



Strategic thinking on equality and mobility



ASPRI
Advanced
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CENTRE FOR PUBLIC POLICY



PROVIDUS

Inclusion unaffordable? Decline of integration and non-discrimination policies in the face of growing budget deficits and a shift of political agenda

• 16 November 2009 • Riga • *“The Uncertain Fate of Integration Policies and the Demonisation of Minorities and Migrants in Central and Eastern Europe”*

Presentation by Thomas HUDDLESTON, MPG

LABOUR MARKET PROGRESS BEFORE THE CRISIS

2000-7 significant labour market integration in most EU countries

Greater labour migration and inclusion of resident non-EU nationals created significantly more jobs & growth

Newcomers in new countries of labour migration out-performed nationals and established non-EU communities

Non-EU nationals, on average, as likely to be in a job as EU nationals—esp. for men, young, older workers, and people from Eastern Europe & Russia.

But what jobs?

- **More on temporary contracts**
- **More “brain waste”**
- **Greatest parity for low-skilled and educated (EC)**
- **More flexible and mobile, in sectors where demand was greatest, i.e. manufacturing and services employ >40% in high-income OECD (UNDP)**
- **More self-employed than nationals (Nordics and Central)**

Those who naturalised did better, no matter their length of residence, education, or background. Those who could not over long-term likely stuck in low-paid jobs.

STATE PROGRESS BEFORE THE CRISIS

Trends from MIPEX and EC Handbook on Integration

Increased state recognition and capacities as countries of immigration

New channels for discretionary temporary work migration, either all categories (South and some Central) or highly-skilled (Northwest Europe)

Some improvements in legal framework of security and rights for families & permanent residents (new immigration countries in South and Central)

Voting rights for non-EU nationals (Central), consultative bodies (South)

Majority for dual nationality, and citizenship at birth for 2nd/3rd generation (South)

Across EU, transposition of EC anti-discrimination directives, mandates for equality bodies, creation and training of support NGOs

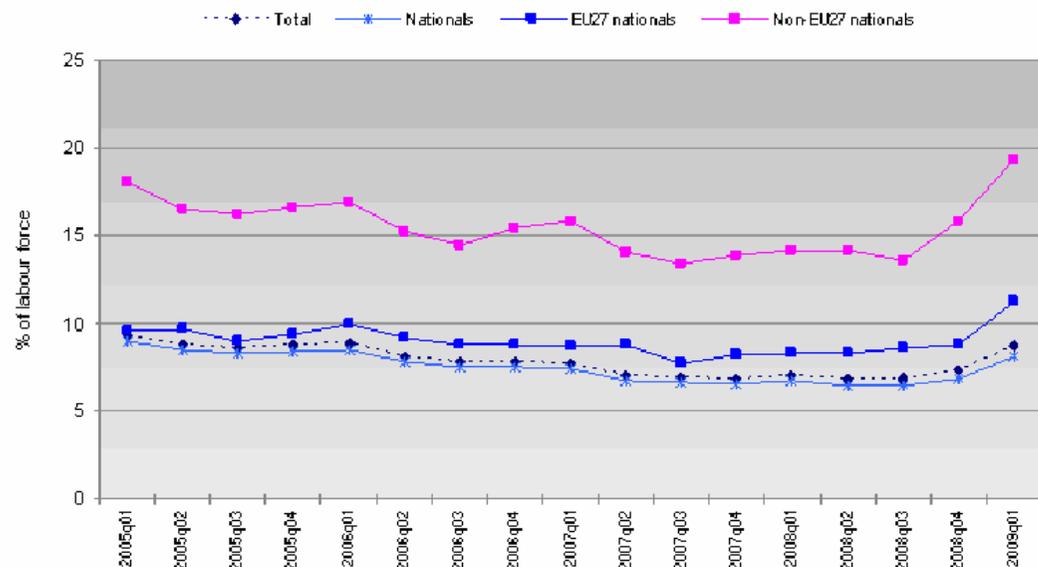
FIRST EFFECTS OF THE CRISIS ON INTEGRATION

“Dis”integrating labour markets → When unemployment rises for all, rates tend to be faster, and higher, for non-nationals, (UNDP 98-08)

The earlier a country hit by the crisis, the greater the hit to youth and non-nationals (OECD)

Since this autumn, EC and ILO observed rise in EU greatest for non-EU nationals. EC calls new inequality gap “alarming” at 11 pts.

Chart 23: Unemployment rates by nationality for the EU



Source: Eurostat, Labour Force Survey. Data non-seasonally adjusted.

FIRST EFFECTS OF THE CRISIS ON INTEGRATION

Why?

- Recent entrants “last hired, first fired”
- Younger, so less work experience, access to skills trainings, education
- Sectors and contracts most vulnerable to business cycles
- Fewer personal networks, needed in recession when formal channels closed
- Greater employer discrimination in hiring and firing
- Minority-owned business more at risk of bankruptcy

The types of EU labour markets will lead to different new levels of inequality (MPI)

Unemployment rates for 20 EU Member States 2007-09 (MPI)

		<i>Non-nationals</i>		
		Rising	Stable	Declining
<i>Nationals</i>	Rising	EE, ES	UK	DE, FI, NL
	Stable	(CY, LU, PT) (NO, SE)	(AT, BE, CH, FR), (CZ, GR, IT), DK	...

SIDE EFFECTS OF THE CRISIS ON INTEGRATION

Housing bubble disproportionately affects non-nationals: in construction sector, and as recent homebuyers, at risk of default on heavy mortgages (OECD)

Disproportionate poverty levels likely to increase (MPI)

Greater public scapegoating of foreigners

Most immigrants determined to stay, still send remittances, and live on less (WB).

- **Countries of origin—also hit by crisis**
- **Return on past investments in immigration & integration**
- **See better potential in country of residence's labour market**

STATE CRISIS ON INTEGRATION?

Too early to tell.

