

ECPR

Thirds Pan-European Conference on EU Politics

Istanbul, Sept. 21-23

Migration, Labor Markets, and Integration of Migrants in Western Europe: A Comparison Between Intra-European, Turkish and North African Migrants

Rainer Münz,

Head of Research & Development, Erste Bank

and Senior Fellow

Hamburg Institute of International Economics¹

Executive Summary

For more than two centuries most countries of Western Europe have primarily been countries of emigration. During the last 60 years, all countries of Western Europe have gradually become destinations for international migrants and asylum seekers. Today all West European countries and several new member states of the European Union (EU) have a positive migration balance. And it is very likely that sooner or later this will be the case in other new EU member states and accession countries.

This paper discusses the size of Europe's migrant population, its demographic structure, and the socio-economic position of migrants. OECD migration data and the European Labour Force Survey (LFS) are used as the main databases. The criterion "place of birth" is used to distinguish between foreign-born vs. native-born residents of the EU. The results are then compared with those of EU nationals vs. legal foreign residents. This exercise shows both lower employment rates and the concentration of immigrants and foreign nationals from middle- and low-income countries in certain sectors of the economy and in low-pay jobs.

The picture is somewhat better when looking at the foreign-born population, which includes naturalized citizens of EU member states who on average are economically better integrated than those who remain third country nationals. Immigrants have higher employment rates and, on average, are occupied in better positions than legal foreign

¹ Correspondence email address of the author: rainer.muenz@erstebank.at; muenz@hwwi.org

residents. These findings suggest that in Europe the process of integration of immigrants differs to a lesser degree from that of traditional countries of immigration such as the US, Canada and Australia than has been previously assumed. However, further sustained efforts to enhance integration of immigrants and their children and to provide equal opportunities are necessary.

Europe's demographic situation is characterized by longevity and low fertility. This leads to aging and eventually shrinking domestic populations and work forces. Given the high levels of employment already reached by skilled EU-nationals, recruitment of migrants from third countries is increasingly appearing as the main way of responding to the growing demand for medium and high skilled labor. At the same time, Europe experiences a continuing demand for low skilled labor. For these demographic and economic reasons, during the 21st century, all present EU+EEA member states and accession countries will either remain or become immigration countries.

In this context Europe has to consider pro-active migration policies and measures to identify future labor and skills gaps. In the medium- and long-term the EU will have to compete with other OECD countries for attractive potential migrants. In this context Europe has a genuine incentive to compare its efforts and experiences with those of traditional countries of immigration—in particular with the US and Canada.

Definitions of Terms

Geographic Entities

EU25: The current European Union, consisting of the EU 15 plus the EU 10 (see below).

EU15: The 15 states that comprised the European Union prior to May 1, 2004, including: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden and the United Kingdom

EU10: The 10 EU member states admitted on May 1, 2004, including Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

EU8: The Central European EU member states admitted on May 1, 2004, including Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

EU Accession States: Countries scheduled for admission to the EU, currently including **AC3** (Bulgaria, 2007; Romania 2007; Croatia, not before 2009), and **Turkey**.

European Economic Area (EEA): With the 1995 enlargement of the European Union, the EEA remained in existence to enable its 3 non-EU members (Norway, Iceland, and Liechtenstein) to participate in the Common Market. Switzerland decided not to join the EEA, but is associated with the EU by bilateral treaties.

Western Europe: EU15, Iceland, Norway and Switzerland.

EU West: EU 15 (except Italy, Greece, Portugal, and Spain) plus Iceland, Liechtenstein, Norway and Switzerland.

EU South: Italy, Greece, Portugal and Spain.

CEE: Central and Eastern Europe: the countries of Eastern Europe, the Balkans, Turkey and Central Asia, including: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Montenegro, Romania, Russian Federation, Serbia (including Kosovo), Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

EECA-20: CEE countries plus Turkey.

MENA-14: Countries of the Middle East (without the Gulf States) and North Africa including Algeria, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Libya, Morocco, Syria, Tunisia, West Bank and Gaza, and Yemen.

Immigration and Labor Terms

International migrant: A person living for 12 months or more outside of his/her country of birth or citizenship (UN definition).

Foreign-born: A person born in a country other than the one in which he/she resides (regardless of his/her citizenship).

Migrant: Persons moving (or having moved) from one country to another.

Immigrant: Term synonymous to “foreign-born” with the prospect of long term or permanent residence. (In the US this term is reserved for persons who are granted lawful permanent residence in the United States.

Foreign National: Defined as a person who is a citizen of a country other than the one in which he/she resides.

Legal Foreign Resident: Defined as “foreign national” who is lawfully residing in a country other than the one in which he/she is a citizen. This includes not only foreign-born individuals but also many persons who were born in their current country of residence but at birth acquired only the foreign citizenship held by their parents.

Irregular Migrant: Persons resident in a country without legal permission to be there; also referred to as “undocumented,” “unauthorized,” “unlawful” or “illegal” migrants.

Regularization: A government program granting a large number of irregular migrants authorization to remain in their country of residence. In some countries such programs are also called “legalization” or “amnesties.”

Worker: In the EU sometimes also used as an equivalent to “blue-collar” worker.

Employee: In the EU sometimes also used as an equivalent to “white collar” workers; the term does not include the self-employed or contract workers.

Gainful employment: Defined as workers/employees with salary plus self employed persons in the working age population. This term usually excludes people working as dependent family members without pay or for benefits in kind in a family owned farm or business.

Migration, Labor Markets, and Integration of Migrants: An Overview for Europe with a Comparison to the U.S.²

Rainer Münz, Senior Fellow
Hamburg Institute of International Economics

Between 1750 and 1970 Europe was the prime source region of world migration sending some 70 million people—the equivalent of one third of its population growth—overseas. During the last 50 years, however, all countries of Western Europe³ gradually became destinations for international migrants (Table 1). Several of the new EU member states in Central Europe and the Mediterranean also follow that pattern (Table 2).⁴ It is very likely that, sooner or later, this will be the case in other new EU member states and accession countries⁵ as well. Many Europeans, however, still do not see their homelands as immigration countries—in particular not as destinations of permanent immigrants. Today, this contra factual perception of demographic realities has become a major obstacle to the development and implementation of proactive migration regimes and comprehensive integration programs. As a consequence it might be more difficult for the EU and its member states to attract the mix and kind of migrants this world region will need to recruit in the future for demographic and economic reasons.

Migration and population

In early 2006, the total population of Western and Central Europe, the Balkans and Turkey was 594 million. The European Union (EU-25) had 462 million inhabitants: of these, 389 million were either citizens or foreign residents of the 15 pre-enlargement Member States (EU-15). The other 74 million were citizens or foreign residents of the ten new EU Member States (EU-10; of them: 73 million in Central Europe and the Baltic States [EU-8]). 106 million people were living in EU accession countries⁶ (of them: 34 million in the AC-3 countries of the next enlargement rounds and 72 million in Turkey), another 12 million people in the rest of Western Europe,⁷ and 17 million in other Western Balkan countries.⁸

In absolute terms, Germany has by far the largest foreign-born population (10.1 million), followed by France (6.4 million), the UK (5.4 million), Spain (4.8 million)

² This paper profited from discussions between the author and services of the European Commission as well as from discussions with a number of scholars and senior civil servants active in the fields of migration and integration. European Labour Force Survey data were provided by Eurostat and additional analysis by Heinz Fassmann (University of Vienna).

