

# MIGRANTS' QUALITY OF TEMPORARY AGENCY WORK

#### A COLLABORATIVE MODELING PROJECT

This report provides an overview of the findings of a group model building project on the quality of temporary agency work in The Netherlands. The project brough together diverse stakeholders, including migrant workers, temporary work agencies, trade union representatives, policy makers, user firms, and researchers, to collaboratively address the challenges faced by migrant workers in temporary work agency employment.

Kornélia Anna Kerti, Hadewig Curfs, Prof. dr. Inge Bleijenbergh







### **EXECUTIVE SUMMARY**

This executive summary provides an overview of a group model building project focusing on the quality of temporary agency work in The Netherlands (March – May, 2023). This group model building project successfully brought together diverse stakeholders, including migrant workers, temporary work agencies, trade union representatives, policy makers, user firms, and researchers, to collaboratively address the challenges faced by migrant workers in temporary work agency employment.

By engaging in a series of sessions focused on problem identification and model development, the project team developed a comprehensive understanding of the issues and proposed tangible solutions. Throughout the three sessions, participants identified twelve themes that play an important role in migrants' quality of temporary agency work:

- 1. Migrants' job transitions;
- 2. Migrants' collective action;
- 3. Migrants' agency;
- 4. Using temporary work agencies to hire migrants;
- 5. Migrants' length of stay;
- 6. Migrants' availability to do precarious work;
- 7. Labour scarcity;
- 8. Municipal responsibility;
- 9. Employment stability;
- 10. Human Resource Management strategies;
- 11. Adherence to the law;
- 12. Information about working conditions for migrants before coming to the Netherlands.

Participants came forth with recommendations to improve quality of temporary agency work in the areas of enforcement of labour regulation, chain responsibility, municipal responsibility for housing and information about working conditions for migrants.

The resulting model and policy recommendations provide a framework for enhancing the working conditions and rights of migrant workers, and for fostering sustainable and equitable employment practices. The outcomes of this project have the potential to positively impact the lives of migrant workers, contributing to social justice and improved labor market conditions.

### **CONTENTS**

<b>EXECUTIVE SUMMARY</b>	1
INTRODUCTION MODELING	2
PARTICIPANTS AND NEXT STEPS	17
GLOSSARY	18
FULL MODEL	20

## INTRODUCTION

This report focuses on the quality of temporary agency work for migrants in the Netherlands, particularly workers from Central, Eastern and Southern Europe who migrate to the country to engage in various roles in the agriculture and warehouse distribution sectors. The primary objective of this project was to facilitate group learning and collaboration among diverse stakeholders to enhance the working conditions for migrant workers. The project was a collaborative effort involving Tilburg University, Radboud University, and was funded by Instituut Gak. The ultimate goal of this initiative was to develop and present a comprehensive system dynamics model that accurately depicts the factors influencing the quality of working conditions for migrant workers.

The researchers facilitated participatory modelling sessions involving key stakeholders to examine strategies for establishing a collective responsibility towards ensuring good quality work in the agriculture and warehouse distribution sectors. This project strived to foster a shared understanding among all relevant stakeholders about the strategies to improve the quality of temporary agency work for migrant workers. The stakeholders involved in these participatory modelling sessions included temporary work agencies, user firms, trade union representatives, migrant workers, researchers and representatives from the ministry. In total, the project was made up of three highly collaborative sessions, allowing for in-depth exploration and dialogue on the topic.

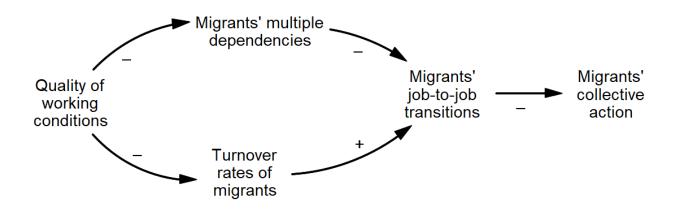
### **MODELING**

We started the modelling by introducing a preliminary model to the participants, which the researchers created based on the literature. The preliminary model was introduced to the group in themes. In the model, an arrow stands for a causal relation. The **plus (+) sign** next to an arrow indicates that the variables move in the same direction. As A increases, B increases and as A decreases, B decreases as well. The **minus (-)** sign next to an arrow indicates that the variables move in opposite directions. As A increases, B decreases and the other way around.