Some refuse to renew withdraw permit in all cases of unemployment (Czech Republic, Kazakhstan, and Russia), others do not (Ireland and Italy)

Some cut integration and anti-discrimination budgets (Czech Republic, Ireland), others might (UK), do not (Spain), while others redouble efforts (Sweden)

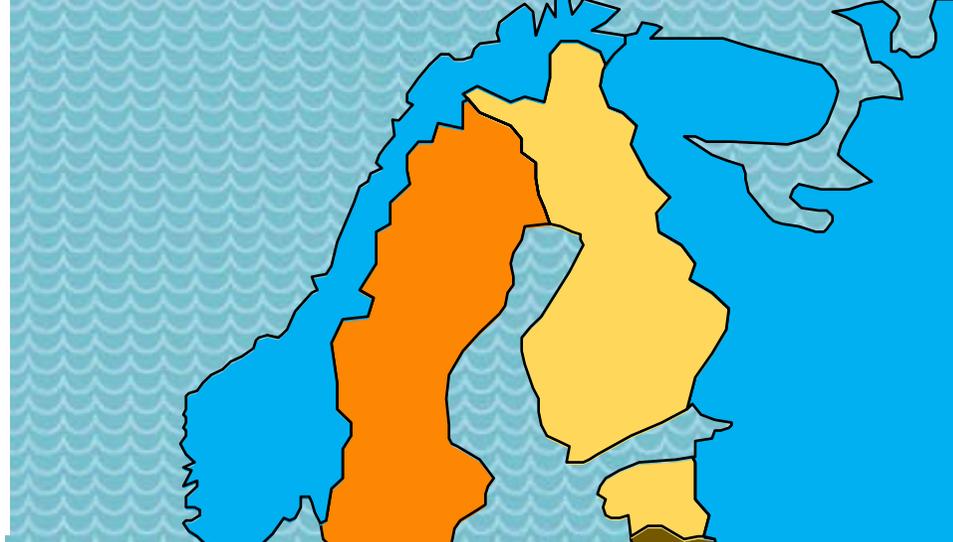
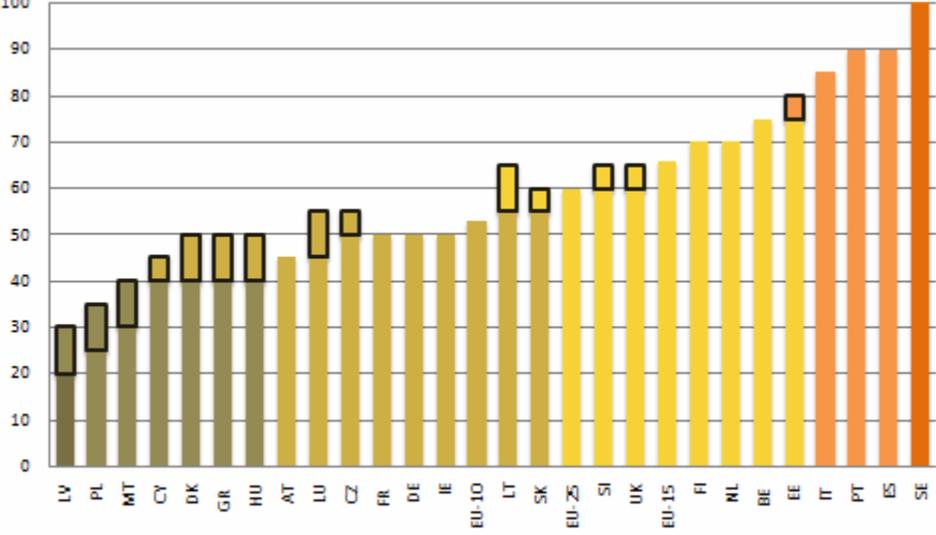
Voluntary return (Czech Republic, Spain, UK) with poor results.

How easily and rapidly newcomers and those in declining sectors can get back into the right job determines how well the labour market will be in the long-term.

Where a country is in setting up its infrastructure on immigration, integration, and anti-discrimination determines whether they are able to respond quickly and limit the negative long-term impact on societal integration.

Taking these recommendations, a MIPEX prospective impact assessment:

Investing in integration as part of a recovery package to stay on track for the long-term economic and demographic needs.