³ Western Europe is defined as the EU 15, Iceland, Liechtenstein, Norway and Switzerland, with 393 million inhabitants.

⁴ In 2003, Cyprus (Greek part only), the Czech Republic, Hungary, Slovakia, and Slovenia already have a positive migration balance.

⁵ Accession countries with possible EU membership in 2007 are Bulgaria, Croatia, and Romania. The fourth accession country, Turkey, will not be admitted to the EU in 2007.

⁶ Bulgaria, Croatia, Romania (AC-3) and Turkey.

⁷ Iceland, Liechtenstein, Norway and Switzerland.

⁸ Albania, Bosnia-Herzegovina, Macedonia, Montenegro, Serbia, (including Kosovo).

and Italy (2.5 million). Relative to population size, two of Europe's smallest countries – Luxembourg (37.4%) and Liechtenstein (33.9%) – have the largest stock of immigrants, followed by Switzerland (22.9%) and two Baltic States (Latvia 19.5% and Estonia 15.4%), Austria (15.1%), Ireland (14.1%), Cyprus (13.9%), Sweden (12.4%) and Germany (12.3%). In the majority of West European countries, the foreign-born population accounts for 7-15% of total population. In the majority of new EU Member States in Central Europe (excluding the Baltic States, Cyprus and Slovenia), the share of foreign-born is still below 5% (see Table 4).

In 2005, Western and Central Europe still experienced a population increase. In the 28 EEA countries and Switzerland, total population growth was +2.1 million. But 11 of the 28 EEA countries (as well as three of the four EU accession countries⁹) had an excess of deaths over births. In the coming years, the number of countries with declining domestic population will increase. The other 19 countries still experienced some natural population growth. Net migration was positive in 25 of the 33 analyzed countries (Table 2).

Recent flows

In 2005, the 28 EU and EEA countries plus Switzerland had an overall positive net migration rate of 3.7 per 1000 inhabitants and a net gain of 1.8 million people. Migration accounted for almost 85 percent of Western and Central Europe's total population growth of 2.1 million people in 2005. In absolute numbers for 2005, net migration was largest in Spain (+652,000) and Italy (+338,000), followed by the UK (+196,000), France (+103,000), Germany (+99,000), Portugal (+64,000), Austria (+61,000) and Ireland (+47,000).¹⁰ Among the new EU Member States (EU 8) the Czech Rep. experienced the largest net migration gain (+36,000). In addition, Hungary, Slovakia, Slovenia and Croatia also had a positive migration balance.

Several countries, in particular the Czech Republic, Italy, Greece, Slovenia and Slovakia, only showed a population growth because of immigration. In other countries, for example Germany and Hungary, recent population decline would have been much larger without a positive migration balance. The EU-25, in 2005, had an overall net migration rate of +3.7 per 1,000 inhabitants and a net gain from international migration of +1.7 million people. This accounts for almost 85 per cent of Europe's total population growth.

Relative to population size, Cyprus¹¹ had the largest positive migration balance (+27.2 per 1000 inhabitants), followed by Spain (15.0 per 1000), Ireland (+11.4), Austria (+7.4), Italy (+5.8), Malta (+5.0), Switzerland (+4.7), Norway (4.7) and Portugal (+3.8). On the other hand, Lithuania (-3.0 per 1000 inhabitants), the Netherlands (-1.8),

⁹ Excess of deaths over births in: Bulgaria, Croatia, Romania.

¹⁰ Net flow of migrants (regardless of citizenship; without seasonal workers) according to Eurostat (Chronos data base).

¹¹ Greek part of Cyprus only.

Latvia (-0.5), Poland (-0.3), Estonia (-0.3), Romania (-0.5) and Bulgaria (-1.8) had a negative migration balance (Table 2).

Comparisons with the US suffer from the lack of population registers in North America. But in fiscal year 2004 the US admitted 1.3 million legal permanent immigrants (3.9 per 1000 inhabitants) and some 1.5 million temporary migrants.¹² Net migration only accounted for one third of US population growth.

Gates of Entry, Relevance of Labor Migration

The key gates of entry for third-country immigrants in the EU are family reunion¹³ and family formation, the inflow of asylum seekers (some 350,000 applications in EU 25 annually),¹⁴ and the inflow of co-ethnic “return” migrants and their dependent family members.¹⁵ In 2001 some 40% of the residence permits were granted in EU-15 for employment and another 30% for family reunifications.¹⁶ However, on the one side these numbers do not account for seasonal and temporary labor migration, which is quite common in countries like Austria, Germany, France, Italy and Spain. On the other side, they do not include irregular immigration.¹⁷

For a selected number of EU member states, the relative importance of employment, family reunion, asylum and other reasons for immigrants to enter the Union is known. In 2001 for instance, in Sweden over 70 percent of residence permits were granted for purposes of family formation/reunion. In Belgium and Denmark this was the reason in over 50 percent of cases; and in Austria, Finland, France and Italy it applied to between 20 percent and 30 percent of all people taking legal residence in these countries.¹⁸ In

¹² Non-immigrant visas for foreign migrants arriving for business, pleasure, work, educational and other purposes. Many of these non-immigrant legal foreign residents later manage to adjust their status in the US and become permanent immigrants (Gozdzik and Martin 2004). Some are even able to adjust their status after irregular entry (Massey and Malone 2002). Statistically they only become visible as “immigrants” in the year that this adjustment takes place.

¹³ The European Union sees “the right to family reunification (...) as an indispensable instrument for integration.” The European directive on Family unification adopted by the Council in September 2003 therefore “recognises the right to family reunification for third-country nationals holding a residence permit of one year or more who have reasonable prospects of obtaining permanent residence. Member States will be entitled to require for the exercise of this right that third-country nationals comply with integration measures in accordance with national law. An essential provision for the integration of family members is that they be entitled, in the same way as the applicant, to access to employment, education and vocational training.” (European Commission 2003a)

¹⁴ EU 25+EEA+Switzerland, among them 382.000 in the EU 15 and 30.000 in the 10 new EU member states (then still accession countries). The US, in FY 2001, admitted 97.000 refugees and 11.000 asylum seekers. The European directive on “minimum standards for the qualification and status of third-country nationals and stateless persons as refugees or as persons who otherwise need international protection contains a specific chapter regulating the content of international protection and specifying the rights to be enjoyed by a refugee or person granted subsidiary protection. These require Member States to provide programmes tailored to the needs of refugees to facilitate their integration into society.” (European Commission 2003a)

¹⁵ These two related inflows are of particular relevance for countries like Germany (ethnic German Aussiedler), Greece (Pontian Greeks) and Hungary (ethnic Hungarians).

