

One year of Covid-19

**An analysis of migrant
workers in the low-paid sector.**

01 MARCH 2020 –
10 MARCH 2021

Published: 31 March 2021

Next update: 01 April 2022

Author: Dr. Dora-Olivia Vicol

Cite: Vicol, D.O. (2021) Year of Covid. Work Rights Centre. [Available online]
<https://www.workrightscentre.org/news/year-of-covid>

 [@WORCrights](https://twitter.com/WORCrights)

 [Work Rights Centre](https://www.facebook.com/WorkRightsCentre)

 <https://www.workrightscentre.org/>

WoRC
Work Rights Centre

TABLE OF CONTENTS

Executive Summary	3
1,000 cases examined	4
Fewer questions about job quality, more about job security	5
Universal Credit Is a fragile lifeline	6
Women twice more likely to be unemployed	6
Recent European migrants unable to get a NINO	7
Brexit still an issue, for 1 in every 5 EU nationals	8
Our Impact	9
Recommendations	10
A note on Methods	11
About Us	11

EXECUTIVE SUMMARY

The year of Covid has pushed migrant workers in the low skilled sector to the limit. From 01 March 2020 to 10 March 2021, Work Rights Centre advisers heard from 1,057 people. This is almost double the figures from last year.

In many ways, the issues they brought to advisers' attention reflect the impact of Covid on economic activity, and the uncertainty of Brexit.

- 1 in 4 struggled to understand the Government's Covid support schemes;
- 1 in 5 required urgent financial help;
- 1 in 6 had questions about the EU Settlement Scheme indicating that, however much the Government sought to 'get Brexit done', Brexit is still on the minds of many EU nationals.

Additionally, migrant workers' inquiries also capture wider labour market vulnerabilities which preceded the pandemic, but were exaggerated by it.

- Women were twice more likely to be unemployed than men;
- Among respondents who were economically active, men were almost three times as likely to be self-employed, reflecting Eastern European migrants' over-representation in this status;
- A small but significant minority of both men and women were working on the black market, in positions lacking any employment security.

Despite the pressures generated by Covid and Brexit, Work Rights Centre advisers can make a real difference to people's lives, and sense of security;

- 2 in 3 beneficiaries who asked for our help in drafting a CV and preparing for an interview, were also successful in getting a job;
- 9 out of 10 either successfully solved the issue they experienced when they sought support from the charity, or moved into a better position;
- charity advisers helped beneficiaries recover over £21,000 in unpaid wages and invoices in 2020.

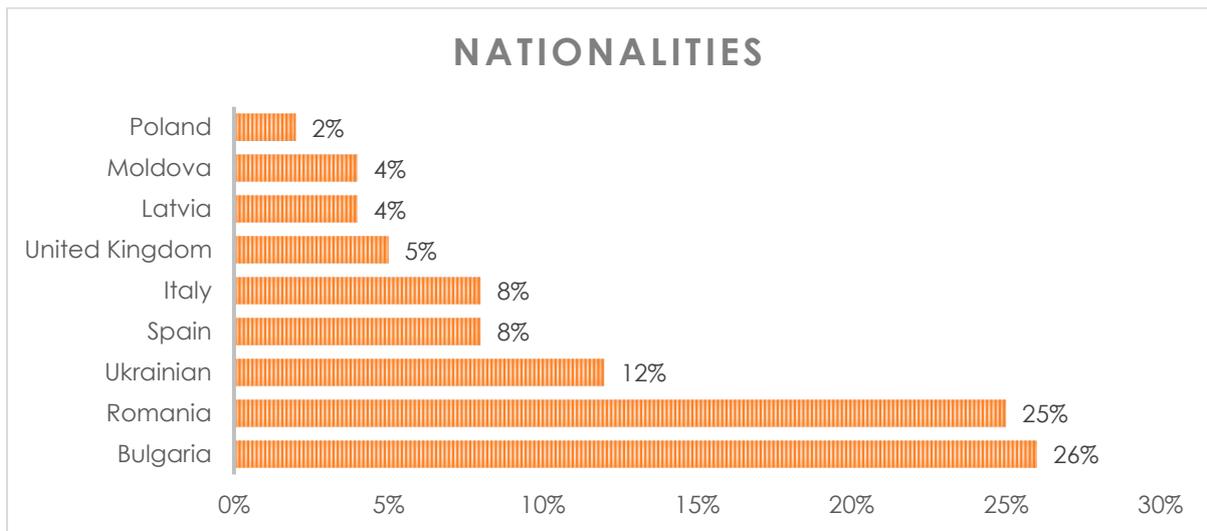
Learning from these findings, we recommend a few clear avenues for action.

