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Abstract

The context of this article is the use of employer sanctions, in the form of raids and fines on businesses found to be employing people who do not have permission to work in the UK, as a method of in-border immigration control. Drawing on qualitative interviews with undocumented migrants and ethnic enclave employers in London, this article examines the impact of sanctions from the perspectives of those who have been or are most likely to be affected. More specifically the article sheds light on individual experiences of and strategies against immigration enforcement raids, the effect of raids on the labour market, conditions of work and more widely, on local community relations. The paper concludes that there is a disjuncture between the real impact of sanctions and at least some of the stated policy aims.

Key words: ethnic enclave employers, employer sanctions, immigration policy, immigration enforcement, undocumented migrants, workplace raids

Introduction

Managing migration and reducing the prevalence of undocumented migrants living and working within the United Kingdom continues to be high on the policy agenda (Anderson, 2012; Gower and Hawkins, 2013). Governments see irregular migration as a problem that needs to be addressed through external and in country controls (Koser, 2005). Externally borders have become more impenetrable by policy measures such as visa impositions, border patrols and the use of technological advancements. Internally one of the main strands of policy has been the diversification of modes of surveillance which extend to airlines, shipping companies, employers, health professionals, educational establishments and now banks and landlords who are supposed to monitor the immigration status of users and clients. Sanctions have been gradually introduced and incrementally increased for organisations and individuals found to be contravening the requirements of internal controls, as a stated means of deterring, exposing and controlling irregular migration.

This article focuses on employer sanctions and examines, through the use of qualitative interview data, the impact of sanctions and immigration raids on the working conditions of undocumented migrants, on ethnic enclave businesses and employer strategies and on wider community relations. We focus first on the policy context by providing an overview of sanctions as a policy tool. Secondly we explain the research approach including access to interviewees. Thirdly, we examine the ways in which undocumented migrants and employers from migrant communities reflect on their experiences of sanctions, are affected by sanctions and put strategies in place to minimise the possibility of being caught.

Sanctions as a policy tool

Employer sanctions are part of a growing arsenal of internal immigration controls. They operate in the form of fines on business owners, although they also carry a risk of imprisonment. It is not just employers that are affected, for undocumented migrants they carry the threat of being caught in a raid and subsequently detained and/or deported. Though used in other geographical contexts since the early 1970s, they were introduced in the UK under the *Asylum and Immigration Act 1996*, which from January 1997, required employers to carry out document checks on new employees' rights to work in the UK. A failure to comply is a criminal offence, which initially carried a fine of up to £5,000 per worker. The fine was increased to £10,000 in February 2008, as part of *Immigration, Asylum and Nationality Act 2006* and increased again, to £20,000 under the *Immigration Act 2014*. The increases have been accompanied by a growth in the number of workplace raids and fines. Between 1997 and 2006, civil penalties were issued against just 37 employers (Evans et al., 2008). Over the last few years there has been a large increase in civil penalties with 197 issued in the third quarter of 2013. From an average of fewer than five a month in the first seven years of operation, the last quarter saw just under 50 a month (Home Office, 2013a).

Home Office enforcement raids, the number of civil penalties issued and the number of 'illegal workers' found during raids are highly publicised online by the Home Office through its website and other social media networks as are the trade names and addresses of non-compliant businesses (Home Office, 2013a). A cursory look reveals that the majority are small, minority ethnic businesses, such as restaurants, takeaways and small retail shops. Between July and the end of September 2013, 90 workplaces were raided of which 71 are identifiable by name as Indian, Bengali, or Chinese restaurants or takeaways. Sanctions, in the form of raids on workplaces appear, in the UK, to be falling almost entirely on minority ethnic owned businesses. While raids and sanctions seem to target visible minorities, the Home Office website maintains that raids are 'intelligence led'.

A recent report from the Independent Chief Inspector of Borders and Immigration, suggests that raids are not in fact driven by intelligence making reference to 'visits to certain types of premises, for example, fast food outlets' where 'the problem profile was cited without any further specific intelligence or information about the target premises' (Vine, 2014: 14). Serious failings, in particular a significant increase in entry without a search warrant, unlawful use of the power of entry without a warrant and widespread non-compliance with guidance, together with the targeting of certain premises without specific intelligence or information are all highlighted in the report. Fifty nine per cent of the cases examined 'lacked the required justification' for the use of this power (Vine, 2014: 3).

