



THE ECONOMIC AND SOCIAL ASPECTS OF MIGRATION

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SYNTHESIS REPORT

by

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Introduction

The topic of the economic and social aspects of migration is a challenging one, especially at a time of debate about the future direction of migration policies in Europe. Demographic changes are taking place which have an important impact on labour markets, on the structure and membership of the European Union and on global changes. All of these changes influence migration flows and the rights of citizens and non-citizens as well as and policies and rights with regard to the integration of migrant workers.

Ms A. Diamantopoulou, European Commissioner responsible for employment and social affairs, observed that the European Union is a region of immigration, with an annual inflow of about one million legal immigrants in the past decade, and with an estimated annual inflow of about half a million illegal migrants. This represents a large annual increase in the population of the EU. Increases in the population of the EU, however, have occurred not only because of migration, but also as a result of successive enlargements. In 1960, the six founding Member States had a population of 170 million people. It is estimated that this number will increase to about 450 million after the latest enlargement to 25 Member States has taken place in 2004. Population increase, whether by enlargement or migration, is never a solution or a problem as such. For the Commission, the effective use of the available human resources is what is at stake, and this leads to a special focus on the labour market and social integration of non-EU nationals legally residing in the European Union area. Equal treatment for all and the outlawing of racism and discrimination are the cornerstones of a policy that seeks to eliminate second class citizenship in the EU.

Migration and asylum policy aims for a compassionate and firm policy towards asylum seekers, a determined effort to tackle illegal migration, and a pro-active approach to address the causes of migration: poverty, unemployment and underemployment, and also persecution. On the other hand, immigration into the EU is enforced by labour market shortages, because of shortages of specific skills, and a lack of workers in jobs unattractive to resident Europeans. Short-term solutions, such as a repeat of the guestworker policy, should be regarded with caution, as should the effects of emigration on the countries of origin.

The demographic problem facing Europe is caused by several factors. One, ageing, might be deemed positive, being the result of successful health policies leading to people living healthier and longer lives. Obviously, this implies a need to work longer, in order to maintain a sustainable ratio of years of working life relative to non-working life. Another, but negative, factor is the low birth rate, and the consequent non-replacement level of the population. The reason is not that people do not want to have children, but because of economic disincentives. The cost of women not working has increased substantially, as has the cost to parents of raising a child. Possible solutions in the field of taxation or child care provision are not, or not adequately, adopted. Costs fall too often on the parents, with insufficient involvement of society as a whole. These demographic problems have to be faced on their own terms, and should not be confused with immigration, however attractive this may appear as a possible solution. Young immigrants grow older, and once integrated, will face the same range of economic pressures and incentives in this respect as the native population.

Ms B. Asgeirsdottir, Deputy Secretary-General of the OECD, focused on the two major themes of this conference: first, the linkages between demography, migration and the labour market, and second, the integration of immigrants in host countries.

In the decades to come, urgent decisions have to be taken in order to preserve the sustainability of social protection systems and to maintain equilibrium in the labour market. A solution exclusively relying on immigration seems highly unrealistic, given the need for the extremely high inflows of immigrants that would be required. Full control of both net migration and the age structure of in- and outflows of immigrants is not possible, and the initial high(er) fertility of immigrant women tends to decrease rapidly over time. The immigrant population itself will also be affected by ageing. One need of current labour markets concerns highly skilled workers, and relevant policies have been developed in a number of countries to facilitate their entry, even leading to increased competition between OECD member countries to attract these workers from abroad. Policies must also be developed to reduce the risk of brain drain from countries of origin. In studying the effects of migration, the perspectives of both the countries of origin and of destination must be taken into consideration. Migration should not be seen as just an economic issue; the social aspects of migration also need to be taken into account.

The second issue concerns the integration challenge. What if migration flows are larger than the capacity of the labour market to absorb new entrants? Many countries face serious problems with the integration of foreigners. Work being carried out in the framework of the Council of Europe on reviewing member countries' legislation and policies to combat racism, xenophobia, anti-semitism and intolerance, leads to the conclusion that it is not sufficient to look only at the rules and regulations in the labour market. Other areas must also be taken into account, as, for example, the education and health system, and housing. There is increased heterogeneity in the origin of and status of migrants. Serious integration problems may arise for vulnerable groups, such as immigrant women, refugees and immigrant youth with low educational attainment. Problems may be caused by a lack of basic skills and/or linguistic skills, but they may also be due to problems of recognition of foreign diplomas and training and of work experience abroad, as well as to discrimination. Immigrant women face a lower participation rate than expected. Education is seen as a key to integration, and Europe may learn from the positive experiences in this field of Canada and Australia. There is a need to overcome the integration challenge. The OECD intends to evaluate measures facilitating the integration of immigrants, giving special attention to the labour market and society. This evaluation, with a strong emphasis on the local dimension, will be carried out in close co-operation with the Commission, the ILO, the Council of Europe and the IOM.

1st Session: Changes and challenges in European migration from the 1950s to the present day

A historical introduction to the changes and challenges in European migration of the past five decades automatically leads to a number of partly overlapping questions, such as: What can be learned from the European migration experience thus far? Or phrased in a different way: How to develop migration and integration policies in view of the lessons of the past, while striving for a common European migration and asylum policy? Why is there a need for a common European migration policy, and to what extent and at which level of the European Union should these policies be harmonized? How will developmental issues and the perspectives of the countries of origin of the immigrants be taken into account? In what way is the individual perspective of both immigrants and employers taken into account in the development of future policies?

The historical perspective provided by J.P. Garson and A. Loizillon has, among other things, shown an important diversity of migration experiences and contexts in Europe.

As a consequence, one of the discussants, M. Biart, observed an important variation in the labour market participation rates in Member States, those of non-national men being above, equal or below that of

nationals, while those of immigrant women generally were below that of native women, except in Spain and Greece. Immigration might then be a kind of substitute for the labour market activation of both sexes. In the Greek case, the activity rate of nationals has not increased since 1998. It may be asked how immigration relates in different national or regional contexts to the aim of the European employment strategy, which is to try to raise participation rates in general. The historical approach shows that the vulnerability of immigrants, when it comes to unemployment, may be affected by the period of settlement as well as the level of economic development, the age structure and personal skills.