¹⁶ Source: Employment in Europe 2003.

¹⁷ Münz (2004).

¹⁸ European Commission (2004b).

2000 employment was the reason for legal entry in 61 percent of cases, in Italy, 46 percent in Portugal and 36 percent in Spain. In Ireland and Greece admission for economic reasons played a dominant role.¹⁹ In the UK, employment was the reason for entry in only 27 percent of the cases, as was family reunion (also 27 percent).²⁰

Looking at the EU overall, nearly 40 percent of all residence permits were granted for the purpose of employment whereas 30 percent were granted for the purpose of family reunion. These figures, however, do not give the full picture. For example, in several EU countries economic migration takes place to a larger extent in the form of seasonal and temporary labor migration (some 600,000-800,000 persons admitted annually in EU 25)²¹ as well as in the form of irregular labor migration of at least the same magnitude. The latter only becomes statistically visible at the occasion of so-called amnesties and regularization programs. During the period 1995-2005 some 3.7 million migrants were formally regularized in EU 15.²² An unknown number of EU 10 citizens living in EU 15 acquired legal resident status when their countries of origin became EU member states.²³

Education Levels

The skills profile of the foreign-born population is markedly different from that of the total EU 15 population (Table 5). Both people with low formal education²⁴ (immigrants: 52 percent; EU 15 average: 43 percent) and with high formal education²⁵ (immigrants: 20 percent; EU 15 average: 17 percent) are overrepresented among immigrants. People with medium formal education²⁶ are underrepresented (immigrants: 28 percent; EU 15 average: 39 percent). This is mainly a result of labor markets primarily creating demand for high and low skilled migrants. Immigrants from Southern Europe living in another EU country as well as immigrant populations from Turkey, North Africa/Middle East and sub-Saharan Africa have relatively high proportions of people with low skills. In contrast immigrant groups from North-Western Europe living in another EU country and, in particular, immigrants from other industrialized world regions (North America, Australia/New Zealand) have higher proportions of highly skilled people.

¹⁹ European Commission (2003b).

²⁰ In January 2005 The European Commission published a "Green Paper" on economic migration following a "proposal for a directive on the conditions of entry and residence of third-country nationals for the purpose of paid employment and self-employed economic activities" which failed to get sufficient support in the Council. The idea behind the proposal for the directive and the Green paper "is both to provide a pathway for third-country workers which could lead to a more permanent status for those who remain in work, while at the same time giving a secure legal status while in the EU to those who return to their countries of origin when their permit expires." (European Commission 2003a)

²¹ Admitted by France, Germany, Italy, Sweden, and Switzerland (see OECD/Sopemi 2004).

²² The US on the basis of the 1986 Immigration Reform and Control Act legalized 2.8 million irregular foreign residents. For regularization in Europe and the US see Papademetriou et al. 2004. In 2005 Spain offered regularization to some 800,000 irregular migrants.

²³ Tamas and Münz (2006).

²⁴ Only primary education completed.

²⁵ Tertiary education completed.

²⁶ Lower or higher secondary education completed.

Work Force

In 2005 there were some 317 million working age (15-64) people living in Western and Central Europe (=EU 25, EEA and Switzerland). Of them, 209 million were actually employed, resulting in an overall employment rate of 65 percent (Table 6). Another 19.5 million were seeking a job, for an overall unemployment rate of 8.6 percent. 10 million foreign nationals (other EU citizens and third country nationals) are part of Western Europe's work force.

Between 1997 and 2002 the number of people gainfully employed²⁷ in the EU 15 increased by about 12 million, out of which 9.5 million were EU nationals and more than 2.5 million third-country nationals. While the share of third-country nationals in total EU employment was just 3.6 percent in 2002, they contributed to employment growth by 13 percent during the period 1997-2002 (Table 6).²⁸ If we account for foreign-born naturalized EU citizens the contribution of immigrants to employment growth is on the order of 20 percent (Table 6).²⁹

In 1997, the employment rates of EU nationals already had reached 79 percent for the medium skilled and 88 percent for the high skilled. In 2002 they had further risen to 82 percent and 89 percent respectively. A similar development is true for legal foreign residents in EU 15.

The number of medium skilled increased by 50 percent and that of high skilled doubled, amounting to more than 60 percent of the total increase in employment.³⁰ This reflected cyclical growth in employment and the migrants' over-proportional contribution to the increase during 1997-2002, a period of economic and employment growth. The situation for the low skilled is less favorable, with more modest employment increase, but was nonetheless stronger for third-country nationals than for EU-nationals.³¹

Employment and Unemployment Rates

The employment rate of working age adults (15-64 years) varies according to the place of origin (Table 8). EU working age adults had an overall employment rate of 64.2 percent and an unemployment rate of 5.4 percent in 2002. Immigrants from Western and Southern Europe living in another EU country and from other industrialized countries have higher employment rates (Western and Southern EU: 67 percent; North America, Australia: 76 percent) and lower unemployment rates (Western EU 4.7 percent, Southern EU: 4.2 percent, North America/Australia: 3.5 percent) than those of the total EU 15. The opposite is true for immigrants from other parts of the world. Employment is particularly low and unemployment correspondingly high among

²⁷ Defined as the number of people gainfully employed (i.e. workers/employees with salary plus self employed persons) in the working age population (15-64) in the European Labour Force Survey (LFS). This figure excludes people working as dependent family members without pay or for benefits in kind in a family owned farm or business.

²⁸ European Commission (2004c).

²⁹ For comparison, between 1996 and 2000, foreign-born workers accounted for nearly half of the net increase in the US labor force; see Mosisa (2002).

³⁰ European Commission (2004b).

³¹ European Commission (2004b).

immigrants from Turkey (50 percent and 9.2 percent), Middle East/Africa (51 percent and 9.8 percent), and Asia (59 percent and 5.2 percent). Immigrants from the new EU member states, the Balkans and Eastern Europe (collectively the Central and Eastern Europe Countries, = EU 8 + CEE) and from Latin America have almost the same employment rate (63 percent) as the EU 15 average, but higher unemployment (Balkans, Eastern Europe: 7.8 percent, Latin America 8.3 percent).

Foreign-born men only have a slightly lower employment rate (71 percent) and higher unemployment (7.3 percent) than the total EU 15 male population (73 percent; and 5.4 percent, respectively). Employment is high among male immigrants from other EU member states, the Americas and Australia, Latin America, and the Caribbean (75 percent, 86 percent, and 74 percent respectively). Only male immigrants from Turkey and also Africa and the Middle East have significantly lower employment rates (65 percent and 63 percent respectively) and much higher unemployment (11.6 percent and 11.4 percent respectively).

