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### International Employment Agencies and Migrant Flexiwork in an Enlarged European Union

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# International Employment Agencies and Migrant Flexiwork in an Enlarged European Union

Roos Pijpers

*In the literature on migrant networks, the constitutive role of employers and recruiting actors remains underexposed, despite a persistent economic demand for migrant labour which is cheap, readily available and easily dismissed. Aiming to further understand how the recruitment of migrant labour by employers is organised, this paper focuses on the example of international employment agencies (IEAs). It is argued that these agencies are currently the anchors of the circular labour migration between Poland and the Netherlands. In the Netherlands, temporary staffing is a fully legal and common phenomenon, allowing agencies to transfer part of the Polish employment from the underground to a more visible presence. When viewed through the lens of geographical and work-organisation literature on the issue of labour flexibility, these migrant workers could be named migrant flexiworkers. Apart from analysing the origins and current functioning of the IEAs, the paper discusses their development prospects and other more normative aspects of migrant flexiwork.*

*Keywords: International Employment Agencies; Labour Mobility; Labour Flexibility; The Netherlands; Poland*

## Introduction

As part of the Lisbon Action Programme and longer-standing endeavours to create a dynamic and competitive economic environment, cross-border labour mobility is a cherished goal of neo-liberal policy-makers and politicians across the European Union (Coe *et al.* 2008). Steering measures are taken to facilitate the 'freedom of labour' in the European Internal Market. Bureaucratic barriers between member-states are being

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brought down and initiatives taken to accelerate the recognition of diplomas and skill certificates across them. Also, albeit cautiously, proposals are launched to harmonise the highly state-oriented social security systems in order to provide entitlements such as sickness benefits to workers from other member-states, and pensions to older migrants (Dwyer and Papadimitriou 2006). Furthermore, since 1994 the European Employment Services (EURES), consisting of the national employment services of the member-states, help potential employers and employees to find each other (European Commission 2004a). Aiming to lower search costs, EURES has launched the 'European Job Mobility Portal', a website which has job descriptions and professional CVs available for downloading.

Despite these efforts, intra-EU labour mobility remains below expectations due to the 'significant' levels of indifference and disinterest by which labour markets beyond the national border are approached (Strüver 2002; Van Houtum and Van der Velde 2004). This observation, however, refers to citizens of the EU-15. Ongoing economic restructuring in new member-states implies that, for some Europeans in the current period, it is less self-evident to be indifferent about working in another member-state. Potentially, even, there is 'high' migratory pressure on the internal borders of the EU as a consequence of labour mobility from East to West. For that reason, many EU-15 countries have insisted on the maintenance of labour market entry restrictions for citizens of new member-states. As opposed to the expansionary, integrative vision behind EURES, labour market entry policies with regard to citizens of new member-states in the first years after enlargement have been largely restrictive.

Responding to a strong domestic demand, non-state actors in the Netherlands have made a profession of the recruitment of migrant workers from Poland for the Dutch labour market. These actors are important nodes in the network of circular migration that is currently in place between Poland and the Netherlands. In this paper, I am particularly interested in a special type of non-state recruiting actor: the international employment agency (IEA). To my knowledge, no other EU-15 country relies so much on this type of temporary staffing agency for the recruitment of workers from new member-states. Yet the scale and scope of their activities are quickly expanding to include several other member-states.

The paper is organised as follows. In the next section, the topic is positioned within a body of literature that underlines the importance of the demand-side of migrant networks—capitalists, producers, employers and other namings of those who are literally in demand of migrant labour. This literature refers to the Mexico–US migration and to labour migrations elsewhere which compare with the Polish–Dutch case. Then, a methodological hold for the empirical investigation of the regulatory role of the IEAs will be presented, taking on board the concept of 'international migration network'. This investigation is carried out in the subsequent section and involves the origins, current functioning and immediate development prospects of these agencies. The final section presents a critical discussion of IEA recruitment and migrant flexiwork in relation to the regulatory context of temporary staffing and

workers' agency. The paper concludes by raising some normative issues related to migrant flexiwork.

### **State Versus Non-State Recruitment of Migrant Labour**

Although the migration of Mexicans to the US has a much longer history, for the purposes of this paper the mid-twentieth-century state involvement in this migration is a good starting-point. This period witnessed the implementation of the state-led Bracero Program (Krissman 2005; Rodriguez 2004; Schlosser 2003), through which Mexican workers, *braceros*, were recruited to harvest crops in the South-West of the US. The Bracero Program is comparable to the guestworker recruitment schemes processed in various European countries around that same time, which attracted workers from Mediterranean countries such as Algeria, Morocco and Turkey (Castles 2006; Schlosser 2003). The Bracero Program was discontinued in 1964 due to recurring reports about exploitation by participating employers (Krissman 2005; Rodriguez 2004). As a consequence of the economic downturn in the early 1970s, and as an immediate result of the 1973 oil crisis, the guestworker programmes were also halted (Castles 2006).