Another discussant, J.L. de Brouwer, felt that the authors were in a sense provocative in writing about the contrasts in the existing situation, due to different experiences in migration, leading to a kind of contrasted migration landscape. The text was seen as challenging, with a view to the need for a common migration and asylum policy, and the content of such a policy.

The need for a common EU policy on migration and asylum is essential. Its migration component is based on the principle of free movement of people, as contained in the treaties. With the implementation of the Treaty of Amsterdam and the adoption of the Tampere European Council Conclusions, the Commission has made an important qualitative step forward in the direction of common measures, over and above the requirement of the free movement of people. Discussions at the Constitutional Convention have gone partly beyond Article 63 of the Treaty on common migration and asylum policies, and a minority demanded a legal and more general basis for this policy area, which would not limit the capacity of intervention of the European Union. The common European Migration and Asylum policy is not about establishing a Community migration quota, but about common criteria for migration and asylum policy. It was never the intention to determine at the EU level the volume and quality of migrants to be accepted into the EU. The common admission policy may be seen as a wall with doors, and it is up to the individual Member States to decide how far they are going to open these doors. An additional and important aspect is that an "(EU) community of law" is in the making, with duties and obligations for both nationals and non-nationals residing legally on the territory of EU Member States. This process will be enforced by the inevitable integration of the future Charter on Human Rights in the Treaty and will have consequences for third country nationals. The development of this policy can be summarized as the establishment of common criteria in an increasingly "rights-based" context.

The content of a Common Migration and Asylum Policy should be of a comprehensive character and should tackle four elements. These are: the relationship between transit countries and countries of origin; the construction of a common approach to asylum; the mastering of migration itself; and a better mastering of the situation of legal migrants. A number of examples are given to demonstrate that the development of a common migration and asylum policy is much more complex than deciding how many immigrants are needed, after having established an agreement between immigrants, trade unions and employers, while working within the framework of existing EU directives.

The first example is the access of asylum seekers to the labour market. In a directive recently adopted by the Council, the issue of asylum seekers' access to the labour market has been addressed. The final text is a compromise between the Member States (only Denmark is not included). It turned out that it is difficult to settle such an issue if, in general, agreement cannot be reached about the access of immigrants to the labour market. At the European level, no answer has been found up to now.

A second example concerns the relationship with other countries. By establishing re-admission agreements with third countries, the EU Member States attempt to fight against illegal migration. In the negotiating process, the EU Member States have also to offer something to third countries, so that the latter may also benefit from these agreements. What third countries may want is greater flexibility in admitting legal migrants who want to come as workers or as self-employed, or who want to receive training. This example underlines once more the need for a more comprehensive view on these issues.

The last example is on the forthcoming enlargement of the EU. It is not yet known how the arrival of nationals of the new Member States will impact on the labour markets of the current 15 Member States. Labour migration will, after a transition period, take place in accordance with the free movement of workers' paragraph. But it is not known yet how or if this is going to take place. The Southern European Member States became countries of immigration and this may happen to the new Member States as well.

Finally, the issue of integration concerns not only the labour market; it also has a social and cultural dimension. The integration of immigrants is not something to be taken up mainly at the EU level. It happens, in the main, between the individual migrant and the community in which he or she has chosen to live. However, a common approach is needed, or at least a common reflection on how to achieve integration and whether this approach is compatible with the efficient management of immigration.

One of the participants stated that one of the lessons of history is that the driving force behind immigration is economic need. The question of national policies in the field of employment has shown that governments are caught between trade unions and employers and do not have a real policy. The current issue is to have more constructive positions at the European level. Why has it not been possible before now to develop policies at the national level? Immigration is an adjustment variable of the economy. It is a matter of an individual relationship between a worker and an employer. This last point was also stressed by another participant, in asking why it is necessary to start with the perspectives of both sending and receiving countries, in discussing the migration of labour. Sending countries do not own their workforce, and why should the EU perspective on international migration not be the same as internal EU mobility? The question centers on the needs of the individual worker and the individual employer. The starting point should not be the macroeconomic perspective, but the individual one.

This last point was taken up by the Deputy Secretary-General of the OECD, who explained that taking into account the perspective of the sending country does not mean that a country should decide which person is going to migrate or not. The reference to the sending country is made due to serious occasions of brain drain by countries receiving considerable development aid. Brain drain might seriously affect the performance of such countries and their development possibilities. Sending countries might have invested heavily in the education of their populations, and due to migration, developed countries might reap the benefits of these investments.

2nd Session: Migration, demography and equilibrium in the labour market and social security systems

In trying to understand the linkages between migration, demography and equilibrium in the labour market and social security systems, an important number of questions come to the fore. What will be the impact of migration on economic growth in OECD member countries? What will be its impact on the labour market, especially regarding wages and employment? What is the impact of migration on public finances, what will be the fiscal effects of migration? Will migration solve the problems of our pension systems?

There are different views about the implication of migration for the development of wages and employment. One view is related to fears about the composition of migration flows. Specifically the view is that if migration is not controlled, it will lead to the arrival of unskilled immigrants. This would put pressure on wages, and immigrants occupying jobs with lower wages would cause pressures for other workers as well, especially in cases of high unemployment. Another view is positive about migration. Migration increases flexibility and is seen as an adjustment variable in the labour market. In this view, migrants occupy jobs that native workers do not take up. Studies have shown that the reality is much more complicated. If one takes a long-term view and considers that migrants are here to stay, other issues have

to be considered, such as the effect on long-term unemployment, and for example, the implications for education and training.

The discussant, D. Blanchet, opened by stressing the complementary aspects of the two papers on the contribution of immigration to the equilibrium of the labour market and the social security system. The first paper, by C. Fotakis, is an analysis at the more aggregate level, while the second paper is directed at more detailed aspects, and takes qualifications and geographical areas into consideration.

There are a number of conclusions in the first contribution, such as the necessity for efforts towards integration, the key role of women in the integration process, and the necessity to combat illegal immigration. A rather strong conclusion is that “in a longer-term perspective, immigration should be seen as one of the strategic instruments to enable the European Union to cope with ageing and demographic imbalances”. It remains unclear, however, what the content of this last statement would be.

