

## **EXECUTIVE SUMMARY**

Migration is a central theme in contemporary European policy because it is intrinsically connected with the most formidable challenges facing Europe: development, economic growth and productivity, demographic change, maintaining social security systems, ensuring social cohesion and intercultural dialogue, and upholding human rights and the rule of law.

This report was prepared as a main reference for the 8th Council of Europe Conference of Ministers Responsible for Migration. It presents main aspects and characteristics of migration in the member states of the Council of Europe, analyses policy challenges raised by contemporary migration, and identifies an appropriate and integrated policy agenda.

The introduction and the first chapter on *migration and economic and social well-being* review reasons for the growth of economic migration, its scale and characteristics, and the impact on the economies as well as on policies and practices of member states.

The second chapter on *migration and development* discusses the impact of migration on the development of countries of origin and destination. It identifies main challenges to strengthening the contributions migration makes to development, including return of skills, remittances, the "brain drain", the investment of migrants in countries of origin, *co-development*, and the role of diaspora.

The third chapter on *migration and social cohesion* identifies main policy issues regarding equality of treatment and integration of migrant workers and their families, and policies and practices on integration promote social cohesion.

The fourth chapter describes *an integrated policy agenda* and examines the specific policy factors to effectively regulate migration. It identifies the main policy components comprising an integrated approach and outlines roles of government and non-governmental stakeholders in implementing this agenda.

### **1.     *Competence of the Council of Europe***

The Council of Europe has a unique role, competence and capacity in addressing migration. Its European Committee on Migration (CDMG) incorporates operational participation from all member countries. It represents the full spectrum of migration experiences, from those of primarily origin countries to those of primarily destination countries as well as transit countries, with many member countries being all three today. The composition of the committee reflects the breadth of government institutions charged with addressing migration concerns, including ministries of immigration, labour/employment, interior or home affairs, foreign affairs, integration, and others.

This composition is unique in the world and in particular allows policy development and elaboration in the Council of Europe to take account of distinct national migration experiences and the diverse branches of government in addressing migration and its consequences.

The CDMG and its various working groups facilitate the building of relationships of trust and mutual co-operation with and between the operational institutions and actors of the member countries.

Over the last two decades, the CDMG has conducted studies, developed recommendations, contributed to elaborating normative standards and delineated policy guidance covering most issues of migration governance. Many of these policy lines were subsequently endorsed by the Council of Europe Conferences of Ministers on Migration Affairs, thus giving the political impetus at the highest level to ensure their implementation by member states. The evolution of policies of many member states demonstrates that Council of Europe policy guidance has been especially relevant to shaping consistent national policies and to encouraging co-operation among member countries.

Other bodies of the Council of Europe address migration issues. The European Commission against Racism and Intolerance (ECRI) is tasked with combating racism, xenophobia, antisemitism and intolerance from the perspective of protection of human rights; its 2008 annual seminar focused on discrimination and integration regarding persons of immigrant origin. The current Council of Europe Commissioner for Human Rights, serving in an independent capacity, has given particular attention to rights of migrants as a major theme under his mandate.

The Parliamentary Assembly of the Council of Europe (PACE) plays an important role, particularly through its Committee on Migration, Refugees and Population. This Committee elaborates policies for protection of the rights of migrants, refugees and displaced persons and the improvement of their living conditions and, secondly, proposes political solutions consistent with the humanitarian values of the Council of Europe. Recent PACE resolutions and recommendations are listed in the report.

## **2. *Challenges for Europe, economic well-being, development and social cohesion***

International migration in Europe is characterised by a growing number of short-term, long-term and permanent migrants. On the one hand, this is the consequence of higher international labour mobility in the époque of globalisation resulting from changing needs and structures of national labour markets and increasingly internationalised labour demand and supply.

On the other hand, Europe needs migrants today, and many countries in the region will need even more in future in order to meet changing labour-market requirements, counter work force decline and population ageing, and help social security systems stay in balance. Immigration is clearly a palliative at times of labour shortages in host countries.