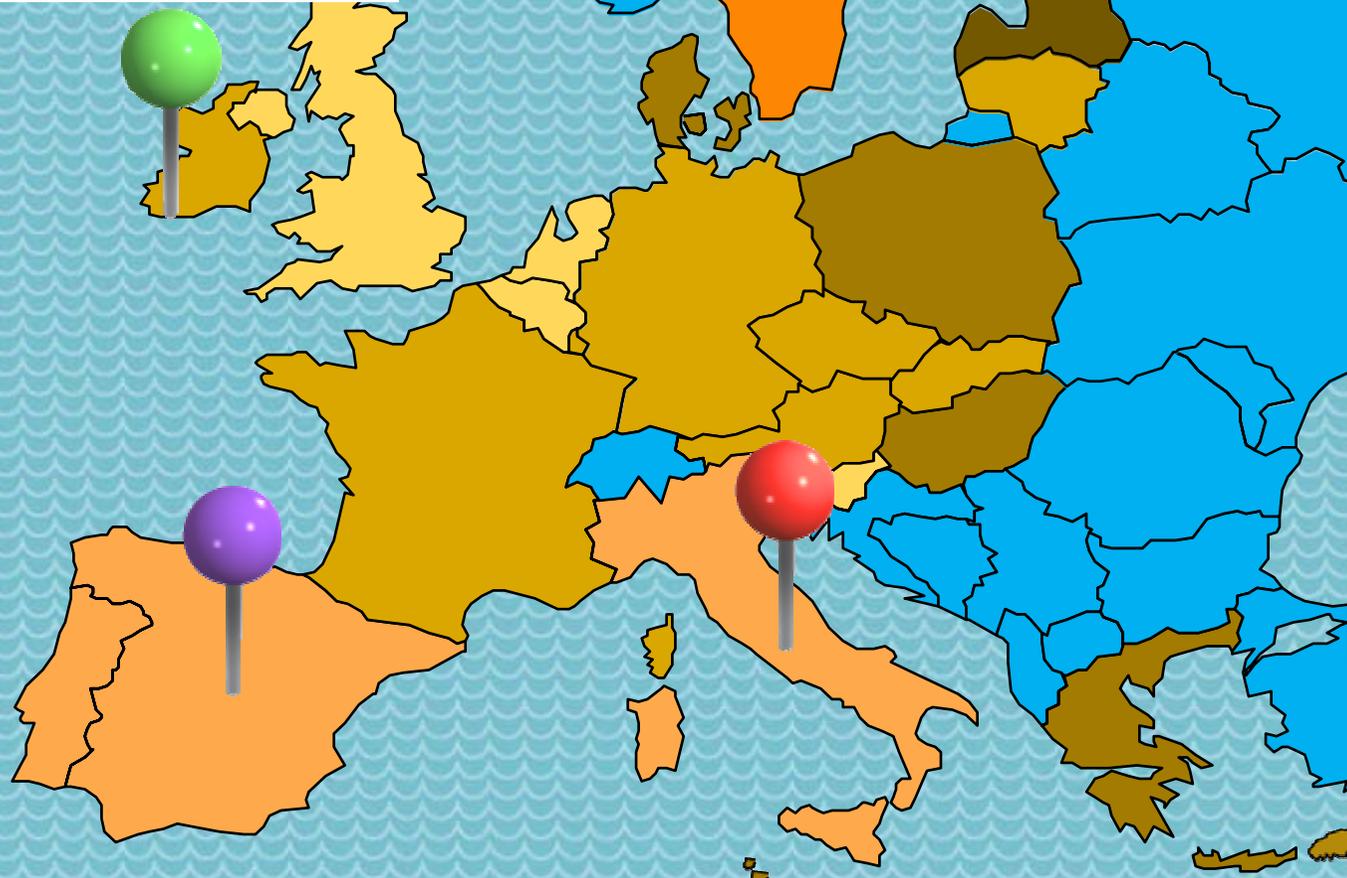


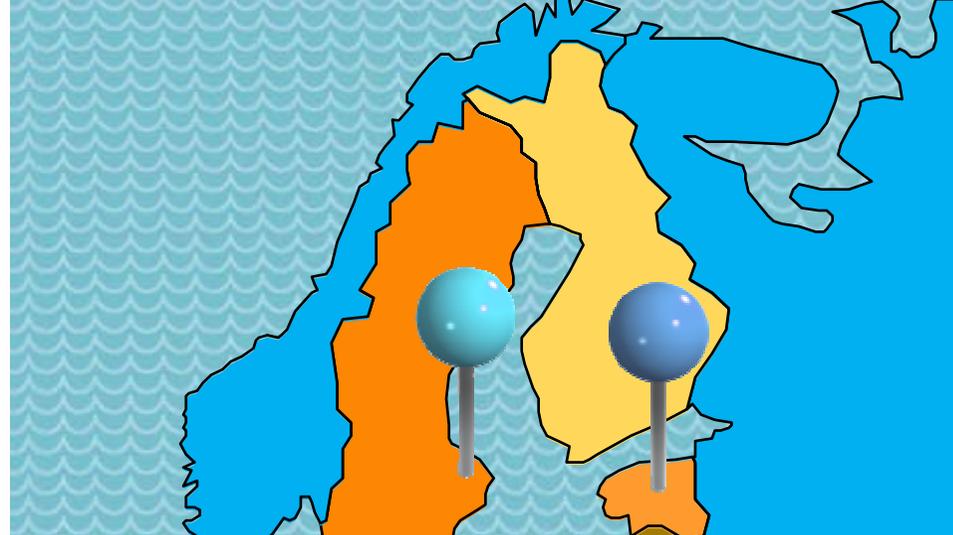
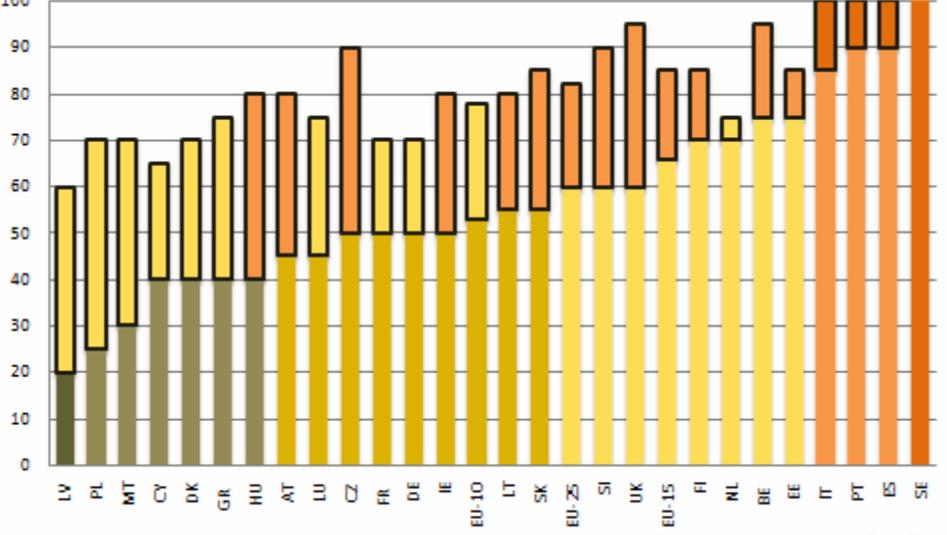
Retention

