

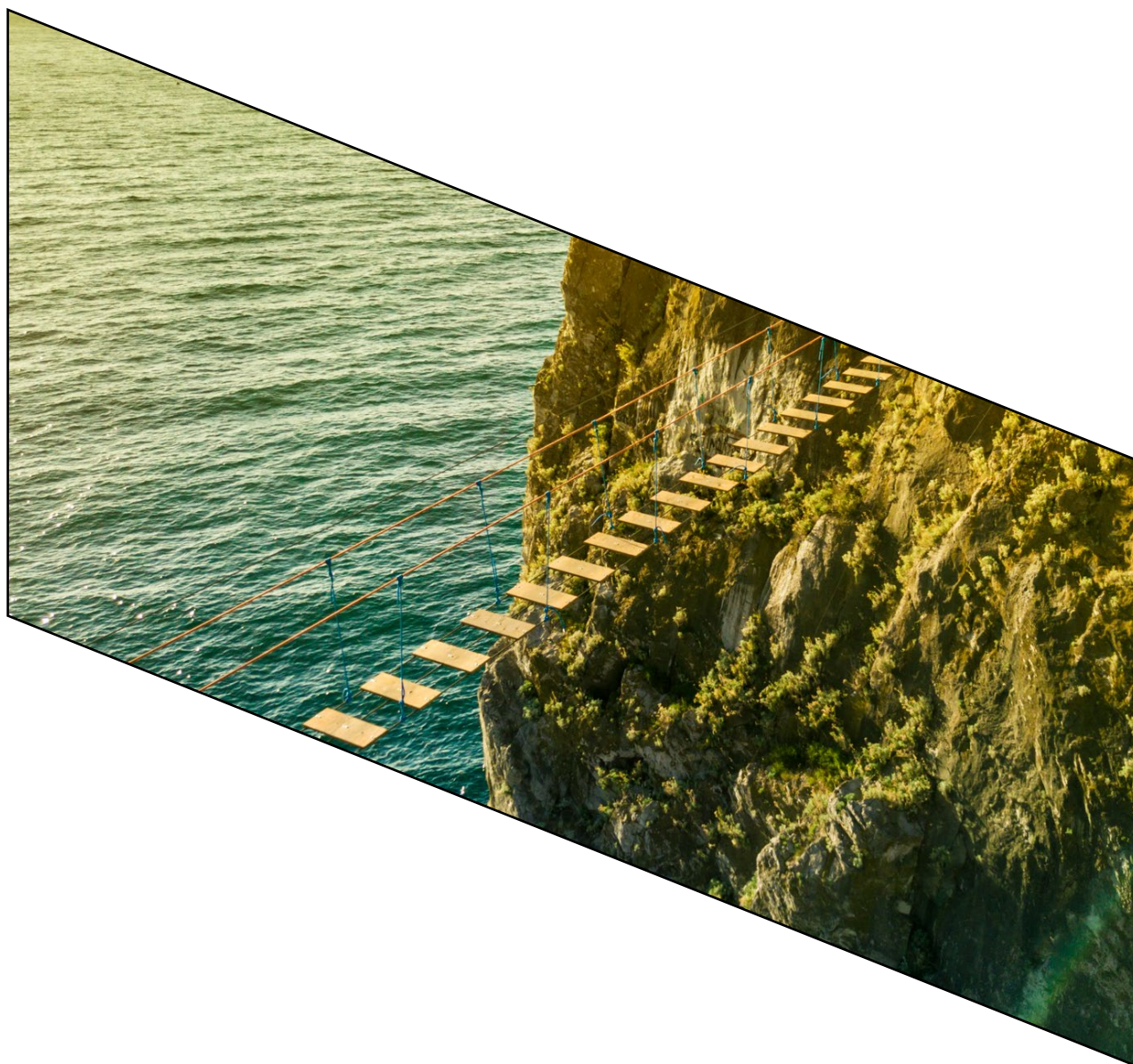


Precarious prospects

Understanding precarious work among foreign-born workers

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April 2025



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Summary

Foreign-born workers play a vital role in the UK labour market, contributing to growth-driving sectors such as IT and finance and supporting critical public services like health and social care. Many of these workers secure high-skilled, well-paid jobs – one-in-three (36 per cent) are in occupations the ONS classifies as ‘high-skill’, based on typical qualification requirements – but a substantial minority face barriers to high-quality and secure employment, for example by having visas tied to a specific employer.

This briefing note – the second in a three-year research programme on precarious work in the UK, supported by Unbound Philanthropy – examines the labour market experiences of this precarious minority. We focus on those employed on flexible contracts, who work in the gig economy (finding work through apps), or who are in insecure forms of self-employment. (Our analysis draws on household surveys, and given that these surveys may under-represent the most vulnerable groups, we triangulate our findings with qualitative evidence.) And we look at how poor enforcement of rules can drag down standards for UK-born workers too, and what policy can do to respond.

Flexible contracts offer benefits to some workers – but when employers control working hours, these contracts can lead to financial insecurity. Among foreign-born workers who arrived in the UK within the past five years, one-in-six (16 per cent) are on a zero-hours, variable-hours or temporary contract, compared to one-in-ten (11 per cent) UK-born workers. After adjusting for differences in age, sex and qualifications, recently arrived migrants are 2.4 times as likely as comparable UK-born workers to be on a flexible contract – and in fact the characteristics of foreign-born workers would lead us to expect them to be less likely to be in flexible work than UK-born workers, so when we correct for these factors, the disparity grows. Over time, however, this gap narrows: among foreign-born workers who have lived in the UK for more than five years or acquired UK citizenship, the proportion on flexible contracts is similar to UK-born workers (10 per cent and 9 per cent respectively).

Qualitative research suggests that some migrant groups are disproportionately affected by unlawful treatment at work, including underpayment of the minimum wage. In addition, not all workers benefit from the employment rights afforded to employees. Those without regular or guaranteed hours may not be legally classified as employees, but instead as ‘limb (b)’ workers – who are not entitled to Statutory Sick Pay and protection from unfair dismissal. And there is growing concern around ‘bogus’ self-employment, where individuals are classified as self-employed despite working under conditions more typical of employees. Our analysis shows that foreign-born workers without UK citizenship are around three times as likely as UK-born workers to be in the gig economy, where these risks are particularly prevalent. And among foreign-born workers who have been in the UK for five years or more, 4.9 per cent report being self-employed

but either lacking autonomy or paying tax through an employer – indicators of potential bogus self-employment – almost twice the rate among UK-born workers (2.6 per cent).

Overall, one-in-six foreign-born workers – 15 per cent of those who have lived in the UK for five years or more, and 16 per cent of more recent arrivals – are both in precarious work *and* are either low-paid or live in households with below-average income, making them less able to cope with the financial instability that precarious work can bring. And although these challenges by no means define the experiences of all foreign-born workers – who are also over-represented in many high-skilled and well-paying occupations – substantial inequalities mean some groups are particularly hard hit. For example, more than a quarter (26 per cent) of foreign-born workers from the Pakistani ethnic group, and a fifth (22 per cent) of those from the Bangladeshi ethnic group, are in precarious work, compared to 12 per cent of White foreign-born workers.

Insecurity also extends beyond contract type. Foreign-born employees with UK citizenship are 2.7 times as likely as those born in the UK to believe they may lose their job in the next year; among other foreign-born workers who have lived in the UK for five or more years, this figure is 2.3 times as high as for their UK-born counterparts. And for many migrants, job loss comes with greater consequences. Those without indefinite leave to remain have limited access to the welfare system due to 'No Recourse to Public Funds' rules, while those on employer-sponsored visas risk losing the right to remain in the UK. In some cases, these tied visas have been linked to serious exploitation, reflecting the imbalance of power between workers and employers that they create.

These findings raise clear concerns for some foreign-born workers – but they also have wider implications for the UK labour market. The vulnerability of this group reflects broader inequalities in the labour market: poor treatment of foreign-born workers risks creating a 'race to the bottom' in employment standards, and our findings highlight systemic issues such as a weak enforcement system that allows poor practice to persist. The Government has choices to make about the level and nature of migration that this paper does not address – but regardless of those choices, failing to adequately protect foreign-born workers risks entrenching a two-tier workforce that ultimately drives down standards for all.

The clear risks of exploitation linked to tied visas warrant urgent policy action. The Government has a range of policy options to reduce the risk of workers on these visas being exploited, from making it easier for workers to switch sponsors to introducing 'bridging visas' that enable workers to leave exploitative employers and look for another.

More broadly, the Employment Rights Bill is a positive step towards stronger protections and enforcement for all employees. The Government should build on this momentum to ensure robust protections for foreign-born workers. First, given that many are deterred

from reporting abuse to enforcement bodies for fear of immigration consequences, there should be a data firewall between the new Fair Work Agency (FWA) and Immigration Enforcement. This would both protect vulnerable workers and improve the FWA's ability to detect and address non-compliance across the board. Second, the Government should explore ways to accelerate the planned simplification of worker status and should ensure that misclassification of worker status is in the FWA's remit. Finally, trade unions, charities and Workertech platforms all have a valuable role to play in supporting migrant workers. Strengthening both policy and third-sector support, and the links between the two, can help address the vulnerabilities that foreign-born workers can face – and improve labour standards across the workforce.

Workers born outside the UK contribute vital skills across the economy, but some face precarious conditions

Foreign-born workers are a vital and valuable part of the UK economy, making up a fifth of the workforce (6.8 million). They play key roles in growth-driving sectors such as IT and finance and bring skills to critical public services like the NHS and social care – and this wide range of roles means that their experiences vary substantially. Many are employed in high-skilled, well-paid jobs. More than a third (36 per cent) of non-UK-born workers are in occupations classified by the ONS as ‘high-skill’ (based on their typical qualification requirements), and the three occupations with the highest shares of non-UK, non-EU-born workers are health professionals, science and research, and skilled trades.¹

But others face barriers to finding secure work. For newcomers, insecurity may partly reflect an adjustment period as they familiarise themselves with the rights they are entitled to and the opportunities that are available.² For others, structural factors play more of a role. Visas tied to a specific employer can make it difficult or impossible to leave poor-quality work.³ And those workers who are subject to ‘No Recourse to Public Funds’ (NRPF) rules have no access to a state safety net if they lose their job.⁴ These restrictive visa conditions are becoming more common since post-Brexit changes to the migration regime,⁵ especially as employers struggling to fill vacancies rely more heavily on overseas recruitment in sectors like health and social care.⁶

In this briefing note – the second in a Resolution Foundation programme of research into precarious work, supported by Unbound Philanthropy – we focus on the experiences of this precarious minority.⁷ There is no single definition of precarious work – but it is broadly understood to be work that is insecure and lacks adequate protection by employment rights, particularly when combined with low or unpredictable pay.⁸ Box 1 explores some of the different forms that precarity can take.