Differences are larger among women. Female immigrants from Turkey, and from Africa and the Middle East have particularly low employment rates (34 percent and 39 percent respectively) and high unemployment rates (6.9 percent and 8.0 percent respectively) relative to all EU 15 women (55 percent and 5.3 percent respectively). The opposite is true for women from Western EU countries (61 percent and 4.3 percent) and from N. America and Australia (68 percent and 3.4 percent). Women from Asia have particularly low employment and unemployment rates (46 percent and 4.7 percent, respectively). Women from Latin America have particularly high unemployment (11.1 percent).

When comparing legal foreign residents with the EU 15 average, the differences are much larger (Table 9). The overall employment rate of other EU citizens residing in the EU 15 but outside their country of citizenship, and of third country nationals, is only 59 percent as compared with an average of 64 percent for the EU 15 as a whole. The unemployment rate of foreign residents is 7.7 percent as compared with an average of 5.4 percent for the EU 15 as a whole. Among foreign men the employment rate is 69 percent and the unemployment rate is 9.1 percent, as compared with EU 15 averages of 73 percent and 5.4 percent, respectively. Among foreign women, the employment rate is 48 percent and the unemployment rate 6.3 percent, compared with averages of 56 percent and 5.3 percent respectively for all EU 15 women.

A comparison of rates of employment computed for the foreign-born and those computed for the legal foreign resident population (Table 10) shows clear discrepancies, especially regarding persons associated with the new EU member states, the Balkans and Eastern Europe, Turkey, Africa and the Middle East (Table 11). Such discrepancies, however, vary by country of residence. This is exemplified in a cross-country comparison of immigrants from and nationals of the Maghreb³² and Turkey (Table 12). In most EU 15 countries, which in the past received immigrants from the Southern and/or Eastern Mediterranean, the immigrants born in Turkey and the Maghreb have higher employment rates than Algerian, Moroccan, Tunisian and Turkish citizens living in these countries. For Turks this is true in Belgium, Denmark,

³² Algeria, Morocco, Tunisia.

Austria, Sweden, and the UK. For Maghreb citizens the differences are visible in France, Belgium, the Netherlands, and Denmark. This can be interpreted as a result of particularly exclusionary mechanisms in labor markets of these countries affecting foreign nationals more adversely than naturalized citizens. But such discrepancies are almost nonexistent when comparing immigrants from other EU member states, North America and Australia as well as Latin America with nationals of the same regions living in EU 15 (Table 10).

In the US, the foreign-born population is also extremely heterogeneous with respect to labor market performance as measured by labor force participation and unemployment rates. Among persons between the ages of 15 and 64, the US-born population as well as North/West European, Canadian, and African immigrants to the US have labor force participation rates of over 72 percent. In contrast, Mexican, Caribbean, West Asian, Caribbean and Central American immigrants have considerably lower rates of labor force participation (between 62 and 66 percent).³³

Likewise, in the US there is strong variation in unemployment rates between groups. North/West European and Canadian immigrants have the lowest unemployment rate (3.1 percent); moreover, the rate for several other immigrant groups is less than that for the US-born population (5.6 percent). Other groups have unemployment rates that are almost double that of the American born population: rates for Mexican (9.4 percent), Caribbean (9.3 percent) and Central American (8.4 percent) immigrants are particularly high.³⁴

Occupational Structure and Industry Structure

On the whole the occupational structure of foreign-born workers in Europe (as identified in the LFS) is different from the EU 15 average (Table 13). Immigrant workers are underrepresented in medium-skilled non-manual positions (immigrants: 9 percent; EU 15 average: 13 percent) and over-represented in non-skilled manual positions (immigrants: 24 percent; EU 15 average: 18 percent). Immigrants from North-Western Europe living elsewhere in the EU, as well as immigrants from other industrialized countries (North America, Australia/New Zealand), predominantly occupy highly skilled non-manual positions (Western EU immigrants: 50 percent, North American immigrants: 65 percent, EU 15 average: 37 percent). Immigrants from southern Europe living elsewhere in the EU (skilled manual: 32 percent, unskilled manual: 27 percent), as well as immigrants from the Balkans, Central and Eastern Europe (skilled manual: 22 percent unskilled manual: 36 percent) and from Turkey (skilled manual: 23 percent, unskilled manual: 35 percent), are disproportionately active in skilled and unskilled manual positions (EU 15 average skilled manual: 18 percent, unskilled manual: 18 percent). Immigrants from North Africa/Middle East and sub-Saharan Africa as well as from Asia have an average representation in highly skilled non-manual positions³⁵ but are disproportionately active in unskilled manual positions (Africa: 24 percent, Asia: 28 percent).

³³ US Census results of 2000; see Ray (2004). For a critical review of these findings see Lowell 2004.

³⁴ US Census results of 2000; see Ray (2004), Lowell 2004.

³⁵ This could well be influenced by an over representation of skilled migrants in the LFS.

In comparison with the overall EU population (Table 14), legal foreign residents on average are less concentrated in highly skilled non-manual positions (29 percent, EU 15 average: 37 percent), but they are over-represented in skilled manual (20 percent, EU 15: 18 percent) and particularly in unskilled manual positions (29 percent, EU 15: 18 percent). These differences between the foreign-born and foreign nationals are significant for the following regions of origin and groups of foreign nationality: Turkey, North Africa/Middle East and sub-Saharan Africa, Latin America and the Caribbean. Such differences are less pronounced but still visible for migrants from/nationals of southern Europe and Asia. And there are only very small differences for migrants from or nationals of northwestern Europe and North America, Australia/New Zealand.

Differences between the industrial distribution of immigrant and overall EU 15 workforce are accentuated when comparing the latter with the legal foreign resident workforce. Foreign nationals are more frequently employed in manufacturing, construction, hotels and restaurants, and research and development than the EU 15 average (Table 15). At the same time they are less likely to work in the public sector, in particular public administration and education (Table 16). Such differences point to the fact that many foreign residents take up less stable jobs in manufacturing, construction and tourism. And it clearly reflects the exclusion of third country nationals from important parts of the public sector while naturalized immigrants have access to this segment of the labor market.

In the US, Mexican and Central American immigrants are heavily concentrated in manufacturing, construction, and accommodation and food services industries, both relative to the US-born population and other immigrant groups. In contrast, African and Caribbean immigrants are strongly represented in education, health, care and social services, and like Mexicans and Central Americans, in accommodation and food services. Other immigrant groups, namely those from Northern/Western Europe and Canada and Eastern Europe are more strongly represented than the US-born population in some high-skill industries: professional, science, management and administration, finance, insurance and real estate, and information technology.³⁶

Economic Inclusion and Exclusion of Migrants

In Europe, over the last decade, third-country nationals' unemployment has remained higher than EU nationals' unemployment (Table 9). Third-country nationals (designated "Rest of the World") have much lower employment rates than EU-nationals (12 percentage points lower in 2002), in particular, in the prime-age group (20 percentage points lower) and for the high skilled. The gap is, on average, wider for women than for men, within all working age groups.³⁷

In more than half of the EU 15 this gap has been shrinking over the last decade. From 1994 to 2002, the employment rates of non-EU nationals improved significantly in Portugal (+28 percentage points), Spain, (+22 percentage points), Denmark (+18 percentage points), the Netherlands (+16 percentage points), Ireland (+13 percentage

³⁶ US Census results of 2000; see Ray (2004).