The United Nations, in a report on Replacement Migration, distinguished three scenarios. The first concerns migration as a means to compensate for the effects of ageing, stabilizing the current ratio of the 15-64 year olds versus the category of 65 years and over. It is oriented towards maintaining the equilibrium of the social security systems. The second scenario is to stabilize the working age population, or the total population, at its current level. Here, migration is used to compensate for natural decrease. The third scenario intends to use migration as a way to maintain the equilibrium of the labour market.

The question remains how the first presentation is related to these three scenarios and their objectives. There is no doubt that the first scenario is highly unrealistic, since it would lead to extremely high immigration and a flight forward, in a kind of demographic growth propelled by ever increasing immigration. The second scenario is more reasonable, since it does not lead to a demographic explosion. In the French case, it would mean a tripling of the current annual migration to the level of 150 000 persons. Is there a supply for this increase? And if not realistic, should the implicit norm of a stationary population in the long run be reconsidered? Or, should the debate on migration as a means of achieving this be reopened, the policies to support families, or the incitements to balance professional and family life in a better way, in order to reach this stationary objective? And if even this objective is too ambitious, the third scenario might be the most relevant, as seems to be the case in several instances in the first presentation. But what exactly are the quantitative implications? These depend very much on the perception of labour market tensions. If they concern an estimated deficit *ex ante* based on growth norms of the past years, it may result in unrealistic figures above those of the second scenario. Or, if they are based on actual labour market deficits (*ex post*), would these necessarily reflect an unsatisfactory supply of labour? What to do if the decrease in the working age population between 2006 and 2010 does not lead to a significant decrease in unemployment, which is imaginable, since there is no clear correlation between the evolution of unemployment and that of the working population? This leads also to the question of the expected role of other adjustment variables, such as the age of retirement. Will it be necessary to wait until the “end of unemployment” before raising the retirement age, or more generally, before introducing policies to increase the labour supply? Or must policies *vis-à-vis* the enlargement of the supply side and those related to fight unemployment be considered as complementary policies that are not conditioned by each other? In other words, should migration policy depend only on the state of the labour market or of anticipated or observed shortages in the labour market, or should it be based on objectives not related to the state of the labour market?

The second presentation, made by G. Coomans, complements the first by going into detail about qualifications and related regional aspects. All agree about the need for highly qualified manpower. This strengthens the scepticism about overly ambitious migration objectives, especially if global competition for the highly skilled is taken into account. In this respect, in order to deal with year-to-year variations, would it not be better to draw conclusions based on an extrapolation for a longer period than 1999-2001?

With regard to geographical aspects, the basis of the calculations may be questioned. The impression conveyed is that labour force needs will be greatest where there is a potential decline in the labour force. However, there is not necessarily an association between a demographic deficit and the existence or absence of tensions in the labour market. Natural depopulation of an area may coincide with a decrease in local needs and a de-localisation of capital to areas where employment is more dynamic. Conversely, local demographic dynamism may lead to the attraction of manpower, with even a risk of increased polarisation between the areas of expansion and decline.

The second paper also contains interesting elements for the potential development of manpower resources without resorting to intensified migration flows. Adjustment scenarios, on the high side, are set up for each country, demographic group and educational level based on the best European practices, with a view to estimating employment levels for the socio-economic group in question. The hypothesis is interesting, but it may, for some countries, lead to the observation that the countries that lag behind in matters of employment are finally in a better position, having the opportunity to increase these levels. The issue is whether employment weakness is an indication of room to manoeuvre or a sign of a structural problem.

Taking the retirement age as an example, is the French situation with its early retirement programmes, a more favourable case compared to its neighbours, since there is a larger margin between the actual and possible retirement age? The reality is far less favourable, since the early retirement age complicates the adjustment of pension systems.

Questions raised by participants centred on the issue of fertility levels and education. Why have different fertility levels not been incorporated in the projections? It was suggested that a presentation showing also higher fertility levels could illustrate for individuals and societies the beneficial effects of these higher levels. With respect to education, a comment was made that it was necessary to start to think more in dynamic terms. For example, the educational level of recent Turkish emigrants is on the rise, which will effect the evolution of the labour market. Migration and education might be linked as well in another way. If jobs requiring highly qualified workers are on the increase, then there will be an increase in nationals working at the higher skill levels, and this might lead to job openings for the lower skilled.

With a view to the use of different fertility levels, C. Fotakis replied that fertility in itself is an issue that would justify another conference. The concern about low fertility levels is serious, and the findings of Michael Teitelbaum are taken into account, that a strong link has been found between the existence of xenophobia in societies and low fertility rates. Research has shown that the current low fertility has existed for more than a generation, and that the ideal family in the minds of the young is small. This might create a chronic situation. There are theories that fertility will increase, and theories that fertility patterns are rather stable. In preferring the last interpretation, the question might be asked: what is the right policy?. Families with young children are shown to have serious income gaps compared to families without children. All these issues need to be looked into seriously, in order to decide what type of policies are needed to accompany the demographic ageing trend. In 2030, young people will be of extreme importance in the labour markets, at a time when the demographic problems are at their peak.

The risk of territorial polarization is major, according to G. Coomans, but the availability of data is problematic. It can be imagined that this territorial polarization will take place in the new Member States, leading to a kind of "low pressure areas", which will induce massive tensions. With regard to the notion of skills of both migrant and native workers, it is proposed to go beyond education and look into competence.

This session about migration, demography and equilibrium in the labour market and social security systems shows the interconnectedness of a large number of issues. While discussing the economic aspect of migration, issues beyond migration policies also have to be taken into consideration: active labour

market policies, increasing participation rates and the effective mobilization of all people of working age, including women, young people and older workers; policies that boost productivity and education and training policies. Since migration will not solve the problems of pension systems, these policies have to be looked at carefully. The issue of fertility may force the reconsideration of family planning policies and related tax benefit policies. The opening of the “migration box” may lead to the opening of other important “boxes” situated around the phenomenon of migration.