1 M Fernández-Reino & B Brindle, *Migrants in the UK Labour Market: An Overview*, Migration Observatory, June 2024.

2 See, for example, Section 4.2.4 of: P Wieltchnig, *“So I decided to carry on...”: The continuum of exploitation in practice*, Focus on Labour Exploitation, February 2024.

3 See, for example: Focus on Labour Exploitation, *Creating a safe and fair UK immigration policy for workers*, November 2022; D Vicol & A Sehic, *The systemic drivers of migrant worker exploitation in the UK*, Work Rights Centre, November 2023; M Sumption & B Brindle, *Work visas and migrant workers in the UK*, Migration Observatory, August 2024.

4 This applies to most ‘temporary’ migrants, i.e. those without indefinite leave to remain. However, it is difficult to know how many people this affects. At the end of 2023, around 3.3 million people held visas that tend to have NRPF conditions attached (see: C McKinney et al., *No recourse to public funds*, House of Commons Library, October 2024). But not all these people will be in work, and some of those with NRPF will have access to other safety nets (such as savings or another earner in their family), so the number of workers affected by NRPF will be far smaller than this.

5 M Sumption & D Kierans, *Integration in the UK and the Post-Brexit immigration system*, Migration Observatory, March 2021.

6 M Sumption & Z Strain-Fajth, *Migration and the health and care workforce*, Migration Observatory, June 2023. More recently, the composition of Skilled Worker visas issued has shifted in favour of a broader range of sectors including professional services, finance and hospitality; see: Migration Advisory Committee, *Migration Advisory Committee: annual report, 2024*, December 2024.

7 The first paper in this programme is: H Slaughter, *Firm foundations: Understanding why employers use flexible contracts*, Resolution Foundation, April 2024.

8 See, for example: Work Rights Centre, *What is precarious work?*, accessed 1 April 2025.

BOX 1: Defining precarious work

Precarious work can be seen as the intersection of factors across four dimensions that contribute to job and income insecurity: certainty of continued employment, individual control over the labour process and working conditions, pay and income, and degree of regulatory and legal protection.⁹

Non-standard work – such as temporary contracts, variable-hours roles or self-employment – deviates from the traditional model of full-time, permanent employment with a single employer.¹⁰ While non-standard work is not always precarious – these contracts can give workers greater flexibility and freedom – they are increasingly associated with precarity, particularly when workers have little choice over their working arrangements.¹¹ For example, temporary work is not necessarily precarious, but it carries a greater *risk* of precarity than permanent employment, particularly when it is not

by choice or is combined with low pay or lack of legal protections.

Similarly, a lack of labour market protections – whether due to poor enforcement or linked to employment status – can raise precarity. Although workers in the UK are protected by employment rights, non-compliance is widespread and enforcement is often inadequate.¹² Labour market protections also depend on employment status. Self-employed workers, for example, are not entitled to holiday or sick pay, parental leave or protection against unfair dismissal. And there is growing concern about the rise of ‘bogus’ self-employment, where workers are told they are self-employed despite their working arrangements indicating they are employees. This can leave them with neither the protections that are provided to employees nor access to the autonomy that typically comes with self-employment.¹³

⁹ These dimensions were proposed by Rodgers and Rodgers in 1989 as a means to distinguish precarious work from atypical and non-standard forms of work and account for inherent ambiguity (i.e. each aspect is not necessarily precarious, but rather it is a combination of these factors that result in precarious work). See: G Rodgers & J Rodgers, [Precarious jobs in labour market regulation](#), International Institute for Labour Studies, January 1989. For a summary of this and other research on the definition of precarious work and its dimensions, see: A Jain & J Hassard, [Precarious work: definitions, workers affected and OSH consequences](#), European Agency for Safety and Health at Work, September 2024.

¹⁰ J Berg et al., [Non-standard employment around the world: Understanding challenges, shaping prospects](#), International Labour Organization, November 2016.

¹¹ A Jain & J Hassard, [Precarious work: definitions, workers affected and OSH consequences](#), European Agency for Safety and Health at Work, September 2024.

¹² Our previous work found almost one-third of workers paid at or around the wage floor were underpaid the minimum wage, 900,000 workers reported having no paid holiday, and 1.8 million said they did not get a payslip. Despite this, since 2007, there has been less than one criminal prosecution a year for minimum wage underpayment. See: L Judge & H Slaughter, [Enforce for good: Effectively enforcing labour market rights in the 2020s and beyond](#), Resolution Foundation, April 2023.

¹³ Citizens Advice, [Neither one thing nor the other: How reducing bogus self-employment could benefit workers, business and the Exchequer](#), August 2015.

The analysis in this note uses Understanding Society data to look at how foreign-born workers are affected by different forms of work that can be precarious. (As discussed in Box 2, it is important to note that household surveys such as Understanding Society can be limited in their coverage of more marginal groups – and so our quantitative findings should be read in the context of the wider qualitative literature, which we cite throughout.) We start with employees on flexible contracts – those with variable hours or temporary work, which, though beneficial for some workers, can leave others facing financial precarity – and labour market non-compliance. We then consider the experiences of those outside employee jobs, working in the gig economy or in self-employment, before turning to wider measures of perceived insecurity. Finally, we consider how policy should ensure adequate protections for foreign-born workers and avoid a ‘race to the bottom’ in labour standards that ends up affecting the wider workforce too.

BOX 2: Using Understanding Society to analyse the experience of foreign-born workers

Most of the analysis in this note uses Understanding Society, a longitudinal household survey designed in part to enable research on ethnicity and immigration.¹⁴ Its features include boost samples of ethnic minority and immigrant respondents to allow detailed analysis of these groups, bilingual interviewers and accredited translators to support participation among non-English speakers, and survey weights that adjust for higher drop-out rates among migrants and ethnic minorities.¹⁵

Despite these strengths, Understanding Society has some limitations. As with

any social survey, Understanding Society is likely to miss out certain groups of foreign-born workers, such as those with weaker English skills and those with irregular migration status.¹⁶ It is important, therefore, to recognise that the quantitative findings in this report represent only the experiences of those foreign-born workers captured in the survey. Wider qualitative research, which we cite throughout this report, goes some way to filling the gap by highlighting the experiences of more vulnerable groups.

¹⁴ S McFall, A Nandi & L Platt, *Understanding Society: UK Household Longitudinal Study: User Guide to ethnicity and immigration research (12th Edition)*, University of Essex, October 2024.

¹⁵ P Cabrera-Álvarez & P Lynn, *Trends in panel attrition in Understanding Society: waves 1 to 13*, *Understanding Society Working Paper 2023-16*, December 2023.

¹⁶ M Sumption, *How useful are survey data for analyzing immigration policy?*, *Data & Policy 2*, December 2020. In addition, some waves of the survey under-represent recent migrants because new sample members are not routinely added. This means that outside of waves where a boost sample is added, the only way for a recently arrived migrant to become part of the study is if they move into a household that is already in the sample. However, the latest survey wave (covering 2022-2023) – which we use for all the analysis in this note except for Figure 3, where we extend the sample period to boost our sample size – includes a general population sample boost to address this problem. For further details, see: Understanding Society, *Study design*, accessed 10 March 2025.

Recently-arrived foreign-born workers are more likely than those born in the UK to be on flexible contracts, but the gap closes for those who have been in the UK for longer

Flexible contracts, such as variable-hours and temporary work, can offer benefits to some workers. When managed well, they allow workers to fit work around other commitments such as caring and studying.¹⁷ But when workers do not have control over their working hours, and particularly when they rely on that job for the majority of their household income, these contracts can lead to erratic pay packets and financial insecurity.¹⁸

As Figure 1 shows, we find differences in the prevalence of flexible contracts among different groups of foreign-born workers – those who are UK citizens, non-citizens who have lived in the UK for five years or more, and those who have moved to the UK more recently – and across different types of contract.¹⁹ (In our data, these three groups represent 44 per cent, 37 per cent and 18 per cent of foreign-born workers respectively.)²⁰

Foreign-born workers who have been in the UK for less than five years are the most likely group to be on each of the flexible contracts in Figure 1. This gap is especially pronounced for variable-hours contracts (we focus here on those who say their employer decides their hours, which in turn dictates their pay): 12 per cent of recent migrants are on this type of contract, compared to 7 per cent of UK-born workers. Recent migrants are also more likely to be on zero-hours contracts – 4 per cent, compared to just 2 per cent of UK-born workers – and 9 per cent are on temporary contracts, more than twice the rate of their UK-born counterparts (4 per cent).

By contrast, far fewer of those who have been here five or more years or are UK citizens are on flexible contracts. Only 7 per cent of foreign-born UK citizens and 5 per cent of those who have been here for five years or more are on variable-hours contracts, less than half the proportion of those who arrived in the UK more recently. There are only small differences between foreign-born UK citizens and long-term residents who do not have citizenship: slightly more of the former group are on zero-hours contracts (2.4 per cent versus 1.5 per cent), and slightly more foreign-born citizens are in temporary roles (5.6 per cent versus 5.1 per cent). But overall, these two groups have a similar likelihood of being on each type of flexible contract as UK-born workers – suggesting that length of time in the UK and access to citizenship may support foreign-born workers into more

¹⁷ For further discussion of the potential benefits and disadvantages of flexible contracts, see, for example: H Slaughter, *Firm foundations: Understanding why employers use flexible contracts*, Resolution Foundation, April 2024; N Cominetti, *Low Pay Britain 2024*, Resolution Foundation, September 2024.

¹⁸ M Brewer, N Cominetti & S P Jenkins, *Unstable Pay: New estimates of earnings volatility in the UK*, Resolution Foundation, March 2025.

