

Legal foreign workers in Central and Eastern European labour markets. Reality or just a dream?

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This analysis is focused on the inflow of immigrants and on the role of job migrations to the selected EU-8 Member Countries including, first and foremost, Poland, Hungary, the Czech Republic, Slovakia, and Lithuania grouped together for comparative purposes. In what follows, I have made an attempt at identifying the major trends manifesting themselves both in the public discourse on immigration, and in the convergences and divergences between migration policies and their tools used in the above mentioned region by the Member Countries receiving migrant job seekers. My analysis of the selected group of countries from the region of Central Europe has been conducted in accordance with the typological approach of Triandafyllidou and Gropas (2007).

The future of European migrations occurring on an east-west axis, including migrations within the EU territory, shall, to a significant degree, be shaped by the European Union and by the EU-15 Member Countries with a long tradition of international recruitment schemes or vast experience of immigration inflow and its consequences. Nevertheless, the processes connected with the inflow of foreign-born job seekers into the territories of the new EU Member Countries, however of comparatively low intensity by now, shall gain momentum in the future. Therefore, it is advisable to get, in advance, a firm grasp of the problems of the above region related to the actual and future presence of immigrants in its labour markets, and have a firm grounding on the current status of the public debate on immigration.

A typology of the EU-25 Member Countries migration experience was for the first time offered in the literature on the subject by Triandafyllidou and Gropas (2007). That typology (see: Table 1) allows for such factors as: the relationship between the emigrant-sending and the immigrant-receiving countries (e.g. colonialism), experience of migration history (transformation from the emigrant-sending into the immigrant-receiving country status), experience in migration management, development of migrant integration policies, the size of immigrant population (in absolute and relative volumes), and the factors responsible for immigration (such as geopolitical, political, or economic transformations) (Triandafyllidou and Gropas 2007:362). The above model may be considered rather simplified, but, in my opinion, it offers transparent classification of the basic migration models by country, with the sample group (EU-25 Member Countries) so much diversified in terms of the individual experience of immigration inflow or the attitudes towards immigrants.

The new Member Countries are less advanced and demonstrate less experience-based knowledge in respect of a wide spectrum of problems inherent in a massive inflow of foreigners, or with regard to a public debate on immigration-related issues or international recruitment schemes. However, the tendencies manifested in demographic indicators (declining fertility rates, ageing populations, emigration), and in the economic facts and figures (high rates of economic growth, indirect foreign investment, inflow of the EU funds etc.) shall make both the political and the public debates on the significance of international job recruitment different in the nearest future.

Since 1989 the number of immigrants in the region in question has kept increasing, but over the last two decades it remained relatively small. Immigration has not become a serious issue for this group of countries yet, with an impact on their national economic development, unlike in the case of the EU-15. For this very reason, it has not been identified as vital by political parties either, occasioning only sporadic debates in expert circles, in the press, or in broadcasting stations. The related political discourse is a passing phenomenon, mostly occasioned by local developments, when e.g. a group of Chechens is prevented from crossing the border, or when a child born to illegal immigrants who has spent most of his life in the receiving country is pending deportation etc.

Table 1 – Types of migration patterns in EU-25

Category	Type of migration pattern	EU country
Old hosts	<ul style="list-style-type: none"> • Long migration history • Sizeable migrant population • Initially economic migration later followed by family reunification • Currently: only high skill migrants welcome, limited low skill programmes for specific sectors • Advanced integration policies and relatively liberal citizenship policies • Public debates on migration are politicized and mainly concern the dilemma between multiculturalism and assimilation 	Austria, Belgium, Denmark, France, Germany, the Netherlands, Luxembourg, Sweden, United Kingdom
Recent hosts	<ul style="list-style-type: none"> • Countries on the geographical periphery of Europe • Transition from emigration to immigration in the late 1980s or early 1990s • Large immigrant populations developed quickly • Ad hoc immigration policy planning (marked by repeated regularization programmes in the Southern European countries) • Limited and still hesitant integration policies • Public debates on migration focus on control, criminality, fears of losing national cultural authenticity 	Greece, Italy, Portugal, Spain, Ireland, and Finland
Countries in transition	<ul style="list-style-type: none"> • Former communist countries in Central Europe • Caught in between sending, receiving and being a place of transit for migrants • Performing well in terms of their economic and political transition to capitalism and democracy • Small legal immigrant populations but potentially growing undocumented immigration from Eastern European states outside the EU • Non-existent integration policies, debates on immigration are very limited 	Czech Republic, Hungary and Poland
Small islands	<ul style="list-style-type: none"> • Very small island countries facing increasing migration and asylum-seeking pressures • Ad hoc immigration policy planning and very limited integration policies • Still experiencing emigration of their own citizens • Public debates on immigration concentrate on fears of being ‘inundated’ by foreigners 	Cyprus and Malta
Non-immigration countries	<ul style="list-style-type: none"> • Very low levels of new immigration whether legal or irregular • Important population changes and minority formation in the course of the 1990s, resulting from recent nation state building and ethnic unmixing (Brubaker, 1996) 	Estonia, Latvia, Lithuania, Slovenia and Slovakia

Source: Triandafyllidou & Gropas, 2007:363.