³⁷ European Commission (2003b).

points) and Finland (+12 percentage points).³⁸ In Portugal and Denmark the employment rate of non-EU nationals increased by more than 10 percentage points. Smaller increases were recorded in the United Kingdom, Sweden and Greece. The employment rates for non-EU nationals remained below average in France and Belgium, and there was a decline in the employment rates of non-EU nationals in Austria (-3.5 percentage points),³⁹ Luxembourg (-3.1 percentage points) and Germany (-2.0 percentage points).⁴⁰

Migrant workers and employees originating from non-Western and non-EU countries are not only concentrated in a few sectors, but within them, in the lower skilled segments. A growing number of them are employed in the health and care sector as well as in education. Domestic services also play an important role, though not always visible in available statistics due to the high proportion of irregular migrants working in this sector. By contrast young people of foreign origin tend to be increasingly working in jobs closer to the native profile.⁴¹

Whether these changes mean a better starting point for migrants' longer-term integration in the labor market is questionable, as they still tend to remain concentrated in low quality service jobs offering little room in terms of adaptability and mobility.

The distinction, however, tends to be less marked if one compares native-born with foreign-born workers and employees (Table 16). This is to be expected as naturalized citizens tend to be better integrated than legal foreign residents. However discrepancies exist between immigrants from non-industrialized countries and Europe's majority populations.

Those third country nationals who entered the EU in recent years tend, on average, to have a higher skill level than those established in the EU for a decade or longer. Yet their activity rates are lower and their unemployment rates higher than for longer established immigrants. In 2002, the employment rate of migrants originating from non-EU countries who arrived in 2001 (45 percent) was nearly 20 points below that of those who arrived 10 years earlier.⁴²

Differences in employment, economic performances and integration of third country nationals are strongly correlated with the country of origin. The employment rate of legal foreign residents from North Africa and Turkey is systematically lower than for EU nationals at any skill level (Table 17). This gap is more marked for women. Again the differences are somewhat less pronounced if native-born vs. foreign-born populations are compared (instead of citizens vs. foreign residents).⁴³ In contrast, citizens of Balkan countries have employment rates that are equal to or exceed EU nationals' levels both for men and women. The same is true for North Americans and Australians residing in Europe as well as for citizens of North-Western Europe residing in another EU member state.

³⁸ Finland since entering EU in 1995.

³⁹ Austria since entering EU in 1995.

⁴⁰ See European Commission (2003b), Ray (2004).

⁴¹ See OECD/Sopemi (2003, 2004).

⁴² Calculations kindly provided by European Commission services.

⁴³ See Münz and Fassmann (2004).

In order to get a more accurate and complete picture of the economic position and performance of migrants in Europe, the focus has to shift beyond the foreign resident/foreign national population, as they constitute a sub-segment of the overall migrant population. Naturalization in many EU 15 countries has drastically increased during the 1990s and the beginning of the 21st century, leaving foreign nationals less and less representative of the migrant population. As a result, the economic position of the foreign-born population in EU 15 differs less on average from that of the total European population than does the economic position of the foreign resident population. The latter are in a less favorable economic position.

If one only looks at foreign nationals, i.e., disregarding persons who have naturalized in the receiving country, one could derive an overly negative picture. And one might even get the impression that the economic position of migrants is deteriorating, particularly in EU countries with a longer tradition of immigration and higher naturalization rates.⁴⁴ But the analysis of European Labour Force Survey data shows that immigrants in Europe are apparently more successful than is suggested by the surveys and data that focus on foreign nationals. Thus, differences between traditional countries of immigration—such as Australia, Canada and the US⁴⁵—and European countries are probably smaller than assumed.⁴⁶ Nevertheless for certain immigrant groups—in particular those coming from middle- and low-income countries—considerable employment gaps remain. The analysis of LFS data also makes clear that immigrants who do not naturalize within the first 10-15 years are especially likely to remain in low-skill and low-paid employment. This sectoral concentration of foreign residents can partly be explained by labor shortages and lower requirements in terms of specific skills. Such circumstance may provide immigrants and their children with an opportunity to enter the EU labor market. However, relatively large numbers of non-EU nationals in some sectors with limited rights or scope for labor market mobility will not be in a strong position regarding wages and job-quality.⁴⁷

Therefore integration of third-country nationals newly arriving and residing in Europe remains an important issue for the EU, its member states and European civil society.⁴⁸ In recent years a growing number of EU member states have introduced integration programs, ranging from language training courses to civic education.⁴⁹

In contrast to many EU Member States, economic integration of newcomers in the US is primarily based on the power of labor market absorption. In the rapidly expanding economy of the 1990s, this seemed to be justified as immigrants found employment in a wide range of occupations and industrial sectors, and many groups had both high rates of labor force participation and low to modest unemployment levels. It is also clear that some groups fared far better in these vigorous economic circumstances than others, and that many individuals, even after many years of residence in the United States, remain

⁴⁴ In the decade 1992-2001 some 5,855,000 people were naturalized in the EU 15 (OECD/Sopemi 2003).

⁴⁵ See Lowell (2004), Papdemetriou and O'Neill (2004).

⁴⁶ See Münz and Fassmann (2004).

⁴⁷ See European Commission (2003a).

⁴⁸ See European Commission (2000, 2003).

⁴⁹ For a summary of such integration programs see Bade, Bommers and Münz (2004), Ray (2004), Tijdelijke Commissie onderzoek Integratiebeleid (2004), Heckmann and Schnapper (2003).

in low-skill and low-paid employment.⁵⁰ The absence of integration policies and programs seemingly had few immediate negative consequences in the context of an expanding and, by European standards, much less regulated labor market open to regular and irregular immigrants. But it has also been argued that the lack of attention to utilizing and/or developing the human capital of newcomers so that they might effectively participate in a knowledge-based economy may simply create a more daunting set of long term problems for immigrants and their children.⁵¹

The analysis for Europe clearly shows the importance of citizenship for the process of integration. There is, however, no simple causality. On the one hand naturalization may help to gain access to certain segments of the labor market and to reduce discrimination. On the other hand it is evident that successful economic integration of immigrants makes it more likely that they become citizens of the receiving country.⁵² In any case the results clearly show that sustained efforts for the economic and civic integration of immigrants and their native-born children (i.e., the so-called second generation) are necessary.⁵³ This goes along with efforts of the EU to implement anti-discrimination and equal opportunities legislation in all its member states.⁵⁴

Demographic Imbalances

In the following section on divergent demographic trends and their likely consequences for migration, for the sake of brevity, Europe and its neighboring regions are analyzed according to different groups of countries:⁵⁵ Western and Central Europe,⁵⁶ Eastern

⁵⁰ The US-born population also experienced varying degrees of socio-economic mobility during the 1990s.