Under the *Immigration Act 2014*, the penalty regime has been extended to create 'a really hostile environment for illegal migrants' (Travis, 2013). The maximum penalty to 'rogue employers' has increased. Furthermore, the Act limits objections to and appeals against penalties, makes the enforcement of penalties easier and simplifies right to work checks by employers (Home Office, 2014). In addition, it requires that private landlords, banks and the Driver and Vehicle Licensing Agency make immigration status checks. The goal is to make access to work and services more

difficult in order to 'reduce the pull factors which draw illegal immigrants to the UK' (Home Office, 2013b). It results, however, in institutions and private individuals acquiring new duties as immigration enforcers.

The stated aims and justifications for employer sanctions have been framed in wider terms than just reducing 'pull factors' for irregular migrants. Initially calls for sanctions were made in the 1970s by the trade union AFL-CIO in the USA and were ostensibly about improving working conditions. In the UK, the justifications have been stated in relation to the protection of local businesses and workers, fighting the exploitation of workers by rogue and unscrupulous employers and in deterring 'illegal' migrants. The Home Office guidance for employers justifies sanctions as follows:

Illegal working often results in abusive and exploitative behaviour, the mistreatment of illegal migrant workers, tax evasion and illegal housing conditions. It can also undercut legitimate businesses and have an adverse impact on the employment of people who are lawfully in the UK (Home Office, 2014: 3).

Employers and their associations have generally opposed sanctions that require them to act as 'unpaid immigration officers' (Evans et al, 2008: 22; McKay and Wright, 2008). Studies on the impact of sanctions on workers have shown workers pushed into more exploitative working arrangements (Dwyer et al, 2011; Finch and Cherti, 2011), less likely to report violations and more resistant to trade union or other organising efforts (Gordon, 2006). Employers have used threats to employees and co-operation with immigration authorities to derail worker organisation and to suppress dissent (Burnett and Whyte, 2010; Joly and Wadia, 2011). Indeed critics point to employers supporting the policy as their way of eliminating trade union organisation, as workers are too frightened to risk deportation by complaining about bad treatment (Bacon and Ong Hing, 2011).

Sanctions as a policy tool are open to criticism. First, they have not led to an identifiable reduction in the number of undocumented migrants. The numbers of undocumented migrants has increased during the period when sanctions were introduced. An estimate of the size of the unauthorised resident population in the UK in April 2001 gave a range of 310,000 to 570,000 (Woodbridge, 2005). A 2008 estimate gave a range between 417,000 and 863,000 suggesting a substantial increase during the 2000s (Clandestino, 2009). However in critiquing sanctions we argue that there is a need not just to consider sanctions through the lens of the numbers of undocumented migrants because the stated policy objectives in relation to sanctions go beyond this. Sanctions are also advanced as a method of protecting local businesses as well as a way of tackling the exploitation of migrant workers. In this article we show that sanctions have the opposite effect because they can make workers more vulnerable and place them more at the mercy of the most unscrupulous of employers. They also put at risk the businesses of many small local employers. Moreover, although the impact of sanctions on wages has been found to be small, there is statistically significant evidence that their effect is to lower wages for all workers, not just non-compliant or migrant workers (Cobb-Clark et al, 1995).

Within the European Union (EU) employer sanctions, in the form of fines and criminal sanctions against employers, have been backed by EU Directive

2009/52/EC. The UK is one of only three Member States (the other two being Ireland and Denmark) that will not implement the Directive. The UK government is not opposed to the sanctions that the Directive imposes, but to those elements in it which give rights to migrants. Article 6 of the Directive gives workers who are found to be working without papers the right to any wages that they are due. This back pay includes the difference between what they have been paid and the legal minimum wage. Employers also have to pay any outstanding national insurance and tax. Article 13 places an obligation on governments to have systems in place for undocumented migrants to make claims against their employers, including through trade unions or NGOs. Immigration minister Damian Green made it clear that the government opposed giving these rights to migrants, on the basis that they, '...would send the wrong message by rewarding breaches of immigration legislation' (Ministerial written statement, 2011). Green ignores the fact that current policies mainly disadvantage one party in the employment relationship - the worker. For although sanctions penalise employers, the penalties fall mainly on a small targeted group who cannot, given their size, be responsible for the employment of all those who are undocumented. Additionally the application of the common law doctrine of illegality of contract means that the courts will declare contracts between employers and undocumented migrants unenforceable in every respect.

