LABOUR MARKET INCLUSION OF THE LESS SKILLED MIGRANTS IN THE EUROPEAN UNION

IOM International Organization for Migration

Funded by DG for Employment, Social Affairs and Inclusion of the European Commission
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Introduction

Europe 2020 Strategy suggests that a rational migration policy should acknowledge that migrants can bring dynamism, new ideas in the EU labour market and also contribute to the creation of new jobs (European Commission, 2011a). Labour immigration debate in Europe in the recent years has mainly focused on the need to attract more highly skilled migrants from outside the European Union to boost competitiveness by increasing the talent pool. Dedicated channels for immigration of this category of workers remained largely open in a number of the EU Member States throughout the recession.

On the contrary, less skilled migrants – those with low and medium levels of educational attainment – have seen the few existing entry doors often being shut, and those already in the EU are portrayed as a societal burden in the popular discourse. Such attitudes are widespread elsewhere, for instance, both highly skilled and low-skilled US natives strongly prefer highly skilled immigration over the low skilled flows (Hainmueller & Hiscox 2010), thus highlighting a wider range of concerns than those of purely economic nature. At the same time, the actual labour market demand may suggest the need to consider immigration at all skill levels, temporary or permanent, to support potential economic recovery.

The purpose of this study is to draw attention to these two groups of less skilled migrant workers that are often treated differently from the highly skilled. Furthermore, it will try to identify the relevant labour market integration challenges and patterns. To this end, the study will map and assess the respective policy measures in various fields attempting to regulate migration and to support integration of this category of migrants. The reasons to focus on the migrant population of these qualifications are manifold:

a. Large cohorts already residing in the Member States combined with the increasing labour demand and labour market mismatches,

b. Special characteristics of the less skilled migrants which place them in a more vulnerable position in comparison to the highly skilled migrants, whilst raising specific integration challenges in the receiving countries, and

1 Unless cited differently, data in this summary is obtained in the LINET country reports 2011 as cited in the national statistical sources.
c. Semi-skilled workers in particular are often left out of the analysis based on a polarized viewpoint of migrant labour market insertion.

This study is focused on third-country (non-EU) nationals residing in the EU irrespective of their channel of entry. When possible, the analysis differentiates between the native population, nationals of EU countries and third-country nationals. Working age population is generally defined as adults aged 15-64.

Defining Low- and Semi-Skilled Migrants

Defining “skills” is rather challenging since – despite the term’s wide use in academic, public and policy discourse – it remains very broad both conceptually and empirically. According to the European Commission, skills can encompass the following notions:

- **Knowledge** as “the outcome of assimilation of information through learning; consisted of facts, principles, theories and practices that are related to the field of work or studies. Within the European Qualifications Framework it is also described as theoretical and/or factual” (European Commission, 2008c, p.11).

- The **skill** as such suggesting “the ability to apply knowledge and use know-how to complete tasks and solve problems; it involves the use of logical, intuitive and creative thinking as well as practical such as manual dexterity and the use of methods, materials, tools and instruments” (Ibid.)

- **Competence** which refers to “the proven ability to use knowledge, skills, personal, social and/or methodological abilities in situations of work, study, professional and personal development; it is also linked with the terms of responsibility and autonomy” (Ibid.)

The present study conducted in March-November 2011 focused on the educational attainment of migrants as the primary criterion for analysis, generally defining low-skilled workers as those with pre-primary and lower secondary education (ISCED 0-2), semi-skilled – workers with the upper and post-secondary education (ISCED 3-4) and highly skilled – as those with tertiary education (ISCED 5-6). At the same time, most existing migration statistics by skill level in fact reflect the skill level required to carry

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2 ISCED was approved by the UNESCO General Conference in 1997 and covers primarily two cross-classification variables: levels and fields of education. The basic unit of classification in ISCED remains the educational programme. Consequently, ISCED embraces initial education prior to entry into the world of work, as well as continuing education throughout a person's life. Therefore, education for the purpose of ISCED includes a variety of programmes and types of education which are designated in the national context, such as regular, adult, formal, non-formal, initial, continuing, by distance, open, life-long, part-time types of education as well as apprenticeships, training, technical-vocational and special needs education. While the classification of educational programmes by level should be based on educational content, it is clearly not possible to directly access and compare the content of the educational programmes in an internationally consistent way. Empirically, ISCED assumes that there exist several criteria which can help point to the level of education into which any given educational programme should be classified. Depending on the level and type of education concerned, there is a need to establish a hierarchical ranking system between criteria such as typical entrance qualification, minimum entrance requirement, minimum age, staff qualification etc. It is very important to apply these criteria in a manner that they do not exclude but rather complement each other. After applying the criteria, the level of the programme is determined (e.g. pre-primary, primary, lower secondary, (upper) secondary, post secondary and tertiary education).
out jobs occupied by migrants. As a result, many highly skilled immigrants are registered as performing low- and semi-skilled jobs without any data regarding their educational attainment. The labelling of those migrants who participate in seasonal programmes, schemes or agreements as “low” or “semi-skilled” does not recognise that many of them can actually be highly educated and have sound professional experience. In this context, the “high” or “low” concept is purely determined by labour market needs as well as low level of labour security associated with these jobs.

Both data sets, apart from the differences in the country-level data quality are an approximation and generalization of reality based on the current categories of labour market analysis. Occupational data struggles to reflect the whole range of knowledge and skills required to perform specific jobs.

Moreover, the adequacy of formal qualifications to capture skill requirements is further questionable given the importance of work experience in the labour market, as well as the growing employer demand for soft skills.

Soft skills cover a broad range of competences that can be transferred across occupations (instead of being specialized) and share one characteristic: there is no standard procedure for measuring or certifying proficiency (Collet, Zuleeg, 2008). Soft skills include problem solving and the ability to work in a team and are particularly important in sectors where social relations with clients, customers and service users are of high importance for the delivery and quality of the work. For example, the quality of care delivery in both health and social care sectors is mostly affected by the soft skills of care providers as many service users express a preference of personal qualities over formal qualifications (Anderson, Ruhs, 2010). The fuzziness of the term is further exacerbated by its application to other characteristics such as demeanour, accent, style and physical appearance and everything that may make a potential worker to ‘look and sound right’ for the job (Nickson et al. cited in Anderson, Ruhs, 2010). Hence, the increasing reliance on soft skills makes it complex to draw strict lines between jobs and workers, in particular whose with medium and low skill levels.

Bearing the above in mind, the study combines data both by the level of educational attainment of migrants and skill level required for their jobs. This approach aims to shed further light on the interrelations between migrant inherent characteristics and overall systemic conditions that create the current labour market insertion patterns. Nevertheless, significant share of immigrants remains invisible in country statistics, especially those in less skilled jobs, due to being irregular. For the purposes of the study, available estimations on irregular immigration will be cited where possible to illustrate the analysis.

1. Labour Market Context

The last decade in Europe is characterized by continuous occupational polarization. As CEDEFOP attests, in 1998-2008 demand grew at the upper and lower ends of the occupational skill distribution. The number of workers in elementary occupations contributed 20 per cent to the total employment growth in 2000-2008, with the growth rate of 22 per cent compared to an average of 10 per cent (CEDEFOP, 2011).
The demand for less skilled occupations continued throughout the recession, and increased in the first quarter of 2011 compared to the same period in the previous year. Less skilled occupations constitute the largest share of jobs in the European labour market. According to the European Vacancy Monitor in released in October 2011, in the fourth quarter of 2010, the fastest growing occupational groups were plant and machine operators and assemblers (+36%), craft and trade related workers (+32%), and elementary occupations (+13%). In the second half of 2010, growth in demand was highest for job-seekers with an upper-secondary education (DG Employment, 2011). In the second half of 2010, growth in demand was highest for job seekers with an upper-secondary education (European Commission, 2011b). According to the European Job Mobility Bulletin published in July 2011, the top five jobs published on the EURES portal were mostly in the less skilled occupations:

- Finance and sales associate professionals;
- Shop salespersons and demonstrators;
- Personal care and related workers;
- Modern health associate professionals;
- Electrical and electronic equipment mechanics and fitters.

Forecasts for selected OECD countries highlight the expected growth of some low skilled sectors such as food services and preparation, retail sales and customer services, personal and home care helpers, construction and transportation (OECD, 2008).

However, this picture does not necessarily imply that less skilled jobs require less qualified workers. Interestingly, the current occupational structure mainly seeks workers with medium and high qualifications, and job opportunities for persons with low educational attainment decreased by 13 per cent in 2000-2008. At the same time, the number of low-skilled workers in elementary occupations increased by four per cent, that of semi-skilled by 47 per cent and those with high educational attainment by 72 per cent. The suggested trend is therefore towards the reduction of disparities between qualification levels across occupations, which could be attributed to changes in the content of certain occupations, but also to general education upgrading and underutilization of labour due to labour market segmentation (CEDEFOP, 2011).

Moreover, increasing access to education by the native population has resulted in a much higher educated labour force than in the past and has restricted the number of low- and semi-skilled young workers. European labour force aged 15+ with low-level or no qualifications is expected to fall by around 15 million between 2010 and 2020 (CEDEFOP, 2010). Because of the increasing education levels of younger natives, the low educated labour force is ageing rapidly, sometimes even faster than the overall labour force (OECD, 2008). The combined effect of increased attainment levels and shrinking cohorts is to effectively reduce the supply of workers for less skilled jobs. The rising educational level and participation in the labour force of women is expected to lead to further demand for labour in the so-called “household production substitution activities” which - among others - include cleaning, childcare, food preparation and care for the elders (ibid).
Compounding the problem is the fact that regardless of the economic crisis, many suitable candidates within the EU no longer apply for certain categories of work. The factors which prohibit local labour force from taking up specific jobs derive mostly from the nature of the work, its temporal configuration and its location. Many native workers are unwilling to accept the so-called three-D' jobs (dirty, dangerous, and difficult), while others may not apply for a certain position because of personal and social reasons such as the low-status, lack of opportunities for promotion or personal development and inconsistence with own skills and experiences. The temporal configuration of jobs concerns the way that time is allocated within work (e.g. part-time, full-time, and shift work) as well as the way it is allocated around work (whether the work is temporary or permanent). Geographical mobility of workers within the EU also remains low. These are all complex processes that affect differently the potential labour force which is already segmented by, for example, gender, age, race, class, and immigration status.

All of these raise the question of how and where labour market demand can be satisfied. Some of the demand – in certain occupations – may be met by increased labour force participation, especially by older people and by women, or by investment in capital equipment and reorganisation of production. Nevertheless, system effects which stem from the institutional structure, the regulatory framework of the national labour market, the wider welfare and public policies do not always make these choices possible. Migration has been, and will continue to be, one way to deal with this demand and so, it is important to consider how migrant labour market inclusion is to be supported in the future.

2. Characteristics of Migrant Population

2.1. Educational attainment

At present, low- and semi-skilled migrants form the largest part of the total immigrant population in many EU countries (Figure 1). In 2008, for example, immigrants represented 12.2 per cent of all low-educated workers in the EU25 (Eurostat, 2008). In Germany, the foreign-born low-skilled workers account for 23 per cent of the working population, while in Spain the percentage is 13 per cent (idem).

Less skilled third-country nationals constituted 79.2 per cent of all non-EU nationals between 15 and 64 years of age residing in the EU in 2008, which amounts to over 23 million persons. Low-skilled third country nationals in particular comprised 40.9 per cent of the total working age non-EU migrant population. In other words, three out of four non-EU migrants in the EU have low or medium-level educational attainment (IOM LINET elaboration on Eurostat ad hoc module, 2008).

Above-average share of low-skilled third-country nationals reside in the Mediterranean countries (Portugal, Greece, Italy and Spain), but also in Belgium (47.2% of all TCNs), Austria (46.0%), Germany (43.8%), the Netherlands (43.6%) and France (42.0%). A clear predominance of highly skilled non-EU migrants is registered in Ireland and the UK, which however should be considered given widespread employment of EU nationals in these countries and limited opportunities for labour immigration in less skilled categories.
In some cases the difference in the educational level of migrant men and women vary significantly. In Italy, the share of foreigners at low skill level is 33.3 per cent whereas women with minimum and low skills are overrepresented 40.2 per cent in the labour force in contrast to males who constitute 25.4 per cent. On the contrary, in Croatia, about 38.4 per cent of all female migrants are highly skilled, while it is only 12.2 per cent of male migrants.

However, data needs to be put in the national context to grasp further aspects of immigrant labour market insertion. Among other countries, in the Czech Republic, Germany, Finland and Slovenia, migrant workers are considerably less well-educated than the native workers.

At the same time, in some countries non-EU migrants actually show higher qualifications compared to the native population. In Spain in 2006, 26.3 per cent of non-EU migrants only had primary education compared with the national average of 32.6 per cent (Eurofound, 2009). In other cases, such as Portugal, the educational level of immigrants and nationals is relatively similar. In Portugal, migrants are poorly educated, with 72 per cent, 73 per cent and 69 per cent reporting 9 years or less of education in 2000, 2005 and 2009 respectively. The educational attainment of Portuiguese is also rather low.

There are further differences in educational attainment among migrants from various countries of origin. In Finland, 32 per cent of overall workforce have tertiary education, with further 21 per cent among the Russian nationals and only 10 per cent among migrants from Somalia (Eurofound, 2009). In Austria, 75.7 per cent of the Turkish nationals are low-skilled. Furthermore, 80 per cent of the Vietnamese in Austria are considered to be skilled, almost all Russian nationals are highly-skilled.
In Norway, immigrants from Asia, Africa and Latin America generally have low skill levels. Nevertheless, immigrants from Chile and Iran are among the highest educated immigrants in the country (Henriksen, 2008). Moroccan nationals and migrants from African countries in Spain predominantly have low qualification; however, Latin Americans and Asians are well represented among those with tertiary education.

2.2. Occupation

Labour market segmentation and concentration of migrants in less skilled occupations is typical for migrant employment in Europe. The majority of third-country nationals in the EU in 2009 were employed in less skilled occupations (Figure 2). Mediterranean countries such as Italy and Spain have in absolute terms the highest numbers of migrant workforce in low-skilled occupations in 2009 (487,662 and 415,693 respectively). Germany and the UK – the traditional immigration countries – also have high absolute numbers of third-country workers in low-skilled jobs, however in relative terms their share in migrant stock does not exceed 20 per cent. In Denmark, the Czech Republic, Hungary, Bulgaria, Spain, Slovenia and the Netherlands third-country workers are mostly occupied in low skilled jobs. It is striking that in Spain, the percentage of TCNs in low-skilled occupations is well above 50 per cent. In Germany, Austria, Ireland, Portugal, Malta and Slovenia the majority of foreign workers concentrate mid-skilled jobs.

Figure 2: Stock of third country nationals by occupation, selected countries, per cent, 2009

Source: EMN 2011; IOM LINET 2011³

³ Categorization according to the International Labour Organisation’s ISCO-88 classifications. The ISCO-88 provides a system for classifying and aggregating occupational information obtained by means of population censuses and other statistical surveys, as well as from administrative records. Member States use a variant of ISCO-88(COM) developed for countries reporting occupational statistics to Eurostat and also used by EURES following five broad categorizations when referring to ‘economic migrants’: Highly skilled (ISCO-88 Major Group 1,2,3); Skilled (ISCO-88 Major Group 4 -8); Low skilled (ISCO-88 Major Group 9); Researchers; and Seasonal workers.
Some types of work are predominately carried out by migrant workers. In Norway, for example, immigrants accounted for 11 per cent of the total workforce in 2010, but in the cleaning sector more than half of the people employed are of immigrant background (Statistics Norway, 2011). In Ireland, non-Irish nationals constituted 32 per cent of all chefs in the country and 38.6 per cent of those working in food preparation trades in 2010. They also made up 18.9 per cent of all travel and flight attendants, 15.5 per cent of plasterers, 14.8 per cent of care assistants, and 20.9 per cent of childcare workers. In Slovenia, almost half of all migrant workers are employed in construction (41 per cent), a sector that would not be able to function and operate without the cheap and hard-working migrant labour force (cf. Pajnik et al. 2010; Pajnik and Bajt 2011; Medica et al. 2011, Medvešek and Bešter 2010). In Greece, foreign workers accounted for almost 45 per cent in the construction sector. Statistics from the Swedish Labour Force Survey show that foreign-born individuals in Sweden are twice as many as natives in the hotel and restaurant businesses (Statistics Sweden, 2008). In France, construction sector is over-represented in the employment of foreigners. In 2009, its share averaged 16.9 per cent, against only 6.5 per cent in the employment of French nationals. In Cyprus, domestic workers/cleaners and carers consist almost entirely of Asian, and primarily Filipino, Sri Lankan, Indian women; recently, some Eastern Europeans have also begun to work in these fields.

The following table presents the summary main occupations of mid- and low-skilled immigrants by country as indicated by IOM LINET country reports:

Table 1: Main sectors for immigrant employment in mid- and low-skilled jobs by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Main sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>Textile industries, construction, private service sector, health and domestic services</td>
</tr>
<tr>
<td>Belgium</td>
<td>Metal and mining sector, private service sector (cleaning, domestic work, hotels, restaurants, catering), construction and horticulture.</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>Hotel business, food industry, trade sector, gastronomy, printing and reproduction of recorded media industry and air travel.</td>
</tr>
<tr>
<td>Croatia</td>
<td>Construction, manufacturing, hospitality and gastronomy.</td>
</tr>
<tr>
<td>Cyprus</td>
<td>Domestic work, carers, construction, gastronomy, tourism and hospitality.</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Gastronomy, hospitality, private services (trade, cleaning and others).</td>
</tr>
<tr>
<td>Denmark</td>
<td>Taxi driving, gastronomy and general cleaning.</td>
</tr>
<tr>
<td>Estonia</td>
<td>Manufacturing (25% of all TCNs), trade and construction (10% each).</td>
</tr>
<tr>
<td>Finland</td>
<td>Private services (cleaning, transport, hospitality and catering, gardeners, cleaners), agriculture, plumbers, heavy goods and combination vehicle drivers, and welders.</td>
</tr>
<tr>
<td>France</td>
<td>Construction, agriculture, industry and private services.</td>
</tr>
<tr>
<td>Greece</td>
<td>Construction (25%), private services (domestic workers (15%), catering (10%), agriculture (9%), sales (10%), tourism.</td>
</tr>
<tr>
<td>Hungary</td>
<td>Community, social and private services (40%), manufacturing (20%), hospitality and gastronomy (20%).</td>
</tr>
<tr>
<td>Ireland</td>
<td>Waiters (26.6%), security guards (16.8%), domestic staff (23.2%), painter/decorators (16%), assemblers/lineworkers (25.1%), other routine process operatives (29.7%)</td>
</tr>
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Table 1 cont.