- **Keep the Universal Credit lifeline.** For migrant workers excluded from the Government's Coronavirus Job Support Scheme, this was the only source of support available.
- **Protect EU nationals' rights after absence.** No one deserves to lose their right to settle in the country they call home, because they took 6 months to visit an ill relative abroad.
- **Give EU nationals the option of physical proof of status.** Being a good worker, parent, neighbour, and member of society does not require digital competence. Proving (pre)settled status shouldn't either.
- **Uphold a higher standard of good work.** The Year of Covid has exposed deep-seated inequalities in job security. The Government can learn from it, to build a recovery centred on good work.

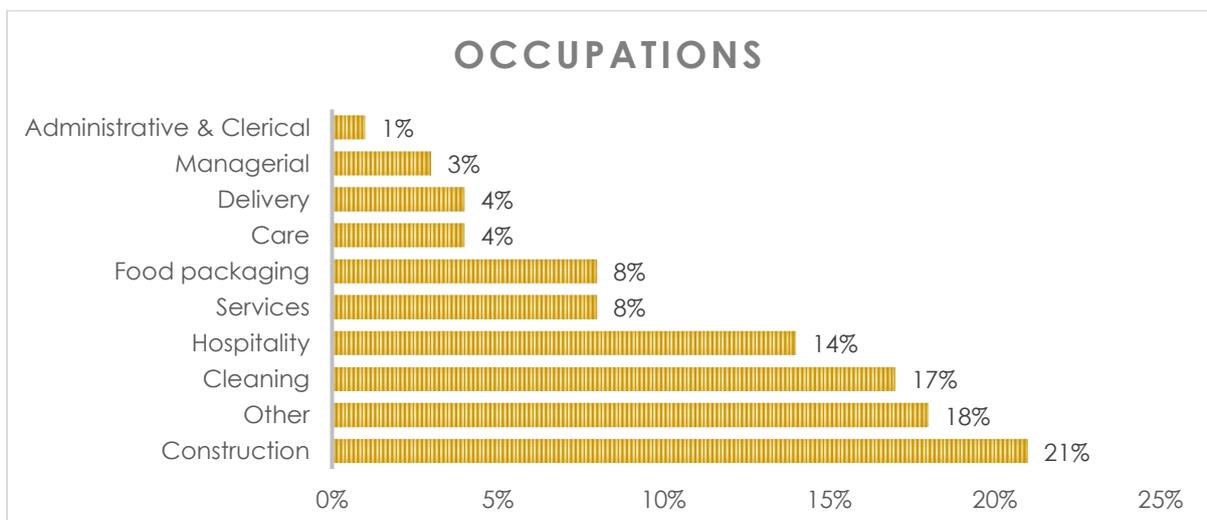
1,000 CASES EXAMINED

The year of Covid has pushed workers in the low skilled sector to the limit. For the 12 months since 01 March 2020, our team has heard from over 1,057 people. This is almost double the figures last year.

Most beneficiaries who approached the team were Bulgarian, Romanian and other European nationals, who worked in manual sectors where economic activity was radically disrupted during the pandemic. Across the UK, Romania and Bulgaria constitute the 4th and, respectively, 19th most popular countries of origin.ⁱ At the Work Rights Centre, they formed just over half of all beneficiaries in 2020.



One in five of the people in this analysis worked in construction, followed by cleaning, hospitality, food packaging and services. These are sectors that traditionally employ a larger share of migrant workers. Though EU migrants make up 3% of the UK workforce, nationwide they constitute 9% of workers in construction, 13% in hospitality, and 11% of manufacturing.ⁱⁱ Notably, these are also some of the sectors that were hardest hit by the pandemic.