⁵¹ See Ray (2004), Portes and Rumbaut (2001).

⁵² This can be demonstrated for Canada (see DeVorez and Pivnenko 2004) and for Sweden (see Bevelander 2000).

⁵³ “Since the launch of the European Employment Strategy (EES) in 1997, the integration of disadvantaged groups, including migrant workers and ethnic minorities, as well as combating discrimination, have been key features of the employment guidelines. In its Communication of 17 July 2002, the Commission reviewed the experience of five years of the EES and identified major issues for the debate on its future. These include reducing the employment gap between EU nationals and non-EU nationals, promoting full participation and employment for 2nd generation migrants, addressing the specific needs of immigrant women, fighting illegal immigration and transforming undeclared work into regular employment.” (European Commission 2003a)

⁵⁴ “The EU has also put in place a legal framework to combat discrimination – which can seriously impede the integration process – and in particular common minimum standards to promote equal treatment and to combat discrimination on grounds of racial or ethnic origin, religion or belief, age, disability and sexual orientation. Directives approved at EU level in 2000 will give important new rights both to arriving migrants and to established ethnic minorities in the EU. The scope of Community legislation banning racial discrimination is wide and covers employment, education, social security, health care, access to goods and services and to housing. Although the directives do not cover discrimination on grounds of nationality, and are without prejudice to the conditions relating to the entry and residence of third country nationals and to any treatment, which arises from their legal status, they do apply to all persons resident in the Member States, including third country nationals. In addition, several activities aiming at exchange of experiences and good practice are carried out under the accompanying programme to combat discrimination. The Commission also supports the work of the European Monitoring Centre on Racism.” (European Commission 2003a) See also EUMC (2003).

⁵⁵ This typology derives from similar exercises published by the World Bank and the UN (see Holzmann and Münz 2004, UN Population Division 2003).

Europe, the Balkans, Turkey, and Central Asia, the Middle East and North Africa (MENA-14).⁵⁷

As outlined above, Europe's demographic situation is characterized by low fertility, an increasing life expectancy, and the prospect of shrinking domestic populations in the decades to come. The data for 2000-2005 already show that the number of countries with a shrinking domestic population is growing; the number of countries with a negative migration balance is now very small. This contrasts with the situation in neighboring regions to the south and southeast, where fertility is much higher, albeit declining, life expectancy is also increasing, and overall population is projected to continue to grow at a high pace.

Low fertility and increasing life expectancy in Europe both reverse the age pyramid, leading to a shrinking number of younger people, an aging work force, and an increasing number and share of older people. Europe's demographic situation is characterised by low fertility, an increasing life expectancy, and overall by a projected shrinking of native populations in the decades to come. This contrasts with the demographic prospects of neighbouring regions to the south and south-east, where fertility is much higher, albeit declining, life expectancy is also increasing, and overall population is projected to continue to grow at a considerable pace.

According to Eurostat data and projections by the United Nations, Western and Central Europe's⁵⁸ total population size will slightly increase during the next 20 years (2005: 472 million, 2025: 479 million) and start to decrease only during the following decades (to 462 million by 2050). However, the number of people between ages 15 and 64 would decrease from 317 million in 2005 to 302 million (or -5%) until 2025 and to 261 million (-18%) by 2050.⁵⁹

During the same period, in Western and Central Europe the number of people over 65 years of age will increase from 79 million in 2005 to 107 million by 2025 (+35%) and to 133 million in 2050 (+68%). As a result, the demographic old age dependency ratio (population 65+ divided by population 15-65) is likely to increase from 26% in 2005 to 35% until 2025 and 51% by 2050.

The situation on the Balkans and in the European CIS countries⁶⁰ is similar to the one in the EU-25. Sustained endogenous population growth, however, is expected for Albania, Azerbaijan, Kosovo, Macedonia, Turkey, and most parts of Central Asia (Table 5),⁶¹ but many Balkan countries, Russia, and Ukraine face considerable demographic decline.⁶²

⁵⁶ The 28 EU+EEA countries and Switzerland.

⁵⁷ The MENA-14 countries consist of Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Palestinian Territories (West Bank and Gaza), Syria, Tunisia and, Yemen.

⁵⁸ The 28 EEA countries and Switzerland.

⁵⁹ Holzmann and Münz (2005).

⁶⁰ EECA-20 countries in Europe are Albania, Armenia, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Georgia, Macedonia, Moldova, Montenegro, Romania, Russian Fed., Serbia, Turkey, Ukraine.

⁶¹ EECA-20 countries in Asia are Kazakhstan, Kyrgyz Rep., Tajikistan, Turkmenistan, Uzbekistan.

⁶² Holzmann and Münz (2005).

In contrast, the situation in Europe's southern and south-eastern neighbour regions, i.e. in the Middle East and North Africa (MENA-14⁶³ and the Gulf States; Tables 8 and 9) is characterised by higher – but declining – fertility, rising life expectancy, and sustained demographic growth. Total population in MENA-14 will grow steadily from 313 million in 2005 to 438 million by 2025 (+40%) and to 557 million by 2050 (+78%). During this period, in MENA-14 the number of people between ages 15 and 64 will almost double: from 195 million in 2000 to 289 million by 2025 (+48%) and to 365 million by 2050 (+78%). At the same time, this region also faces an ageing problem and its population over age 65 will grow almost fivefold over the next 45 years.

The change in the economically active population, however, will be smaller than the projected changes for the age group 15–64, because only 60–80% of this age group are currently employed or self-employed. Today, the size of Western and Central Europe's labour force is 227 million. After 2010, this region (EEA and Switzerland) can expect a decrease in the active population. By 2025, the decrease will reach –16 million (compared to 2005). During the same period (2005–25), the active or job-seeking population will still rise by 7 million people in the EECA-20 and by 66 million in MENA-14 (Table 8). In EECA-20, this increase will mainly take place in Turkey and Central Asia. In countries such as Bulgaria, Moldova, Romania, Serbia and Montenegro,⁶⁴ the active or job-seeking population is already shrinking.⁶⁵

Throughout the 21st century, Western and Central Europe will be confronted with a rapidly decreasing native work force (–44 million until 2050) while the potentially active population will continue to grow in Europe's southern and south-eastern neighbour regions (+118 million until 2050 for MENA-14) and in Turkey (+16 million until 2050).

