

# LABOUR MARKET INTEGRATION OF THIRD-COUNTRY NATIONALS IN EU MEMBER STATES

EMN INFORM

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The effective integration of migrants into the host society is a key challenge Europe is currently facing. Labour market integration is a key element of successful migrant integration. While unemployment rates have been decreasing steadily since 2014, the gap between the unemployment rates of third-country nationals and that of native- and EU-born remains.

This inform summarises the results of the EMN study of the same title which examines the labour market integration of legally staying third-country nationals with the right to work in the EU and the different approaches undertaken by Member States as of 2014. The study explores the main challenges in designing and implementing integration policies before it takes

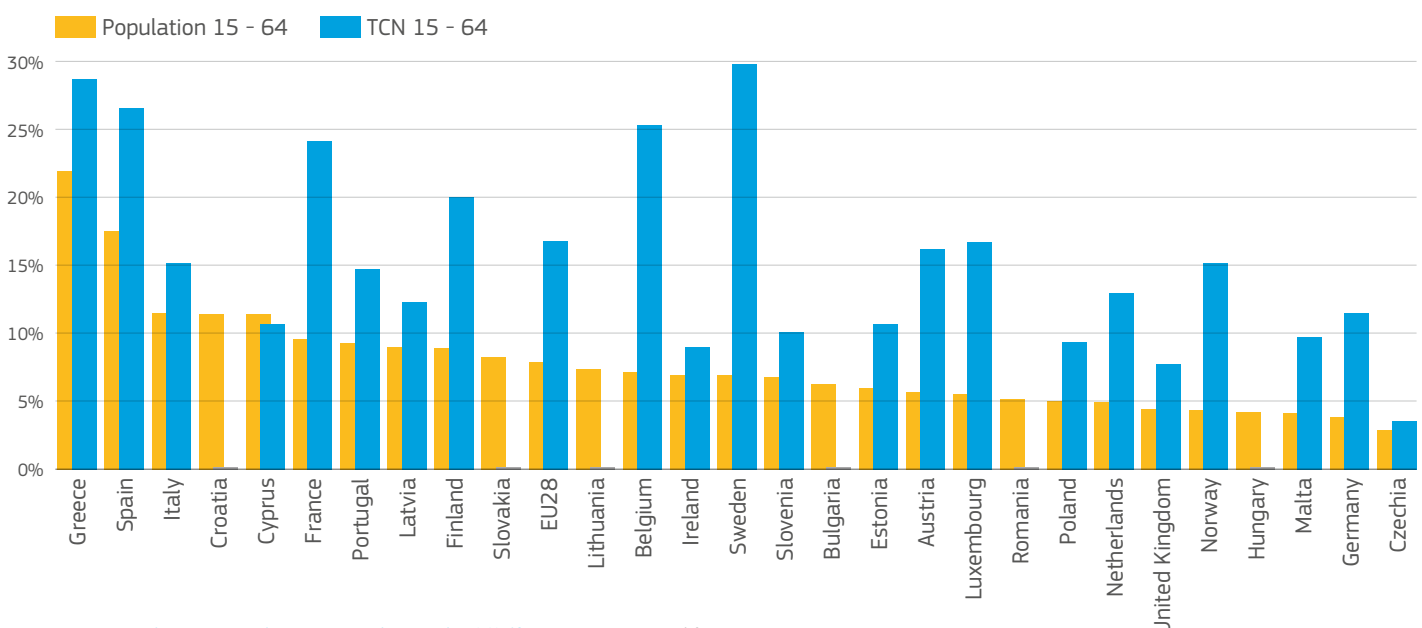
a closer look at promising examples of integration efforts by public services as well as private companies.



## KEY POINTS TO NOTE

**1. Effective labour market policies and measures are important tools for Member States** to address increasing migration flows and persistent employment gaps between migrant and national populations. According to the ad-hoc module on migration of the Labour Market Survey in 2014, roughly two thirds of third-country nationals who migrated for work to the EU had no job at the time of migrating. While unemployment rates have decreased steadily since 2014, the