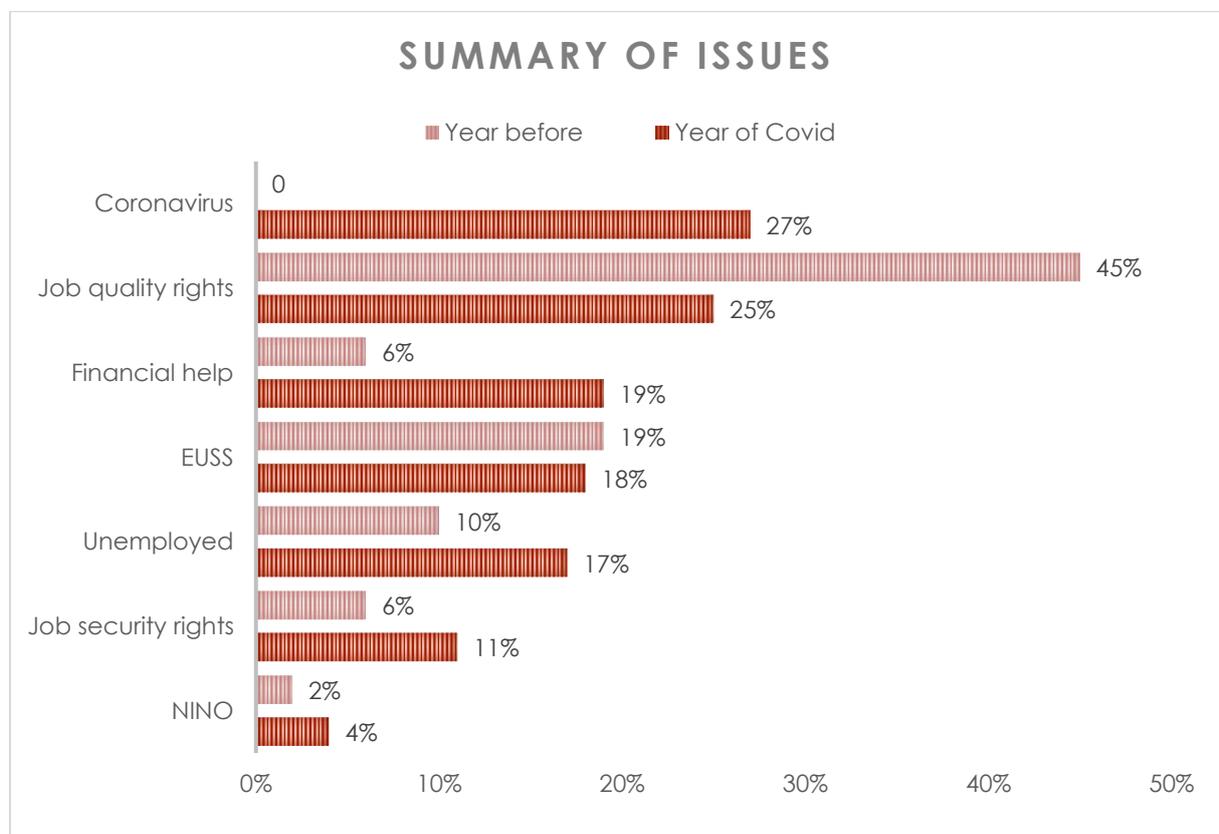


FEWER QUESTIONS ABOUT JOB QUALITY, MORE ABOUT JOB SECURITY

Covid prompted a real change in the employment issues brought to the attention of our advisers. One year before, almost half of all enquiries were related to what we call “job quality” – questions about payment, grievances, discrimination, or bullying in the workplace. By contrast, these constituted barely a quarter in the year of Covid. Instead, the past twelve months were characterised by a shift to inquiries about the government’s coronavirus support schemes, “job security”, unemployment, and increasingly, financial help.

Despite the wide coverage of furlough and the Self-Employed Income Support Scheme (SEISS) in the media, many of our beneficiaries struggled to understand the government’s support packages. As many as one in four had a question about furlough or the SEISS – though it must be noted that some, others only learnt about the scheme after talking with advisers. A question that was frequently asked was: “how do I apply for furlough”. Migrant workers often found it difficult to accept that furlough was a possibility, left to the latitude of employers, and not a right of all.