The region of Central and Eastern Europe has recently undergone drastic demographic changes. In the year 2000 it was Bulgaria and Romania, two of the EU candidate countries, that had the “lowest-low fertility” in Europe, with their total fertility rates hovering around 1.08. In 2007 the total fertility rate in Poland dropped to the level of 1.21 and was one of the lowest in the EU-27. All the possible scenarios inevitably lead to a population drop and to accelerated demographic processes of ageing affecting the whole region. A Eurostat Report published in 2008, warns that in the year 2060 Poland shall have the highest percentage of over-65 population in the whole of the

European Union, with most of the other new Membership Countries (Slovakia, Romania, Lithuania, Latvia, Bulgaria and the Czech Republic) following in close succession. What has, to a highly significant degree, provoked the population decrease in Poland and in Lithuania following the year 2004 is emigration (Eurostat, 2008).

Despite the already unfavourable demographic trends, there is still no meaningful impact of foreign workforce on the situation in the national labour markets of the region covered by this analysis, apart from a few sectoral exceptions. Economic migration is not being perceived as an issue of strategic importance either by the decision-makers responsible for labour policies, or by trade unions. The approach to migration policy in its aspect of workforce management is extremely short-sighted.

The above may be explained by the historical experience of the region, by its current economic status and by the instruments applied when dealing with immigrants.

All the above mentioned countries represent the former communist block, but they differ with regard to their advancement in developing national migration policies and in transformation from emigrant-sending to immigrant-receiving and/or transition countries. According to the Triandafyllidou & Gropas typology (2007), the first three countries: Poland, Hungary, and the Czech Republic are in the initial phase of their transformation into receiving states, while Slovakia and Lithuania demonstrate unusually low immigration levels in terms of both its legal and illegal forms.

Thus, the group in question includes countries which only recently gained their status of independent nation-states, and countries whose geopolitical location has exposed them, for centuries, to differentiated cultural and religious influences on the one hand, and to attacks by invaders and plunderers on the other hand. The countries to which it is referred here have actively participated in historic events leading to the rise and fall of empires. Therefore, what has always been one of the most crucial (though not always articulated in an explicit way) political objectives for this group of countries was keeping their cultural identity (Castles, 2000). In the cases of Poland and Hungary, this has clearly been proved by the national migration policies towards the Diasporas. According to Sik and Zakarias (2005), the successive Hungarian governments (from 1990 to 2002) failed to initiate any active migration or resettlement policies targeted at their compatriots living abroad. However, since 2001 people of Hungarian origin have received preferential treatment (when compared to immigrants from other ethnic groups) in the domestic labour market, being offered a possibility to have Hungarian identity cards. In the political discourse, arguments are made, on the one hand, in favour of using the potential labour force represented by approximately 1.5 million people of Hungarian origin living in the neighbouring countries in response to the impending demographical crisis and to the excessive burden on the retirement pension system and on the health service. On the other hand, opinions are voiced that the migration processes should not pose a threat to the existence of economically viable Hungarian communities abroad (Futo, 2008).

Similarly, the Polish migration policy following the year 1989 has been focused on ethnic issues, mostly on enabling ethnic Poles living in the former USSR republics to return to their country of origin. The 2000 Repatriation Law narrowed down the geographical eligibility rules governing migrations to Poland from the Asiatic territories of the former USSR republics, which was mostly dictated by financial constraints. The financial burden of the repatriation processes was placed on the local governments, which prevented the potential inflow to a significant degree. In September, 2007, the Polish Charter entered into force, enabling all those being in a position to prove their Polish origin to find employment in Poland without having to obtain a work permit, or to launch their own business activity under the same rules as those binding for Polish citizens (Iglicka, 1998, Hut, 2002).

Shifting now the focus of these reflections from historical aspect to the economic and political dimensions, one should emphasize that what is common to the countries of the region is, on the one

hand, a considerable degree of tolerance practiced by the society towards illegal employment including illegal immigrant workforce (which may be explained by a tradition of social contestation of the regulations imposed by the State which during the communism was perceived as a kind of fight against regime), and, on the other hand, restrictive migration policies. The restrictive character of the immigration policies in this part of Europe can be traced back to the candidate countries' obligation to meet the pre-accession requirements connected with their EU membership and with their admission into the Schengen Area. In their pre-accession period, the CEE countries had to abide by the international law on refugees and readmission, which reduced them to the status of EU buffers.

