

Working Paper
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**Making Migration 'Development Friendly':
Temporary Worker Schemes in the UK**

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May 2005



Issued by the Development Research Centre on
Migration, Globalisation and Poverty

The UK Department of for International Development (DFID) supports policies, programmes and projects to promote international developmentpoverty reduction globally. DFID provided funds for this study as part of that objective goal but the views and opinions expressed are those of the author(s) alone.

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Acknowledgements

The authors wish to thank Ben Rogaly for his helpful comments on an earlier draft of this paper. The opinions expressed are those of the authors alone, and do not represent the views of the University of Sussex, Oxford University, or DFID.

Abstract

Temporary worker schemes that bring migrants to the UK have expanded considerably in recent years. Whilst their merits continue to be debated by academics, development practitioners and labour activists, and they are seen by some as politically convenient ways of filling shortages in the UK labour market, these schemes seem unlikely to be suspended in the near future. This paper therefore takes the existence of temporary worker schemes as given, and focuses on specific aspects of their design, which affect their impact on development. Four policy areas are identified: governance of recruitment, legislation and enforcement of workers' rights, facilitation of financial flows, and return and reintegration programmes. Possible interventions to enhance the schemes' benefits – both for individual migrants and their countries of origin – are then discussed.

Introduction

Since coming to power in 1997, the Labour government has embraced a doctrine of 'managed migration'. One aspect of this has been an extension of opportunities for citizens of countries outside the European Economic Area (EEA) to work in the UK on a temporary basis. An increased number of traditional work permits have been granted and new temporary schemes have been introduced for high skilled workers in general and low skilled workers in specific sectors.

Commentators from across the political spectrum find temporary worker schemes problematic. For opponents of immigration, the schemes represent a way in which permanent immigration might be opened up 'through the back door', since participants often find ways to stay longer than their initial visas allow. For supporters of a more open immigration regime, who believe that immigrants have much to contribute to the UK, schemes with an emphasis on return may appear too restrictive. Commentators worried about inequality within the UK express concern that temporary schemes will encourage the emergence of a 'second class' group of immigrants with fewer rights than citizens, and that this may reduce workers' rights across the board, including for UK nationals (Ruhs and Chang 2004). Equally, it could be argued that by shifting the costs of education, training and social care on to migrants' countries of origin, temporary schemes are exploitative of those countries' welfare systems.

While these concerns are very real, it nonetheless remains the case that temporary worker schemes have expanded considerably since 1997, and seem set to stay, even with a new Immigration and Asylum Bill in 2005. There is demand for workers in the UK, and demand for employment from many non-EEA nationals, in both cases amongst high and low skilled populations. It seems inevitable that attempts will continue to be made to answer both demands. At the same time, long term relaxation of immigration controls would be – at least in the current political climate – unpopular. As a consequence, temporary worker schemes seem likely to remain in place in the near future.

In this paper we therefore take their existence as given and, instead of revisiting the arguments for and against them, look for points of leverage in their design that could enhance the benefits for sending countries and migrants themselves. At present, the schemes are designed with little explicit consideration of any impact beyond the UK. If some of the proposals made in this paper could be implemented, temporary worker schemes might operate on a basis of greater equity for all concerned.

Work Permit Schemes in the UK

Table 1 sets out the main schemes through which non-EEA nationals may enter the UK to work. Clearly, entrants are extremely diverse in terms of their countries of origin and the work they undertake in the UK. An obvious implication is that no one set of proposals to make migration 'development friendly' will apply to all schemes. Young people working in the hospitality industry under the recently-introduced Sector Based Schemes will have very different experiences from highly qualified IT professionals working under the Highly Skilled Migrant Programme, and will relate differently to their communities of origin. For example, the latter are likely to have a much greater earning potential, but may also be more likely to invest in social capital in the UK, and be more focused on enhancing their career opportunities in a UK context. Policy interventions must take this account.