In this article we draw on data from a study of undocumented migrants and ethnic enclave employers funded by the Economic and Social Research Council (grant reference ES/I037490/2) to explore empirically the reality of sanctions. Our understanding of ethnic enclaves comes from the North American sociological literature that describes them as geographical clusters of people from the same ethnic group and where business owners and workers are also from that same group (see Portes, 1981; Portes and Bach, 1985; Light et al., 1994). We show that sanctions do make an impact, though not necessarily favouring all of the stated policy aims. While raids and subsequent deportations do of course signal government control over immigration matters (Vasta, 2011) they can also increase precariousness and compromise workers' rights (Khosravi, 2010). Undocumented migrants are pushed or retreat further to the margins, moving from formal work to informal work where they are more vulnerable and more hidden (Engbersen and Boeders, 2009; Goldring et al., 2009). From the employer perspective, fines and work place raids can have economic and non-economic consequences that include worsening community relations. After discussing the methods and the data used in this article, we examine the experiences, views, perceptions and the diverse impacts of raids and fines on undocumented migrants and ethnic enclave employers.

Methods and data

The article draws on fieldwork carried out in London between February 2012 and April 2013. Qualitative interviews were conducted with 55 undocumented migrants and 24 employers from Bangladesh, China and Turkey (including Kurds and people from northern Cyprus). The rationale for the selection of the three groups was based on pre-existing knowledge of sectors of employment in the UK alongside the different initial reasons for migration. Chinese undocumented migration to the UK is largely motivated by economic imperatives with work found mainly in Chinese restaurants, fast food shops and supermarkets (Bloch et al, 2014). Employment among migrants from Turkey, including Kurds, is predominantly in restaurants, fast food outlets and retail. There is a long history of migration to the UK from Turkey which from the

1980s onwards included Kurds, many of which were asylum seekers (King et al, 2008). There is also a long history of migration to the UK from Bangladesh though numbers increased significantly from the 1970s (Tackey et al, 2006). Undocumented migrant workers from Bangladesh tend to find employment in restaurants and take away shops. All three groups have established community networks and associations and comprise long term and more recent undocumented migrants.

In the absence of sampling frames, for both study populations – undocumented migrants and employers - non-probability methods were used, combined with purposive sampling. Undocumented migrants can be particularly difficult to access because they constitute a hidden and potentially vulnerable research population due to their ‘deportability’ (de Genova, 2002; Düvell et al, 2010). Building up trust through extensive networking and employing highly skilled community interviewers, trained in both the specifics of the study and our ethical frameworks and focusing on access and on the actual interviews, was our primary strategy to successfully identify undocumented migrants willing to be interviewed. Interviewees were accessed through a combination of organisational gatekeepers, cold calling, faith groups, networks and snowball sampling. Interviews were carried out mostly in first languages and were translated, transcribed and fully anonymised by the community interviewers who also applied pseudonyms to ensure anonymity and confidentiality. Indicative quotas were set for key explanatory variables, including sex, length of time in the UK and whether working within or outside ethnic enclaves, to capture diversity of experiences.

The interviews with migrant entrepreneurs were carried out in English by the university based research team, though in two of the interviews with Turkish employers, the community interviewer, who had acted as a gate-keeper, was present at the request of the interviewee and undertook a small amount of interpretation work. The employers we interviewed were owners of ethnic enclave businesses, with the exception of one who was the manager of a business and responsible for recruitment. All the businesses relied on workers from the same ethnic group. Elsewhere we have written about employment practices and preferred worker characteristics (Bloch and McKay, 2014). The sample consisted of mainly small businesses, employing less than 10 workers, although three were large businesses. Chain referral strategies were used to access most employers. Community stakeholders were instrumental as gatekeepers, as were the community interviewers. Four of the employers were accessed through cold calling by walking into shops/businesses and asking if they were willing to be interviewed. Transcripts were anonymised and pseudonyms were applied. Table 1 shows the final sample for employers and undocumented migrants.

