

SKOPE

ISSUES PAPER 32

January 2014

Hungarian Migrants in the UK Labour Market: A Pilot Study of the Former Education of Hungarian Migrants and the Underutilisation of Their Skills in the UK

Andrea Laczik, University of Warwick, Centre for Education and Industry

Summary

In May 2004, eight East European countries (A8)¹ became members of the EU. The UK was one of the three countries, together with Ireland and Sweden, that granted the new Europeans immediate and free access to their labour markets. As a result, a large number of work-seekers arrived in the UK. Between April 2004 and March 2005, 116,840 A8 citizens requested a national insurance number (Department for Work and Pensions 2012). The new arrivals have received significant attention from politicians, the media, the public at large, and researchers. This Issue Paper explores the views and experiences of 10 Hungarian migrants living in the south-east of England. Although the number of Hungarians in the UK is not considerable when compared to migrants from some other countries (for example, Poland or Lithuania), nevertheless it has increased tenfold since 2004. Interviewees suggested that the UK offered better opportunities for employment than Hungary, despite working in low-skilled and low-paid jobs in the UK. The findings indicate that most interviewees arrived in the UK to learn English and to establish financial security for themselves. Local employers largely disregarded the qualifications and work experiences the respondents had gained in Hungary and many respondents had limited knowledge of the English language. Therefore, the interviewees did not consider themselves as competitive in the UK labour market and were forced to accept low-skilled and low-paid jobs, which they felt were well below their abilities and aspirations. By 2014, all interviewees felt that they had established financial security, but only very few had achieved professional satisfaction.

INTRODUCTION

2014 started, once again, with the expectation of a new wave of Eastern European migrants, this time from Bulgaria and Romania. The UK was more cautious with these second-wave accession countries and only granted free access to its labour market on 1 January 2014, two years after Bulgaria and Romania became members of the EU. Nevertheless, both waves of accession, in 2004 and in 2014, prompted the government to introduce last-minute measures to protect its benefit and welfare systems.

Already before the A8 accession to the EU, in the run-up to May 2004, conflicting and anxious messages hit the popular media and the UK government decided to monitor immigration flows from Eastern Europe by setting up the Worker Registration Scheme (WRS) for new A8 migrants to register their employment. Initially registration cost £50, but this rose to £90. Through the WRS, migrants from A8 countries had restricted access to benefits and the welfare services. Throughout the lifetime of the WRS, between 1 May 2004 and 30 April 2011, 1,133,950 migrants registered for employment in the UK (McCollum 2013).

Based on Labour Force Survey data, those born in the A8 countries made up less than 1% of the working-age population – just over 7% of the total immigrant population of working age. However, A8 immigrants account for one in three new arrivals since 2004 (House of Lords 2008,

¹ Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

12). At the end of 2012, 658,000 A8 citizens were employed in the UK (Vargas-Silva 2013). A8 migrants are younger and better educated than the UK workforce (Wadsworth 2012). However, despite their high-level qualifications, A8 immigrants are more concentrated in low-skilled jobs, with 38% in elementary occupations and only 13% in higher-skilled occupations (House of Lords 2008). Measuring immigrants' skills and educational qualifications is difficult because few qualifications obtained abroad are directly comparable to English qualifications. For post-2004 A8 immigrants there seem to be a significant mismatch between their education and skills and their employment in the UK.

One in five Hungarian adults plans to take up temporary or permanent employment abroad

Whereas in earlier years migrants from Poland, Lithuania and Slovakia had a larger representation in the UK, in 2011–12 Hungary was listed for the first time in the top 10 for registering for national insurance numbers (Department of Work and Pensions 2012). In 2011, 17,900 national insurance numbers were allocated to Hungarian nationals. Although this number is small, the number of economic migrants has increased almost tenfold between 2004 and 2011. Information about the emigration plans of the Hungarian population (the survey quoted was restricted to taking up employment or settling abroad) is more readily available and suggests an increase in potential emigration (Hajdu and Tóth 2012, 6). According to the latest figures, one in five Hungarian adults plans to take up short-term employment (13%) or long-term employment (16%) abroad, or permanently (7%) move abroad (Sik 2012). One in two adults under 30 is contemplating moving abroad. Clearly the number of those who also act on their plans is smaller, but, nevertheless, a high percentage of Hungarian adults do not exclude the possibility of working and/or living abroad. Hajdu and Tóth point to a similarly increasing tendency indicated by the number of Hungarians using the Internet to search for employment abroad. Their assumption is that most migrants use the Internet to gather information about employment abroad. Their research monitored Inter-

