Foundation Focus (Issue 18): Workers in Europe: Mobility and Migration

Eurofound
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Abstract
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Keywords
European Union, migration, labor market, mobility

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Suggested Citation

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Mobility and migration: Achieving a balance in Europe?

Labour mobility in the EU

Interview with FRA’s Adriano Silvestri

Intra-EU mobility and public services

Healthcare workers in central and eastern Europe

Third-country nationals entering the EU: Policy challenges

Local integration policies for migrants

Challenges for labour markets in the Member States

Preventing trafficking of labour

Workers in Europe: Mobility and migration
This issue of Foundation Focus looks at mobility and migration in the EU. It reviews the policy background and the practical issues that relate to movement between EU countries by EU citizens and into the EU from third countries. What is the extent of labour mobility within the EU? How can the fundamental rights of refugees and migrants from outside the EU be protected? How does intra-EU mobility impact on public services? What have social partners done to address the integration of third-country nationals and challenges for EU labour markets? What has already been learned about successful local integration policies for migrants? It draws on Eurofound’s extensive research findings in this area.

Editorial

The internal free movement of labour has been high on the EU policy agenda for some years, with the underlying objectives of encouraging cross-country exchanges and balancing differences related to specific national systems. Mobility and migration are important aspects of this and are necessary for addressing skills imbalances, responding to labour market demands and providing opportunities for EU citizens. Yet, the EU, governments and the social partners face many challenges associated with internal mobility in practice, including low uptake by citizens.

At the same time, the refugee and third-country migration crisis continues to have a profound impact across the EU and beyond. Europe’s policymakers are seeking to respond in a just and sustainable manner while safeguarding human rights and preventing exploitation.

Eurofound research has included projects directly relevant to these issues. These include a series of projects with a network of 30 European cities to support local integration policies for migrants, resulting in recommendations for local, national and European policymakers in four policy areas: housing and integration of migrants; equality and diversity in jobs and services; intercultural policies; and ethnic entrepreneurship.

In recent years, Eurofound has also looked at trends and policies in relation to labour mobility in the EU, as well as the situation of posted workers in the Member States. Other research focused on the impact of mobility and migration of healthcare workers in central and eastern European countries.

Two recent research projects are highly relevant: one on the social dimension of intra-EU mobility, assessing the impact on public services; and a second on migration, labour market policies and effective integration of third-country nationals, looking at policy coordination between Member States and the important role of the social partners in relation to third-country migration. A further study on the regulation of labour market intermediaries and the role of the social partners in preventing trafficking of labour is being finalised, for publication in early 2016. And a new research project on approaches to labour market integration of refugees will be implemented during the 2016 work programme.
Workers’ mobility and migration: How to achieve a balance in Europe?

Part of the objective of setting up the EU was to reduce barriers to the free movement of people, goods and services. The aim is to enable exchange between countries, overcome limitations, and balance differences related to specific national systems, such as social welfare systems.

EU regulation

Since its inception in 1957, the EU has established the principle of free movement of European workers across the Member States, as set out in Article 45 of the Treaty on the Functioning of the European Union (TFEU). This principle entails:

- the right to look for a job in another Member State; the right to work in another Member State; the right to reside there for that purpose; the right to remain there; the right to equal treatment in respect of access to employment, working conditions and all other advantages which could help to facilitate the worker’s integration in the host Member State.¹

Stemming from this principle, a whole body of EU regulation has been built up, stressing the equal treatment at work of European citizens, independently of their country of origin and work. Individual and collective rights are to be equally applied to the nationals of one Member State working in another – for example, in exercising trade union rights (Council Regulation (EEC) No. 312/76).

Implementing this principle remains challenging. It raises many issues, such as: economic and social aspects directly related to non-native workers, the host states and the overall workforce; the transfer of pensions and social benefits; entitlements of EU mobile workers to unemployment benefits and social security; and family issues related to education and housing. This explains why countries seeking EU membership have often had specific provisions introduced in their Accession Treaty, subjecting free movement to certain conditions.

Following the EU enlargement on 1 May 2004, when 10 countries joined simultaneously, there were transitional periods that limited the free movement of workers from these Member States (with the exception of Malta and Cyprus) to most, but not all Member States. (Ireland, Sweden and the UK did not impose restrictions). The purpose of this transition period was to smooth the integration of workers from these countries, ensuring full application of the equal treatment principle.

Defining mobility and migration

Mobility and migration are two key features of labour markets, highlighting the need for enhancing skills, matching competencies to labour market demands, developing products and services, and responding to new needs.

At European level, the term ‘geographical mobility’ covers EU citizens moving within and across countries. Under the EU Treaty, all European citizens have the right and freedom to move between EU Member States for work (known as ‘intra-EU mobility’). By contrast, the situation of third-country nationals is determined, according to articles 79 and 80 of the TFEU, by European migration policy.

Both EU and national levels of regulation come into play in shaping legal third-country migration:

- the EU has the competence to lay down the conditions of entry and residence for third-country nationals entering and residing legally in one Member State for purposes of family reunification. Member States still retain the right to determine admission rates for people coming from third countries to seek work.²

This issue of Foundation Focus, which brings together the findings of various Eurofound studies on different aspects of migrants and mobile workers, focuses on geographical mobility. It will therefore mainly consider the labour market situation of EU citizens in terms of intra-EU mobility or internal migration, on the one hand, and migration of third-country nationals to the EU, on the other.

Challenges for Member States

Given the importance of work – both economically and socially – to individuals and to societies, it is vital to acknowledge the position that mobile and migrant workers occupy. Governments, employer organisations and trade unions are all – in principle – open to EU workers freely moving within and between Member States; in practice, however, the integration of (EU and third-country)


migrant workers and the implementation of the equal treatment principle still poses a challenge.