Because such large-scale recruitment schemes are no longer in place, the question is which initiatives have taken over the 'matching' of the demand and supply of migrant labour. In the European migration context, bilateral recruitment schemes have been established in recent years to recruit migrant workers of various skills and professions. Many take the form of Temporary Migrant Worker Programmes, which solicit workers for specific job vacancies for limited periods of time. According to a recent overview, these programmes are not very successful in achieving the economic objectives predefined, or in decreasing the large numbers of undocumented workers in the EU (Castles 2006). In the US, the 1990 Immigration Act created a highly complex system of work visas allowing employers to hire people for temporary work. Especially through the H-1B (temporary skilled work), H-2A (temporary agricultural work) and H-2B (temporary non-agricultural work) programmes, tens of thousands of workers, notably from Mexico, are recruited annually (Krissman 2005; Rodriguez 2004). Allegedly, the quotas on these programmes are reached within months (Krissman 2005). The implementation of formal state recruitment schemes normally rests with the national employment services and their associated local offices.

Within the existing migration literature, the non-state recruitment of migrant labour is often, and often rightly so, aligned with informal practices. There are several ways to find and hire undocumented migrant workers:

... employers find and recruit immigrant workers in day-labor pools, hire immigrant workers when they approach workplaces to ask for work, hire immigrant workers introduced and recommended by other workers, *contact labor recruiters or smugglers to procure immigrant workers*, indenture immigrant workers by paying the smuggling fare, ask immigrant employees to recruit immigrant workers, and visit

community and commercial areas frequented by immigrants to locate and recruit workers (Rodriguez 2004: 467, my emphasis).

In the studies I came across, labour recruiters and smugglers have been named 'brokers', 'contractors', 'intermediaries', 'middlemen', 'coyotes' and—in the case of Indonesian (Javanese) migration to Malaysia—'taikongs' (Krissman 2000, 2005; Schlosser 2003; Spaan 1994). Some of these recruiters work for employers as supervisory personnel while others are independent agents, or representatives of agencies. The specific kind of recruiting actor used seems to largely depend on the industry in question. Krissman's work on the US agribusiness reveals that most labour immigrants are recruited either through supervisory personnel or through specialised farm labour contracting firms (Krissman 2000, 2005). By contrast, McDowell *et al.* (2007) report on the development that a growing number of low-skilled labour immigrants in the Greater London service sector are recruited through agencies. And in a very different geographical context, female domestic servants from Indonesia are initially recruited informally by fellow villagers, and then pass on to formal selection and training agencies in Jakarta before being sent to employers in Saudi Arabia (Spaan 1994).

#### **The Demand Side of International Migration Networks and the Principle of Anchorage**

The dynamics observed in migrant networks—crossing borders, remitting money, circulating between home and abroad, and alternating jobs—suggest that the social relations of many migrants transcend the confines of the places in which they reside or work at some point in time. Under the heading of transnational migration studies, a great deal of attention has been devoted to the economic survival strategies of migrants, and to their hybrid and sometimes fractured social identities. Over recent decades, researchers have been able to meticulously reconstruct the onset of migrant networks, connecting the catalytic events in home regions, through the itineraries of pioneer migrants, to vibrant immigrant communities in countries of destination (see Krissman 2005 for an overview).

Notwithstanding the fact that the supply of migrant labour is a *conditio sine qua non* of the emergence and reproduction of migrant networks, demand factors are important as well. Employers do not enjoy a very good reputation in the empirical literature. As the Mexican labour migration to the US elucidates, employers wish to hire immigrant labour for a variety of reasons (Rodriguez 2004). Importantly, straightforward cost advantages can be obtained when migrant workers are employed at low wages. Less obvious a reason is that kinship, occupational and other forms of migrant networks often are self-recruiting, self-training and self-disciplining, so that employers can substantially save on the costs of managing and maintaining their labour force (Rodriguez 2004). With the Bracero Program having created the right conditions for these migrant networks between Mexico and the US to develop, they ensured employers of the availability of low-paid immigrant labour after its discontinuation

(Rodriguez 2004; Schlosser 2003). Many of these undocumented Mexican workers are deprived of protection of any kind. Almost by definition non-unionised, they are unaware of even basic working rights. Thus, some authors argue that the ability to control labour at the worksite, always to some extent sealed off from the public sphere, constitutes another important reason for employers to hire migrant workers (Rodriguez 2004). The worksite is a geographical space in which the rights of migrant workers are violated, both physically and legally (Mitchell 1996, 2001).

Still, however, the constitutive role of employers in migrant networks merits closer scrutiny (Rodriguez 2004). In the words of Krissman (2005: 8, 13), despite a strong commitment to the question of how these migrant networks originate,

... scholars have failed to systematically tie employers and their recruitment agents to their analyses of international migration even though these actors are well documented. ... As with formal programs, employers are the principal promoters and beneficiaries of informal recruitment. Indeed, employers must establish the personnel practices in the workplace that facilitate informal recruitment.