Evidence shows that immigration has generally positive effects on economic growth and employment. However, it is only one element of solving the challenges of demographic, labour market and economic changes in Europe.

Migrants often have high motivation for hard work, success, earning, and saving. Their productivity is often higher than among local workers in similar occupations and positions.

The fundamental policy challenge today is to capitalise on this and to ensure economic and social benefits from international migration. Current migration trends are primarily

about facilitating labour and skills mobility through democratic means and regulatory instruments while avoiding overemphasis on restrictive control measures.

The free movement of goods, capital, technology and services facilitates economic integration processes and interconnection. However, destination countries continue to implement restrictive provisions on the movement of people, as do certain countries of origin. A central policy challenge is therefore to reconcile economic pressures that urge constraints on human and labour rights protections for foreign workers in order to sustain labour cost competitiveness with the need to uphold equality of treatment and non-discrimination as guarantors of labour market coherence, work force productivity, and social cohesion.

A major policy conundrum for governments is how to confront widespread adverse public perceptions, opinions and resentment against foreigners, particularly migrant workers, especially where they are commonly portrayed as competing for scarce employment and housing, unfairly or illegally drawing on public welfare resources, and associated with criminality.

For Europe, migration undeniably presents new challenges for integrating immigrants economically and socially. The aim must be to have immigrants genuinely participate in the labour market, the economy and society. Proper integration in the host country helps strengthen identity, promotes civic participation and increases social cohesion.

The overarching goal is achieving a comprehensive, integrated and credible approach to regulating migration with a pan-European relevance. Equally at issue is generating the political will, social partner co-operation and popular support to extend, apply and consolidate rights protections and equality of treatment to foreign workers and populations as guarantors of economic progress and social cohesion.

### **3. *Migration and economic and social well-being***

Economic factors in respect of migration flows are gaining weight in terms of both ‘push’ and ‘pull’ factors. Segmentation of national labour markets in the majority of EU member states and in Russia, provokes further demand for imported labour. The profile and distribution of migrants is closely related to the structure and demands of the national labour markets in receiving countries.

Ageing of population and a growing percentage of retired persons is another important stimulus to migration as a means to cover labour shortages and increase production as well as stabilise social security systems. Rapid shifts in the age structure of the European population are taking place. For example, by 2050 every fourth or maybe every third European will be of pensionable age, while half of the population will be over 50 years old. The need to ensure stability in labour markets is particularly pressing in the light of current concerns about a possible global recession and emphasises the need for an integrated and flexible approach.

Many European countries, among them Germany, the United Kingdom, Austria, Denmark, Belgium, and Portugal, are important labour migration countries, with substantial stocks of temporary foreign workers and 30-40% of permanent immigrants arriving for work-related reasons. In Central and Eastern Europe, the Slovak Republic, Hungary, the Czech Republic and Poland are new destination countries for migrants driven by economic reasons from further east. Russia hosts over 3 million registered migrant workers and at least a twofold greater number of unregistered migrants mainly from other CIS states.

Migration in Europe is a long-term phenomenon but is now diversifying. Former countries of emigration such as Portugal, Italy, Spain and Greece have now become host countries. Others like Romania and Turkey are becoming countries of net immigration. Romania, Bulgaria and Poland are attracting workers from neighbouring countries including Belarus, Moldova, and Ukraine. The Council of Europe member states thus comprise countries of destination, origin and transit, with many characterised by all three dimensions.

Most contemporary research demonstrates that immigration supports economic growth and development. The impact of immigration on the wages and employment levels of native workers in host countries is generally found to be insignificant. However, there may be more of an issue in certain sectors or in relation to particular indigenous categories. Generally, immigrant workers complement rather than replace the existing workforce although again there are exceptions in particular sectors..

Migrants' input to host countries' human capital is significant; generally, recent immigrants' level of education is higher than the average education level of the indigenous populations.