<table>
<thead>
<tr>
<th>Country</th>
<th>Industries/Professions</th>
</tr>
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<tbody>
<tr>
<td>Italy</td>
<td>Agriculture (4%), manufacturing industries (20.6%), construction (8.3%), private services (67.2% - information technology and business services, cleaning, maintenance, caregiving, hospitality and gastronomy), commerce and transportation.</td>
</tr>
<tr>
<td>Latvia</td>
<td>Manufacturing industries, transportation and logistics, construction, hospitality and gastronomy.</td>
</tr>
<tr>
<td>Lithuania</td>
<td>International freight drivers, metal hull assemblers, welders and cooks.</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Horticulture, cooking/preparing food, catering, hospitality</td>
</tr>
<tr>
<td>Norway</td>
<td>Cleaning sector, hospitality, gastronomy, health and social welfare services and transportation</td>
</tr>
<tr>
<td>Portugal</td>
<td>Services and sales staff, craftsmen, plant and machine operators and assemblers, skilled agricultural and fishery workers.</td>
</tr>
<tr>
<td>Romania</td>
<td>Commerce, hospitality, educational child care and domestic services, electricians, mechanics, fitters, carpenters, qualified textile manufacturers, concreters, cooks.</td>
</tr>
<tr>
<td>Slovenia</td>
<td>Construction (41%), manufacturing (12%), motor and traffic storage (6%), various business activities, gastronomy, women’s employment in entertainment sector, invisible domestic work and care work.</td>
</tr>
<tr>
<td>Spain</td>
<td>Seasonal work (tourism and private service sector).</td>
</tr>
<tr>
<td>Sweden</td>
<td>Hospitality and gastronomy</td>
</tr>
<tr>
<td>Turkey</td>
<td>Manufacturing industry, including garments and food, construction, agriculture, tourism, entertainment, domestic and care services</td>
</tr>
<tr>
<td>UK</td>
<td>Distribution, hotel business, gastronomy, transport, communication, construction, manufacturing, energy and water industries, agriculture and fishing</td>
</tr>
</tbody>
</table>

Source: IOM LINET country reports.

In some of the sectors mentioned above certain nationalities are overrepresented, thus suggesting the importance of networking in migrant recruitment. In Romania, the Chinese, Moldovan, Vietnamese and Korean migrants work mainly in the shipbuilding yards in Constanta, Mangalia and Galati; the Chinese and Turkish migrants work in construction, building of roads/highways, in infrastructure in Bucharest and Iasi; migrants from China, Turkey, and the Middle East work as small traders and entrepreneurs in the commercial areas, while governesses and domestic workers mostly come from the Philippines. In Poland, Ukrainian workers are overrepresented in construction (34% of all issued work permits), manufacturing (33% of issued permits), households (87% of issued permits) and agriculture (78% of issued permits), whereas the Chinese are overrepresented in trade (36% of issued permits). In France, North African migrants are mainly represented in the manual work sector, the clerical and service staff and mid-level professions. Turkish workers are employed in manual work, as crafts persons, and trade persons.
2.3. Employment indicators

Data from the Eurostat 2008 ad hoc module illustrates to what extent highly skilled third country nationals are better integrated in the formal labour market than the low-skilled non-EU migrants (Figure 3). The share of employed low-skilled migrants in the EU is only 48 per cent, while the respective share rises to 67.1 per cent for skilled and to 76.1 per cent for highly skilled migrant workers. Data suggests that legally residing third-country nationals that are not employed, are more likely to be inactive than unemployed. Though alarming, it is likely that this data is to some extent skewed by excluding irregular migrant workers, with high inactivity levels typically observed among legally residing family and humanitarian migrants. Moreover, holders of temporary work permits are often unable to register as unemployed, and the fact that their temporary residence permits rely on the existence of valid work permits renders their situation particularly precarious.

Figure 3: Employment of third country nationals by educational attainment in the EU, per cent, 2008

![Figure 3](image)

Source: Eurostat ad hoc module, 2008; IOM elaboration.

Nevertheless, the relation between the skill level and employment rates varies from one country to another. In France, this positive relation remains weaker for the foreign workers than for the French. The employment rates for immigrants in 2009 were 46.6 per cent for the low skilled, 56.3 per cent for the medium skill and 64.5 for the highly skilled. The respective rates for the French nationals were 45.9 per cent, 68.8 per cent and 80.7 per cent.

In Italy, low- and semi-skilled immigrants have higher employment rates than the nationals. Fifty-five per cent of foreigners with low educational attainment in 2010 were employed compared to 25 per cent of the native population with similar qualifications. On the contrary, the employment rate of the foreign highly skilled was lower than that of the natives (70.5 and 76.8 percent respectively). Norway seems to face more challenges in integrating semi-skilled third-country nationals into the labour market, as employment gaps between native and immigrant semi-skilled workers are wider than those for the low and highly skilled segments (Table 1).
Table 1: Gap in employment rate between native and foreign-born by gender and educational attainment, 15-64 years old, Norway, 2006/2007 (percentage points)

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Semi</th>
<th>High</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>4.6</td>
<td>7.3</td>
<td>3.8</td>
<td>6.8</td>
</tr>
<tr>
<td>Non-OECD</td>
<td>6.5</td>
<td>13.6</td>
<td>11.2</td>
<td>14.5</td>
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<tr>
<td>Women</td>
<td>8.6</td>
<td>13.5</td>
<td>3.7</td>
<td>9.8</td>
</tr>
<tr>
<td>Non-OECD</td>
<td>13.5</td>
<td>17.6</td>
<td>9.6</td>
<td>18.4</td>
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</table>


A positive link between education and employment has been observed in some cases. In Germany, among women who acquired their education in the country of origin, those with a tertiary degree have the highest employment rate (45.7 per cent) and are in a tie with those having a secondary school degree (45.4 per cent). Women who have only low level schooling are employed at a lower rate (33.2 per cent), and those with no school degree from the country of origin have the lowest employment rate (29.1 per cent). Similarly, in Italy the employment rate of female migrants with ISCED 0-1 was at 35 per cent in 2010, followed by 41.6 per cent for those with ISCED 2, 59.5 per cent for the semi-skilled female migrants and 63.1 per cent for the highly skilled.

Furthermore, immigrants are more likely to be unemployed than natives, irrespective of their level of education (see IOM LINET Annual Monitoring Review 2011). Unfortunately, data on unemployment rates by nationality and level of educational attainment are not available in the majority of the LINET countries for a variety of reasons. Among others, in many countries only migrants with long-term residence permits are eligible to register as unemployed. Some available data confirms the precarious position of the less skilled migrant workers in the labour market (Figure 4).

Figure 4: Unemployment rates per skill level for nationals and TCNs in 2010, per cent

Source: LINET Country Reports, 2011.

In Italy, the unemployment rate is higher among the low-skilled immigrants (12 per cent for those with ISCED 0-1 and 12.6 per cent for those with ISCED 2), while in France – among the semi-skilled (20 per cent). In both cases though, the highly skilled
are somewhat less vulnerable to unemployment (10.4 per cent in Italy and 12.4 per cent in France).

The difference in the unemployment rates between nationals and foreigners in some cases results from the concentration of migrant employment in certain industries. In Portugal, the sectors where the unemployment was higher in 2010 (administrative activities and auxiliary services; construction; wholesale and retail commerce; accommodation, restaurant and similar activities) are precisely those where immigrants are more concentrated. Likewise, the Greek economic crisis and the continuing crisis in the construction sector left many migrant men unemployed.

The gap in the unemployment rates between foreigners and natives can also be partly explained by the high levels of unemployed migrant women. In essence, unemployment rates are higher for women than for men, in both groups of natives and labour migrants, thus confirming that unemployment is gender-biased and patterns of discrimination against women in the labour market still persist. In Portugal, the unemployment rate of foreign women was in 2010 18.8 per cent whereas the unemployment rate for men the same year was 16.1 per cent. In Italy, the unemployment rate between migrant men and women also varies significantly as it was 10.4 per cent for the men and 13.3 for the women in 2010. The difference was wider for the educational level ISCED 0-1 as the unemployment rate for migrant men at this level was 10.5 per cent whereas for women 15.5 per cent. The smallest difference was among the semi-skilled migrants as the unemployment rate of migrant women fell to 12.3 per cent, while that of men remained almost the same (10.3 per cent). Nevertheless, not in all countries are migrant women confronted with higher unemployment rates compared with male migrants. In the Netherlands, the unemployment rates for non-Western men and women are almost the same (11.2% for men and 11.1% for women in 2009), whereas in France the unemployment rate of foreign women was in 2009 lower than that of foreign men (17.6% and 18.1% respectively).

There are further large differences in the labour market position by country of origin and type of entry. In the Netherlands, in 2010 unemployment continued to be the highest among the Moroccan nationals (14.6 per cent), followed by the Antilleans (12.5 per cent), the Turks (11.3 per cent) and the Surinamese (10.4 per cent). Overall, it was the highest among refugees – in 2009 a third of Somali refugees, and 28 per cent of Afghans and Iraqis were unemployed. In Portugal, Brazilians stand out as they account for 28.8 per cent of all the unemployment registered among foreign population in 2009, though they represent 25.6 per cent of total foreign population in the country.

The differences between the native and migrant population cannot only be attributed to differences in personal characteristics and qualification level. A comparison of unemployment rates by age, gender and skill level in the Netherlands showed that unemployment rates of the population of non-Western origin are significantly higher in all categories. For example, youth unemployment (15-24 years old) is twice as high among young people of non-Western origin rather than among the native youth. In Finland, to design a response to the high unemployment rate of immigrants, the Ministry of the Interior appointed a Rapporteur in 2008 to study employment obstacles and low-wage traps faced by immigrants. The Rapporteur suggested several employment obstacles, such as immigrants’ inadequate language skills, inadequate training, and lack of knowledge of the Finnish culture, society and working life; employers’ negative
attitudes and doubts about immigrant employees’ sufficient language and professional skills, exaggerated standards for language skills; fear of extra expenses of orientation of immigrant employees; and authorities’ lack of resources and knowledge.

Clearly, much of migrant employment in less skilled occupations remains excluded from the available data due to the widespread irregular work, particularly in the Mediterranean countries. In Greece, according to some estimates irregular immigrants constituted in 2007 about 2.5 per cent of the country’s total resident population (Maroukis, 2008). This trend is exacerbated among others by the overall substantial informal labour market, economy based on small enterprises and inadequate care services that boosts the demand for household workers. However, across Europe irregular migrants represent a pool of flexible labour that is particularly attractive to employers in the rigid labour markets. Admission regulations also contribute to the rise in irregular migrant worker population, by limiting or prohibiting employment of third-country nationals in the sectors with high labour demand, but also by preventing migrants from leaving the EU by erecting high re-entry barriers.

2.4. Underutilization of labour

In 2000-2008 the labour market development in the EU was characterized by an increase in the share of foreign workers with medium and high levels of qualification, but also by the high concentration of highly educated migrants in elementary occupations. In 2008, 17 per cent of those employed in elementary occupations were migrants, compared to six per cent for other occupations. At the same time, about 33 per cent of the tertiary educated workers in elementary occupations were migrants (CEDEFOP, 2011).

Overqualification derived from statistical categories can also stem from the differences in skills and competences among individuals with the same qualification level. However, the extent of the phenomenon and additional country level insights point towards labour market segmentation as a key factor behind pushing migrants of all skill categories towards the bottom end of occupational hierarchy.

In Portugal, the chance of being overqualified for a job is almost two times higher for a migrant, compared to a national with the same skill level (30.9% vs. 18%) in 2009. Most recent immigrants from Eastern and South-Eastern Europe are highly qualified, but their insertion in the Portuguese labour market takes place in low- and semi-skilled jobs, including due to challenges in recognizing qualifications.

In Norway, a recent study shows that migrants with tertiary education have about twice the risk of being overqualified compared with a native born in Norway (Villund, 2008). In Austria, university graduates are more prone to working below their skill levels, if they have not graduated from an Austrian university. Predominantly, it is the case for persons who migrate to Austria at a mature age (over 40), and appears to be particularly difficult for university graduates from Asia, Turkey and former Yugoslavia. About two thirds of these workers tend to be overqualified for their jobs. In the case of foreigners who have not received their training in Austria, the share of overqualification is higher, amounting to some 21 per cent; persons from Romania and former Yugoslavia are more often than others overqualified for their jobs (some 28 per cent). In Lithuania, the Work and Social Research Institute conducted a survey in 2010, which interviewed 200 migrants from third countries. Some thirty per cent of
interviewees indicated that their qualifications does not correspond to the work they actually perform.

To some extent career discontinuity and occupational downgrading could be unfortunate but natural parts of migration experience, given potential difficulties in transferability of skills, and time necessary to acquire language proficiency, and gain local labour market experience. However, despite the scarcity of in-depth country-level research, the evidence suggests that unlike in the US (MPI, 2010) in many EU countries there are few probabilities for migrants employed in low-skilled occupations to move upward in the job market. These findings have been confirmed for Spain, where authors suggest both the role of labour market conditions, but also that of labour market networks in locking migrants in specific level of occupations. In particular, most migrants find jobs through their social networks, which offers relatively fast access to the labour market, but prevents foreign workers from undertaking other job search strategies (Stanek and Veira, 2009).

2.5. Wages

Wage differentials also vary by skill level in countries where data is available. In Greece, in 2010 foreign workers received between 30 and 50 per cent lower wages than those of Greek nationals for general waged work and services. Only 12 per cent of TCNs belong to top earning bracket in Ireland, which is significantly lower compared to the 25 per cent of Irish nationals belonging to the same bracket.

Furthermore, migrant’s wages tend to increase more slowly with educational attainment than the wages of natives. The situation is pictured in Figure 5, which indicates a growing wage gap for the semi-skilled in particular. Indeed, according to OECD, more qualified immigrants tend to earn less than native-born with the same qualification level.

Figure 5: Median wage by education level for native-born and foreign-born (Native-born with medium education =100)

However, the data above refer to all foreign-born workers including EU citizens. If TCNs are separated, different conclusions could be drawn. In Portugal, semi- and low-skilled third country workers have lower wages than the nationals whereas highly skilled third-country nationals earn more than natives.

Where data is available, however, it is obvious that wage gaps between migrants and natives exist also within specific employment sectors. In Italy, in some branches TCNs earn significantly less than the native workers, e.g. in personal services (30 per cent), services to enterprises (27 per cent), manufacturing (13 per cent) and agriculture and construction (8 per cent). Third-country workers earn on average 23 per cent less than the Italian nationals. The wage gap is greater for women than for men, with -27.8 per cent and -20 per cent respectively.

2.6. Working conditions

Studies and interviews with migrants conducted by Soros Foundation in Romania reported bad working conditions as one of the most pressing problems for migrants, including unsafe and undeclared work, exploitative wages, lack of social protection rights, and debt bondage. Migrants in Lithuania have indicated in interviews with social workers at the migrant centers that they feel vulnerable in employment due to being tied to a particular employer. In Norway, migrants experience a higher degree of harassment and bullying compared to other native-born employees, even within the same occupations (Tynes, 2009).

In Slovenia TCNs perform jobs which are known to have a low reputation, coupled with hard working conditions, unsteady work arrangements and low payments. The work permits thus condition to a great extent migrants’ labour market activity and result in migrants’ contracts being predominately short-term as well as insecure, i.e. migrants are left with no guarantee for the renewal of the contract which leaves them at a high risk of accepting bad jobs or needing to return to their country of birth (Pajnik and Campani, 2011). Interviews with migrants show that the reasons for taking short-term jobs and compelling to frequently bad working arrangements relates to not having other options. Lack of opportunities for finding stable jobs is also observed with the “native-born,” based on the interviews. However, if they are compared with the migrants, “native-born” are in a position to refuse a job because they “do not want to perform the kind of work that is being offered.”

Migrants in Lithuania have also addressed this topic in interviews with social workers at the migrant centres. They indicate that TCN workers feel vulnerable in employment since they are “locked” to a particular employer and work for their whole stay in Lithuania. The dependency of immigration status on a particular employer makes it difficult to protect rights and avoid exploitation.

On the whole, vulnerability of less skilled immigrants may be further fostered by the way of their entry (legal or irregular), the temporal configuration of their stay (temporary/seasonal or permanent) and their gender.

With regard to seasonal workers, the ordinary (general) labour law standards and procedures are often not applicable or enforced in practice. ILO has marked that “many migrants, especially seasonal migrants, are placed in high-risk, low-paid jobs with poor
supervision. Migrant workers often accept these dangerous working conditions for fear of bringing attention to themselves and losing their jobs or being deported” (ILO, 2004). The informality of recruitment and working practices are additional elements promoting insecurity, especially when those recruited to fill these positions do not have a regular legal status (CLANDESTINO, 2009). The lack of enforcement mechanisms for seasonal TCN workers and the difficulties posed by the temporal aspect of their stay as well as the seasonality of production associated with these jobs further hinder efforts to ensure decent labour protection and the prevention of exploitation.

Because of their limited rights, irregular migrants are most vulnerable and prone to exploitation, including long hours in dangerous and/or unhygienic conditions, withholding wages, and termination without due notice. In cases of industrial accidents, the lack of official proof of employment renders healthcare service refund complicated or even impossible. Female migrants face particular difficulties in the labour market and are more likely than immigrant males and native women to be employed in undeclared work in households. In general, irregular migrants, but also many regular less skilled migrants have limited access to institutions and bodies which protect and monitor employment rights and working conditions due to their precarious residency and employment status, and overall lack of awareness on the rights protection institutions in the destination countries.

3. Policy Framework

3.1. Admission and employment

Less skilled migrants are predominantly subject to temporary/seasonal employer-led labour immigration channels, if any. Where occupation lists are used, restrictions are often applied to low-skilled occupations in order to prioritize employment of the native population. In many EU Member States, low-skilled labour immigration channels in particular are used to principally fill short-term positions.

In some countries temporary permits are only given for certain sectors. In Slovenia, for example, the government, due to the economic crisis, introduced a prohibition of seasonal work in all sectors apart from agriculture and forestry. In the UK, few specific industries that face seasonal shortages are allowed to employ low-skilled workers from outside the EEA. The Sector Based Scheme (SBS) allows UK-based employers to recruit low-skilled workers to vacancies in the food manufacturing sector that cannot be filled by resident workers, while the Seasonal Agricultural Work Scheme (SAWS) allows farmers and growers in the UK to recruit low-skilled workers from Bulgaria and Romania to undertake short-term agricultural work. In Ireland, the Employment Permit Act of 2006 attempted to restrict the access of low-skilled non-EU migrants to the Irish labour market and, at the same time, increase the number of highly skilled non-EU workers. In June 2009, additional restrictions were imposed whereby no new work permits were issued to jobs with a salary under 30,000 EUR.