As I see it, this is not meant to trivialise the driving forces at work in countries of origin. Rather, Krissman hints at the idea that recruitment entails both state and non-state practices, encompasses both sending and receiving places and, more generally, that the demand side matters. Employers can be merely hirers of migrant labour, hiding behind their recruiters and the various related actors who provide additional services to labour migrants. But they can also occupy a more powerful position in terms of price-setting and other regulatory activities (Krissman 2005). '[R]egardless of their level of action, all employers function as gatekeepers to the labor market' (Rodriguez 2004: 453), and as such are constitutive of migrant networks. Krissman avoids using the term 'migrant network' because it draws on an overly metaphorical reading of the network concept and tends to over-emphasise hometown actors. Instead, he proposes the term 'international migration network', which includes *all* actors who are involved in locating, contacting, contracting, employing, policing, administrating, transporting, housing and supporting migrant workers. Methodologically, this connects to the concept of 'anchorage' (Krissman 2005), which addresses the need to identify a clear starting-point—a corporeal actor—from which other network actors can be traced. Often, this anchor is a pioneer migrant, preferably someone who recruits other migrants for employers (Spaan 1994). If it becomes clearer who these recruiters are and how their activities change over time, the constitutive role of employers is enlightened, too.

This paper now elaborates on the non-state recruitment of temporary workers from new member-states in the EU—notably Poland—to the Netherlands. Although this migration lacks the sheer magnitude of the Mexico–US or Indonesia–Malaysia cases, its relatively advanced particularities regarding the matching of labour demand and supply are relevant to the wider study of international migration networks. In investigating these issues, I emphasise the anchoring role of a special type of non-state recruiting actor—the international employment agency. My fieldwork consists of 14

semi-structured interviews with labour recruiters, labour inspectors, employers and experts on the migration of Poles to the Netherlands, held between January 2005 and April 2006, and of personal communications with migrants during that same period. In order to substantiate the interview results, factual and aggregate data on migrant recruitment activities in the Netherlands were obtained from background reports, promotional material and encounters between recruiters and the media.

## **The Recruitment of Polish Flexiworkers into the Dutch Labour Market**

### *Introducing International Employment Agencies*

In the past, the migration of Polish workers across international borders did not go unnoticed. As was the case with the migration of Mexicans to the US, this attention was not due to a sudden take-off of a previously non-existing migration, but to the immediate and long-term consequences of state interventions. This is because the 2004 enlargement process inspired the national governments of most EU-15 countries, excluding the United Kingdom, Ireland and Sweden, to temporarily restrict labour market access for citizens of new member-states, such as Poland. The contemporary labour migration of Poles in a European-wide context is fairly well documented in the academic literature, too, reflecting the results of fieldwork in regions of origin, and of Polish immigrant communities in destination countries and specific industries. Although employers and recruiting actors within Polish migrant networks have certainly been a topic of research, the emphasis here in terms of tracing anchors is on self-recruitment, entry and survival strategies (Gryzmala-Kazłowska 2005; Kosic and Triandafyllidou 2004; Morawska 2001; Pool 2004).

Dutch employers started to hire Poles in the early 1990s, when nationals of transition countries seized the opportunity to cross borders and solicit work abroad. In the Netherlands, their arrival coincided with shortages of labour in parts of the agricultural sector, notably those with a distinctively seasonal character, such as asparagus cultivation. The early 1990s were fraught with cases of farmers and growers not living up to legal employment and payment standards (De Bakker 2001). Particularly grim are the stories of confrontations between the labour inspectorate and individual growers. Fearing the unexpected and most unwelcome visit of labour inspectors, growers employing illegal immigrant labour would block the entry roads to their lands (interview with labour inspector, 2005; see also De Bakker 2001). The road blocks gave illegal workers more time to disappear into adjacent woods, which effectively lowered their chance of being caught at the worksite. Importantly, however, especially in small family-run agribusinesses, contacts between Dutch employers and Polish seasonal workers have turned into friendly, trustful relationships which encouraged workers to come back in subsequent years, and which continued even after they permanently returned to Poland (De Bakker 2001).

The restrictive work-permit policy with regard to seasonal labour from Poland created ample opportunity for middlemen, in popular speech known as *'koppelbazen'*

(couple-bosses, De Bakker 2001). Among their strategies was the recruitment of a group of Polish workers who have become widely known as 'German Poles': inhabitants of the Southern-Polish Opole and Silezia provinces, areas that once belonged to the Prussian empire. Provided they can prove German ancestry, these people are entitled to a German passport. Since any EU-15 passport granted access to the Dutch labour market without work-permit requirement, organising a temporary job in the Netherlands for them was relatively easy. The presence of German Poles encouraged a number of entrepreneurs to improve the matching of demand and supply by organising it legally and on a larger scale. As the majority of these people used to work in the agricultural sector in the South-East of the Netherlands, they were well aware of persistent labour shortages in the sector as well as the advantages to be obtained from working with motivated migrant labour.<sup>1</sup> A labour recruiter, interviewed in 2005, explains:

Well, I used to work at the [fruit and vegetable] auction until 1999. In 1997 temporary personnel was still readily found, in 1998 it was more difficult, then, a couple of Polish people crossed the border, hence with a German passport, to make up for this. And in 1999 it was even more difficult, then, a very large part of the temporary employment, because of the labour shortage, was fulfilled by Polish workers. And as of 2000 we started with the recruitment agency.