Thus, the development of the rather fresh national immigration policies in the CEE region has been focused on migration legislation so far, which was mostly intended to address the legal issues related to foreigners entering the country and staying within its territory, and to develop the institutional framework for enforcing those basic legal regulations. What has not received enough attention from the authorities is a complex network of social and economic determinants of international migration, which has manifested itself both in the weakness of the migrant integration systems in that part of Europe, and in a failure to encourage thoughtful reflection on the phenomena and processes involved in the potential future participation of immigrants in the social life, and on the attitude of the majority towards minorities.

For a long time it was also the migration policies developed in the region in question that sought justification to measures protecting the labour markets against the unpredictable consequences of their openness to job seekers by referring to the low rates of employment (Iglicka, 2008, Hars, 2008, Divinski, 2008, Drobohlay, 2003). Later developments including the accession of the group of countries covered by this analysis to the European Union and their admission to the Schengen Area failed to attract significant numbers of legal job seekers.

What should also be kept in mind is that new Member Countries, however their economic success measured by their GDP growth rates is undisputable, fail to attract potential long-term immigrants or immigrant settlers from poor regions of the world since their offer, in terms of the remuneration levels and the living conditions, is not encouraging enough. Therefore, what is common to the region in question is its relatively low economic attractiveness for potential newcomers from abroad.

On the other hand, the demand for unskilled and low-paid workers in the labour markets in countries covered by this analysis is stable, which, in particular, is true about their construction and agricultural sectors. The fast-growing middle class which emerged as a part of the social structure of the new Member Countries upon the fall of communism and the resulting social transformations has raised demand for cheap labour force in the household sector where there is a need for cleaning and caretaking services. Like in many other economies, the local labour force would not take up such jobs.

For numerous employers the only way to achieve their objectives in terms of low labor costs is their not complying with the applicable income tax reporting and withholding requirements and with the obligation to pay social insurance contributions on behalf of their employees. This explains the circulatory nature of the mass migrations of job seekers from former USSR republics (mainly from the Ukraine) to the region in question following the 1989 year. However, this involves employment on an illegal basis. It is estimated that approximately 500,000 immigrants (mainly from the Ukraine) come to Poland and to the Czech Republic every year taking up illegal job offers for unskilled workers in the so-called "grey zone". The estimates pertaining to illegal employment of immigrants in Hungary and Slovakia are lower, and they hover around 30-50 thousand (http://www.hwwi.org/fileadmin/irregular-migration/Clandestino_pamphlet_01.pdf). What deserves mention here is that the inflow of immigrants into the region in question is, to a significant degree, from environments that are similar in terms of their cultural evolution, which makes such

immigrants, in a way, “invisible” both to the authorities and to the local communities and, therefore, enabling only rough estimation.

More “visible” minorities from the region, represented in particular by small populations of Asiatic newcomers, try to match into the social landscape of the receiving countries by filling niches in the labour markets; mainly in the sectors of gastronomy and trade. Such minorities are perfectly well organized within their ethnic groups and they do not attempt integration with the receiving communities in their labour markets, thus becoming, in a way, “invisible” themselves¹.

Although Triandafyllidou and Gropas (2007) classify Slovakia, in accordance with their typology, as a non-immigrant country, Diviňský (2008) points out that the number of immigrants from the Ukraine has recently increased also in Slovakia where Ukrainians are counted among the 10 foreign communities that are most commonly met. Also the percentage of Asiatic migrants (in particular, from Vietnam, China, and South Korea) has recently increased in Slovakia: from the level of 0.6 per cent in 2000 to 2.9 per cent of the total immigrant population in 2007. This is a growing tendency although, in absolute numbers, it means an increase from as few as 13 to 247 persons.

It also deserves mention that what accounts for a high percentage of migrants from the neighbouring countries arriving in Slovakia, the Czech Republic and Hungary is their family ties or their professional and industrial connections. This is, in particular, true about former Czechoslovakia, where Czechs are still present in Slovakia, and Slovaks – in the Czech Republic. As for Hungary, it has a particularly strong representation of migrants from Romania. Migrants with Romanian citizenship are, in most cases, ethnic Hungarians, taking up seasonal jobs or providing nursing care or caretaking and home care services in Hungary.

Following the 2004 year the problem of migrations – this time in the context of job migrations from the new Member States to the EU-15 in connection with some of them opening their labour markets – returned to the media discourse in the region in question, in particular in Poland and Lithuania where the mass exodus of native job seekers could be seen as affecting the national economies. The active and liberal migration policy of Great Britain towards foreign-born job seekers which resulted in mass job migrations from Poland and Lithuania occasioned, apart from the media response, changes in the national immigration legislations.