For Europe, the main challenge is the changing ratio between economically active and retired persons, i.e. old age support ratio. With a projected employment rate of 70%, the number of employed persons per person aged 65 and over will decline from 2.7 in 2010 to some 2.2 in 2020 and to only 1.5 in 2040. If, after reaching the so-called Lisbon target, the employment rate were to rise further to 75% between 2010 and 2020, the decline in this ratio would be attenuated, reaching 2.4 in 2020 and 1.8 in 2040.⁶⁶

In North Africa and the Middle East, the main challenge is to absorb those currently unemployed and those entering the labour market during the next two decades. In order to fully cope with this challenge the MENA-14 countries would have to create 45 million new jobs until 2010 and more than 100 million until 2025, while Europe is confronted with choices concerning higher retirement age, higher labour force participation of women, and the recruitment of immigrants. The current labour market

⁶³ MENA-16 countries are Algeria, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Libya, Morocco, Syria, Tunisia, West Bank and Gaza, and Yemen.

⁶⁴ Without Kosovo.

⁶⁵ Holzmann and Münz (2005).

⁶⁶ Holzmann and Münz (2005).

conditions in many MENA-countries raise doubts whether these economies will be able to absorb the significant expansion of the labour force. As a consequence of persistent, large-scale unemployment in most MENA-14 countries, migration pressures on the contracting labour markets in Europe will increase.

Outlook

Europe's demographic situation is characterized by longevity and low fertility. This leads to aging and eventually shrinking domestic populations and work forces. Given the high levels of employment already reached by skilled EU-nationals, recruitment of migrants from third countries is increasingly appearing as the main way of responding to the growing demand for medium and high skilled labor. At the same time, Europe experiences a continuing demand for low skilled labor.⁶⁷ For these demographic and economic reasons, during the 21st century, all present EU+EEA member states and accession countries will either remain or become immigration countries.

After 2010, many countries will have to develop pro-active migration policies to meet burgeoning demographic and economic needs. For a relatively short period of time, European East-West migration will continue to play a role.⁶⁸ But in the medium and long term, potential migrants will inevitably be recruited from other world regions. In this context, Europe will have to compete with traditional countries of immigration—in particular Australia, Canada, and the USA—for qualified migrants to fill labor gaps. The main challenge will be to put Europe in a position that allows the EU and its member states to actually attract and recruit migrants matching EU labor market needs and to sustain economic growth as well as support for the public pension system. In this context a pro-active approach to immigration can play a crucial role in tackling shortages of labor and skills, provided the qualifications of immigrants are appropriate.⁶⁹

The demographic projections are relatively robust, clearly indicating for the foreseeable future a decline of Europe's working age population. There are, however, significant impediments to deriving accurate projections to help with the middle and long-term planning of policies to meet labor supply requirements. This partly is linked to problems with predicting phenomena that are influenced by complex, often volatile economic factors, and that may also be significantly affected by unforeseeable policy developments in years to come. Accurate projections are also difficult to disaggregate, especially regarding occupations and skills requirements. In any case, while demographic projections give a clear picture for the next 40 years, projections of emerging skills gaps cannot realistically cover more than a 15-year time frame at most. More accurate or disaggregated projections may not even be possible for such a time span.⁷⁰

The migrants most likely to help match shortages of labor and skills and with the best chances to integrate are probably those who are able to adapt to changing conditions, by

⁶⁷ See European Commission (2004).

⁶⁸ See Fassmann and Münz (2002), Krieger (2004).

⁶⁹ See European Commission (2003), Holzmann and Münz (2004).

⁷⁰ See Boswell et al. (2004).

virtue of their qualifications, experience and personal abilities. Future selection mechanisms of a pro-active migration policy must be put in order to assess both qualifications and adaptability of potential immigrants.⁷¹ Given international competition for talent and skills, European countries and the EU as a whole will not only have to establish selection and admission mechanisms, but will also have to offer the migrants sufficiently attractive conditions.

At the same time, given the political sensitivity of immigration, it is likely that governments will find it difficult to justify introducing programs in the absence of already existing acute labor shortages. Even if projections predict quantitative and qualitative shortages with a sufficient degree of certainty, governments may require more tangible “proof” in order to convince their electorates of the need for additional foreign labor. This implies that while projections may provide a basis for policy planning in the areas of education, labor market, welfare or social reforms, because of the special political sensitivity linked to immigration, it is likely that migration policy will remain subject to more short-term, ad hoc planning.⁷² In this context the EU is well placed to develop medium and long-term migration policies able to cope with the demographic and economic challenges for Europe described in this paper.

Today both Europe and North America are home or host to about one fifth of the world’s migrant population each. Along with the US and Canada, Western Europe has become one of the two most important destinations on the world map of international migration. And, given foreseeable demographic and economic imbalances, it is not only likely but also necessary that Europe remain on that map and continues to manage economically motivated migration for its own benefit. In this context future labor market needs will lead to increased competition among EU member states and between OECD countries as they will try to recruit attractive potential immigrants. Such a competition calls for policy co-ordination and for sustained efforts in the area of integration to ensure equal opportunities for the actors involved. When putting this in historical perspective, we might conclude that for Europe, in contrast to the US, net gains from migration and the possibility of moving towards pro-active migration policy are relatively new phenomena.

⁷¹ See Holzmann and Münz (2004); for the experiences of traditional countries of immigration see Papademetriou and O’Neil (2004).

⁷² See Boswell et al. (2004).

Bibliography

- Apap, J., Ph. de Bruycker, C. Schmitter. 2000. "Regularisation of Illegal Aliens in the European Union. Summary Report of a Comparative Study", *European Journal of Migration and Law*, vol. 2, 3-4.
- Bade, K., M. Bommers, R. Münz, eds. 2004. *Migrationsreport 2004*. Frankfurt/M. - New York: Campus.
- Bevelander, P. 2000. *Immigrant Employment Integration and Structural Change in Sweden: 1970-1995*. Lund Studies in Economic History 15. Lund: University Press.
- Boswell, Ch., S. Stiller, Thomas Straubhaar. 2004. *Forecasting Labour and Skills Shortages: How Can Projections Better Inform Labour Migration Policies?* Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA.
- Commission of the European Communities. 2000. *Communication from the Commission to the Council and the European Parliament. On a Community Integration Policy*, COM (2000) 757 final. Brussels.
- Commission of the European Communities/Eurostat. 2002(a). *The Social Situation in the European Union 2002*. Luxembourg: EC.
- Commission of the European Communities. 2002(b). *Communication from the Commission to the Council and the European Parliament. Integrating Migration Issues in the European Union's Relations with Third Countries*, COM (2002) 703 final. Brussels.
- Commission of the European Communities. 2003(a). *Communication from the Commission to the Council and the European Parliament on Immigration, Integration and Employment*, COM (2003) 336 final. Brussels.
- Commission of the European Communities. 2003(b). *Employment in Europe 2003*. Luxembourg: EC
- Commission of the European Communities. 2004(a). *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. First Annual Report on Migration and Asylum*, COM (2004) 332 final. Brussels.
- Commission of the European Communities. 2004(b). *Third Report on Economic and Social Cohesion*. Brussels.
- Commission of the European Communities. 2004(c). *Employment in Europe 2004*. Luxembourg: EC