Table 1: Existing Temporary Worker Schemes in the UK, 2004

Scheme	Total Number Admitted	Development of Scheme	Main Areas of Origin
General work permit scheme	86,000 + dependents ⁱ	Numbers have doubled since 1997	India (10,000), South Africa (9,000), Philippines (7,000), Afghanistan (5,000)
Working holidaymakers	40,000 ⁱⁱ	Extension to whole Commonwealth and removal of employment restrictions	No information available, but thought to be predominantly 'old' commonwealth
Seasonal agricultural workers scheme (SAWS)	16,000	Existing scheme grew to 25,000 in 2004, but quota reduced in 2005	Ex-USSR (especially Ukraine), Bulgaria, Romania
Sectors Based Scheme (SBS) - hospitality, catering and food-processing industries	2,500 ⁱⁱⁱ	New programme launched in 2003	Ukraine
Highly Skilled Migrant Programme (HSMP)	3,000 ^{iv}	New programme launched in 2002	No information available, but thought to be dominated by northern countries
Domestic workers	14,000 ^v	On-going scheme	Worldwide
Au pairs ^{vi}	12,000 ^{vii}	Expansion of existing scheme to non-EU countries	Bosnia, Croatia, Turkey

Sources:

ⁱ Home Office (2003). These figures may include work permits in some of the separate categories below.

ⁱⁱ House of Commons answer to question 70795, 23 Jul 2002. Data refers to 2002

ⁱⁱⁱ A quota of 10,000 each has been set for the hospitality and food processing industries, but as of August 2003, only around 2,500 applications had been received, most in the food processing sector. See Clark and Salt (2003).

^{iv} See Clark and Salt (2003).

^v Estimate from NGO 'KALAYAAN' reported at <http://www.irr.org.uk/2003/august/ak000004.html>

^{vi} Au pairs are not strictly classified as workers, since their main intention is to 'allow young people to improve their linguistic skills and experience life in another country in exchange for day-to-day family duties'. However, as Newcombe (2004) points out, the reality is that many au pairs can be considered migrant domestic workers.

^{vii} Newcombe (2004). This figure is an estimate of all au pairs coming to the UK with a visa in 2002. The total number of au pairs is estimated at 60,000, including those from inside the EU who do not need a visa.

Points of Leverage

Having outlined the UK context, we look in more detail at how temporary worker schemes relate to international development. A rich literature discusses the links between migration and development generally. Black and Ammassari (2001) summarise the key theoretical and empirical debates, and provide a framework for measuring the development benefits of migration in terms of increases in financial capital (earned wages), human capital (skills and knowledge acquired through work or education) and social capital (new economic, political and

social connections). Potential benefits derive directly to migrants, for whom moving is an explicit livelihood strategy, and indirectly to their communities and countries of origin if the migrants remain connected to them.

Of course, the actual acquisition and use of capital is highly dependent on circumstances. Exploitation by recruiters or employers may cause a migrant to fall into debt and not amass any savings, or remittances sent by migrants to relatively well-off families may increase inequality in the country of origin and yield few benefits for the people in poverty who cannot migrate. In this context, we consider four points of leverage in temporary worker schemes for making them 'development friendly'. In logical order of the migration process, these are recruitment, rights in the workplace, remittances, and return.

Recruitment and Information

The major expected gain of economic migration – higher income – is often dissipated through the high charges that recruitment agencies levy upon migrants. The Trade Union Congress (TUC) confirms that:

[E]xperience has shown that new entrants to the British labour market can be highly vulnerable, and that unscrupulous employers (frequently agencies) exist who will take advantage of that vulnerability... The problems include, for example, charging of high fees, unreasonable deductions, dishonest depictions of pay and conditions, withholding of passports, slow payment of wages, and an absence of monitoring of professional standards (TUC 2002a).