3rd Session: Migration for employment

The starting point for this session is that without migration, the labour force is likely to decrease significantly in the years to come. The volume of employment will tend to fall after 2010, even if the Lisbon employment target of 70% is reached. GDP growth is likely to be influenced negatively by this development, unless there is an explosive growth of productivity. It is doubtful that a quick increase in productivity can take place while the population is ageing; productivity growth might even diminish. If immigrants are needed, then an appropriate profile of these immigrants will be essential, both for the labour market and with a view to integration into society at large.

The discussant of this session, H. Werner, presented a number of considerations about labour-related immigration policy. In the first instance, a country has to decide upon the goals of immigration. Unfortunately, these policy goals are seldom precisely formulated and may be referred to as a belief that “immigration must be in the interests of the country”. But the goals of immigration may differ across countries, and may be related to demographic concerns like the ageing of the population, and also to funding for the social security system, or short-term labour market needs (*e.g.* seasonal work), or long-term requirements, such as the availability of highly skilled labour. This “interest of the country” perspective may differ from group to group within a particular country. Immigration has not only an impact on economic growth, but also influences the distribution of economic costs and benefits. There are winners and losers in the host country. The winners are people who employ or use immigrant services and achieve their economic goals at lower costs. There are employers who look for cheaper foreign labour, and those who are better off may look for low-priced services provided by immigrants. The losers are the people who compete with immigrant workers in the labour market and experience a corresponding reduction in their income (low-wage workers). Competition may also take place in social services, in educational opportunities or in housing.

Basically, any immigration policy has to provide insight into four questions: Who should come? How many should come? From where should they come? For how long should they come?

Who should come? Labour market related immigration is oriented towards the interests of the economy. With the costs and gains not evenly distributed, it is imperative to have open discussion in order to obtain the agreement of the native population. Who should come depends on whether a country decides on demand-based immigration or on a supply-based approach. Demand-driven immigration requires the availability of a job and is of a temporary nature at first. In other words, it is tailored to the current needs of industry. Supply-based immigration emphasizes long-term aspects, such as the value of human capital, present and future employability and the prospects of integration into society. These aspects are related to education. Experience and research show that the better educated integrate more easily, and their contribution to economic development in the host country can be considerable. Criteria for skills (level of education, knowledge of the language, work experience) can be used as yardsticks for access to the host country. Admission can be based on a points system (= more points, Canada and Australia), or on programmes targeted to specific groups (IT-Personnel: H-1B visas in the US, Green cards in Germany, the shortage occupations list the United Kingdom and Australia).

How many should come? The presentation of the authors, M. Doudeijns and J.C. Dumont, as well as migration research in general, reveal that there is no objective yardstick that can be used to determine what the right number of immigrants should be. Even though the evidence on the economic and social impact of immigration may provide a kind of road map to consider the type of migrant who should be admitted into the country, it provides few guidelines for calculating a concrete figure, a magic number of immigrants. Furthermore, immigration and integration cannot be considered separately. Integration will be more successful if immigration can be controlled. An uncontrolled and massive influx of migrants makes it more difficult to implement integration efforts, and creates competition between the indigenous population and foreigners in the labour and housing markets. The native-born population also is not likely to accept an excessive strain on the educational and social systems, and the ensuing costs. Therefore, even traditional immigration countries such as the United States, Canada, Australia, and countries with high shares of foreign workers, such as Switzerland, have been very careful to control immigration, in accordance with the economic situation and its acceptance by the population. The rules governing inflows of non-nationals should be transparent and should lay down clear criteria. At the same time, immigration criteria should not be changed continuously, in order to give migrants and employers certainty in their planning. This would also reinforce the population's trust in the immigration policy pursued by the government.

From where should they come? Competition for the brightest is a current phenomenon. As far as the Member States of the European Community are concerned, they cannot expect to be able to tap each other's labour reserves. They all share a similar demographic trend (ageing), and skilled workers are in demand everywhere. At Community level, at present, less than 2% of EU nationals live and work in other Member States, and this percentage has not changed much over time. New immigrants have to come from third countries and from countries with a well-developed higher education system.

The importance of networks in migration should not be forgotten, especially when it comes to integration. The existence of networks facilitates integration, at least at the beginning. New arrivals find advice and comfort in their own community. Cultural and geographical proximity are also important and enhance the effects of networks.

For how long should they come? Immigration requirements can be split into short- and long-term needs. Traditional immigration countries, such as Canada or Australia, explicitly state these two categories in their policy. One category of migrants is allowed in on a permanent basis, whereas the short-term category receives only a temporary work permit.

Permanent immigration: Considerations focus on skills of a longer-term nature, and on the ability to adapt to new work situations (employability) and the expected success of integration. Experience shows that qualifications and skills are important in these respects. Traditional immigration countries emphasize criteria of admission such as skill-level, age, language proficiency, job experience and, sometimes, the presence of relatives.

Temporary immigration: Temporary migrants close gaps in labour market shortages of a cyclical, seasonal or occupational nature. Temporary foreign workers provide some advantages vis-à-vis permanent workers: they are more flexible, because they are selected according to the changing needs of industry and because they are hired on fixed-term contracts. Furthermore, some of the costs involved when admitting permanent migrants can be reduced or avoided, such as educational or social security costs. The presentations at this session have shown that it is not only problematic to fix the number of foreign workers to be admitted, but also to select migrants and to control the departure of foreign workers after expiration of their work permits.

The rotation of foreign workers may not be an appropriate answer to improve flexibility. New workers require repeated introduction and training costs. Therefore, transitions from a short-time status to a

longer or permanent residence permit may be advisable. The advantage would be that the employer could test the worker and retain her/him if satisfied, thus avoiding the training costs involved with new workers from outside the country. The employer can keep experienced staff, and the foreign workers have a better perspective for planning their future. Traditional and other important immigration countries use this avenue of “solidifying” the residence status of their non-national temporary workforce, into a permanent right to reside in accordance with the duration of stay.