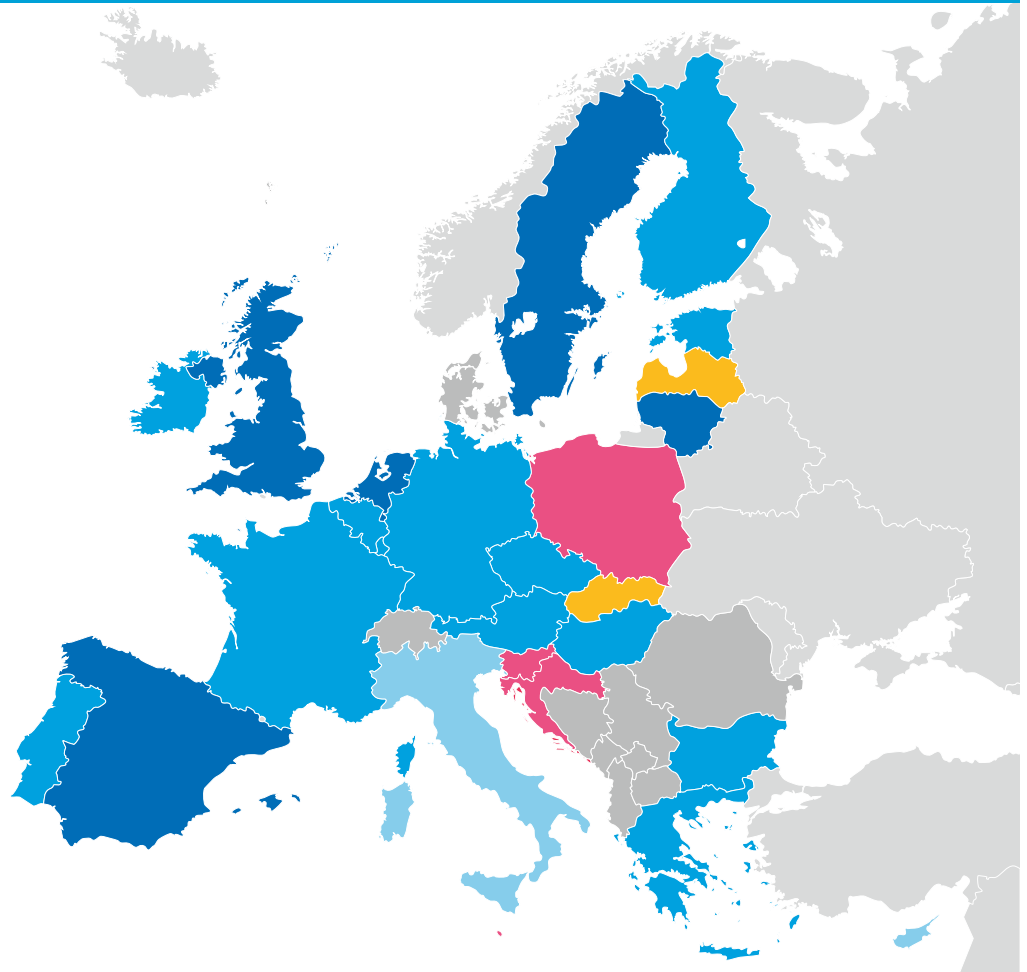
### Unemployment rates among general population and third-country nationals in 2017 (% of active population 15–64 -year-olds)



Note: Unemployment rates by sex, age and citizenship (%) [lfsa\_urgan] - extracted from Eurostat on 27/11/2018.

## Map of Member States' approaches to labour market integration

- Dedicated Strategy on labour market integration
- Labour market integration as part of general integration policy/strategy
- Mainstream measures
- Ad hoc measures
- No policy/strategy



Source: EMN National contact points

gap in the unemployment rate between third-country nationals and native- and EU-born remains.

**2. Most Member States have dedicated labour market integration policies in place, targeting multiple migrant groups, including newly arrived, first generation third-country nationals who were the focus of this study.** These policies are usually integral to Member States' more general integration policies.

**3. The driving forces behind current labour market integration policies tend to be labour shortages and the need to help newcomers into employment quickly so they become self-sufficient.** The 2014-2016 influx of migrants has encouraged many Member States to update existing policies or develop new ones.

**4. Member States combine mainstream and tailored labour market integration measures.** While mainstream integration measures help to ensure equal access to general (public employment) services, tailored measures can specifically address some of the disadvantages facing newly arrived third-country nationals compared to other groups, including lack of language proficiency and unfamiliarity with the new society.

**5. The most common obstacles encountered by Member States in supporting third-country nationals** relate to the accreditation of job qualifications/assessment of skills of

those arriving from outside the EU, tackling discrimination within recruitment processes and managing varying levels of language skills in integration measures. These difficulties are more pronounced when dealing with migrant women or vulnerable groups.

**6. Public sector integration measures focus primarily on the phase prior to accessing employment, including preparing for and finding a job.** Based on examples provided by Member States, these relate most often to the development of (soft) skills, vocational training and qualification and career counselling.