UNISON cites cases of nurses 'charged more than £4000 [to find work in the UK], with deductions being made at the rate of £100 a month from the workers' UK wages' (TUC 2002b). Participants in the Seasonal Agricultural Workers Scheme (SAWS) may face entry costs from recruitment agencies and universities in their home countries of \$1,000 to \$2,000, including for fares, sanctioned fees and in some cases bribes (University of Sussex 2004). If workers enter into debt to migrate in the first place, this can have a knock-on impact once in the workplace, as they are left unable or unwilling to demand basic employment rights because they desperately need their earnings to pay off their debts. Clearly, the experience of recruitment has a major impact on whether migration is 'development friendly'.

Across Europe, a wide variety of approaches are employed in existing schemes, ranging from government-organised recruitment to a laissez-faire system of unregulated private agency recruiters. At the most regulated extreme, the Spanish government contracts the International Organisation of Migration (IOM) to recruit low skilled temporary workers from Ecuador on its behalf. This recruitment process involves IOM staff and officials of the Ecuadorian and Spanish governments, with employers playing only an indirect role. Spanish enterprises register their labour needs with their embassy in Quito, but IOM manages a database of Ecuadorian applicants and selections are made by a team from IOM and the Spanish Ministry of Labour. IOM then works on the drafting of contracts and helps migrants secure passports, visas and tickets for the journey (IOM 2002). The Government of Guatemala, IOM and FERMES, an agricultural non-profit agency in Quebec operate a similar arrangement for agricultural workers on temporary schemes in Canada.

In principle, such a centralised recruitment process should treat migrants in a dignified way and protect them from illegal exploitation by agents. It also eliminates any uncertainty for Spanish employers about the legal status of their employees. However, the employer-employee connection that is currently central in the UK work permit system is weakened, arguably reducing employers' responsibility for their workers. The Ecuadorian experience has been mixed. The number of workers hired through the IOM process has been small compared to the total number of Ecuadorians migrating to Spain. More generally, control of the recruitment by either host or home government, or an international agency, is no guarantee against the imposition of illegal charges or other abuses in the process, and there is some evidence that it actually increases bureaucratic burdens and incentives for corruption (Abella 1997).

At the other extreme, the method for recruiting workers for the UK's Sector Based Scheme is laissez-faire. Private agencies in sending countries operate unregulated to match workers to individual employers, with no reference to state institutions until the employer applies for the work permit. While the UK's *Employment Agencies Act 1973* prohibits the charging of fees to obtain work placements, this is extremely difficult to enforce for workers recruited privately abroad (TUC 2002b).

The Seasonal Agricultural Workers Scheme (SAWS) is also run through private recruitment agencies in the UK. Work Permits UK, the government entity responsible for the operation of

the scheme, has designated nine scheme operators who are authorized to recruit non-EEA workers for their own agricultural operations or who recruit on behalf of farmers across the UK. Although the government has designated a group of operators who are bound to a code of conduct and who are solely responsible for the recruitment of workers, there is no standard procedure for recruitment and each operator employs its own methods and procedures. Operators generally work with universities and travel and employment agencies in countries abroad in order to recruit workers. While operators cannot charge students for participating on SAWS, the lack of any regulation on third party recruiters abroad can lead to the abuse of the scheme and high entry costs for participants (Shackhno 2003).

As a possible half-way house between 'top-down' recruitment and the current *laissez-faire* attitude taken in the UK, measures could be introduced for stricter regulation of private recruitment agencies involved in temporary mobility schemes. There is some renewed appetite for this amongst some politicians and trade unions following the terrible events in Morecambe Bay in early February 2004¹. An international recruitment code of practice also already exists for English health authorities, although this has a rather different aim -- to prevent 'poaching' of skilled workers from developing countries -- and it is generally seen as easily circumvented. To be effective, regulation of recruitment agencies needs to set high standards, and have a robust system of enforcement. Such regulation might include the enforcement of transparent fee structures and involve migrant workers' associations in monitoring recruitment practices.

Rights in the Workplace

As with the process of recruitment, the conditions in which migrants work once in the UK also have a crucial impact on whether their individual experiences are positive or not, and, more broadly, whether they manage to contribute to development in their countries of origin. Most low-paid migrant manual workers are likely to do jobs that are hard and have long hours. However, migrant workers are also particularly vulnerable in terms of rights in the workplace. To some extent this is due to exploitation in the recruitment process (discussed above), which leaves them less able or willing to confront unscrupulous employers and contracting agencies. It is also due to specific features of employment law and the channels of enforcement.