To sum up, a number of issues seem to be important: First, there are no quick answers. There is no magic number that will satisfy the requests of all the actors involved. Second, policies must be kept flexible. Short-term consequences may be the opposite of the longer-term effects. Short-term gains may benefit employers, whereas over the longer-term less favourable effects may have to be borne by society. Therefore, immigration (admission) and integration have to be considered together. Third, durable solutions about migration issues are more likely to be found in the centre than at the extremes of the spectrum. A broad national acceptance is necessary and provides the basis for a coherent policy of immigration. Finally, migration experience incidentally shows that nothing is more permanent than a temporary migrant worker. If employers are satisfied with their foreign workers, they will find ways and means of extending their stay. With regard to the ageing of the population in Europe, and the subsequent expected needs and shortages of skilled workers, this would not be the wrong thing to do.

With regard to the text, H. Werner raised the question of why there is no reference made to the “fee for employers” proposal often raised in the migration literature: that employers should in this way compensate for the educational loss for the country of origin. One of the authors replied that no example is known of any migration policy praxis where this principle is applied.

A Canadian participant highlighted a number of relevant issues in Canada’s approach to migration. Immigration is of critical importance to Canada, since immigration stands for 70% of the net labour force growth, and within a decade, will account for 100% of the net labour force growth. By the year 2031, immigration will account for all population growth in Canada. One of the key challenges is to ensure that immigrants quickly integrate in the labour market and society. Important costs are incurred by the failure to quickly integrate immigrants into the labour market. Canada’s Federal Government Policy in respect to settlement is shared among three departments: Citizenship and Immigration, Industry and Human Resources Development. The lessons learned, responding to the challenge of integrating immigrants in the economy, concern five areas:

- 1) The approach to selection and attraction; the economic class of immigrants constitutes now over 50% of all immigrants and refugees and of this group, over 60% have arrived with post secondary education.
- 2) The provision of information to prospective immigrants before they arrive, so that they can themselves plan their own labour market strategies.
- 3) The process by which foreign credentials can be recognised.
- 4) With respect to employers, promoting the values and benefits of hiring immigrants, but also the economic value of a diverse workforce, which can enhance both productivity and value.
- 5) The very positive experiences in engaging third parties in the non-governmental sector in delivering community integration programmes.

Finally, as immigrants constitute such a large percentage of the Canadian labour force, action should not be limited to integration programmes targeted at immigrants. It should be ensured that immigrants are covered by all labour force programmes.

An Australian participant contributed to the discussion by speaking about the lessons to be learned from the Australian immigration and immigrant integration experience. Australia has been in the business of managing immigration and refugee programmes, and developing and administering associated

integration programmes for over 50 years. These programs have been, almost certainly, the most important factor influencing Australia's economic and social development over this period.

The lessons to be learned have been:

1) The importance of a comprehensive approach to the management of immigration and integration programmes. 2) The critical importance of maintaining accurate and detailed statistical data on immigration and of undertaking high quality research into all aspects of immigration, and 3) The willingness of successive governments to engage the wider community, including business, on immigration issues and to promote well informed debate to ensure a wider understanding and acceptance of the economic and social benefits of immigration.

Another participant (US, non-government) observed that in the first place much harder questions should be asked, and a more careful and systematic way to bring policy aspirations closer to human behaviour should be attempted. The second observation concerned the "binary way of thinking" about migration: it is not about temporary or permanent (people change status) and it is more complicated than families versus skills, or winners versus losers. The third observation relates to migration to the US, which is unlike that of Canada. The immigration quota to a certain extent follows its own logic. It is set by legislation, at a level for permanent immigration of between 750 000 to 900 000 people per year, of whom about a 100 000 are highly selected on their skills with the selection being employer-driven. US policy allows the employer to identify the individual. The procedures are simpler at the higher levels of educational attainment than at lower levels. The 100 000 include selected workers and their family members. The other stream is the long-term temporary immigrant stream or repeated periods of entry and stay of people in the labour markets. There are also visas for the IT sector, but also for people at the lower end of the labour market. Taken all together, they may amount to about 400 000 people per year. The third is the illegal migration stream, estimated at about 300 000 to 500 000 persons a year.

A participant raised a question about the different ageing trajectories of the EU and the US, which were pretty much the same until the early 1990s, and ten years later have radically diverged. What is the role of immigration in this, and what about the fertility patterns projected in the US which are now radically different from what they were previously?

One participant from the US mentioned that immigrants from Mexico show a slower pattern in adapting to the US pattern of fertility, and pointed also to a radical departure between the EU and US in ageing rates. The US average age has more or less maintained itself, due to the high levels of immigration.

Another US participant pointed to major differences between migration in the 1980s and today. These changes are partly due to regularisation efforts. In the first eight years of the 1980s, migration concerned about 500 000 to 600 000 a year. In the last thirteen years, it has been around a million people a year. The worlds of the 1980s and the 1990s are completely different.

The discussant returned to the subject of winners and losers. Immigrant labour has not only an impact on economic growth, but it also on the distribution of income. The discussion suggested that we are differentially affected by immigration. Perhaps we are all winners and losers, but to different degrees.

4th Session Integration of immigrants and ethnic minorities

The paper by A. Rudiger and S. Spencer is esteemed to very good. It is comprehensive, and it could become a standard reference text for anybody who is interested in immigrant integration. The first discussant, M. Abella, continued by highlighting a number of issues which have also not received a great degree of attention thus far. In the first place, he asked if a long-term perspective is needed in order to make a judgment on the effectiveness of policies, especially in such a complex area as integration. Sweden

might be taken as an example. Some scholars have indicated that the objective in Sweden was not to make the mistake of the guestworker programmes. Multicultural policies were introduced and a very ambitious housing programme was implemented to distribute people to make sure that they were integrated in communities. Sweden has used all the instrumentalities of the state to facilitate integration. Looking at that experience and examining it at different points in time, different conclusions can be reached about how successful the programme has been. The same question could be asked about similar experiences in the Netherlands, where immigrant integration issues have dominated recent elections. The paper helps to understand how intimately bound integration policies are with nation-building, and which policies work and do not work in different situations. A major concern relates to integration policies that are in some way dependent on fallacious assumptions about easily identifiable cultural differences. Research shows that immigrants, especially second generation immigrants, adapt quickly to learning languages, and that they are able to accept the host society, but that the problem of racism and discrimination holds them back. The authors came forward with some interesting perspectives, such as Community-wide citizenship, which might in fact supersede the issue of national integration, since it would not be essential to identify with a specific nationality or with a nation state, but with the Community as a whole. This very interesting perspective deserves attention.