Table 1: Interviewees by gender and country of origin

	Bangladesh	China	Turkey*	Total
Undocumented Migrants				
Male	11	14	15	40

Female	4	6	5	15
<i>Total</i>	15	20	20	55
Employers				
Male	6	6	7	19
Female	1	2	2	5
<i>Total</i>	7	8	9	24

*Includes Kurds from Turkey and Northern Cypriots

The impact of sanctions on undocumented migrants

This section explores the impact of sanctions on undocumented migrants, beginning with actual experiences of raids. Ten had direct personal experience of a raid: five at the work place and five in their home while an additional two had been picked up by police on the street. One way of pre-empting the consequences of a raid was to build strategies into daily working lives. Deniz, for example, a Kurd from Turkey had been at work in a restaurant when a raid took place. In the following quote he describes how he avoided being caught.

I acted like a customer. I was in my civilian clothes. I do not put on any uniform while I work as a precaution. I always prepared myself like that. I was going to say I was a customer, which I did. They asked me what are you doing here? I said I was waiting to get my dinner.

Others also evaded being caught during a raid by managing to flee. Bik had worked in kitchens as a daza (labourer) and wok chef before having her baby. When the restaurant where she had worked was raided she managed to escape out of back of restaurant and was so terrified she didn't return to pick up her wages. Ferhat from Turkey worked as a mechanic in his relative's business. He had managed to avoid arrest during a raid, though the experience had left him fearful.

...police raided the garage. I slipped away through the cars. I went to upstairs, locked the door, and then got out through the window. I still live in fear.

Whatever the reality of raids and their outcomes, they were very much in the consciousness of undocumented migrants and framed their working lives, working conditions and decisions about work. Engbersen and Broeders note that, '...irregular migrants are not passive agents; they react to changing options and create new solutions for their problems' (2009: 870) and this entailed moving into the more informal parts of the economy including restaurants, catering and domestic spheres. In our research we also found clustering in restaurants and take-away shops, with 22 of the 45 working at the time of the interview employed in restaurants and take-away shops. The other main sectors were construction, which employed six people and retail and services where five of our interviewees were working.

From the perspective of undocumented migrants, their lack of papers coupled with the threat of raids and deportations, was used by some employers to deny them full remuneration or other terms, or pushed them into accepting less desirable conditions than other workers. Qasim, a Bangladesh male, who was working in a laundry for £200 a week at the time of the interview, had been asked to find another job as his employer was concerned over raids and sanctions. He described similar experiences in his previous jobs working in restaurants. In one of the restaurants where he was being paid £225 a week, about £100 less than those with documents and doing similar work, he was asked to leave when there was 'a little bother with immigration' as he describes.

The boss told me to leave as it was getting too risky. Just the nature of these jobs. Depends on what the situation is like, if it gets tricky we have to leave. If it's OK, we stay.

Likewise, Hanif, a man from Bangladesh, described wage disparities when he said in relation to restaurant work how others, '... may get £160 per week, I would get £105'. Arif, a 33 year old man from Bangladesh knew he was earning much less in the clothing factories where he worked and said that employers, '...gave me between £1 to £1.50 per hour whereas legal workers received £5 per hour'. Moreover, he had £20 a week deducted from his wage as the employer... 'would have to do some paperwork to show 'papers''.

None of those interviewed were earning at even the national minimum wage level. Arjin, a 22 year old Kurdish restaurant worker, earning £180 for a six-day week, was reminded of her status when she asked for better terms, whereas in the case of Deniz, also a Kurdish restaurant worker, his employer asked him to do evening work to reduce the risk of raids.

I asked for an increase...He was not approving...I was asking them to make my working hours less if they did not want to make an increase...still nothing...One day he came to close me, put his arm to my shoulder and said "My black girl, my black girl, you want an increase but do not forget that you are an illegal in this country". He talked in a way of warning me or reminding me of my position (Arjin)

You were supposed to start at 2pm but the boss made me start at 4pm so that I would not be caught by the officers when they raided the workplace...At that time raids increased a lot and he got scared...So he made me come to work at 6pm...he cut from my wage...I started to work 7 days rather than 6 days (Deniz).