Period for temporary workers to find new work

Especially if job lost through no fault of their own

Termination of work contract not automatic reason to withdraw status



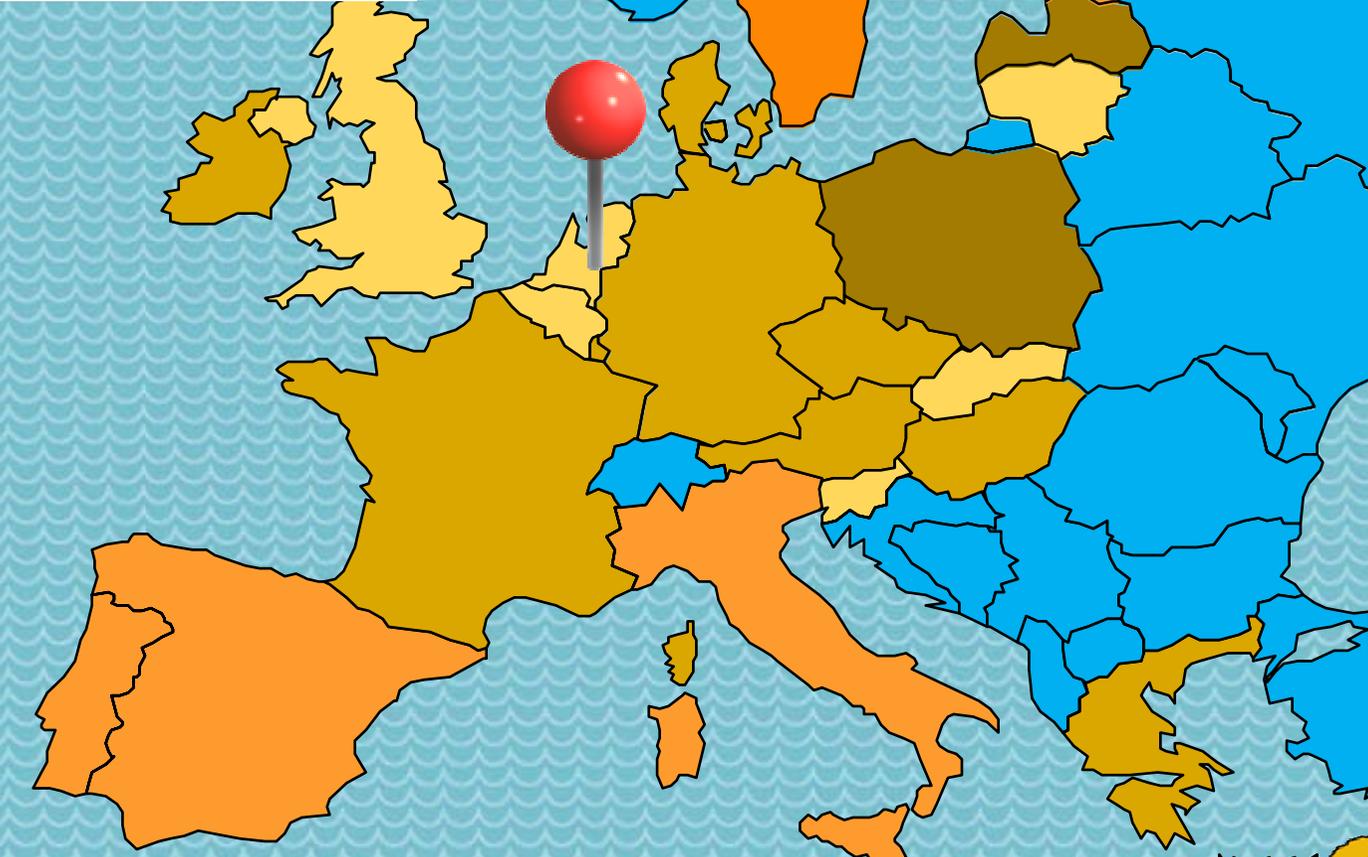


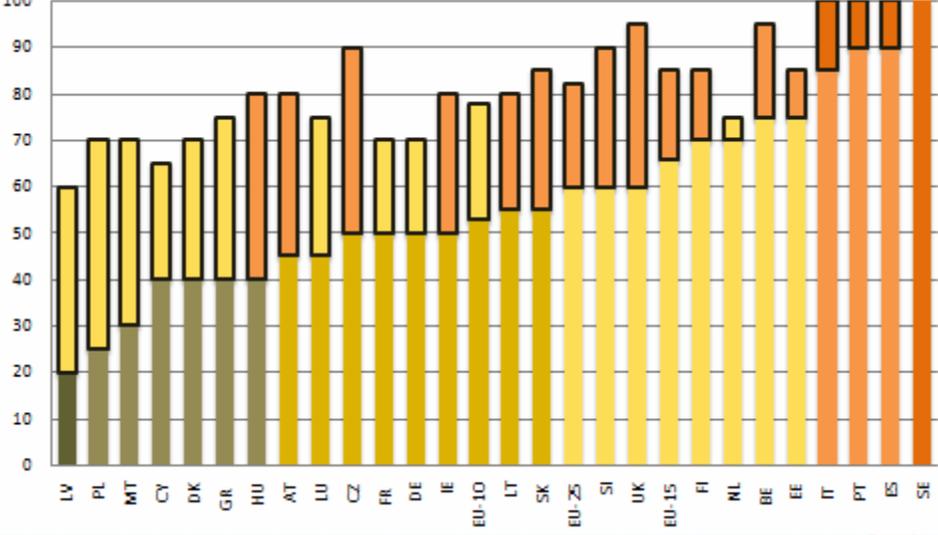
Integration stimulus & retraining

Facilitate recognition of qualifications/skills