#### **THEME 1: MIGRANTS' JOB TRANSITIONS**

The first theme is migrants' job transitions. As the quality of working conditions decreases, migrants' multiple dependencies increase. Migrants become more dependent on their employers for income, housing, or transportation for work. As migrants' multiple dependencies increase, migrants' job-to-job transitions decrease. The more dependent migrants are on their employers for services beyond that of the employment contract, the less migrants are able to move to new employment.

If the quality of working conditions decreases, the turnover rates of migrants increase. As the turnover rates of migrants increase, migrants' job-to-job transitions increases as well. An increase in migrants' job-to-job transitions leads to a decrease in migrants' collective action. Migrants will unite less as they do not have much opportunity to form a bond with their colleagues. This collective action can be both formal, (e.g., strikes) and informal (e.g. collectively talking with a manager about issues).



#### **THEME 2: MIGRANTS' COLLECTIVE ACTION**

The second theme is migrants' collective action. As the quality of working conditions decreases, there will be more conflict at the workplace between migrants. More conflict will make migrant workers less willing to cooperate, and engage in collective action. This collective action can be both formal, (e.g., strikes) and informal (e.g. collectively talking with a manager about issues).

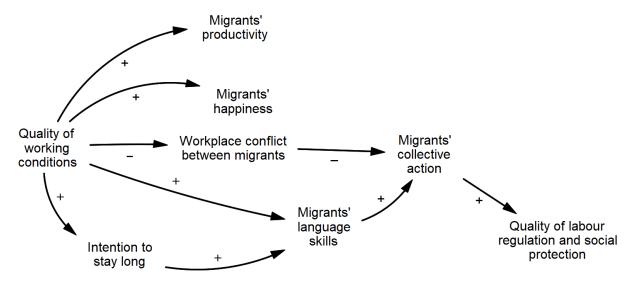
A decrease in the quality of working conditions also leads to a decrease in migrants' language skills. When migrant workers experince low quality of working conditions, their workplace will offer less learning and development opportunities and they will have less time to develop themselves outside of work. This hinders migrants' opportunities to learn to speak Dutch or English.

Decreasing quality of working conditions also means that migrants are less inclined to stay long in the host country, in this case the Netherlands. The shorter migrants' stay is, the less motivated they will be to acquire language skills relevant to the host country.

As migrants' language skills decrease, they will have more difficulty engaging in collective action, as they will be less able to communicate with their colleagues from other countries and with representatives of trade unions who might not speak the host country language of migrants.

Less collective action leads to lower quality of labour regulation and social protection for migrants', as their interest will be less represented in the collective bargaining process.

The quality of working conditions directly influences migrants' productivity and happiness: the lower the quality of working conditions, the less happy and productive migrants are.

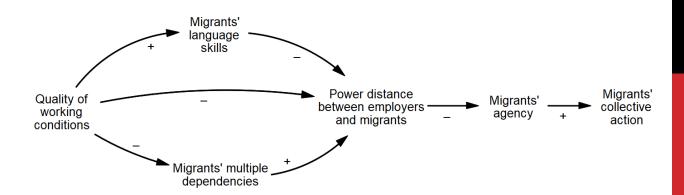


#### **THEME 3: MIGRANTS' AGENCY**

The third theme is migrants' agency. When the quality of working conditions decreases, migrants' language skills decrease. When migrant workers experince low quality of working conditions, their workplace will offer less learning and development opportunities and they will have less time to develop themselves outside of work. This hinders migrants' opportunities to learn to speak Dutch or English. This leads to an increase in the power distance between employers and migrants, since it is harder for migrant workers to communicate with their employers. This also means that migrants will have less leeway to negotiate with their employers.

