not sample people in institutional establishments and may tend not to pick up temporary and casual workers.

In 2006 the LFS showed an increase in the numbers of foreign nationals in the UK to 3.35 million, accounting for 5.7 per cent of the total UK population of 58.6 million. Among the UK workforce, foreign nationals accounted for 6.2 per cent (1.75 million) of the total UK workforce of 28.1 million in 2006 (see table 2). Europeans made up 44.8 per cent of the foreign workforce, with growing numbers of Central and Eastern Europeans, who accounted for 16.7 per cent of foreign workers in 2006, although Salt (2006) suggests that this is likely to underestimate their numbers, given the large numbers registering under the Worker Registration Scheme (see 2.4.1). Asian nationals were 22.2 per cent of the foreign workforce, with Indians making up 8.1 per cent of the foreign worker total, while 16.1 per cent were African nationals (which includes 4.4 per cent from South Africa) (Salt, 2006: table 4.4). Men account for 54.5 per cent of foreign nationals working in the UK, both among Europeans and non-Europeans (a similar proportion to UK nationals, of which males account for 53.2 per cent) (Salt, 2006: table 4.3).

**Table 2: Living and working in the UK, 2006 (thousands)**

	Male	Female	Total	%
UK	14,002	12,321	26,323	-
Foreign nationals	951	795	1,746	100.0
Europe	415	368	782	44.8
Africa	152	129	281	16.1
Americas	87	95	182	10.4
Asia	242	145	387	22.2
Oceania	47	49	96	5.5
<b>Total</b>	<b>14,954</b>	<b>13,118</b>	<b>28,072</b>	-

Source: Salt, 2006, Tables 4.3a and 4.4

The industry sectors in which migrant workers are employed are shown in table 3, which shows the greatest numbers of migrant workers are found in the health and social work and wholesale and retail sectors, although migrants account for higher proportions of the workforce in private households and hotels and restaurants.

**Table 3: Migrant workers by sector, Autumn 2005**

Sector	UK Total	Migrant Worker Total	% Migrant Workers
Agriculture, hunting & forestry	340,900	*	
Fishing	14,300	*	
Mining, quarrying	107,400	*	
Manufacturing	3,587,600	124,000	3.46%
Electricity gas & water supply	166,200	*	
Construction	2,193,200	52,100	2.38%
Wholesale, retail & motor trade	4,058,700	101,800	2.51%
Hotels & restaurants	1,151,500	91,400	7.94%

Transport, storage & communication	1,897,800	56,600	2.98%
Financial intermediation	1,222,400	37,700	3.08%
Real estate, renting & business activities	3,088,900	124,600	4.03%
Public administration & defence	1,957,500	27,400	1.40%
Education	2,417,000	48,700	2.01%
Health & social work	3,335,200	166,000	4.98%
Other community, social & personal	1,479,300	39,900	2.70%
Private households with employed persons	110,300	11,200	10.15%

\* in some sectors the number of migrants was too few to provide a statistically reliable sample  
Source: LFS Autumn 2005, in McKay et al, 2006

The number of migrant workers entering the UK in 2004/2005 under the different routes of entry has been collated for the Office for National Statistics by Salt and Millar (2006) – see table 4. It illustrates that workers from the new Central and Eastern European states of the EU who are required to register under the Worker Registration Scheme account for by far the greatest number of migrant workers arriving in the UK.

**Table 4: Foreign labour inflows by route of entry, 2005**

	Number	%
Worker Registration Scheme	194,953	48.6
Work Permits	86,191	21.5
EU and EFTA	35,200	8.8
Working Holiday Makers	20,135	5.0
Highly Skilled Migrant Programme	17,631	4.4
Seasonal Agricultural Workers Scheme	15,455	3.9
Domestic Servants	10,100	2.5
UK Ancestry	8,260	2.1
Sectors Based Schemes	7,401	1.8

Au Pairs	2,360	0.6
Science and Engineering Graduates Scheme	2,699	0.7
Ministers of Religion	530	0.1
<b>Total</b>	<b>400,915</b>	<b>100.0</b>

Source: Office for National Statistics, *Labour Market Trends*, October 2006

Another source of data on the number of migrant workers joining the UK labour force is National Insurance number (NINO) allocations. All foreign workers who are legally employed require a NINO, so the figures give an indication of numbers joining the labour force, but provide no information on the length of time that the person remains or works in the UK. Table 5 provides data for the last two years, showing a significant increase in registrations.