The observation that, in the Netherlands, the first of these agencies originated from the agricultural sector chimes with Krissman's findings on recruitment actors in US agribusinesses, who 'worked as a seasonal farm laborer in one or more of the crop industries under study before attaining a supervisory position' (2000: 283). International employment agency (IEA) is a term which the recruiters themselves are in favour of and which makes a clear distinction from the more conventional temporary staffing agencies that match native workers. At first, the workers they matched cut asparagus, picked strawberries or mushrooms, and sorted and packed a variety of agricultural products. This work was dominantly season-bound and temporary. The starting IEAs developed their first contacts with Poles through previous professional engagements with farmers, growers and other agricultural employers. Accordingly, relatives and friends of the German Poles, relying on word-of-mouth advertising, embarked on the same route. Renting accommodation in the municipalities close to the open fields, the IEAs occasionally provided housing for the workers. In other cases, recruiters arranged pick-ups from the larger German cities in the nearby Ruhr area which maintain daily bus connections with cities in Poland. However, Poles without German passports who followed their fellow-villagers to the South-East Netherlands remained dependent on *koppelbazen* until the opening-up of the Dutch labour market in May 2007.

#### *From Asparagus Workers to All-Round Labour Provision*

Nevertheless in the past few years, the legally operating IEAs matured in several ways. First, they expanded into other parts of the national economy, notably industrial

mass production, logistics and construction. The larger IEAs, those that contract between 1,000 and 5,000 people annually, direct approximately 70 per cent of their workers to the logistics industry—notably to packaging jobs—25 per cent to industrial production and only 5 per cent to agriculture.<sup>2</sup> The lengths of these contracts, usually two to three months, allow people to alternate their stays in the Netherlands with short periods of return—a week or several weeks—to Poland. The design of the contracts is such that workers can stay with the IEA for many years (interview with labour recruiter, 2005).

Since mass production and logistics require labour input all year round, employers in these industries are only too happy to find workers who are motivated to work during the evening, at night and at the weekend. Also, for many small growers and farmers, the prices to be paid for the services offered by the larger IEAs are too high. The legal organisation of cross-border labour recruitment is not only about payments according to minimum wages as laid down in collective wage agreements; it also involves incremental costs for housing, transport, interpreters and so forth. All this means that the potential gains for IEAs from recruiting Polish asparagus workers in May and June of each year are actually fairly limited. What is more, the occupational flexibility of the German Poles has strengthened their competitive position. In demand across a wide array of industries, they prefer the relatively greater security of subsequent contracts to moving from harvest to harvest, which is over after the season ends. Job vacancies in the open field are filled by IEAs specialising in smaller labour ‘pools’ of up to several hundred people.

Secondly, the organisation of recruitment and selection expanded and commercialised. As the demand for German Poles increased, the market of temporary international employment has come to cover a larger part of the country. Whereas the open-field cultures where Polish employment took off are first and foremost located in South-East Netherlands, IEA client firms in these and other industries are found in other areas, too, including the urban areas of Rotterdam and The Hague. This means that the larger IEAs now have a network of local offices throughout the country. At the same time, local recruitment offices were established in Poland, replacing word-of-mouth advertising and individual middlemen operating from offices at home. A typical IEA has headquarters in the Netherlands and—two or more—local offices or contact points in both the Netherlands and Poland. The latter are staffed by Polish or Polish-speaking personnel, who advertise in the local media, provide those interested in migrating with the necessary information about working and staying in the Netherlands, and carry out selection procedures (interviews with labour recruiters, 2005). At present, there are several dozen Dutch IEAs located in the Opole and Silesia provinces. Furthermore, the success of these IEAs inspired a number of large players to enter the cross-border recruitment market. By 2006, multinational chains such as Adecco, Manpower and Vedior, and the Dutch company Randstad are also committed to the recruitment of temporary labour from Poland into the Dutch economy.

The most encompassing endeavour to professionalise has been the establishment of the ‘Association of International Employment Agencies’ in 2004. This association’s

main goal is to enhance the reliability and the overall image of cross-border labour recruitment, to be achieved by the introduction of a quality mark which sees to the provision of, amongst others, housing and transport for migrant workers (interview with director, 2005; Vereniging Internationale Arbeidsbemiddelaars 2005). The quality mark obliges IEAs to accommodate people in accredited bungalow parks or upgraded locations such as former monasteries. As regards transport, most participating IEAs own a fleet of cars and mini-buses or vans, moving people between the various housing and working locations.

Third, the service provision of the IEAs widened. In order to strengthen ties with client firms, they offer to take over the payroll process of temporary Polish workers. Also, several IEAs have embraced flexible learning trajectories. Whereas the labour—not necessarily the labourers—on the asparagus and strawberry fields was unskilled, today, there is a growing demand for skilled labour; for welders, metal workers, carpenters, construction workers and truck drivers. For this reason, the IEAs enrol their workers on courses and training programmes in order to obtain skill certificates—issued in accordance with Dutch standards—which further increase workers' availability. Similar services in the realm of personnel management are provided by Californian recruiters of immigrant labour (Krissman 2000), yet it would seem that these are less-well formalised than in the Dutch case.