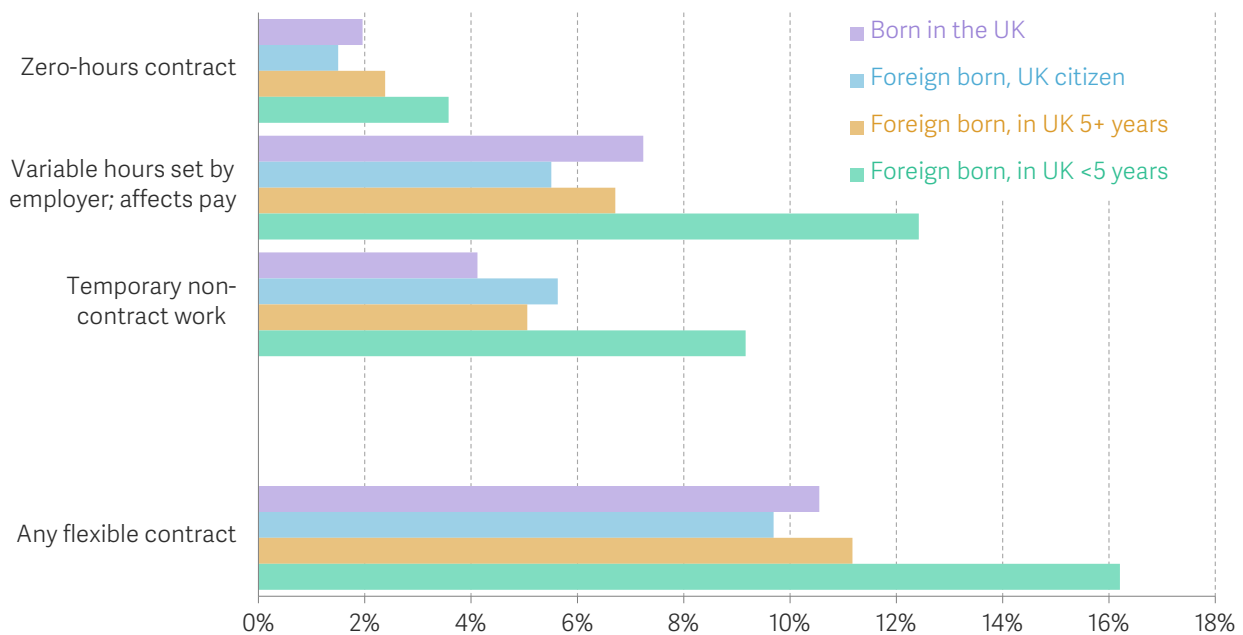
¹⁹ This grouping reflects a finding from the wider literature that being a recent migrant tends to heighten the risk of precarious work, and that gaining citizenship is one way to reduce this risk. See, for example: L Goldring & P Landolt, *Caught in the Work–Citizenship Matrix: the Lasting Effects of Precarious Legal Status on Work for Toronto Immigrants*, *Globalizations* 8(3), July 2011.

²⁰ We also exclude full-time students throughout this note because their employment arrangements are more likely to be temporary.

secure forms of employment, while more recent migrants are particularly exposed to insecure forms of work.

FIGURE 1: One-in-six foreign-born workers who have moved to the UK in the last five years are on some form of flexible contract, but the likelihood falls for longer-term residents

Proportion of employees on different forms of flexible contract, by migration status: UK, 2022-2023



NOTES: Excludes full-time students. 'Variable hours set by employer; affects pay' refers to people who say that they do not have fixed weekly hours, that their employer decides their hours (rather than the worker), and who are paid by the hour so that this variability affects their take-home pay. Temporary non-contract work includes agency workers, seasonal work, casual work, or any other type of temporary work other than a fixed-term contract.

SOURCE: RF analysis of ISER, Understanding Society.

The bottom set of bars in Figure 1 combines these different forms of work to show the share of each group on *any* form of flexible contract. Taken together, we find that among workers who arrived in the UK within the past five years, one-in-six (16 per cent, or 163,000 people) are on some form of flexible contract, compared to one-in-ten (11 per cent).²¹ But the gap narrows over time: among foreign-born workers who have lived in the UK for five or more years or who have obtained UK citizenship, flexible contract use is similar to UK-born workers (at 11 per cent and 10 per cent respectively).

²¹ We aggregate this up to the employment level implied by administrative data (33.9 million in 2022-2023). For further details, see: A Corlett, *Get Britain's Stats Working: Exploring alternatives to Labour Force Survey estimates*, Resolution Foundation, November 2024.

The high share of foreign-born workers on a flexible contract is not explained by worker characteristics

Overall, then, recent migrants are more likely to be on flexible contracts than both UK-born workers and foreign-born workers who have been in the UK for longer.

One possible explanation for this could be differences in worker characteristics. For example, foreign-born workers tend to be younger than those born in the UK, which is associated with higher rates of flexible contracts. But on the other hand, they are also more likely to have higher-level qualifications – particularly among those who have arrived in the UK since changes to the visa regime in 2021 – which would tend to push in the other direction.²²

Figure 2 shows the odds ratios of being employed on a flexible contract relative to UK-born workers, this time adjusting for age, sex and qualifications. As before, we find that foreign-born workers who moved to the UK five or more years ago or have become UK citizens are not statistically-significantly more likely to be on a flexible contract than those born in the UK. But the green bar shows that even if those who have lived in the UK for less than five years had the same age, sex and qualification profile as their UK-born counterparts, they would still be 2.4 times as likely to be on a flexible contract (compared to 1.7 times as likely without controls – not shown in the figure).

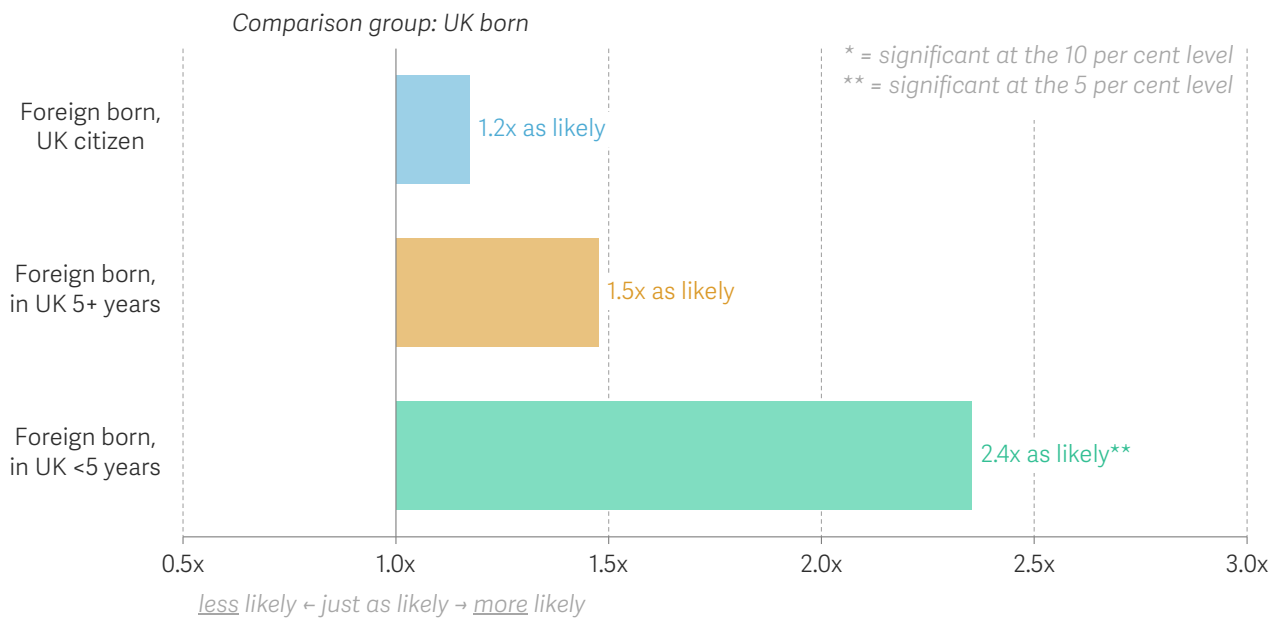
So, age, sex and qualifications do not explain why recent migrants are disproportionately likely to be on a flexible contract. And in fact, once these characteristics are accounted for, the gap is even larger than it first appeared – these compositional factors push *down* on foreign-born workers' likelihood of being on a flexible contract, so stripping out their effects increases the remaining disparity.²³

²² M V Cuiibus, *Migrants in the UK: An Overview*, Migration Observatory, August 2024.

²³ Figure 3 accounts for age, sex and qualifications, but it does not adjust for wider job characteristics, such as industry. This is by design: foreign-born workers are often concentrated in certain sectors because of the way the visa regime works, and so selection into different industries is a key part of the labour market experience for many migrants. So, if industry contributes to a higher risk of flexible contracts among foreign-born workers, then we do not want to 'control away' this effect. Nonetheless, we find that the gap in Figure 3 persists even if we do account for sector. When we control for industry as well as age, sex and qualifications, foreign-born workers are still 2.1 times as likely to be on a flexible contract as those born in the UK. However, additionally including occupation makes the effect of migration status statistically insignificant, so it appears that occupational sorting is driving some of this gap.

FIGURE 2: After controlling for other characteristics, workers who have been in the UK for less than five years are 2.4 times as likely as UK-born workers to be on a flexible contract

Odds ratio of the likelihood of employees being on any form of flexible contract relative to UK-born workers, after controlling for age, sex and qualification level, by migration status: UK, 2022-2023



NOTES: Excludes full-time students. Includes zero-hours contracts, variable-hours contracts where hours are set by the employer and this affects pay, and temporary non-contract work; see the notes of Figure 1 for further details.

SOURCE: RF analysis of ISER, Understanding Society.

Foreign-born workers face large hourly pay penalties from flexible contracts

Flexible contracts can come with lower hourly pay as well as the inherent income instability, compared with other types of contracts.²⁴ Figure 3 shows the average differences in hourly pay associated with different contract types, separately for UK-born and foreign-born workers. These estimates adjust for characteristics such as age, sex, qualifications, industry and occupation. As a shorthand, we refer to these differences as ‘hourly pay penalties’ – although they may of course reflect differences in the type of work, or type of workers, that we have not been able to measure.²⁵

The purple bars in Figure 3 show that UK-born workers on a zero-hours contract earn, on average, 3 per cent less per hour than comparable UK-born workers not on these

²⁴ See, for example: L Gardiner, *A-typical year?*, Resolution Foundation, December 2016.

