



## SPEAKING NOTES

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### **THE EU BLUE CARD AS SEEN BY THE EU BUSINESS WORLD SEMINAR OF THE LIBE COMMITTEE OF EUROPEAN PARLIAMENT 25 JUNE 2008**

#### **SPEAKING NOTES FOR SVERKER RUDEBERG CHAIRMAN OF IMMIGRATION WORKING GROUP**

##### **1. What are the needs of European economy?**

The needs of the European economy in terms of the numbers of highly qualified immigrants that are needed, vary from country to country in the EU. But in many countries companies find it difficult or impossible to fill vacancies due to labour and skills shortages. A study from the German Ministry of Economy states that the German economy misses out on 18,5 billion euros or 0,8 % of GDP due to labour and skills shortages.

Employers in general first try to find employees in the city or region where they are and then look in the whole country. But too often this is not enough. They then look for workers from the whole EU and even from third-countries.

But too often they find that it is difficult to attract third-country nationals and that the procedures regarding admission are complicated. The result is too often that employers have to give up and that the vacancy is not filled.

The labour markets of many EU member states also face the prospect of a shrinking and ageing workforce.

One conclusion is that the ability of the EU to attract highly qualified immigrants is not very good and if we do not do something things will not get better but worse.

Another conclusion is that it is the individual member state that must be able to examine their labour market situation and to determine the volumes of admission. The existence of a work contract is in general a relevant criterion for admission as employers usually gradually enlarge their search area.

Irrespective of the relevance we give to the work contract, we are opposed to the fact that the Blue Card proposal, where it concerns the first member state, governments would not be allowed to put in place admission procedures – such as points-based systems – in which a work contract is not required.

Moreover, the proposal should not prevent Member States from putting in place more favourable provisions for the first entry. Member States should also be allowed to retain their national immigration systems in parallel to the blue card scheme.

The needs of the European economy in terms of procedure are rapid and transparent procedures that allow employers to recruit the best candidates to the job.

We need to send a clear signal that we want third-country nationals to come to Europe on a more permanent basis, by granting favourable conditions in terms of family reunification.

We also need to make it easier for third-country nationals to move to another Member State. Not all third-country nationals want to go to one-country alone but to Europe in general. We need some level of harmonisation and a possibility for a migrant to move from one member state to another.

## **2. What will be the EU Blue Card's impact on the labour market?**

With a couple of exemptions the EU Blue card proposal fulfils the needs of the EU economy, both in terms of numbers and in terms of procedures. Against the background of growing international competition for talent, the blue card proposal is a step in the right direction to increase the EU's attractiveness for highly qualified employees.

As a more political comment, we think that it is important that the EU is seeking progress not only in fighting illegal migration directly through tighter border control and other similar measures. Today there is a lack of balance in the EU policy when it comes to immigration. Creating legal avenues for migration would as such help to fight illegal migration.

But the real impact of the EU Blue card proposal will be determined by the Member States. Apart from the general attitude that the Member State takes in relation to the Directive, it will be up to the Member States to examine their labour market situation, determine the volumes of admission and to apply procedures regarding the requirements for filling a vacancy.

When doing so the governments in Member States will most likely be confronted with opinions that are abusing the natural concerns from workers with the real purpose to keep third-country nationals out. The question is what we can do to prevent such a development?

This brings me to the third question;

### **3. The interests of workers at European level – how are they defended and promoted with the aim of the improvement of their working and living conditions?**

We need to introduce equal treatment with respect to a set of socio-economic rights. But this will not be enough.

We must secure that workers regard third-country nationals as individuals contributing to the creation of growth and wealth. Because the biggest improvement of the working and living conditions of the workers in Europe when it comes to immigrants is their contribution by getting the work done, by filling vacancies and contributing to economic growth in the member states.

One way of contributing to a change of attitude would be to spread greater knowledge of the positive effects of the free movement of workers from the so-called new Member States. Because we must not forget that the freely moving workers from the new Member States were immigrating third-country nationals before the enlargement. There is no reason to believe that the contribution of today's third-country nationals would be less.

One criterion for admission that is introduced is the salary threshold of at least three times the level set by national law. This provision would in practice amount to a form of wage-setting at EU-level for those in highly qualified employment, which is unacceptable.

The threshold is also simply too high. You can be of the opinion that highly qualified workers should be paid three times more than less qualified workers but the fact is that they are not. It would mean 3 849 euros in Belgium, 4 836 euros on Ireland, 3 840 euros in France and 3 951 euros in the Netherlands. The result would be an exclusion from employment for no real reason.

This criterion would also lead to confusion when considered in conjunction with the article which prescribes that holders of an EU blue card shall enjoy equal treatment with nationals in terms of pay.

We do not exclude the possibility of similar criterion at national level, such as in the Netherlands, but that is the level where action in these areas is to be taken, with the involvement of social partners.

Thanks for your attention!