net searches using employment-related words and phrases between 2007 and 2012, which point to a considerable increase of interest in Austria, Germany and the UK in 2011, with a peak in January 2012 (Hajdu and Tóth 2012, 9–11). These are the main target countries for Hungarians when they consider moving abroad.

THE STUDY

While national data sets exist, for example, for the number of migrants, their countries of origin, level of education and their contribution to the tax and welfare systems, little is known about the skills and knowledge they bring to the UK, and about their professional progress over time. This small-scale qualitative study was conducted to explore the views and experiences of Hungarian economic migrants in the UK. Ten Hungarian migrants, who had passed at least the *Matura*² examination, were selected and interviewed during the summer of 2011 and again in the winter of 2013–14. Half of them were male, the other half female. During the interviews questions were asked about, for example, their qualifications, the level of their employment in the UK, their experiences with the UK labour market, their employment history, their perspectives on their jobs in the UK and on their financial and career progress between the summer of 2011 and the winter of 2013–14.

WHY THEY LEFT HUNGARY, AND WHY THEY MOVED TO THE UK

Regardless of their education levels, the majority of the research participants decided to leave Hungary because they were unhappy with their work situation, earned low salaries and experienced financial insecurity. Three who graduated from a five-year teacher training university felt they had 'no future at home'. One interviewee, who had been employed by a school for many years, added:

When you are 30 and the bank says: "I am not giving you a loan [because you only have] contract work." Then what do you do? There is your professional career, you love it, but you cannot start your own personal life. (*Kati*)

² Similar to British A-levels or the German *Abitur*.

Therefore, interviewees were looking towards the West, where they saw greater opportunities. For them, moving to the UK was a conscious decision. Some came to learn English, while others came to work and to establish financial security. One person actually waited for Hungary to become a member of the EU before he came; another person decided that the UK was a good 'receiving' country for migrants, and also investigated the UK economy, its living standards and salaries. The UK was considered a country where wages were higher, even for low(er)-skilled employment. Many felt it was more realistic to expect to lead a better life in the UK than in Hungary.

EDUCATION AND WORK EXPERIENCES IN HUNGARY

All interviewees were well-educated: all had completed the *Matura* examination and half of them had higher-education degrees. It was interesting that, while still in Hungary, some of the interviewees had completed a lower-level qualification at Level 2 after completing the *Matura* together with a higher-education degree or a Level 4 qualification after a higher education degree. They claimed this had been necessary to be able to secure employment. So, most interviewees had a number of different qualifications (not necessarily obtained in a conventional sequential fashion), at varying levels as well as in different subject areas, and this, they felt, should improve their chances of finding employment. However, the majority of the interviewees were already underemployed in Hungary, where most worked in lower-skilled jobs or even as part of the unskilled workforce. The interviewees' level of commitment to studying and developing themselves suggests that they saw education as the means to progress and success.

The interviewees were engaged in a wide range of different jobs in Hungary in order to make a living, while simultaneously considering other options. They worked, for example, as a shop assistant, a dealer in a casino, a security guard, a receptionist, a packing assistant, a trained mechanical engineer, a marketing assistant and an office assistant. Interviewees also discussed working excessive hours in Hungary. Some did so to earn more money, while others wanted to advance their careers. All respondents

arrived in the UK with a range of qualifications and work experiences.