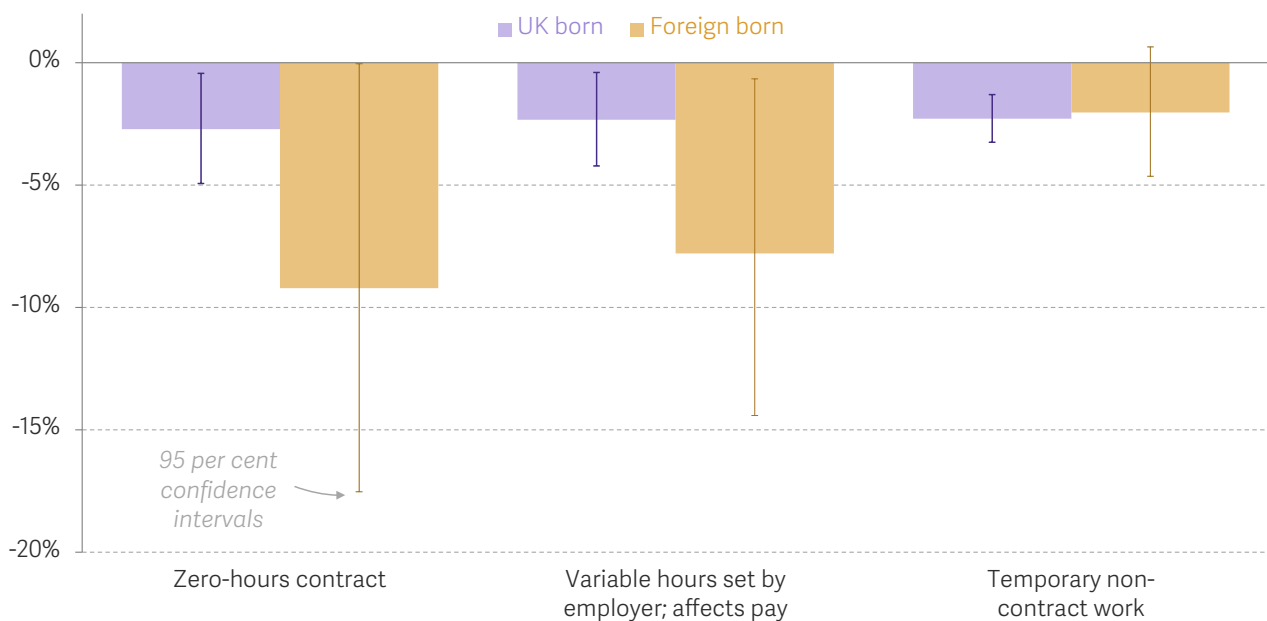
²⁵ For this analysis, we use an imputed measure of hourly pay to correct for measurement error arising from deriving respondents’ hourly pay using their reported weekly earnings and hours, in cases where an hourly rate was not provided. The imputation is carried out using nearest neighbour matching, which estimates hourly pay for respondents who did not report an hourly rate by matching them to similar workers who did report one. We follow the method set out in Section 7 of: Office for National Statistics, *Earnings and low pay: distributions and estimates from the Labour Force Survey*, September 2017.

contracts. For those on variable-hours contracts or in temporary work without a formal fixed-term contract, the average penalty compared to workers not on these contracts is 2 per cent.

The orange bars show outcomes for foreign-born workers. Those foreign-born workers in temporary non-contract work do not face a statistically significant pay penalty relative to other foreign-born workers. But foreign-born workers do face a pay penalty for being on a zero-hours or variable-hours contracts – and the estimates are larger than those faced by UK-born workers on these contracts, at 9 per cent and 8 per cent versus 3 and 2 per cent respectively (though there is considerable uncertainty surrounding them). So, not only are foreign-born workers more likely to be on flexible contracts, but they may also face greater financial disadvantages when they are.

FIGURE 3: Foreign-born workers face larger pay penalties for being on a zero-hours or variable-hours contract than do UK-born workers

Hourly pay differential associated with being on different forms of flexible contract, by country of birth: UK, 2009-2023



NOTES: Excludes full-time students. The zero-hours contract bars only use data from 2016 onwards and the variable-hours bars only use data from 2022 onwards due to data availability. 'Variable hours set by employer; affects pay' refers to people who say that they do not have fixed weekly hours, that their employer decides their hours (rather than the worker), and who are paid by the hour so that this variability affects their take-home pay. Temporary non-contract work includes agency workers, seasonal work, casual work, or any other type of temporary work other than a fixed-term contract. Results of an OLS regression of the log of hourly pay on age, sex, highest qualification, industry (9 categories), occupation (4 categories), region, an urban/rural indicator, and dummy variables for whether born outside the UK and whether on the specified flexible contract type both independently and interacted. The pay differential is the difference in hourly pay, after controlling for other characteristics, between a UK-born (foreign-born) worker on the relevant flexible contract compared to a UK-born (foreign-born) worker not on that contract.

SOURCE: RF analysis of ISER, Understanding Society.

Qualitative evidence suggests that unlawful practice and exploitation disproportionately affects foreign-born workers

Flexible contracts are not always problematic and indeed can be beneficial for some workers. But employers not complying with labour market rules is unequivocally bad for workers. Unlawful treatment is far too common in the labour market today, and some foreign-born workers may be especially exposed because of barriers to enforcing their rights, and their limited labour market power in general. For example, reporting unlawful treatment can be risky for migrant workers, because labour market enforcement bodies can (and do) share complainants' details with Immigration Enforcement.²⁶ This discourages many foreign-born workers – especially, but not only, those with insecure immigration status – from seeking redress.²⁷ More generally, the most effective way to escape unlawful treatment is to move jobs – but this is not an option for a worker whose right to remain in the UK is tied to a specific employer.²⁸

Our quantitative analysis shows mixed results when it comes to workers' experience of their employers' non-compliance.²⁹ In 2021, foreign-born workers were 3.6 times as likely as those born in the UK to report unfair treatment at work in the previous year due to their "ethnicity, race, colour or religion" (11 per cent compared to 3 per cent).³⁰ But this difference is largely driven by the fact that migrant workers are more likely to be from ethnic minority backgrounds – so, while migration status and wider ethnic inequalities clearly intersect, we do not find evidence that migration status in itself is driving increased vulnerability.³¹

When it comes to minimum wage underpayment, we find that foreign-born workers who are now UK citizens are five times as likely as UK-born workers to be underpaid (among those at or around the wage floor). But we do not find evidence of a heightened risk among other foreign-born groups.³²

²⁶ L Judge & H Slaughter, *Enforce for good: Effectively enforcing labour market rights in the 2020s and beyond*, Resolution Foundation, April 2023.

²⁷ See, for example: Director of Labour Market Enforcement, *Labour Market Enforcement Strategy 2024 to 2025: annex A - summary of stakeholder evidence*, November 2024.

²⁸ This has been shown recently in the case of minimum wage underpayment: Low Pay Commission, *Compliance and enforcement of the National Minimum Wage*, September 2023.

²⁹ There are, of course, challenges to analysing non-compliance using survey data, which we discuss further in: N Cominetti & L Judge, *From rights to reality: Enforcing labour market laws in the UK*, Resolution Foundation, September 2019. For example, respondents may not know the full extent of their rights or be unwilling to report unlawful treatment. However, social surveys are a well-established way of looking at the scale and nature of non-compliant behaviour, particularly differences between groups. A project commissioned by the Director of Labour Market Enforcement is underway to create a specialised evidence base; see: K Pósch et al., *Measuring the scale and nature of labour market non-compliance affecting people in precarious work in the UK: first project report*, UCL Consultants, November 2024.

³⁰ Source: RF analysis of Evidence for Equality National Survey (EVENS).

³¹ When we exclude those from White ethnic groups, the difference between foreign-born and UK-born workers becomes statistically insignificant. This is consistent with other evidence showing that ethnicity plays a more important role than migration status in experiences of discrimination: M Fernández-Reino & M Cuibus, *Migrants and discrimination in the UK*, Migration Observatory, July 2024.

³² Source: RF analysis of ISER, Understanding Society. The base is all employees aged 25 and above paid up to the National Living Wage plus 5 pence. These figures are for 2022-2023 and do not control for any other characteristics, but the same conclusions hold when we control for age, sex and qualification. We use an imputed measure of hourly pay to correct for measurement error; see footnote 25 for further details.

However, concluding that non-citizen foreign-born workers do not face an elevated risk of underpayment would run counter to qualitative evidence indicating widespread non-compliance – and, in some cases, serious exploitation – affecting some groups of foreign-born workers. The social care visa system has created particular issues: nearly a quarter (24 per cent) of migrant care workers surveyed by the trade union Unison were paid less than the minimum wage.³³ And foreign-born workers have been consistently identified as a vulnerable group by the Director of Labour Market Enforcement.³⁴ As outlined in Box 2, the groups most at risk are likely to be under-represented in large-scale surveys, and this could plausibly explain the lack of quantitative evidence.³⁵ The Director of Labour Market Enforcement has commissioned research to establish the scale and nature of labour market non-compliance for precarious workers in the UK (with final results expected in November 2025), which should help address this quantitative evidence gap in future – but qualitative evidence will remain vital to ensure the labour market experience of the most vulnerable groups is documented.³⁶

Workers without employee status have more limited rights

So far, our analysis has focused on employees, but not all workers have this status, and those whose legal status in the workplace takes other forms are entitled to fewer protections. In particular, each of the three main employment statuses has different labour market rights:

- employees have the most protections;
- workers (sometimes referred to as ‘limb (b)’ workers) are entitled to some rights, but not to Statutory Sick Pay, maternity, paternity and adoption pay, or protections against unfair dismissal and redundancy; and,
- the self-employed have the fewest rights of all.³⁷

The distinction between employees and ‘limb (b)’ workers is not clear cut – there are no legal criteria that confirm someone’s employment status, only factors that indicate someone ‘may’ fall into one category or the other. This means that many people may not know their legal status unless their employer has explicitly informed them. (Surveys such as the one we use in this note tend to only ask whether someone is an employee

³³ Unison, *Caring at a Cost: A survey of migrant care staff working in the UK*, February 2025. For a discussion of how the immigration system perpetuated this risk, see: Independent Chief Inspector of Borders and Immigration, *An inspection of the immigration system as it relates to the social care sector (August 2023 to November 2023)*, March 2024.

³⁴ For the most recent strategy, see: Director of Labour Market Enforcement, *Labour Market Enforcement Strategy 2024 to 2025*, Department for Business and Trade, November 2024.

³⁵ We also discuss the data challenges involved in analysing non-compliance experienced by foreign-born workers in: K Henehan & L Judge, *Home and away: The UK labour market in a post-Brexit world*, Resolution Foundation, December 2020.

³⁶ Details can be found in the project’s interim report: K Pósch et al., *Measuring the scale and nature of labour market non-compliance affecting people in precarious work in the UK: first project report*, UCL Consultants, November 2024.

³⁷ For further details on the different employment statuses and which rights are associated with each, see: Department for Business and Trade, *Employment status and rights: support for individuals*, August 2024.

or self-employed.) But someone is likely to be a worker if they have no regular working pattern or without guaranteed hours – conditions that apply to many of those on zero-hours contracts, for example. As a result, many of those on flexible contracts we have considered so far in this note may in fact be classified as workers rather than employees, with the associated reduction in rights.