**Table 5: NINO allocations for overseas nationals (thousands)**

	<b>2004/05</b>	<b>2005/06</b>
Europe - EU Accession Countries	110.5	270.2
Europe - EU excluding Accession Countries	81.3	97.6
Europe - non-EU	22.8	22.0
Asia and Middle East	110.0	134.2
Australasia and Oceania	23.4	32.5
The Americas	26.7	31.4
Africa	64.5	73.9
Others and Unknown	0.6	0.6
<b>All</b>	<b>439.8</b>	<b>662.4</b>

Source: Salt, 2006, Table 4.12

### **3.2. Estimates of undocumented migration**

The only government figure on the number of unauthorised migrants in the UK ranged from a lowest figure of 310,000 (0.5 per cent of the UK population) to 570,000 at the highest (1 per cent), with a midpoint of 430,000 (0.7 per cent)

(Woodbridge, 2005). This was calculated using the residual method to deduce the number of unauthorised migrants by taking the total foreign-born population recorded in the 2001 Census and subtracting an estimate of the foreign-born population residing legally. This was thought to be the most applicable method in the UK context by Pinkerton et al (2004) in their review of a range of possible methods. This figure, though, has been criticised as being out of date as it does not take account of changes since the 2001 Census, and it excludes categories such as students working more hours than their visa permits.

Official figures show the number of persons removed from the UK, with a total of 58,215 removed in 2005, including 32,840 refused entry at port and subsequently removed, 21,720 removed as a result of enforcement action and voluntary departures and 3,655 leaving under Assisted Voluntary Return Programmes (Home Office, 2006c, Table 6.1).

Some indications of the profile of undocumented migrants is provided in Black et al's (2005) study of illegally resident migrants in detention centres, although it is clearly not representative of illegally resident population given their different chances of being detained. It found the detainees to be a heterogeneous group, with a great variation in reasons for coming to the UK and routes of entry (see section 4.1). Their average age was 29 years, and 88 per cent were male. Those from the Balkans and North Africa were younger on average (early twenties), and had mostly travelled to the UK within the last two years. Those from other regions were older (late twenties), although many Africans had come to the UK at a younger age, having been in the UK for an average of five years. Over half of all respondents had completed secondary school, and 17 of these had a college or university education. A clear majority of the sample had some form of skill and almost half spoke reasonable English, although in a number of cases this had been learned or significantly improved since arrival in the UK.

---

## 4. The impact and experience of undocumented migration

### 4.1 Pathways of undocumented migration

There are many ways in which undocumented migrants may enter the country, either legally or illegally, and many ways in which their work status may become irregular. The main categories of undocumented migrants are:

- illegal entrants (without valid leave to enter country), includes those who entered the country clandestinely, evading immigration control, and those who come through immigration control and obtained leave to enter by deception (i.e. with false documents);
- overstayers, those who entered legally as visitors, students, with a work permit or for family reunification, but who have not left the UK after their leave to remain has expired;
- failed asylum seekers who have no further right to appeal and have not left the UK;
- asylum seekers with “insecure status”, facing problems on account of inappropriate or not recognised documentation (see Anderson, undated);
- asylum seekers who lose contact with the authorities before their case is decided (see Black et al, 2005).

In Black et al’s (2005) study of migrants in detention, more than half had entered the UK illegally (47 out of 83), although 28 then claimed asylum, and 33 entered legally but overstayed their visa (ibid: table 4.2). The latter group were made up mainly of West Africans, Sub-Saharan Africans and Jamaicans, with many seeming to “drift in and out of legality“, often claiming that documents had been lost in the post or by the Home Office (ibid: 22). The sample does not claim to be representative of the illegally resident population in the UK as a whole, as different groups have a different likelihood of being detained, but it is broadly representative of the regions of origin of the

population in detention at that time (December 2001 to March 2002), with 20 per cent coming from Central and Eastern Europe, 18 per cent from West Africa, 16 per cent from South Asia and 16 per cent from the Caribbean and 14 per cent from the Balkans (Black et al, 2005: Table 2.2).