The forthcoming EU policy agenda will be mostly driven by the Member States’ immigration legislation and policy priorities, which largely follow a selective approach based on the ‘perceived’ labour market needs. These policies are likely to promote
temporariness of less skilled migration irrespective of the actual labour demand, often jeopardizing protection, security and integration perspectives of migrant workers.

To this end, the following directives have been adopted of high relevance for less skilled migrants:

- The non-discrimination directives, such as the **Racial Equality Directive** (Directive 2000/43/EC), the **Employment Equality Directive** (Directive 2000/78/EC) and the European legal framework on anti-discrimination and gender equality are also extremely relevant for the legal rights of immigrants, ethnic minorities and immigrant women in particular, as they recognize the right to access employment, education/training and equality of treatment for third country immigrants and ethnic minorities.

With regard to seasonal workers who are generally engaged in non- or low-skilled sectors of the receiving country’s economy, the European Commission issued in 2010 a proposal for a directive on the conditions of entry and residence. The proposal aims to establish a fast-track procedure for the admission of third-country seasonal workers, based on a common definition and common criteria, in particular the existence of a work contract or a binding job offer that specifies a salary equal to or above a minimum level. It sets a maximum duration for seasonal work of six months per calendar year and provides a multi-seasonal work permit lasting three years. Finally, the draft text of the Directive clearly defines legal provisions applying to working conditions and equality of treatment so as to prevent exploitation and protect the safety and health of TCNs.

Currently, holders of temporary work permits in the EU do not enjoy the same rights as holders of other residence and work permits. Such migrants are often tied to a specific job and/or employer, and non-renewal of work permit implies loss of the right to temporary residence. Migrant workers with temporary residence permits are often ineligible for integration support, but also to general support services pertaining to re-qualification and job-matching.

Moreover, the large irregular migrant population in Europe exists outside of the legal field, often with the tacit approval of authorities given their important contribution to maintaining some key sectors, such as agriculture, tourism and providing caregiving services. Countries ranging from Belgium to Portugal have tackled this issue over the years with series of regularization programmes.

A substantial inflow of less qualified migrants comes through family reunification, where formal barriers to employment still remain in place in a number of countries. Under the new arrangements introduced in Ireland in 2009, spouses or dependants of new work permit applicants (that did not have a work permit before 1 June 2009)
cannot be considered for an employment permit under the spousal/dependant scheme, but instead are required to apply for a work permit in their own right according to the standard eligibility criteria, including a labour market test. In some cases family members of highly skilled immigrants are treated more favourably than the family members of other categories of immigrants. In Luxembourg, the waiting period for family reunification is at least 12 months, whereas highly qualified third country nationals can arrive immediately with their nuclear family. Many states have adopted a more restrictive reunification policy as a result of the economic downturn, which mainly affects low-skilled migrants and their families. Denmark adopted in November 2010 a points system for family reunification, in 2011 demands for language skills were further tightened. Furthermore, a residence permit for the family member does not automatically provide access to the labour market, and a work permit must be obtained.

### 3.2. Labour market integration support

General labour market support measures, including training and re-qualification are accessible in most countries only to permanently residing migrants and recognized refugees. In Poland, the only form of assistance available for third-country temporary migrant workers is state provision of information on labour market opportunities. Moreover, training and apprenticeship programmes for the unemployed, employment programmes designed for mainstream society do not take into account the specific needs of migrants, including language barriers, difficulties in recognition of qualifications, lack of clear and accurate information about cultural norms, and the informal mechanisms of job seeking. The LINET country reports reveal however a wealth of approaches in the EU countries with regard to fostering labour market integration of migrants, including those with low and semi-skilled qualifications. Some of them are further explored in-depth through case studies included in this report.

In Germany, Chambers of Commerce and the Chambers of Trade advise both potential apprentices with immigrant background and employers on vocational training, and certify providers of vocational training and apprenticeships. Vocational training is more important and valuable to the second generation than it is to the natives because descendants of migrants often finish the low or intermediate educational track.

In Portugal, the initiative New Opportunities launched in 2005 is a joint action of the Ministry of Labour and Social Solidarity and the Ministry of Education that aims to raise and certify the overall qualification level of Portuguese but also immigrants to the minimum level of the secondary education. This initiative among other measures offers learning opportunities to adults with low educational attainment based on the recognition and certification of acquired skills.

In Finland, since 2007, the Ministry of the Interior has implemented a framework project MATTO funded by the European Social Fund (ESF) that works on establishing an induction system for migrant workers entering Finland; enhancing the recruitment processes, practices and networks between Finland and other EU countries; guidelines for employers recruiting or intending to recruit foreign labour; and provision of information on Finnish working life, living conditions and job opportunities. Although
MATTO activities are aimed at promoting intra-EU mobility, the developed tools and mechanisms will provide the basis also for the immigration of third-country nationals.

Sweden has adopted a general employed-led approach to labour immigration, which allows admission of migrant workers to any occupation provided that the national labour market requirements are upheld. In March 2010, Sweden launched a new reform to increase incentives to work and to promote various measures to raise migrant employability. Every newly arrived person obtains a labour market integration plan, which includes Swedish language courses, a societal orientation programme and measures for labour market insertion. If a migrant has vocational experience from abroad but no documentary proof, different validation models developed within each sector are used to recognize the person’s knowledge and experience.

In Italy, the Ministry of Labour carried out a pilot programme in 2005-2007 aiming at supporting families in the search for professional assistance in care activities while at the same time promoting new opportunities of employment and enhanced qualification for workers in disadvantaged groups (particularly foreign women). The programme was developed in strong cooperation with the local authorities (at regional, provincial and municipal level) and created a number of territorial front offices that provided information to families on the possibilities to hire professional care workers and the existing legal requirements, supported workers in disadvantaged groups (especially immigrant women) in enhancing their professional skills in the field of personal care services through training courses and counselling, facilitated labour matching and acted as a reference points for all relevant stakeholders on the local level.

Finally, trade unions in countries such as Romania and Spain have been found to mobilize behind the protection of less skilled migrants in vulnerable situations. In Romania, trade unions developed actions, such as the System of Sectoral Self-Regulation in Construction (SASEC), which has a bargaining committee for migrant workers and concluded partnerships and bilateral agreements with countries of origin (with Chinese trade unions in 2009). In Spain, trade unions have played an important role in promoting labour market integration, mainly through information and labour rights protection. Through a national network of contact points, the principal Spanish trade unions (CCOO and UGT) have established different programmes and mechanisms to facilitate the participation of migrant workers in the labour market, to inform them about their labour rights and to defend them if any of these rights are violated.

Not only trade unions but also NGOs have complemented government actions for migrants’ integration. In France, NGOs have cooperated with the government by carrying out integration programmes for migrant signatories of the “reception and integration” contracts.

In Poland, the only assistance to migrants often comes from the local NGOs. Nevertheless, as most of such recent projects implemented by NGOs working are funded by the European Fund for Integration of Third-Country Nationals (EIF), they may only target migrants who have a right to legally reside in Poland for at least one year. In practice, NGOs often provide assistance to migrants with shorter-term residence permits on the voluntary basis, outside the formal framework of their EIF-funded projects.
Concluding Considerations

- Current admission regulations largely restricting labour immigration in less skilled occupations or limiting admission channels to temporary and seasonal employment, the flexible and temporary nature of migrant jobs, high occurrence of irregular employment work and migrant characteristics, including poor language proficiency and cultural differences can have poor impact on their position and bargaining power on the labour market and future upward mobility prospects.

- Less skilled migrants constitute an overwhelming majority of third country workers in the EU, and together with many highly skilled foreign workers they are pushed into the lowest layers of the national labour markets, including in the elementary occupations. In fact, as confirmed by LINET 2010 findings, most of the competition in the labour market seems to occur between newcomer and already residing migrants, as well as between migrants of various skill level in the same type of occupation.

- Further efforts are needed to promote equal access to employment for legally resident foreigners, including by ensuring equal treatment in terms of recruitment, career advancement, working conditions, pay, health and safety at work. Migration legislation should moreover be improved in order to provide for a legal certainty, and a clear pathway towards stable legal status to all immigrant categories.

- In conditions of labour market segmentation and abundant skilled worker supply, employers are likely to hire skilled workers even for low-skilled occupations thus saving on staff training and education. In addition, the nature of jobs has been changing continuously to reflect the new skill demands in all types of occupations and the general increase in workforce qualification. In this regard, the current occupational and skill-level categories may prove inadequate to promote successful labour matching and the development of relevant immigration channels. The currently developed European Skills, Competences and Occupations (ESCO) taxonomy, which will describe the most relevant skills, competences and qualifications needed for several thousand occupations could provide a useful basis for more comprehensive analysis and action.

- Many less qualified migrants enter the EU as family members or seeking international protection. Rights-based immigration needs to be incorporates into the labour market strategies in terms of the potential to fill the existing shortages, and to avoid underutilization of capital due to formal restrictions to labour market access, difficulties in skill validation and discriminatory practices.

- Vocational education and training coupled with flexicurity measures to combat labour market segmentation could potentially support occupational upward mobility in the future. The implementation of the European credit system for vocational education and training (ECVET), but also additional measures in relation to employee training, such as funding to encourage employers to establish apprenticeship opportunities could both facilitate better job matching and promote occupational mobility of workers, including migrants.
• Labour market regulation, link between the national labour market and education system, as well as combating discrimination are crucial areas for action in terms of tackling labour market segmentation, but also injecting more flexibility into the labour markets that would alleviate some pressure to resort to irregular recruitment for employers. As Ruhs and Anderson suggest (2010), 'it is necessary to move beyond an analysis that focuses on path dependence and to consider the importance of system effects, that is, how demand for, and supply of, particular types of labour is generated by institutions and regulations within and outside the labour market'. In the absence of policy reform and institutional changes, the growth in demand in elementary occupations would probably increase and these jobs would become even more unattractive to the local population (CEDEFOP, 2011). At this stage, the structure of many MS economies and labour market segmentation represent mostly insurmountable pull factors for all categories of migrants.

• The current national immigration models seem to be built around the strict distinction between attracting highly skilled workers for eventually permanent settlement, and treating less skilled immigration as purely temporary phenomenon. Indeed, higher educated migrants are likely to have better integration outcomes, including alleviation of transgenerational transfer of disadvantage. However, not all less skilled jobs are temporary, as attested by continuous demand throughout recession, and less skilled labour immigrants are shown to have at times better labour market integration outcomes than family or humanitarian migrants. In this regard, clear and transparent conditional pathway towards long-term residence could be considered to build on the temporary admission channels. Temporary status also discourages integration, both in terms of individual motivations and eligibility to integration support, which often results in foreigners residing in the EU for several years with limited integration progress.

• Furthermore, less skilled migrants are often pressed into remaining in Europe by the same high barriers for re-entry, while measures such as multi-entry seasonal visas and portability of benefits could contribute to circularity in line with the job opportunities. Employers value expertise and experience in the local markets, and are often found to favour return of the same workers. Cooperation with third countries, in particular with those of Eastern and Southern Partnership should be expanded to include introducing functional schemes for the portability of benefits, development of compatible occupational profiles for professional/vocational training purposes, improve collaboration on validation of skills and recognition of qualifications and forge partnerships between the public employment services.

• To sum up, migrants with low level of qualification are one of the most vulnerable groups on the EU labour markets. The above points refer not only to potential new recruitment, but importantly to the integration challenges of the already residing population, with future repercussions on the next generations. The complex interrelation of migrant numbers and migrant rights remains unresolved and results in segregated labour force and societies. The main question facing the EU countries is how to meet demand in less skilled occupations by various means including immigration, and at the same time
ensure socio-economic integration. The current immigration provisions, policy
discourse and overall systemic conditions in the national labour markets often
tends to further exacerbate these problems instead of providing solutions, not
least by devaluing the contribution of less skilled migrants, thus nurturing social
exclusion and marginalization.

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CASE STUDIES

Edited by Anna Platonova and Wolfgang Bosswick

4 The case studies presented in this chapter were developed by IOM and its LINET experts in cooperation and under methodological guidance of Dr. Wolfgang Bosswick, Executive Director of the European Forum for Migration Studies (efms) at the University of Bamberg, Germany.
The following case study analysis attempts an in-depth investigation of several practices aimed at labour market inclusion of the less skilled migrants identified through the LINET country analysis for the purposes of this study. The variety of reported national and local experiences provides a vast field for further research, in particular as limited information is available on the impact assessment of such measures. An overview of policy approaches across the LINET region in the this comparative report constitutes a valuable contribution to the understanding of the EU context. However, a clear need to gather additional data that would assist in presenting a qualified assessment of some of these practices was identified in order to promote a more evidence-based debate on integration policy. This approach is in line with the recent developments on the EU level, including the work on the Integration Indicators, and the Integration Modules spearheaded by the European Commission, which suggest the need for better evaluation and subsequent understanding of the integration practices and their outcomes.

The selection of the case studies was carried out to ensure representativity by regions, migratory context and the variety of measures in order to tackle the following research questions:

- What are labour market less skilled third-country migrants in the European Union?
- How can labour market integration policy measures be assessed in order to determine good practices?
- Are adequate policy responses implemented in the EU Member States that contribute to fostering labour market integration of these migrant groups?

The case studies obtained as a result of this process do not constitute a full comprehensive evaluation of the selected measures due to limitations in the time and resources, but also as any ex post assessment will bear limited objectivity in the absence of an evaluation methodology and data collection incorporated in the implementation of a particular initiative. In this regard, the case studies presented in this chapter aim to provide an initial assessment to a range of labour market integration practices aimed at third-country nationals in various EU Member States.

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Case Study Approach

For addressing the research questions listed above in a representative and comprehensive manner, the method of case studies is an appropriate approach. As a method, it comprises three dimensions (see Yin, 1984):

- Investigating a contemporary phenomenon within its real-life context by an empirical enquiry;
- a recommended approach when boundaries between phenomenon and context are not clearly evident;
- a method in which multiple sources of evidence are used.

In this study which aims at analysing complex interrelations – an assessment of related policies and inquiry into their implementation in EU Member States, a case study method is of particular relevance, as this it enables the explanation of complex causal links in real-life interventions, describes the real-life context in which the intervention has occurred, and the intervention itself, and explores situations where the intervention assessed has no clear set of outcomes (see Yin, 1994).

Given the complex environment of integration policymaking, varying strongly across different countries, an exploratory type of the case study approach with multiple cases is recommended. In particular, the assessment of policies and measures is in an early stage of development, thus more targeted forms of the case study method (explanatory and example case studies, see Huws and Dahlmann, 2007) are not applicable. As appropriate for exploratory case studies, the selection of single cases considered unusual, typical and critical measures was carried out among the 30 country reports on less skilled migration provided by the LINET experts.

The case study approach assigns an interpretative role to the researcher who should aim at putting together the viewpoints of multiple actors in order to obtain a rounded and balanced view of the phenomenon in question. As a qualitative method, the case study approach aims at a holistic description of interconnected processes with many dimensions; it recognises multiple realities and the subjectivity of the actors involved, and investigates the differences among various actors in realising and interpreting the situation as a relevant fact in itself, in particular with regard to power relations. Such an approach, however, requires in-depth and face-to-face fieldwork.

Various sources of evidence could be collected through field work: documentation, archival records, interviews with experts and stakeholders, direct observation and others. This data collection should follow three principles (see Yin, 1994): use multiple sources of data (i.e. interviews, documents, statistics), create a case study database (systematic collection of evidence gathered), and maintaining a chain of evidence (link to sources and data collected when presenting the case report). Thus, it is recommended to combine the case study implementation with other approaches, in particular the analysis of quantitative data and background variables related to the phenomenon in question.
The policies and measures reviewed for the purpose of selection of case studies in this chapter included initiatives at the national, local levels, or in a multilevel setting, implemented by the governments, public institutions, NGOs, grassroots groups, as well as interactive combinations of these institutions. Some of these measures aim at meeting challenges particular to the labour market integration of less skilled migrants. Others tackle disadvantaged groups in general, but in their effect are highly relevant for this specific group. The case studies were selected among recent initiatives and measures implemented approximately during the last four years, while including past developments and actions as far as it was deemed necessary to understand the present situation. The case studies were developed in August – November 2011.

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6 IOM is grateful to EUROFOUND for sharing experiences and contacts gathered during the implementation of the project European Network of Cities for Local Integration Policies for Migrants (CLIP). Further information is available at: http://www.eurofound.europa.eu/areas/populationandsociety/clip.htm
1. SUBSIDIZED IMMIGRANT EMPLOYMENT IN DENMARK

Sally Khallash

1.1. Immigration in Denmark

Denmark’s post-war immigration started with the recruitment of guest workers in the late 1960s and early 1970s. Compared to other European countries with similar schemes, however, such recruitment was on a relatively small scale. Workers came mainly from Turkey, Pakistan, Yugoslavia and Morocco. At the moment of the first oil crisis (and end of recruitment) in 1973, their total number reached only about 15,000. Afterwards, immigration in Denmark was predominantly supply-driven by humanitarian inflows first from Chile and VietNam in the 1970s, and then from Bosnia, Iran, Iraq, Somalia, Afghanistan and Lebanon since the mid-1980s. Family members and spouses of guest workers and refugees also came to Denmark in significant numbers. The most recent immigration comes from the new EU Member States, particularly from Poland, the Baltic States and Romania. Whereas in the 1980s and 1990s humanitarian and family migration accounted for most of the new residence permits, this changed after 2000. In 2008 Denmark issued more study and work permits than ever before.

Immigration and integration policies developed relatively late in Denmark. From the mid-1980s onwards there were continuous policy efforts to restrict immigration to Denmark. The Alien Act of 1986 was devised to be able to restrict immigration and applications for asylum in Denmark. In 1992 the law regulating family reunification removed the automatic right to reunification and tightened up possibilities for entrance for this category.

The government introduced an Integration Act in 1999, which placed the main responsibility for integration on municipalities. After November 2001, tougher governmental policies have been implemented. The government submitted a legislative package on immigration and integration to the Parliament with the principal purpose “to

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8 www.nyidanmark.dk.
restrict the number of immigrants and refugees, to introduce tougher requirements on access to permanent residence and citizenship, to ensure the loyalty of newcomers to 'Danish values', and to speed up the integration of immigrants, particularly of women and young, second generation males, into the labour market”. These proposals were passed in Parliament in the summer of 2002.

