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Reviews


Building on an earlier Ashgate publication EU Labour Migration Since Enlargement (see CLR-News 3-2009 for a review), an expert team from across Europe tried to shed light on the critical issues raised by the free movement of labour within the EU in a period of crisis. The economic crisis changed the environment for cross-border labour mobility, as both sending and receiving countries were affected but with large intra-country differences and in waves that were not completely synchronised. The authors reflect on different forms of cross-border labour mobility, including commuting, short-term, circular and more permanent migration. Structured in three parts, the chapters are dedicated firstly to issues of skills and skills mismatch and how they relate to migration forms, secondly to characteristics of migrant workers and of those returning to their home countries after a period working abroad and finally to an analysis of the policy implications of and responses to cross-border labour mobility. The book is rich in its variety and contains a lot of important knowledge and analysis. On the other hand the headings do not always cover the content. Several contributions do not take into account the promised analysis of the impact of the crisis. And the variety is once and a while a handicap as it hinders a clear assessment, for instance of the use of different types of migration as a method to bypass national regulations in the host countries.

The comprehensive introduction provides an overview of relevant literature enriched with selected data on overall population movements, employment and unemployment trends and migrant stocks and flows. One conclusion is ‘that the decision to emigrate is driven by absolute differences in wage levels across countries rather than by the relative returns to skills: migrants, particularly those who are planning to return at
some point in time, are willing to take up jobs below their skill level as long as this allows them to accumulate savings (that can later be invested in the home country) or sent as remittances’ (p.9). Due to large-scale skills-occupation mismatches affecting EU10 migrants on EU15 labour markets, post-enlargement East-West labour mobility has not contributed to better human capital allocation.

The sectoral distribution of employment has changed to little extent during the crisis with one notable exception: the construction sector. Construction accounted prior to the crisis for just below 15% of EU8 (the CEE countries that entered the EU in 2004) and more than 28% of EU2 (Bulgaria and Romania) migrant employment. By the first quarter of 2011, these figures had fallen to just over 10% and 20% respectively (p.18). Sectoral-share gaps between local workers and EU8+2 nationals in the old member states remained broadly stable with, for instance, working in households being completely marginal for nationals of old member states (less than 1%) compared to EU2 and EU8 workers (13 to 17%). But foreign labour in construction served as a buffer; before the crisis the proportion of EU8 and EU2 workers in construction was respectively around twice and almost four times higher than was the case for nationals, a divergence that reduced during the crisis. The book signals that there might be underreporting in household work and agriculture; surprisingly there is no reference to construction in this respect. This is certainly an omission; already in 2006 a CLR-team found evidence to conclude that the share of undeclared labour in construction output and employment appears to be much higher in all countries than the average share of undeclared labour in GDP or overall employment1.

The data indicate two types of substitution in construction. Job losses in the old member states were extremely heavy with more than four and a quarter million lost jobs. The brunt of the sectoral employment crisis was borne by nationals, EU8 workers and non-EU nationals, whilst the EU2 (Bulgaria and
Romania) employment in construction actually increased (in absolute figures with 13,000 workers). Another type of substitution was the increase in self-employed workers. At the aggregate level, there is no excessive recourse to (bogus) self-employment, but in countries with restrictions by transitional measures ‘it clearly is an adjustment strategy that is used’ (p.25). The rate of self-employed workers from EU2 countries has increased since 2008 and by 2011 differed starkly in Germany, Belgium and Austria, compared to local and EU8 self-employed workers.

The heading of Part 1 is to a certain extent misleading as it is said to be dedicated to different types of cross-border labour mobility and skills-job mismatch. However, the analysis presented is limited to general migration in two countries (Chapter 2 by Giulia Bettin, on the UK and Italy) and to commuting in the EU (Chapter 4 by Peter Huber). Huber concludes that cross-border commuting entails a lower degree of ‘brain-drain’ than classical migration. Commuters from EU8 and EU2 countries still have higher over education rates but their rates are substantially lower than the rates of recent migrants from these countries. The third contribution (Chapter 3 by Kea Tijdens and Maarten van Klaveren) is on skills-job mismatch as reported by migrant workers that are not further specified in a typology. Their dataset was derived from the Wage Indicator Survey Data (the period 2005-2010). However, they have not investigated the impact of the economic crisis on skill mismatch. One of their conclusions is: ‘Of all migrant and domestic groups, the odds of being overqualified are highest for migrants working in the EU15 and born in the EU12’ (p.97).