As for the management of skilled labour force migrations, Lithuania invites foreign specialists to help fill the vacancies resulting from its high emigration rates. Towards the end of 2006 Lithuania simplified its procedures for obtaining work and residence permits by foreign job seekers whose occupational qualifications were in high demand in Lithuania. Currently, it is possible to obtain multiple entrance visas, and the list of migration occupations in demand in Lithuania is updated every six months. Those changes are expected to result in an increase in the size of the foreign-born job seekers’ population in Lithuania (OECD, 2008). As for Poland, its growing demand for labour force has led to further reductions in the requirements related to the participation in the labour market. Under the current regulations, members of the management boards in multinational companies who perform their duties in the territory of Poland for a period not exceeding 90 days altogether during any 6 consecutive months shall be released from the obligation to apply for work permits in Poland. Moreover, the recruitment costs for employers have decreased: in 2007 the fee charged for a work permit application or for an application to have a work permit extended was considerably lowered (OECD, 2008).

As regards the management of unskilled labour force migrations in Poland, the right to employ seasonal workers from the Ukraine, Belarus, or Russia without work permits, already in force in the

¹ In Poland, researchers whose studies are focused on the Vietnamese community cite, as an example of the “invisibility” of this ethnic group, the fact that not a single case of death has been reported for this community since 1989 (Halik T, E. Nowicka, 2002).

agricultural sector, has been extended to cover other industrial sectors as well. Such seasonal workers may be employed for a period of up to six months during a year, and they have more possibilities to extend their stay (OECD, 2008).

The Czech Republic has not been an emigration country any more since 2004; on the contrary, it was the first country in the region to invite highly skilled workers and to develop a strategy aimed at remedying potential labour force shortages. In 2007 the Czech Ministry for Industry and Commerce started its work on extending the frames of the program under which Green Cards should be issued to holders of qualifications that are in special demand in the Czech labour market, scheduled for the year 2008 (OECD 2008). It is expected that the entry procedures should be accelerated, and the administrative burden on the employer and on the potential employees reduced. Such changes should facilitate the participation in the Czech labour market for highly qualified specialists, including those moving to a foreign territory under business delegation schemes. At first, the Green Cards shall be issued for a maximum of three years, with a possibility to apply for a permanent residence permit upon the expiry of this period.

On the other hand, on the initiative of the Czech minister competent for the internal affairs, the Czech government decided to suspend temporarily the issuance of visas to Vietnamese citizens travelling to the Czech Republic. That was in response to the information about the “exceptionally prolific record of criminal activity” of a Vietnamese group in the Czech Republic, including cultivation of sun hemp, trademark infringements, or tax evasion. The Czech police has failed to infiltrate the exceptionally well organized Vietnamese gangs and that was why the government has taken such radical measures. Czech entrepreneurs are voicing their anxiety that their government’s decision may expose their businesses to bankruptcy as they do need cheap highly skilled workers (*Polska*, 2008).

It is worth underlining here the importance of the ongoing process of securitization of the political discourse related to the migration policies in the region. The emphasis placed on security is extremely important in this context, which, as it has already been said, is connected with reducing the status of the region to that of a watch guard responsible for the integrity of the EU eastern and southern borderlands.

The ex-post regularization schemes which count among the key instruments for legalization of illegal immigrants, enabling them to get out of the “grey zone” both in social and economic terms, are not applied on a wide scale in the CEE region. In this respect, Poland with its experience of two regularization programs (2003, 2008) is the “leader” in this field, with Hungary (one scheme implemented in 2004) in close succession. As for the other countries belonging to this group, the possibility to launch amnesties, regularisations and the like has not even been discussed. Even in Poland or Hungary extremely low numbers of illegal immigrants who obtained a legal status under the above mentioned abolition schemes² shows that the regularizations process was used rather as an instrument to control inflows than as a tool aimed at facilitating migrant integration (Iglicka, Gmaj, 2008, Futo, 2008).

The migration policy of the region in question, in particular when related to its labour policy, is of a responsive and short-term nature. There is no institutional dialogue involving such stakeholders as trade unions, social partners, political parties, and NGOs representing the migrants. Foreign-born workers have no real say in the local labour markets. It is still an open question what instruments and incentives have to be used to encourage migrant job seekers from outside the EU to settle down

² As far as regularisations in Poland are concerned the numbers were as follows: 2,747 out of 3,512 applicants succeeded in the year 2003 whereas in 2008 only 554 out of 2028 applicants succeeded. In Hungary 1, 128 out of 1,406 applicants got legal status in the year 2004. [http://www.hwvi.org/fileadmin/irregular-migration/Clandestino_pamphlet_01.pdf].

and take up legal jobs in the CEE region in the face of the growing competition both from other EU Member Countries and on a global scale.

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