Since 1 January 2004 a new Integration Act and a new Act on Danish Courses for Adult Aliens and Others entered into force. It was based on an agreement with the social partners and local authorities on promoting integration in the labour market. The municipalities are obliged to offer The Introduction Programme to newcomers older than 18 years of age within two months after entry. It supports newly arrived immigrants in language training, cultural, and professional orientation by an intensive course lasting for up to three years.

In May 2005 the new national government’s Integration Plan was approved by the Parliament. Its intention according to the official summary is “to enhance its current integration efforts through several new initiatives intended to boost education and employment among immigrants and their descendants, counter ghettoisation in vulnerable neighbourhoods and prevent and combat crime” (Ministry of Refugee, Immigration and Integration Affairs, 2009a).

The case study in particular pays attention to third-country nationals. Danish research reports, including government reports conducted on immigration statics by the Ministry of Refugee, Immigration and Integration Affairs however refers to immigrants mostly as Western (all EU Member States, as well as Iceland, Andorra, Lichtenstein, Monaco, Norway, San Marino, Switzerland, the Vatican State, Canada, USA, Australia, and New Zealand) and non-Western (all other states).

The majority (67%) of immigrants in Denmark originate from the non-Western countries. Sixty-five per cent of immigrants are between 20 and 49 years of age compared to 38 per cent of the Danish population. Towards 2050, the number of Danish natives of working age is expected to decline by 283,000, while there immigrants population of working age will grow by 22,000 persons (Ministry of Refugee, Immigration and Integration Affairs, 2010).

1.2. Immigrants and the Danish labour market

The Danish labour market is characterized by:

- High share of the public sector in total employment;
- Welfare system with high net replacement rates at the bottom end;
- High employment rates of women;
- Relatively high minimum wage;
- Predominance of small and medium-sized enterprises;
- High influence of social partners such as unions.
Because Denmark to a large extent is a networking society, access to such networks is a relevant problem for migrants. Difficulties in recognition of qualifications also hamper their ability to compete on equal terms. Access to general support and access to the labour market is perceived to have increased in the recent years, particularly due to targeted measures by the government focusing on newcomers and immigrant youth (MIPEX, 2011). The youth programme We need all youngster subsidizes learning and other measures introduced by the 2004 immigration and integration legislation.

Labour market participation of immigrants improved continuously between 2001 and 2008. The participation of non-Western immigrants in particular has increased from 51.6 per cent in 2001 to 60.7 per cent in 2008. The proportion of non-Western immigrants in employment however remains lower than that of people of Danish origin (77.7 versus 54.1 per cent in 2009). Unemployment rate for the Danish-born population fluctuates between 1.8 per cent (the lowest point before the financial crisis) and 4.2 per cent in January 2010 (Statistics Denmark).

### 1.3. Active labour market policies

#### 1.3.1. The newcomer introduction programme

The 2004 revised Integration Act stipulates that all newcomers residing legally in Denmark will automatically be signed up for an Introduction Programme. Municipalities are obliged to offer the Introduction Programme supporting newcomers in language training, cultural, societal and professional orientation. The programme can last for a maximum of three years with a minimum of 37 hours of training per week.

The Introduction Programme has three main categories of activation activities:

1. Counselling and upgrading of skills and qualifications;
2. Job training through internships;
3. Subsidized employment for up to one year.

Further activities include business-oriented language training or assisted programmes of activation. Assisted activation programmes in Denmark are either mentor programmes or subsidized employment. Statistics are not available on the number of mentor programmes run by the Ministry of Integration or on the various voluntary programmes carried out by the civil society. For some labour market measures, such as wage subsidies, national data is available only for the total population.\(^9\)

Within one month from granting the residence and work permit, an Integration Contract between the newcomer and the municipality must be signed, clarifying the goals of employment or education. The contract is reviewed every three months. In addition, the foreigners must sign a declaration on active civic participation, which outlines rights and responsibilities.

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\(^9\) Data from the following sections thus focuses on non-nation wide, international and individual studies as well as conducted field interviews.
In close contact with the Job Centre, the newcomer is evaluated and placed in a matching group corresponding to his or her potential for employment. The matching groups are created to secure the shortest possible unemployment period and to showcase the newcomer’s potential. Since 26 April 2010, five matching group categories were replaced by a simpler three-group system, evaluating individuals as either equipped for a job, equipped for employment training within three months, or temporarily passive.

In 2008 the Integration Ministry increased its focus on communicating the use of mentor programmes both in public and private organizations to support employment and labour retention. Mentor programmes have proven to be a highly effective tool that helps newcomers gain a foothold in the labour market. Companies, through their respective municipalities, receive wage subsidies and grants if they create mentor programmes. They can also engage in voluntary mentor programmes run by independent institutions or NGOs. The voluntary programmes have focused strongly on women.

Migrant satisfaction by the programme at large is generally growing (Figure 1).

![Figure 1: Migrant assessment of the Introduction Programme](source: AKF, 2009)

Notwithstanding positive developments, there is potential for further improvement in the policy framework, particularly in the following aspects:

- Too many authorities are involved in the registration and integration of newcomers with no coordinating body responsible for the oversight, which results in delays and substantial paperwork. The Government is making an effort to gather all relevant information in the ‘International Citizen Services’ in order to function as a ‘one-stop-shop in cities of Aalborg, Aarhus, Odense and Copenhagen. As the initiative is fairly new, it is too early to evaluate experiences and best practices.

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10 Center for Aktiv Beskæftigelsesindsats/Centre for Active Employment (CAVI); http://www.cabiweb.dk
11 Joint report on mentor programmes, http://www.nyidanmark.dk
Employers find the paperwork and institutions that handle subsidized employment complicated and numerous to work with.

Many labour market initiatives are intended to integrate as many migrants in the labour market as possible, but without facilitating qualitative integration as well, leading to brain waste and labour market segmentation (Deloitte, 2008).

Job Centres are underutilized. These institutions are responsible for supporting job matching between workers abroad and the Danish employers. Danish companies however rarely use Job Centres for international recruitment. Companies using the Job Centres experienced long waiting periods, mismatches between the expectations of the company and the presented foreign worker, and even being referred to employees without residence or work permits (Deloitte, 2008). Due to this low involvement of Job Centres, they find it difficult to build up competences and knowledge.

Research by Deloitte (2008) further shows that social integration outside of the work place is rather difficult for foreigners. The lack of social integration is one of the reasons why labour market integration fails and some foreign nationals choose to leave (Mikkelsen, 2003).

1.3.2. Subsidized employment

Subsidized employment has a strong positive effect on labour market integration of non-Western immigrants on Denmark. The measure has particularly shown to mitigate the information asymmetry about immigrant’s qualifications and skills (OECD, 2007). High entry wages in Denmark and relative lack of networks available to newcomers were previously also illustrated as important hurdles.

Various studies (Stanley et al., 1999; Heckman et al., 1999; Kluve and Schmidt, 2002; Kluve, 2006) found that subsidizing employment is an efficient policy measure for unemployed in general. Subsidised employment in the private sector in particular shows shortening of unemployment periods of newcomer immigrants by 14-24 weeks (Clausen, 2009).

However, only 2 per cent of programmes offered to newly arrived immigrants are subsidized employment opportunities (Clausen, 2009). One reason might be the small number of employers participating in the programmes, which could be caused by employer concerns about potential inadequacy of qualifications and training costs for the new staff who might leave soon for unsubsidized employment elsewhere.

Subsidized employment seems to be particularly effective in combination with successful language training. Language proficiency exposes immigrants further to the Danish society and labour market and shows long-term effects in facilitating linking the newcomers with potential employers (Clausen, 2009).

The introduction programmes and the related wage subsidy measures are implemented at the local level. Interviews at the local level indicate overall satisfaction with the policy measure, however, the main barriers are time-consuming paperwork and complicated bureaucratic procedures. In the Municipality of Copenhagen, public employment wage subsidies are managed by three organisations, and private company wage subsidies by
two institutions. This leads to reluctance on behalf of some employers to engage in the programme. At the same time, occasionally employers have exploited the programme by asking for wage subsidies also for potential employees with adequate qualifications for unsubsidized employment. Employers are also not required to hire an employee after a successful year of subsidized employment.

Municipal employers are generally satisfied with the quality of the measure, but data suggests low participation rates of both employees and employers Clausen (2009). However, migrant workers participating in the programme usually show improved Danish language skills, knowledge of Danish work culture, and have better access to the labour market networks, gaining an income that would not have been accessible without the programme.

Subsidized employment shows positive effects on newly arrived third-country nationals (as well as on long-term unemployed immigrants and the Danish nationals relying on social assistance) (Heinesen et al., 2011). However, studies suggest persisting contextual (overall economic situation) and intrinsic (supply-related) barriers (Frouws, Buiskool, 2010). Some of these barriers have been previously mentioned: lack of networks, insufficient employer participation, and lack of immigrant participants.

Remarkably, Denmark has one of Europe’s lowest employment probabilities for non-Western immigrants in comparison to natives (Blache, 2008). This suggests discrimination hindering the success of the measure.

**Conclusions and Recommendations**

Subsidized employment has a strong positive effect on labour market integration of non-Western immigrants on Denmark. The measure has particularly shown to mitigate the information asymmetry about immigrant’s qualifications and skills. In particular, the measure showed results in shortening unemployment periods of newcomer immigrants by 14-24 weeks. However, only two per cent of programmes offered to newly arrived immigrants are subsidised employment programmes. Further recommendations include:

- Further involvement of trade unions and employer associations, to combat immigrant under-representation. Social partners also play an important role in establishing agreements agreements and regulations on the implementation of this and other integration measures.
- Promoting participation of employers and immigrants in the measure to improve networking opportunities. While subsidized employment is the most effective policy measure for labour market integration of non-Western immigrants in Denmark, it is also the least used measure.
- Streamlining institutional framework on the municipal level: employers participating in the introduction programme criticise the bureaucratic complexity which diminishes the motivation to continue accepting subsidized employees.
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2. DEVELOPING COMPREHENSIVE MECHANISMS FOR LABOUR IMMIGRATION: MATTO PROGRAMME IN FINLAND

Sirkka Komulainen

2.1. Immigration Context

Finland has traditionally been a country of emigration. From the early 1980s and onwards, the number of resident immigrants has grown significantly. There were 167,954 foreign citizens in Finland in 2010, and the share of foreign language speakers in the total Finnish population was 4 per cent. There are some 130,000 foreign workers in Finland (temporary and resident), which account for over 5 per cent of the total labour force. In 2010 there were 56,004 registered foreign job applicants in Finland, the majority of whom had medium or high level of educational attainment (Ministry of the Interior, 2010 a and b).

Of the foreign-born, the share of persons born outside of the European Union, increased from 48.4 per cent in 1990 to 64.6 per cent in 2000, then declined to 61.9 per cent in 2010 (not least due to the recent EU enlargements that changed the status of many migrants). The majority of currently residing persons born outside the EU, originate from the Russian Federation and other former USSR countries (Statistics Finland, 2011).

Finnish immigration policy is based on the Act on the Integration of Migrants and Reception of Asylum Seekers. The most recent amendments to this Act came into force on 1 September 2011, where integration policies were amended so as to apply to all immigrants in need of services. Third-country nationals arrive in Finland by decision of the Finnish Immigration Service. An Immigrant Office of the relevant municipality compiles individual ‘integration plans’ in cooperation with the Regional Employment and Economic Development Centre (ELY-keskus). The Ministry of Labour pays the municipality a lump sum for the reception services.

Third-country nationals are over three times more likely to be unemployed than Finnish nationals, and the average education level of foreign-born immigrants is substantially

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lower than that the Finnish population as a whole (Johansson, 2008). In 2008, the Ministry of the Interior appointed a Rapporteur to study employment obstacles and low-wage traps faced by immigrants. The Rapporteur identified several employment obstacles, such as immigrants’ inadequate language skills, inadequate training, and lack of knowledge of the Finnish culture, society and working life; employers’ negative attitudes and doubts about immigrant employees’ language and professional skills, exaggerated standards for language skills; fear of extra expenses on training of immigrant employees; and authorities’ lack of resources and knowledge (Penninx, 2010).

The Government Immigration Policy Programme in 2006–2011 aimed to promote work-related immigration to prevent the future shortfall in labour and to strengthen the skills diversity of the population.

2.2. Employment patterns of immigrants to Finland

The 2007 labour force statistics by main category of skill level showed that there were 28,533 third-country workers in Finland of which 7,958 were highly skilled, 12,594 semi-skilled and 8,341 low-skilled. In Finland, the third-country cooperation agreements apply mostly to the Russian Federation due to close geographical and historical links. For example, the Ministry of Foreign Affairs funds regional cooperation between Eastern Finland and the Republic of Karelia (part of the Russian Federation) to promote the mobility of students and skilled workers between the two neighbouring regions (EMN, 2011). Recruitment fairs have also been held elsewhere in Eastern Europe and some new forms of cooperation have been developed for example with China and VietNam (Ministry of the Interior, 2010a).

In the long term, the demand for labour is expected to be the highest in services, social and healthcare sectors. It is estimated that by 2025 the social and health care sectors will need 120,000 new employees (Ministry of Employment and the Economy, 2010). Some regions, in particular Northern and Eastern Finland are likely to face significant labour shortages in the future. In addition to labour shortages, the main inefficiencies of the Finnish labour market include structural unemployment, a high proportion of employees in fixed-term contracts, and significant regional differences in labour supply and demand (EMN, 2011).

The SAK (The Central Organisation of Finnish Trade Unions) is concerned that immigrants are prone to exploitation in the labour market. These include workers in the low-income trades who have short contracts of employment, such as those in the service (catering, cleaning and care) and industrial sectors, which tend to be the key employers of labour migrants. Immigrants in the low-income trades may have poorer working conditions (including salary, overtime work, and holidays), and they are more prone to exploitation compared to the Finnish nationals. Many may arrive in Finland unaware of the Finnish labour market and labour legislation. Generally few immigrants are members of trade unions whereas the membership rate of the Finnish nationals in labour unions is approximately 75 per cent (SAK Statistics, 2011).

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13 The latest statistics on migrant workers by skill levels are only available from 2007 as there is a delay before the information can be obtained from the Statistics Finland.
Finland has identified quantitative labour shortages in several occupational areas, with the low wage levels and lack of job security discouraging job-seekers, including those coming from abroad, to take up such positions. There are also problems with insufficient language skills and lack of support to immigrants with temporary work permits. In addition, according to the recent EMN report, the current national requirements with respect to family reunification were considered as contributing to making immigration unattractive, as TCNs need to have a minimum monthly income to be able to apply for residence permits for family members (EMN, 2011).

2.3. Labour market situation in Turku and South-Western Finland

Turku is situated on the South-Western coast of Finland where the region is characterised by positive net immigration. About half a million people live in the South-Western Finland. The population of Turku, the regional capital, was 177,118 in June 2011. The largest immigrant groups in Turku are Estonians (1,070), Russians (1,049), Iraqis (623), Iranians (560) and Somalis (471) (Lemmetyinen, 2011). The majority of the immigrant population in Turku have a refugee background, and this group clearly drives the rationale behind integration policy and its facilities in Turku (Penninx, 2010).

The largest employers in South-Western Finland are the maritime, pharmaceutical, mobile telephone, metal, and food industry sectors. According to EURES (2011), workers in various professions and at all skills levels are sought in this region. However, there are few jobs available for people looking for employment without vocational qualifications. The overall unemployment rate in the region has been lower than on average in Finland. There is nevertheless a relatively high level of unemployment among people with foreign background. Also, recent graduates, either with a vocational education or a university degree, find it hard to obtain work in the Turku district, including due to the lack of work experience (EURES, 2011).

In the beginning of 2010, the national unemployment for the Finnish nationals had gone up to 10 per cent, and for immigrants to the overwhelming 33 per cent. In Turku, there were 1,587 unemployed foreign citizens in 2010 and 1,641 in 2011 (change: 3.4%) (Luotain.fi, 2011). Within immigrant groups, unemployment is strongly correlated with age: for young immigrants the rate is 25 per cent and for the elderly (above 55 years) it is more than 60 per cent (Penninx, 2010).

2.4. The Spurtti project

As part of the MATTO programme, the Spurtti project serves employers in South-Western Finland who experience recruitment difficulties. The project works in close cooperation with the European Employment Service (EURES) which already operates in the Employment and Economic Development Offices (TE Offices). Spurtti is a project funded by the ELY Centre for South-Western Finland and the European Social Fund (ESF) and runs from 1 August 2008 to 31 December 2013. The project provides
services to companies of all sizes and to employers in both the private and public sector. The Spurtti project is building cooperation networks in Finland and other EU/EEA countries. Some of the services are already needed in the countries of origin.

The objective of the Spurtti project is to find professionals from abroad who would move to South-Western Finland permanently with their families. New services include advice on moving to Finland, arranging accommodation arriving migrants, help in concluding an employment contract, dealing with the authorities, interpretation to support induction, Finnish language courses and arranging essential training for people starting work. The intention is for the services developed in Spurtti to become permanent after the project ends.

In 2010 Spurtti project recruited around 17 workers from EU/EEA area. Spurtti project only tackles recruitment processes, whereas the Finnish TE Offices aim to employ those TCNs who already reside in Finland and have work and residence permits, as well as EU and Finnish nationals, where labour shortages exist. If suitable workers for any open vacancy are not found in Finland, the TE Offices first recruit from the EU/EEA area before considering direct recruitment from the third countries.

Spurtti project does not involve direct recruitment of TCNs as the ESF funding requires that target groups and workers must reside within the EU/EEA region. However, TE Office provides advice to immigrants already residing in Finland on language training (in five languages), registration, Finnish social security, Finnish tax system, and other issues related to settling in Finland. Finnish language training at the immigrants’ workplaces involves tailored teaching to groups of 2–20 persons for 2–4 hours per week over 2–6 months. Spurtti identifies relevant job-related teaching material and scenario-based teaching, as well as recruits suitable teachers. The employer covers 30–50 per cent of the costs, and Spurtti takes care of the rest, as well as of the practicalities involved. Immigrant entrepreneurs are also targeted by this service.

Spurtti operates alongside other projects including those under the ALPO support structure that aims to ensure flexible and efficient integration in Finland. For instance, the Infotori advice centre in Turku provides immigration advice in additional 15 languages to immigrants (Centre for Economic Development, Transport and the Environment, 2011).