The long-standing debate on the posting of workers demonstrates the complexity inherent in favouring the model of a single market and free delivery of services across Europe, on the one hand, while seeking to uphold social protection and employment rights for all workers, on the other.\(^3\) Posted workers are workers who, for a limited period, carry out their work in the territory of a Member State other than the state in which they normally work. They are not considered to be migrants (who are foreign workers seeking long-term employment in a specific country). Lengthy discussions regarding the posting of workers have highlighted the importance of a clear vision regarding the rights of all foreign workers in each Member State, the process of guaranteeing those rights, and the controls and sanctions available for implementing them.

Key issues are at stake here. First, differences in regulation across Europe create possibilities for what is referred to as ‘social dumping’, whereby an employer employs migrant workers, paying them lower wages and applying less strict rules regarding working conditions, in order to cut labour costs and increase competitiveness. Social dumping can jeopardise workers’ rights and conditions, and fair competition. Secondly, workers who are particularly vulnerable — such as migrant workers — can find themselves in a precarious situation: in the face of difficult circumstances, they have less understanding of their rights and are less able to voice their concerns.

The importance of the social partners taking action to combat this phenomenon is recognised at European, national, sectoral and local level. Their collaboration with a range of other social actors and public authorities can provide the framework for striking the correct balance between multiple interests and rights.

Isabella Biletta

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\(^3\) See the Posting of Workers Directive (96/71/EC) and Directive 2014/67 on the enforcement of Directive 96/71. As outlined in the 2015 Commission work programme, the Commission will carry out a ‘targeted review’ of Directive 96/71 as part of the Labour Mobility Package in order to assess whether any adjustments are needed to further prevent the posting of workers leading to social dumping (see answer given by Commissioner Marianne Thyssen, on behalf of the Commission, to a question by MEP Jutta Steinitz, April 2015 or CWP 2015, Annex I).
territory where their life or freedom was threatened. Punishment should also be excluded for those who provide humanitarian assistance to migrants in an irregular situation.

Children are particularly at risk of abuse and trafficking. What steps can be taken to improve the situation?

In October 2015, FRA published a report exploring the key features of guardianship systems put in place for all children in need of protection, including child victims and those at risk of becoming victims of human trafficking or other forms of exploitation.

No EU Member State has developed a separate guardianship system exclusively for child victims of trafficking. In principle, the guardianship of child victims of trafficking falls under the general guardianship provisions set forth in civil and/or family law, irrespective of the migration or residence status of the child victim, even in Member States that have separate guardianship systems for unaccompanied children.

How can the EU strengthen fundamental rights protection in relation to mobility and migration of workers?

In the paper Legal entry channels to the EU for persons in need of international protection, FRA highlights a number of mobility schemes that could be explored to allow migrant workers and refugees to safely access the EU without resorting to smugglers or degrading working conditions.

The risks of severe forms of labour exploitation are much higher in the unregulated and uncontrolled areas of the labour market. FRAs report on severe labour exploitation emphasises that households acting as employers are in a grey zone as they are not always regarded – and often don’t regard themselves – as fully fledged employers who have to meet all labour law regulations. As FRA’s research shows, the area of domestic work is one where labour exploitation is frequent and, in fact, sometimes particularly severe.

What new research is FRA currently undertaking to shed light on the situation of migrants in Europe?

A study is in progress on the social inclusion and democratic participation of migrants and their descendants in Member States. The findings will be used as the basis for developing fundamental rights indicators for use throughout the EU.

Field research is underway for the second European Union Minorities and Discrimination Survey (EU-MIDIS), which is collecting experiences of discrimination in different areas (labour market, education, housing, health and other services), as well as criminal victimisation, social inclusion and participation. The survey will show the progress made since FRA’s first EU-MIDIS survey in 2008.

FRA is also currently working on the fundamental rights impact of collecting, storing and using the biometrics data collected in the EU’s three large border management IT systems, Eurodac, SIS II (Schengen Information System) and VIS (Visa Information System).

Planning is underway for the second phase of fieldwork on severe forms of labour exploitation, in which victims and potential victims will be interviewed.

In addition to FRA, a number of other EU Agencies are working in areas related to migration issues. These include, but are not limited to, Frontex, EASO, the EU’s law enforcement agency (Europol), the European Maritime Safety Agency (EMSA) and the EU’s Judicial Cooperation Unit (Eurojust).
Free movement of labour – or labour mobility – is high on the EU policy agenda, and it is also a hotly debated issue in some EU Member States. A recent report from Eurofound looks at trends and policies in labour mobility in the EU.

At EU level, the discourse around labour mobility has been primarily positive, vaunting the benefits of increased mobility as a strategy to reduce discrepancies between supply and demand in European labour markets. At national level, the political debate is more mixed and dominated increasingly by concerns over the negative effects of labour mobility in terms of social dumping (where cheaper migrant labour undercuts local wage rates) and potential abuse of the welfare systems in receiving countries. This negative discourse, which is becoming increasingly mainstream, at times coexists with a national discourse emphasising the need to attract foreign labour in the face of severe labour shortages.

Extent of labour mobility

Notwithstanding these political concerns, what is the extent of mobility of workers in the EU? European and national data suggest that the level of mobility both between and within countries remains low by international comparison. Data from the Organisation for Economic Co-operation and Development (OECD) indicates that the movement of mobile citizens, referred to as free-movement flows, fell by almost 40% in EU countries between 2007 and 2010, but a rebound in free-movement flows within OECD countries of 10% was recorded in 2012, which was mainly accounted for by intra-EU mobility. Germany continued to be the main destination country, receiving almost a third of free-movers. National data indicate that east–west labour mobility continues to dominate south–north flows, but outflows of nationals from recession-hit southern European countries have been steadily increasing.