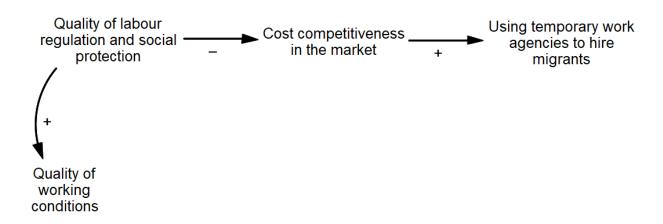
A decrease in the quality of working conditions leads to an increase in migrants' multiple dependencies. Migrants become more dependent on their employers for income, housing, or transportation for work. This also leads to an increase in the power distance between employers and migrants, as migrant's working and living situation in the host country is highly contingent on the employer.

There is also a direct link from the quality of working conditions to the power distance between employers and migrants. A greater power distance between employers and migrants means that migrant workers are less able to advocate for themselves. Consequently, their agency decreases, which means that migrants will take less behavioural actions to improve their working conditions. As migrants' agency decreases, migrants' collective action decreases as well, the lack of individual action also hinders the collective.



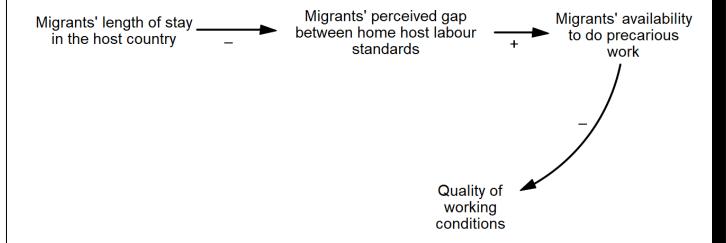
## THEME 4: USING TEMPORARY WORK AGENCIES TO HIRE MIGRANTS

Theme four is using temporary work agencies to hire migrants. As the quality of labour regulation and social protection increases, laws and regulations provide more protection for migrant workers, and set the higher standards that employers need to adhere to. This increases the quality of working conditions increases. An increase in the quality of labour regulation and social protection mandates higher levels of employment protection for migrant workers, which decreases employers' leeway to lower labour costs. This decreases cost competitiveness in the market. This will also decrease the use of temporary agencies by user firms to hire migrants.



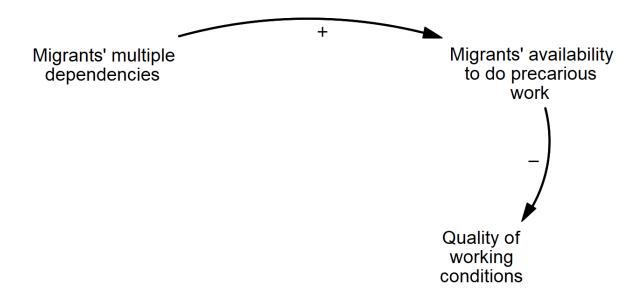
#### **THEME 5: MIGRANTS' LENGTH OF STAY**

The fifth theme is migrants' length of stay. As migrants' length of stay in the host country increases, their perceived gap between home and host labour standards decreases. This means that migrant workers will compare their working conditions in the host country to host country labour standards, rather than to the conditions in their country of origin, where often quality of work is lower. If the perceived gap closes, migrant workers will be less ready to accept low quality working conditions. This increases the quality of work.



## THEME 6: MIGRANTS' AVAILABILITY TO DO PRECARIOUS WORK

Theme six is migrants' availability to do precarious work. When migrant workers' multiple dependencies increase, thus they become more dependent on their employer for housing or transportation to work, they will be more ready to accept low quality of working conditions, due to them having to not only find new employment but also new housing to change employers. This decreases the quality of working conditions.