A statistical analysis of the economic impact of migration in 15 European countries from 1991 to 1995 found that every 1 per cent increase in a country's population through immigration led to a 1.25 to 1.5 per cent increase in GDP, a strong correlation although not necessarily proving causality. Some more recent country-specific studies have shown slightly lower, but still positive, net benefits. Other recent studies have shown that the benefits received by immigrants are invariably outweighed by their net contributions to the economy.

The general consensus from research is that the effect of immigration on wages is minimal. Regarding unemployment, results from an OECD study of selected countries between 1984 and 1995 concluded that there was no evidence of a negative impact of immigration on local unemployment. While labour deficits could numerically be covered by employment of the unemployed, unemployment in native work forces is most often related to structural imbalances in labour markets. Even in countries where the population is highly mobile, increases in employment opportunities do not result in equal declines in unemployment.

The World Bank has argued that the gains from international migration, especially for developing countries, surpass the expected gains from liberalising trade in merchandise. Thus it is now asserted that freer international mobility of labour would both increase global income and make its distribution more equitable.

Gender differences in labour migration flows are diminished by the growing demand for female labour particularly in the service sector: childcare, elderly care, healthcare, domestic service, hospitality, and entertainment and well as hotel and restaurant industries. In Europe, women now comprise 53% of all migrants; the highest rate in comparison to other regions.

#### **4. *The migration development nexus***

Migration has the potential to serve as an engine of growth and development for all parties involved - host and source countries and the migrants themselves. In destination countries, migration has rejuvenated workforces, rendered economically viable traditional sectors like agriculture and services, promoted entrepreneurship, supported social security and welfare schemes, and met the demand for skills for emerging high tech industries. In migrant origin countries, positive contributions of migration are

reflected in capital inflows through remittances and investments, transfer of technology and critical skills through return migration, and increased exports and international business facilitated by transnational community relations.

Migrants sustain development and partnership through the monetary, human and social capital they supply, the international flows of finance and trade they bring about, their involvement in social networks and their contributions to exchanges between cultures.

The UN Secretary-General's report on International Migration and Development for the UN High Level Dialogue 2006 stated: "We are only beginning to learn how to make migration work more consistently for development. Each of us holds a piece of the migration puzzle, but none has the whole picture. It is time to start putting it together."

Whether or not emigration contributes to development varies according to what forms of migration take place, where to, and on how well countries put in place policies to take advantage of benefits and address adverse consequences of migration. Migration can contribute positively to development where a country is already poised to develop; it cannot, however, create such a condition.

Excessive emigration of workforce and skills, as well as the inability of the unemployed potential workforce to emigrate, is clearly harmful to sustainable development in countries of origin. There is also huge potential for enhancing development in countries of origin through diaspora contributions and by return and circular migration, providing that the infrastructure allows it.

Migration and the return flows it generates are one of the most important means for sustaining the economy in some emigration countries. Recorded remittances are now more than double the level of official development assistance (ODA) of \$104 billion, and about two thirds of foreign direct investment (FDI) flows of \$325 billion in 2006. For some countries remittances constitute the main source of foreign exchange. Migrant remittances usually go towards improved housing, nutrition, schooling and health care. Remittances therefore create human capital by financing education of children, and meeting health expenses while improving food security for poor households.

Migrants who return to their countries of origin possessing enhanced skills, knowledge, ideas and capital can make substantial contributions to development. Nonetheless, return migration contributes to development only where the country of origin has created a propitious social and economic environment for using skills acquired abroad or investing migrant savings. However, empirical evidence indicates that such conditions are not often met.

Diaspora contacts - the activities of groups of expatriates directed towards their country of origin - are often considered valuable links to support development. Diaspora can convey "social remittances" to the country of origin, thereby contributing to overall development.

Core elements for maximising development benefits include facilitating mobility – both emigration and return - ensuring protection and decent treatment for migrants, optimising the benefits of remittances, encouraging return of skills, supporting skills training and education in origin countries, and enhancing diaspora organisation and entrepreneurial activity, among others.