We also heard twice as many questions about “job security”, which we define as inquiries about redundancy, unfair dismissals, or disciplinary action, and saw a big increase in questions from people who were unemployed. Countrywide, the rate of unemployment sits at 5%, managed to a large extent by the Government’s job support packages, with redundancies at 1%.ⁱⁱⁱ At the Work Rights Centre, 17% of beneficiaries were unemployed, and another 11% were at risk of redundancy.



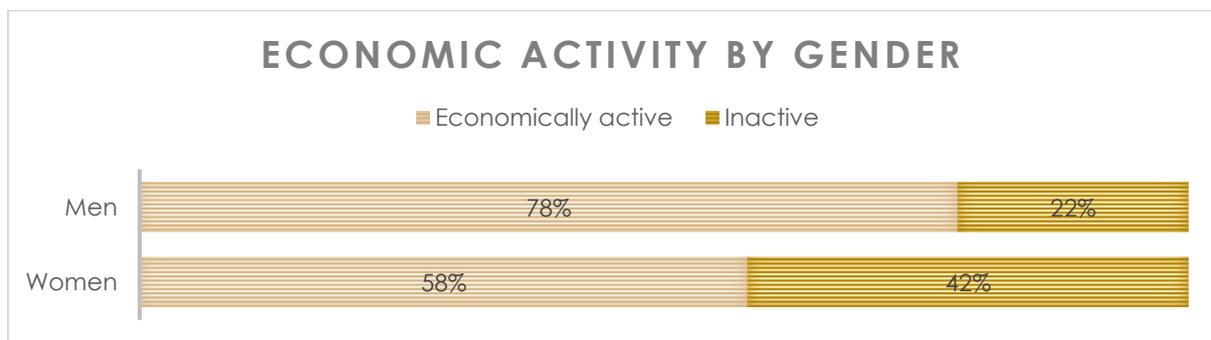
UNIVERSAL CREDIT IS A FRAGILE LIFELINE

The loss of work and the inaccessibility of furlough has meant that many people turned to Universal Credit. One in 5 beneficiaries required urgent financial help, including Universal Credit, food and fuel vouchers. In many cases, however, this access was severely limited – when informal housing arrangements excluded applicants from the ‘housing element’, reducing the value of UC to as little as £410/month;^{iv} and most seriously, when recent EU migrants with pre-settled status were deemed to have failed the Habitual Residence Test.

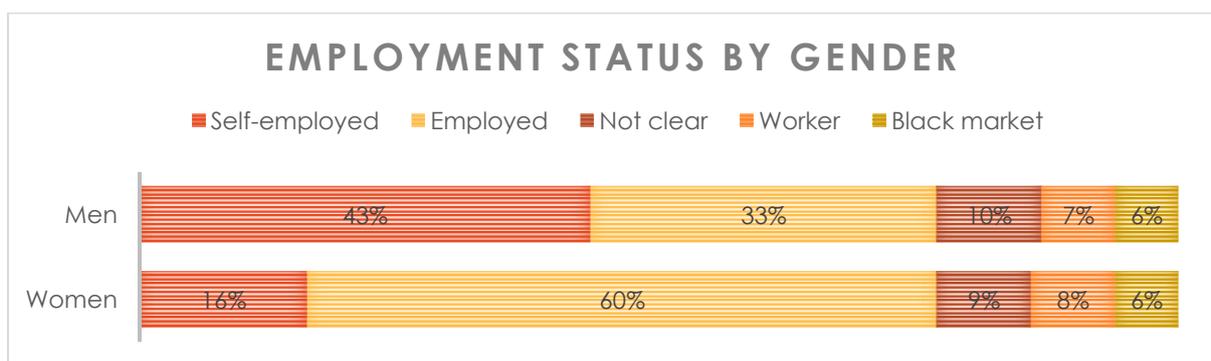
It's hard to describe the pressure, financial and psychological, of depending on food vouchers. After years of austerity, the system is under severe strain.^v Furthermore, some beneficiaries quickly reached the maximum 6 vouchers/ 6 months imposed by the Trussell Trust, prompting advisers to look for alternatives in a race against time.^{vi} There are also serious regional disparities in the availability of foodbanks, especially between London and the rest of the UK. This is something that needs addressing fast.