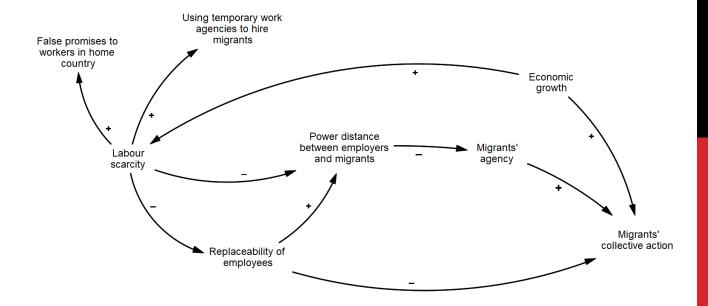
#### **THEME 7: LABOUR SCARCITY**

Theme 7 is labour scarcity. The state of the labour market influences the replaceability of employees. As labour scarcity decreases, the replaceability of migrant workers increases. This increases the power distance between employers and migrants since migrant workers are in a more vulnerable position. An increase in the replaceability of migrant workers leads to a decrease in migrants' collective action.

Labour scarcity influences the power distance directly as well. As labour scarcity decreases, the power distance increases. If the power distance between employers and migrants increases, migrants' agency decreases. This leads to less collective action.

Furthermore, as labour scarcity decreases, user firms will decrease their use of temporary work agencies to hire migrants, and a decrease in labour scarcity will decrease the number of false promises to workers in home country, since it is not as necessary to convince workers to migrate for work.

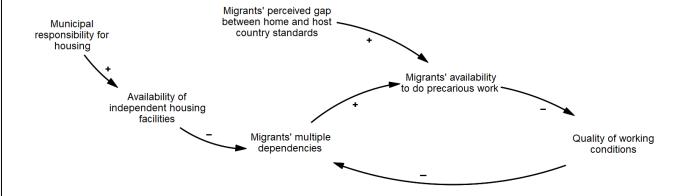
A decrease in economic growth causes a decrease in labour scarcity, as less labour is needed during a recession. Decreasing economic growth also decreases migrants' collective action.



#### **THEME 8: MUNICIPAL RESPONSIBILITY**

Theme 8 is municipal responsibility (figure 8). When municipalities take more responsibility for the adequate housing of migrant workers, there are more independent housing facilities available for migrants. This decreases migrants' multiple dependencies, as they can find independent accommodation and no longer need to rely on their employers for this.

A decrease in migrants' perceived gap between home and host country standards leads to a decrease in migrants' availability to do precarious work. As migrants' multiple dependencies decrease, their availability to do precarious work decreases as well. This leads to an increase in the quality of working conditions. The quality of working conditions influences migrants' multiple dependencies. As the quality of working conditions increase, migrants are less dependent on their employers for work, housing, and transportation.

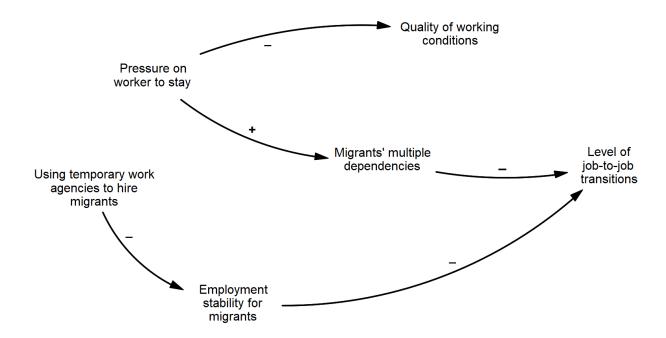


#### THEME 9: MIGRANTS' EMPLOYMENT STABILITY

Theme 9 is migrants' employment stability. When there is an increase in the use of temporary work agencies to hire migrant workers, the employment stability of migrant workers will decrease due to the flexible employment contracts. This will in turn increase migrants' transitions between different jobs.

If there is an increase in the pressure on migrant workers to stay in a given job (e.g., due to familial obligations), the quality of working conditions will decrease.

