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Some Current Topics of Labour Migration in Europe

by Heinz Werner, Nürnberg *

The imposition of immigration bans ended an era of large-scale labour migration in Western Europe. Migration policy will have to centre on the consolidation and integration of the foreign population.

Altogether more than 14 mn immigrants, approximately half of them economically active are living in the industrialized countries of Western Europe. Their share of the total population varies between 5 and 15 % in the major immigration countries (Table 1). The Western European figures exclude illegal immigrants. They are sometimes estimated at 10 % of the officially registered foreigners. The figures also exclude naturalised immigrants or non-indigenous immigrants from former colonies who hold the nationality of the immigrant country (e.g. Netherlands, United Kingdom). In countries with a liberal naturalisation policy like France, Sweden and Belgium, the naturalised can amount to about 50 % of the non-naturalised foreigners, but elsewhere the proportion is much smaller.

Migration Trends

Table 1 also shows the markedly higher percentage of foreign work forces to the total labour forces compared to the share of foreigners in the total population. This reflects the higher activity rate of the foreign population. A former article in *International Migration*¹ elaborated extensively on past migration trends and policies in Western European Migration countries. To avoid undue repetition, only a few post-war European migration facts and figures are to be touched upon and then the focus will be on some current labour-related aspects after the imposition of recruitment bans in all major immigration countries.

Apart from France and Switzerland where considerable labour migration started already in the fifties, large-scale European labour migration be-

gan in the early sixties and quickly soared to unprecedented highs. In 1959, for example, there were 167,000 foreign workers in the Federal Republic of Germany, in 1972 the figure had risen to a startling 2,317,000. Originally, the employment of foreign workers has been considered a temporary phenomenon, as a kind of a cyclical shock absorber: in times of high economic activity the foreign workers would pour in to fill the mostly unskilled or semi-skilled jobs offered, make as much money as possible and leave the country as soon as a recession set in. But it turned out that a large number of these workers extended their previously scheduled stay, brought in their families, and finally planned to settle permanently in the host country. This has been facilitated by the regulations in force in most immigration countries to allow — under certain conditions — family reunion and to grant a permanent work permit after five years of uninterrupted stay.

Turning Point in Migration

When the effects of the current worldwide recession were being felt — not accompanied by large-scale return-migration as in the previous recessions —, the receiving countries took the "oil crisis" 1974 as a suitable opportunity to impose a more or less strict immigration ban. This measure can be taken as a turning point in European post-war migration. The inflow of foreign workers suddenly came to a standstill or a trickle (under family reunion schemes). At the same time laws on illegal immigration were tightened.

Table 2 shows the number of foreign workers in the receiving countries and their countries of origin. The overwhelming part originates from the Mediterranean area. The shares of the various

* Institute of Employment Research of the Federal Institute for Employment.

¹ *International Migration*, Vol. XII, No. 4/1974, pp. 311-327.

nationalities vary greatly in number from country to country. Algerians are concentrated in France, Finns in neighbouring Sweden, Turks and Yugoslavs work mostly in the Federal Republic of Germany, and the foreign-born work force in the United Kingdom is predominantly composed of immigrants from Commonwealth countries and hold British citizenship.

Free Movement of Labour

Exempted from the immigration stop are nationals from member states of the European Communities who enjoy freedom of movement within the Community. But migration between EC-countries of comparable economic level is of a different type and nature and — with the exception of Italy — never played an important role. Italian migration to EC-countries lost tempo in relative terms over the last years before the recruitment ban.

The migration streams between the industrialized countries of the European Communities consist in general of skilled or even highly skilled manpower. It is true that mobility increases with the educational attainment. But responsible positions normally associated with a higher level of education require, in addition to fluency in languages, a more or less comprehensive knowledge of the economic, legal and social structure of the host country and the kind of activity concerned. The abolition of the formal, legal impediments to migration (free movement of labour regulations)

have alleviated the taking up of an employment in a member state but not acted as a considerable added impetus to migration.

Employment Pattern

It goes without saying that, in general, the age of the migrant workers is lower compared to the national work force, at least in the beginning of the migration cycle. It is also evident that, when migration starts, single or married men come first without their families who later join them. This fact and the favourable age pattern explains the higher activity rates of the foreign population. But as the migration movement matures, activity rates tend to fall, sometimes even below the national level as the family size is larger. The often greatly varying activity rates of the foreign population between the immigration countries or between nationalities can partly be explained by this process. Countries with a longer migration experience or a liberal immigration policy show a lower foreign labour force participation rate.