WOMEN TWICE MORE LIKELY TO BE UNEMPLOYED

There were clear gender disparities in how migrant workers experienced Covid. First, gender inequality was visible at the level of economic activity. Women were twice more likely to be economically inactive than men, and consequently more likely to need help in addressing unemployment and financial need. The 42% rate of inactivity among our female beneficiaries is high above the UK average, which sits at 24.% for women, and 17.% for men. ^{vii}



But there were also differences in the types of work men and women took up. Looking only at economically active beneficiaries, men were almost three times as likely to be self-employed, reflecting their over-representation in sectors like construction and delivery, where this status is endemic.



One constant across both gender groups was the prevalence of black market work. A significant minority of 6% of men and women, recounted working in informal positions without any terms of agreement. It is important to note that this was not out of choice. Many of the people on this status were not even aware of it, and only learnt that formal work had to meet certain requirements (such as terms of agreement, payslips, and regular tax contributions) from advisers.

The prevalence of informal work arrangements matters a great deal. During the year of Covid, informality is not only a risk to employment rights. It also excludes workers from government support schemes and, crucially, from other contribution-based social security entitlements.

RECENT EUROPEAN MIGRANTS UNABLE TO GET A NINO

From March to December 2020, the Department for Work and Pensions (DWP) stopped issuing National Insurance Numbers to applicants who didn't enter the UK on a visa. According to the DWP, this was a necessity. Job Centres operated at reduced capacity, making it harder to conduct the necessary identity checks. For recent European migrants, the consequences were severe.

Without a NINO, recent EU nationals struggled to find employment

A small but significant minority (4%) of beneficiaries approached the charity with questions about the NINO. This is twice the figure from the year before. During the months when the DWP service was suspended, EU nationals without a NINO reported struggling to find jobs, and consequently being financially precarious, dependent on their partners' income, and demoralised by the months of involuntary inactivity.

Even when the DWP resumed the allocation of NINOs, we continued to receive questions about the process. While news that NINOs would be issued for applicants with (pre)settled status broke out on social media in December 2020, official communication failed to update until March 2021. This left applicants confused about how and when to apply, and in particular about how to prove their (pre)settled status. In one case, an EU national had her NINO application rejected, after the share code she used to prove her EUSS status expired by the time the DWP picked up her application.

an EU national had her NINO application rejected, after the share code she used to prove her EUSS expired by the time the DWP picked up her application.

BREXIT STILL AN ISSUE, FOR 1 IN EVERY 5 EU NATIONALS

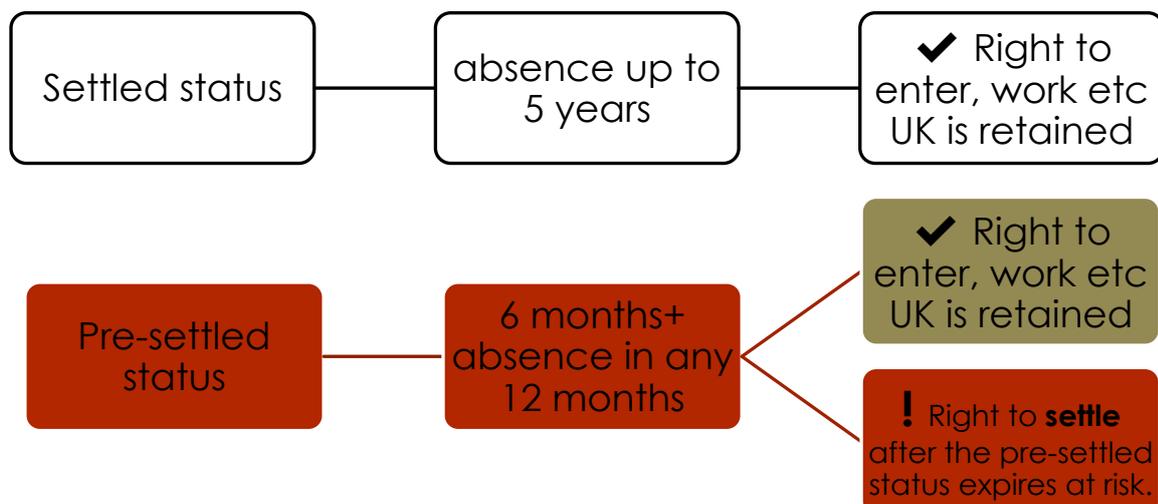
Despite the Government's pledge to 'get Brexit done', Brexit was still very much on the minds of the EU nationals who approached the Work Rights Centre. The share of EUSS related questions we received this year were comparable to the year before, raised by 18% and, respectively, 19% of all beneficiaries. What had changed, however, was the nature of enquiries.