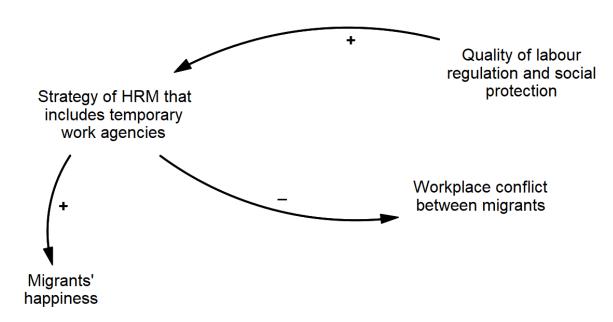
If there is more pressure on migrants to stay, they will experience more multiple dependencies. This will lead to a lower frequency of job-to-job transitions.



#### **THEME 10: HRM STRATEGIES**

Theme 10 is HRM strategies. When temporary work agencies are increasingly included in the Human Resource Management (HRM) strategies of user firms, migrants' happiness will increase and there will be less workplace conflict between migrants due to equal treatment facilitated through an optimal HRM strategy.

The quality of labour regulation and social protection plays an important role in improving HRM for migrant workers: When the quality of labour regulation and social protection increases, temporary work agencies will be more included in the HRM strategy of user firms.



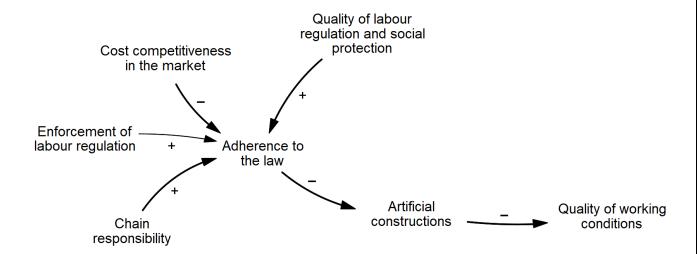
#### **THEME 11: ADHERENCE TO THE LAW**

Theme 11 is adherence to the law. If the quality of labour regulation and social protection increases, there will be more adherence to the law. As adherence improves, there will be less artificial constructions of employment, which in turn will improve the quality of working conditions.

If cost competitiveness in the market increases, there will be less adherence to the law.

The enforcement of labour regulation plays an important role in adherence to the law – if enforcement increases, user firms and temporary work agencies will also increasingly adhere to the law in employing migrant workers.

Chain responsibility refers to different actors in the chain of production and distribution collectively taking responsibility for the quality of temporary agency work of migrants. If chain responsibility improves, there will be more adherence to the law.

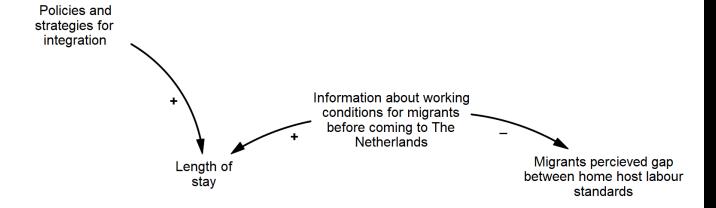


## THEME 12: INFORMATION ABOUT WORKING CONDITIONS

Theme 12 is information about working conditions. If there are more policies and strategies established for migrants' integration in the host country, their length of stay will increase.

When there is more information available about working conditions for migrants before they come to the Netherlands, they will have more clear expectations about the potential outcomes of their migration, so their length of stay will be longer.

As information about working conditions for migrants before coming to the Netherlands becomes more prevalent, migrants will also have more information about the host country labour market and working conditions, therefore the gap in their perception of home and host labour standards will be smaller.



## RECOMMENDATIONS

Participants identified four variables that make the largest impact on the quality of temporary agency work. These were the following:

- Enforcement of labour regulation
- 2. Chain responsibility
- 3. Municipal responsibility for housing
- Information about working conditions for migrants before coming to the Netherlands.

The group was asked to identify actions that can be taken to improve quality of temporary agency work through these variables. These actions are explained below.