WORKING AND PROGRESSING (OR NOT) IN THE UK

Most Hungarians in the sample had made arrangements prior to moving to the UK to ensure a smooth transfer, like securing work and accommodation. Three came to work as nannies and three had undergone a job-selection process in Hungary to work in the UK as security guards. The other four people started working in the UK as housekeepers (cleaners), as a receptionist and as a kitchen porter. There were only very few who started working through a recruitment agency. Only one person was recruited in a graduate job.

In the UK their qualifications and Hungarian work experiences were considered largely irrelevant

Finding continuous employment was difficult and hard work, but nevertheless necessary to earn a living. Frequent visits to recruitment agencies, personally handing in CVs to potential employers and responding directly to job advertisements secured jobs successfully most of the time. Sometimes jobs were secured through personal contacts. However, getting jobs through friends and acquaintances was rare. According to the interviewees, in the UK their qualifications and Hungarian work experiences were considered largely irrelevant. This may explain why so many of them accepted jobs at a lower level in order to secure entry into the UK labour market. However, sometimes having the *Matura* (A-levels) proved useful, but during job interviews employers were more interested in their work experience gained locally.

The lack of English language skills is also an obstacle when choosing jobs to apply for. Those who had no or very little English did not have much choice but to take jobs that did not involve communication with customers and colleagues. Interviewees were very much aware of this and were actively and purposefully engaged in learning English. Employment for eight interviewees out of 10 was in low-skilled jobs that required no specific qualifications.

All interviewees arrived in the UK between 2005 and 2010, and their employment histories varied significantly. What was similar was the aim to progress and to achieve progress through ‘giving it 100 per cent’. Many interviewees received increased responsibilities in their jobs without any formal acknowledgement, such as new job titles or higher wages. Formal recognition came several months later and then only for very few. Nevertheless, interviewees appreciated the trust and the opportunities to engage at a different level. Almost all interviewees considered their low-skilled jobs to be temporary and their career progress slow and full of challenges. Most received the in-house compulsory training but accredited qualifications and language tuition were available only for very few. The low-level jobs, low salary and low level of English skills were considered a vicious circle from which all interviewees tried to escape.

Many left Hungary to establish financial security and in the UK earning low hourly wages was offset by long working hours. Most of the interviewees calculated their incomes not in terms of the hourly rate at which they were hired but in terms of total monthly income.

Only a few could progress relatively quickly and found a niche in a company that supported their progress

Interviewees described their jobs using terms such as ‘emotional killer’, often ‘below standard’, ‘dull’ or ‘weak’ work rather than ‘low-skilled’. Some interviewees found it mentally and emotionally difficult to accept the fact that they worked in such jobs. They felt uncomfortable in their jobs and the same question had been occurring in most interviewees’ minds: ‘What am I doing here?’ Unfortunately, most interviewees had had more than one low-skilled job over time, and facing this had become a recurring problem. It required mental training and emotional readjustment to be able to cope with what may be considered a humiliating situation. There were only few who could progress relatively quickly and found a niche in the company that supported their progress. They were in a position to reflect quickly and dismissively on the time when they did a job that they fundamentally disagreed with.

PLANS AND AMBITIONS IN 2011, AND ACHIEVEMENTS IN 2013–14

Having plans and ambitions often helped interviewees to overlook the negativity of working in a low-skilled job. All interviewees had a plan to progress over time, and those who had been in the UK for many years knew from experience that developing a professional career would be a slow and non-linear process. While a small number still hoped to pursue their initial interests, others developed a much more flexible way of thinking about their career and identified broader objectives, such as working with people or working in sport. This opened up a range of potential ways to succeed. Interviewees also had personal and financial objectives. Participating in education was seen as an integral part of making progress.

By 2014, all interviewees had established financial security through permanent posts and increased hourly rates. Most interviewees earned between £6.40 and £12 per hour. Interviewees progressed through either changing their jobs or being promoted within the company. One felt that, given the economic crisis, just being able to keep her job and increase her responsibilities, even without formal acknowledgement, was progress. While formal and informal recognition were welcomed, all of them considered this only as a start and they all had further plans. During the follow-up interviews in 2014, four of the interviewees outlined plans to return to Hungary within the next five years.