If 2019 was dominated by questions about how to apply for the EUSS, this year beneficiaries did not just need help with the application, but also with questions about rights under the scheme - namely, the rights of children, family, and the rights of pre-settled status holders after a period of absence.

Many of the EU nationals who approached us did not know whether their UK-born children had British citizenship, and whether an EUSS application was necessary. The requirements and process of application via family permits was also a frequent question. The most problematic, however, remained those questions around the right to settlement after a period of prolonged absence.

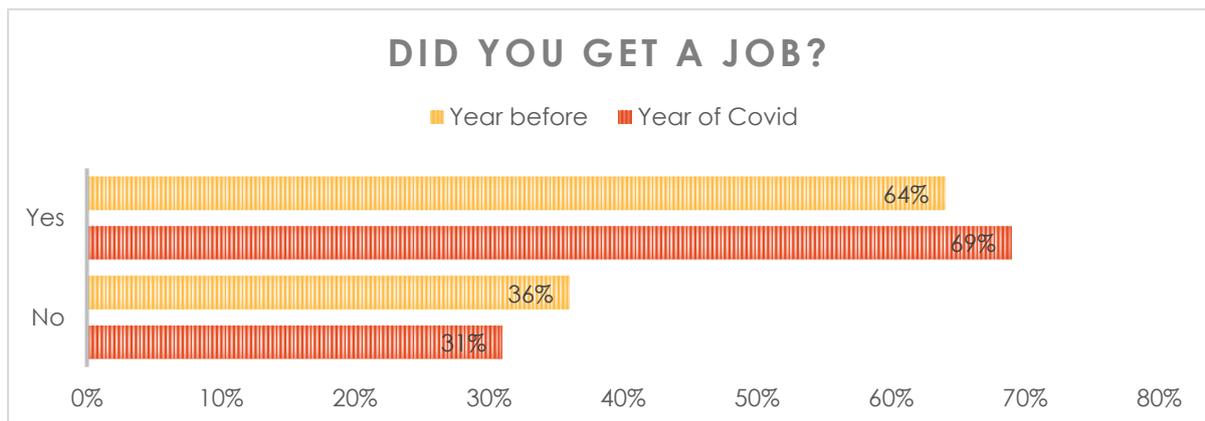
Many EU nationals returned to their home countries during the pandemic, hoping to save on rent costs, see family, or access medical services. Transnational travel restrictions and local forms of lockdown made it difficult to return to the UK, leading to periods of extended absence and concerns that they would lose their right to settle in the UK. Under the current rules, EU nationals with pre-settled status who accumulate an absence of more than six months in any twelve month period, retain their right to re-enter the UK, but risk losing their right to settle after their pre-settled status expires (five years after being granted it).

The Home Office stipulates a series of exceptions, for reasons such as illness, quarantine, or being advised by a British university to study from one's home country.^{viii} However, questions remain about what constitutes grounds for exception, and how to prove it. Most importantly, without further clarification from the Home Office, these questions are likely to continue to trouble EU nationals for years to come - until the moment when their pre-settled status expires, and it's time to apply for settled status.