In terms of numbers of EU mobile workers (residing in another EU country), EU Labour Force Survey (EU-LFS) data show that recent EU labour migration is accounted for increasingly by internal EU mobility, which has grown by 22% in the period 2008–2014 (rising from almost 6 million to 7.3 million workers). This coincides with a contraction in the number of non-EU nationals, or third-country nationals, working in the EU in the same period (down by nearly 600,000). This picture is, however, likely to change, with larger numbers of third-country nationals entering the EU from Syria, where the civil war is ongoing, and other Middle East and North African countries, which are in near-constant turmoil following the wave of Arab revolutions in 2011.

As for the number of EU mobile workers, these continue to be relatively small; as former EU Commissioner for Employment, Social Affairs and Inclusion, László Andor, keen advocate of free movement commented, they are far from suggesting ‘the massive phenomenon’ that is claimed by Eurosceptics. The 7.3 million EU internal migrants who were resident in another EU country in 2014 represent just over 3% of the EU’s total labour force. Germany and the UK are the countries hosting the highest number of EU internal migrants (over 1.7 million in both), but, again, the figures do not indicate mass movements as they account for 5%–6% of the total working population in these countries.

Addressing barriers to entry

A Special Eurobarometer survey (no. 337) from 2010 found that what keeps intra-EU mobility low is the lack of proficiency in the language of potential destination countries. This impediment was cited by over half of respondents to the survey. On the policy side, although publicly funded language courses are the most commonly available mobility incentive for EU newcomers, they are made available in just 14 Member States. Such incentives are more widely available for third-country nationals as part of integration policies that are largely disconnected from policies supporting labour mobility and therefore do not target EU mobile workers. And yet, integration also concerns EU mobile workers, as demonstrated by the fact that language and cultural issues continue to be the key barriers to labour mobility.

According to the Eurobarometer survey, the next most common impediment to intra-EU mobility, cited by 24% of all respondents, is lack of confidence that they would be able to find a job or actual experience of problems finding a job in another country. At EU level, the European Employment Services (EURES) programme with its internet web portal has been enhanced over recent years precisely to address this mobility barrier and to help EU nationals find employment in EU countries other than their own. The European Commission’s new Labour Mobility Package will also focus on how to improve this service. However, European and national data show that informal personal networks such as friends and acquaintances in other countries continue to play a central role in the job search process and are important sources of information about job opportunities in potential destination countries.

Good practice example in Germany

It will understandably take time before EURES comes to maturity and both employers and job-seekers in the EU become fully aware of the job-matching resources it offers. Nonetheless, EURES has played an important role in...
facilitating labour mobility in the context of the German MobiPro-EU programme, which was launched in 2013 to attract young unemployed people from other EU countries, particularly Spain, by offering them traineeships and, possibly, openings in the German job market. MobiPro has been a successful undertaking because it directly tackles the financial barriers to mobility by providing financial support and preparatory German language courses in both the sending and the destination countries. There is a lot to learn from such pilot initiatives on how to recruit from abroad and use labour mobility to address pressing labour shortages.

Sara Riso

The internal migration of healthcare professionals from the central and eastern European Member States to ‘older’ Member States is a major concern and is high on the policy agenda in these countries due to the ensuing labour shortages in the sector. The adverse effects have also been recognised at EU level, as highlighted in Eurofound research.

Challenges facing healthcare sector

A number of challenges for the health and social care sectors, identified by the European Commission’s 2012 Employment Package Towards a job-rich recovery, are specifically applicable to the newest EU Member States (referred to in this article as the EU11 – those central and eastern European countries that most recently joined the EU: the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia (joined in 2004); Bulgaria and Romania (2007); and Croatia (2013)).

Among the challenges identified in the package are: ‘an ageing health workforce with insufficient new recruits to replace those who are retiring; the emergence of new healthcare patterns to tackle multiple chronic conditions; the growing use of technologies requiring new skill mixes; and imbalances in skills levels and working patterns’. The package also recognises that demanding working conditions, alongside low and slowly growing wages, can hamper the recruitment and retention of healthcare workers. Moreover, it acknowledges that ‘maintaining an adequate supply and quality of health services under increased budget constraints is both a social and employment challenge’.

While the migration of health professionals from central and eastern Europe might be a solution to shortages in western European countries, the question is what solution could there be for the EU11 countries? This is all the more relevant now as those countries that are expected to join the EU within the foreseeable future may face a similar challenge; for example, a high number of health professionals from Bosnia and Herzegovina and Serbia are already present in Germany.

Inflow of third-country nationals

The available data, presented both in Eurofound’s 2013 report on mobility and migration of healthcare workers and in other research papers, have shown that the inflow of third-country nationals into most of the central and eastern European countries is marginal. In addition, it is questionable whether policies aimed at attracting health professionals from countries outside the EU could provide a long-term solution. In the case of the EU11, part of any future inflow will inevitably turn into transit migration, with the incoming migrants going onwards to more affluent EU15 countries (the Member States prior to enlargement in 2004). Experiences have already shown such patterns, with Ukrainians and to some extent Belarussians expected to transit through Poland, and Moldovans through Romania.

This means that inflow of third-country nationals to the EU11 cannot be a general panacea for the healthcare sector, even if, under special circumstances and in some regions, it can be part of a solution: for example, Estonia has attracted doctors from Russia, while Romania has drawn health professionals from Moldova.

Exacerbating problems in health systems

At the same time, it has to be acknowledged that the high outflow of health professionals from the central and eastern European Member States has brought to light problems that healthcare systems in these countries have been suffering from for decades:

- under-resourced hospitals;
- management problems;
- rundown facilities, equipment and buildings;
overloaded staff with high administrative burdens;
- low status of nurses;
- underpaid doctors;
- negative effects of high sums of informal, out-of-pocket payments.