¹ A TGWU-sponsored bill on registration of gangmasters passed into law as the Gangmasters (Licensing) Act 2004.

Government policy should therefore consider the legal environment within which temporary worker schemes are situated and make adjustments where necessary – not least to ensure that employment law is properly enforced.

In principle, the expansion of legal temporary worker schemes should make it easier for migrant workers to assert their rights (irregular workers are the most vulnerable). Nonetheless, even documented temporary workers in the UK face a number of difficulties. For example:

- Where visas / work permits are tied to particular employers, workers are vulnerable to non-payment of wages, excessive overtime demands, etc. Taking a legal case against an employer is particularly risky for a migrant worker who stands to lose their right to work in the country if they lose their case or if their contract with the work permit sponsor is terminated;
- The tribunal process is lengthy and may exceed the worker's allotted time in the UK;
- Migrants on time-limited schemes may not qualify for certain employment rights, e.g. those on contracts of 12 months or less do not have the right to sue for unfair dismissal.

The most obvious response to these problems would be to remove the tying of work permits to a particular employer, to shorten the tribunal process, and to extend full workers' rights to all migrants. However, even with such changes, it is likely to remain difficult for a temporary worker to access rights. For example, employment tribunals tend to deal with compensation after the fact of injustice, and may not be an effective regulatory mechanism where employers know that the complainant will soon leave the country. Instead, a model of enforcement as currently exists for the minimum wage would have the advantage of holding employers accountable for abuses in a way that is not specific to individual cases. One way to achieve this would be the establishment of a specific 'Fair Employment Commission' to protect workers' (not exclusively migrant workers') rights and to offer redress where violations occur, as has been suggested by the Citizen's Advice Bureaux (2004).

It is unclear though whether the resources and political support could be found for such an institution. Trade unions and NGOs already fulfil part of this mandate, and migrant workers might be more likely to approach them than a body seen as part of the state apparatus. An

alternative and practical step that has already been taken in the SAWS scheme is the monitoring of employers; this could be used to deny employers who maintain poor employment practices the opportunity to obtain work permits for foreign workers. Another is the dissemination of information about migrant workers' rights and entitlements when they obtain their entrance visa, in their own language. This is already being undertaken by the TUC in a number of languages.

A related issue about experiences in the workplace is the provision of training. One potential benefit from migration is that workers will increase their human capital by acquiring new skills. Empirical evidence, however, is discouraging, and studies from several countries find that migrants occupying non-professional positions do not typically acquire formal skills during their time abroad. Less than 10 percent of guest-workers returning from Germany to Turkey in the 1970s were found to have received any useful training, while among 424 male returnees to Thailand in the 1990s, scarcely two percent took occupations which might have imparted new skills (Paine 1974; Sussangkarn and Chalamwong 1996).

Could government require training for migrants on temporary schemes? This may be unrealistic in the case of low skilled workers – neither the government nor employers would have an incentive to contribute to extra training. Migrants for low skill jobs are often overqualified as it is². Even knowledge of English is unnecessary for most of the jobs in the Sector Based Schemes; the President of the Scottish Fish Merchants' Federation (SFMF), which is a major participant in the SBS, observes that 'usually a factory will have half-a-dozen workers from a particular country, of whom one will be able to communicate in English. This is generally sufficient to get the job done' (Personal Communication, 7 February 2003).

To the extent that training is necessary, employers may provide it of their own accord without government prompting³. However this should not rule out the possibility of pre-arrival or on-arrival training in basic issues such as the rights that foreign workers have whilst in the UK. There are also some areas in which the UK might be seen as having a comparative advantage in training provision that could benefit migrants on their return; this would most obviously be in

² Heyzer *et al.* (1994) note that 50 percent of domestic workers in Singapore had at least a high-school background, and 43 percent were college graduates.