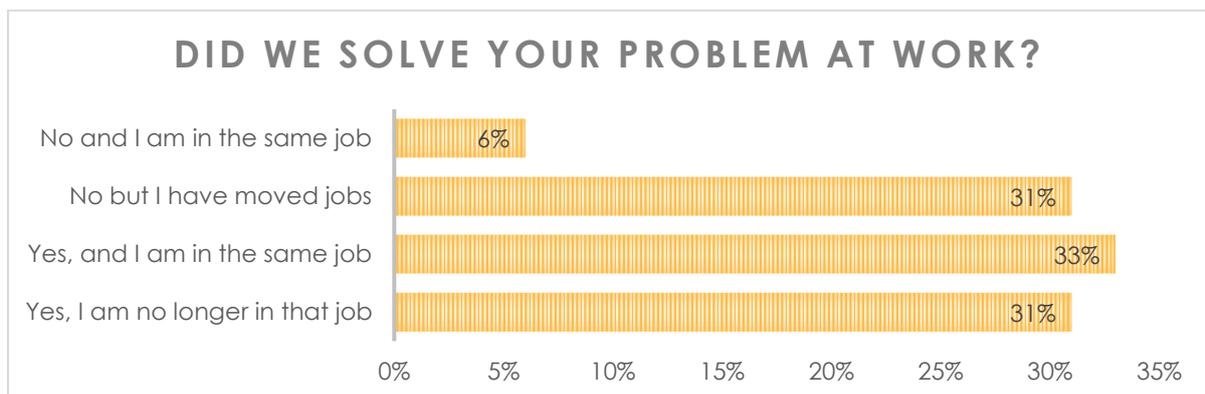


OUR IMPACT

Despite the slowdown in economic activity, our team has made significant progress in getting people into work. The majority of beneficiaries who asked for our help in drafting a CV and preparing for an interview, were also successful in getting a job, even when the country was struggling with unemployment. At times, all it took was a professionally drafted CV and interview practice. In other cases however, advisers supported vulnerable beneficiaries through every step of the application, from setting up an email address, to creating an account on a job search site, and finally applying for, and getting a position.



The team were also able to help beneficiaries solve their employment rights issues, or assist them in progressing into better positions. In two out of three cases, beneficiaries reported solving the problem they had come to the Work Rights Centre for. The rest of the times, even when the issues were not solved, they were able to accede to a different position altogether. No one stayed in the same unsatisfactory job.



Over the course of the past 12 months, the team have helped beneficiaries recover over £21,000 in unpaid wages, invoices (for those who were self-employed), or unpaid holiday. This is a decrease from the year before, reflecting the changing nature of beneficiaries' inquiries. Overall however, since the first day of activity, our team of advisers have helped recover over £95,000. This is more than the Work Rights Centre's entire budget for the financial year of 2018-2019.

RECOMMENDATIONS

Keep the Universal Credit lifeline. Despite being welcomed as an unprecedented measure, the Government's furlough schemes were not an automatic right of all workers, but a possibility left to employers. This left many exposed to the risk of redundancy, at times with notices as short as a week. It is vital that the Government continues the £20/week uplift to Universal Credit. For workers who lost their jobs during the pandemic, this is the only financial support available – and a much-needed source of security while they focus on finding new employment. It is also vital that the DWP recognises and takes appropriate measures to account for informal housing arrangements, in its allocation of the housing element of Universal Credit.

Protect EU nationals' rights after absence. While international travel is still restricted and the pandemic continues to immobilise people around the world, EU nationals with pre-settled status who have accumulated 6 months of absence or more fear losing their right of continuity. Their rights need protecting. The Home Office should recognise the extraordinary nature of the Covid-19 pandemic, and assure all EU nationals with pre-settled status that extended trips abroad undertaken during the pandemic will not damage their chances to settle in the UK, after their current status expires. Currently, the guidance stipulates that cases will be judged on an individual basis.

Give EU nationals the option of physical proof of status. The digital-only nature of the EU (pre)settled status is posing real difficulties for EU nationals who struggle with English and digital literacy. Our advisers saw evidence of this in the context of applications for NINOs, but also encountered cases where the digital-only status prevented EU nationals from passing right to work checks. Proving one's status should not be a test in digital literacy. The Home Office should recognise the difficulties of digital platforms, and give vulnerable status holders the option of physical proof.