**7. The best innovative measures connected migrant and host communities or developed inter-generational bonds by bringing together people of different ages or ethnic groups,** not only to ease migrants' integration into society but also to create social cohesion.

**8. Employment centres and non-governmental organisations emerge as key partners** in the implementation of labour market integration measures. Most of the measures are financed through national and/or EU funds, but examples exist of privately funded measures, including new tools such as social impact bonds and sponsorship.

**9. Private sector measures aim more specifically at integrating (migrant) workers into the workplace.** Examples reported were mostly implemented by large

companies. They focussed predominantly on training and qualification, counselling and enhancing intercultural relations in the workplace, for example through 'buddy' programmes, on-boarding programmes or internal company workshops on intercultural relations.

## **SCALE OF THIRD-COUNTRY NATIONALS' LABOUR MARKET INTEGRATION IN THE EU**

In 2017, 19 525 751 third-country nationals were legally living in the EU.<sup>1</sup> The population of legally residing third-country nationals varies greatly among Member States. Figures show that in 2017, the number of third-country nationals holding a valid permit per 1 000 inhabitants was as low as three in Romania and as high as 144 in Estonia and 161 in Latvia.

According to the ad-hoc module on immigration of the Labour Force Survey data undertaken in 2014,<sup>2</sup> first generation third-country nationals predominantly migrated to the EU for family reasons (44 %), followed by work (33 %), education (8 %), asylum (6 %) and other reasons (5 %). A closer look at those who said they migrated for remunerated reasons shows that 76 % of those immigrants did not have a job at the time of migrating. Statistical data on employment show an important gap of third-country nationals compared to the rest of population, suggesting that third-country nationals experience additional problems finding and/or keeping employment, illustrating the value of pro-active integration measures.

## **CONTEXT AND EU POLICY FRAMEWORK**

The effective integration of migrants into the host society is a key challenge currently facing Europe and essential to the successful management of migration. While integration is a joint objective between the Member States and the EU, immigrant integration policies are the responsibility of each individual Member State, with the EU playing a supporting role. Accordingly, the EU has recently developed a policy framework aimed at promoting the integration of third-country nationals in the host countries as a driver for economic development and social cohesion, as well as a tool for migration management. The 2011 European Agenda for the Integration of Third-Country Nationals forms the cornerstone of this approach. The EU also adopted a common approach to integration which included assisting EU Member States in developing integration policies. The Council of the EU in 2004 adopted the Common Basic Principles for Immigrant Integration Policy in the EU and more recently, in 2016, the Commission adopted an Action Plan on the Integration of Third-Country Nationals. Labour market integration is one of the key integration areas identified by the EU policies, with a specific focus on recognising and validating skills, as well as engaging employers.

## **EXISTING INTEGRATION POLICIES ACROSS THE MEMBER STATES AND RECENT CHANGES**

Integration was largely interpreted according to the EU principles of a two-way process of mutual accommodation by all immigrants and residents of the Member State.

Most Member States have developed an integration policy, either by adopting a dedicated integration strategy and action plan or by applying a mainstream approach where the integration needs of third-country nationals are considered in sectoral strategies and policy approaches. Whichever the approach adopted, none exclusively targeted third-country nationals within the scope of this study. But the target group examined in the study indirectly benefitted from several measures developed around the wider policy. Relevant policy approaches also frequently targeted asylum seekers and beneficiaries of international protection, or nationals with a migrant background.

The main integration challenges identified by Member States were generally linked to integrating newcomers into the labour market and notably involved language skills, the recognition and validation of qualifications and discrimination within recruitment processes or the working environment. In response, general integration measures widely implemented by the Member States included language and civic orientation courses, as well as measures to improve guidance, counselling and access to public services for third-country nationals in areas such as health and housing and also employment services specifically related to skills recognition, accessing professional networks, accessing job vacancies and improving interview techniques.

## **LABOUR MARKET INTEGRATION POLICIES**

Most Member States already had labour market integration strategies or policies in place targeting multiple migrant groups, including third-country nationals within the scope of this study. These labour market integration strategies were usually integral to the broader integration policy of the Member States, although, conversely, some Member States adopted a mainstreaming approach or implemented ad-hoc measures.

The migration influx in 2014-2016 raised the profile of (labour market) integration on the political agenda and triggered policy changes that also benefitted the legally residing third-country nationals. Some measures designed for the integration of applicants and beneficiaries of international protection in response to the increased influx were extended to all third-country nationals or residents with a migration background. These policies also helped establish new or better forms of cooperation between different governmental bodies, stakeholders and services, introduced quality assurance and systematic monitoring mechanisms of integration programmes and measures.