³ A 1996 survey of U.S. hoteliers found that 40 percent voluntarily provided diversity training to their foreign employees, and 25 percent encouraged programmes for learning English (PKF Consulting Report, cited in Withyham, 1997).

the case of specialised medical or nursing fields, but might also apply to training in areas such as health and safety, management, or corporate governance, where UK standards might be higher than many developing countries. Training in health and safety in particular might help to combat the tendency for some employers simply to pay lip service to this important area. Support for English language training is also a possibility that could have benefits for the host society, as it would reduce the social exclusion of migrant workers.

Remittances and Other Financial Transfers

The significance of remittance flows is well established in the migration and development literature. At an estimated \$88 billion a year and rising, remittances from industrialised to developing countries may be more than double total overseas development assistance (Ratha 2003). Remittances comprise a significant proportion of GDP for countries on every continent, and are central to the argument that migration can promote development.

However, while studies show that migrants who intend to return home are more likely to make remittances, and send a higher proportion of their income, temporary workers in the UK may face a number of obstacles to sending money to their countries of origin. Facilitating the smooth flow of finances between migrants' host and origin countries is therefore crucial if the full economic benefits of temporary worker schemes are to be realised.

The growth in recent years of international financial transfer services offered by Western Union, Moneygram, commercial banks and a range of 'hawala' agents illustrates the crucial role of the private sector in this regard. Migrants' interests have best been served where there has been substantial private sector competition for their custom. However, though the private sector is best placed to provide services, national governments still have a role to play in promoting competition and providing an enabling environment for migrants to make use of the services.

One possibility for government intervention would be to make it easier for temporary migrants to open bank accounts. At present, migrant workers that participate on temporary schemes like SBS or SAWS are likely to have difficulties opening accounts in the UK. Money laundering regulations require financial service providers to check their clients' identification and to put procedures in place to forestall and prevent criminal activity. The information that high street banks consequently require can be difficult for migrant workers to provide – for example, they

are often asked for utility bills that give evidence of their address, which they cannot supply, although they may be able to get a letter from their employer if they are living on site, as with the SAWS scheme (University of Sussex 2004).

While the Financial Services Authority has made clear that banks should not deny access to financial services where potential clients cannot reasonably produce detailed evidence of identity, it remains the case that high street banks are reluctant to open accounts for temporary migrants. This is particularly regrettable given that many low skilled migrants do not have bank accounts in their own countries, and in principle could be introduced to formal sector financial services in the UK. Instead, their mistrust of the banking system is often reinforced, and alternative channels are used to transfer money. This may be in person – although the safest way to travel with large amounts of cash is by aeroplane, which itself constitutes a significant cost to migrants.

The state clearly cannot force banks to open accounts for individual migrants, but more effort could be put into encouraging them to do so in general. Banks may reap long-run benefits from migrants being introduced to the financial sector. Evidence from the US suggests that financial services have spread in Latin America along with migrant networks⁴. There is also a role for the state to influence banking practice through regulation. For example, given the high costs of making financial transfers (a 12 percent commission is common), the government could monitor the charges placed on transfers, and/or make sure that information on charges is communicated transparently.

A final point on financial transfers is worth making. By design, temporary worker schemes recruit workers to the UK labour market only at the productive stage of their working lives. The burden of childcare, education, health, and care of the elderly falls to their country of origin, yet during their stay the workers pay tax and National Insurance in the UK. While migrants derive some benefits from the taxes they pay, it is unlikely that they get out what they pay in; and certainly, very few of them reap the benefits of National Insurance. Of course, the tax system is not designed so that everyone derives benefits equal to their contributions, but given that migrant workers on low skill temporary schemes typically come from poorer backgrounds than the average UK worker, it is paradoxical that redistribution occurs *away* from them.

⁴ One in three families are said to have opened accounts in Mexico after receiving transfers.