Age-selectivity tends to be associated with educational and vocational selection. Migrants are better educated and trained than non-migrants as their agegroups received more education and training in their country of origin. Furthermore, migrants tend to be more enterprising and energetic than other members of their peer group. The foreign workers are mostly employed in manufacturing (metal industry), construction and in hotels

Table 1
Total and Foreign Population, Labour Force, Births and Naturalizations
in major European Immigration Countries in 1975

Country	Population			Labour Force or Employees in Employment			Births by Nationality or Mother's Nationality			Naturalizations	
	Total	Foreign	%	Total	Foreign	%	Total	Foreign	%	Average number over last 3 years	% of foreign population
Austria	7,533,000	320,000 ¹	4.2	2,940,000	185,200	6.3	93,757	7,920	8.4	6,657	2.1
Belgium	9,801,000	835,418	8.5	3,113,000	278,000	8.9	101,952	17,119	16.8	1,652	0.2
France	52,771,000	4,125,000	7.8	17,400,000	1,900,000	10.9	743,236	72,162	9.7	34,951	0.8
F. R. Germany	61,832,000	4,089,600	6.6	19,939,275	1,937,134	9.7	600,512	95,873	16.0	22,842	0.6
Netherlands	13,654,000	369,900	2.7	3,914,000	216,000 ²	5.5	177,876	8,147	4.6	4,311	1.2
Sweden	8,202,442	409,894	5.0	4,062,000	250,535	6.2	103,632	9,315	9.0	15,253	3.7
Switzerland	6,405,000	1,012,710	15.8	2,794,000	553,605 ³	19.8	78,464	23,167	29.5	9,384	0.9
United Kingdom	48,749,600 (71)	2,854,800 (71) ⁴	5.9	21,568,000 (71)	1,696,000 (71) ⁴	7.9	783,200 (71)	88,800 (71) ⁵	11.3		
(England and Wales)	49,219,000 (75)	2,854,800 (71) ⁴	5.8	22,850,000 (75)	1,696,000 (71) ⁴	7.4	603,400 (75)	72,100 (75) ⁵	11.9	3,418	0.1

¹ Own estimate. ² Including some 40,000 from West Indies and Surinam. ³ Only "established" and "annual" workers are given, that is without seasonal and border workers. ⁴ Foreign-born. ⁵ Mother foreign-born. — Source: OECD, EC and national sources.

and catering, where they occupy the unskilled or semi-skilled jobs. This pattern changes only slowly with the duration of stay. As the service sector expanded in nearly all industrial countries, there were considerable flows of national workers from the manufacturing sector to the service sector.

Employment and Unemployment Trends

A very recent aspect of labour migration is unemployment. The deteriorating economic situation affected also the foreign work force. Unlike to previous recessions when a slowdown in business activity was accompanied by a voluntary return-flow of migrants, the foreign workers now tend to stay knowing that, once back in their home country, a re-employment in their former job has to be ruled out due to the immigration stop. The drawing of unemployment benefits or welfare allowances seems more favourable than a return. Owing to the wide-ranging disparities in the methods and proceedings used in unemployment statistics and their sketchy nature a country to country comparison of unemployment rates between the national and the foreign workers is rather difficult. A statistical analysis of the Commission of the European Communities for 1975 revealed considerably higher unemployment rates for the foreigners².

This can be explained by the fact that foreigners hold the less skilled jobs which are more easily affected by an economic downturn and are employed in sectors which are highly sensitive to economic fluctuations. Thus, it can be assumed

that the risk of becoming unemployed is higher for the foreigners than for the nationals. The unemployment statistics of the Federal Republic of Germany showed a marked higher unemployment rate for foreigners at the beginning of the recession, then it dropped below the overall average. This pattern is due to the observation that after the expiration of their unemployment allowances they encounter either difficulties with the extension of their work or residence permits and they return home or drop out of the labour force thus leaving the unemployment records. The gradual drop in the employment of foreign workers did not lead to an equivalent decline of the alien population. Under existing family reunion schemes spouse and children can join the foreigner.

Fertility Pattern

As it is becoming increasingly evident that with extended duration of stay more and more foreigners plan to settle permanently and have brought their families in, it is worthwhile to shed some light on the differing birth rates. It can be seen from Table 1 that the share of the births of the foreign population to the total is considerably higher than their proportion of the total population. This higher fertility can partially be attributed to the favourable age structure of the foreign

² Belgium: Total unemployment rate 5.6, unemployment rate for foreigners 11.7; Federal Republic of Germany: 5.2 versus 6.9; France: 4.7 versus 4.2; Netherlands: 4.9 versus 6.6. Unemployment rates were calculated according to figures given in: Commission of the European Communities: Foreign Employees in Employment, 1975, Brussels 1976.