Agents had been used by 46 of the respondents to assist them in coming to the UK, with all of those who had entered illegally using the services of some form of agent. In some cases the agent acted as a guide during their journey, with some Chinese agents charging between £10,000 and £20,000, generally taking the form of a loan to be repaid on arrival. But Indian and Pakistani respondents reported smaller sums paid to agents of £4,000 to £6,000 (ibid: 21). A variety of travel paths to the UK were described, with most using one mode of travel – a direct flight or lorry or coach journey. But some took an indirect route, spending three months or more in other countries, including Italy (Albanians and Kosovans) and Germany (South Asians) (ibid: 19).

## **4.2 Impacts of migration on labour markets**

Recent studies for the Home Office have examined the labour market outcomes and impacts of migrants in the UK (summarised in Kempton, 2002). These followed the publication in 2001 of an influential report (Glover et al, 2001) that identified the positive economic and social impacts of migration, including the suggestion that migrants create new businesses and jobs, fill labour market gaps and improve productivity. In the first attempt at analysing the impact of migration on local labour markets (Dustman et al, 2003), the authors suggest that, if anything, wages seem to be positively affected by migration inflows, although they warn that statistical reliability of such estimates is sometimes weak. However, contrary evidence was provided in a Bank of England report (2006), which noted that the UK industries with the highest proportion of recent migrants – agriculture, distribution and hotels and restaurants – were also those where pay fell most sharply in 2005 (ibid: 21).

An analysis of the fiscal contribution of migrants by the think tank the ippr (Sriskandarajah et al, 2005) found that the relative net fiscal contribution to public finances of migrants was greater than for the UK-born population, and that their contribution is growing. It also suggests recent migrants are making

relatively large contributions, although it points to the diversity among migrants, with some groups making greater fiscal contributions than others.

The ippr has also attempted to estimate the economic contribution of irregular migrants (ippr, 2006). Using the government's mid-point estimate of 430,000 irregular migrants (see 3.2) and assuming that they have the same age profile and employment rate as recently-arrived migrants, they estimate that around 216,850 irregular migrants would be working. Assuming they are earning the minimum wage, their potential contribution to the exchequer (in income tax, National Insurance and employer's contribution) would be £485 million a year. But if it is assumed that they earn the same as the median wage of recently-arrived migrants, then the fiscal contribution would be £1.038 billion a year (ippr, 2006: 12).

### **4.3 The informal economy and migration**

The main sectors in which undocumented migrants work are construction, agriculture, textiles, hotels and restaurants, cleaning, care work and domestic work, which are also sectors where there are high levels of informal working. In addition to these sectors, a study of undocumented migrants in London (Anderson, undated) found people working as mini-cab drivers and in small enterprise trades (i.e. garages or workshops). In the UK there is some ambiguity over the use of the term informal economy, and other similar terms exist, such as the 'cash-in-hand' economy, the grey economy, undeclared or underground work. However the literature generally agrees that the informal economy covers work involving the paid production or sale of goods or services that are unregistered or hidden from the state for tax and employment law purposes, but are legal activities otherwise (Ram et al, 2004).

Undocumented migrants account for only a part of the informal sector, although the size of this part is hard to gauge. In a study aiming to measure the size of the informal economy in the inner London Borough of Haringey (Community Links, 2006), 23 per cent of the sample had been involved in the informal economy in the last year, two-thirds of whom were male. The study did not ask about immigration status, but 45 per cent were from the UK and 27 per cent were from Western Europe, and so can be presumed to have no

restrictions on working in the UK. Another 14 per cent were born in Africa, and 7 per cent from Asia (ibid: table 17). When asked what factors would help them to move into formal work, less than 4 per cent cited work permits or National Insurance numbers, with more common reasons being help finding a job or lower taxes (ibid: 53). Catering and hospitality was the most common informal occupation (19 per cent), followed by cleaning (10 per cent) (ibid: table 11).