#### **ENFORCEMENT OF LABOUR REGULATION**

- Having more funds available for enforcement: Prioritize enforcement of labour law, and allocate funds accordingly.
- ➤ Trade union having direct contact with the workers: The distance between migrant workers and trade unions is often too large now for the unions to help migrant workers. There needs to be direct contact between migrant workers and trade union representatives. Employers and temporary work agencies play an important role in helping to facilitate this direct contact.
- ➤ Inspection by sampling based on integral control: Some companies may be fraudulent in multiple sectors. Do an analysis and select companies that are likely problematic. Inspect these companies regularly.
- ➤ Making the complaint system accessible: Migrant workers often cannot make complaints in the current system, because they need proof of fraudulent activities, but if they do not have an employment contract, they cannot provide this proof.
- Certification as quality mark: Certification should be more of a form of social protection than just a minimum standard. The certification process can also help select companies that violate the rules and regulations for inspection.

#### **CHAIN RESPONSIBILITY**

- ➤ Create more awareness about structure of the production and distribution chain: There needs to be some form of public control over the supply chain and subcontracting. There should be clear and comprehensive information about violations in the production and distribution chain.
- ➤ Create more awareness for end user: Ensure that the end-user has clear information about the production and distribution of the given production. A quality mark of decent work could be meaningful for this.

#### MUNICIPAL RESPONSIBILITY FOR HOUSING

- ➤ Planning far ahead: If there is planning for a new business development in a municipality, housing needs to be considered from the beginning. Without good quality housing new businesses should not be allowed to take off.
- ➤ Quality of housing: Improved quality of housing can help with locals' perceptions about migrants living in their neighbourhood. This is important for positive interactions between migrants and local inhabitants, and in the long-term integration.

## INFORMATION ABOUT WORKING CONDITIONS PRIOR TO ARRIVAL

- ➤ Easy access to information: There needs to be easy to access information for migrant workers about working conditions. Videos, pictures, brochures all in the language of the workers can be useful for this.
- Obligation for employers to inform correctly: Improved enforcement of employers' obligation to communicate clear and accurate information to migrant workers in necessary.
- Source of information: The city halls in both the host country and the home country have an important role in informing migrant workers about the working conditions in the host country.
- Cooperation between sector and the union: There needs to be more cooperation between the sector and the union in accurately informing migrant workers.

#### PARTICIPANTS AND NEXT STEPS

This practitioner report has the potential to initiate a ripple effect of positive change in the quality of temporary agency work. By driving action, raising public awareness, and fostering dialogue between stakeholders, it can pave the way for a more equitable and dignified working experience for migrant workers in temporary agency work, ultimately contributing to the improvement of their overall well-being and rights. In light of this, we kindly request you to collaborate with us in disseminating this report.

We would like to thank all the participants who joined our group model building sessions, namely Kasia, Rita, Julian, Kirsten, Magda, Ruud, Atie, Valeria, Marija, Dilber, Brigitte, Vincent, Martin and Michelle. Throughout the project, your thoughtful insights and unique perspectives greatly enriched the discussions and problem-solving process. Your commitment to teamwork and your respectful and supportive interactions with fellow participants created a positive and productive environment. Your contributions have undoubtedly elevated the quality of our final model and will have a lasting impact on our work moving forward.

If you have any remarks or questions about the report or would like to participate in our research, please don't hesitate to reach out to us to Kornélia Anna Kerti via <a href="mailto:k.a.kerti@tilburguniversity.edu">k.a.kerti@tilburguniversity.edu</a>

### **GLOSSARY**

#### **QUALITY OF WORKING CONDITIONS**

The extent to which migrant workers:

- 1. Have a safe and healthy working environment;
- 2. Experience humane and equal treatment in the workplace;
- 3. Are treated with dignity, fairness, and consideration in both their interactions with their employers and their co-workers;
- 4. Have an income that is stable and sufficient:
- 5. Experience stability and security in their employment;
- 6. Have adequate balance between their working and private lives;
- 7. Have employment that matches their qualifications, skills, and professional experience;
- 8. Have the opportunity to develop at the workplace, by taking (language) courses or trainings.
- 9. Have the freedom and capacity to make independent decisions and choices within the context of their employment;
- 10. Have access to housing that provides a safe, comfortable, and dignified living environment;
- 11. Find enjoyment in their work.