2.5. Experts’ assessment on Spurtti in the current labour market situation in Turku and the surrounding region

Experts interviewed for the purposes of this case study represented the TE Office (Employment and Economic Development Office), ELY Centre (Centre for Economic Development, Transport and the Environment), SAK (The Central Organisation of Finnish Trade Unions), and the civil society in Turku and/or South-Western Finland region. This chapter presents a synthesis of the commentaries by the five experts interviewed. One of the experts was directly involved in the Spurtti project. Others are senior level local officers in the public sector with long-term experience of immigration and/or employment issues, including the MATTO programme.
According to the experts, the Spurtti project – as well as the MATTO programme as a whole - has been affected by a range of issues.

2.5.1. Recession

The overall progress of the MATTO programme in Turku and South-Western Finland has clearly slowed down due to recession from the early 2009. The recession has affected both native Finns and immigrants, being most notable in the manufacturing sector. Before the recent economic downturn the possibilities for attracting and recruiting labour migrants from the third countries was considered in Turku and South-Western Finland.

There have been growing concerns locally and regionally over the industrial sector, particularly with regard to the shipbuilding industry in the last few years. The main local newspaper, Turun Sanomat, however announced on in September 2011 that there are signs of improvement in sight: a recent shipbuilding contract will provide work for 2,500–3,000 workers from 2012 onwards. Around 800 low and semi-skilled workers have been so far laid off due to the decline in the shipbuilding sector in the last few years.

2.5.2. Supply and demand in the labour market

Most unfilled positions in South-Western Finland require low- or semi-skilled workers (such as plumbers) with traditional ‘blue collar’ skills. There are not many very low-skilled jobs (suitable for ‘entry jobs’) available, as in Finland vocational and academic training is very much required for any job. Therefore, categorizing workers as low- or semi-skilled might paint too simplistic a picture as skill match for specific jobs at any level is much more fine-tuned. Turku has a good system for provision of education at all levels; yet it seems that training provision and skills needed on the labour market do not match well, and forecasting job prospects is challenging due to unclear economic prospects. An ‘Occupational Barometer’ is currently used to indicate the levels of supply and demand in South-Western Finland by occupation, based on the information available from the TE Offices (EMN, 2011).

2.5.3. Finland as a destination country of immigrants

Finland is not an obvious choice for labour migrants; indeed, it requires a great effort on the part of TE Offices to attract labour migrants to Finland. The perceived cold climate and the difficult language (Finnish) are considered by the recruiters as the main off-putting factors. There might be a need for marketing Finland better abroad as, for example, Sweden and Norway are currently seen as more attractive destinations, and there will be an increasing need for labour immigrants due to ageing population (Heikkilä and Pikkarainen, 2008).

Finnish labour immigration is indeed mostly characterised by the inflows of nationals from other EU countries. The largest immigrant group in Finland, the Estonians, have the advantage of their geographical proximity and language similarity. Many of them
commute to Finland from Estonia for seasonal or fixed-term work and only a minority of Estonians are known to remain in Finland for longer periods.

Foreign workers may also arrive in Finland through intermediaries who look for workers for works, such as seasonal berry-picking for the Finnish farmers. This type of activity appears rather organised and involves both formal and informal networks instead of the vacancies being publicly advertised. In other words, these are routes that are not facilitated by project such as Spurtti.

2.5.4. Challenges concerning specific groups of immigrants

Evidence from many countries of destination suggests that humanitarian migrants experience more difficulties in finding employment compared to other categories of migrants. This may not necessarily result from discrimination or unfavourable employment practices, but also stem from the difficult personal experiences and personal characteristics (for example, old age) that raise barriers to finding employment. There are also many family migrants in Finland who also face more challenges in accessing labour market than the economic migrants.

High unemployment rates in Finland are also a particular problem for the young people. Additional challenges to young immigrants’ employment are caused by negative societal attitudes, lack of Finnish language proficiency, prevalence of temporary contracts, lack of skills training, and sometimes illiteracy.

There are also concerns related to posted workers, and the prevalence of irregular employment among the less skilled migrants. For example, in the construction industry contracts might be tendered out to a company based in a third country. These practices are difficult to track due to long and numerous chains of subcontractors and the mobile nature of workers.

2.5.5. The case of Turku

Turku may be considered a pioneer in Finland with respect to facilitating immigration in that any good practices found during its many projects can be later applied and implemented in other municipalities. Turku ELY Centre’s Strategic Plan for 2012-2015 aims to reduce the current unemployment rate of immigrants by 50 per cent. However, several problems with the Finnish labour market pertaining to labour migration can be identified: it does not generate new employment and lacks innovation; the Finnish immigration policies are too state-led and bureaucratic; and the welfare benefit system may discourage from job-seeking. Yet there is a feeling that a lot of improvement has taken place in the last ten years or so in South-Western Finland.

2.5.6. Attitudes

The Finnish media is said to often fuel negative attitudes towards immigrants portraying them as threats to the native Finns either for stealing their jobs or scrounging state welfare benefits. In reality, immigrants in Finland (as has been found elsewhere in Europe) under-utilize the benefits to which they are entitled. The Finnish
employers are also reported to be rather reluctant in employing third-country nationals.

2.5.7. The need for longer-term support

Spurtti project aims to get more funding after the initial MATTO financing finishes in 2013. More generally there appears to be a need for a shift from fixed-term projects to sustainable, continuous development of admission and integration mechanisms over longer periods of time. Apart from favourable labour market situation, the core prerequisites for successful employment of immigrants include opportunities to have contacts and to network with the native Finns, and to earn credentials. The importance of the civil society in working towards national and EU-wide targets should also be taken into account (see also Heikkilä et al., 2011).

Conclusions

The MATTO coordination framework has proven useful for the Spurtti project as it has enabled joint efforts through other related networks, and thus reduced the attempts of ‘re-inventing the wheel’. Recruitment fairs, seminars, meetings and other joint activities are examples of good practices. Other successful practices include Finnish language teaching at workplaces, induction training in the countries of origin (Latvia), and Infotori (see above). Areas for development include familiarization with the international recruitment and employment practices, as well as developing new and innovative services. The Spurtti project aims are more concerned with quality of the services developed than the quantity of immigrants recruited.

Spurtti project – as well as the MATTO programme in general – operates in the wider context of national and international migration and financial flows. The economic crisis, while affecting the labour market in all EU Member States, had a varied impact on their policies in relation to labour immigration. In Finland the economic crisis led to delays in the development and implementation of policies encouraging economic migration. In particular, the process of amending the Aliens Act and Act on the Register of Aliens to improve the residence permit system for migrant workers were halted (EMN, 2011).

A report by Karinen (2011) for the Ministry of the Interior sums up the current situation in Finland. The study suggests that successful labour matching would necessitate accurate assessment of worker competencies, the motivation of potential migrants to seek jobs in Finland, and support to policymaking by improved labour market assessment. Karinen’s report suggests that employers recruiting employees do not aim at hiring ‘a representative of the majority population’ or ‘an immigrant’ - the employers’ goal is to hire the best qualified candidate or a person who has a potential to sufficiently develop the relevant capacities. As TCNs are still a relatively marginal group in Finland, the national legislation and service provision are not generally geared to this group.
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3. GERMANY: STAKEHOLDER COOPERATION FOR VOCATIONAL TRAINING IN FRANKFURT
Kira Svetlova, Wolfgang Bosswick

3.1. Immigration context

As a result of implementation of several agreements on labour recruitment, the number of immigrants in Germany has increased almost continuously since the 1960s. After the 1973 oil crisis, a labour migration ban was introduced, but family immigration continued. In 1989, the total share of foreigners was about 8 per cent of the overall population. Today, about 9 per cent of some 82 million of the German population are foreigners, about 19 per cent have immigrant background (both naturalised foreigners and foreign nationals and their descendants) (BAMF, 2011).

A new immigration law in 2005 simplified the previous regulations and offers opportunities for permanent settlement for highly qualified migrants under certain conditions, including investment and job creation. In terms of low-skilled migration, the general ban on immigration was maintained.

The new law also envisaged measures to promote labour market participation of immigrants and other aspects of integration. The 2005 legal provisions entitled immigrants with a permanent residence permit to support through integration courses, which comprise language training and other modules focusing on various aspects of life in Germany. Participation is mandatory for long-term residents receiving welfare payments or persons considered to be “in special need of integration”. Participation refusals can provoke sanctions such as a reduction of the mentioned welfare payments and are taking into account for decisions on residence permit extension.

This immigration law was amended in 2007 and 2009. Besides transposing EU legislation on pertaining to asylum and immigrant residence, it aimed at boosting the influx of skilled workers. Residence permits were introduced for scientists and mobility regulations for foreign students from abroad. Family members wishing to immigrate to Germany

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(family reunification) now have to provide evidence of basic German language skills. Since 2009, labour market integration of foreigners granted tolerated stay in Germany became easier and the admission of highly skilled persons was further facilitated.

3.2. Recognition of professional qualifications

In 2011, Germany adopted the Act for Improving the Establishment and Recognition of Professional Qualifications Acquired Abroad („Gesetz zur Verbesserung der Feststellung der Anerkennung von Berufsqualifikationen“), which will come into force on 1 March 2012. It aims at filling vacancies for qualified jobs with skilled foreigners, promoting labour market integration of foreign nationals and raising the attractiveness of Germany as a business location.

This law will be relevant for about 500 professions, 350 of which can be obtained within the vocational training system (semi-skilled). Overall, the legislation is estimated to concern about 300,000 third-country nationals. The law introduces a general legal entitlement to have professional qualification assessed for recognition. The law will require that within three months, either a complete recognition must be provided or a specific advice on further qualifications needed for to complete the recognition. Comparable criteria for recognition of qualifications will be implemented in the whole country. A central office („Öffentlich-rechtlicher Zusammenschluss“ ÖRZ in Nürnberg, Germany) will be established for processing applications received by different service points. Submitting an application from abroad – before entering the German labour market – will be possible as well. The recognition of the foreign university degrees remains a responsibility of the Central Office for Foreign Education (“Zentralstelle für ausländisches Bildungswesen” (ZAB)).

3.3. Chambers of Industry and Trade and Chambers of Skilled Crafts

Chambers of Industry and Trade (CIT) as well as Chambers of Skilled Crafts (CSC) represent the interests of all businesses and tradespersons based within a particular district. Membership in one (or sometimes both) of the chambers and the payment of certain fees is obligatory to all entrepreneurs whose businesses are listed in regulations of these chambers. These chambers represent the interest of these businesses through their activities. A significant part of migrant company owners do not seem to be aware of the role of these chambers, and few of them are well informed about the dual system of vocational training in Germany. Finally, many migrant entrepreneurs seem to lack information about the possibilities of recognizing their professional qualification received abroad, which might play an important role for their businesses and labour market integration in general.
3.4. The German school system and the dual system of vocational training

In the German school system, selection happens at an early stage. Primary school (“Grundschule”) up to the fourth grade is attended by all children. Depending on their performance up to that moment, pupils and their parents chose one of three basic paths: “Hauptschule”, “Realschule” or “Gymnasium” 15. These choices tend to be permanent – changing from one school type to another is relatively rare. In this respect, the German school system is known to reproduce social inequality, which is especially relevant for the migrant population.

With respect to vocational training, the so-called dual system largely prevalent in Germany has two implications. Aiming at a broad education combining theory and practice, vocational training is provided both on the job and in the vocational training schools. Practical training is provided in companies for three to four days a week. This system intends to ensure that the provision of theoretical knowledge and skills are accompanied, reinforced, deepened and directly applied through on-the-job experience. Additionally, work experience is gained directly during the process of professional education. As this system does not exist in the majority of the origin countries of migrants living in Germany, one of the tasks of labour market integration policies is to provide information about this dual system of vocational training and its advantages.

The National Pact for Vocational Training and Skilled Labour in Germany (“Nationaler Pakt für Ausbildung und Fachkräftenaufschwung in Deutschland”) was introduced in 2004. Employers and the Federal Minister of Economy at that time signed a contract which obligated the former to create about 30,000 vocational training positions per year. Additionally, 25,000 positions for a basic qualification and training measures (Betriebliche Einstiegsqualifizierung, EQ) were to be created annually. This EQ measure comprises a long-term traineeship in a company for a duration from 6 to 12 months. During this period, school graduates not having found a vocational training position can demonstrate their practical abilities on the job directly. Such traineeship intends to help the company management to take a decision in favour of the graduate and offer the candidate a vocational training position. Evaluations show that this measure facilitates transition from school to the labour market for 60 per cent of the participants.

3.5. Situation in Frankfurt

In 2010, Frankfurt am Main had a population of 679,571 persons with a 24 per cent share of foreign nationals. The share of persons with immigrant background was about

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15 Graduation from Hauptschule entitles to an apprenticeship in most practically oriented / semi-skilled professions. A leaving certificate from “Realschule” additionally enables graduates to choose apprenticeships in more technical or administrative professions. Gymnasium is the most academic choice entitling graduates to university studies. Additionally, there are other school types such as comprehensive schools (“Gesamtschule”). Due to the federal system, there are some German states in which pupils choose one of the basic school levels after the sixth grade. In the fifth and sixth grades, students are taught together in the so called “joint orientation grade”, “promotion grade” etc. (“gemeinsame Orientierungsstufe”; “Förderstufe”).

38 per cent in 2009. While the average age of natives in Frankfurt is 42 years, foreigners are younger: their statistical average age is 39 years. As a result, 32 per cent of persons aged 18-65 in 2010 were foreigners (Stadt Frankfurt am Main, 2010).

The selectivity of the German school system can be illustrated by the recent statistical figures. In 2009, 54 per cent of Hauptschule pupils, 40 per cent of all the Realschule pupils and 16 per cent of Gymnasium pupils in Frankfurt were foreigners (Stadt Frankfurt am Main, 2010). These figures do not include naturalised pupils. Studies on school achievement of pupils with a migration background show that similar effects also account for this larger group (BMBF, 2006). When focusing on different nationalities and countries of origin, statistics show that the situation of young people with Turkish background, the most significant immigrant group in Germany is highly disadvantageous. In 2005, about 8 per cent of the youth with Turkish background and 13 per cent of young people with a Turkish citizenship left schools without graduation, whereas this accounted only for 2 per cent of Germans without immigrant background. In terms of professional education, the same tendency can be observed: in 2005, the total share of native Germans without any professional degree was about 12 per cent. At the same time, 33 per cent of Germans with Turkish background and 54 per cent of people aged 26 to 35 with a Turkish citizenship did not complete any kind of professional education (Seibert, 2008).

This disadvantageous situation is further reflected in the unemployment rates of natives and foreigners. In July 2011, Frankfurt am Main had an overall unemployment rate of 8 per cent. At the same time, 12 per cent were seeking a job (Bundesagentur für Arbeit, 2011). A significant increase in the share of self-employment of migrants in the last seven years can be related not least to their higher unemployment rate (Lüken-Klaßen/Pohl, 2010). Their specific and often difficult situation on the labour market, discrimination experiences, a ‘mentality for self-employment’, the opportunity of niche markets and other reasons are considered to be important factors for the popularity of self-employment among migrants, including for the second-generation immigrants. For these and other reasons nearly every fifth enterprise in Frankfurt is run by migrants (Lüken-Klaßen/Pohl, 2010).

3.6. Stakeholder cooperation in the Frankfurt region

In Frankfurt, many stakeholders are involved in labour market integration of less skilled persons. These measures are open for permanent residents regardless of citizenship.

The Hessian Pact for Vocational Training (“Hessischer Pakt für Ausbildung”) stipulates the main provisions for cooperation between these stakeholders, and was renewed for the third time in 2010. In analogy to the Federal Pact for Vocational Training first established in 2004, the Hessian Pact names important stakeholders in the field of labour market integration such as the CIT as well as the CSC (the abovementioned Chambers), the Ministry of the Economy, the Federal Employment Agency (“Arbeitsagentur”; AA) and others, such as the nationwide Communal Federations (kommunale Spitzenverbände) and the German Cities Council (Deutscher Städtetag).
The pact promotes career guidance (Berufsorientierung) in schools and reinforcement of vocational maturity (Ausbildungsreife) of school graduates. In addition, it aims at persons who could raise their level of qualification (for example partial qualifications or partially acknowledged qualifications). A mandatory OlOv strategy (Optimisation of Local Work Placement, “Optimierung lokaler Vermittlungsarbeit”) was developed. It includes mechanisms for professional orientation, creation of vocational training positions, matching of vocational training seekers and vacant positions, as well as placement of apprentices in these positions (Ausbildungsplatzakquise, Matching und Vermittlung). Quality standards for this local placement work were developed by an independent research institute (INBAS) and enshrined in the Hessian Pact. New labour market integration measures have to fulfil these standards.

As to implementation, already existing bodies and competences are used. The Coordinating Organisation Frankfurt Hauptschule Project (“Koordinierungsstelle Frankfurter Hauptschulprojekt”) is central to this process. This organisation was created by the Association for Youth Employment, which is affiliated with the city government (Stadtnaher Verein “Gesellschaft Jugendbeschäftigung”). Among other tasks, it establishes profiles of young people seeking vocational training positions and matches these with the respective vacant positions for vocational training in companies. The organisation focuses particularly on company owners ready to employ young people with difficulties in finding an apprenticeship position. This coordinating organisation and its resources are also used for existing projects such as IUBA.

Last but not least, the City Council of Frankfurt (Magistrat) has a Department for Integration (Dezernat für Integration), which is in charge of setting the framework for integration policy on the municipal level. The Foreigners’ Council (“Kommunale Ausländervertretung”, KAV) and the Frankfurt Agency for Multicultural Affairs (“Amt für multikulturelle Angelegenheiten”, AmkA) are functioning under this Department. Both play a very important role in stakeholder cooperation in the context of different projects (such as IUBA) and tackle a wide range of subjects, such as professional education, discrimination, and other issues.

On the federal level, the IQ Network (“Integration by means of Qualification”, “Integration durch Qualifizierung”) was repeatedly cited by experts interviewed for this case study as a good example of policies in this field. The IQ Network was created by the Federal Ministry of Labour and Social Affairs (“Bundesministerium für Arbeit und Soziales”, BMAS) in 2005. Aiming at promoting labour market integration of migrants, stakeholders of this network have developed and piloted different instruments, recommendations, concepts of counselling and qualification.

### 3.7. Goals of the IUBA project

The project “Internationale Unternehmen bilden aus” (IUBA - International Companies Providing Vocational Training) was launched in 2001. It aims at raising the number of companies run by migrant owners providing vocational training for apprentices. Migrant company owners were to be counselled on subjects relevant for their businesses, such as the role of the CIT, opportunities and advantages from providing positions of
vocational training apprentices, and procedures of recognizing existing professional qualifications if necessary.