Explicit partnerships between origin and destination countries are a newer arrangement where migration and development are explicitly interconnected in political and aid initiatives. Their intent is to develop and sustain levels of co-operation that will

contribute to the equalisation of benefits of migration between two or more countries concerned (source and destination) and to minimise potential drawbacks.

##### **5. *Integration and social cohesion***

The influence on social cohesion of large scale migration is one of the major challenges for Europe's future. Successful integration of immigrants is a prerequisite for social cohesion and economic progress.

Immigrant origin populations now represent a significant proportion of national populations in most countries of Western Europe, ranging from 12% to nearly 20%. The proportions in Central and Eastern Europe while smaller are growing and will continue to do so.

The proportion of foreign born ("first generation") migrants is some 10% or more across Western Europe. Immigrant populations in Eastern Europe as a region represented 1.9% of the total population in 1985, 7.3% in 1995 and 7.5% in 2005.

Migration has a profound impact on receiving societies; it can change society and its institutions. This to a large extent explains the controversies that surround migration policy. The composition of migration rarely mirrors that of the receiving society, with a considerable portion having different or lower education and many experiencing greater disadvantages in the labour market, thus it can lead to changes in social stratification.

The entry of migrants, often recruited or attracted to employment in the "3-D" jobs shunned by native workers, often exacerbates the segmentation of the labour market and contributes to fragmentation in the working classes. The growth in numbers of migrants in an irregular situation has tended to exacerbate this trend. Migrants, however, have experienced markedly different rates of social mobility and different degrees of integration in different countries, suggesting that integration policies, as well as social and economic conditions, determine the overall consequences of migration.

The significant numbers of immigrants in Europe contribute to its cultural diversity as well as to its economic and social development. Their economic, social, cultural and political integration has a bearing on social cohesion in receiving countries. However, in most European societies, the ethnic and cultural diversity brought by immigration challenges traditional, often mono-cultural and mono-racial definitions of national identity and bases for cohesion. Cultural diversity is one of the main factors that have to be taken into account for greater levels of social cohesion to be possible in Europe.

The rights-based approach of the Council of Europe articulated in the European Convention on Human Rights and the Revised European Social Charter affirm that social cohesion must be built on human rights, social justice and respect for democracy. Social cohesion establishes a link of cause and effect between integration and protection mechanisms on the one hand and the individual's sense of belonging to society on the other. The principles of equality of treatment and non-discrimination and the notion that diversity should be considered as an asset have repercussions on migrants' individual and collective sense of inclusion, and thus are starting points in the journey towards effective integration. Ultimately, social cohesion derives from respect of human and labour rights of all members of society as well as from equitable access for the whole population to the benefits of economic progress.

In reality today, many migrants remain frequently exposed to exclusion from employment, housing, health and education. They face a large number of obstacles to mere participation in, let alone integration into, many receiving societies. Significant

and pervasive discrimination against immigrants and persons of immigrant origins in access to employment, housing, and public services has been amply documented across Europe. Migrants also face obstacles to obtaining access to education and training and limited opportunities for taking part in civic life. For many immigrants, the combination of these factors can lead to a level of exclusion that precludes any possibility of their integration.

Immigrants are commonly portrayed in communications media, public discourse and private debate as competing for scarce employment and housing, unfairly or illegally drawing on public welfare resources, and associated with criminality. As a result of this, adverse public perceptions, opinions and resentment against foreigners are widespread.

Tensions between migration and social cohesion have been dramatically underscored by civil disorders and violent manifestations of discontent in urban areas of concentrations of immigrant-origin populations in countries across Europe. Violent attacks explicitly targeting foreigners and persons of immigrant origin leading to deaths, injury and/or destruction of property are reported across the Council of Europe member countries.

The extent to which migrant workers can become successfully integrated varies considerably depending on factors such as the degree of vocational specialisation, cultural dynamics of particular groups, duration of stay, and the available forms of community solidarity. Other factors have to do with the social, cultural and political characteristics of the place of residence.