1 All valid permits by reason, length of validity and citizenship on 31 December of each year [migr\_resvalid] – extracted from Eurostat on 27/11/2018

2 First generation of immigrants by sex, citizenship, duration and reason for migration [lfso\_14b1dr] – extracted from Eurostat on 14/8/2018.

The enhanced visibility of migration issues following the 2014-2016 influx also propelled issues of migrant labour integration into public debate. Key issues under scrutiny included the effectiveness of labour market integration measures, particularly concerning the need to meet labour market demand in certain sectors. The debate in many Member States also focussed on concerns around discrimination and labour exploitation.

As a result, strategies and policies aimed to speed up third-country nationals' access to the labour market, to achieve self-sufficiency and socio-economic participation and to prevent labour exploitation, social dumping and to combat discrimination. Various measures were therefore implemented, including guidance and counselling, language and vocational training, skills assessments and skills-based matching, together with incentives encouraging entrepreneurship.

Implementing labour market integration measures was a cross-cutting initiative, requiring concerted efforts by several government bodies and levels, regional and local authorities, public employment services and other stakeholders. Member States without a national coordination mechanism, institutionalised funding or existing integration strategy have identified these lacunae as a key challenge when designing and implementing labour market integration policies.

In general, all Member States monitored and evaluated the implementation of labour market integration policies, albeit to varying degrees. The results were then used to inform the design of integration measures. The Zaragoza Indicators were the most commonly used standards to measure the impact of general national integration policies.



## GOOD PRACTICE EXAMPLES OF LABOUR MARKET INTEGRATION MEASURES

Member States have reported several promising stand-alone examples of public and private integration measures, categorised among seven main integration areas: training and qualification, enhancement of (soft) skills, provision of information and counselling, enhancement of intercultural/religious/civic relations, targeted measures tailored to the needs of specific groups and/or vulnerable categories, incentive measures for migrants and/or employers, and support for self-employment.

**Public sector initiatives** identified as promising practices mostly focussed on enhancing (soft) skills, followed by training and qualification and information and counselling. The type of measures reported mainly concerned multi-year programmes or targeted projects, while few measures were legislative or policy initiatives.

The focus of measures in each integration area varied, and included, for example, developing specific skills, facilitating networking, increasing understanding of procedures and available opportunities, enhancing employers' awareness and capacity to manage diversity, etc. To this end, a wide array of delivery methods was used, most of which applied to more than one focus or integration area. These included one-stop-shops and information centres, training and seminars, mentorship and grants. Some of the most innovative delivery tools

engaged migrants and host communities in a two-way process (inter-generational and inter-community), promoting mutual understanding and acceptance at multiple levels. Such tools entailed, for example, mentorship, coaching and community meetings or events.

Accessibility was a critical element in the design of measures across integration areas. Most tried to be as inclusive as possible, for example, not bound to a specific timeframe, granting access based on minimum criteria (generally holding a valid residence permit) rather than on a competitive selection, offering activities in multiple languages free of charge. Several measures considered accessibility by including elements of e-learning, such as virtual workshops or activities in the participants' mother tongue. Nearly all measures were voluntary with only very few compulsory measures concerning attendance of integration training as a precondition of receiving a permanent residence permit.

Employment centres and NGOs were found to be important partners in the implementation of integration measures. Private companies were indicated as an important partner in around one-fifth of the measures reported.

In terms of funding, most of the measures were financed through national and/or EU funds. Very few measures also mobilised resources through the private sector, such as social impact bonds. The continuation of funding was mentioned as a challenge to the sustainability of certain initiatives.

The indicators used to measure the success of the integration measures were largely output indicators, such as the number of activities offered or the number of participants, while outcome or impact indicators were applied less often, such as the satisfaction rate of the participants or the number of beneficiaries who found a job following participation in the activities. However, several measures, including those already existing long-term have never been evaluated.

Almost half of the Member States reported examples of measures implemented by the **private sector**. They provided a similarly wide range of services to third-country nationals but particularly focussed on integration into the workplace rather than general integration into the labour market. Private companies' measures more commonly target highly-skilled workers and/or employees with a migration background. The measures *inter alia* entailed 'buddy' programmes or internal company workshops on intercultural relations, in addition to language courses. Here, other host-country employees were often involved. Another focus of the measures was attracting suitable talent, for which companies developed on-boarding programmes and relocation packages. In some cases, companies worked with public bodies to support the implementation of the measure.