Finding solutions to increased emigration

A long-term solution requires dealing with each of the problems at their roots. The countries concerned have no choice but to draw up a long-term strategy to tackle also the current challenges posed by the high emigration of health professionals. Among other matters, the strategy should address issues like the role of private schemes in healthcare provision, as well as the relationship between the newly emerging private actors and public authorities and institutions. At the same time, such a long-term strategy should be designed within the context of wider societal implications. For successful implementation, substantial investment is needed. In this case, ELI support could also be a possibility in implementing the strategy. The ultimate aim is to prevent further, deeper division within the healthcare sector across the EU.

Klára Fóti

Note: Although Croatia is included in this article, it was not covered in Eurofound’s 2013 report on the subject as it joined the EU after the report was published.

Migration from third countries is a major policy concern at national and European level. While it is dealt with in great detail for the purpose of introducing specific regulations, the overall architecture of migration-related policies is perceived as a challenge. This is particularly the case at present as the influx of refugees to the EU puts additional pressures on policymakers in managing the different strands of immigration flows.

The inward migration of non-EU citizens represented two-thirds of EU population growth in the past decade and half of the employment growth in the past five years. These figures will most likely increase as a result of the significant inflow of refugees in recent months.

Coordinated approach

Against this backdrop, one positive trend has been emerging in recent years: Member States are slowly starting to realise the need for greater coherence between immigrant integration policies and measures to attract migrants, while at the same time looking for more coordinated methods of addressing long-term integration issues.

Eurofound’s report on Challenges of policy coordination for third-country nationals shows that Member States have made progress in this area by involving a broad range of partners from different government ministries and departments at national, regional and local level, as well as other stakeholders, including civil society organisations, social partners and service providers.

In general, according to the findings, policy coordination has manifested itself in various ways. First, government attempts to attract more migrant workers have often been interlinked from the outset with both integration outcomes and economic competitiveness in mind. Secondly, some governments have implemented an approach to immigrant integration referred to as mainstreaming, which means they aim to reach people with an immigrant background through programmes and policies that also target the general population, such as the education system offered by employment services. Mainstreaming can be achieved by adapting governance structures both horizontally and vertically to improve coordination on integration goals or by adapting general policies to incorporate integration priorities into overall objectives.

However, a closer look at the links between migration, labour market and integration policies reveals an uneven patchwork of cooperation within the Member States that has sometimes led to a lack of coordination or a coherent approach.

What works?

A number of factors underpin successful policy coordination.

Countries that promote a mix of both external vertical coordination (national, regional and local) and internal horizontal coordination (between various departments) tend to have better policy outcomes in terms of integration results. Likewise, maintaining policy coherence during implementation or programme coordination is key for reaching the objectives set. This applies to both internal and external coherence: internal coherence within the policy programme and among stakeholders – for example, maintaining a specific approach or strategy; and external coherence between different organisations – for example, good cooperation between national and local levels to adapt to any change in the overall strategy. Stability of institutions and their internal configuration also play a role in maintaining good policy coordination.

Putting in place a strong coordination centre (with sufficient resources) that can offer political support is crucial. In addition, in all policy coordination mechanisms, stakeholder commitment throughout each programme is important for its ultimate success.
The migrant’s role is an important element that needs to be taken into account in policy coordination. A successful outcome may depend on the involvement of migrants in consultations and the extent of their contribution. Their input is also important in setting the overall goals of the policy programme.

Policy pointers

In designing their migration-related policies, Member States should think more holistically at the start of the process about the outcomes that go beyond the labour market and encompass integration; this could lead to better planning and yield better overall outcomes. Notwithstanding the challenges related to the overall policymaking and the governance structures that Member States face on a daily basis, it is important to maintain policy coherence and the stability of the process when implementing policy or programme coordination.

Anna Ludwinek

Note: This article is drawn from Eurofound’s new report Challenges of policy coordination for third-country nationals.

In recent decades, migration patterns in Europe have changed significantly. Moreover, increasing disparities between more- and less-developed countries have led to an increase in worldwide migration. Europe has become more attractive for migrants, and the numbers of third-country nationals arriving have grown. In more recent months, the situation in Europe has changed profoundly with the substantial inflow of refugees. Eurofound’s new study on migration, labour market and integration policy looks into the challenges this brings for the social partners.

Many EU countries are facing an unprecedented refugee inflow and have been grappling with how to deal with this ongoing situation. What is needed, however, is a comprehensive and coordinated response to address both the immediate needs of asylum seekers and the longer-term challenges of integration. The social partners have a significant input to make in this endeavour.

Focal points for social partners

The social partners are not only an intrinsic part of the workplace but are involved in wider societal issues, which means they also have to deal with the growing challenges of a more diverse workforce and society. For the social partners, the issue of migration, and migrants as both workers and citizens, is an important but not always easy issue to address. It presents a number of challenges.

Labour market and economic migrants: The issue of migration is important from the external perspective of organising access to the national labour market and from an internal perspective of dealing with migrant workers after legal or illegal labour market entry. The social partners also have a strong interest in working conditions.

Asylum and refugees: Another external dimension is the influx of refugees into the EU. This challenge has been growing dramatically in recent months with the significant increase in the numbers arriving.

Wider integration of migrants: Although employment is a key avenue for overall integration, housing and education are also important factors. As trade unions in particular define themselves as organisations concerned both with direct labour market issues and with the wider society, they may be involved in issues related to integration of migrants.

Union membership: Inclusion of workers in trade unions is a normal objective of unions in minimising the effect of competition between organised and unorganised workers. However, the degree of interest in organising migrant workers may vary between countries.

Treatment of migrant interests: Trade unions usually base their actions and initiatives on the interests of their members as a whole, to maximise internal solidarity and to optimise their position in relation to employers. However, migrant workers may have specific needs and may require some tailored initiatives, albeit of a temporary nature. These may depend on cultural factors (language or religion), legal status (work permits) or structural conditions in the labour market (precarious employment).