Undocumented migrants were also vulnerable to being reported and this could be used as a control mechanism. Naser from Bangladesh, for example, was not alone in his experiences when he said that his employer would threaten undocumented migrants by saying he '...would call the police on us'.

In spite of the obvious disadvantages, undocumented migrants still made carefully thought out decisions in relation to working environments and working hours. Building sites were seen as safer than restaurants because of worker mobility,

working at night was deemed to be less risky than day time work and kitchen work was thought to be safer than the visibility at the front of the house. In the following quotes Li from China talks about his decision to move from working in catering to working in construction and Zana, a Kurd from Turkey, talks about his hours and working location.

They [Immigration officers] normally wouldn't come to the building sites to check who had status...people working on the building sites move about all the time...I had worked in catering before... I thought it was too risky to work in the kitchen, because you could be caught anytime. ... It's not like working on the building sites, where you move about from one place to another (Li).

I was always [in] background jobs...For example, in general, employers have illegal employees in the kitchen not as waiters...That's why he gave me the nightshift job. I did not want to work at nights I have a family. Nobody would like to do such jobs. Only illegals... (Zana).

Mobility, both in terms of jobs and geography, was another means of avoiding detection. Some also elected to leave jobs when they felt at risk.

Also, people like us should not work in one place for too long ... It is better to work 'on the run' (Naser, Male, Bangladesh).

I worked in the countryside [small town England]. I have never worked in Chinatown. We only find work in the places that [we consider to be] safe [from being caught] (Fung, Female, China).

I couldn't stay there longer. It wasn't possible for me to continue working there. I had to leave, because there was a crackdown on illegal workers (Bik, Female, China).

While some interviewees reported that the consequences of sanctions were fewer jobs, as some employers were reluctant to take the risk, others had found no change and that jobs were relatively easy to find. The issue was not so much whether there were jobs but what they consisted of. From the workers' perspective, those employers that took on undocumented migrants did so as part of their economic strategy because they could be paid less than other workers and made to work harder. The types of businesses where undocumented migrants find work are within low profit margin enterprises where the largest outgoings are wages (Wahlbeck, 2007). Employers will make rational economic decisions about who to employ and at what rates (Waldinger and Lichter, 2003). As Ai notes,

...they don't really ask you [your status]. They know that most people like us won't have status anyway; it doesn't make a lot of difference whether you ask the question or not. They will hire you anyway as long as they think it's cheap to hire someone to work (Ai, Female, China).

Fadi a man from Bangladesh highlights the financial gains for employers by exploiting the powerlessness of undocumented migrants paying less and working them harder.

They know we are weak. We are different in all ways. Even with regard to hours worked. We do 14-15 hours every day with less pay...it is exploitation. We are weak...[the employer] ...is getting cheap labour, saves him taking another person on and saves him money.

There is always a demand for low paid workers who will fill some of the least desirable jobs and most often these are migrant workers. Ethnic enclave businesses want migrant workers and workers know that as well. This is because co-ethnic workers are thought not only to possess desirable characteristics (Lucas and Mansfield, 2010) but they represent an economic opportunity for employers because, as 'group members...can be squeezed that much harder' (Waldinger and Lichter, 2003: 155). Group members who are also undocumented can be squeezed even more than those with a regular status and this group understands its position within the hierarchy of labour (Bloch, 2013).

If you insist on having all your employees to have got UK status, you may not get any of them at all! You can't pay peanuts and expect them to have proper UK status. Where can you get so many people with UK status to work for you in the restaurant? The Westerners won't want to do this kind of work... Will you close down all the restaurants then? (Chao, Male, China).

While low cost workers are needed, some interviewees had experienced more difficulty in getting work. Employers may have been less willing to take risks however, that was mediated by having family members because kinship obligations, from the worker perspective, outweighed the threat of sanctions and made no real difference in terms of employment practices as Fung explains.