Uphold a higher standard of good work. The pandemic exposed some of the deep-seated inequalities that characterise the UK's labour market. First, between knowledge workers who were able to adapt to working from home, and those in manual occupations whose work was disrupted. But also inequalities in employment status. Unlike employees, people with worker status don't have the right to redundancy pay. With notice periods as short as a week, they are not only vulnerable to losing their job on short notice, but also excluded from the Government's support schemes. Similar vulnerabilities characterise people with unclear employment status, or who, without their knowledge, are driven into black market work by employers who fail to declare them to the fiscal authority. We cannot normalise these inequalities. The Government should consider the vulnerabilities exposed by the Year of Covid, and plan for a recovery that places good work first.

A NOTE ON METHODS

This report is based on data collected and stored in the charity's Client Management System (CMS). Every time advisers are contacted by a member of the public, the inquiry is logged. The CMS captures data on the nature of the question, the information provided, the actions taken, and signposting offered by advisers. Once consent is obtained, the CMS also captures demographic data, equalities data, and other data pertaining to beneficiaries' employment security and social mobility.

NB: this report paints a picture of the issues experienced by beneficiaries who approached the Work Rights Centre. The sample is not representative of all migrants in the UK, and findings cannot be generalised.

We refer to the Year of Covid as the period from 01 March 2020 – 10 March 2021, and the Year Before as the period from 01 March 2019 – 29 February 2020. All data is analysed on aggregate. This is one of a series of reports. Learn more about our impact: <https://www.workrightscentre.org/our-impact>

ABOUT US

Established in London in 2016, The Work Rights Centre (WoRC) is a registered charity dedicated to ending in work poverty and precarious employment.

We focus on supporting migrant workers, people of colour, and people from disadvantaged backgrounds, who are often more at risk of precarious employment and social immobility. Migrant workers in particular are often less aware of, and less able to access, their rights.

An integral part of our mission to end in work poverty is the cultivation of personal and professional mobility. We do this via our advice clinics and by disseminating usable, useful information via social media and to specific migrant groups.

As long-term impact needs systemic change, we are also committed to challenging the policies and attitudes that facilitate precarious work at a structural level. Our policy-making, data-collecting and awareness-raising activities are a key part of this approach.

Published: 31 March 2021

Next update: 01 April 2022

Author: Dr. Dora-Olivia Vicol

Cite: Vicol, D.O. (2021) Year of Covid. Work Rights Centre. [Available online]

<https://www.workrightscentre.org/news/year-of-covid>

 [@WORCRights](https://twitter.com/WORCRights)

 [Work Rights Centre](https://www.facebook.com/workrightscentre)

 <https://www.workrightscentre.org/>

WoRC
Work Rights Centre

ⁱ ONS (2021) Population of the UK by country of birth and nationality. Release date 14 January 2021.

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/datasets/populationoftheunitedkingdombycountryofbirthandnationality>

ⁱⁱ Fernández-Reino and Cinzia Rienzo (2021) Migrants in the UK Labour Market: An Overview. Migration Observatory at the University of Oxford.

<https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-in-the-uk-labour-market-an-overview/>

ⁱⁱⁱ ONS (2021) Labour market overview, UK: March 2021. 23 March 2021.

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/march2021>

^{iv} Informal housing arrangements describe situations where tenants pay rent, usually very close to market rates, but are not given a tenancy agreement. This may be because the house is being sublet without the landlord's knowledge, or because the landlord does not hold the adequate license for multiple occupancy. The absence of documentation makes it significantly harder to evidence costs and, consequently, to qualify for the 'housing element' of Universal Credit.

^v Garthwaite, K. (2016). Hunger pains: Life inside foodbank Britain. Policy Press.

^{vii} Trussell Trust (2015) Eleven foodbank myths you must not fall for. Published 24 April 2015.

<https://www.trusselltrust.org/2015/04/24/eleven-foodbank-myths-you-must-not-fall-for/>

^{viii} Ibid.

^{ix} Home Office (2021) Coronavirus (COVID-19): EU Settlement Scheme - guidance for applicants. Published 15 December 2020. <https://www.gov.uk/guidance/coronavirus-covid-19-eu-settlement-scheme-guidance-for-applicants>