

Labour Mobility in the EU: facts, figures and the labour mobility package

27 October 2015

European Commission – DG Employment, Social Affairs and Inclusion Free Movement of Workers and Coordination of Social Security Systems

Key Figures

8.7 million economically active third-country nationals living in the EU

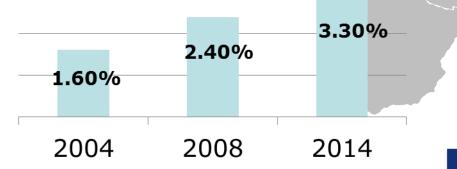
8.3 million economically active EU citizens living in another MS in 2013 (3.3% of total labour force in EU)

European Commission

25% of EU citizens would definitely (8%) or probably (17%) consider working in another EU country in the next ten years

1.6 million frontier workers

1.3 million posted workers





Labour Mobility in 2015

- Labour Mobility overall positive
- Obstacles remain
- New challenges for Member States of origin and destination
- Intense public and political debate

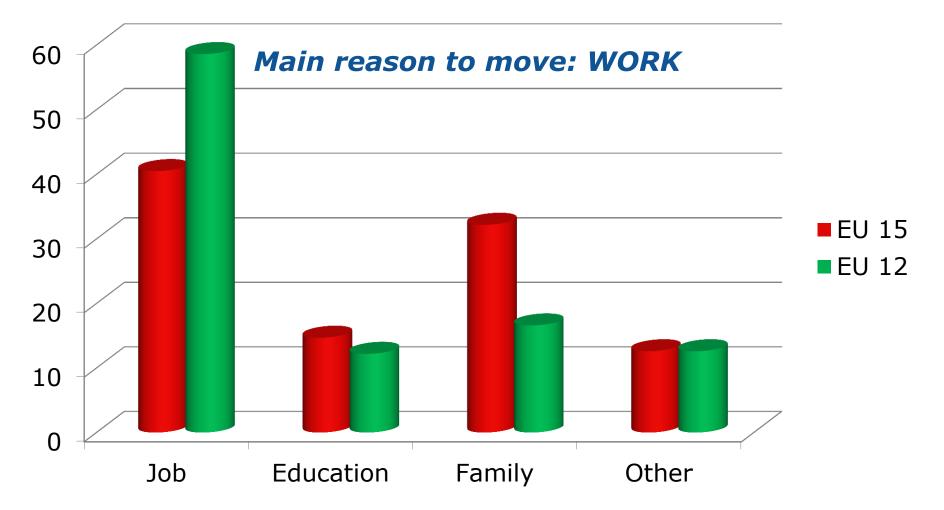




Facts & figures

MOBILE EU CITIZENS & WORKERS

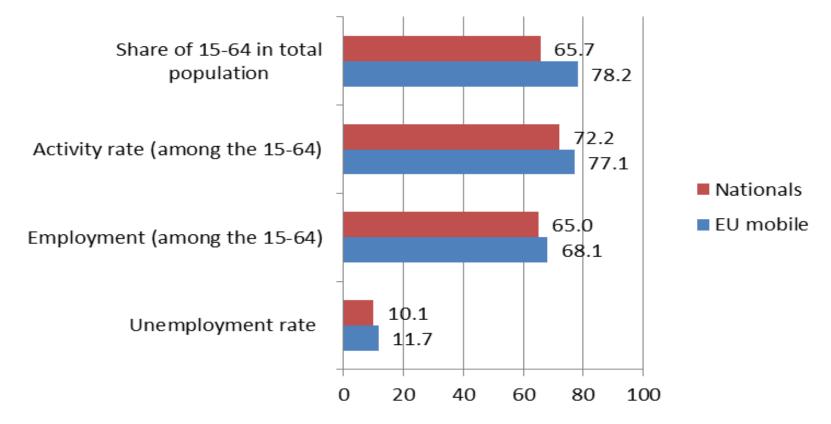




Main reasons to move to another MS (% of Eurobarometer respondents)



EU mobile citizens are more likely to be economically active



Source: Eurostat, LFS





... and because of their young age and employment status they tend to be less likely to claim benefits than nationals





Facts & figures

AN OVERALL POSITIVE IMPACT...