#### *Current Developments*

In effect, IEAs constantly have to reorient their strategy and reprioritise and reorganise their activities. As some of my respondents claimed, the labour pool consisting of German Poles has 'run dry'. Confronted with labour market entry restrictions with regard to citizens of new member-states, the agencies had to invent ways to match the potentially large group of Polish workers without German passports. A particularly attractive way to go about this is to organise recruitment and selection *from Poland*. This practice is known as the *posting* of workers from one member-state to another (European Commission 2004b; European Parliament 2006). It implies that Dutch IEAs transfer their core activity, namely the co-ordination and administration of flexiwork, to a local office(s) in Poland, which then posts labourers to Dutch client firms. Or they establish new headquarters or offices in Poland exclusively for that purpose. An important cost implication of posting workers from Poland to the Netherlands or to any other EU-15 country, is that they can be paid lower Polish wages.<sup>3</sup> What is more, if arranged carefully, the organisation of taxes and social security is less complicated, for both taxation and social security leverage can remain under the auspices of the Polish system. Bilateral tax agreements in the EU mean that Polish immigrant workers are not liable to pay Dutch or German income taxes if working a maximum continuous period of 183 days. This allows posting firms to send people to the Netherlands for 183 days and subsequently to Germany for the same period. In theory, then, the posting of workers involves fewer labour costs as well as less bureaucracy.

Yet, for IEAs, this form of intermediation is not without complications. First, the amended version of the freedom-of-services directive that was eventually accepted by the Council does not regard posting firms located in one member-state and sending workers to another as service providers (European Parliament 2006). Instead, the directive considers the *client* firms as the actual employers, meaning that taxes have to be paid in the receiving country (Essers and Willems 2005). Second, according to EU legislation, in order not to be considered a 'ghost' firm, a business needs to raise at least 25 per cent of its turnover in the country where it is located, in this case Poland (Essers and Willems 2005). This means that, if a Polish wage equals, say, a quarter of a Dutch wage, 100 Polish workers need to be matched on the Polish market for temporary labour for every 75 Poles who are posted to the Netherlands (interview with expert in labour union, 2005).

In general, many IEAs appear to be preparing to reorient towards regions other than Southern Poland from which to send people, and countries other than the Netherlands to send people to. New pools of readily available migrant flexiworkers are sought for existing and emerging temporary labour markets. Poles still are sent or posted to the Netherlands, but their labour is increasingly hired by the German and UK markets or, indeed, the Polish market proper. Migrant flexiworkers from Hungary, Lithuania, Latvia, the Czech and Slovak Republics and the Eastern part of Germany are recruited to replace the Poles. What is more, the gradual abolition of restrictions on the free movement of labour for citizens of new member-states opens up a vast window of legal opportunity for the IEAs to continue expanding, and indeed internationalising, their activities.

A final point of interest relates to the matching of *native* workers for reintegration into the Dutch market. In an attempt to enhance their image in the political and public opinion, the IEAs are particularly keen on matching long-term unemployed Dutch, who are often ignored by the conventional temporary staffing industry.

## A Critical Discussion of IEA Recruitment and Migrant Flexiwork

### *Numerical Flexibility and the Regulatory Context of Temporary Staffing*

Whereas the migration of workers clearly constitutes a core research interest of migration scholars, research on the socio-spatial organisation of work is mainly conducted by experts in the field of industrial sociology and labour geography. Although specific attention paid to IEAs or other independent agencies, or to personnel managers or other hiring staff has thus far not been particularly large in these other fields, I believe that engagement with the relevant literature will be helpful in tentatively interpreting and contextualising the findings presented above.<sup>4</sup> First, this means (briefly) recalling the origins and the multiple forms of labour flexibility that, if not new, have gained popularity in recent decades, as well as the dynamic regulatory contexts in which the temporary staffing industry is developing. And second, this implies a careful look at two studies that attempt to link temporary staffing to issues of workers' agency.

The meaning attached to the term 'flexible' in the literature is twofold. Functional (or internal) labour flexibility entails the range of workers' incentive and training programmes, the growing incidence of teamwork and multitasking, the intensification of internal quality control systems, and the rise of decision-making committees that involve both managers and workers (Canales 2003; Kalleberg 2003; Sennett 2007). It is considered vital for the proliferation of knowledge workers in high-tech and creative industries, and finance experts, consultants and others in the advanced services (Frenkel 2003; Sennett 2007). Numerical (or external) flexibility, by contrast, relates to the reconfiguring of labour relations so that the size of the employed labour force can be neatly fitted to actual labour demand. In the days of Fordism, flexible immigrant labour was recruited not only through large-scale state programmes but also, for example, through direct advertising in the ex-colonies by employers (Bakshi *et al.* 1995). Today, using the services of temporary work agencies is a convenient means to adopt numerical flexibility (Canales 2003; Kalleberg 2003). Whereas the full employment situation reached under Fordism meant that migrant workers were desperately needed to fill job vacancies, the most important reason for employers now to develop strategies of external flexibility is cost reduction, an argument that I mentioned earlier. For Frenkel (2003), there are three dimensions to this cost argument. The first is that there is an overproduction across markets, which induces employers to save on labour costs in order to stay profitable. The second is the fierce price competition from newly industrialised countries. The third dimension relates to the fact that labour markets are generally not as tight as under Fordism, which is why there are many people, including immigrants, available and eager to accept jobs at low wages.

