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Speaking Notes

- There is a demographic shift that is progressively changing the make-up of European society and the functioning of the EU economy. Under current trends the working-age population of the current European Union will be both smaller and older in 2050.
- This demographic change will have negative consequences on the sustainability of welfare systems, growth and jobs, if no policies are put in place.
- In 2008, immigration accounted for 80% of EU's total population growth, 10% of which came from births within immigrant communities.
- In the short to mid-term, labour immigration can positively contribute to tackling the effects of this demographic evolution, and will prove crucial to satisfying current and future labour market needs and thus ensure economic sustainability and growth".
- In this regard, it is important to recall key findings of the Employment in Europe 2008 report:
 - Recently arrived immigrants have made a significant contribution to overall economic growth and employment expansion in the EU
 - With only limited impacts on domestic wages and employment
 - They have clearly helped to alleviate labour and skill shortages, tending to be employed in those sectors where demand has been greatest.
 - Immigrants have generally been complementary to EU-born workers rather than substitutes and have contributed to greater labour market flexibility.



Skills shortages

- Even in the crisis, employers have difficulties to find skilled workers in the EU. This has been demonstrated for instance by a recent CBI survey that shows the lack of skilled workers in the area of science, technology, engineering and maths (STEM) in the UK. Another recent example are figures from the “Institut der deutschen Wirtschaft” in Cologne which illustrate that such skills shortages also still exist in Germany.
- It is expected that after 2010 over half of newly created jobs will require highly skilled workers. However, the EU still tends to attract mainly less- and medium skilled immigrants: Statistics show that 48% of recent working age migrants are low-skilled and only one in five is high-skilled. The share of highly skilled immigrants is low compared to the share in other similarly developed OECD-countries.
- Skills shortages cannot be filled through increased fertility and skills training alone. Legal immigration can play a crucial role in filling these shortages and expanding the EU's workforce.

Recent legislative development in immigration

- It is important that the EU manages immigration effectively. Policy responses are needed that provide for legal migration channels with unbureaucratic, rapid and transparent procedures and simplified administrative procedures.
- On the Blue Card: BUSINESSEUROPE welcomes the adoption of the directive. It is a first step in the right direction. However, we regret that the proposal was watered down in the Council, especially concerning admission criteria.
- On seasonal workers: the proposal is important as the more traditional sectors such as agriculture, tourism or construction are also faced with difficulties in recruiting less skilled workers, notably to cope with the seasonal variation of activities. This can act as a brake on GDP growth and needs to be addressed.
- On intra-corporate transferees: More and more frequently, it is necessary for companies to transfer workers with specialist, technical or managerial skills from one country to another. The current immigration arrangements for



transferees within the European Union are not consistent and often too bureaucratic. EU companies spent a lot of time and money in clearing admission procedures for these people. Facilitating quick admission procedures for this category would improve business opportunities and access to workers with the highest qualifications.

- The main priority should be to come forward with the proposal on intra-corporate transferees and seasonal workers. It is important not to lose sight of the current labour market problems and the long-term challenges. At least, it must be part of the agenda of the next Commission.

Conclusion

- Immigration must be part of the Post-Lisbon agenda to boost employment and skill levels in an ageing society. Next to policies to improve the quality of education and training, to foster an entrepreneurial mindset and to encourage adaptability and mobility, we need effective mobility and immigration policies, to ensure an efficient allocation of labour and to attract the best and the brightest.
- Therefore it is important that the Stockholm programme for the next 5 years will be business-friendly and highlight the importance of immigration and legal migration for the EU labour markets and social systems.
