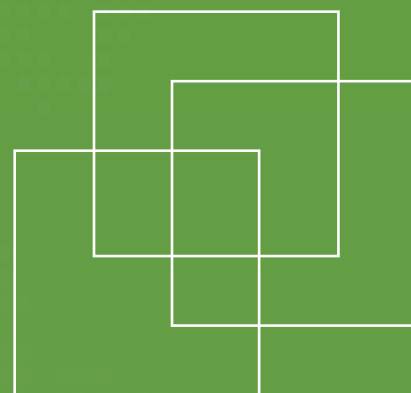




International
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LABOUR MIGRATION FROM CHINA TO EUROPE: SCOPE AND POTENTIAL



Piotr Plewa

Marko Stermšek

Summary



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**EU-China Dialogue on Migration and
Mobility Support Project**
支持中欧人员往来和移民领域对话项目



International Organization for Migration (IOM)
The UN Migration Agency

Executive Summary

By the end of 2015 there were 260,000 migrant workers from China legally residing in the 28 European Union (EU) Member States. Of these, 70 per cent were found in Italy and a further 23 per cent in France, Germany, the Netherlands, Spain, and the United Kingdom. This report discusses the opportunities and challenges revealed by Chinese labour migration to these six countries. It aims to provide policy-makers with the key data necessary to develop sustainable labour migration programmes that will balance between the interests of China, European host States, employers, and migrants.

The report consists of three technical chapters followed by policy recommendations. Chapter 1 maps out regulations concerning the admissions of migrant workers to the six case study countries. Chapter 2 analyses the latest trends in the admission of Chinese workers' to the six case study countries. Chapter 3 examines potential labour and skills shortages within the EU as a whole, and considers how these might be filled by Chinese migrant workers. Finally, chapter 4 concludes with a series of policy recommendations.

Chapter 1 identifies similarities and differences in regulations concerning migrant workers' admissions to the six case study countries. Special focus is placed on Germany, which of the six case study countries has perhaps the highest potential for a sustainable labour migration programme with China. After outlining major admission procedures, including exceptions allowing for admissions outside the labour market test, the chapter analyses the effects of specific policies aimed to ensure effective integration of international migrants into the labour market. This analysis allows Chinese policy-makers to evaluate the case study countries' admission policies and procedures. It also suggests which EU Member States might integrate Chinese migrants most effectively. The criteria analysed include workers' rights, access to the labour market, recognition of qualifications, freedom to join unions, housing conditions, training and retraining, and access to public employment services and social protections.

Chapter 1 reveals great variation between migrant workers' legislations and their effectiveness across the six countries, especially in terms of labour market integration. Consequently, whichever European countries China prioritizes to foster labour migration ties, there will likely be trade-offs. The same European countries that facilitate admission of migrant workers may lag behind in worker integration, or they may favour the admission or integration of select profiles of migrant workers. Chinese policy-makers should consider which countries present trade-offs that would be most acceptable to the principal stakeholders, especially migrant workers. The labour migration option that would benefit Chinese workers the most is that which is least costly and provides workers with the most extensive employment and residency rights. The

study suggests that among the six countries, Germany may be currently offering the best balance between the admission of migrant workers and labour market integration regulations.

Chapter 2 identifies similarities and differences in Chinese workers' migration to the six case study countries since the early 2000s. By demonstrating the long-term trends, the analysis aims to provide the best available evidence to reveal how migration could evolve in the six case study countries within the near future. The data included in this part summarize a comprehensive overview of the most up-to-date records on the admission of Chinese migrant workers to the EU held by the Organisation for Economic Co-operation and Development (OECD) and Eurostat, which are presented in a separate appendix.

According to the available Eurostat data, all of the case study countries, except for the United Kingdom, have reduced the number of new work permits issued to Chinese nationals over the past couple of years. The key reason was the onset of the global economic crisis and the resulting decline of demand for labour. Chinese migrant workers in Italy – clustered primarily in textile industry – experienced the earliest and sharpest admission curbs. Germany did not curb admissions of Chinese workers until 2015, when employment of refugees became a priority.

Financial, refugee and undocumented migration crises precipitated curbs on the admission of foreign workers to the EU. As the main doors to European labour markets began to close in 2008, the principal “side door” – recruitment of workers from among graduating international students – has remained open. The number of Chinese migrant workers admitted to Europe as students and later adjusting their status to workers has been rising. In this time of crises, student migration has become an increasingly important labour market incorporation channel, and Chinese students have a comparative advantage in exploiting this pathway due to their high university admission rate and general interest in studying subjects for which there is growing demand in the European labour market. Entering Europe as students benefits both Chinese jobseekers and their future employers. By graduating from European institutions, Chinese workers gain readily recognized hard and soft qualifications and make initial contacts with employers through internships and traineeships. This is important because the key European criteria for the admission of third-country workers include recognized skills, sound knowledge of the host country's language, and a potential for labour market and social integration.

Despite their latecomer status, Chinese migrant workers could become an important part of the European workforce if they can bring the types of skills that European employers demand and that nationals or other migrant workers cannot provide as effectively, including in the areas of science, technology, and engineering. In the case of Germany, the demand for such workers was

expressly acknowledged in the China 2015–2020 strategy.

Chapter 3 identifies labour shortages across the EU. Shortage occupation lists point to a current demand in jobs across all skill levels. However, forecasts for the future suggest the transformation of demand from low- and medium-skilled to highly skilled workers. This emerging demand corresponds with the highly educated profile of Chinese workers. Apart from readily trained researchers or engineers, China could provide EU Member States with students in those fields corresponding with EU demand for increasingly high-skilled labour. If Chinese investments in Europe continue to increase, additional demand for Chinese workers may be created by Chinese companies themselves, thereby spurring flows of intra-company transferees, or the hiring of Chinese graduates from EU universities who may act as a bridge between Chinese employers and EU countries of investment.

The report closes by outlining conditions under which sustainable Sino-European labour migration programmes could be created. Chapter 4 opens with broad recommendations for the potentially important yet recondite Sino-German pilot nurse programme. It recommends a practical review of the programme so that any challenges faced in the pilot phase could be identified and addressed before the programme is expanded.

The key recommendation for all Sino-European programmes is that labour migration agreements should be designed and monitored bilaterally and on the basis of feedback from the major stakeholders affected. It is essential that such programmes aim to reduce migration costs and expand migrant workers' rights. China and the host countries can lower migration costs in a number of ways that could be agreed upon bilaterally. For instance, employers and workers could be asked to share transportation costs; recruitment chains could be shortened; and competition among licensed recruiters could be encouraged.

Programmes featuring highly skilled or skilled workers are more likely to achieve low migration costs and ample workers' rights. This is because employers are more willing to assume workers' migration costs for workers in roles that generate higher profits and require less need for strict monitoring and oversight. These jobs also tend to be better shielded from economic fluctuations, such as those that precipitated the decline in employment of Chinese workers in Italy.

The International Labour Organization (ILO) could provide technical assistance in structuring and monitoring rights agreements that would provide adequate protection to workers at a low cost, including ensuring the rights of the lower skilled international migrant workers the ILO has been working to protect since its inception.



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ILO Country Office for China and Mongolia
1-10 Tayuan Diplomatic Office Building, Beijing, China
Tel : +86 10 6532 5091
Fax : +86 10 6532 1420
beijing@ilo.org
www.ilo.org/beijing