#### OTHER CONCEPTS

Adherence to the law: The extent to which employers and temporary work agencies comply with labour standards laid out by regulations and policy.

**Artificial constructions:** The extent to which employers and temporary work agencies create or use non-standard or unconventional arrangements in the context of employment, which are not in compliance with labor laws or regulations.

Availability of independent housing facilities: The extent to which there is housing available to migrant workers which is unaffiliated with temporary work agencies or employers.

Chain responsibility: The extent to which there are legal responsibilities among employers, temporary work agencies and user firms to ensure that the temporary worker's rights and safety are protected, and that all parties are in compliance with labor laws.

Cost competitiveness in the market: The extent to which there is competition between companies for cheap labour.

**Economic growth:** The extent to which the economy is expanding and producing more goods and services than in previous periods.

**Employment stability for migrants:** The level of job security and the consistent availability of employment opportunities for migrants.

**Enforcement of labour regulation:** The extent to which the process of implementing and ensuring compliance with labor laws and regulations is effective.

False promises to workers in home country: The extent to which migrant workers are offered job opportunities in the Netherlands under false or misleading pretenses.

Information about working conditions for migrants before coming to the Netherlands: The extent to which migrant workers are provided accurate information about labour laws and regulations,

employment contract, wages, working hours, occupational health and safety and accommodation prior to coming to the Netherlands.

**Intention to stay long:** The extent to which migrants see their move to the Netherlands as a commitment to building a life, rather than as a temporary or short-term arrangement.

**Labour scarcity:** The extent to which there is a shortage or insufficient supply of labor relative to the demand for workers.

Migrants' agency: The extent to which migrants take behavioural tactics and actions to improve their working conditions (e.g., individual resistance to managerial control)

Migrants' availability to do precarious work: The extent to which migrant workers are ready and willing to accept low quality working conditions in their employment.

Migrants' collective action: The extent to which migrants take collective behavioural tactics and actions to improve their working conditions (e.g., strike).

Migrants' happiness: The extent to which migrants experience emotional well-being, contentment, and overall life satisfaction.

Migrants' job-to-jo transitions: The frequency of migrant workers' transition between different jobs.

Migrants' language skills: The extent to which migrants are able to speak the host-country specific language, in this context, Dutch or English.

Migrants' length of stay in the host country: The amount of time migrant workers spend in the Netherlands.

Migrants' multiple dependencies: The extent to which migrants are reliant on their employer beyond their income (e.g., transportation to work, accommodation).

Migrants' perceived gap between home-host labour standards: The extent to which migrant workers compare their labour standards in the Netherlands to their home country labour standards.

Migrants' productivity: The level of efficiency, output, and overall performance of migrant workers.

Policies and strategies for integration: A set of deliberate measures and policies enacted by governments, employers, temporary work agencies and user firms to facilitate inclusion of migrant workers in Dutch society.

Power distance between employers and migrants: The relative control that employers and temporary agencies can exert over migrant workers.

Pressure on worker to stay: The extent to which migrant workers face various forms of pressure or challenges that restrict them to continue working in employment where the conditions are not ideal despite preferring other opportunities.

Quality of labour regulation and protection: The extent to which the legal framework safeguards migrant workers' rights and interests.

Replaceability of employees: The extent to which migrant workers in low-skilled jobs can be easily substituted or replaced by other individuals with similar qualifications or skills.

**Strategy of HRM that includes temporary work agencies:** The extent to which temporary work agencies are included in the HR strategy of user firms.

**Turnover rates of migrants:** The percentage of migrants who leave their employment over a set period of time either voluntarily or involuntarily.

**Using temporary work agencies to hire migrants:** The extent to which organizations hire migrant workers through temporary work agencies.

**Workplace conflict between migrants:** The extent to which migrant workers experience unresolved disputes with fellow employees at their workplace.

#### **FULL MODEL**