The role of undocumented labour in ethnic minority small firms was explored in a study of the clothing sector, whose owners and workers were Punjabi Indians, and the restaurant sector, made up of Bangladeshis, in the English region of the West Midlands (Jones et al, 2006). It found that in the 20 firms sampled, there were 140 legal full-time workers plus 46 clandestine jobs, which were said to keep the businesses afloat, where, the authors argue, “the illegal workforce effectively subsidizes countless legitimate jobs” (ibid: 144). The article paints a picture of ‘struggling entrepreneurs’ who, in the face of global competition in the clothing industry and heavy internal competition in the Asian restaurant trade, would simply not survive without the ability to employ readily available, cheap, compliant and flexible labour. It is argued that these employers do not seek out ‘illegal’ workers, but they are simply among those who present themselves looking for work.

#### **4.4 The experience of undocumented migrant workers**

There is little published research specifically on the experiences of undocumented workers in the UK, with some exceptions being Anderson’s (undated) study of 16 undocumented migrants in London carried out in 1997, Jordan and Düvell’s (2002) study of Brazilian, Polish and Kurdish Turkish irregular migrants in London, Black et al’s (2005) study of those in detention and Jones et al’s (2006) research on ethnic minority small firms. However a number of studies of migrant workers with different statuses reveal exploitative working conditions suffered by many, with undocumented workers at the sharp end (e.g. Wright and Pollert, 2006, on the hotel and catering industry; McKay et al, 2006, on health and safety risks of migrant workers). The UK advice service Citizens Advice collected evidence from clients using

their services of the vulnerability of migrant workers in the low-wage sectors: agriculture, care homes, cleaning, food processing and hospitality (CAB, 2004). Problems identified included: misleading recruitment of workers in their own country on false promises of good pay, conditions, and housing; extremely long hours, low gross rates of pay and sub-standard accommodation; excessive deductions from pay for accommodation, transport to work, and repayment of the cost of travel to the UK; uncertainty and confusion about who is actually the worker's employer and non-payment (by the employer) of tax and National Insurance contributions; and the summary dismissal, and eviction from any associated accommodation, of workers who assert their legal rights or 'rock the boat' (CAB, 2004).

In Black et al's (2005) study of illegally resident individuals in detention centres, more than three-quarters (76 per cent) had worked in the UK, with 13 starting work legally, either on work visas or by applying for permission to work after six months as an asylum seeker. The majority, though, were paid cash-in-hand. Many experienced poor working conditions, particularly long working hours, and some reported problems in getting paid. Of those that gave information on pay rates, over half were paid below the National Minimum Wage (NMW), and the report found some limited evidence that whether workers had documentation (legal or not) made a difference to wage rates, with 14 of the 24 working illegally being paid below the NMW, whereas most of those working legally or with false passports or ID cards were paid above it (Black et al, 2005: 29).

While similar problems of poor conditions and exploitative pay levels, and sometimes not receiving payment at all, were found in Anderson's (undated) study, he also noted workers' attitudes to their jobs, with some feeling grateful to have work at all or gaining self-esteem from the work carried out. Wright and Pollert's (2006) hotel and catering study also noted the "pragmatic acceptance" by many of low-paid work, often comparing it to the worse conditions that they had left behind.

Although irregular migrants of different nationalities tend to work in the same types of informal job, Jordan and Düvell (2002) found that Brazilian and Polish

irregular migrants were more able to improve their income by changing jobs or being promoted, than Turkish or Kurdish migrants. The latter group, although they had the support of their communities and organisations to a greater extent than the other groups, “their positions in UK society, and in those communities, trapped them in disadvantage, in comparison to more mobile (and perhaps, most important, white European) Poles” (ibid: 136).

The mechanisms by which migrants changed their immigration status are documented in Jordan and Düvell’s (2002) study, but differences emerged according to nationality. Most Brazilians came as tourists and then applied for student visas through language schools, regardless of whether or not they intended to attend the schools. Eventually some gained European passports and a few women married EU citizens. The Poles arrived as tourists, and only three applied for asylum. A few women married EU citizens, but most, if they were returned to Poland, simply got new passports and came back on another tourist visa. Migrants from Turkey arrived through a variety of means, and about three-quarters applied for asylum at some stage, but most had frequent changes of status and had remained without permission for a time, and had worked informally. Indeed it was found that many remained working in the informal economy after being given permission to work as asylum seekers, combining this with benefit claims. Since this research Poles have gained a legal right to work in the UK, illustrating another level at which status transitions can occur.