Some of the employers were too afraid to employ you if you don't have papers; others didn't really mind. For the bosses who decided to hire me even they knew that I had no papers, it was because they paid me less, that it was cheaper to hire me than some who has status... Of course, in case the job-seeker is a relative, the employer will hire them anyway, whether there is paper or not (Fung, Female, China).

The data shows both similarities and differences in terms of the experiences of undocumented migrants. While pay was universally low and conditions were largely precarious some did exert individual agency and strategies to minimise the risks of being caught in an immigration raid. It was not just undocumented workers who had developed strategies to protect themselves in the event of raids. The employers whom we interviewed were also acutely aware of the existence of sanctions, the cost of fines and which businesses had been targeted for raids. The sanctions framework informed much of their discussion on immigration policies but it also revealed that penalties in themselves, as a policy tool, were insufficient to enforce a change in practice because they were dependent on other imperatives as we discuss in the next section.

Impact of sanctions on employers

This section focuses on employer perspectives, examining first experiences of raids, secondly the effects, if any, on employers due to the threat of fines if caught

employing people without the correct documentation and thirdly the social impacts of raids on local community relations. We focus on whether or not and in which ways raids and fines affect employers and their practices. While just two of our business owners had actually been raided, many more knew first hand others who had been raided and information about raids went around local areas very quickly. Mr Sindi was from Turkey and had a supermarket business employing 14-15 people and said that,

...everybody hears from each other, they hear like that place in [North London] is raided he was fined that amount of money.

For some, raids in their locality did affect their practices. Mr Wu for example owned a shop and was aware of raids in Chinatown, something that has affected his recruitment practices.

...four years ago UKBA came here, they search about ten restaurants in Chinatown and they arrest about a hundred immigrants...[because]...many restaurant has been searched by UKBA so I think I wouldn't take the risk like this. Because once they- they- have found out, it would be a fine, first time five thousand pounds fine, second time it would be ten thousand pounds for illegal immigrants.

Among our businesses owners, Mr Serhati, a Kurd from Turkey who owned a Turkish restaurant had been raided, as had Mr Tan who owned a Chinese restaurant. From the descriptions of raids it seems that they can be frightening for workers and customers alike. Describing when his restaurant was raided, Mr Serhati likened it to a 'military operation'. Mr Tan echoed the comments made earlier by Chao about restaurants needing workers and the types of workers that are prepared to work in those conditions for the rates of pay on offer and so his analysis was a pragmatic monetary one.

It was not very pleasant. I had a customer, I've got one customer comes every single day, he's very old man, he's ninety now, so he was upset, he was upset in different ways. He was upset because there was six people come in, he was upset that he'd paid his tax wasted [by] immigration officers. Six people come in and raid the place he said he was shouting at them...they could come and check your papers it doesn't have to be a military operation searching for illegal immigrants...I think they use it on purpose to scare people (Mr Serhati).

Yeah it happens here, they come. I've been raided before, a fine, what to do? ...They think we want to employ illegal, we don't want but we cannot help it. If nobody work for you have to close down, lost all our money. That's the reason. You think people want to employ illegal? ...The fines OK...Whatever you have a fine, they want money, that's all. They want money (Mr Tan).

The immigration regime and sanctions did have some impact on the practices of most employers. Fewer openly say that they 'risk' employing undocumented migrants now compared to in the past. Among the 24 employers we interviewed, eight (a third) said they were employing undocumented migrants at the time of the interview while 17 (over two-thirds) had in the past. Given the sensitivity of the

subject we suspect (and at least in one case know) that it was possible that more of the employers we interviewed were in fact employing undocumented migrants. Whatever the reality, the fact that a third talked openly about currently employing at least some undocumented migrants suggests that sanctions are not eradicating these employment practices. This is due partly because of the need for flexible labour and because of skills' shortages for specialist workers trained outside of the UK in particular cuisines or with practitioner skills such as in Chinese medicine. Finding chefs was a problem for restaurants as the following quotes show. Some employers also talked about their willingness to sponsor chefs and pay the costs but this had become increasingly difficult for them and they found themselves in an impossible position with businesses collapsing.

I think it's getting worse and worse. Because of [raids] there's lots of restaurants, they desperately need people (Mr Rahman from Bangladesh).