Involvement in defining policy

In many countries, a broad range of stakeholders, including government, employers and, to a lesser extent, trade unions, cooperate to identify labour shortages and to inform broader third-country migration legislation, especially that relating to the labour market. Policy coordination takes place within different frameworks. The most common approach is employer needs analysis. Public employment services can also be a platform, as in Germany and Sweden. In some countries, particularly in central and eastern European countries, but also in Luxembourg and Spain, the tripartite
mechanism has been identified as a platform for consultation. In other countries, the equal rights agenda serves as a framework for engagement.

The most widespread programmes supporting workplace integration are those related to language provision, both general language training and job-specific tuition. Trade unions are particularly active in this area in Italy and Malta. Other measures, for example, in Finland, Romania and Spain, focus on general training in the areas of labour law and health and safety.

Employer organisations and individual companies are increasingly active in the area of diversity management. Initiatives can take the form of agreements that companies have to comply with, or prizes that are awarded for companies excelling in and promoting diversity management.

The framework of anti-discrimination has been used by various social partners, especially trade unions, for the provision of programmes tailored to migrants’ needs. In Germany and Sweden, for instance, the social partners have implemented a range of programmes focusing on how to carry out non-discriminating recruitment processes, including analysis of competency needs, the choice of recruitment channels, the interview process, as well as other key steps in recruiting new staff.

The approach of social partners to gathering information about the migrant workforce seems to be sporadic and fragmented, and only a few countries do it systematically (Malta and Spain). The situation also varies within countries. In several countries, the social partners carried out ad hoc surveys aimed at learning more about their membership composition (Finland, Ireland and Italy).

As third-country migrant workers make up a growing share of the workforce in a number of sectors, the question arises as to whether trade unions have systems in place to increase membership among this group. Few trade unions have a strategic vision to increase unionisation among the migrant workforce. Two countries that are notable exceptions in this regard are Ireland and the UK, where unions have made a considerable effort to increase membership among this group. In some countries, measures have been implemented on an irregular basis. In most cases, initiatives are aimed directly at migrant workers rather than at simplifying internal union procedures and structures. Cost was cited by migrants as a barrier to joining a union, and formal language and internal procedures were also problematic. Furthermore, migrants flagged their lack of awareness of the benefits of being a union member.

The social partners have started to pay more attention to policy issues that go beyond the domain of work. In some countries, social partner involvement is implemented through a structured framework, and in others it occurs on a case-by-case basis. Countries where the social partners have been actively shaping integration policies include Portugal and Slovenia. In Denmark, the social partners have set up a range of websites to help migrants in all aspects of living and working in the country. In some countries, social partner involvement is sparked by a particular issue. For instance, vocational training issues have triggered social partner involvement in Germany, Spain and Norway. Issues related to migrant children have been the focus of integration activities by the social partners in Germany, Portugal and Greece.

Looking to the future

The social partners, along with policymakers and other stakeholders, will also have to reflect on how to react to and address the short-term and long-term impact of the recent influx of refugees to the EU. On 30 September 2015, the European Trade Union Confederation (ETUC) adopted an emergency motion ‘Refugee crisis in Europe’, in which it calls for a proactive European asylum policy that respects internationally agreed protection standards. It also argues that, when dealing with refugees, more emphasis should be placed on services that focus on social cohesion, such as employment and housing.

Anna Ludwinek

Note: This article is drawn from Eurofound’s new report Challenges of policy coordination for third-country nationals.
There is a heated debate in many of the host EU Member States about the impact of mobility on public services. The debate centres on the ‘welfare magnet’ hypothesis, which holds that mobile citizens from the central and eastern European Member States are attracted by better-quality services and easier access to those services in the more affluent western Member States.

This, it is argued, puts additional pressure on social services in the host countries. The issue has recently become highly politicised in some Member States, especially as a consequence of the economic and financial crisis and particularly the increased inflow of these mobile EU citizens.

Recent research by Eurofound examines the impact of intra-EU mobility on public services in nine host countries: Austria, Denmark, Germany, Ireland, Italy, the Netherlands, Spain, Sweden and the UK. The research focuses on citizens from ten central and eastern European Member States (EU10) – eight that joined the EU in 2004 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia) and two in 2007 (Bulgaria and Romania). The main objective of the research was to explore whether there was any evidence supporting the welfare magnet hypothesis.

Focus of the research

East–west mobility still dominates current intra-EU mobility, and the debate on ‘welfare tourism’ is associated mainly with the ‘new migrants’. Therefore, the focus of the study was the impact of the inflow of EU10 citizens on the take-up of benefits and various social services in the nine host countries. Previous research has shown that welfare dependency can be reduced when migrants are successfully integrated. Hence, if benefits and services are increasingly used by these mobile citizens, it is important to look at the main obstacles to their integration in the host countries.

The study further aimed to identify the challenges that mobile EU10 citizens are likely to face when they arrive and stay in a host country. This could have important policy implications at Member State and EU level, but also for regions and local municipalities within the individual Member States.

Take-up of benefits and social services

The research found that, overall, take-up of welfare benefits and services by EU10 citizens in host countries is lower than that of the native population. This is particularly the case in relation to disability and sickness benefits, social housing and pensions. However, take-up of employment-related benefits, most notably unemployment benefits, is higher than that of natives. This is understandable due to the high participation of mobile EU10 citizens in the labour market. Moreover, as a consequence of the crisis, especially in those countries severely hit, EU10 mobile citizens were at higher risk of unemployment than native workers.

Take-up of education opportunities among mobile citizens, especially compulsory education for younger children, is increasing. As a result of this increase, some countries have reported a high concentration of migrants’ children in schools in certain areas.