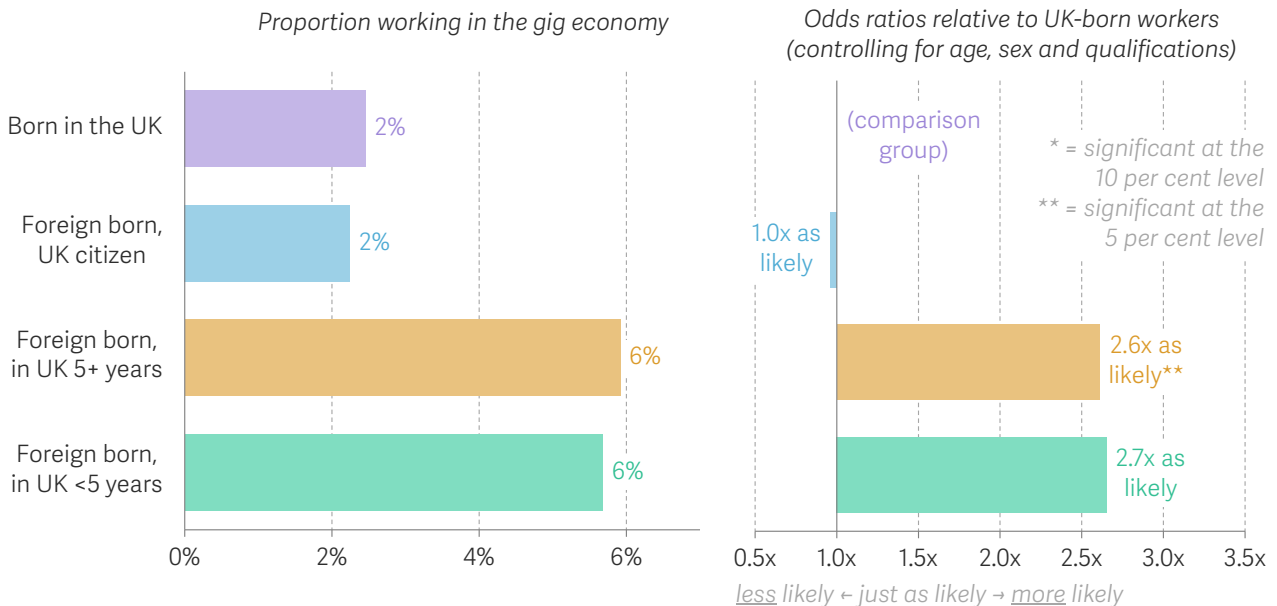
In recent years, there has also been growing concern around ‘bogus self-employment’ – cases where individuals are classified as self-employed but do work for an employer, lacking both autonomy and employment rights.³⁸ Figure 4 focuses on the gig economy, where worker status has often been contested – for example, in 2021, the Supreme Court ruled that Uber drivers should be classified as workers rather than self-employed contractors after a five-year legal battle.³⁹ The left panel of Figure 4 shows that foreign-born workers who are not UK citizens are around three times as likely as UK-born workers and naturalised citizens to do gig work (6 per cent compared to 2 per cent). And these gaps remain after controlling for age, sex and qualifications (the right-hand panel in Figure 4): those who have been in the UK for five years or more are 2.6 times as likely to work in the gig economy as UK citizens, and more recent arrivals are 2.7 times as likely, while the gap is negligible for foreign-born workers who have since become citizens.

³⁸ Citizens Advice, [Neither one thing nor the other: How reducing bogus self-employment could benefit workers, business and the Exchequer](#), August 2015.

³⁹ D Ferguson, [Uber at the Supreme Court: Who is a worker?](#), House of Commons Library, February 2021.

FIGURE 4: Foreign-born workers are around three times as likely to work in the gig economy as UK citizens

Proportion (left panel) and odds ratio relative to UK-born workers after controlling for age, sex and qualification level (right panel) of people in employment whose job is part of the gig economy, by migration status: UK, 2022-2023



NOTES: Gig economy includes people who say they are providing a driving or taxi service, delivery or courier services, administrative work, skilled manual work, or personal services through the gig economy, but excludes people who are providing professional work, creative or IT work, or selling goods or crafts they have made or goods they have bought to resell.

SOURCE: RF analysis of ISER, Understanding Society.

Figure 5 looks in more detail at self-employed workers across the economy. The top set of bars shows the share of workers who are 'solo' self-employed – without employees – a group that includes many gig economy workers (though it includes high-paid groups such as management consultants too).⁴⁰ And the bottom set of bars focuses on a subset of the solo self-employed who could plausibly be considered at high risk of 'bogus' self-employment: those who report a lack of autonomy, that they do not have to submit business accounts to HM Revenue & Customs (HMRC), or that they have tax and National Insurance deducted by an employer, suggesting a high likelihood that they are not in fact self-employed.⁴¹

Foreign-born workers who have been in the UK for five or more years are significantly more likely than other groups to be in each of these 'risky' forms of self-employment. One-in-eight (12.3 per cent) are solo self-employed, meaning they are at higher risk of

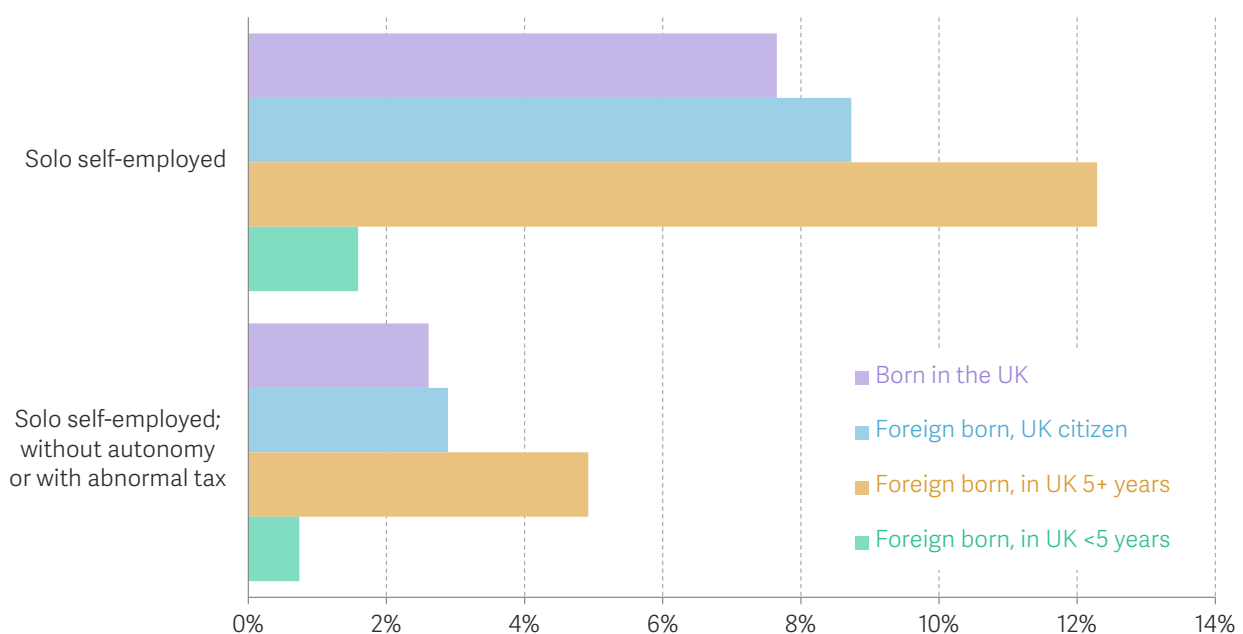
⁴⁰ G Giupponi & X Xu, *What does the rise of self-employment tell us about the UK labour market?*, Institute for Fiscal Studies, November 2020.

⁴¹ Although this is not a definitive measure, self-employed people should have autonomy over their work conditions and be responsible for paying their own taxes, so there is a heightened risk that these this group should be considered employees and have access to the associated employment rights.

facing precarity, compared to 7.7 per cent of UK-born workers.⁴² And more concerning, 4.9 per cent report unusual work conditions that might indicate bogus self-employment, almost twice the rate among UK-born workers (2.6 per cent). This means that two-fifths (40 per cent) of longer-term migrants who are solo self-employed report indicators of potential bogus self-employment.

FIGURE 5: One-in-twenty foreign-born workers who have lived in the UK for over five years report signs of possible bogus self-employment

Proportion of people in employment in different forms of self-employment, by migration status: UK, 2022-2023



NOTES: Solo self-employed includes self-employed people that are working for themselves, as a sub-contractor, doing freelance or other work, and do not employ any staff. Without autonomy refers to solo self-employed people who said they had no autonomy over their work hours, tasks or task order, manner or pace. Solo self-employed with abnormal tax includes those who said they do not pay both their own national insurance or tax, have national insurance and tax deducted by the organisation(s) they work for, or said this job or business does not prepare annual business accounts for HMRC. Excludes full-time students.

SOURCE: RF analysis of ISER, Understanding Society.

Those foreign-born workers who have since become UK citizens are also more likely than those born in the UK to be solo self-employed (8.7 per cent compared to 7.7 per cent). By contrast, we find that recently-arrived migrants are much less likely to be in these forms of self-employment – or indeed self-employment more widely – likely due to limited visa pathways for those who wish to be self-employed or start a business in the UK.⁴³

⁴² G Giupponi & X Xu, *What does the rise of self-employment tell us about the UK labour market?*, Institute for Fiscal Studies, November 2020.

⁴³ Migration Advisory Committee, *Migration Advisory Committee: annual report, 2020*, December 2020.

Overall, one-in-six foreign-born workers are in some form of precarious work

To assess the overall scale of precarious work, Figure 6 shows the share of people who are either on a flexible or temporary contract, work in the gig economy, or are solo self-employed *and* who are either low paid – earning less than two-thirds of the median hourly wage – or have below-median household income. (This latter condition reflects the fact that the working arrangements we include here are inherently more precarious for workers with low earnings or income, whereas those on higher incomes are better able to cope with fluctuating or uncertain pay;⁴⁴ and is in line with other research that uses survey data to estimate the scale of precarious work.⁴⁵)

The left-hand panel of Figure 6 shows that one-in-six (16 per cent) workers who have moved to the UK within the last five years – amounting to 163,000 people – are in precarious employment. This falls slightly to 15 per cent for longer-term residents (297,000 people), to 11 per cent for those who have gained UK citizenship (262,000), and to 9 per cent among UK-born workers.