As geographer Jamie Peck (1996) has famously argued, the degree of flexibility local labour markets acquire greatly depends upon geographically specific regulatory conditions, at both the national and the local levels. In societies that traditionally offer high employment protection, such as the Netherlands and other continental European countries, other solutions are applied to flexibilise labour (Dunnewijk 2001; OECD 2004). Here, employers are inclined to hire more workers on a fixed-term contract if they somehow perceive employment protection for permanent workers as burdensome (Robinson 1999). Hiring employees on a temporary basis generally allows employers to avoid the legal complications of dismissing permanent workers.

Temporary staffing activities have been quite common in the Netherlands since the 1970s (Dunnewijk 2001). Although the performance of the industry proved dependent on macro-economic circumstances—hence more successful in times of downturn or recovery and less successful during recessions or booms—the concept gained sustainable popularity among young married women and students (Dunnewijk 2001). In 1998, new legislation abandoned the licence requirement which temporary staffing agencies previously needed to comply with. As an intended consequence, starting an agency became much easier and the number of operational agencies sharply increased (Zuidam and Grijpstra 2004). It is important to note that this development is specifically Dutch. The extent to which markets for temporary labour are deregulated

differs between countries. In Turkey and Mexico, for example, temporary staffing is not even legal (OECD 2004). The Netherlands ranks among the EU-15 countries with the lowest overall regulatory strictness. Organising migrant flexiwork may be considerably more difficult in Belgium, France, Portugal and Spain. In the course towards EU accession, the candidate members were obliged to meet certain economic, political and social visions and criteria, including issues of labour market regulation. For the first time, legal frameworks were created regulating temporary staffing, however preliminary. At present, the Polish authorities draw on a variety of recent experiences and best practices, including the Dutch temporary staffing model, to define principles in regard to terms of employment, periods of time, status rights, and responsibilities of agencies and client firms (Coe *et al.* 2008).

Enabled by a permissive legislative context in the Netherlands, farmers, growers and farmworkers discovered a market niche, and turned into labour recruiters. However, since the waiving of licence requirements, the number of temporary staffing agencies manoeuvring in the informal sphere has also increased (Zuidam and Grijpstra 2004). It is estimated that 5,000 IEAs are involved in recruiting or posting activities that are not entirely, or not at all, legal. These activities concern about 80,000 people, the majority of whom are from countries that are not members of the EU (Zuidam and Grijpstra 2004). Just over 30 of the approximately 1,300 registered temporary staffing agencies are members of the Association of International Employment Agencies. Due to the fact that the industry features several other registering institutions and quality marks, it is unclear at present which proportion of the IEAs is involved in cross-border recruiting, and which proportion is quality marked.

#### *Temporary Staffing and Workers' Agency*

In the remainder of this section, two studies are highlighted in which the authors have tried to go beyond an empirical description of temporary staffing as a convenient and increasingly professional solution to current demands for numerical flexibility. The first of these, by Chris Benner (2003) on the case of Silicon Valley, uses the term 'labour market intermediary' (LMI). The second study, by Peck and Theodore (2001),<sup>5</sup> reports on temporary work agencies in the poor inner-city districts of Chicago—a very different setting. For Peck and Theodore, flexibly and temporarily employed workers have been rendered 'contingent' by their social and economic circumstances. Both studies touch upon the issue of migrant workers only tangentially.

In Silicon Valley, various types of LMIs exist. Most common are the local premises of Adecco, Manpower and other multinational chains that supply production, technical and administrative personnel as well as people for the lower rungs of the management ladder (Benner 2003). Consultant brokerage firms specialise in the headhunting of professionals with specific, often high-ranking skills. Another part of the market for temporary employment is serviced by web-based job sites, providing

online access to job vacancies, CVs and information about career development. Unlike the European Job Mobility Portal, these heavily sponsored websites are privately run. A final category of LMIs in Silicon Valley consists of professional employer organisations. These organisations offer a wider range of human-resource management services—for example the administration of payroll processes. In sharp contrast, in the inner city of Chicago a very large number of what Peck and Theodore call ‘hiring halls’ are established, ‘a certain proportion’ of which operates ‘at the edges of, or beyond, the bounds of legality’ (2001: 474). Hiring halls locate close to homeless shelters, welfare offices and other (semi-)public places from where day labourers, who have to be transported to workplaces in the suburbs of Chicago, can be recruited. Whereas I expect that some of the quality-marked IEAs approach the Silicon Valley professional LMI ideal, many others, especially the unmarked IEAs in the larger Dutch cities, resemble these hiring halls.