Equal access to vocational training & study grants

Targets on combating unemployment, training, profession-based lang. courses



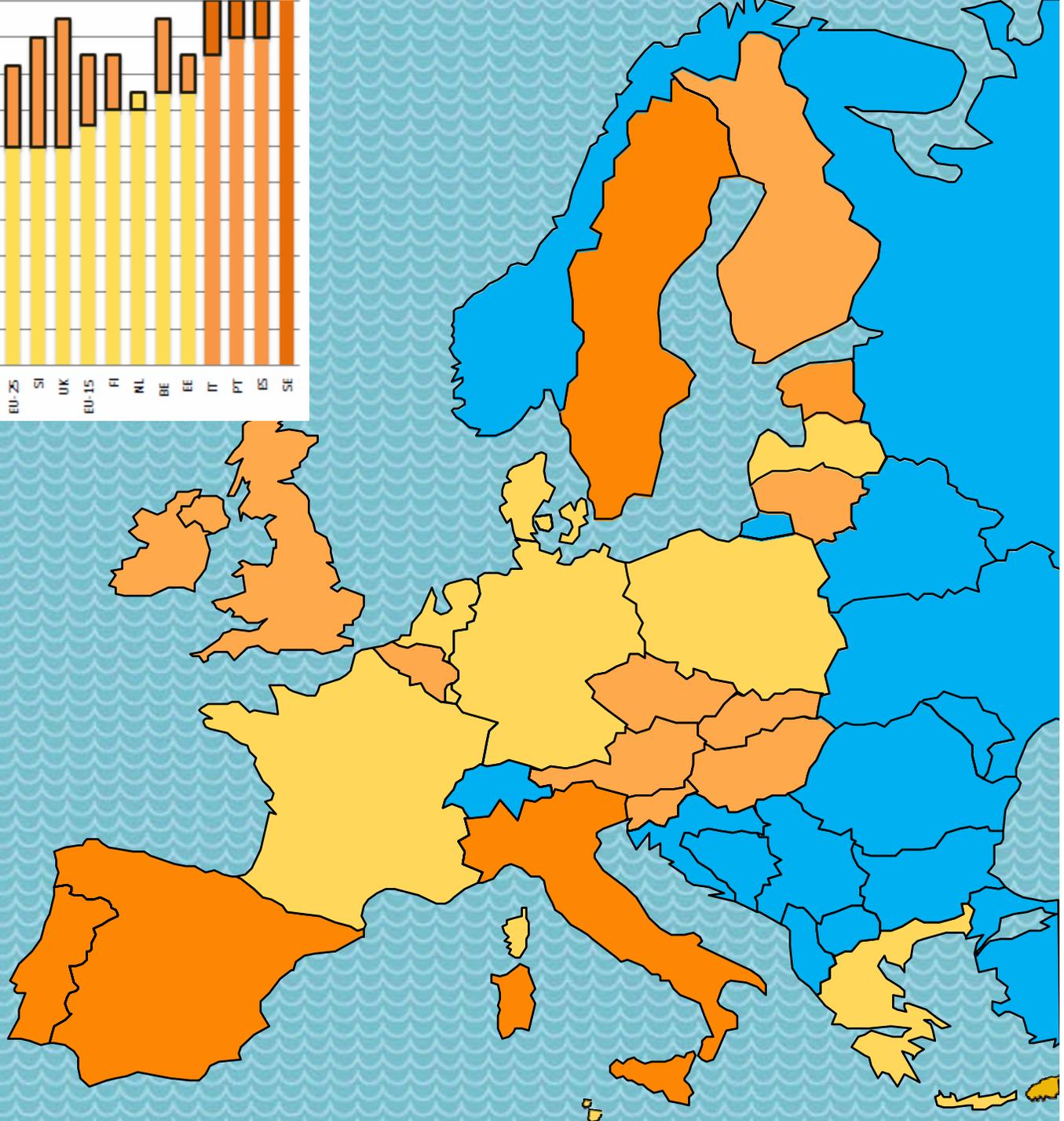


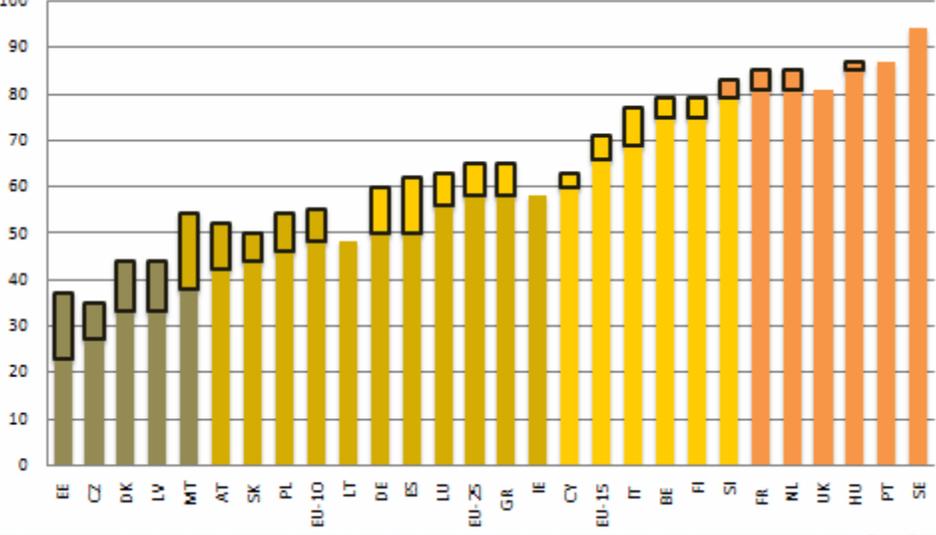
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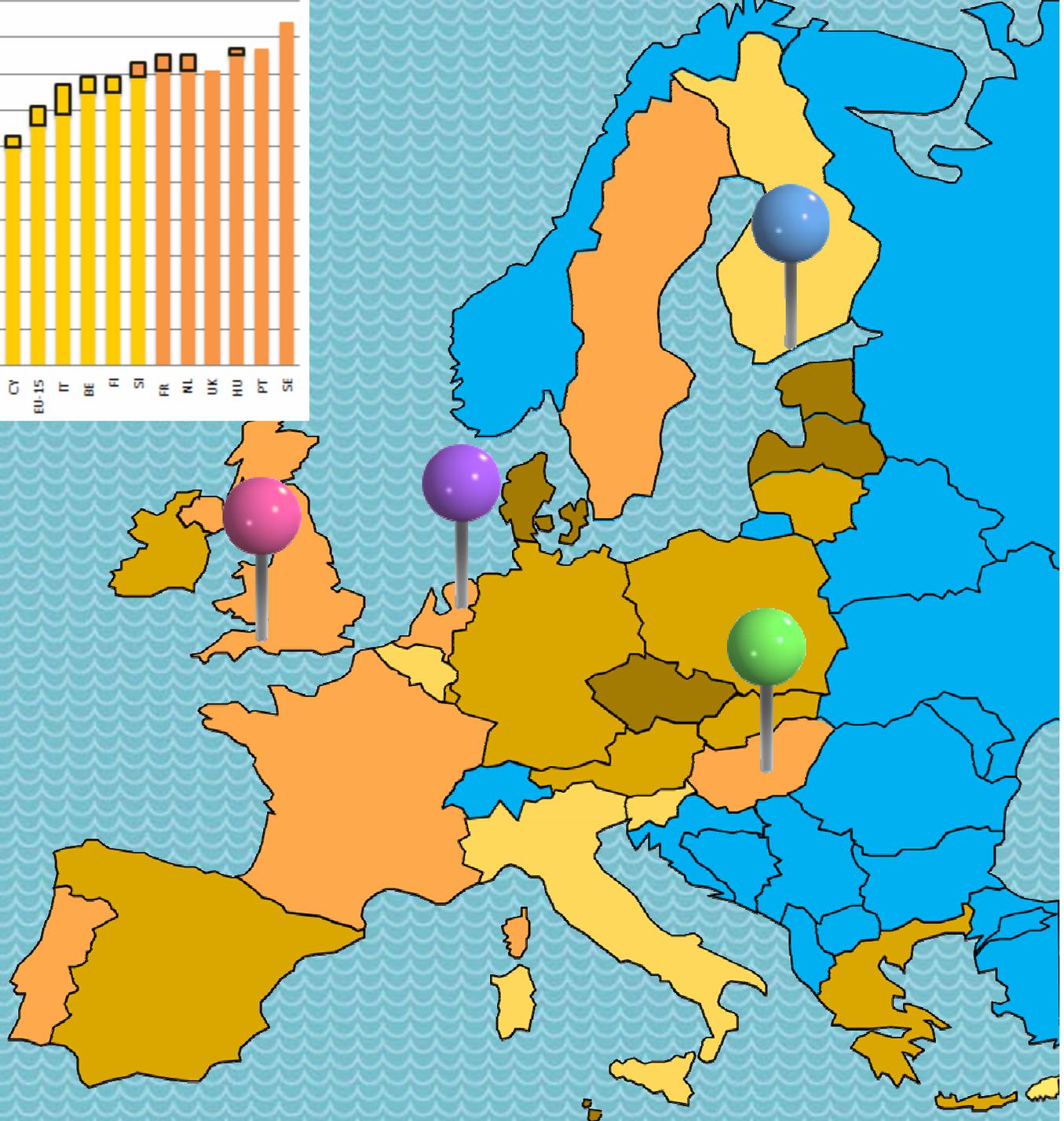