There is full agreement with the emphasis the authors place on equality, and especially so in the field of access to employment, because employment is critical to a person's place in society. Unfortunately, as the authors point out, today's nation states are less able to intervene actively in the labour market in order to ensure that they achieve much quicker integration in employment.

The emphasis on human capital formation is essential but has to go beyond the question of improving human capital. Research, including that of the ILO on measuring discrimination in access to employment, has shown that racism remains an obstacle and that it needs to be addressed with powerful tools. Among these tools, as the authors have pointed out, is legislation promoting equality, a necessary but seldom sufficient measure. There is a need for adequately empowered bodies and institutions, such as the Racial Equality Commission. The establishment of an increasing number of these commissions in Europe will probably help to advance this agenda further.

In the paper, the importance of minimum legal standards of employment does not receive adequate emphasis. The right of immigrants to organise is very important. Security of employment is another important component. It should not be forgotten that there are persons who are victims of trafficking and work as forced labour, those who arrive as undocumented migrants, and those who are the object of abuses in recruitment.

Another issue that could have been given much more attention is that of voluntary measures. It is understandable that there may be more reluctance to promote this kind of voluntary measure, particularly when it is called diversity management or diversity employment. In the United States, however, some scholars have estimated that 40% of all enterprises have had some diversity training, and that this has had a great impact on the way the views of management have changed about the recruitment, hiring and promotion of minority groups. In this connection, the voluntary measures undertaken by trade unions themselves need to be stressed.

Finally, in relation to the statement of the Canadian delegate, the lack of attention to the economic costs and benefits of integration measures is striking. Research on these costs and benefits is an important missing element in the debate on integration. If there was sufficient evidence about the real costs and benefits of integration measures, those persons who assume that the host societies unfairly bear the full burden of integration could be proven wrong.

The second discussant, B. Nolan, addressed four issues: To start with integration, what does it mean? The current political discourse unfortunately is dominated by the perceived need of migrants to fit in; it is about language training, and citizenship classes. It is agreed that integration is a dynamic two-way process requiring both migrants and host communities to make efforts to accommodate each other. Respect for diversity in line with basic human rights and the principle of equality are key factors in this process. But it should also be recognised that it is easier to state these general principles than to apply them in complex democratic societies where group rights and responsibilities may be in conflict. Where does one draw the line? For example, difficulties in requesting planning permission to build places of worship for minority religions; provision of separate cemeteries; offering kosher or halal food in hospitals and schools; and practices like female circumcision. It is considered that these difficult decisions are all better made at the national and even local level, rather than at the EU level. The general guideline should be that differences should be accommodated where they do not infringe upon fundamental rights or public order.

How can the EU (Community) anti-discrimination policy help? The EU has recently put common standards in place to promote equal treatment, and to combat discrimination on the grounds of racial and ethnic origin, religion and belief, age, disability and sexual orientation. The legislation approved at the EU level in 2000 is due to be implemented by Member States before the end of 2003. This will give important new rights, both to new migrants and to established ethnic minorities in the EU, as well as to all the other groups mentioned. The policy concern has been heavily inspired by what has preceded in the gender equality field, but it is important to know that what the EU has done in the field of ethnic and racial discrimination goes beyond the legislative framework in the field of gender equality. It includes all sorts of areas, the provision of goods and services, it goes into health, education, etc. Although the antidiscrimination legislation does not affect immigration policy, it does apply to all residents in the Member States, which includes all third-country nationals.

The objectives of these EU directives are much broader than just simply the integration of migrants. The focus is more on tackling discrimination in order to ensure equal treatment on various grounds, rather than singling out specific target groups.

Increasingly, there is a concern that some Member States will fail to reach the deadline for implementation. There are two pieces of legislation, but it must now be ensured that they are transposed on time, and correctly, in national law. Legislation (as the authors point out) is not the only route, but it is an extremely important one.

These directives are backed by a community action programme to support both the implementation of the directives and to pursue non-legislative activities such as collecting data, analysis and evaluation, awareness raising, informing people about their new rights and also raising awareness in the Member States about anti-discrimination issues. Most of the projects supported by the EU tackle aspects of racial discrimination, and often deal with issues of discrimination on other grounds. Anti-racists and migrant organisations are active participants in many of these projects. The directives and the Community Action Programme form only a part of the EU's broader strategy to combat discrimination, particularly in the labour market. The authors have mentioned the Equal initiative, the importance of the European Social Fund in this regard, and the social inclusion process and the social inclusion programme. There is also very close co-operation with the European Monitoring Centre on Racism and Xenophobia, an EU agency. These examples are there to withstand the impression that EU is working in isolation.

Indicators and measuring equality and discrimination. What is the extent of discrimination in the EU and are legislation and other programmes to tackle discrimination working effectively? The authors have indicated that it is very difficult to obtain comprehensive and clear answers to these questions. The main problem faced with respect to the lack of comparable statistics pertaining to racial and ethnic origin is that there is simply no real agreement among the Member States on how to collect these data. Some Member

States continue, for historical reasons, to be very reluctant to carry out ethnic monitoring and registration. The Commission's services in charge of discrimination are currently working with Eurostat and with national authorities to collect data, while respecting these sensitivities, and there is hope to develop over time questions on discrimination-related issues, to be included in the EU survey on Living Conditions, the successor of the European Community household panel.

Consultations involving civil society. This area is extremely important, but difficult. It is not easy to get representative bodies at the European level. Most of the people the Commission consults have also to be supported financially. The EU is providing co-funding to the European network against racism, which represents some of the views of migrants in the EU. More might be done, but it is a much more complex area than is suggested by the paper.

The discussion continued with contributions from other conference participants.