The persistent unemployment, poverty and social exclusion suffered by some migrants and populations of immigrant origin demonstrate the need for greater efforts to address the economic and social aspects of integration as well as issues of cultural and religious diversity and citizenship.

Whilst the definitions of multiculturalism, interculturalism and integration continue to be debated, policy approaches that validate and celebrate cultural and social diversity appear to lead to better integration outcomes than do expectations of assimilation to the dominant cultural identity of the receiving State.

Since the 1980s, the debates on economic integration and the social dimensions of European construction have prompted further advances in European Union approaches to inclusion and social cohesion. These approaches embrace completion of the rules on freedom of movement for people, setting an economic- and social-cohesion objective, a clear definition of integration, the need for more comprehensive European social legislation, and so on. Several EU instruments forming part of European employment and inclusion strategies provide backing for member states' action on cohesion, labour mobility and access to lifelong education and training. A large number of social-security measures are co-ordinating schemes and enabling workers and jobseekers to obtain their entitlements with freedom of movement within the EU.

Other important economic and political integration spaces among Council of Europe countries, such as the CIS, have also begun to give more attention to the social cohesion dimensions of greater human mobility within and into those spaces.

Today, evolving patterns and constraints on mobility, immigration and settlement pose new challenges to elaborating viable approaches to integration and social cohesion. Emerging terms such as circular migration, repeat migration, and "persons settled in their mobility" represent circumstances distinct from the assumptions underlying classic policies. These evolving dynamics are also often reflections of restrictions on mobility,

on settlement in host countries, and on policies of economic, cultural or civic exclusion, that leave migrants no choice but to move between societies that reject them.

At the same time, long term and permanent immigrants increasingly maintain multiple social, economic and political ties and sometimes, dual citizenship with both receiving and home countries, establishing social networks and communities that transcend geographical, cultural and political borders. Additionally, many migrants are developing trans-national activities and multicultural, intercultural and multilingual skills. These evolving features of international migration also need to be taken into account in designing policies and practices to ensure social inclusion and cohesion in European countries.

An integration framework must be based on legislation guaranteeing equality and non-discrimination, be linked to migration policy addressing labour market needs and composition and ensuring decent work opportunities for all, and include institutional and practical measures to ensure its implementation.

A solid basis of relevant international and European norms and legislation provides the necessary and appropriate foundation for integration policy. There is a growing body of national and local legal, administrative and practical experience by government, local authorities, employers, trade unions and civil society organisations. These legal norms, policy guidelines and ‘good practices’ provide ample guidance for the construction of comprehensive and viable national policy on immigration, integration and social cohesion.

## ***6. An integrated policy agenda***

Deliberate, sustained and consistent policies and practices by states and concerned stakeholders are required to ensure that migration benefits both host and origin countries and the migrants themselves. As a phenomenon that can involve human beings in situations of potential exploitability and inadequate protection, migration cannot be regulated by market forces alone.

Migration policies and practices can only be viable and effective when they are based on a firm foundation of legal norms, and thus operate under the rule of law. International standards set parameters for the protection of migrant workers and the preservation of States’ interests. They also provide a framework for national legislation, policy and practice as well as for co-operation within States and between States at opposite ends of the migration process.

Protection of the human rights of all migrants is a legal, political and ethical imperative in its own right, regardless of economic, financial or other considerations. The protection of migrant workers, equality of treatment, campaigns against discrimination, and encouragement of integration are essential measures for ensuring that migration contributes substantially and positively to economic and social development in receiving and home countries alike.

A priority for all governments is to ensure the well-being of migrant workers and to secure the payment of decent wages and basic safeguards. Labour migration policies need to include measures to prevent abusive practices and promote decent and productive work for women and men migrants in conditions of freedom, equity, security, and human dignity. Such policies, legislation and programmes should take into account that women migrants often find themselves in irregular situations, in unregulated sectors of the economy, or as victims of traffickers or smugglers and subject to many forms of violence and abuse.