However, the available data suggest that the EU10 citizens tend to use health services less than the native population in host countries, mainly because the majority of them are young people. Similarly, EU10 citizens make less use of social housing than natives. Data from Ireland and the UK show that fewer EU10 citizens access social housing even if they have similar socioeconomic characteristics – such as income, family size or employment status – as natives.

The reason for lower access clearly lies in the low stock of social housing, resulting in long waiting times even for natives. This means that EU mobile citizens who have recently arrived in the host country will join the bottom of long waiting lists for housing. Moreover, restrictive eligibility conditions, such as those introduced in some of Spain’s autonomous communities, tie eligibility to being registered with a particular municipality for a number of years, explaining the lower access to social housing among these ELI mobile citizens.

As regards future impact on specific services in host countries, demand for housing is likely to increase. This could be linked to the intention of the EU10 mobile citizens to become more settled. For instance, on arrival in a host country and during the following few years, these mobile citizens and especially young people, who do not have families, tend to share an apartment or house. Their position obviously changes later when they start a family and need their own accommodation.

Challenges of welfare systems

In general, access to benefits can be problematic, even for eligible EU10 citizens, because of difficulties in dealing with often complicated social welfare systems, especially due to lack of information and language skills. More recently, many legislative changes have been reported in several countries, also as a consequence of the crisis, adding to the difficulties for mobile citizens in navigating welfare systems.

Ways forward for policymakers

Since the lack of information can often be traced back to insufficient language knowledge, remedying this problem could help to facilitate the social inclusion of EU mobile citizens in host countries. The
ELI should play a more proactive role, in cooperation with the host Member States, in supporting language learning among mobile citizens.

Eurofound’s research suggests that recent budget cuts in individual Member States have adversely affected language learning opportunities for the most vulnerable groups of ELI mobile citizens, such as those on low incomes or in precarious jobs. Investing in language skills with ELI support, therefore, seems to be the right way of achieving the Commission’s aim, stated in its 2013 Communication on free movement, of ‘counteracting public perceptions that are not based on facts or economic realities’.

**Conclusions**

Within the context of demographic change in Europe, the consequences of intra-EU mobility are of high importance. While increased mobility could contribute to mitigating the consequences of population ageing and an ageing workforce in the host countries, it could exacerbate the effects of the same phenomenon in the sending countries, even if remittances and accumulated pension entitlements could help in the future.

Klára Fóti

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**Challenging times for labour markets across the EU**

Dynamic labour markets are typified by mobility of workers. In a time of crisis, however, mismatches in the labour market can be exacerbated by several factors. This article, drawing on recent reporting from the EuroWORK network of European correspondents, provides some examples of how European countries are responding to the combination of intra-EU mobility and third-country migration.

**Difficulties of integration**

Entry to the labour market is complicated by varying regulations on work permits and the inherent difficulties of integrating third-country migrants’ wide range of qualifications and skills into existing workforces. At the same time, many ELI Member States experience difficulties with immigration from close neighbouring countries and grapple with phenomena such as social dumping and the exploitation of workers. It is a picture of extremes, with some countries encouraging third-country immigration to balance skills levels in their labour markets and others increasing border policing to prevent illegal immigration.

For northern European countries, the issues fall between two stools. In general, the social partners are not opposed to immigration. Employers are aware of an impending skills shortage and seek to plug gaps with immigrant labour. Trade unions acknowledge this situation but seek primarily to protect existing wages and prevent exploitation of both native and immigrant workers. Governments seek to manage demographic change using third-country migration and to benefit from its economic rewards while dealing with the accompanying inherent challenges.

**Emigration and youth unemployment**

For many EU countries, however, emigration due to intra-EU mobility is more of a problem than third-country immigration. Portugal has experienced problems as a result of many young people emigrating, especially to France and the UK. The British and Portuguese trade union confederations TUC and CGTP-IN signed a cooperation protocol in August 2014 to ensure Portuguese-speaking migrant workers in the UK can join unions and to enforce their rights at work. Although immigrant workers in Portugal have a higher rate of economic activity, they are overrepresented in certain sectors, have more accidents, earn less and are more likely to be unemployed.

In common with Portugal, Bulgaria is more concerned with emigration and youth unemployment. A recent survey among employers showed that the outlook for hiring staff in the coming period is poor, and only one-fifth of employers predict extra recruitment. The Czech Republic experiences immigration from Bulgaria, Romania and Moldova, combining intra-EU and third-country migration. Recent research among immigrants from these three countries found that 70% of respondents had a work contract but only half understood it. The vast majority were employed through agencies. Two-thirds reported being subjected to multiple (illegal) working conditions problems such as unpaid wages, bullying and retention of personal documents; 15% of them reported not being paid.

**Vulnerability of migrants**

A labour force and living conditions survey of Polish workers in Norway, carried out in 2010, shows that the vast majority (80%) are paid at or above the minimum rates. But the fifth who earned less were employed by foreign subcontracting firms or were unregistered workers. Immigrant workers are more likely to be subject to precarious and temporary associations with the labour market where the compliance of temporary work agencies with legal duties of notification and registration could be improved. Measures have proved effective where social partners have extended
collective agreements to enhance regulation monitoring. But where there is no existing collective agreement, within a context of significant labour immigration, the risk of social dumping remains high.

Social dumping is also seen as a major issue in Denmark, where immigration is a critical issue. Here, a bill cutting social benefits for unemployed immigrants aims to encourage more immigrants into the job market.

A more extreme threat exists where some employers take advantage of migrants’ vulnerability. A survey carried out in Slovenia by the Faculty of Criminal Justice and Security in October 2014 showed that there were cases where the employment of migrant workers had the characteristics of human trafficking. The government seeks to combat this by setting up preventive measures aimed at discouraging any demand for services performed by trafficked persons.