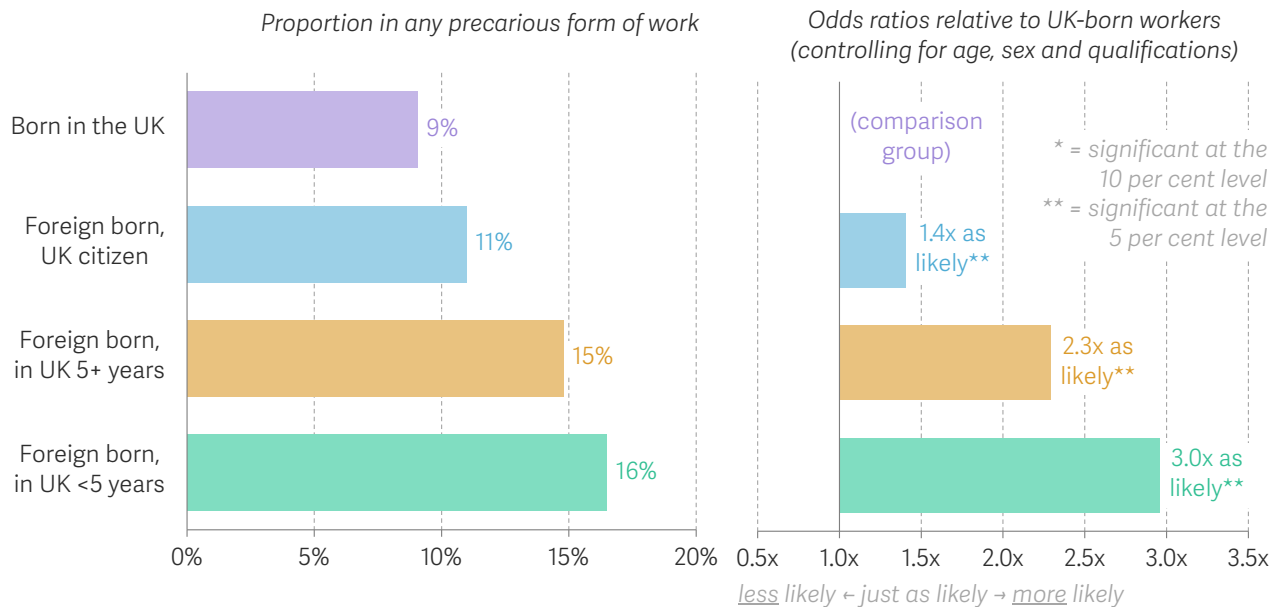
The right-hand panel shows that these differences persist after controlling for age, sex and qualifications. With these characteristics held constant, foreign-born workers who have lived in the UK for five or more years are 2.3 times as likely to be in precarious work as those born in the UK, and more recent migrants are 3.0 times as likely. In fact, these adjusted differences are *larger* than those we see without controls – the age, sex and qualifications profile of foreign-born workers should make them less likely than UK-born workers to be in precarious employment, so once we account for these characteristics, the disparity between foreign-born and UK-born workers becomes even larger.

⁴⁴ See, for example: K Fuzi, *Precarious lives and financial decision-making*, Nest Insight, January 2025.

⁴⁵ For example, the DLME-commissioned research referenced earlier in this note defines those in non-traditional work and with a low income as precarious workers: K Pósch et al., *Measuring the scale and nature of labour market non-compliance affecting people in precarious work in the UK: first project report*, UCL Consultants, November 2024. The Work Foundation's UK Insecure Work Index analysis shows job characteristics relating to financial insecurity are among the largest contributing factors to overall insecurity: R Florisson, *The UK Insecure Work Index 2024*, Work Foundation, February 2024. And the Living Wage Foundation define workers on below median income with volatile pay or hours as insecure: J Richardson, *Precarious pay and uncertain hours*, Living Wage Foundation, August 2023.

FIGURE 6: Foreign-born workers are more likely to be in a form of precarious work, even after living in the UK for several years

Proportion of employed people who are in precarious work and are low paid or have below-median household income (left panel) and odds ratio relative to UK-born workers after controlling for age, sex and qualifications (right panel), by migration status: UK, 2022-2023



NOTES: Precarious work refers to employed people on zero-hours contracts, variable-hours contracts, gig economy workers, temporary non-contract work, and the solo self-employed; who are also paid below two-thirds of median hourly pay or below the median household income. Excludes full-time students.

SOURCE: RF analysis of ISER, Understanding Society.

Workers in certain sectors and from ethnic minority backgrounds are particularly exposed to precarity

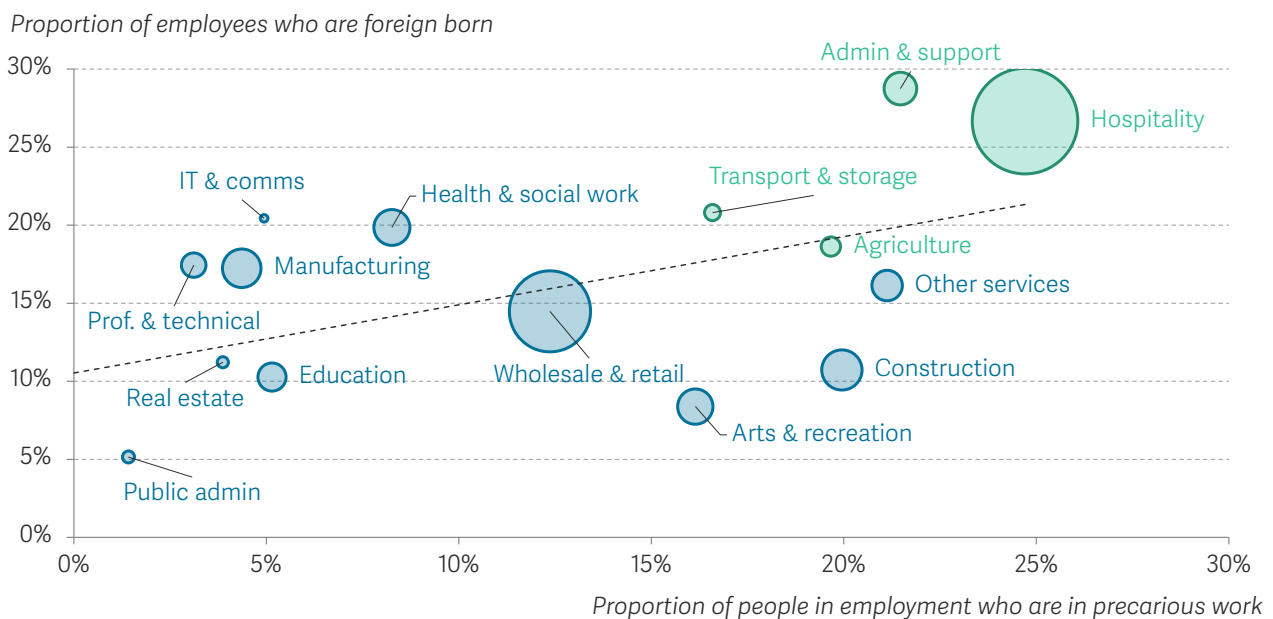
As we set out at the start of this note, foreign-born workers are an extremely plural group. It is far from the case that high rates of precarious work reflect the experience of all foreign-born workers. But this also means that for other groups of workers, the picture is far worse.

As noted earlier, the sectors where foreign-born workers are employed does not fully explain why they are more likely to be in precarious forms of employment. As Figure 7 shows, sectors like IT and comms and health and social work have high proportions of foreign-born workers but have very low rates of precarious work. (The employment data we use in Figure 7, however, does not allow us to separate out health and social care – if we separate our sample by sector we find the rate of precarious work is more than twice as high in social care as in health, at 12 per cent and 5 per cent respectively.) But many of the sectors with the largest proportions of precarious workers – such as hospitality, administrative and support services and agriculture – also contain particularly high

proportions of foreign-born workers (those highlighted in green), in part reflecting the use of overseas recruitment to fill vacancies in sectors like hospitality.⁴⁶ And hospitality in particular stands out as a sector with large numbers of low-paid workers (shown by the size of the bubbles in Figure 7), where lots of workers are likely to be affected.⁴⁷

FIGURE 7: There are some sectors where precarious work and foreign-born workers are more prevalent

Proportion of people in employment who are in precarious work (horizontal axis) and of proportion of employees who are foreign born, by industry: UK, 2022-2023



NOTES: Excludes full-time students. Size of bubbles reflects the number of workers that are paid below two-thirds of the median hourly wage. Precarious work refers to employed people on zero-hours contracts, variable pay contracts, gig economy workers, temporary non-contract work, and the solo self-employed; who are also paid below two-thirds of median hourly pay or below the median household income. The green bubbles are those with above-average rates of both precarious work and foreign-born employees. SOURCE: RF analysis of ISER, Understanding Society (horizontal axis); ONS/HMRC, Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted (vertical axis).

Turning to personal characteristics, we find little overall difference in migrant workers' outcomes by gender or English language background.⁴⁸ Qualitative research provides some evidence on these issues, however. For example, men and women experience precarity in different ways – there is a high prevalence of migrant women in precarious

⁴⁶ A Savitski & D Vicol, *As fewer care workers immigrate, the risk of migrant exploitation in construction and hospitality grows*, Work Rights Centre, February 2025.

⁴⁷ These findings are in line with previous research that has highlighted precarious work conditions in the sectors noted here. The Living Wage Foundation and UK Insecure Work Index identify hospitality, wholesale and retail, construction, and health and social care as sectors with some of the highest numbers of insecure workers in the UK, using ONS Labour Force Survey data. See: R Florisson, *The UK Insecure Work Index 2024*, Work Foundation, February 2024; J Richardson, *Precarious pay and uncertain hours*, Living Wage Foundation, August 2023.

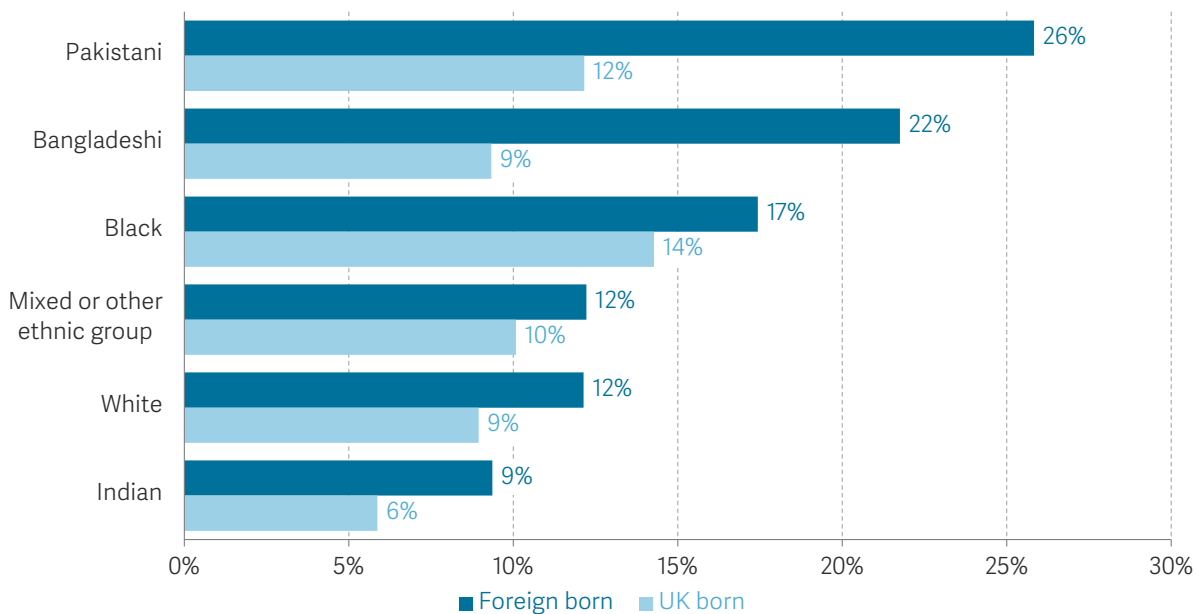
⁴⁸ Specifically, we do not find statistically significant differences in the overall prevalence of precarious work by sex or English as a first language (although we note that the latter is a highly imperfect proxy for English language proficiency). We also find no significant differences by region after controlling for other characteristics.

roles in social care and cleaning, for example.⁴⁹ And there is evidence that weaker English language skills make workers more vulnerable to poor treatment and hold them back from reporting non-compliant behaviour.⁵⁰

But we do find substantial differences by ethnicity. Figure 8 shows that more than a fifth (22 per cent) of Bangladeshi foreign-born workers and more than a quarter (26 per cent) of Pakistani foreign-born workers are in precarious work, compared to a far lower share, 12 per cent, of White foreign-born workers.⁵¹ This is not only about being foreign born: even among UK-born workers, workers from every ethnic group except for Indian are more likely than White workers to be in precarious work, with the highest rates among Black and Pakistani workers (14 and 12 per cent respectively, compared to 9 per cent among White UK-born workers). But ethnic inequalities are particularly pronounced for foreign-born workers, and foreign-born workers from all ethnic groups are more likely to be in precarious work than their UK-born counterparts.