The social and labour conditions of migrant workers and the degree of migrants' integration determine the levels and degree of economic and social contributions they make to social and economic welfare in receiving countries and to their countries of origin. Specifically, the conditions of migrant workers directly affect both their abilities to remit part of their earnings and to acquire skills and knowledge which will be useful should they choose to return to their countries of origin or for permanent settlement elsewhere. Thus, these conditions have a direct bearing on the level and nature of migrant contributions to social welfare, human capital formation, and development, especially in their countries of origin. For example, the substantially reduced earnings of exploited migrants or earnings which deported migrants are unable to obtain prior to departure are economic resources not only stolen from the affected workers, but in effect expropriated from the countries of origin to which a significant part would have been remitted.

Migration policies and practices have to respond to measured and legitimate needs, which also take into account domestic labour concerns. Regular migration measures must rely on labour market assessments to identify and respond to current and emerging needs for workers, both high- and low-skilled. Policy and practice will need to address such areas as awareness raising, supervision of recruitment, administration of admissions, training of public service and law enforcement officials, recognition of equivalent educational qualifications, provision of social and health services, labour inspection, rights restoration and recovery for victims of trafficking, as well as many other areas.

Migration policy can only be credible and sustainable to the extent that it takes into account the interests, concerns and experience of the most directly affected stakeholders. Key stakeholders are the multiple branches of government concerned, notably ministries responsible for labour and employment as well as those of development, interior and justice, foreign relations, health, education, housing, integration, law enforcement, local administration, and others.

Governments can exercise their regulatory role in respect of migration only in partnership with a range of other actors. Consultation and policy-making thus must also take into account employers' organisations and businesses that provide employment; workers' organisations representing the interests of both migrant and national workers; civil society bodies; and certainly men and women migrants.

Dialogue and co-operation among countries involved in labour migration processes is essential if international labour migration is to benefit.

Crafting a policy for migration needs to take into account the international labour migration environment and should be directed towards meeting three overall objectives:

- (1) protection and welfare of migrant workers;
- (2) optimising the benefits of labour migration and mitigating adverse impact; and
- (3) inter-state co-operation and institutional capacity building.

Effective governance of migration requires coordinated and complementary interventions and regulation. Only a comprehensive and integrated approach to policy formulation, implementation and evaluation covering a broad range of areas will secure the benefits of migration for origin and destination countries alike.

An integrated approach addresses economic migration, development, and social cohesion dimensions at national and international level. This integrated approach involves four main aspects:

- (1) properly and fully assessing policy needs and evaluating their impact;
- (2) coordinating policy and practical measures at local, national and international level;
- (3) establishing multi-sectoral partnerships between states and involving social partners and civil society; and
- (4) promoting synergy and concomitance by all concerned governments, international agencies and non-governmental stakeholders.

Fourteen policy areas comprise an integrated agenda for Council of Europe member States:

*Four overarching migration policy and practice areas:*

- (1) establishing legal foundations based on relevant international instruments;
- (2) elaborating a policy Framework with stakeholder consultation;
- (3) knowledge and institution building; and
- (4) International co-operation.

*Four areas to address economic/labour migration:*

- 5) regular migration channels and admissions;
- 6) ensuring protection of human and labour rights;
- 7) labour market regulation; and
- 8) training and recognition of qualifications.

*Three areas to sustain social cohesion and integration:*

- 9) Integration, non-discrimination and social cohesion;
- 10) social welfare (health, education, housing); and
- 11) social security.

*Three areas to take account of the migration-development nexus:*

- 12) optimising development impact; co-development;
- 13) resolving irregular migration; and
- 14) return and reintegration.

Implementation of this integrated policy framework by Council of Europe member states will be a major contribution to effectively governing migration, and to securing the economic, social and cultural benefits deriving from well-regulated international human mobility.