Positive steps

More positively, some countries (often those with shortages of skills and competencies) seek to facilitate the integration of migrants into their labour markets.

In 2011, Austria introduced new rules on both social and wage dumping. Wage dumping means workers are offered a lower wage than is normal in an industry (under collective agreement), and often applies to migrant workers brought in to carry out a specific job. The new rules have been an important element in the opening of the labour market and in greatly reducing bad practice among companies. In parallel, a ‘Red-White-Red card’ scheme was set up to deal with skills shortages in selected sectors by attracting qualified workers, especially from Bulgaria, Romania and outside the EU.

In Sweden, the Ministry of Employment invited the social partners to tripartite meetings to introduce a fast track into the labour market for newly arrived immigrants. The aim is for the various parties to work together with the public employment services to shorten the time between arrival and employment and to plug competency shortages in the labour market with new arrivals.

In Germany, the ageing working population and shortages of skilled labour are considered problematic by the OECD. The social partners are more or less in agreement, and trade unions have cooperated to ease restrictions on work permits and training for third-country migrants. But while employer organisations continually stress the need for more immigration and further opening of the German labour market to attract immigrants, trade unions are concerned that those coming to work from other European countries could be exploited by ‘dubious’ employers and cite the paucity of information on statutory minimum working conditions.

Opposition to immigration

At the polar extreme of attitudes to immigration is Hungary, where immigrants are being marginalised even though they create more jobs than they take up. This takes place against a background of an exit from the country of skilled labour. The TÁRKI Social Research Institute recorded a huge increase in outward migration intention over the previous 12 months. Over a million said they would leave the country, many for good. There is already a high rate of emigration among young and highly skilled Hungarian workers seeking better pay and jobs elsewhere.

Conclusions

This evidence suggests that the social partners in most European countries recognise that migrants are not a threat but an asset to the economy. Employers want to fill gaps in skilled occupations, and trade unions have (for the most part) agreed to softening state regulations allowing migrants to work. Sharper disputes exist where worker protection is an issue. Exploitation of workers has similarities with trafficking, and social and wage dumping both undercut indigenous workers and exploit migrants.

Demographics may be the key issue in the migration debate, as cohorts move through employment towards pensionable age and become economically inactive. Migrants may be seen as filling naturally occurring employment positions. At the same time, resentment among the native populations towards migrants may be based on unfounded suspicions of ‘job theft’.

Camilla Galli da Bino

Note: This article is based on recent reporting from the European Observatory of Working Life (EurWORK) – www.eufound.europa.eu/observatories/eurwork.
The current refugee and third-country migrant emergency continues to have an impact across the EU and beyond. Europe’s policymakers are seeking to respond in a just and sustainable manner to this humanitarian crisis. Specific Eurofound research may be of real relevance in this context.

Eurofound conducted a study from 2006 to 2010 with a network of over 30 European cities working together to support the social and economic integration of third-country migrants. The European network of cities for local integration policies for migrants (CLIP) encouraged the structured sharing of experiences through the medium of separate city reports and workshops that covered four research modules (see boxed text). The network enabled local authorities to learn from each other and to compose a more effective integration policy. The main recommendations from the project are outlined below.

Increased diversity in European cities:
Local governments must recognise the changing social structure of European cities. To pave the way for social cohesion, city policies should focus on equal opportunities, civic participation and prevention of discrimination against migrants.

Reference to migrant status in the public discourse:
Those closely involved in public discourse on the integration of migrants and improved intercultural relations should consider their communication strategies seriously and the way they use concepts, terminology and labels.

Cooperation, mainstreaming and governance of integration policy:
A balanced intercultural integration policy must be implemented. To do so, a number of factors associated with local government and city administration are required. These include: innovative organisational structures, high intercultural awareness among key decision-makers, strong intercultural competence, professionalism and commitment in the integration department, and visible and sustained political leadership.

Innovation within specific domains of integration policy:
Cities that are becoming increasingly diverse need a good understanding of intercultural structures and relations. Policymakers need to be aware that their migrant population is equally or even more preoccupied with the same socioeconomic issues as the rest of the population. The migrant population is often more affected by economic downturns, and appropriate policies should be put in place to mitigate the negative consequences of such setbacks.

More effective diversity management:
Issues of diversity management, non-discrimination and equal opportunities should be given high priority by local authorities. There should be a significant focus on creating employment opportunities for migrants. Access to career opportunities in city administrations and other public utilities is to be encouraged.

Greater support for ethnic entrepreneurship:
Cities are advised to put more emphasis on the policy area of ethnic entrepreneurship and to combine it systematically with their overall integration policy for migrants. Cities should aim to close communication gaps, recognise ethnic entrepreneurship as an important feature of the overall economic strategy, facilitate links with education and training, support access to finance and provide an effective regulatory framework.

Innovation in policy and service provision:
A mix of generic and targeted policies for the integration of migrants calls for substantial political, organisational and technical skill in the city council and in the city administration. Good communication skills and the involvement of relevant intermediate organisations of the receiving country and the migrant community are vitally important.

Intercultural development of the city administration:
Intercultural competence in European cities must be maintained and developed. This will open up the city administration in an intercultural manner. These activities should take place at all levels of city administration.

European funding for local migrant integration activities:
Rather than provide funding to cities for integration policies via national governments, a new line of finance should be provided and made directly accessible to local authorities within the context of the European Integration Fund for migrants. To finance and support community actions, the European Commission should provide funding for successful city networks.

Identity:
The CLIP findings suggested the need for a radical change of perception and policy. This would mean a move from traditional ‘asymmetric’ integration policy to ‘balanced intercultural integration’.