FIGURE 8: The experiences of foreign-born workers vary widely by ethnicity

Proportion of people in employment in precarious work, by ethnicity and migration status: UK, 2022-202



NOTES: Excludes full-time students. Precarious work refers to employed people on zero-hours contracts, variable pay contracts, gig economy workers, temporary non-contract work, and the solo self-employed; who are also paid below two-thirds of median hourly pay or below the median household income.

SOURCE: RF analysis of ISER, Understanding Society.

⁴⁹ A Sehic, D Vicol & A Savitski, *The forgotten third: Migrant workers' views on improving conditions in England's adult social care sector*, Work Rights Centre, November 2024; M Åhlberg, E Paesani & L Granada, "If I Could Change Anything About My Work...": *Participatory Research With Cleaners In The UK*, Focus on Labour Exploitation, January 2021.

⁵⁰ B France, *Labour Exploitation Advisory Group (LEAG) Position Paper: Labour Compliance to Exploitation and the Abuses In-between*, Focus on Labour Exploitation, August 2016.

⁵¹ The ethnic groups in Figure 8 reflect the finest breakdown we are able to do given sample size constraints in the underlying data. However, we recognise that this level of aggregation means we miss some of the nuances of different ethnic groups' experiences.

Foreign-born workers are more likely to believe they are at risk of losing their job – and the consequences of job loss can be more severe

Finally, even those in work that we have so far classified as ‘not precarious’ can in reality be in a precarious situation. This is not simple to measure in a survey, but one proxy for it is to ask whether workers think they are likely to lose their job. It turns out that some groups of foreign-born workers are particularly likely to feel this form of precarity: the left panel of Figure 9 shows that 14 per cent of naturalised UK citizens, 11 per cent of those in the UK for over five years, and 7 per cent of recent migrants consider job loss likely or very likely, compared to 6 per cent of UK-born workers.⁵²

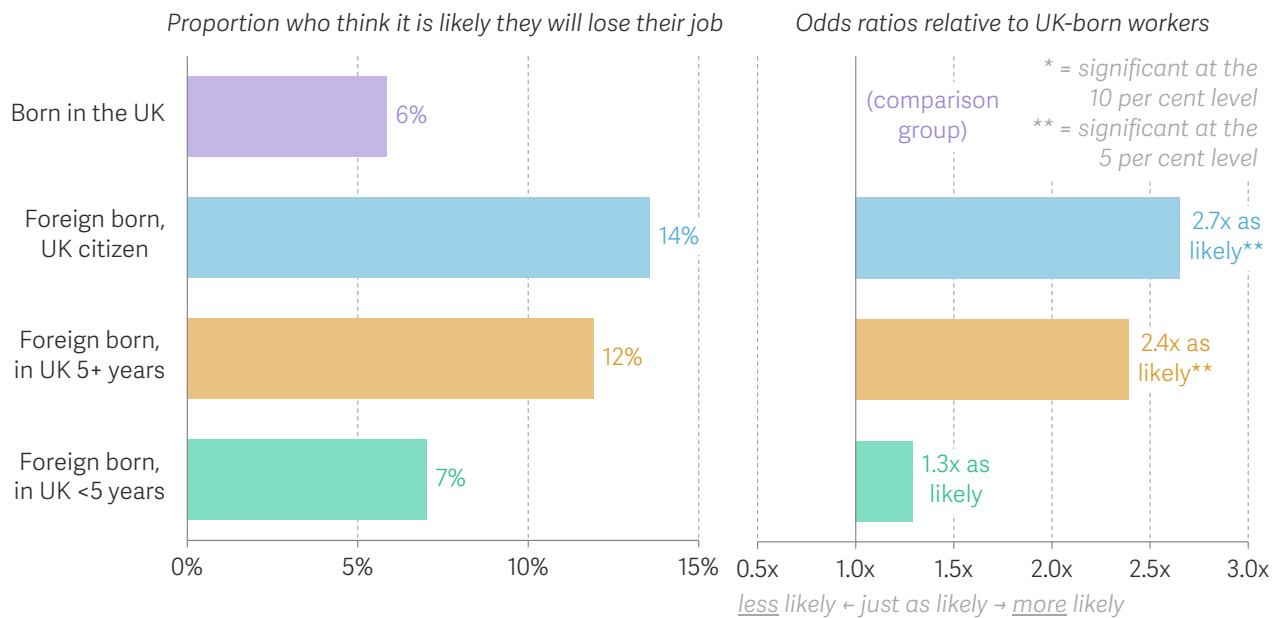
And this pattern persists after controlling for age, sex and qualifications (the right panel of Figure 9). All else equal, foreign-born UK citizens are 2.7 times as likely as UK-born workers to expect job loss, and migrants in the UK for more than five years are 2.4 times as likely. (For recent arrivals, the odds are 1.3 times as high as UK citizens, but this is not statistically significant.)⁵³ So, these findings suggest foreign-born workers who have been in the UK for longer, are more likely to be concerned about losing their jobs.

⁵² Sample size constraints mean we are unable to break this down further by contract type – but these proportions change very little when we limit our analysis only to workers not on a flexible contract, suggesting that the pattern in Figure 9 is not driven by higher rates of flexible contracts among certain groups. Among those not on any of the forms of flexible contract considered in Figure 1, 5 per cent of UK-born workers, 12 per cent of foreign-born citizens, 11 per cent of those in the UK for over five years, and 6 per cent of more recent arrivals think it is likely that they will lose their jobs over the next year.

⁵³ This pattern also holds when we add in controls for industry and occupation.

FIGURE 9: Foreign-born workers are more likely to think they will lose their job over the next year than UK-born workers

Proportion (left panel) and odds ratio relative to UK-born workers after controlling for age, sex and qualification level (right panel) of employees who think it is likely or very likely that they will lose their job in the next 12 months, by migration status: UK, 2022-2023



NOTES: Excludes full-time students.

SOURCE: RF analysis of ISER, Understanding Society.

This perceived insecurity does not always correspond to higher observed job loss – for example, we do not find evidence that naturalised citizens are more likely than UK-born workers to have lost a job in the last three months.⁵⁴ But regardless of actual outcomes, the markedly higher perception of risk among foreign-born workers will shape their lived experience.⁵⁵

In addition, the consequences of job loss can be particularly severe for some migrant workers. Many of those without indefinite leave to remain have no access to state support due to ‘No Recourse to Public Funds’ rules, leaving them without a safety net if they lose their job.⁵⁶ Some face even higher stakes: if their visa is tied to their current

⁵⁴ Among those who were in work three months ago, 0.4 per cent of foreign-born UK citizens had involuntarily left a job in the past three months, compared to 0.3 per cent of those born in the UK, a difference that is not statistically significant. Source: RF analysis of ONS, Labour Force Survey. We use the LFS here because Understanding Society does not ask retrospective questions on job loss for new survey entrants, and recent migrants are disproportionately likely to have joined the survey in the latest wave, when a boost sample was added. The LFS has many documented problems (see, for example: A Corlett, [Get Britain's Stats Working: Exploring alternatives to Labour Force Survey estimates](#), Resolution Foundation, November 2024), but we also find no significant difference between these two groups when we run the analysis on 2018-2019, when the LFS was more reliable.

⁵⁵ See, for example: J Ferrie et al., [Health effects of anticipation of job change and non-employment: longitudinal data from the Whitehall II study](#), *BMJ* 311(7015), November 1995.

⁵⁶ NRP Network, [Who has no recourse to public funds \(NRP\)?](#), accessed 10 March 2025. As noted in footnote 4, there is no conclusive data on how many people are subject to NRP.

employer, job loss could mean losing their visa and their right to stay in the UK.⁵⁷ (Tied visas, particularly in social care, are explored further in Box 3.) And even those settled in the UK may risk falling below the ‘minimum income requirement’, meaning they would no longer earn enough to sponsor family members to remain with them.⁵⁸

BOX 3: Tied visas can increase the risk of exploitation

Most migrants coming to the UK for work hold visas that are tied to a specific employer. One benefit of these visas is that they tend to come with a minimum salary requirement, which other visas do not. But being tied to a specific employer can have significant negative consequences: it makes it harder for these workers to leave their job even if they face poor treatment, puts them off from reporting non-compliance with employment law, and reduces worker power relative to their employer.⁵⁹ While switching employers is theoretically possible, it can be difficult in practice to find another sponsor, and some employers require workers to repay substantial costs of visa sponsorship.⁶⁰

This has been a particular issue in social care. Since the introduction of the Health and Care visa in 2022,

there has been a surge in international recruitment to address staff shortages. But the visa has been linked to poor employment practices and, in some cases, serious exploitation. The Director of Labour Market Enforcement has highlighted rising non-compliance affecting migrant care workers, including wage underpayment, illegal recruitment fees and debt bondage.⁶¹ The Migration Advisory Committee’s 2023 report identified cases of workers not being paid for all hours they worked, zero-hours contracts in breach of visa conditions, and even potential modern slavery.⁶² In March 2025, the Independent Anti-Slavery Commissioner said that the visa had led to a range of abuses, from unreasonable demands to severe exploitation.⁶³

Concerns about tied visas are not limited to social care alone. Since

⁵⁷ See, for example: M Åhlberg, *How work visa design is driving exploitation of migrant care workers*, Citizens Advice, March 2024; I Thiemann et al., *UK agriculture and care visas: worker exploitation and obstacles to redress*, Modern Slavery & Human Rights Policy & Evidence Centre, March 2024. Our data does not tell us whether workers’ visas are tied to their employer, but more broadly, just over half (55 per cent) of those who arrived within the past five years said that work was a specific reason for moving to the UK.

⁵⁸ Under current government policy, people who want to apply for a partner visa normally need to earn at least £29,000 a year (taken from: M Gower et al., *The financial (minimum income) requirement for partner visas*, House of Commons Library, January 2025).