CONCLUSIONS

The Hungarian respondents for this paper are well-educated young people who have temporarily arrived to the UK to take up employment. Their views and experiences are unique; at the same time their narratives reflect common themes and issues that could be relevant to other Hungarian migrants in the UK. The interviewees seemed to be generally dissatisfied with the economic and political climate in Hungary, where many had been engaged in low(er)-skilled jobs and had worked excessive hours. Despite having several qualifications, many were unable to find satisfactory employment in Hungary. The UK offered better employment opportunities and a better chance to es-

establish financial security. Interviewees acknowledged that high-level English skills were required to find good employment in Hungary, and the UK was clearly the best place to develop those skills.

Despite obstacles such as lack of time to find a 'good' job, the disregard for qualifications and work experiences gained in Hungary, the lack of local references and varying degrees of English language competency, interviewees had managed to secure almost uninterrupted employment. Most jobs, however, were low(er)-skilled and low-paid. Even those who spoke good English found it difficult to secure higher-level jobs.

Education and training were considered crucial to professional progress, and training opportunities were welcomed. Some interviewees enrolled in self-financed language courses and other forms of professional development, but even with these newly obtained qualifications and certificates, career progress was slow.

Most interviewees felt uncomfortable working in low-skilled jobs. It was clearly a necessity for them rather than a choice. Many considered their jobs humiliating, lowly and dull. They felt that they had little influence on the progress of their careers and accepted the best of the jobs available to them.

Over time the interviewees had managed to secure permanent positions with some increases in salary, but only a few found their jobs professionally satisfying. Most worked in similar jobs as when they first arrived in the UK, though sometimes with increased responsibilities. The 2014 data suggests that most interviewees used the possibilities available to them, and that most were optimistic that they would eventually escape the cycle of low-skilled and low-paid jobs.

References

- Department for Work and Pensions. 2012. 'National Insurance Number Allocations to Adult Overseas Nationals Entering the UK: Registrations to March 2012'. London: DWP.
- Hajdu, M and Tóth, IJ. 2012. 'Új Magyar Exodus felé? Elemzés a külföldi munkavállalással kapcsolatos internetes keresések forgalmáról a Google Trends alapján'. (Towards a New Hungarian Exodus? Analysis of the Internet Search Phrases in Connection With Employment Abroad on the

Basis of Google Trends). Budapest: Gazdaság- és Vállalkozáskutató Intézet - Magyar Kereskedelmi és Iparkamara (Institute for Economic and Enterprise Research—Hungarian Chamber of Commerce and Industry).

- House of Lords. 2008. 'Select Committee on Economic Affairs. 1st Report of Session 2007–08. The Economic Impact of Immigration. Volume I'. London: The Stationery Office Limited.
- McCollum, D. 2013. 'Investigating A8 Migration Using Data from the Worker Registration Scheme: Temporal, Spatial and Sectoral Trends'. *Local Economy* 28(1): 35–50.
- Sik, E (2012), 'Csúcson a migrációt tervezők aránya'. (The Proportion of Migrants Planning to Leave Has Reached the Highest Level'). Budapest: TÁRKI Zrt. www.tarki.hu/hu/news/2012/kitekint/20120523_migracio.html.
- Vargas-Silva, C. 2013. 'Migration Flow of A8 and other EU Migrants To and From the UK'. Briefing. Oxford: The Migration Observatory at the University of Oxford.
- Wadsworth, J. 2012. 'Immigration and the UK Labour Market: The Latest Evidence From Economic Research'. London: Centre for Economic Performance, London School of Economics.

SKOPE ISSUES PAPER SERIES

The purpose of the Issues Paper Series is to highlight some key areas of SKOPE's research and identify key findings that can inform policy makers, academics and practitioners.

For further information on SKOPE's work, see the website: www.skope.ox.ac.uk.

Published at the Centre on Skills, Knowledge and Organisational Performance, Department of Education, 15 Norham Gardens, OX2 6PY.

© 2014 SKOPE