According to Benner, LMIs perform three important labour market functions. First, they may lower transaction costs. For workers, LMIs may provide up-to-date job information, increasing the chances of a swift and successful application of their skills. The advantage for employers is straightforward: ‘[f]irms can recognize significant cost savings by cutting their human resource departments and not having to engage in employee search and hiring processes’ (Benner 2003: 627). Cost advantages are certainly realised by the IEA client firms. Since migrant flexiwork is difficult to organise completely legally due to the fact that the Dutch and Polish labour laws, taxation laws and social security systems do not correspond, employers seize the opportunity to outsource the administration of payroll processes. The market is highly competitive:

There are a couple of agencies that choose to engage in a price competition, yes, just like with the supermarkets. It sounds a bit disrespectful because we are still dealing with people, but economically this simply is very hard, it is a very hard business (interview with labour recruiter, 2005).

To survive similar levels of competition, the Chicago hiring halls at the extreme end of the temporary staffing spectrum must maintain very tight profit margins, if necessary by avoiding formal contracts (Peck and Theodore 2001). In the Netherlands, the more professional IEAs compete by engaging in strategic alliances with accounting and legal firms. These firms design the contracts of migrant flexiworkers in such a way—often using the margins of labour law—that IEAs are able to save on tax and social security expenditure. For client firms, it is very difficult to understand legal constructions of this complexity (Pijpers 2008).

This brings us to the second LMI labour market function brought forward by Benner (2003): non-state recruitment of this kind has the potential to contribute to the creation of durable business networks. Firms that operate in dynamic innovative surroundings may benefit from long-standing contacts with LMIs able to deliver capable personnel in time, without grievous searching efforts. In the case of the Dutch IEAs, clearly not the client firms but the agencies proper are at the centre of networks extending to accountants and lawyers, but also to car and accommodation

renters, bungalow park managers, and so forth (Pijpers 2008). From a workers' view, lasting engagements with LMIs can broaden and strengthen career perspectives, as LMIs are usually in possession of knowledge about changing skill requirements. Benner suggests that, for low-skilled workers, LMI contacts may actually help people improve their chances on the regular labour market. The training programmes offered by the IEAs could well be exemplary here. It is, however, unclear whether, and in which ways, Poles can use these Dutch certificates to further develop their skills on their return to Poland. This relates to the issue of the recognition of skill certificates within a wider (European or EU) context, but also to the sometimes very different educational backgrounds of migrant flexiworkers. In addition to the many low- or unskilled workers, there are numerous students and unemployed university graduates who temporarily opt for flexiwork abroad. This was already the case with the Poles who worked in the asparagus fields (De Bakker 2001). While IEAs resembling the Chicago hiring halls are unlikely to develop durable relationships with client firms or flexiworkers, loyal workers are sometimes allowed to stay with a firm for a longer period (Peck and Theodore 2001).

A third labour-market function of LMIs concerns risk management. When outsourcing temporary labour (external, numerical flexibility), firms are better apt to cope with cyclical downturns (Benner 2003), and the legal risk implied in employing undocumented workers is passed on to agencies (Peck and Theodore 2001). Workers, for their part, can use LMIs as a means to substantially shorten the period of time they are unemployed. For migrant workers, however, there is another side to this argument. Employers indicate the number of workers they need to the IEAs at very short notice, implying that there can be intervening periods (days, weeks) when flexiworkers are actually out of work. When this occurs, they are not usually given permission to return home or to enjoy leisure time. Instead, they have to stay in the often semi-closed premises arranged by the IEAs, waiting to be called to work (personal communication with migrants, 2006).<sup>6</sup> During such periods off the job and hence without earnings, people have to continue to pay rent. These examples demonstrate how agencies pass economic risk on to workers (Peck and Theodore 2001).

Portuguese journalist Céu Neves—winner of the 2007 'For Diversity. Against Discrimination' EU press award—has recently made public her personal experiences as an IEA-recruited labour migrant in the Netherlands. In her view, having to wait not knowing in which workplace you will be toiling next, or whether you will be earning money at all, is the greatest frustration of migrant flexiworkers.

The problem is knowing that your job is not secure. It means being available 24 hours a day and six days a week, sleeping with your mobile phone by your bedside, and waking up to the knowledge that you're spending the day at home. And if one is lucky enough to have a job to go to, this could be for a miserly four or four and a half hours, or perhaps five. You could also be called on your day off as a result of there being more work than anticipated. It's waking up at four in the morning to be ready for the company van to pick you up at 04.45 hrs to take you to your

workplace, only to have the driver not show up. The problem is changing house all the time, never knowing who will be sleeping in your bedroom, on the sofa, or even in your bed. It's the lack of privacy. In a nutshell, it's the fact that you don't have a life (Neves 2007).