Table 2
Estimated Numbers of Foreign Workers in Western Europe 1975

Immigration country Emigration country	Austria	Belgium	France	Germany	Luxembourg	Netherlands	Sweden	Switzerland	United Kingdom
Algeria		3,000	420,000	2,000		—	200	—	500
Austria			—	78,000		—		21,000	—
Finland			—	—		—	103,000		—
Greece		8,000	5,000	212,000		2,000	8,000	—	2,500
Italy	2,000	85,000	210,000	318,000	10,700	10,000	2,500	281,000	56,500
Morocco		60,000	165,000	18,000		28,000	500	—	1,000
Portugal		3,000	430,000	70,000	12,500	5,000	1,000	4,000	4,000
Spain		30,000	250,000	132,000	1,900	18,000	2,000	72,000	15,500
Tunisia			90,000	15,000		1,000	200	—	—
Turkey	26,200	10,000	35,000	582,000		38,000	4,000	16,000	1,500
Yugoslavia	136,000	3,000	60,000	436,000	600	10,000	23,000	24,000	3,500
Other	21,000	76,000	235,000	328,000	21,100	104,000	60,000	135,000	690,000
Total	185,000	278,000	1,900,000	2,171,000	46,800	216,000	204,000	553,000	775,000

Source: OECD: SOPEMI-Report 1976.

population. Fertility studies³ on age-specific birth rates in France, Switzerland, Sweden and the Federal Republic of Germany reveal that also a different fertility behaviour is responsible for the higher birth rates. With the length of stay and the integration into the host society the fertility behaviour approximates that of the national population. A forward-looking migration and labour policy has to take into account this development and take the appropriate measures and provide the necessary facilities concerning education, training and naturalization.

The last column in Table 1 shows the total numbers of naturalizations as well as their percentages of the total foreign population. The figures reflect both the duration of the migration stream as well as the naturalization policies adopted in the individual countries. With increasing length of stay more attention has to be devoted to integration and, closely related to it, to naturalization policies.

Capital Transfers as an Alternative to Migration Flows

The idea of transferring capital rather than men is attractive insofar as it can reconcile ethics and economics. Briefly, the industrialised countries would develop the more sophisticated types of production and those which are very capitalintensive as well as scientific and research activities in management and marketing, finance and insurance, etc. Through the export of capital they would progressively transfer the other kinds to less-developed countries so as to substitute at least to some extent, direct investment for exports, and to contribute to the industrialisation.

Insofar as this idea can really constitute a method of creating jobs in the home countries of migrants in Western Europe, it is worth careful examination. But only certain industries where large numbers of foreign workers are employed are transferable while others are not (e.g. services, construction, sophisticated and partly heavy industries). Problems occur which have to be considered like the autonomous decisions of firms or the economic policies of the countries involved, like opposing customs and interests, the problems of coordination and financing, and the trend of international relations and internal policies, e.g. the standpoint of the trade unions about the transfer of jobs.

It is difficult to see how, in the absence of a concerted policy, the movement of productive

capital to these countries can become so great that it neutralises the principal causes of emigration. The intrinsic logic of investment does not necessarily coincide with the logic of employment, and the capital may be directed (as has been in the past) elsewhere than to migrants home countries. It may also go to the latter but give rise to investment that is not very productive as regards the creation of jobs. In point of fact, these countries may not always combine the conditions which, to the eyes of foreign investors, make an investment or a certain type of investment attractive. The fact alone that a developing country gives free access to foreign investment is evidently not enough in itself to attract capital. It must at the same time provide an infrastructural base and have an all-round strategy that does not restrict the expansion of foreign firms to the poorly developed home market.

The idea of capital transfers as an alternative to migration is of long-term nature and requires a worldwide coordinated effort. It has to be seen within the context of a better international division of labour, that is a better integration of the less developed countries in world capital and trade flows and between the industrialized rich and the less developed poor countries.

Final Remarks

Following the onset of recession in the wake of the "oil crisis" 1973, all countries of employment unilaterally enacted stops or quasi-stops on further labour immigration, generally for an unlimited duration. Citizens from common labour market areas as in the case of the Nordic countries and the European Communities are exempted. Most countries aim to stabilize, if not reduce, the number of migrants.

The imposition of immigration bans ended an era of large-scale labour migration in Western Europe. Migration policy will have to centre on the consolidation and integration of the foreign population. To this end the Commission of the European Communities, the Council of Europe and other international bodies have passed programmes of action in favour of the migrant workers concerning the improvement of living and working conditions, vocational training, accommodation, health, child care, legal status. In general, after five years of stay, the foreign non-EC national shall be entitled to a permanent work permit allowing him to stay on in the country of employment and finally giving him the option to get naturalized. This naturalized population will partly compensate for the expected population decrease due to low birth rates in some European immigration countries in particular in the Federal Republic of Germany.

³ Bureau Fédéral des Statistique: Aspects de la Fécondité, Berne 1975; National Central Bureau of Statistics: Population Changes, annually; Statistisches Bundesamt: Eheschließungen, Geburten und Sterbefälle; annual articles in "Wirtschaft und Statistik"; Solange Hémerly et Odile Rabut: La contribution des étrangers à la natalité en France, in: Population 6/1973, p. 1065 ff.