One participant, who complimented the speaker on the quality of the presentation, even referring to it as a manifesto that nobody could disagree with, wondered how to make it work in practice at the operational level. The issue of targeted policies versus general policies to address the issue of integration was taken as an example. Given the diversity of both the minorities and the problems they are facing, as shown in the presentation, it may be questioned if cross-cutting policies with specific issues would not be more efficient than policies targeted at minorities. Take, for instance, the issue of dropouts of young persons in education. The speakers' approach would, of course, deal with minorities, but the issue goes beyond these. Issues of labour market reforms that have to do with the low skilled, integration of the low skilled in labour markets, or social programmes that deal with poverty exclusion, all cut across boundaries and minority groups, and deal with the general population. One merit of a more general cross-cutting approach is that at least stigmatisation is prevented, which is always an issue when discussing minorities. Segmenting society into different minorities goes against one of the very principles used in the presentation, that of social inclusion. The question of how to assess policies must also be addressed, and evaluation programmes must be put in place to actually evaluate the merits of the targeted versus the more general policies.

Another issue is that, to varying degrees, not all governmental jobs in EU or OECD member countries are open for all residents, but only for nationals. What is to be done about that?

Another participant, appreciating the presentation, saw certain similarities in the text with earlier policy developments in the Netherlands, more specifically at the time the ethnic minority policies started at the end of the 1970s and at the beginning of the 1980s. In one way or another, a number of the policies now proposed in the presentation have in the Dutch minorities approach not reached the intended goal. For example the labour market participation for immigrants in the Netherlands is rather low, and unemployment figures among minority groups are far too high. In Sweden, integration efforts worked well up to the end of the 1980s, but it cannot be said that they work as well as before. Many of the recommendations in the text are highly similar to those old experiences and a more critical approach would be valuable, to learn what did not materialize in, for example, the Dutch and the Swedish cases, and why, how to continue and in what way it may be necessary to think out the process over again. With regards to the usage of the "minority" concept, the text would be strengthened if this term were not only well defined, but also if there was an explanation why this concept is central, instead of other concepts or other approaches.

Another issue is the role of the European Commission, which in the text presented has clear elements fitting into a top-down approach. This seem to be in contradiction with the whole concept of diversity; is it not advisable to leave more room for manoeuvre to the individual Member States?

A number of issues were taken up by one of the authors:

Concerning the reserving of government positions for nationals, the issue of the extent to which naturalization opens up job opportunities needs to be considered? Comparisons show that fewer government jobs are reserved for nationals in, for example, the United Kingdom than in France. The question is whether individuals have to catch up (by naturalization), or whether governments could open up job opportunities before citizenship is acquired.

The role for the European Commission as it figures in the text was said to be too framed in a top-down approach.

The authors, it was claimed, have not been critical enough. The text focuses more on the UK than on the Netherlands. Long lasting successes and failures are recognised. The authors intend to foster good community relations.

And finally, with respect to the issue of targeted versus general policies: the optimum approach might be a general policy and within this policy specific attention to targeted groups.

The discussion was closed by the chair, who, among other things, stated that integration is first and foremost a national task.

5th Session Migration and Equal Opportunity

The paper presented by E. Kofman covers all aspects of the migration of women, both positive and negative. For the discussant, B. Holmberg, Secretary of State of Sweden, the policy recommendations raise a number of questions and a number of reflections.

One of the conclusions is that too much of the research focus has been devoted to the negative aspects of women migrants and that more research is needed into the positive aspects. There was some reticence about this view, but when it comes to politics and policy-making, politicians must always deal with the negative aspects as well. More research is needed to increase our knowledge of women as migrants. Unfortunately, this research, and the research outcomes in the form of studies or gender-based statistics, is not always available to politicians.

The proposed policy measures are especially interesting. The discussant illustrated her points with a number of examples drawn from the Swedish experience, starting with the case of female asylum seekers. To apply for asylum on an individual basis should be regarded as a fundamental right also for women. It is unsatisfactory that in many countries, an asylum application is only registered based on the head of the household. This means that the individual claim of the female asylum seeker is disregarded in case where she arrives with her husband. Staff handling asylum claims should be sensitized to the needs of female asylum seekers. This could be done through guidelines and specific training. When suspecting that a woman may be a victim of sexual abuse, it is crucial that the asylum claim is handled by a female asylum officer, a female interpreter and a female legal counsellor. Interviews should be held on an individual basis and not in the presence of the husband, and the reasons for applying for asylum should not be made known to him (for instance, rape during wartime). Gender-based prosecution is a particularly complex issue. The Geneva Convention provides good protection, but traditionally, there has been a tendency to look at the grounds for recognition from a male perspective. In the European directive concerning minimum standards for qualification and status regarding refugees, it is stated that gender-related aspects can be considered when deciding on refugee status.

Another policy issue is the trafficking of women for sexual purposes. A lot has been done by the EU and a number of Member States, but much more needs to be done. In Sweden, protection of and

assistance to victims of trafficking are important issues. People being trafficked should be regarded as victims and not as criminals. There is a need to have an efficient legal system in order to prosecute traffickers in an effective manner. It is important that the victims are able to assist the police or the prosecutor by giving evidence; therefore immigration legislation has to be adjusted, in order to allow women, victims of trafficking, to stay in the country concerned, at least during the police investigations. To prevent trafficking, the root causes have to be tackled: poverty, unemployment and an insufficient social security net in the country of origin. Women and children do not seek prostitution of their own free will; they are driven to prostitution because they have no other alternative. Poverty reduction, social programmes and various forms of economic support provided in the framework of development co-operation are therefore crucial in preventing trafficking in women. Co-operation is a key word here. Trafficking is a cross-border phenomenon. It involves countries of origin, transit countries and countries of destination.

The following must be said about women and labour market integration. In the paper, it is pointed out that many women have a very weak position in the labour market, being unemployed or involved in low-paid jobs, while at the same time, they have responsibility for the household and for the children, and on top of this they might be confronted with exploitation, such as in the domestic work sector. In Sweden, the trend of women in the labour market is positive again. Unemployment has showed a marked decline in the second half of the 1990s. However, there is still a significant gap between immigrants and people born in Sweden. The annual employment rate among immigrants is 60%, and this is far below the 76% among the native population. The employment rate of immigrant men is 64%, and of immigrant women 56%, but unemployment is lower among women, explained by a lower participation of women in the labour market. The problems are specifically in the first years of stay. Employment problems, among both male and female immigrants, tend to decrease after a number of years in the country. Employment rates improve over time.