## **Conclusion**

The figure of the migrant flexiworker is conceived not only by circumstances in countries of origin, but also by a persistently large labour demand in countries of destination. Today, the recruitment of migrant labour is organised by a more diversified group of actors than was the case several decades ago, when governments sought to accommodate thriving economies through large-scale state recruitment programmes. The eventual withdrawal of these programmes set in motion equally large movements of illegal immigration. Gradually in this process, many pioneer migrants who offered themselves to employing parties became annexed into the latter's hiring and supervisory staff. Or, they transformed into middlemen, like their native counterparts, matching desperate migrant job-seekers to employers. In both the Mexican–US and Polish–Dutch migration networks, undocumented migrant labour still remains, to the advantage of employers who seek to profit from the low wage costs and long working hours this labour brings.

Meanwhile, as the networks become inscribed in the economic landscapes of the North American Free Trade Association and the European Union due to the enacting of various freedoms of movement, the regulation of labour markets is increasingly directed towards flexibility. As opposed to the US (and UK) contexts, where ideas to flexibilise labour relations are less revolutionary, governments and above all social partners in continental Europe are more reluctant to give in to what are considered neoliberal pleas for reduced employment protection. Partly as a consequence, this struggle has created room for migrant flexiwork and for the non-state actors that organise the recruitment of migrant flexiworkers: international employment agencies. The IEAs described in this paper initially specialised in the recruitment of German Poles. Now that the labour market has opened up, their services have expanded to include all Poles and citizens of new member-states as well.

Does IEA recruitment bring forth the perhaps ideal-typical mobile workers of our time? Manoeuvred between firms and put to work largely in exchangeable jobs by IEAs, both the geographical and occupational mobility of Polish migrant workers in the Netherlands have reached those levels which European Commission officials must have hoped for when designing the European Internal Market. Migrant flexiworkers are so much in demand that recruiters turn to the posting concept in order to match people without the 'right' passports. Working unconventional hours and at production sites hidden from the general public, 'flexipoles' take care of standardised manufacturing, packaging, catering, cleaning and recycling. From a more radical theoretical viewpoint, the result is yet another means by which to exploit migrant labour to the benefit of capitalists and even of native workers. Similarly,

it could be argued that the internal flexibility of some that is heralded by neoliberal policy-makers across the EU is conditioned by the external flexibility of others, of migrant workers. With recruitment activities professionalising, the marginalisation of flexible migrant labour takes on new, less physical forms, made explicit in complex legal constructions incomprehensible to critical outside observers.

Studying the Dutch IEAs, I came to admire the entrepreneurship of non-state recruiters of temporary migrant labour. Drawing on their personal experiences in the agricultural sector, aware of the demand of immigrant labour and genuinely unhappy with the irregularities engendered by the *koppelbazen*, they professionalised the employment of German Poles in the various Dutch open-field cultures. These entrepreneurs have set up extensive recruitment networks, thereby continuously reinventing themselves in order to adapt to changes in the competitive and legislative surroundings. However, one cannot escape the impression that, especially in the eyes of the larger and the uncertified IEAs, Polish workers are to some extent puzzle pieces, directly callable, quickly matchable, easily transferable. In order to stay ahead of competitors, the time intervals between jobs are minimised to make sure that neither time nor money are wasted. As for the relationship between the IEAs and client firms, taking over complex payroll processes and orchestrating equally complex legal solutions is an effective if not dependence-creating way of improving customer relations. For sure, more insight is needed about the role of employers and personnel managers in the international migration network comprising Poland and the Netherlands, but this role may be less constitutive than the one described in the current literature. The findings presented in this paper allude to the idea that perhaps most influential are the IEAs themselves.

Yet, without a doubt, non-state recruitment has enlightened parts of the blind spot that the Polish labourers once were in the Dutch economic landscape, giving twists of legality and visibility to their presence. If its development is to continue as I predict, IEA recruitment has, indeed, the potential to become a key anchor of labour mobility on the internal market.

## Notes

- [1] Local authorities and policy-makers speak of 'foreign' employment when referring to workers from new member-states. The workers are not seen as immigrants because they do not apply for Dutch citizenship, hence, they remain 'foreign' (interview with local policy-maker, 2005).
- [2] Other industries include metalwork, woodwork, transport, recycling, meat and hotellery. There are only around a dozen of these market-leading IEAs; most are much smaller.
- [3] Yet in order to interest potential migrants in this construction work, the net wage has to be higher than average or minimum Polish wages. This difference is usually created by paying extra money for working abroad and/or for working overtime hours.
- [4] Arguing the reverse—that labour geographers have failed to seek collaboration with migration researchers—Castree asserts that '[t]he challenge is not only to understand labour migrations in their own right, but to integrate their analysis into those of other labour geographies, given that migration is never about migrants alone' (2007: 859). See Herod *et al.* (2007) for an

explanation of why and how theories of work and employment, for their part, could benefit from geography.

- [5] Later versions in which the authors further elaborate their thoughts on the temporary staffing industry are Theodore and Peck (2002) and Peck and Theodore (2007).
- [6] This resembles the experiences of other interviewed Polish migrants in Europe, who are unsettled and restricted in their professional development by the temporality of their jobs (Psimmenos and Kassimati 2006). Although women, particularly, may feel liberated by the act of migrating, the highly flexible domestic work many of them perform sometimes results in social isolation.

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