

HdBA

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Worksheet O3.1 „Introduction“

Key questions:

1. How do population and employment develop; what is the impact of migration on labour markets?
2. What is the difference between refugee and labour migration – objectives, legal bases, effects on labour markets?

Development of population and employment – impact of migration (O3.1 No. 5)

Birth rate, mortality rate and migration are considered as main indicators for population development. Indicators for employment are: employment rate (persons employed in relation to the population of comparable age groups), employment and unemployment (open and hidden). Both population and employment must be differentiated according to personal characteristics – in particular: gender, age, qualifications, health restrictions (disability), migration background (refugee migration/ work migration).

In one of the major immigration countries, the Federal Republic of Germany, there has been a decline in birth rate and mortality rate for decades. This leads to a permanent increase in the age structure of the population and employment. The labour market participation of women and older people has increased. Over the years, net inflows have averaged around 200 000 per year. In times of economic and financial crises (2008/ 2009) migration was much lower and in some cases even negative. During the high influx of refugees – especially between the end of 2015 and mid 2016 – it has increased sharply, but since then it has been declining again. According to scientific findings from the research institute of the Federal Employment Agency (IAB), an annual average of 200 000 immigrants is expected to continue in the future. (However, there are considerable uncertainties regarding the future development of forced migration).

In Germany the gap between demand and supply of labour is widening. However, there are considerable differences in economic structures, professions, regions and groups of people. There is an increasing shortage of qualified manpower in all regions, especially in the technical professions, the skilled trades, as well as in the health and care sector.

Despite this favourable development on the labour markets, there are so-called disadvantaged, hard-to-place workers with a particularly high proportion of long-term unemployment (especially the elderly, disabled and low-skilled).

Questions

- What is the development of your country's population, employment/ unemployment, migration in general and differentiated by region, gender, age, migration status – in the case of employment also differentiated by economic sector, occupation, qualification?

- Is there competition in the labour markets of your country between migrants/ refugees and hard-to-place groups of people (without migration/ refugee and asylum status)?

Forced migration versus labour migration (O3.1 No. 6)

In the current public debate on immigration legislation, a distinction has to be made between labour migration and forced migration. The purpose of an immigration legislation is to adjust immigration according to labour market requirements. Reference is made in particular to the so-called scoring systems based on the Canadian model with limits for immigration, immigration for understaffed professions and highly qualified workers, as well as the establishment of conditions such as an evidence of employment and a certain minimum level of income.

This does not in any case cover forced migration with the focus on humanitarian needs of refugees, who flee war, misery, violence and death in their home countries. They often go through extremely dangerous and to a certain extent life taking boat journeys with high costs to irresponsible traffickers. National and international legal obligations exist for their admission and acceptance in the immigration countries. For the Federal Republic of Germany, this is mainly due to the Basic Law and the Geneva Convention on Refugees. Immigration legislation is necessary in order to accept Germany being an immigration country since decades. At the same time the legal political and social responsibility for refugees must be kept. Social and professional integration is essential for both refugees and migrant workers.

Job seekers with a migration background also have above-average unemployment. For forced migrants, scientifically sustainable empirical studies are only available from the past. Due to the change in composition of recent refugee migrants with high protection status (Middle East, Africa – especially Syria, Afghanistan, Iraq, Eritrea), comparability with the professional integration of former refugee migrants is limited.

On the whole, however, it can be said that a country such as the Federal Republic of Germany, with demographic declines in population and employment, relies on migration.

This increases the chances of integration, also for forced migrants, but considerable obstacles to integration must be overcome in order to integrate them into the labour market. In addition, it must be borne in mind that possible return migration of the people concerned can occur if the cause for refugee migration in their home countries or their protection status in Germany cease to exist.

Even with the more favourable development of the population in other important immigration countries of refugees (in particular Sweden and Austria) with a higher birth rate, the shortage of labour in specific occupations is increasing (e. g. in the health and care sector). Here, professional integration of refugees can also help to close labour market gaps, which needs considerable integration measures.

Questions

- What are the proportions of forced migration to labour migration in your country, what are the legal bases; is there immigration legislation – if so, what are the main requirements including integration measures?
- Are there any gaps in your country in terms of skilled labour, if so, what are the main economic and professional sectors?

Who pays the costs, who gets the benefits? (O3.1 No. 7)

What is the preliminary assessment after two years of refugee integration? This raises the question of the distribution of costs and revenues. The estimation of the integration costs by the federal government to be around 23 billion euros per year is regarded as too low by the federal states and municipalities. It is therefore necessary to reach an agreement on how the costs will be distributed among the federal state and local authorities – and in particular how to reduce the burden on the municipalities that pay the lion's share of the expenses for integrating refugees.

On the other hand, substantial economic and financial returns are already being generated. In some sectors, integration spending appears to be a stimulus package for the economy. This applies in particular to the producers of residential containers and, in general, to the construction of housing, living and home accessories, but also to the increase in consumer demand, which is reflected in considerable tax increases.

The International Monetary Fund and Deutsche Bundesbank are therefore largely in agreement on the conclusion that the integration of refugees can lead to higher economic growth – up to more than one percent by 2020. This would actually provide sufficient scope for the necessity of financing the integration measures. At the same time, integration costs will amount to only about 0.3 percent of the gross national product of 3 trillion euros. In Germany, these integration expenditures are far lower in international comparison than in Sweden and Denmark and roughly on a par with Austria.

Questions

- What measures for the vocational integration of refugees are there in your country, who are the responsible institutions and what results can be seen so far?
- Is there a meaningful cost/ benefit analysis of the vocational integration measures and what are the results?

Conclusion

The integration of refugees continues to offer great opportunities for the economy and the labour market. At the same time, the concrete handling of the challenges will remain an immense Sisyphus work, with ever new successes and setbacks. Vocational and social integration will determine whether the influx of refugees can be managed for both the people affected and the immigration countries.