## **4.5 Gender and migration**

The lack of gendered data on migration and the gaps concerning the experience of female migrants in the UK was highlighted in a paper published in 2005 by the ippr (Kofman et al, 2005). It shows that women have always been a significant element in migration flows, and suggests that the proportion of women migrants is increasing, while their modes of entry and access to rights in the UK are increasingly complex.

In 2004 women accounted for 53.1 per cent of foreign nationals from the top 25 countries of origin living in the UK, according to Labour Force Survey data (Kofman et al, 2005, table 1) and 47.2 per cent of foreign nationals working in

the UK (compared to 46.4 per cent of women in work among UK nationals) (ibid: table 2).

The sectors traditionally associated with female migrant workers are sex work, domestic work and health, although women migrants also account for an important number of professional workers, such as doctors ((Kofman et al, 2005). The report shows that the trade in sex workers in the UK has increased considerably since the late 1990s, with experts providing estimates of between 142 and 1,420 women per year trafficked for sexual exploitation (ibid: 14). Domestic work is a significant sector for female migrants, although again it is difficult to obtain accurate numbers because a large number may be undocumented, which may be because they have entered through an unlawful route, they have overstayed their permission, or have not informed the authorities about a change of employer (ibid: 14).

As there is little written about the experiences of undocumented migrant workers, it is even harder to find evidence about female undocumented migrants in the UK.

A report on female migration internationally (IOM, 2006) notes that the closure of European Union labour markets to third country nationals with professional qualifications (with some exceptions) has meant that for many women the only options for work was in the domestic sector or other low-skilled service jobs (sectors which are also associated with high levels of undocumented work). The demand for women in domestic work is high, since they represent a form of “replacement mobility” for female nationals taking up other positions in the labour market.

#### **4.6 Undocumented migrants’ access to services**

Historically, migrants have had access to health services in the UK, without checks on their immigration status, and the idea of such checks goes against national policies to improve access to health services among ethnic minority communities and promote equality of treatment (Jordan and Düvell, 2002). Health service staff have been reluctant to undertake the role of checking

immigration status, believing that it unavoidably leads to discrimination on grounds of race or ethnicity.

Similarly in education, there has been a strong reluctance to enforce immigration checks when admitting pupils, and, indeed, schools have frequently come out in support of families whose parents may face deportation (Anderson, undated).

However, this situation is changing, and the government is putting greater emphasis on denying access to services for those that it considers are not in the UK legitimately (Home Office, 2007b). It is currently reviewing access to the NHS by foreign nationals, due to be completed by October 2007. The introduction of compulsory identity cards for foreign nationals (see 2.1) forms part of this clampdown.

The government has also recently announced plans to cut access to free English language classes for asylum seekers and others, proposals which have been vigorously opposed by the University and College Lecturers' Union (see [www.ucu.org.uk](http://www.ucu.org.uk)), contradicting its own policies on urging migrants to learn English.

#### **4.7 Forced labour and trafficking**

Increasing attention is being paid in the UK to the issues of forced labour and trafficking, in part prompted by the 200-year anniversary of the abolition of the slave trade in 2007, which has led to the publication of reports on "contemporary slavery" by Anti-Slavery International and the Joseph Rowntree Foundation (Craig et al, 2007, Skrivánková, 2006) and the UK signing of the Council of Europe Convention on Action Against Human Trafficking.

Trafficking concerns the movement or harbouring of a person, the use of deception and coercion and placement into situations of exploitation (Dowling et al, 2007). Forced labour is one of the elements of exploitation experienced by trafficking victims, although not all those in situations of forced labour will be victims of trafficking. Forced labour is defined in the ILO Forced Labour Convention 1930 (No. 29) and the European Court of Human Rights as:

“All work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily (Art. 2 ILO C. 29).”