...you cannot seem to get a chef... that's why the reason some shop have been closed (Mr Tan from China).

While undocumented migrants talk about their tactics in terms of staying hidden and avoiding raids by leaving jobs when it was deemed too risky, this also affects businesses. Mr Peng had a Chinese restaurant in West London and local raids meant that a number of his workers simply walked out as he describes.

I was running this restaurant and because everybody started talking about 'oh, immigration ...' a lot of the Malaysian workers chose to leave, they actually just abandoned work...there was one time...we lost a third of front of house staff. I remember that because it meant that I had to get in [staff] as an emergency.

To reduce risks employers adopt strategies and adjust their practices. Employing fewer undocumented migrants and for shorter periods of time were the main tactics. In the following quote Mr Sindi talks about his strategy and has carefully worked out the costs and benefits of his approach while at the same time reflecting on the seemingly anomalous policy.

I also reduced the risk, I do not employ as much [undocumented migrants] and as much as in the past. The fines got increased and I am scared that I cannot deal with these fines. For example, if I employ three undocumented people, this will cost £15.000 fine to me. How I can afford that? On the one hand the state does not give the documents or working opportunities, on the other hand, they also stop those business holders who can offer jobs to them (Mr Sindi from Turkey).

For Mr Hasan, undocumented migrants, found through word of mouth informal networks, were useful to fill short-term labour gaps and he saw the arrangement as benefiting all parties. Moreover it was less risky than employing people without permission to work on a long-term basis.

I have taken somebody on for a couple of weeks where...a kitchen porter [has] left...'oh I've got a cousin of mine but he hasn't got any *card or nothing*'.

'Well look, just send him down and while I'm sort of searching for somebody at least he get two weeks work, a bit of pocket money' (Mr Hasan from Bangladesh).

The nature of the business was a factor. Mr Zue for example owned an interiors firm and moved from place to place on a regular basis so this, he felt, reduced the risk.

I don't mind sometimes because my location is changing all the time so I'm taking a risk...right now ...we only have two [with] no documents (Mr Zue from China).

There are other factors that govern employer practices that challenge the efficacy of the policy: first undocumented migrants are paid less than other workers so it may make immediate economic sense to employ them, secondly family obligations mean that business owners have little choice but to provide jobs regardless of immigration status and thirdly, some people simply disagree with the policy and are prepared to take the risk, irrespective of the threat and potential costs.

Mr Mahmood ran a clothing shop selling mainly to people within the ethnic enclave. In his interview he reflected on how things had changed in recent years. While previously there was a community wide and informal network among Bangladeshi people for placing new arrivals in work, this had now contracted to family members.

...the businessman, he's rich, so he helps some of the poor family members...it is very difficult to find jobs some other place (Mr Mahmood from Bangladesh).

When asked about pay structures Mr Mahmood went on to say that undocumented migrants are paid, '...a little bit less than the legal people'. He went on to describe small business practices in relation to employment, which have both an immigration and a gender component to who is hired.

...most of the illegal immigrant is working for the small businesses where the owner is not able to pay good money, and the local housewives is working for the local sewing shop.

However, for some employers, there were other considerations that were not only based on finance or family. Empathy and co-ethnic solidarity among the restaurant owners who were Kurds from Turkey influenced their practices as the following quotes show.

I been a Kurd in Turkey, I was one of the others and I know how it feels being one of the others and now I'm giving a chance to support my people, why not? (Ms Jaf, Kurd from Turkey).

By law you have to ask them if they have immigration status...but if anybody approached me [with] no paper, no visa...I will still say because I've been through that lifestyle, I have, you know, I cannot say 'sorry you have no visa. I can't say it (Mr Serhati, Kurd from Turkey).

Raids and fines conflict with other policy priorities and these perhaps unexpected or

less desirable consequences should form part of the reason to reconsider their use. First, as we have suggested earlier, they discriminate by targeting certain types of businesses in specific geographical locations where the majority of workers are from a visible minority group. Secondly, raids create the potential for vendettas to be played out through threats of reporting or actual reporting of businesses which can have a negative impact on cohesion creating tensions and feelings of injustice. Just as workers were concerned and suspicious about tip offs so too were employers and there was no recourse or information provided to businesses about the reason for the raid.