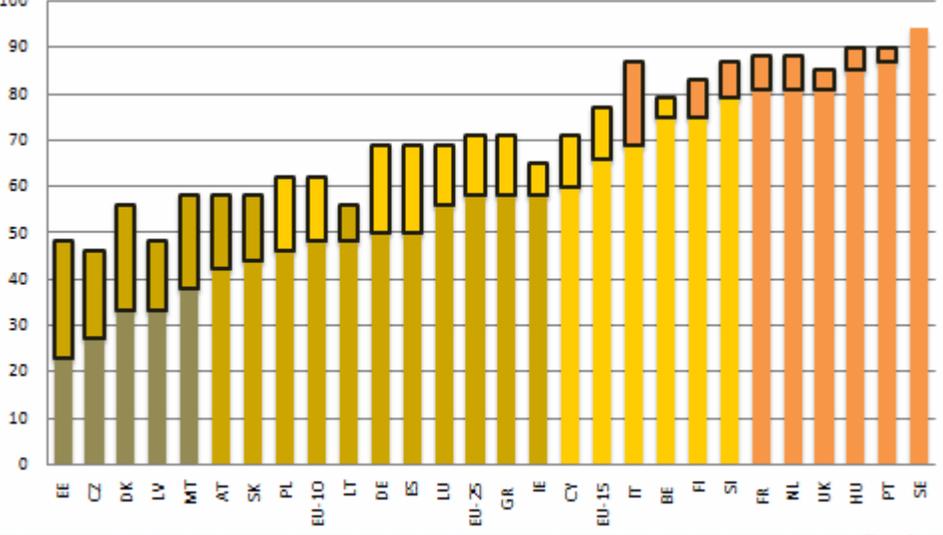


Protect population from discrimination in a downturn

Fill any gaps in private sector: so that no employer can discriminate with impunity

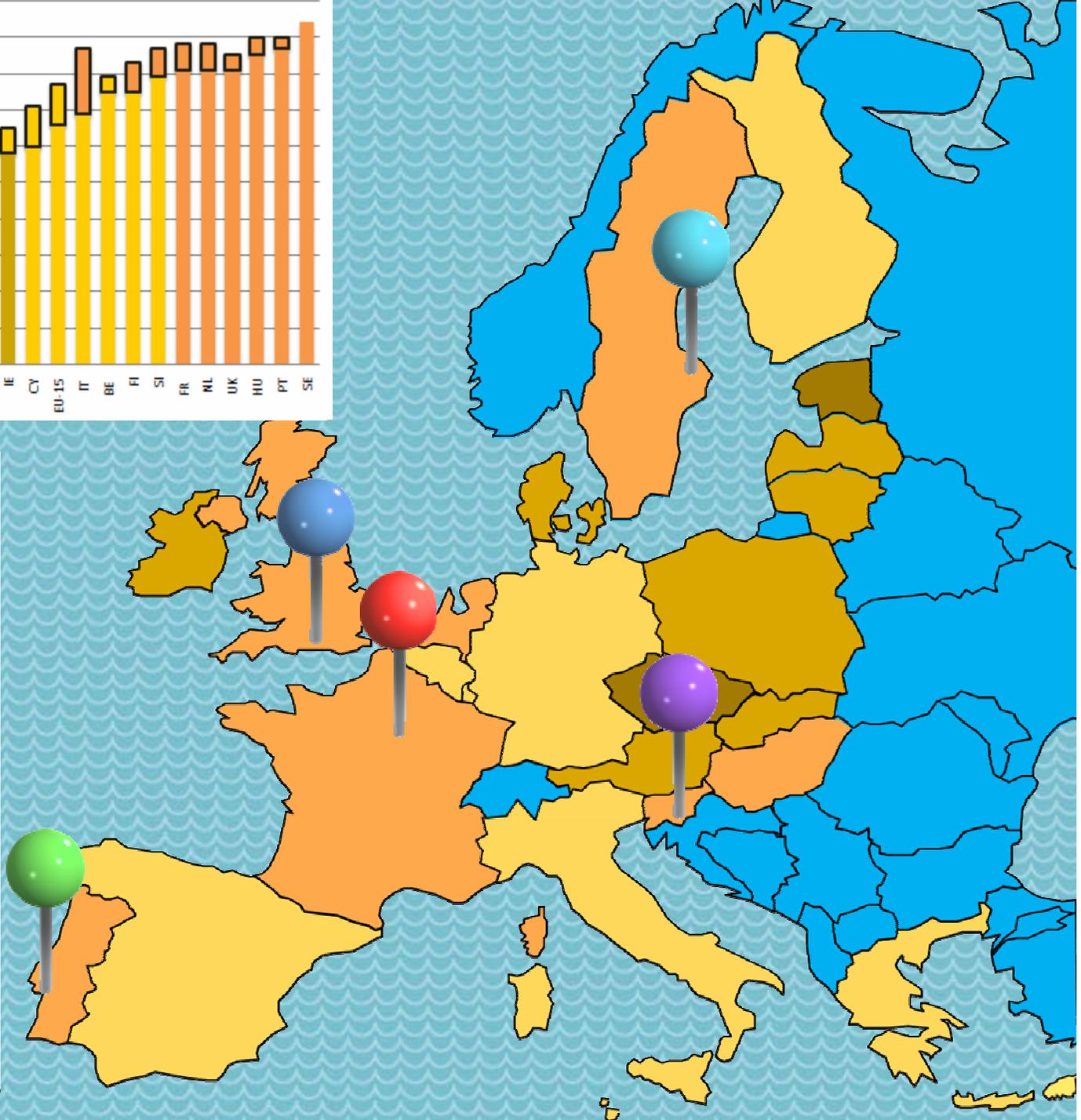
Legal protections for all residents active in labour market against hiring or firing based solely on their nationality