A report on forced labour published by the Trades Union Congress (Anderson and Rogaly, 2005) argues that a focus on trafficking (which is often associated with sexual exploitation) emphasises immigration rather than employment issues, and believes that it is more useful to focus on forced labour and how such coercive practices are being used to exercise control over migrant workers and derive unfair advantage from their labour exploitation. The report identified four sectors as being of particular concern: care, construction, agriculture and contract cleaning. It found many forms of coercion used to retain workers, such as physical and sexual violence, threats of violence, debt bondage, threats and intimidation based on immigration status, blackmailing, and confiscation of identity documents or withholding of payments. It also found that these forms of coercion were more effective where the migrant was dependent on an agent or employer, either because of incurred debts or the restriction of work permits, with such dependency sometimes fostered to increase control over the worker (ibid: 36). Irregular immigration status was found to put workers at greater risk of forced labour, with some workers witnessing immigration raids that they believed were a result of the employer calling immigration officials to avoid paying wages (ibid: 47).

## References

- Anderson, B. and Rogaly, B. (2005) *Forced labour and migration to the UK*, London: Trades Union Congress.
- Anderson, P. (undated) *In a Twilight World - Undocumented Migrants in the United Kingdom*, <http://www.geocities.com/jrsuk/Twilight.html>
- Baldaccini, A. (2003) *EU and US Approaches to the Management of Immigration: United Kingdom*, Eds. Jan Niessen, Yongmi Schibel and Raphaele Magoni. Brussels: Migration Policy Group.
- Bank of England (2006) *Inflation Report February 2006*.
- Black, R., Collyer, M., Skeldon, R. and Waddington, C. (2005) *A survey of the illegally resident population in detention in the UK*, Home Office Online Report 20/05.
- CAB (2004) *Nowhere to turn: CAB evidence on the exploitation of migrant workers*, London: Citizens Advice Bureau.
- Community Links (2006) *Measuring the London Borough of Hackney's informal economy*, London: Community Links.
- Craig, G., Gaus, A., Wilkinson, M., Skrivankova, K. and McQuade, A. (2007) *Contemporary slavery in the UK: Overview and key issues*, York: Joseph Rowntree Foundation.
- Dowling, S., Moreton, K. and Wright, L. (2007) *Trafficking for the purposes of labour exploitation: A literature review*, Home Office Online Report 10/07.
- Dustmann, C., Fabbri, F., Preston, I. and Wadsworth, J. (2003) *The local labour market effects of immigration in the UK*, Home Office Online Report 06/03.
- Ensor, J. and Shah, A. (2005) *Current Immigration Debates in Europe: A Publication of the European Migration Dialogue - The United Kingdom*, Brussels: Migration Policy Group.
- Flynn, D. (2005) 'New Borders, new management: The dilemmas of modern immigration policies', *Ethnic and Racial Studies*, Vol. 28, No. 3, pp. 463-490.
- Glover, S., Gott, C., Loizillon, A., Portes, J., Price, R., Spencer, S., Srinivasan, V. and Willis, C. (2001) *Migration: an economic and social analysis*, Home Office RDS Occasional Paper No 67.
- Guardian, 5 May 2007, *No place like home*.
- Home Office (2002) *Secure Borders, Safe Haven – Integration with Diversity in Modern Britain*, White paper CM5387, London: Home Office.
- Home Office (2005) *Controlling our borders: Making migration work for Britain, Five year strategy for asylum and immigration*, London: Home Office.
- Home Office (2006a) *A Points-Based System: Making Migration Work for Britain*, Presented to Parliament by the Secretary of State for the Home Department by Command of Her Majesty, Cm 6741, London: Home Office.
- Home Office (2006b) *Borders, Immigration and Identity Action Plan*, December 2006, London: Home Office.
- Home Office (2006c) *Control of Immigration statistics United Kingdom 2005*, Cm 6904, London: Home Office.
- Home Office (2007a) *Accession Monitoring Report May 2004 – December 2006*, Joint online report by the Home Office, Department for Work and Pensions, HM Revenue and Customs and Communities and Local Government, <http://www.ind.homeoffice.gov.uk/6353/aboutus/accessionmonitoringreport10.pdf>
- Home Office (2007b) *Enforcing the rules: A strategy to ensure and enforce compliance with our immigration laws*, London: Home Office.
- Home Office (2007c) *Prevention of illegal working: Consultation on the implementation of new powers to prevent illegal migrant working in the UK*, London: Home Office.