...immigration officers won't say why they come to raid your restaurant, 'ok, have you had information that I'm employing?-' 'Yes', 'Ok, that's fine, if somebody's informed you. But if you don't find anybody here who are illegal, will you go back and charge the person who is actually giving the information?' 'No', 'well, hang on, so somebody can write in to you, make a complaint, x y z shop along London Road is employing so and so unemployed person or illegal person. So you've actually taken his word and you're not gonna go back and say "you're wasting our time"' (Mr Hasan from Bangladesh).

Well I asked them I said 'what is- why [am I being raided]?' and they said 'it's just regular' but I don't think it was regular I think it's maybe suspicion of having illegal workers or tax related or could be anything (Mr Serhati, Kurd from Turkey).

While employers were very aware of the possibility and consequences of raids and fines, they do not eradicate the employment of undocumented migrants. Moreover there is a cost because they facilitate greater contraventions of workers' rights, threaten community cohesion and promote discrimination by targeting enclave businesses, precisely the issues they are 'meant' to alleviate. What sanctions contribute to, through the state's targeting of minority owned businesses, is the exclusion of a group that on the surface would appear to be included. The process of 'othering' in this instance of migrant entrepreneurs, through simultaneous inclusion with structural exclusion can lead to humiliation and insecurity (Young, 2003: 400).

Conclusion

In this article we have provided a rare insight into sanctions from the perspective of undocumented migrants and migrant entrepreneurs. Our data reflects the typology offered by Engbersen et al. (2006) that maintains relations between undocumented migrants and those who offer the work and services (such as housing) that they require can be based on three different modes of behaviour: altruistic family and kinship ties, the solidarity and reciprocity associated with co-ethnicity and a 'market pattern' based on economic rationality. Of course these are not the only formations of relations, but they were all apparent in our analysis, suggesting that sanctions cannot radically change employment practices and may actually worsen them.

While sanctions do have an impact the state focuses solely on their possible (although unproven) impact on the numbers employed but it ignores the wider impact on those areas, which are claimed as also part of a policy for the elimination of exploitation. But even in relation to the reduction in numbers, sanctions can be

criticised, first, because they do not consider the causes of migration. People will continue to move countries and seek sanctuary, work, education and family life in the UK and elsewhere. Where regular routes that include labour market access are blocked, migrants will use clandestine routes (Koser, 2010) and continue to enter the labour market, not least because there is no entitlement to welfare (Wills et al., 2010; Sainsbury, 2012). Secondly, employers are members of families and communities and as such have obligations both within the UK and transnationally. Family and social networks create obligations, commitments and acts of reciprocity that outweigh the threat of sanctions. Thirdly, some employers have political positions that are fundamentally against sanctions, a strong sense of ethnic solidarity and/or an ethical position that in their view, at least, is philanthropic. These personal and political positions can and do outweigh the risks or fear of sanctions among some employers who clearly state that they simply 'take the risk' (Mr Serhati). Fourthly, businesses are economic enterprises and reducing costs maintains viability and/or profit levels. Labour hierarchies mean that those without status are the cheapest to employ and so entrepreneurs will continue to weigh up the costs and benefits against the risks. With governments focusing on breaches to immigration rather than wages and employment rights, some employers will continue, in the interests of their businesses and profit margins, to employ vulnerable low paid and undeclared workers, regardless of their status. Finally, immigration controls have resulted in skills' shortages in certain sectors, including restaurants where finding staff with the requisite skills and a regular status is becoming more and more difficult for owners. For some this puts pressure on businesses that need to find the workers with the relevant skills regardless of status.

Sanctions also have the consequence of creating fear, suspicion and an increasingly exploitable labour force. Both undocumented migrants and employers will adopt diverse strategies to escape attention and minimize risk. Our view is that the costs of sanctions far outweigh the benefits and that the government should be considering the prioritization of workers' rights over in-country immigration controls. At the very least, the UK government should sign up to the EU directive, and give undocumented workers the right to be paid for the work that they have already done. Otherwise the financial advantages to employers remain, regardless of the sanctions regime.

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