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5 www.eurofound.europa.eu/clip-european-network-of-cities-for-local-integration-policies-for-migrants
New forms of identities must be fostered by both the settled population and newcomers in order to deal with the new intercultural reality. If successful, this shift of mind-set could provide the basis for a new concept of an inclusive European identity that would stem from the practical day-to-day experience of citizens. The new perception of such an identity would be accepted and encouraged by non-governmental organisations and other relevant organisations.

Conclusions and lessons learnt: The CLIP studies discovered that in many countries innovative cities were well ahead of national integration policy. In some instances, those cities were also ahead of European policies. Thus, in light of recent events, it is useful to relay such information to national and European policymakers.

Overview of CLIP research modules

Housing and integration of migrants in Europe
The first module researched by CLIP was housing – the segregation, accessibility, quality and affordability of housing for migrants – which was identified as a major issue affecting migrants’ integration into host societies. Research results showed that having satisfactory accommodation was regarded as one of the most important human needs. It was apparent that any policy based on the principle of ‘one size fits all’ would fail, and the report recommended that cities and local communities should develop tailor-made solutions, with the support of the EU and Member States.

Equality and diversity in jobs and services
The second module examined equality and diversity policies in relation to employment within city administrations and in their provision of services. It was crucial that migrants could access both of these without suffering discrimination. The study found that cities should give greater priority to policy areas concerning these two integration measures. It was suggested cities should emphasise these issues within a broader integration, diversity or equality strategy, reviewing their approaches where necessary.

Intercultural policies in European cities
The focus of the third module was intercultural policies and intergroup relations. Most cities dealt with intergroup and intercultural policies within the framework of integration policies. Others framed their policies in diversity strategies, while the eastern European cities implemented national minority policies. The empowerment and establishment of links between migrant organisations were considered to be crucial. Intercultural events were regarded as a means of countering ethnic and racial stereotypes and promoting social cohesion. All CLIP cities made an effort to raise the intercultural competence of their residents.

Ethnic entrepreneurship
The final module looked at ethnic entrepreneurship and found that ethnic entrepreneurs contributed to the economic growth of their local areas. They offered a wide range of services and products to immigrants and the host population and created an important bridge to global markets. Ethnic entrepreneurs were also important for the integration of migrants into employment. In addition to job creation, ethnic entrepreneurship could enhance social opportunities for migrants and promote social cohesion. However, at the time of publication (2011), their importance continued to be overlooked, and ethnic entrepreneurship was not an important part of the European integration policy for migrants.

Note: An overview report is available for each of the four modules, as well as a résumé incorporating key research findings and good practice guidelines for policymakers at European, national and local levels.
Mobility and migration in the EU contribute to well-functioning labour markets and therefore to increased levels of productivity, competitiveness and growth. Labour market intermediaries (LMIs), such as temporary work agencies, facilitate mobility through matching workers with companies' needs. They provide information and expertise that contributes to the better functioning of labour markets in Europe. An upcoming report by Eurofound looks at how these LMIs are regulated to avoid unlawful recruitment and exploitative working conditions. The report also looks at the role the social partners play in helping to prevent trafficking of workers.

Trafficking for the purpose of labour exploitation

In some cases, LMIs use their role to unlawfully recruit or transfer workers. They deceive workers about the nature of the job, the employer, the location or other conditions related to the work, and these workers end up working under exploitative conditions. This process is known as trafficking for the purpose of labour exploitation.

To prevent and fight this criminal activity, in 2011 the EU adopted the Anti-Trafficking Directive (2011/36/EU). The directive emphasises that trafficking is a serious crime and a gross violation of fundamental rights. Tackling trafficking is a priority for the EU and its Member States, which is why minimum rules have been established that all Member States need to adhere to. The EU Strategy towards the Eradication of Trafficking in Human Beings 2012–2016 (COM(2012) 286 final) complements the legal rules with targeted actions. Regulating the operation of LMIs can take a variety of forms in the 28 EU Member States and Norway (which also participated in the study). Registration or licensing schemes are common across Europe to monitor who is operating an LMI and to ensure compliance with minimum standards in running the business.

Another approach to tackling trafficking is to engage in greater cooperation with social partners. Member States and public authorities in particular can benefit from social partners' expertise on working and business conditions. Activities that contribute to eradicating trafficking include targeted initiatives by trade unions to inform, support and protect vulnerable workers and interventions of employers and their organisations to reinforce the importance of complying with minimum standards. These activities often take the form of awareness-raising campaigns, establishing complaint mechanisms, developing codes of conduct, distributing educational material and engaging in cross-border cooperation with other trade unions or employer organisations.

Tackling trafficking for labour exploitation is an important way to facilitate fair mobility and migration within the EU. It is also an essential tool to ensure the effective functioning of EU labour markets for both workers and companies. Above all, however, it is the commitment of the EU, as enshrined in the Charter of Fundamental Rights (2012/C 326/02), to protect people's basic human rights against violations to create an area of freedom, security and justice.

The report will be published in early 2016.

Andrea Fromm

Eurofound research

Greater knowledge of how LMIs are regulated in the different Member States and on what social partners do to prevent and tackle trafficking is required to facilitate targeted activities, especially by public authorities such as the police, labour inspectorates, employment services or local administrations.

Eurofound is currently drafting a report containing information that will be used to compile a guide for public authorities on how to better address the issue of trafficking for labour exploitation.

One way of limiting the risk that LMIs will engage in trafficking is by monitoring their compliance with national rules and regulations. Regulating the operation of LMIs can take a variety of forms in the 28 EU Member States and Norway (which also participated in the study). Registration or licensing schemes are common across Europe to monitor who is operating an LMI and to ensure compliance with minimum standards in running the business.

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The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency, whose role is to provide knowledge in the area of social and work-related policies. Eurofound was established in 1975 by Council Regulation (EEC) No. 1365/75, to contribute to the planning and design of better living and working conditions in Europe.