Family-linked migration is one of the main sources of migration. According to Swedish law, spouses and children under 18 years of age have a right to be reunified with their family. Upon arrival, a spouse is granted a permanent permit of her own. There is only one important exception, in case of a newly established relationship or of marriage migration. In these situations, a temporary permit is given for two years. There are exceptions in the case of domestic violence: in that case, a permanent residence permit may be provided.

Conferences and studies like that of Professor Kofman make migrant women visible. Awareness of the different opportunities for women and men is needed both in action and research.

Several participants joined the discussion, speaking on a number of issues:

A participant working for the EU in the field of the provision of data agreed that the availability and quality of data in this field leaves a lot to be desired. The Commission is preparing an action plan to improve the quality, timeliness and availability of statistics on all aspects of migration and asylum. The EU will introduce discussion on different proposals, creating a legislative basis to improve the coverage of data. This will ensure that Member States will provide data on a wider range of variables, and will make possible future access to longitudinal data. These data will allow the coverage of a variety of aspects of women migrants and children, and for cross-tabulation by age, citizenship, gender, etc. The Commission will make data on asylum and related issues available in a monthly electronic format.

With reference to the educational level of migrant women, one of the authors of the second session commented that their research showed the importance of women as transmitters of culture for the second generation. Several studies of Muslim women (like Moroccan women in Antwerp) revealed that the only contact the women have with the outside world is when they go to the mosque. It should, of course, be

asked what kind of culture women in these cases are transmitting to their children and how this helps the integration of the second generation.

One of the participants from the OECD reflected on a number of issues, appreciating the presentation by Professor Kofman where the question of religion is also raised.

Firstly, while looking at the migration of women, it is also important to take the migrant perspective as the starting point. Some women only raise money in order to return. Not all women are married and come as partners or have their children in the host countries. Second, there is an important link between the increasing participation of native women and the need for immigrant women, for example, to take care of children or the elderly. Third, there is a relationship between the situation of women in the sending country and that later on in the host country. If it was possible to work in the sending country, then upon arrival in the host country, women are keener to work; and if they were working in the informal sector in the sending country, they have no problem to continue to do so in the country of arrival. Fourth, the heterogeneity of women and their success stories also deserve attention. In France and Belgium, for example it is much easier for a young woman from the Maghreb to find a job, than for a young Maghrebian man. There are large differences between nationalities in this respect. In Spain, the women coming from Ecuador, Costa Rica or the Dominican Republic play an important role, since they are the pioneers of migration. They will bring newcomers, including men, and in a sense, migration of women is an element of the general dynamic of migration. The same might be true for women from Cape Verde in Portugal or women from the Philippines in many countries. Fifth, regarding religion: clearly in a lot of European countries there are many problems and difficulties related to religion. Much energy and money is spent on trying to ensure that women are present outside of the home, to provide them with the opportunity to be more open in society. On the other hand, there is pressure from a minority of immigrants, whose behaviour is such that all policy oriented towards a better integration of women faces implementation difficulties. These issues demand much more attention.

The author responded on a number of issues:

About the second generation: The paper shows that there is an enormous variation according to class, nationality, age, etc. The focus cannot be only on Moroccan women, a wider view of the matter has to be taken. A British study on Pakistani women showed the differences in terms of class background, educational level, including mothers' educational levels. The study also showed immense pride in education, including education for daughters. So care must be taken in talking about the diversification and heterogeneity that has been raised in some of the comments.

In terms of increasing participation of native women, it is frequently mentioned in the literature that the increasing participation rates of, *e.g.* Spanish women, has brought about a need for domestic workers. This is a phenomenon that is also recognized in northern countries.

There is a relationship between sending and arrival countries. French research shows also that women coming for family reunification have a higher educational level than before. Changes in the sending countries do have an impact on the receiving countries.

The strategy of migrants should indeed be taken into account. And with a view to family reunification, it is important to stress that if they want to be reunited with their family members, they should be allowed to do so.

While summarizing, the chair mentioned the following aspects. First, there is a lack of interest in analysing gender characteristics and differences in migration. A clear feminization of migration can be seen, and gender specific data are still scarce, in spite of the fact that characteristics pertinent to the

migration of women deserve to be analysed, such as consequences for the labour market, human rights issues, discrimination, etc. There is a clear need for gender disaggregated data. Second, there is need for a commitment to analyse migration from the point of view of family reunification. Third, the research presented shows that the number of discrimination experiences of migrant women has increased. There is a concentration of migrant women in certain, largely unskilled, jobs in labour market sectors such as the welfare sector, cleaning and care. Entry into EU Member States in order to work in these sectors has become increasingly restricted. This renders migrant women even more vulnerable than their male counterparts. There was a call from speakers for the need to address problems like these; action is required in terms of employment policy, educational policies and anti-discrimination policies. Professor Kofman has spoken of the need to tackle stereotypes and to tackle discrimination; policy responses are absolutely necessary to address the very precarious situation of female immigrants. Fourth, female-dominated jobs on the labour market as domestic help and care-giving are currently considered as low-skilled and unattractive, but they will become fundamental in the not too distant future, if the Lisbon employment target is to be achieved. This will only be possible in those countries where child care facilities are increasingly common. Fifth, concerning work in the informal economy: migrant women like men are likely to work in the informal economy. While tackling this, one must also consider related problems like social inclusion, abuse and poverty. Above all, one must bear in mind that these aspects can, in the case of women, lead to prostitution and trafficking.

Sixth, migrant women, as has been pointed out, face discrimination not only vis-à-vis society at large, but also internally within their families. It is clear that different cultures have different concepts of the role of women in society which represents a major challenge for the EU. Finally, education and schooling for girls and migrant women, as has been pointed out, is playing a crucial role next to anti-discrimination and awareness policy. And it must not be forgotten that migrant women may be victims of trafficking and that they may be forced into prostitution, and that female asylum seekers may face gender discrimination under asylum practices in EU Member States.