At the same time, the project aims to facilitate labour market integration of young people with immigrant background. It was assessed that this target group as well as their parents and families might be less informed about vocational training or career opportunities in Germany in general. As some migrant-owned companies provide goods and services consumed by migrants or operate across national borders, they were presumably more likely to integrate apprentices with a linguistic or cultural background that is of relevance for these particular enterprises.

Counselling for pupils and parents with immigrant background was specifically aimed to provide information about the German vocational training system and to raise awareness of the need for their children to receive vocational training. This is an essential prerequisite for long-term inclusion and placement in the German labour market.

3.8. Assumptions on the effectiveness of the project

**International Companies Providing Vocational Training (IUBA)**

Experts in the area of employment, entrepreneurship and labour market in general criticised a situation in which migrant entrepreneurs had little information on the opportunities and, above all, on the advantages of opening their companies for vocational training placement. In the experts’ opinion, for a wide range of reasons, migrant entrepreneurs are more likely to face special barriers in this regard, and which was confirmed in the course of IUBA implementation. As a result, a great deal of migrant-owned companies do not actively participate in the CIT. Consequently, this narrows the effectiveness of these chambers and has disadvantageous effects on the representation of interests of migrant entrepreneurs, as well as entrepreneurs as a whole.

The reason for this lack of participation seemed to be the limited language proficiency reinforced by the anticipation by migrant entrepreneurs of complicated legal and bureaucratic regulations. The perception of high requirements towards companies and company owners offering vocational training positions may be reinforced by fear of discrimination or even already experienced discrimination, as well as certain distrust towards the German institutions. Limited information about the requirements, as well as rights and duties of trainees and trainers, and the vocational training system in general on the part of migrant entrepreneurs were also identified as relevant obstacles.

On the other hand, a significant part of migrant youth tends to have difficulties in transitioning to vocational training after graduation from schools. Experts pointed to the need to raise awareness of the benefits of professional qualification. As many migrant-owned companies operate in so-called niche businesses, IUBA was expected to help integrate young people with immigrant background in migrant-owned companies, which would especially profit from their apprentices’ language skills or cultural competences.
3.9. Implementation of IUBA

The CIT in Hesse has introduced the positions of the special counsellors (“Sonderberater”), some of them with immigrant background, who were supposed to network with and to consult migrant entrepreneurs, youth, and their families on the abovementioned issues. If necessary, these special counsellors could help to find other experts for further, more detailed counselling.

When counselling migrant entrepreneurs, alternatives were discussed to the so-called admission for providing vocational training (“Ausbildereignung”). The admission is provided after passing an examination which can be done in a Chamber of Industry and Trade or a Chamber of Skilled Crafts or other organisation in charge. Additionally, migrant company owners were informed about exceptions to this admission procedure. Moreover, migrant entrepreneurs without any experience of vocational training were informed about the opportunity of special courses offered by the CIT. These courses enable professionals to pass the examination required and to be admitted to teaching apprentices. Also, migrant entrepreneurs were motivated to take advantage of the EQ measure mentioned above, which had positive effects on the number of vocational training positions created and filled due to the IUBA project. Individual counselling on recognition of professional education of migrant company owners or their employees and family members was provided.

In cooperation with different migrant and industry associations, mosques, other institutions such as KAV, AmkA and others, information events were organised and publicized in the mass media to create awareness among the general public (http://www.iuba.de). Successful migrant entrepreneurs participated in these events to share their experiences with the pupils and their parents in German or in their mother tongue. Similar events for teachers, pupils and their parents took place in public schools. In the course of the project it became clear that teachers were not always sufficiently informed of vocational training and labour market integration perspectives of the pupils. If necessary, youth, their parents and migrant entrepreneurs were also counselled on additional language training or tutoring in other school subjects. This issue turned out to be important for a significant part of migrant entrepreneurs who were unsure of the vocational maturity of potential apprentices.

The Federal Employment Agency and the coordination centre of the Frankfurt Hauptschule Project were involved in the process of placement of apprentices in the vacant positions. In cooperation with mosques, Turkish cultural and educational associations, and the Turkish consulate, it was possible to address the most numerous immigrant group in Germany.

An independent research Institute for Vocational Training, Labour Market and Social policy (INBAS) was in charge of evaluating and analysing the measure, was carrying out planning and coordination functions, planning and organising public outreach and transferring information between organisations involved in the IUBA process.

Individual approach to the consulted clients and the development of a rich stakeholder network intended to facilitate contact with the counsellors. Involvement of other successful migrant entrepreneurs already offering apprenticeship posts as speakers in information events would provide additional motivation to potential employers.
Additionally, their proficiency in the mother tongue of a part of the audience would facilitate the transmission of information. The common cultural background of migrant employers, the counsellors and many of the consulted persons was presumed to facilitate contact and to raise trust between the participants of the process.

### 3.10. Evaluation results

The IUBA project was evaluated by the INBAS institute focusing on the project outcomes. According to experts’ reports, about 5,000 positions for vocational training in migrant owned companies were created in Hesse since 2001, most of them in Frankfurt am Main and its surroundings. Experts estimate that about 80 per cent of these positions could be filled with young apprentices both with and without immigrant background, the most relevant sectors being hospitality and catering, trade, public and private services, and real estate management (Grundstücks- und Wohnungswesen).

Apprentices were placed not only in the SMEs, but also in larger international businesses. The number of migrant entrepreneurs identifying their businesses as migrant-owned companies declined constantly. According to experts, a decreasing need for special treatment has been observed. Furthermore, not all the companies aim at finding apprentices with the same language or cultural background. On the contrary, many of migrant entrepreneurs preferred being considered simply as entrepreneurs and were looking for an appropriate apprentice who would fit the company needs irrespective of the background. Experts also suggested that family businesses were more popular among self-employed migrants than among the German natives. Some of the counselled migrants even offered apprenticeships to their family members.

According to experts from the CIT, the IUBA project allowed to further develop strategies for consulting and assistance, acquisition of potential counselling clients, and networking. In the course of IUBA, these experiences were incorporated in the routine procedures of the CIT, thus raising their effectiveness. The INBAS institute continued improving the organization of information events, networking, and public relations.

From 2011 onwards, the CSC will be largely in charge of the IUBA project using the positive experiences of the CIT made in the past. Having implemented conclusions from IUBA into routine processes, the CIT will continue working together with other stakeholders. In cooperation with the CSC a position of a special counsellor will be maintained.

### Further evaluation opportunities and recommendations

Additional impact evaluation of this integration measure could be carried out by conducting expert interviews for an indirect ex post impact evaluation. Indicators of a successful project implementation could be outputs such as:
• number of vocational training positions created and filled during the project, including the number of young people with a migration background;

• number of persons with a migration background who have achieved a professional degree (qualifizierten Abschluss) with the support of the project;

• assessing the wealth of information about the vocational training system in Germany and career opportunities within this system – this is relevant for migrant entrepreneurs as well as migrant youth and their parents;

• attitude changes on the relevance of vocational training as well as the acceptance of different professions by the target groups;

• quality of placement of young people into apprenticeship positions – whether their vocational training positions are in the sector of their interest and whether the placement takes into consideration their skills and talents;

• characteristics of the stakeholder network created and the sustainability of cooperation.

List of persons interviewed

Altun Mangel, Sükriye, consultant and coordinator at the Berami association for professional integration (Berami – berufliche Integration e.V.)
Braune, Peter; consultant at the Professional Qualification and Professional Development Department (Geschäftsfeld Aus- und Weiterbildung) at the Chamber of Industry and Trade Frankfurt am Main (Industrie- und Handelskammer (IHK) Frankfurt am Main),
Brucker, Constanze; staff member of the Institute for Vocational Training, Labour Market and Social Policy (INBAS GmbH), responsible for the IUBA project (Internationale Unternehmen bilden aus)
Dimpl, Ulrike; staff member of the Office for Multicultural Affairs (Amt für multikulturelle Angelegenheiten – AmkA) of the city of Frankfurt am Main, responsible for labour market and integration courses
Kara, Hasan; vocational training consultant at the Professional Qualification and Professional Development Department (Geschäftsfeld Aus- und Weiterbildung) at the Chamber of Industry and Trade Frankfurt am Main (Industrie- und Handelskammer (IHK) Frankfurt am Main), responsible for the IUBA project
Rust, Matthias, formerly project coordinator for the MoNa project (Modularised subsequent qualification, Modulare Nachqualifizierung) at the Association for Education of the Economy in Hesse (Bildungswerk der Hessischen Wirtschaft e.V.)
Sen, Recep; staff member of the Employment Agency Frankfurt (Agentur für Arbeit, Frankfurt am Main), placement officer, responsible for foreigners and migrants
Weidmann, Heike, vice director of the Professional Qualification and Professional Development Department (Geschäftsfeld Aus- und Weiterbildung) at the Chamber of Industry and Trade Frankfurt am Main (Industrie- und Handelskammer (IHK) Frankfurt am Main)
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4. SIMPLIFICATION OF EMPLOYMENT OF FOREIGN WORKERS IN POLAND AND THE CASE OF WROCLAW

Mirosław Bieniecki and Mikołaj Pawlak

4.1. Description of the ‘Simplified System’

The so called ‘simplified system’ of employment of nationals of selected countries in Poland was not designed as a measure for immigrant integration. The introduction of the system in 2006 was a response to the employer demand in the sectors of agriculture and horticulture for the quick supply of the workers for seasonal employment. The integration aspect of the measure under consideration was intended, but is important as the ‘simplified system’ (1) supports integration into the regular labour market of migrants who are traditionally taking up the jobs in the irregular labour market; and (2) provides opportunity for the smooth transition to long-term employment under the general regulations on the employment of foreigners in Poland. The measure is also not designed exclusively for the less skilled migrants. However, due to the fact that it is targeted at workers taking up short-term jobs, it in reality predominantly concerning the low- or semi-skilled positions. Low- and semi-skilled work assignments do not necessarily correspond to the immigrants’ qualifications. Especially in the case of Ukrainian immigrants, overqualification is widespread (for example a nurse certified working as a domestic caregiver; or a teacher taking up seasonal work in agriculture).

In 2006, the Minister of Labour and Social Policy issued an Ordinance on Taking Up Employment by Foreigners without the Need to Obtain a Work Permit (Dz. U. Nr 156, poz. 1116). The Ordinance gave the opportunity to employ in the agricultural sector the nationals of Belarus, Russia and Ukraine for a maximum of three months in any consecutive six-month period without the need of going through the protracted and (at that time) relatively costly procedure of foreigner employment under the provision of the Act of 20 April 2004 on Employment Promotion and Labour Market Institutions (Dz. U. Nr 99, poz. 100). Under the provisions of the Ordinance whereby the employer

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16 Mirosław Bieniecki and Mikołaj Pawlak are migration experts at Caritas Polska.
is supposed to register a declaration in the district labour office. On the basis of the declaration, a future employee applies for the visa in the Polish consulate. Having this type of visa allows a foreigner to cross the border and to work for the employer who registered a declaration. Therefore, the measure implemented by the 2006 Ordinance had an integrative aspect by encouraging and enabling migrants to take up regular jobs.

The ‘simplified system’ established by the Ordinance was a response to the labour demand from the farmers who depend on the seasonal employment of irregular workers, mostly from the Ukraine (Bieniecki, and Pawlak, 2009). The changes of the regulations for admission to Poland of the citizens of Eastern neighbouring countries were introduced in 2003 in relation to Poland’s EU accession. Before September 2003, citizens of Ukraine were not required to apply for visa to enter Poland, and hence the Polish employers had access to relatively cheap workers willing to accept irregular jobs. Ukrainians could apply for free tourist visas and then accept irregular jobs, but the Polish consulates started issuing visas for short periods only, and were rejecting them for many applicants. The lack of access to labour was the reason for representatives of the agricultural sector to lobby for implementing a measure allowing them relatively easy recruitment of workers from the Eastern neighbouring countries.

Since August 2006, the Ordinance was amended several times (see: EMN, 2011:20-21). The amendments gradually increased the period of work, opened new sectors of the economy for migrant employment and extended the list of countries, the citizens of which were eligible to work under the Ordinance.

The amendment in 2009 introduced the second aspect of the measure which is relevant for integration. According to this provision, a foreign employee who worked for at least three months on the basis of the employer declaration and a visa, is able to apply for the work permit, which is to be issued without a labour market test. Labour market test is the most significant barrier to receiving a work permit for less skilled migrants, so this measure is considered to facilitate integration by further encouraging regular employment.

The current legal status is defined by the Ordinance issued in July 2011 (Dz. U. Nr 155, poz. 919). The current version of the document stipulates that the employer declaration allows for employment of up to six months within any consecutive 12 months counting from the date of first entry to Poland. Every employer must declare the type of contract and expected remuneration. The measure applies to the nationals of Belarus, Georgia, Moldova, Russia and Ukraine; even though, in reality it was used predominantly by the Ukrainians (Table 1).

Table 1: Employers’ declarations on intention to employ a foreigner in 2007-2011

<table>
<thead>
<tr>
<th></th>
<th>2007 (August-December)</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011 (January-June)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall number of declarations</td>
<td>21,797</td>
<td>156,713</td>
<td>188,414</td>
<td>180,073</td>
<td>163,984</td>
</tr>
<tr>
<td>Declarations registered for Ukrainians</td>
<td>20,260</td>
<td>142,960</td>
<td>180,133</td>
<td>169,490</td>
<td>153,779</td>
</tr>
</tbody>
</table>

Source: Ministry of Labour and Social Policy.
Every year of implementation of the Ordinance, the Ukrainians constituted the vast majority (more than the 90%) of workers for whom the declarations were registered. It has to be emphasised that the statistics refer to the number of registered declarations, not to the actual number of migrants who came to Poland and took up jobs. The Ordinance did not prescribe any monitoring system and there is no available data on the actual number of foreigners working on the basis of these declarations. The interviews with the employers indicate that a rather large number of workers for whom they have registered their declarations do not appear at the declared destination (Bieniewiecki and Pawlak, 2009). There are no assessments indicating how many of the workers have actually obtained Polish visas on the basis of the declaration, how many entered Poland on the basis of such visas or the number of those who chose to work irregularly or on the basis of a declaration from a different employer.

4.2. Description of Wroclaw’s Labour Market

Wrocław has 632,146 inhabitants, which makes it the fourth biggest Polish city. It is the capital of the Lower Silesian Region (Województwo Dolnośląskie), an important administrative, cultural, and university centre attracting significant investments. The analysis also includes the District of Wrocław (Powiat Wrocławski) which contains nine communes surrounding the city and inhabited by 111,069 persons. The city and the districts have one common district labour office and according to the Polish institutional system constitute a basic unit of the single local labour market.

The situation on the Wrocław labour market compared to the average situation in Poland is considered to be very good. The Lower Silesian Regional Labour Office accounted at the end of the August 2011 in district labour offices 18,580 registered unemployed persons, which comprises an unemployment rate of 4.9 per cent, while the national average was 11.6 per cent (DWUP, 2011). Available data on the average salaries in 2009 shows that while the average salary in Poland was PLN 3,103, in the city of Wroclaw it reached PLN 3,566, and in the Wroclaw district outside the city amounted to PLN 3,004.49 (GUS, 2010; USwW, 2010).

Although the multicultural heritage of Wroclaw is highlighted by the local authorities, the city is predominantly inhabited by ethnic Poles. As Patrycja Matusz stated in the Wroclaw case study for CLIP network in 2010, “the current population of immigrants living in Wroclaw is too small and too varied in terms of its interests to be recognised by the local authorities as a partner for creating policy or dialogue”. That was corroborated in the context of the labour market by the interviewed informants who were claiming that immigrant workers, although present, do play a marginal role on the local labour market.

In this context, several hundred foreign workers working at the time within the city district do not appear as a significant factor influencing the local economy nor the labour market. The number of declarations registered in 2010 and in 2011 (until August) are presented in Figure 1. Almost half of the declarations are registered for women migrants. The dominant age of the workers is between 24 and 40, and the declarations are mostly issued for construction work, agriculture and “other” employments, predominantly for three to six months.
The observed growth of registered declarations in 2011 in comparison to 2010 in Wrocław and Wrocław district is due both to the economic growth in recent three years and to common registration of foreigners by more than one employer. In recent years no increase of unemployment was observed. Number of registered declarations differ depending on the seasonal demand for many jobs.

### 4.3. Potential Problems

The discussed measure is generally very well perceived, although, as usually in the case of regulations expanding access of immigrants to the national labour market, it has raised some questions concerning its potential negative impact on the employment of nationals and expected decrease of wages in some sectors. Those concerns were expressed by some representatives of trade unions in the period of implementing the Ordinance and expanding its application (Szczepański, 2009; Janowski, 2007). The empirical evidence suggests has proven the concerns to be overstated. Workers who have taken up jobs through the ‘simplified system’ do not seem to compete with Polish workers. In the suburbs of larger cities, migrants are employed mainly as construction workers, household help and babysitters. Moreover, it seems that since mid 1990s Ukrainians offering household services created the market for themselves in the sector where Poles had no employment interest (Bieniecki, 2007). Outside of the cities, most
migrants are employed in agriculture. According to the data of the Ministry of Labour and Social Policy in 2010, 60.9 per cent of the declarations were registered in this sector with a large demand for seasonal workers for short periods of time. Such work is most often unattractive for Poles who prefer to choose much better paid seasonal jobs in agriculture in other EU Member States. Here, too, in some areas as a result of the availability of the migrant labour there seems to have been an increase in the acreage of strawberries and raspberries, making the harvest of these berries and the sectoral development fully dependent on the availability of migrant labour (Bieniecki, and Pawlak, 2009).

Another concern related to the Ordinance has been connected to the institutions of informal employment mediation which have developed around the 'simplified system', and the phenomenon of 'trading declarations'. In most such cases, Polish employers are matched with Ukrainian workers with the help of mediators. These mediators are usually not registered, and their services are not licensed or controlled neither by Poland nor by the Ukraine. Middlemen offer a 'package service' for finding the job, help with documents and the application for visa and transportation. They charge migrant workers for their services, and in some cases also charge the employers. Many migrants prefer to use their services to direct contacts with employers, because the mediators secure access to the migratory network, and organize the change of jobs (which often happens in case of seasonal workers). The institution of informal employment mediation has both disadvantages and benefits. It replaces the formal employment mediation in sectors of the economy which, being close to the informal zone, are not penetrated by the formal institutions. The mediators also to some extent secure the position of migrant workers (for detailed discussion of institution of informal employment mediation see: Bieniecki, and Pawlak, 2009).