One option would be for some portion of tax and/or national insurance to be reimbursed for workers on particular schemes. If this were paid into an account established by each temporary worker in their country of origin, to be redeemed on their return, there would be two additional advantages. First, this would be consistent with the objective of promoting the reach of banking services in countries of origin; and second, this sum might act as an incentive for the return of migrants -- an issue that is the focus of the next section.

Return

The issue of return is central for temporary worker schemes. Many commentators have questioned whether it is even realistic to expect migrants to return – ‘there’s nothing so permanent as a temporary migrant’ is a familiar refrain in the literature. The experiences of the German *Gastarbeiter* programme have been widely discussed, with some drawing the conclusion that overstaying is the inevitable and dominant outcome, and others maintaining that return rates were high and that the communities that remained were in large part a result of family reunification (Acma 2002).

The question of return matters both for the receiving country, if the ‘temporariness’ of the migration scheme is genuinely intended, and for the sending country, if there are expectations that migrants will contribute to development through return. Of course, migrants who settle in the long term will often continue to send remittances, and maintain cultural and economic ties with their country of origin, so it should not be suggested that the absence of return entails a failure of migration to contribute to development. Nonetheless, to the extent that return is an integral part of the design of schemes, it is worth asking whether incentives can be put in place which will encourage return *and* lead to positive outcomes for sending countries and migrants themselves.

The following measures feature in various existing temporary worker schemes (in the UK, other European countries or the US), or have been considered at some point:

- *Penalties for those who do not return:* Some existing schemes include a bond, paid by the worker or more usually the employer, which is forfeited if the worker overstays the time

period allowed on their visa. Such provisions have been made, for example, in Singapore, where an overstaying worker may face fines and imprisonment, or in Greece and Israel, where employers are liable (Epstein, Hillman and Weiss 1999). However, such schemes can be seen as somewhat coercive, and difficult to enforce.

- *Allowing the option of re-entry:* One of the reasons that migrants overstay is that they are afraid they will be unable to re-enter the host country. Given that their individual financial targets may not be met in the limited time-span of temporary programmes, they may prefer to stay and work irregularly. Programmes which extend the option of re-applying with some kind of preferential access to work permits may give migrants the confidence to return. For example, Switzerland has long allowed temporary access to its labour market on a renewable basis, and this appears to encourage return at the end of each contract. The UK's Sector Based Scheme works on this principle, though it is too early to say whether it has been effective.
- *Provision of financial incentives to return:* A variety of incentives have been given in return and reintegration schemes, including departure premia, travel allowances, remittance of social security contributions, matching dollars for returned savings, and credit subsidies for business start-ups in sending countries. The extent to which these are successful will depend on a number of factors, including migrants' potential earnings in host and origin countries and the extent of support for these incentives by origin countries.
- *Support for investment in country of origin:* Beyond credit for business start ups, return migrants have been given information about investment opportunities, and offered advice and training on managerial and technical issues⁵.

The applicability of these measures would depend on the type of temporary scheme involved. Support for business start-ups, for example, would probably not be appropriate for schemes which recruit students who are expected to return to their studies after a few months.

⁵ These schemes should be entirely voluntary. Past experiences of sending country governments coercing migrants' savings into their own investment schemes have *not* proven successful. Governments are rarely best placed to assess market opportunities, and it is important for migrants to own their investment projects.

Some measures would only require the efforts of host countries – departure premia and travel allowances, for example. Others would work best in the context of cooperation between both sending and receiving countries, such as matching dollar schemes or support for investment, where the costs could be divided between the two countries. This raises a question about which countries workers should be recruited from. On the one hand, employers may prefer to have unlimited choice, and this may be seen as more equitable. On the other hand, if recruitment was limited to (say) the dozen countries from which migrants are most commonly recruited at present, it would be possible for sending and receiving countries to enter into bilateral agreements which would include support for migrants upon return.