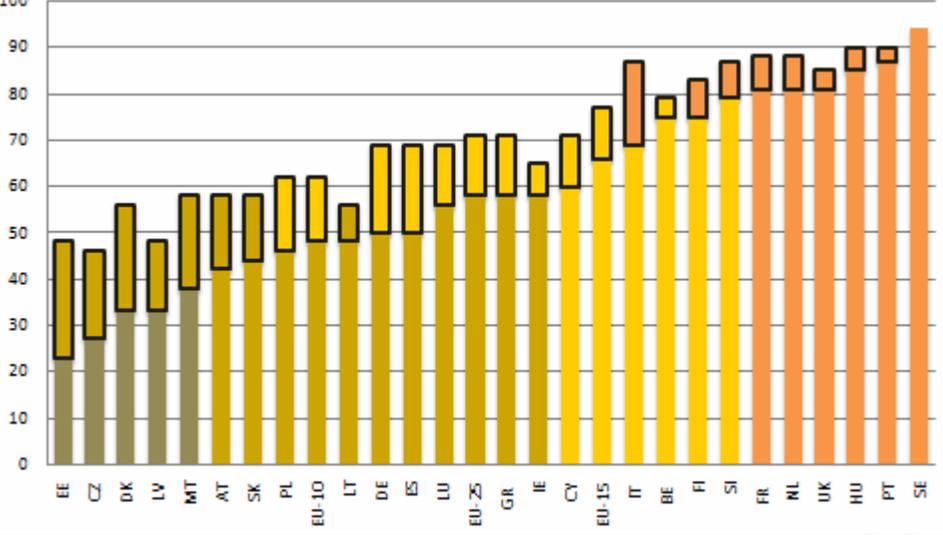




State does anything in its power for equality agencies to help potential victims find justice

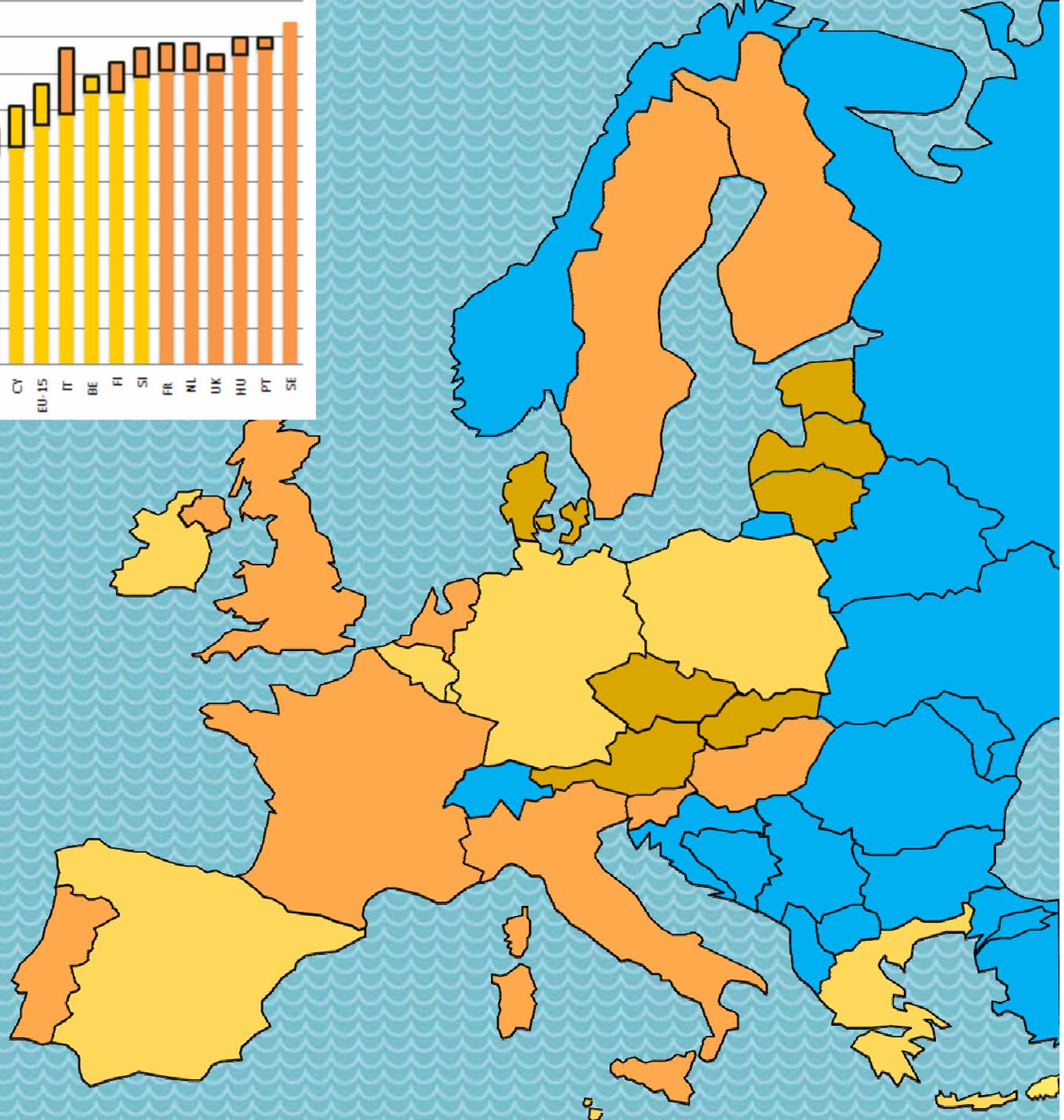
Authorities assume legal responsibility to lead social dialogue & raise awareness: "honest broker"