Somehow connected and often confused with the institutions of informal employment mediation is the phenomenon of 'trading declarations'. In Poland, there has developed an informal business of companies or individuals registering declarations without the real intention to employ a foreigner, only to sell them to foreigners willing to have a legal basis to enter Poland; to travel further abroad to another EU country (Polish Eastern border is the border of Schengen zone), or to simply accept a job with another employer in Poland. The latter situation is often encountered by the inspectors of the National Labour Inspectorate (PIP, 2011). These activities are the subject of investigation by the Border Police, which has already succeeded in arresting several organized groups trading declarations. Although this phenomenon is a negative and an unintended consequence of the 'simplified system', it should not be considered a reason for abolishing the mechanism. Rather, the relevant institutions should improve control of employment in the framework of the current legal system. One of the tools for counteracting such practices is the recently implemented amendment (July 2011), which provides to the declaration an additional information free information leaflet (in all languages of countries covered by the system).
4.4. Practical observations on the ‘Simplified System’ for the case of Wrocław

Due to a small number of work permits and a relatively small number of valid declarations compared to the active workforce in Poland, the influence of foreign workers on the Polish labour market is considered generally insignificant. In Wrocław, according to data of the Lower Silesian Regional Labour Office, foreigners constitute less than 1 per cent of the 250 thousand workforce. They can, of course, play an important role in some niche areas of the labour market, but such situations are rare and localized (such as strawberry farms in Płońsk district, household keepers in Warsaw or construction workers in Sub-Warsawian Lesznowola).

It is important to notice that quite a few workers whose declarations were registered in Wrocław are registered by employment agencies that provide workers for other Polish regions. The activities of the employment agencies contribute also to a growing number of issued declarations, since foreigners that come to Poland on the basis of their declarations are registered again once they start working for the target business.

One of the problems accompanying the present situation is that in spite of the possibility of legal employment provided by the Ordinance to foreigners, many still do not regularize their employment. Moreover, according to the collected data, the majority of Ukrainians working in Poland do not seem to be interested in the possibility of regular work, even if they had the chance. This observation is supported by the report of the National Labour Inspectorate concluding that the reason of the many irregularities is the common intention of both employers and employees to reduce the costs of work as much as possible. Hence, foreigners employed on the basis of a declaration aim to work very long hours and avoid paying taxes and social insurance (PIP, 2011). This is due to many factors, such as the particularities of the short-term work in agriculture, construction or domestic services.

Working in the informal economy, the foreigners are very flexible and competitive and they can easily change employers or work for several at the same time, as in the case of domestic help and caregivers. This is possible also because the informal economy in Poland is estimated to amount to a quarter of the Polish GDP, and it is especially widespread in the sectors of migrant concentration (GUS, 2011). At the same time, observations of the sectors where foreigners work indicate that their living and working conditions in the informal economy are generally similar or identical to those of Polish workers. Consulted Wrocław construction companies declare even that due to problems with the Polish employees, they often pay more to the Ukrainians than to domestic workers.

Summing up, the reason behind informal employment is twofold. First, legal employment in general is the subject of too many regulations that make legal short-term employment quite complicated (obligatory medical examination, safety training and several forms to fill and send to various institutions). Second, irregular work is not effectively persecuted. Of course, there are some forms of simplified employment (i.e. employment on a freelance basis), though these forms are often subject to disputes with the tax authorities (for example, whether or not workers picking strawberries can be employed as freelancers).
In addition, employers prefer freelance employment of foreigners since work contracts demand spending money on workers’ retirement fund and social insurance, and these costs are considered as “a waste” from the foreigners’ viewpoint. Such situation shows a need to facilitate reforms towards the increasing flexibility of the national labour market. A special instrument allowing easy seasonal/short-term employment (beyond admission, but in terms of labour market legal requirements) would help avoiding unnecessary irregularity.

The second integration-related aspect of the measure – facilitation of the long-term employment – supports transition from the short-term employment to more stable employment forms that require work permits. According to the Lower Silesian Regional Office the significant majority of work permits for nationals of the five eligible countries are currently issued on the basis of previous employment within the ‘simplified system’. Unfortunately there is no official data available, and this observation cannot be supported by figures.

The possibility of smooth transition from short-term employment within the ‘simplified system’ to long-term employment on the basis of the regular system of employment of foreigners in Poland is praised by all stakeholders. Employers find it very beneficial, since it allows finding workers quickly and treating the six months period of short-term employment as a trial period – an option not available in the regular migrant admission system.

Migrant employees also are satisfied with this option of faster and more flexible initial employment without being tied to the employer. In the regular system, a work permit is issued for the employer and it is the only ground for legal residence of a migrant in Poland. The regular regime places a migrant worker in the asymmetrical situation of dependency. In addition, foreigners from Belarus, Georgia, Moldova, Russia and Ukraine employed on the basis of the ‘simplified system’ work permit have the possibility to take an additional job on the ground of the declaration of another employer. It gives them better position on the labour market and minimizes their dependency on one employer. Nevertheless, it is a common practice that temporarily employed foreigners who were found to be good workers prolong their contracts over the initial six months and take up a work permit. According to Wrocław employers, it is very often difficult since most of their foreign workers are in fact not interested in long-term or permanent work in Poland, but rather prefer go return to their countries of origin.

Conclusions and Recommendations

The 2006 Ordinance on Taking Up Employment by Foreigners without the Need to Obtain a Work Permit responded to the labour market’s need for quick and flexible seasonal employment of workers from neighbouring countries. However, the need remains for better inclusion of migrants employed on the basis of ‘simplified system’ in the regular labour market. This could be pursued on several levels and by adopting a range of measures:

- setting the less-restrictive general national conditions for short-term employment;
providing information on the legal requirements of employment to migrants in as many situations it is possible (at the consulates when issuing visa, at the border checkpoints and so on);

providing better information to the employers – a good example is the common action of National Labour Inspectorate and the Border Police in Lublin Region where 2,010 meetings with the potential employers were organized to explain requirements and conditions;

strengthening inspections by the National Labour Inspectorate of the companies and individuals employing foreigners on the basis of the ‘simplified system’ – this is already being done and there are indications of the positive effects.

Further recommendations consider the need to extend the ‘simplified system’ to more Eastern Partnership countries – Armenia and Azerbaijan – to strengthen the foreign policy role of the measure among other goals.

As the growing number of workers employed on the basis of the ‘simplified system’ are hired by the temporary employment agencies, there is a need for better regulations and monitoring of the operations of these agencies.

Finally, better data, including figures on the number of work permits issued to foreigners who previously were employed on the basis of the ‘simplified system’ would give the possibility to assess the real impact of the measure on labour market inclusion.

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Rozporządzenie Ministra Pracy i Polityki Społecznej z dnia 30 sierpnia 2006 r. w sprawie wykonywania pracy przez cudzoziemców bez konieczności uzyskania zezwolenia na pracę [Ordinance of the Minister of Labour and Social Policy of 30 August 2006 on taking up employment by foreigners without the need to obtain a work permit] (Dz. U. Nr 156, poz. 1116).

Rozporządzenie Ministra Pracy i Polityki Społecznej z dnia 20 lipca 2011 r. w sprawie przypadków, w których powierzenie wykonywania pracy cudzoziemcowi na terytorium Rzeczypospolitej Polskiej jest dopuszczalne bez konieczności uzyskania zezwolenia na pracę [Ordinance of the Minister of Labour and Social Policy of 20 July 2011 concerning the cases in which employment of foreigner in Poland is acceptable without a work permit](Dz. U. Nr 155, poz. 919)

Ustawa z dnia 20 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy [Act of 20 April 2004 on employment promotion and labour market institutions ] (Dz. U. Nr 99, poz. 1001).
5. NATIONAL NETWORK OF EMPLOYMENT SUPPORT OFFICES: GIP IMIGRANTE IN PORTUGAL
Frederica Rodrigues$^{17}$

The Network GIP Imigrante is coordinated by the High Commissioner for Immigration and Intercultural Dialogue (ACIDI) and financed by the Institute for Employment and Professional Training (IEFP). Through country-wide partnerships with local non-profit organizations, namely institutions of social solidarity, immigrant associations and NGO’s, the public employment service was reinforced by a network of decentralized support offices.

The data for the case study were collected from various sources: review of the annual report of the network with the activities and results of the offices, field visits to selected offices, interviews with technical staff, representatives of ACIDI’s Coordination of the network, and the IEFP’s focal point for the network. Apart from the interviews, a survey was carried out applying a questionnaire to technical staff to collect insider information on the activities and achievements the different offices that took part in the network. Although the network GIP Imigrante is comprised by the end of 2010 of 22 units, the present study only surveyed the characteristics and results of the 15 GIPs. The period time under review is from 2007 to 2010. The draft report was submitted for a peer review review and discussed with the local and national experts.

5.1. Context and rationale of the Network GIP Imigrante

The Institute for Employment and Professional Training (IEFP) of the Ministry of Labour is responsible for the national public employment service. In 2007, apart from the job centres, IEFP created a tool to ensure more proactive, localized and personalized action to promote employment – a Network of Units for Insertion into Active Life

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(UNIVA) that was transformed into the Network of Offices for Professional Insertion (GIP) in 2009.18

The Network GIP is a structure of 425 decentralized units that provides support to unemployed youth and adults in the definition or development of their (re)insertion in the labour market, mainly through employment or professional training. GIPs are flexible structures that have the capacity of acting in proximity with the population, thus contributing to a faster and more sustainable insertion in the labour market.

Recognizing that immigrants face major obstacles in terms of labour integration, namely in terms of access to information on job opportunities; their distrust in the public employment service; and potential discriminatory attitudes from employers,19 IEFP signed a protocol with the High Commissioner for Immigration and Intercultural Dialogue (ACIDI) to create a Network of 25 GIPs Imigrante, specifically targeting this disadvantaged group.

Through the guiding principle of proximity and presence in the areas with substantial immigrant population, this Network would prevent and counteract high unemployment levels in these territories by enabling the access of immigrants to services of the Public Employment Service. In addition, GIP Imigrante would work to overcome and prevent the specific vulnerabilities of immigrants in the labour market, namely their exposure to discriminatory and xenophobic attitudes.

To meet these objectives, it is essential to select carefully the institutions that would host a GIP Imigrante. ACIDI is responsible for the selection of 25 organizations that constitute the Network GIP Imigrante, and IEFP only confirms that the institutions fulfil the requirements.

The eligible entities to host a GIP (Imigrante) are public and private non-profit organizations, namely municipalities, institutions of social solidarity, immigrant and for immigrant’s associations, trade unions and employers organizations, schools of professional education in the secondary level and other relevant organizations promoting local development.

Furthermore, the following general selection criteria are used to set up a GIP (Imigrante): 1) local socioeconomic context (poor accessibility to job centres, unemployment rate and the risk of social exclusion); 2) activities proposed to be undertaken; 3) experience of the entities in the areas of employment, training, social action and entrepreneurship; 4) adequacy of the premises for reception or clients; 5) academic background and professional experience of the technical staff/tutors (tertiary education is mandatory), and 6) potential (and progressive) integration of the GIP in the host entity with technical and financial autonomy.

Apart from these general criteria, ACIDI also takes into consideration the share of immigrant population in the intervention area, the lack of similar responses, the

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18 The Ordinance n.º 127/2009, from 30 January (amended by Ordinance n° 298/2010 from 1 June), transformed the 400 UNIVA into GIP.
19 There is a clear consensus about the fact that immigrants display higher unemployment rates (especially third-country nationals) when compared to the nationals. According to Eurostat data (Labour Force Survey), the unemployment rates of nationals and immigrants were respectively 7.9 and 12.2% in 2005, 9.7 and 16.4 % in 2009, 11.1 and 18.9% in 2010.
existent cooperation with ACIDI, motivation of the organization, as well as financial and organizational capacity. ACIDI gives priority to immigrant associations, reflecting its mission of ensuring the participation of non-state actors in the definition and implementation of social integration policies. Based on the surveyed GIP Imigrante, these structures are working mainly on the basis of private institutions of social solidarity (50%). Immigrant associations are also important partners in the network, hosting 29 per cent of the Networks’ units.

The activities and modus operandi of GIPs where changed during the transition from UNIVA to GIP: functions, definition of quantitative and qualitative goals, principle of regular evaluation, and activities were defined and enlarged in order to fully complement the work of the job centres. These are the services provided by any GIP (Imigrante):

- Professional information to young and adult unemployed;
- Support in the active search for employment;
- Individual support to the unemployed in the (re)insertion into the labour market;
- Collecting job offers among employers;
- Dissemination of job offers and insertion of the unemployed or candidates in employment in the existent and adequate job offers;
- Dissemination information on and directing to measures of support to employment, qualification and entrepreneurship;
- Dissemination of information on the EU programmes that promote mobility in employment and professional training;
- Motivation and support in the participation in temporary and volunteer activities that facilitate labour market insertion;
- Control of the mandatory presentation of the beneficiaries at the unemployment subsidy;
- Other activities undertaken as necessary focusing on the unemployed population registered in the Job Centres.

IEFP is responsible, among other tasks, for delivery of initial and continued training to the employment counsellors and for the information support to the activities, dissemination of job offers and professional training. IEFP also coordinates the communication between the GIP with the local job centres, which are expected to work in close contact.

ACIDI promotes and coordinates the Network of GIP Imigrante. This implies delivering training on migration and on specific services directed to this population, accompanying the counsellors, sharing up-to-date information about immigration, and facilitating sharing of experiences among the network members. Lastly, ACIDI is also responsible for the definition of the goals (namely in quantitative terms) that each GIP Imigrante has to accomplish and for the subsequent monitoring.
5.2. Analysis of partnerships, clients, activities and operating procedures of the Network GIP Imigrante

The partnership between ACIDI, IEFP and institutions that host GIPs Imigrante was qualified by (40%) of the counsellors as “sufficient”, but the overall assessment of the group is “good”. Most relevant advantages pointed out by the group of tutors on partnership between ACIDI and IEFP were:

- complementarity of the work of GIP and the one already done by the Public Employment Service and various ACIDI services (100% stated as very relevant),
- access to information regarding legislation and new directives (87% stated as very relevant),
- easier communication with the ACIDI services (CNAI – National Immigrant Support Centres and CLAI – Local Immigrant Integration Support Centres) (85% stated as very relevant),
- access to training (80% stated as very relevant),
- possibility of hosting and running a GIP (79% stated as very relevant),
- access to information regarding the existing job offers and training opportunities (60% stated as very relevant),
- easier cooperation with the job centres (53% stated that as very relevant),
- reinforcement of relations with the local entities (46% stated as very relevant),
- easier cooperation with the Aliens and Borders Service (39% stated as very relevant).

Survey data identified no major disadvantages to the system besides the insufficient financial support vis a vis the workflow (40% stated as very relevant). Only 7 per cent of the counsellors expressed concerns regarding lesser autonomy of the institution that is hosting the GIP, the need to follow the philosophy and policies of ACIDI and IEFP, and the difficulty to separate the activities of GIP from the ones of the hosting institution.

According to the survey, services that are being mostly provided by GIP Imigrante are: job-seeking (100%), support in employment application (80%), search for professional training (67%), sessions on job-seeking techniques (40%), recognition of qualifications (33%), professional orientation (33%) and information on support programmes to self-employment (27%). By contrast, GIP do not provide relevant services in the elaboration of a curriculum vitae, in development of business plans, in delivery of information on the rights of workers, in providing support in case of labour accidents or discrimination in employment.

In terms of education profile, ACIDI data for 2010 suggests that the network is mostly serving low-skilled clients (60.4% have pre-primary or lower secondary education).

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20 The average score is 3.9 in the scale from 1 (very insufficient) to 5 (very good).
21 The percentages indicate the share of counsellors that selected these services as the top ten most provided services of GIP Imigrante.
followed by semi-skilled workers (23% have upper and post-secondary education) and, to a lesser extent, highly qualified professionals (16.6% have tertiary education).

Bearing in mind that these are units specifically but not exclusively directed at immigrants, 53.3 per cent of the GIP surveyed stated that the foreign population constitutes more than three quarters of their clients. Nonetheless, 33 per cent confirmed that foreigners represent only 25 per cent of their clients, which could be related to the fact that the number of naturalized foreign-born residents is also very significant. ACIDI data on new clients in 2010 confirms that 69 per cent are foreign nationals.

The majority the GIP Imigrante clients is in a regular situation. However, a significant part of the counsellors (20%) stated that they do service immigrants in an irregular situation in significant numbers.

Difficulties of the network include low remuneration of the counsellors, their unstable contractual arrangements, and the resulting high rotation of the technical staff.22

On the positive note, GIPs Imigrante do not face difficulties in the mobilization of immigrants to access their the services. Forty-seven per cent of the network offices carry out visits outside the offices, in the neighbourhoods they are covering, showing a high level of flexibility and compromise to achieve the goals.

By contrast, data suggest difficulties in achieving recognition of the network by other institutions (pointed out by 21.4% of the tutors). Ensuring the agreed number of placements in employment is also one of the most prevalent difficulties, which suggest the complexity of the cases and the lack of instruments at hand. In the most complex cases, 60 per cent of the GIP Imigrante are referring clients to the National Immigrant Support Centre and, in a lesser extent (40%), to Job Centres.

Data suggests that reinforcement of relations with potential employers is a priority and that, in this particular domain, the exchange and share of information on the practices and strategies of GIPs Imigrante could be improved.

5.3. Assessment of the outcomes of the Network GIP Imigrante

The surveyed counsellors consider that the Network is effectively contributing to the immigrant’s integration (66.7% and 20% rated this contribution as “good” and “very good”), especially for the less skilled migrants, not least due to the quality of information provided and the low waiting time for service provision.

In addition to the self-evaluation survey of counsellors, the present report also relies on the data provided by ACIDI (Table 1). From 2008 to 2010, the Network GIP Imigrante served in total over 52,292 clients, which gives a monthly average of 1,397 service users.