⁵⁹ See, for example: Focus on Labour Exploitation, *Creating a safe and fair UK immigration policy for workers*, November 2022; D Vicol & A Sehic, *The systemic drivers of migrant worker exploitation in the UK*, Work Rights Centre, November 2023; M Sumption & B Brindle, *Work visas and migrant workers in the UK*, Migration Observatory, August 2024.

⁶⁰ C McKinney & G Sturge, *Visas for social care workers*, House of Commons Library, October 2023.

⁶¹ Director of Labour Market Enforcement, *Labour Market Enforcement Strategy 2023 to 2024*, October 2023.

⁶² Migration Advisory Committee, *Migration Advisory Committee: annual report, 2023*, December 2023.

⁶³ S Das, *Flawed UK visa scheme led to ‘horrific’ care worker abuse, says watchdog*, The Observer, March 2025.

2021, there has been a rising number of Skilled Worker visas granted to other sectors facing labour shortages such as hospitality and construction – sectors that also have high proportions of precarious workers. The number of Skilled Worker visas granted has risen steadily in both industries: for hospitality and food preparation jobs,

the number of visas increased from just 28 at the start of 2021 to a high of more than 3,000 in the middle of 2024, and in the construction industry, the number granted rose from 75 in early 2021, to over 1,000 in mid-2024.⁶⁴ This raises questions about the spread of similar risks elsewhere in the labour market.⁶⁵

These feelings of insecurity have negative implications for both the affected workers and the wider labour market. Fear of job loss – whether due to higher risk or more serious consequences – affects workers' well-being and can weaken overall labour market conditions if rogue employers get away with treating workers poorly.

The Employment Rights Bill will improve job security across the board but should consider the particular risks facing foreign-born workers

This briefing note presents clear evidence that foreign-born workers face higher rates of precarity than their UK-born counterparts, and these risks are particularly acute for recent arrivals, non-citizens and those from ethnic minority backgrounds. This is a concerning reflection of the experiences of a sizeable minority of our workforce – many of whom work in essential roles with labour shortages such as social care and food services, making their treatment not only a matter of fairness but also economic importance.

But the implications extend beyond foreign-born workers to the wider labour market. Many of the challenges faced by foreign-born workers are shared by other groups with lower labour market power, such as those with fewer formal qualifications. In this sense, their experiences provide a case study of how vulnerable workers are treated more broadly. Moreover, if poor treatment of one group of workers remains unchecked, it risks dragging down standards across the board in a 'race to the bottom'. And these difficulties also highlight structural weaknesses in the labour market, such as an enforcement system that often does not deter non-compliance.

⁶⁴ Home Office, [Quarterly immigration system statistics: Sponsored work entry clearance visas by occupation and industry \(SOC 2020\), year ending December 2024](#), February 2025.

⁶⁵ A Savitski & D Vicol, [As fewer care workers immigrate, the risk of migrant exploitation in construction and hospitality grows](#), Work Rights Centre, February 2025.

What, then, should policy makers do to improve conditions for foreign-born workers – and for the workforce as a whole? The Government has choices to make about the level and nature of migration that this paper does not address – but regardless of those choices, it is essential to ensure that foreign-born workers are adequately protected to avoid creating a two-tier workforce that allows rogue employers to profit and ultimately drives down standards for all.

The exploitation linked to tied visas justifies urgent policy action. There are several approaches the Government could take. The Migration Advisory Committee has proposed improving job mobility for migrant care workers through an online portal that facilitates switching between employers.⁶⁶ Both the Director of Labour Market Enforcement and the Independent Anti-Slavery Commissioner have gone further by recommending exploring the feasibility of Workplace Justice Visas (a model used in Australia to protect migrant workers who report unlawful treatment from facing immigration consequences).⁶⁷ Similarly, frontline migrants' rights organisations have recommended 'bridging visas' that would allow people to retain secure migration status if they left an exploitative employer.⁶⁸

There are also several opportunities for labour market policy and wider institutions to take action, building on the momentum created by the Employment Rights Bill. The Bill, which is currently progressing through Parliament, is an important step forward. It will mitigate some of the negative effects of flexible contracts by granting zero-hours contract workers the right to a contract with regular hours, and it will establish a single enforcement body – the Fair Work Agency (FWA) – to police labour market rights.⁶⁹ But the Government should go further to address the specific challenges faced by foreign-born workers.⁷⁰

First, stronger enforcement should be a key priority. The enforcement system should act as a safeguard against exploitation, but it often falls short, with those most at risk of poor treatment also the least likely to report it.⁷¹ This allows unlawful behaviour to persist unchecked and means that enforcement bodies miss out on a key source of intelligence, making it harder to detect and address non-compliance. To address this, there should be a data firewall between the FWA and Immigration Enforcement to allow foreign-born

⁶⁶ Migration Advisory Committee, [Migration Advisory Committee: annual report, 2023](#), December 2023.

⁶⁷ House of Commons, [Business and Trade Committee Oral evidence: Make Work Pay: Employment Rights Bill, HC 370](#), January 2025. For further details on the Australian scheme, see: Migrant Justice Institute, [Visa protections to enforce workplace rights](#), accessed 1 April 2024.

⁶⁸ See, for example: Labour Exploitation Advisory Group (LEAG), [Border Security, Asylum and Immigration - Public Bill Committee Submission](#), March 2025.

⁶⁹ Department for Business and Trade, [Employment Rights Bill: factsheets](#), October 2024.

⁷⁰ The Bill will likely go through an Equality Impact Assessment, but this will focus on protected characteristics: 'nationality' is a protected characteristic, but 'immigration status' is not (see: Equality and Human Rights Commission, [Clarifying the protections of the Equality Act for migrant workers](#), April 2016).

⁷¹ L Judge & H Slaughter, [Enforce for good: Effectively enforcing labour market rights in the 2020s and beyond](#), Resolution Foundation, April 2023.

workers to safely report unlawful treatment without fear of immigration repercussions. The FWA should also include a migrant worker representative on its advisory board to ensure the vulnerabilities of this group are taken into account.⁷² And the FWA's outreach efforts should include translating promotional materials into multiple languages and targeting awareness campaigns at industries and parts of the country with high concentrations of migrants, helping to ensure that all workers know their rights and how to seek redress.⁷³

Second, the Government plans to simplify worker status and clarify the legal framework for determining which employment rights apply. But these reforms are not expected to take effect until late in the current Parliament. In the meantime, there is a risk that loopholes like bogus self-employment could be exploited by some employers, including those seeking to circumvent the higher standards introduced by the Employment Rights Bill. The Government should consider bringing forward these reforms, for the benefit of all workers at risk of exploitation, not just those born outside the UK.⁷⁴ And once the Fair Work Agency is operational, its remit should include issues related to employment status; it could either address misclassification directly or refer complex cases to an Employment Tribunal.

Finally, wider labour market institutions have a critical role to play, particularly given low levels of trust in government bodies among some foreign-born workers.⁷⁵ Trade unions should continue to support foreign-born workers to understand and assert their rights. Although union membership is lower among foreign-born workers than those born in the UK,⁷⁶ many unions tailor services to meet the needs of migrants.⁷⁷ In addition, the Independent Workers Union of Great Britain (IWGB) was founded by foreign-born workers,⁷⁸ and the Living Wage movement is one high-profile example of successful collaboration between migrant workers, union activists and community organisers.⁷⁹

'Workertech' platforms can also provide valuable information and support. Examples of platforms targeted at migrants include Just Good Work, which offers guidance on

⁷² The FWA will have a tripartite advisory board, with "equal representation from businesses, trade unions and independent experts" (Department for Business and Trade, [Employment Rights Bill: factsheets: The Fair Work Agency](#), October 2024).

⁷³ We have made similar recommendations in: L Judge & H Slaughter, [Enforce for good: Effectively enforcing labour market rights in the 2020s and beyond](#), Resolution Foundation, April 2023; T Clark & H Slaughter, [Enforcing rights: The new Fair Work Agency is a creature of the right shape, but will it have the eyes and teeth it needs?](#), Resolution Foundation, December 2024.

⁷⁴ This has also been recommended in: Business and Trade Committee, [3rd Report - Make Work Pay: Employment Rights Bill](#), March 2025.

⁷⁵ L Ishibashi, [Opportunity Knocks: improving responses to labour exploitation with secure reporting](#), Labour Exploitation Advisory Group, April 2020.

⁷⁶ R Davies, S Drinkwater & D Owen, [Trade Union Membership among the Migrant Community](#), Wales Institute of Social and Economic Research and Data, January 2016.

⁷⁷ See, for example: UNISON, [UNISON Migrant worker network](#), accessed 7 April 2025; Unite the Union, [UMWEP | United Migrant Workers Education Programme](#), accessed 7 April 2025; UCU, [Migrant members](#), accessed 7 April 2025.

⁷⁸ IWGB, [About](#), accessed 7 April 2025.

⁷⁹ For a history of the movement as a whole, see: Citizens UK, [The Living Wage Campaign](#), accessed 1 April 2025. For an example of a specific campaign, see: A Lopes & T Hall, [Organising migrant workers: the living wage campaign at the University of East London](#), *Industrial Relations Journal* 46(3), May 2015.

employment rights in a range of languages; Niya, an app delivering free, personalised career support to refugees and asylum seekers; and Chatterbox, which helps marginalised migrants find employment teaching their native languages.⁸⁰ And other platforms are incorporating migrants' needs into broader-based provision, such as Earlybird, a digital tool for employability providers, which allows users to communicate career barriers, challenges and interests in different languages so that employment advisers can tailor support accordingly.⁸¹

By implementing these recommendations, the Government would not only address the challenges facing foreign-born workers – it would also be taking meaningful steps towards raising standards across the economy and supporting its goal of creating fair work for all.

⁸⁰ justgood.work; www.niya.ai; www.chatterbox.io.

⁸¹ www.getearlybird.ai.

Annex 1: Data citations

Evidence for Equality National Survey (study page here):

- Finney, N., Nazroo, J., Shlomo, N., Kapadia, D., Becares, L., Byrne, B. (2024). Evidence for Equality National Survey: a Survey of Ethnic Minorities During the COVID-19 Pandemic, 2021. [data collection]. UK Data Service. SN: 9116, DOI: <http://doi.org/10.5255/UKDA-SN-9116-1>

Labour Force Survey (series page here):

- Office for National Statistics. (2024). Labour Force Survey. [data series]. 11th Release. UK Data Service. SN: 2000026, DOI: <http://doi.org/10.5255/UKDA-Series-2000026>

Understanding Society (series page here):

- University of Essex, Institute for Social and Economic Research. (2024). Understanding Society. [data series]. 12th Release. UK Data Service. SN: 2000053, DOI: <http://doi.org/10.5255/UKDA-Series-2000053>

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