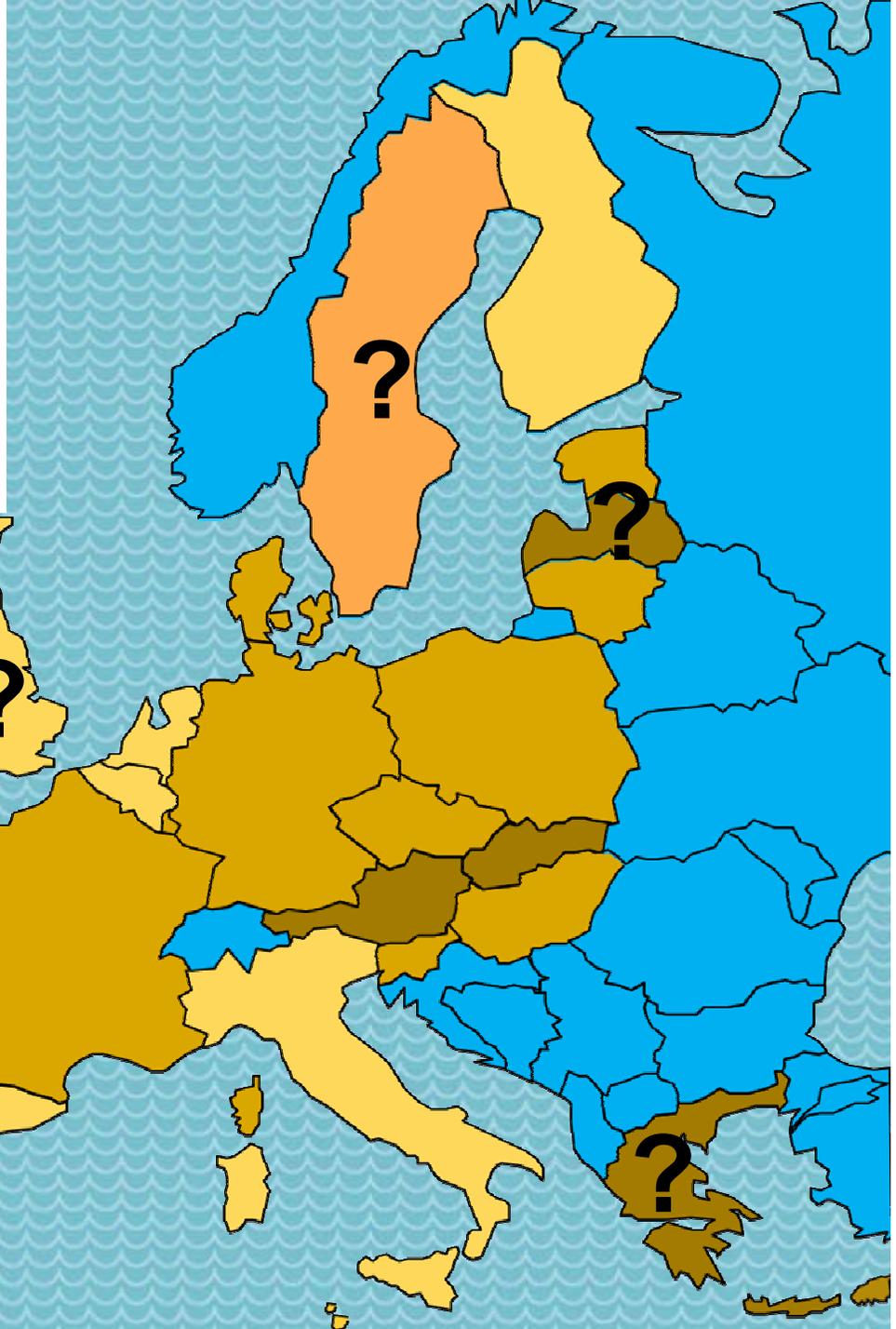
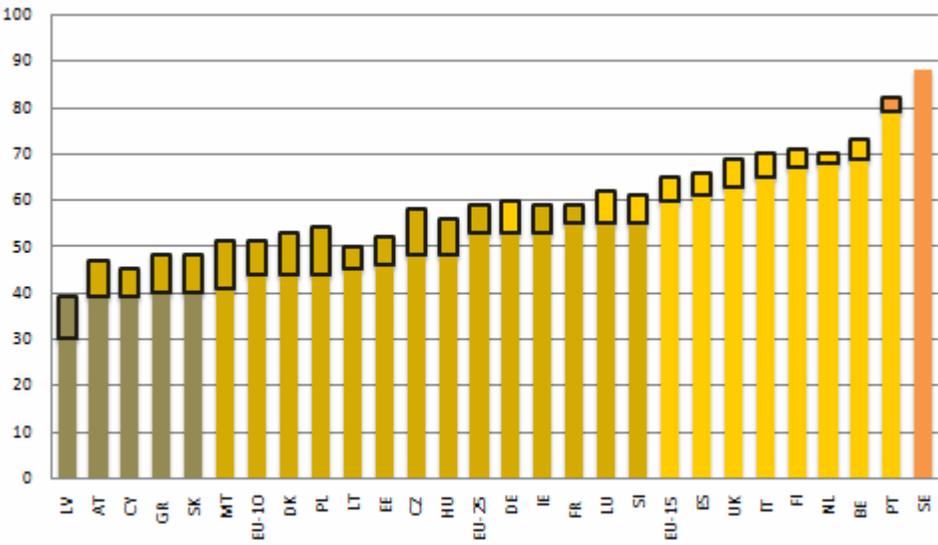




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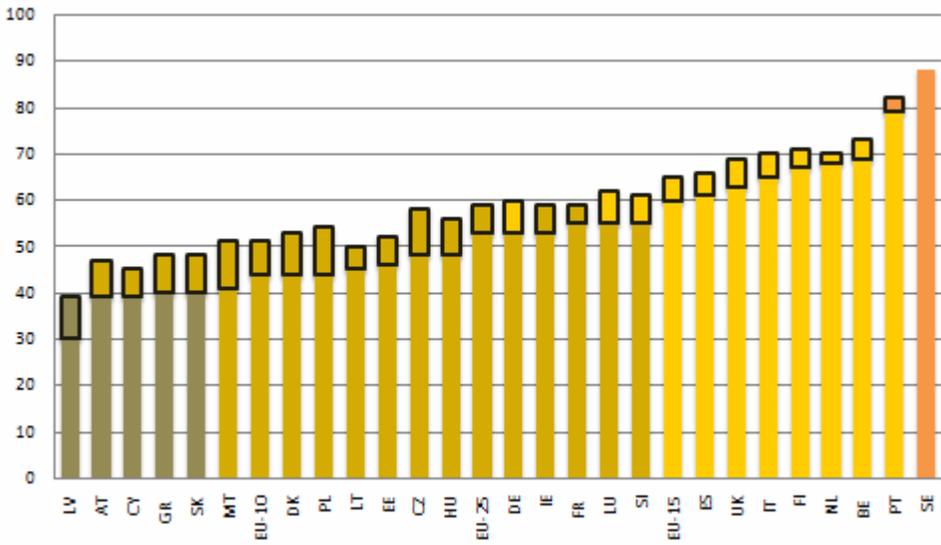
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Conclusion

How would this recovery strategy affect overall integration policy across EU?



Only slight modifications necessary in most

Greatest (10 pts) in CZ, MT, PL, and significant in AT, DK, DE, HU, LU, and Latvia!