Finally it should be noted that no return or reintegration scheme can compensate for the absence of a reasonable social and economic climate in the migrant's country of origin, as the very limited participation in the IOM's 'Return for Qualified African Nationals' programme and the UK's 'Voluntary Assisted Return and Reintegration Programme' for Afghan asylum seekers demonstrates. In this sense, one of the major difficulties of making temporary worker schemes work for development is that like overseas aid, they are unlikely to be effective in isolation from a wider, more positive change in the macro-economic and/or political climate of sending countries. Of course, this is also an area that UK policy can influence, whether through development cooperation, trade policy or humanitarian intervention.

Conclusions

This paper represents a preliminary account of some of the major points of policy leverage that exist to allow temporary worker schemes to operate more favourably for developing countries, and specifically for the poor. Policy proposals have been reviewed in four main areas, reflecting the cycle of movement from recruitment to working, remitting money and subsequent return. At each point in this cycle, there are changes that merit consideration as possible ways of improving the outcome of temporary mobility for the poor.

In terms of recruitment, key problems in existing schemes are the lack of transparency and the continuing existence of significant abuses on the part of some labour recruiters. From a poorer migrant's perspective, anything which enhances their direct access to the UK's labour market is likely to represent a benefit, since intermediaries almost inevitably charge fees and

commissions that leave temporary work opportunities out of their reach, or require them to go into debt.

However, how to achieve such direct labour market access remains open to question, since almost any procedure -- whether state or private -- is likely to involve bureaucratic obstacles that can be circumnavigated by individuals or companies for a fee. Perhaps the most optimistic scenario for the UK is to leave recruitment to private agencies, but insist on vigorous regulation with tough sanctions on those agencies that break the rules.

This links to the second area, where the enforcement of temporary workers' rights again rests crucially on the effective enforcement of legislation, and the ability of workers to access rights. Of course, it is of some importance what rights are available in law to temporary workers -- and these should in principle be equal to those on offer to EU workers, with the obvious exception of secure residence rights. However, arguably more important than rights on paper is the existence of a mechanism by which individuals can enforce the rights they have -- and that these gains in enforcement can robustly be passed on to new arrivals.

Few would argue that migrant workers' rights should be enforced; but current arrangements mean that employers effectively control migrants' residence status, providing a powerful disincentive to workers seeking redress from employer malpractice. A system is needed that allows challenges to such malpractice by an independent body.

It is in the third and fourth areas -- those of enhancing the scope of remittances for poverty reduction, and ensuring return of temporary workers -- that policy measures become rather more contentious. Clearly, migrant workers' remittances have become a significant source of overseas finance for many developing countries, but at the same time these are the private earnings of individuals, and there are limits on how much states can and should seek to lever this money for wider public gains.

We have focused here on enabling measures that states can take -- whether to open up the banking sector to poorer migrants, or to promote competition to bring down transfer charges. Temporary migrants are arguably particularly negatively affected by banks taking a more conservative approach to new customers, although it should be recognised that some also rightly mistrust the formal banking sector, which they know to be inefficient or corrupt in their

country of origin. Yet it may also be the case that to make migration work for development, temporary migrant workers simply need more time. A twelve-month scheme may be too short to earn the kind of money that would set migrant workers up in business, or allow meaningful investment at home.

Finally, there is the issue of return. For many in government, the lack of effective enforcement of the return of temporary migrants is the single largest obstacle to expansion of temporary worker schemes. Yet for many on the left, enforcement of return is itself an infringement of rights, which lies at the root of the vulnerability of temporary migrants to other rights abuses. There is no easy way out of this problem, although it can be argued that return is less of an issue if the migrant worker is able to make an informed choice about accessing a temporary worker scheme in the first place.

In this context, what is striking about temporary worker schemes in the UK is the apparent lack of participation by temporary workers themselves -- or indeed anyone from developing countries -- in their design. Such participation could contribute to the openness and transparency of schemes, an issue that lies at the heart of many abuses in the current system. At the same time, it would constitute a far more effective basis for analysing the impact of the schemes on poverty, and suggesting how to achieve the best outcome, than any policy paper constructed by northern academics or policy analysts. In this sense, we are clear that our contribution is merely a step in a wider process, rather than a definitive statement of policy recommendations.

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