- Immigration Advisory Service press release, 6 September 2006, *Rising pressure for an "amnesty"*.
- IOM (2006) *Female Migrants: Bridging The Gaps Throughout The Life Cycle, Selected Papers of the UNFPA-IOM Expert Group Meeting New York, 2-3 May 2006*, Geneva: International Organization for Migration.
- Ippr (2006) *Irregular migration in the UK: an ippr Factfile*, April 2006, London: Institute for Public Policy Research.
- JCWI (2006) *Recognising rights, recognising political realities: The case for regularizing irregular migrants*, London: Joint Council for the Welfare of Immigrants.
- Jones, T., Ram, M. and Edwards, P. (2006) 'Ethnic minority business and the employment of illegal immigrants', *Entrepreneurship & Regional Development*, Vol. 18, No. 2, pp. 113-150.
- Jordan, B. and Düvell, F. (2002) *Irregular Migration: The dilemmas of Transnational Mobility*, Cheltenham: Edward Elgar.
- Kempton, J. (2002) *Migrants in the UK: Their characteristics and labour market outcomes and impacts*, Home Office RDS Occasional Paper No 82.
- Kofman, E., Raghuram, P. and Merefield, M. (2005) *Gendered migrations: Towards gender sensitive policies in the UK*, Asylum and Migration Working Paper 6, London: Institute for Public Policy Research.
- Levinson, A. (2005) *The Regularisation of Unauthorized Migrants: Literature Survey and Country Case Studies*, Oxford: Centre on Migration, Policy and Society, University of Oxford.
- McKay, S., Craw, M. and Chopra, D. (2006) *Migrant workers in England and Wales: An assessment of migrant worker health and safety risks*, London: Health and Safety Executive.
- ONS (2004) *International migration – migrants entering or leaving the UK and England and Wales, 2003*, London: Office for National Statistics.
- PICUM (2006) *PICUM's Comments on the Communication from the Commission on "Policy priorities in the fight against illegal immigration of third-country nationals" COM (2006) 402 final*, Brussels: Platform for International Co-operation on Undocumented Migrants.
- Pinkerton, C., McLaughlan, G., and Salt, J. (2004). *Sizing the Illegally Resident Population in the UK*, Home Office Online Report 58/04, Migration Research Unit, University College London.
- Portes, J. and French, S. (2005) *The impact of free movement of workers from Central and Eastern Europe on the UK labour market: early evidence*, Department of Work and Pensions, Working Paper No. 18.
- Ram, M., Edwards, P. and Jones, T. (2004) *Informal employment, small firms and the National Minimum Wage*, a report prepared for the Low Pay Commission.
- Robinson, V. (2002) 'Migrant Workers in the UK', *Labour Market Trends*, September 2002.
- Ruhs, M. and Anderson, B. (2006) *Semi-compliance in the migrant labour market*, COMPAS Working Paper, 1 May 2006, [www.compas.ox.ac.uk/changingstatus](http://www.compas.ox.ac.uk/changingstatus).
- Salt, J. (2006) *International migration and the United Kingdom*, Report of the United Kingdom SOPEMI Correspondent to the OECD, 2006.
- Salt, J. and Millar, J. (2006) 'Foreign Labour in the United Kingdom: Current patterns and trends', *Labour Market Trends*, October 2006.
- Skrivánková, K. (2006) *Trafficking for forced labour: UK country report*, London: Anti-Slavery International.
- Skiskandarajah, D., Cooley, L. and Reed, H. (2005) *Paying their way: The fiscal contribution of immigrants in the UK*, London: institute for public policy research.
- TUC (2002) *Migrant workers - A TUC guide*, London: Trades Union Congress.

TUC (2004) *Migrant workers - Overworked, underpaid and over here*, London: Trades Union Congress.

UNA – UK (2005) *The UK and the UN: Human Rights*.

<http://www.unauk.org/election/electionhr.html> London: United Nations Association.

Woodbridge, J. (2005) *Sizing the unauthorised (illegal) migrant population in the United Kingdom in 2001*, Home Office Online Report 29/05.

Wright, T and Pollert, A. (2006) *The Experience of Ethnic Minority Workers in the Hotel and Catering Industry: Routes to Support and Advice on Workplace Problems – Final Report*, Acas Research Paper 03/06, London: Acas.