

Refugees' integration in the EU labour markets: seizing the opportunities - tackling the challenges

Background Note

In the words of President Juncker, addressing the refugees' crisis has become the first priority of the European Union.

While the number of people having crossed EU borders over the last couple of years might look impressive, it remains far below, for example, the amount of asylum seekers who continue to enter Syria's neighbouring countries. Turkey is now the top global host of refugees worldwide and is currently hosting more than two million Syrian refugees alone, while over one million asylum seekers have moved to Lebanon, which represents almost a quarter of the total population.

Although figures should be read with great caution as there is an unknown number of people crossing borders without being registered, UNHCR reports that as of 13 November there were 806,000 arrivals to Europe by sea in 2015. These populations are part of mixed migratory flows including both asylum seekers and migrants from various origins, the majority of them fleeing from war in Syria, the terror of the Islamic State in Libya or dictatorship in Eritrea. According to a recent European Commission forecast¹, three million arrivals could be expected in the EU over the period 2015-2017.

Recognizing that the economic implications of the current migration flows cannot be fully measured at this stage, the European Commission has estimated that in 2015 and 2016, the additional public spending related to the arrival of asylum seekers is likely to be moderate for most member states, albeit more pronounced in some of them. The Commission further foresees that the impact from a higher public spending and a larger labour force could contribute to a small increase in the level of GDP by 0.2-0.3% above the baseline by 2020.

Additionally, Europe faces important socio-economic challenges due to demographic ageing. Analyses have shown that under a scenario with zero net migration, the EU working-age population would decline by up to 11.7 million (-3.5%) by 2020 and by 13 million by 2030 (-4%)². Within the next years, some of the economically strongest EU Member States will find themselves confronted with serious employment growth constraints due to labour supply bottlenecks. In the context of dynamic labour markets with rapidly changing occupations, skills shortages and skills mismatches are becoming ever more crucial issues, of which the European response to the refugees' crisis should take full account.

¹ http://ec.europa.eu/economy_finance/publications/ceip/pdf/ip011_en.pdf (page 48)

² Growth potential of EU human resources and policy implications for future economic growth European Commission 2013

In the medium to long term, the economic and social impact of the influx of refugees will depend largely on their integration into the labour market. The ILO experience shows that an early integration would be highly desirable for at least three reasons:

- it is the most effective, efficient and meaningful method to facilitate their integration into European societies;
- it can alleviate pressure on the public purse;
- it can help address current and future labour market shortages in the EU;

The recast Qualification Directive foresees that beneficiaries of international protection (i.e. persons who have been granted refugee status or subsidiary protection status) are authorised “*to engage in employed or self-employed activities subject to the rules generally applicable to the profession and to the public service, immediately after protection has been granted*”.³ With regard to applicants for international protection, the 2013 recast of the Reception Conditions directive states that, “*States shall ensure that applicants have access to the labour market no later than 9 months from the date when the application for international protection was lodged if a first instance decision by the competent authority has not been taken and the delay cannot be attributed to the applicant.*”⁴ In practice however, conditions for accessing the labour market during the asylum claim process vary significantly across countries.

An early integration of refugees in the labour market can pose several challenges for public authorities and social partners alike. In a first phase, the influx of refugees requires significant responses from certain public services, such as those offices processing asylum procedures, providing humanitarian support and accommodation services, among others. In a second phase, other challenges may emerge, such as the need for additional financial and human resources to ensure access to social protection, including psycho-social support to heal the trauma of war. In this context, it will be important to enhance refugees’ employability so that they can access employment opportunities. This may entail language courses, professional training, as well as recognition of diplomas, skills and qualifications.

Addressing the refugees’ crisis in Europe will require the full involvement and cooperation of various entities, including both labour and interior ministries, local authorities, education and training institutions, public employment services and social partners. Employment-oriented integration programmes and policies, looking at matching refugees’ skills with labour markets’ needs through personal counselling and training opportunities, could be further developed in the EU. Yet it is vital that such integration takes place within a broader policy framework that seeks to ensure that host communities also have access to decent work opportunities. This is of crucial importance to reduce xenophobia and to reinforce adherence to a duty of solidarity within and across the EU.

**Join us to discuss these issues and others at the European Parliament on November 18 at
5:00 PM room P4B001!**

³ Directive 2011/95/EU of the European Parliament and the Council of 13 December 2011 on standards for qualification of third-country nationals or stateless persons as beneficiaries of international protection, for a uniform status for refugees or for persons eligible for subsidiary protection, and for the content of the protection granted (recast), OJ 2011 L 337/9, Article 26(1).

⁴ Directive 2013/33/EU of the European Parliament and of the Council of 26 June 2013 laying down standards for the reception of the applicants for international protection (recast), OJ 2013 L 180/96, Article 15(1).