22 In the group surveyed, only 35% of the counsellors work on the GIP Imigrante since the beginning.
Table 1: Results of the Network GIP Imigrante, 2008-2010

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
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<th>2009</th>
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<th>2010</th>
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<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
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<tr>
<td>Number of new clients</td>
<td>5,751</td>
<td></td>
<td>6,150</td>
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<td>5,338</td>
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<tr>
<td>Number of service users</td>
<td>19,224</td>
<td>100</td>
<td>15,165</td>
<td>100</td>
<td>15,903</td>
<td>100</td>
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<tr>
<td>Referrals to employment</td>
<td>6,702</td>
<td>100</td>
<td>6,684</td>
<td>100</td>
<td>7,325</td>
<td>100</td>
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<tr>
<td>Placements in employment</td>
<td>1,790</td>
<td>26.7</td>
<td>1,473</td>
<td>22.0</td>
<td>1,464</td>
<td>20.0</td>
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<tr>
<td>Referrals to training/qualification</td>
<td>2,895</td>
<td>100</td>
<td>619</td>
<td>100</td>
<td>1,015</td>
<td>100</td>
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<tr>
<td>Placements in training/qualification</td>
<td>1,257</td>
<td>43.4</td>
<td>310</td>
<td>50.1</td>
<td>727</td>
<td>71.6</td>
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<tr>
<td>Referrals to internship</td>
<td>477</td>
<td>100</td>
<td>36</td>
<td>100</td>
<td>134</td>
<td>100</td>
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<tr>
<td>Placements in internship</td>
<td>40</td>
<td>8.4</td>
<td>10</td>
<td>27.8</td>
<td>41</td>
<td>30.6</td>
</tr>
<tr>
<td>Referrals to self-employment</td>
<td>170</td>
<td>100</td>
<td>83</td>
<td>100</td>
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<td>100</td>
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<td>Placements in self-employment</td>
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<td>6.8</td>
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<tr>
<td>Referrals to recognition of qualifications/skills</td>
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<td></td>
<td>860</td>
<td></td>
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<td></td>
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<tr>
<td>Referrals to CNAI, CLAlI, SEF</td>
<td>447</td>
<td></td>
<td>527</td>
<td></td>
<td>558</td>
<td></td>
</tr>
</tbody>
</table>

Source: Electronic Platform of Network GIP Imigrante, ACIDI.

The percentage of placements in employment is low in 2010 (only 20% of the referrals resulted in effective employment, compared to 26.7% in 2008), indicating major obstacles that immigrants face in labour integration during the economic crisis. However, the number of effective placements could potentially be higher than the official ACIDI figures, given that the counsellors are not always informed or able to follow up with the clients on the results of the referrals.

Placements in training/qualification seem to be an alternative to employment and the network is very successful in this domain (in 2010, 72% of the referrals to training resulted in effective enrolment in training programmes). This confirms that immigrants need this type of information and that in many cases GIP Imigrantes are their only gateway to become aware of these opportunities.

In addition, GIPs Imigrante also incentive and support immigrants in the process of recognition of qualification and competences, sensitizing at the same time the employers for their skills.

Conclusions and Recommendations

The full force of the economic downturn in Portugal seems to have a stronger negative effect on the employment opportunities of the foreign population. Although unemployment rates among immigrants have been structurally higher than those of the
native population throughout the past decade, the gap between natives and foreigners is sharply increasing (7.8 percentage points in 2010). This is a very strong argument to maintain the Network GIP Imigrante.

The proximity to target population, as well as the autonomous, complementary and flexible character of these structures, as well as their better knowledge and sensitivity of the immigrant’s situation generates confidence among its users. The evidence suggests that GIPs Imigrante are strong mediation platforms between immigrants and the labour market. Possible pathways for further improvement of the functioning of the network may include:

- Strengthening of the IEFP role in the work of GIPs Imigrante, namely in terms of continuous trainings, feedback on the results achieved and on promotion of better and closer relations between the GIPs Imigrante with the GIPs, and the job centres;
- Increase recognition of GIPs Imigrante by other national and local institutions through close cooperation between ACIDI and IEFP;
- Intensification of the collection of job offers through dissemination of information on services provided by GIPs Imigrante among employers;
- High rotation of the technical staff that hampers the continuity of work and the accumulation of know-how could be overcome with the IEFP’s guarantee of timely availability of financial support;
- Reinforcement of human resources even if this would mean that the number of GIPs Imigrante was to decrease. In this scenario, the selection of GIPs could be based on the overall performance of each institution;
- Strengthening monitoring of placements to obtain a more realistic picture on the achievements of the network and the remaining challenges;
- Better coordination between IEFP and ACIDI in the delivering of information to GIPs Imigrante (for example, in the definition of objectives). In this domain, ACIDI could have a direct focal point in the job centres;
- Improved networking benefits, including exchange of good practices.
6. ROMANIA: EXPLOITATION MIGRANT WORKERS AND INITIATIVES TO PROTECT THEIR RIGHTS
Iris Alexe23

6.1. Migration context

In 2011, the total foreign population stock in Romania comprised around 100,000 persons with 60,000 third-country nationals and about 40,000 citizens of the EU countries. TCNs account for 0.3 per cent of the total resident population of Romania. Mainly an emigration country with more than ten per cent of its working population abroad, Romania nevertheless slowly evolved towards becoming also a destination country for immigrants.

Some 50,000 TCNs in Romania are staying on the temporary basis, and further 10,000 are permanent immigrants. About half of them are family members of Romanian, EU or EEA citizens, a quarter are represented by immigrant students, one fifth is constituted by economic migrants, and less than five per cent came in Romania to conduct entrepreneurial activities.

Since 2006, the National Public Employment Agency (NPEA) has provided official figures of about 50,000 vacancies per year irrespective of the economic situation with slight annual sectoral differences. This data suggest that labour shortages affect industries ranging from banking and financial services, real estate, health, education and social assistance to retail, agriculture, public administration, manufacturing, construction, shipbuilding and transportation. One of the highest vacancy rate of 0.6 per cent in 2009 and 2010 is registered for unskilled workers.

Less skilled immigrant workers consider that Romania offers attractive labour market opportunities compared to their country of origin. In addition, in many cases

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employers in constructions, shipbuilding, transport infrastructure, domestic services and caregiving sectors ensure housing and meals for their immigrant workers.

The top three countries of origin for migrant workers are Turkey, China and Moldova. Up to 70 per cent of the Turkish migrants work in construction, transport infrastructure, food industry and commerce. Other third-country workers come from: Bangladesh, Ukraine, Philippines, India, VietNam and Serbia. Moldovan workers with lower educational attainment are found in construction and agriculture. Chinese men work in construction, textile and shipbuilding sectors, while Chinese women are employed in textiles and retail (Soros Foundation, 2008). Until 2008, Chinese migrant workers represented almost thirty per cent of all work authorizations issued annually in Romania (ROI, 2009). Also, many Chinese nationals are working in commerce and light manufacturing companies in which they are associates.

Immigrant workers accept jobs that locals are no longer prepared to undertake, such as childcare, care of the elderly, domestic work, hotel and other hospitality industry work, construction and agricultural hard labour. Labour immigrants’ employment patterns are differentiated depending on their country of origin and cultural characteristics of the migrant community. They are mostly employed on fixed-term contracts, however in the case of Moldovan and Turkish workers migration is rather circular, and the contract period is shorter. Additionally, Moldovan workers have the advantage of language proficiency, while the workers from Turkey have strong immigrant communities in most of the counties in Romania. The situation is entirely different for migrant workers from Asian countries, especially the Chinese, which constitute a large share of immigrant workforce.

“Chinese migrant workers are more vulnerable than other migrant workers groups, especially in the relationship with the employer. This can be explained in many ways. First, they travel for long distances and pay a lot of money to the intermediary employment agency, around EUR 10,000 according to migrant testimonies. In case of emergency, such as the economic crisis in the real-estate construction, the migrants could not return because of these huge debts incurred in their country of origin, and the costs of travel. The sudden termination of their contracts meant also no payment. Chinese workers is the only migrant group that do not speak any foreign language, not to mention Romanian.”

(Trade-union representative, 2011)

Main channels used by less skilled migrant workers to enter and access the Romanian labour market are the recruitment agencies and intermediaries, as well as the informal migration networks that include the migrants’ community members, friends and acquaintances.

“The selection and recruitment process is not that simple and it may take between four to six months. The working contracts are concluded for a minimum of two years. First, I identify a potential employer, and then I contact the recruitment agency in the Philippines who will send the offer. They are interviewing hundreds of women every month, make a selection and send the CVs to us. Usually, the (private) employer in Romania will receive three CVs to choose from and we conduct online interviews. Total recruitment, selection and hiring costs of a babysitter from the Philippines can go up to EUR 4,500. The salary is between USD 300-500, plus accommodation and meals”
Studies and interviews with migrants report poor working conditions as one of the most pressing problems for migrant workers, including unsafe work, exploitative wages, undeclared work, lack of social protection rights, and debt bondage.

The profound economic recession worsened the national labour market outcomes for both native and immigrant workers. In during 2009 to 2010, the labour immigrants used different mechanisms in their attempt to cope with the effects of the crisis, such as:

- return to their home country, while others remained in Romania even facing risks of becoming irregular or performing undeclared work;
- like the native workforce, more migrant employees accepted to work longer hours for the same payment or to be paid less, poorer working conditions and suffered employers’ abuses of power in order to keep their jobs and continue receiving salaries;
- migrant businesses reduced their economic activity and laid-off employees which, were in most cases, immigrants, too;
- migrants tried to save and remit to their families the same amount of money by compensating the overall decline in their earnings and the increase of the living costs in Romania through limiting their costs to basic needs.

### 6.2. Migrants’ Rights Violations and Respective Measures

In the last four years, cases were reported of third-country workers being forced to work overtime hours, receiving less or no payment; employment contract provisions were different than promised in recruitment; workplace security and health were not respected; accommodation conditions were different from those promised. In repeated situations migrant workers reacted and protested against employers’ abuses and violations of their rights, such as cases of the Chinese and Bangladeshi textile workers in Bacau, the Chinese construction workers in Iasi, or the Congolese taxi drivers, migrants from Honduras trafficked for labour exploitation and the Chinese construction workers in Bucharest. In such cases, third-country nationals have limited access to effective channels for complaints and resolution (only through the courts). In the end, migrant workers bore all costs with little positive resolution.

#### 6.2.1. Protests of the Chinese migrant workers

January 2009, around 400 Chinese construction workers gathered in front of the Chinese Embassy in a spontaneous protest that was to last for several weeks. Immigrants who had been previously working on two construction sites in Bucharest complained about the continuous deterioration of their employment conditions. The migrant
workers hadn’t received their salaries, their hourly payments had been reduced and the employer decided suddenly to lay them off with the only explanation being the economic crisis. Also, among the protesters there were groups of Chinese workers who having just arrived were told that no employment was available and they would need to return home.

Although the main causes of the conflict were the loss of jobs and a long period with no remuneration for the work performed, there were additional reasons why the conflict has escalated.

The clauses of migrants’ employment contract were vague (monthly salary “no less than EUR 400”) and contained exploitative provisions (for example, they had to pay large fines if the contract was terminated on their behalf, and were forbidden to strike). The majority of migrant employees signed two employment contracts, one in China and one with the actual employer in Romania. This was not the case for posted workers who were directly employed by the Chinese subcontractor. There were huge differences between the two employment contracts. If the contract in China was signed for three years with the possibility of extension for two more years, the one accepted in Romania was for one year with different provisions, mostly unfavourable. Few migrant workers actually received a copy of their employment contract. The Chinese workers participants in the protests described the abusive and manipulatory ways used by the employer to have the working contracts signed – the employer lent them money to send to their family before actually starting work; “they forced their way upon us,...we were told to hurry and sign the contract as there was no time and papers had to be done, they would tell us a summary of the contract”.

Accommodation and meals, and, if needed, transportation costs to the construction sites were covered by the employer. It should be noted that, even if the living conditions were sometimes below the appropriate standards, the majority of migrant workers considered them satisfactory. The Chinese workers were willing to accept poorer living and working conditions provided their earnings were higher.

Return to their country of origin was considered by many protesters migrant workers the ultimate and undesirable solution, especially for the newcomers who had worked for a few days or only several months. The migrant workers protesting in front of the Chinese Embassy wanted to regularise their situation and to continue working to be able to send money to their families. They declared they had huge debts in China as they paid high fees to the recruitment agency and covered their travel to Romania, with the total amounts cited between EUR 8,000 and 12,000.

At the time of and immediately soon after the start of the protest by the Chinese workers’, their legal and employment status had became irregular for the majority of these workers. Additionally, because of the Romanian immigration legislation, even if the migrant workers were legally employed and paid all their contributions and taxes to the state budget, they could not access the unemployment benefits or other means of social protection.24

24 After termination of employment relationship, third-country national has 30 days to regularize the situation and find employment if not, the residence permit is cancelled and the right to stay in Romania is revoked, the migrant has to return in the country of origin.
All of the circumstances above led to the protest of migrant workers near the Chinese Embassy in Bucharest. Left with no alternatives, for several weeks, the Chinese workers had been living in the street and in the park Herastrau close to the Embassy with scarce food and water resources and very limited access to healthcare. The local authorities said they had no competences in the matter, and declined the request of the Romanian Office for Immigration (ROI) to make temporary accommodation available, but provided with tents, blankets, food and water. Even though the protest was not authorized, there were no incidents with the local police. The local community, Bucharest’s population, local NGOs (Red Cross), local firms, the church helped with food, water, clothes and even medical care. The Chinese workers received support and accommodation, as well, from the Chinese community through the Buddhist temple in Bucharest. For several weeks, every day some 20 to 40 migrants came to eat and sleep and then come back to the protest.

The Romanian authorities reacted promptly and tried to identify solutions. The Romanian Office for Immigration together with the Chinese Embassy, the Romanian employers and Chinese subcontractors, Romanian-Chinese Chamber of Commerce and the Romanian trade unions negotiated to achieve positive resolutions to the migrant workers’ demands. ROI issued a derogation and migrant workers paid no penalties or fines resulting from their irregular status.

In less than three months, the majority of protesting migrant workers were repatriated back to China, received the unpaid salaries in Romania and were promised to recuperate 25 per cent of the fees paid to the recruitment agencies. There were also cases of migrants who decided to stay in Romania. Even with a very low chance of success, some workers applied for asylum in Romania on the basis of fear for their life in China for having huge debts.

The Chinese migrant workers protest in 2009 was not a singular case, but only the most visible and representative in numbers. Yet, similar cases were reported since 2007, and the recent protest of 50 construction workers in Iasi in August/September 2011 showed once again that the root causes for widespread exploitative practices have not been really and seriously addressed.

Trade unions expressed their concerns regarding the situation of migrant workers and developed measures, such as the System of Sectoral Self-Regulation in Construction (SASEC) set up through the sectoral social agreement between ARACO Employers’ Confederation and the Familia “Anghel Saligny” General Federation of Trade Unions. SASEC has a bargaining committee for migrant workers. Also, trade unions have concluded partnerships and bilateral agreements with countries of origin (with Chinese trade unions in 2009). An interesting initiative is the ESF-funded project “Trade union representation for immigrant workers in Romania” implemented by the National Trade Union Block (BNS). A counseling centre for migrant workers was set up in Bucharest through this project aiming at provision of services and legal advice to migrants working in Romania.
6.2.2. The precarious situation of migrant domestic workers

The particular employment circumstances of the migrant domestic workers hold major importance in understanding of the overall economic contribution of the less skilled migrant labour force in Romania. In 2009 and 2010 the work authorizations issued for migrant domestic workers increased rapidly, and the demand in this sector is continually expanding. The majority of migrant domestic workers are childcarers and originate from Philippines.

More common violations and abuses declared by the migrant domestic workers are: performing additional tasks to those in the employment contract (for example doing housework in addition to caring after the children); their working time may be twice the legal norm, up to 90 hours/week; their passports and documents upheld by the employer; verbal and emotional abuse; forced limitation of free time and being locked up in the house while employers are away.

Labour Inspection has difficulties in implementing the control and monitoring of the working conditions measures for migrant workers employed by families.

“It is a private property and they can deny our access to the house to check the working conditions for the migrant worker. Even when we make the controls, the documents provided can present one reality, according to the legal norms while, on the ground no rights are respected. It’s difficult to do our job and it is difficult to prove something is wrong.”

(public institution representative, 2011)

In 2011, the subject of the migrant domestic workers put on the Romanian public agenda the need to regulate better domestic and care services, and to ensure better protection and support for victims of exploitation and abuse.

In June 2010, the Philippine domestic workers founded their own organization – the Association of the Philippine Community in Romania. A year after its creation, the organization had 110 active members. The organization is based in Bucharest where most of its members, migrant workers domestic are concentrated. The organization acts like a trade-union representing the migrant domestic workers’ interests in the relationship with other stakeholders – the Romanian authorities, the Embassy, the recruiting agencies and the employers. According to the Romanian legislation, third-country nationals cannot establish their own trade union; they can only join the existing ones.

The case of the Philippine domestic workers evidences the essential role that the country of origin can play in the governance of the labour migration. In particular, unlike many other countries of origin, the Philippines Embassy in Bucharest provides much support to its migrant workers and it is also very active in their nationals’ rights and advocating for better regulation of the domestic sector.

Conclusions and Recommendations

Romania’s recent immigration history proved to be very rich in experiences. If in times of the economic boom, immigration was a catalyst for increased productivity, the
recession magnified the existing challenges in migration management and protection of migrants’ rights. Migrant worker protests against abuse and rights’ violation were widely reported in the national and international media.

Particular areas for further improvement identified during this case study analysis are the following:

- better inter-institutional coordination between the Romanian Office for Immigration, Labour Inspectorate, and the Economic Police to tackle systemic inefficiencies in migration management, in particular with regard to the less skilled workers;
- introducing specific regulations for domestic work performed by migrant workers to ensure protection of rights and adequate working conditions;
- adoption and enforcement of legislation regulating the work of private employment agencies;
- improve social dialogue, including on the company level, and involve workers’ and employers’ representatives actively in the fight against rights violation and poor working conditions;
- consider the establishment of a mediation institution like the Labour Courts to mediate labour conflicts;
- build partnerships with the countries of origin to ensure protection of workers throughout the migration cycle;
- provide real possibilities for circular migration by setting up or strengthening facilitated admission and integration support to legal immigrants repeatedly entering Romania.

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Interviews, informal discussions, verbal and written communication with representatives of Romanian authorities, NGOs, Embassies of Third-Country Nationals, independent experts, trade-unions and employers’ associations, immigrant workers.
The International Organization for Migration (IOM) study Labour Market Inclusion of the Less Skilled Migrants in the European Union draws attention to the categories of migrant workers, namely those with low and medium skill levels that are often treated differently from the highly skilled by the national and the EU immigration policies.

Labour immigration debate in Europe in the recent years has mainly focused on the need to attract more highly skilled migrants from outside the European Union to boost competitiveness by increasing the talent pool. On the contrary, less skilled migrants have seen the few existing entry doors often being shut, and those already in the EU are portrayed as a societal burden in the popular discourse. At the same time, the actual labour market demand may suggest the need to consider immigration at all skill levels, temporary or permanent, to support the economic recovery.

The study attempts to identify the relevant labour market integration challenges and patterns for the less skilled migrants. It also maps and assesses selected policy measures in various fields attempting to regulate migration and to support integration of these migrants.

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