Bettin analyses the effects of EU enlargement and of the economic crisis on migrant populations in the UK and Italy (over the period 2006-2010). The UK and Italy have some characteristics in common: migrants are overeducated and work in blue-collar jobs. Although in both countries construction is one of the important sectors with a high incidence, the overwhelming part of the migrants in Italy are women working in the...
care sector. Whilst Polish and Baltic migrants still represent 75% of the migrant population in the UK, the largest increase in absolute terms involves Romanian workers. And, as already signalled in the first chapter, with UK restrictions still applying for Romanian workers, a high percentage enters through the use of the self-employed status (almost 45%). Workers from the EU8 countries that no longer need authorisation have nowadays on average a percentage of self-employed that has decreased to the UK national average. Surprisingly, Bettin sees the disadvantages of being self-employed (lower social security coverage and less protection of labour rights), but she still sees these workers as entrepreneurs, not as bogus self-employed. She talks about ‘business owned by immigrants’ that in times of crisis has ‘limited access to credit and limited financial assets’ (p. 61). In our opinion the figures provided demonstrate that the status of self-employed is simply used to bypass transitional labour market restrictions. Also striking is the fact that she does not refer to labour brokers and agencies that ‘deliver’ these self-employed workers. In fact the evidence for this bypass can be derived from the Italian case. With no restrictions for the care taking sector and construction E2 migrant workers, mainly from Romania, who predominantly work in these sectors have on average lower figures of self-employment than local workers or other EU and non-EU migrants.

Part 2 focuses on the extent and qualitative characteristics of migration and return in Poland after enlargement and on the socio-demographics of emigration from the two Baltic countries Estonia and Latvia pre- and post-enlargement and during the crisis period. Anacka and Fihel find (in Chapter 5) that the likelihood of return is positively related to age, vocational training and originating from rural areas or particular regions in Poland. The typical returnee profile would therefore be ‘a middle-aged rural dweller with a low level of education’ (p.164). The stock of Polish nationals in destination countries has decreased since the end of 2007 due to return migration. Another important cause of this decrease, the authors
point out, is transmigration of Polish nationals to different destination countries. Hazans provides (in Chapter 6) some interesting insights into the migration intentions of Baltic citizens during the crisis. He finds that during the crisis emigration from Latvia rose significantly more than emigration from Estonia. Hazans links this to the fact that Latvian emigrants were more oriented towards longer-term emigration and that the crisis was perceived more as a systemic problem in Latvia compared to Estonia. Another finding is that the importance of push factors, such as high unemployment rates, increased as reason for emigration, especially for the low-skilled.

Part 3 of the book discusses policy implications and responses to post-enlargement cross-border labour mobility. However, one chapter, Korpi’s analysis of migration policy and immigrant skills and earnings, is based on data from the 1990s and thus not related to post-enlargement labour mobility. Heyes and Hyland provide a review of trade union practices in Ireland and the UK towards migrant workers, ranging from setting up advice and guidance web sites, the facilitation of language training, to community based organising campaigns. Unions employ different tactics to reach, recruit and represent migrant workers establishing links with partnership bodies and NGOs. Though unions in the UK and Ireland have both adopted an inclusive and rights based approach, the UK unions focus more on recruitment and organising campaigns within workplaces and community, whereas the Irish unions have used their social partnership model to influence government policies to support migrant workers. Heyes and Hyland conclude ‘there are limits to what trade unions can achieve in the absence of a supportive regulatory environment’ (p.231).

Line Eldring and Torsten Schulten address the impact of wage setting institutions in Germany, Norway, Switzerland and the UK on differentials in pay between migrant and local workers. Empirical studies on the effect of migration on wage levels remain inconclusive, though many find that the low-wage sector is most liable to downward pressure on normal wages.
Even though the countries vary in their wage setting institutions, the authors find that migrants in general earn less than their local counterparts. After EU enlargement, all countries have opted for re-regulation of wage formation. The UK has a statutory minimum wage, but no provisions for the legal extension of collective agreements. Therefore, the statutory minimum wage remains the main instrument for migrant wage regulation. In Germany and Switzerland, there is rising demand for the introduction of national statutory minimum wages. In Norway, extension of collective agreements has become an accepted instrument in regulating wage standards.


In recent years the integration debate has led to a more restricted political attitude towards labour migration in Europe. In the political debates the positive effects migration has for a labour market with frictions and shortages, and the profit that receiving countries have from foreign labour doing the job notably in the lowest echelon of the economy could not outweigh the supposedly negative effects. Against this background ideas of ‘circular migration’ can be seen as the ideological frame for a temporary ‘migration of labour not of people’. The discussion paper written by Piyasiri Wickramasekara, a former Senior Migration Specialist in the ILO’s International Migration Programme (MIGRANT), says it very bluntly: one of the advantages claimed for circular migration is that ‘there are no integration costs given the temporary stays of circular migrants. This in itself implies tacit support for xenophobic tendencies in destination countries’ (p.2). The author takes another stand; in his view ‘Even temporary workers have basic labour market and social integration needs defined