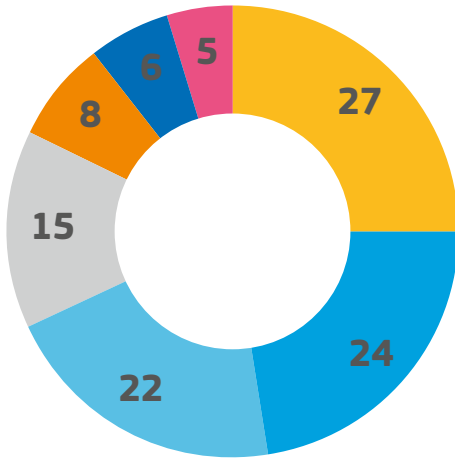


## KEY CONCLUSIONS

Labour market integration of third-country nationals is an important policy aspect for most Member States. This report aims to contribute to policy discussions in this area.

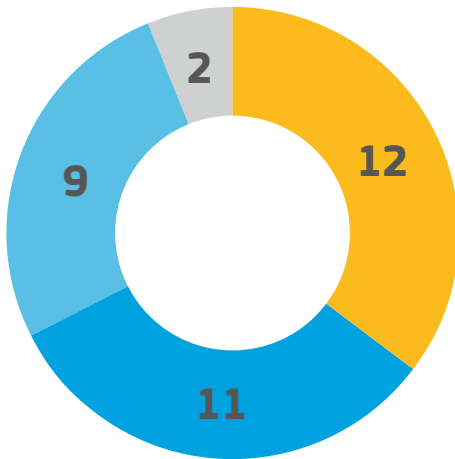
The higher influx of migrants and the shortages of workers in specific sectors are the main drivers behind the adoption of

## Examples of promising public integration measures, by integration area



- **Enhancement of (soft) skills** (e.g. (work-based) language courses, computer literacy, self-development): 27 measures.
- **Training and qualification** (e.g. vocational/job training, recognition of skills/qualification): 24 measures.
- **Information and counselling** (e.g. career guidance, counselling, mentoring, leaflets): 22 measures.
- **Targeted measures** for a specific group of third-country nationals (e.g. women): 15 measures.
- **Support for self-employment** (e.g. entrepreneurship courses): 8 measures.
- **Enhancement of intercultural/civic relations** in the workplace inclusion (e.g. raising awareness about diversity, civic/social-cultural orientation courses): 6 measures.
- **Incentive measures** for migrants or employers: 5 measures.

## Examples of promising private sector initiatives, by integration area



- **Information and counselling: 12 measures;**
- **Training and qualification: 11 measures;**
- **Enhancement of intercultural/civic relations in the workplace and incentive measures: 9;**
- **Enhancement of (soft) skills : 2.**

integration policies. Many national integration policies therefore have a two-fold objective: on the one hand, to manage the effects of migration, on the other to welcome newly-arrived third-country nationals and provide for their smooth transition into the host society. The implementation of labour market integration strategies is a transversal issue requiring concerted efforts from governmental, non-governmental and public bodies and institutions. Several integration programmes depend on EU-funding and the lack of institutionalised funding, as well as significant political changes in certain Member States, threaten the sustainability of measures and their long-term success.

Labour market integration policies are implemented on different scales, with most Member States combining mainstream and tailored labour integration measures. National policies generally aim at eliminating legal obstacles to access employment and related services, while also encouraging positive actions for integration. However, there are still important gaps between the aim and the implementation of integration policies, mostly concerning the design of effective delivery methods.

The examples of measures reviewed in this study show that a

wide range of tools, such as one-stop shops or e-learning tools, are used to enhance labour market access. Some of the more innovative delivery approaches connect migrants with the host community, seeking to create inter-community and inter-generational links. Others innovated by adopting a multiple focus, coupling, for example, skills training with career mentoring and/or networking, which appear to provide an effective gateway into employment. The private sector can add significant value to national labour market integration strategies, particularly around integration into the workplace. It can play an important role in filling gaps wherever public measures fall short, particularly due to a lack of or insecure public funding.



### FULL STUDY PUBLICATION

European Migration Network (2019). Labour market integration of third-country nationals in EU Member States – Synthesis Report. Brussels: European Migration Network.

[https://ec.europa.eu/home-affairs/what-we-do/networks/european\\_migration\\_network/reports/studies\\_en](https://ec.europa.eu/home-affairs/what-we-do/networks/european_migration_network/reports/studies_en)





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