The positive impact of labour mobility

It helps <u>correct imbalances</u> between high and low unemployment regions

It promotes the <u>dissemination of knowledge and</u> <u>innovation</u> across Europe.





Countries of destination...

- positive contribution to the <u>skill mix</u>
- ➢ fill <u>labour shortages</u>
- GDP of EU-15 estimated to have increased by almost 1% in the long-term as a result of post-enlargement mobility (2004-2009)
- Migrants tend to be <u>financial NET contributors</u> to the budget of host state (true for all migrants, and even more so for EU migrants; source: OECD)





... countries of origin

- It helps mitigating unemployment
- Gives the possibility to workers:
 - to look for better job opportunities;
 - to send remittances home; and
 - to come back with additional experience, skills or savings to invest.





Facts & figures

... BUT CHALLENGES EXIST





In countries of destination...

- Pressure on local services
 - Health services
 - Schools
 - Housing
 - Transport
- Socio-economic integration of mobile EU workers and their families
- Risk of abuse of mobile workers (and consequent risk of social dumping)





... and in countries of origin

- Can be negative on <u>GDP</u> owing to large population outflows
 But impact on GDP per capita is smaller
- Many young people have left their country of origin
 - But they send <u>remittances</u> to country of origin
 - And mobility is not necessarily a one-way street: many mobile workers <u>return</u> with additional experience
- While there is no <u>overall brain-drain</u> effect
 - Percentage of tertiary educated has increased in the last decade
 - But impact on <u>certain sectors</u> may be significant (e.g. health sector)





Recent and upcoming activities by the Commission

A BALANCED APPROACH TO LABOUR MOBILITY





2013 Communication on free movement of EU citizens and their families: 5 actions to make a difference (1)

- Clarification of EU citizens' rights to free movement and access to social benefits, acknowledging concerns raised by some Member States in relation to the challenges that migration flows can represent for local authorities.
- Five concrete actions to support Member States' efforts to uphold EU citizens' rights to live and work in another EU country, strengthening the right to free movement, while helping Member States to reap the positive benefits it brings





2013 Communication on free movement of EU citizens and their families: 5 actions to make a difference (2)

- 1. Help Member States fight against marriages of convenience (handbook).
- 2. Practical guide to clarify the application of "habitual residence" test.
- 3. As from 01/01/2014 : 20% of European Social Fund assigned to promoting social inclusion, combating poverty and discrimination.
- 4. Address local authorities' needs by promoting exchanges of good practices (conference with mayors).
- 5. Help local authorities apply free movement rules on the ground: development of an online training tool on free movement rights; proposal to facilitate exercise of rights of mobile EU workers; proposal to modernise EURES.





Jean-Claude Juncker

- Free Movement of Workers: one of the key pillars of the internal market
- Right of national authorities to fight abuse of fraudulent claims
- Targeted review of Posting Directive to ensure "that social dumping has no place in the European Union"
- Free movement is an economic opportunity and not a threat (vacancies and skill matching)



Political Guidelines for the new Commission (15 July 2014)



Commission Work Programme 2015

"It will be important to support labour mobility, especially in cases of persistent vacancies and skill mismatches, including across borders, while supporting the role of national authorities in fighting abuse or fraudulent claims"

The action aims (priority 4 "A Deeper and Fairer Internal Market with a Strengthened Industrial Base", point 8).





Labour Mobility Package 2015 (1)

A Balanced Approach

- Lifting remaining obstacles to free movement of workers and promoting labour mobility, especially in fields with large skill mismatches or unfilled vacancies
- Improving Member States' capacity to prevent and fight social dumping, frauds and abuse, as regards the posting of workers and the access to welfare benefits.





Labour Mobility Package 2015 (2)

- Revision of Social Security Coordination Rules
- Targeted Review of the Posting of Workers Directive
- Other possible components still to be decided
- Subject to a thorough Impact Assessment (collection of data and figures)
- Consultation with stakeholders (Member States, social partners, public consultation...)
- Planned adoption date: December 2015