- Commission of the European Communities. 2005(a). *Green Paper on an EU Approach to Managing Economic Migration*, COM (2005) 36 final. Brussels
- Commission of the European Communities. 2005(b), *Report on the Functioning of the Transitional Arrangements set out in the 2003 Accession Treaty (period 1 May 2004 – 30 April 2006)*, COM (2006), Brussels.
- Commission of the European Communities. 2005(c), *Policy Plan on Legal Migration*, COM (2005) 669 Final, Brussels.
- Commission of the European Communities. 2005 (d), *Priority actions for responding to the challenges of migration: First follow-up to Hampton Court*, COM (2005) 621 Final, Brussels.
- Commission of the European Communities. 2005(e), *A common Agenda for Integration: Framework for the Integration of Third-Country Nationals in the European Union*, COM (2005) 389 final, Brussels.
- Commission of the European Communities. 2005(f), *Common Actions for Growth and Employment: The Community Lisbon Programme*, COM (2005) 330 final, Brussels.
- Commission of the European Communities 2005(g), *Integrated Guidelines for Growth and Jobs*, COM (2005) 141 final, Brussels.
- Constant, A. and Zimmermann, K.F. (2005), *Immigrant Performance and Selective Immigration Policy: A European Perspective*, National Institute Economic Review 194: 94-105.
- Coppel, J., Dumont J. and Visco, I. (2001), *Trends in Immigration and Economic Consequences*, OECD Economic Department Working Paper 284, Paris: OECD.
- DeVoretz, D.J. (2006), *Immigration Policy: Methods of Economic Assessment*, International Migration Review Vol. 40(2): 390-418.
- DeVoretz, D., S. Pivnenko. 2004. *The Economics of Canadian Citizenship*. Paper presented at the Workshop “Immigrant Ascension to Citizenship, Recent Policies and Economic and Social Consequences”, Malmö University, Malmö: IMER.
- Einaudi, L. 2004. *Historical Approaches to Legal and Illegal Migration for Employment in Italy and France*. Paper presented at the 2nd Stockholm Workshop on Global Mobility Regimes. Stockholm: IFS.
- European Monitoring Centre on Racism and Xenophobia (EUMC). 2002. *Anti-discrimination Legislation in EU Member States*. Vienna: European Monitoring Centre on Racism and Xenophobia.

- European Monitoring Centre on Racism and Xenophobia (EUMC) ed. 2003. *Migrants, Minorities and Employment: Exclusion, Discrimination and Anti-Discrimination in 15 Member states of the European Union*. Report prepared by the International Centre for Migration Policy Development (ICMPD). Luxemburg: EC.
- Fassmann, H., R. Münz. 2002. EU Enlargement and Future East-West Migration." In: Laczko, F., Stacher, I., Klekowski von Koppenfels, A., eds. *New Challenges for Migration Policy in Central and Eastern Europe*. Geneva: TMC Asser Press, pp. 59-86.
- Gozdziak, E., S. Martin. 2004. *The Economic Integration of Immigrants in the United States: A Review of the Literature*. Paper prepared for the "U.S.-EU Seminar on Integrating Immigrants into the Workforce," Washington, D.C., June 28-29, 2004.
- Heckmann, F., D. Schnapper, eds. 2003. *The Integration of Immigrants in European Societies: National Differences and Trends of Convergence*. Stuttgart: Lucius and Lucius.
- Holzmann, R., R. Münz. 2004. *Challenges and Opportunities of International Migration for the EU, Its Member States, Neighboring Countries and Regions: A Policy Note*. Washington DC: World Bank; Stockholm: Institute for Futures Studies.
- Holzmann, R. and Münz, R. (2005), *Europe, North Africa and the Middle East: Diverging Trends, Overlapping Interests, Possible Arbitrage through Migration*. Paper presented at the joint work shop on "The Future of Demography, Labour Markets, and the Formation of Skills in Europe, and its Mediterranean Neighbourhood". Brussels, July 4-5, 2005.
- Independent High-Level Study Group. 2003. *An Agenda for a Growing Europe. Making the EU Economic System Deliver*. Report of an Independent High-Level Study Group initiated by the President of the European Commission. Brussels.
- Krieger, H. 2004. *Migration Trends in an Enlarged Europe*. Dublin: European Foundation for the Improvement of Living and Working Conditions.
- Laczko, F., R. Münz. 2003. International Labour Migration and Demographic Change in Europe. In: *International Organization for Migration*, ed. World Migration 2003. Geneva: IOM, pp. 239-258.
- Lowell, L.B. 2004. *Immigrant Labor Market Assimilation in the United States: A critique of Census data and Longitudinal Outcomes*. Paper prepared for the "U.S.-EU Seminar on Integrating Immigrants into the Workforce," Washington, D.C., June 28-29, 2004.
- Massey, D.S., N. Malone. 2002. "Pathways to Legal Immigration," *Population Research and Policy Review*, 21 (6).

- Mosisa, A.T. 2002. The role of foreign-born workers in the US economy *Monthly Labor Review*, May 2002.
- Münz, R., H. Fassmann. 2004. *Migrants in Europe and their Economic Position: Evidence from the European Labour Force Survey and from Other Sources*. Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA.
- Münz, R., R. Ulrich. 2003. "The ethnic and demographic structure of foreigner and immigrants in Germany". In: R. Alba, P. Schmidt, M. Wasmer, eds. *Germans or Foreigners?* New York, Basingstoke: Palgrave-Macmillan, pp. 19-44.
- Niessen, J., Y. Schibel. 2003. *EU and US Approaches to the Management of Immigration: Comparative Perspectives*. Brussels: Migration Policy Group.
- Neuckens, D. 2001. *Regularization Campaigns in Europe*. Brussels: Platform for International Cooperation on Undocumented Migrants (PICUM).
- Organization for Economic Co-operation and Development. 2003, ed. *Trends in International Migration: Sopemi 2002*. Paris: OECD.
- Organization for Economic Co-operation and Development. 2004, ed. *Trends in International Migration: Sopemi 2003*. Paris: OECD.
- Organisation for Economic Co-operation and Development (2006), *International Migration Outlook: Sopemi 2006*, Paris: OECD.
- Papademetriou, D., K. O'Neil. 2004. *Efficient Practices for the Selection of Economic Migrants*. Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA.
- Papademetriou, D., K. O'Neil, M. Jachimowicz. 2004. *Observations on Regularization and the Labor Market Performance of Unauthorized and Regularized Immigrants*. Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA.
- Passel, J. 2002. New Estimates of the Undocumented Population in the United States. *Migration Information Source*. Washington DC: Migration Policy Institute, <http://www.migrationinformation.org/feature/display.cfm?ID=19>
- Ray, B. 2004. *Practices to Promote the Integration of Migrants into Labour Markets*. Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA.
- Tamas, K. and Münz, R. (2006), *Labour Migrants Unbound? EU Enlargement, Transitional Measures and Labour Market Effects*, Stockholm: Institute for Future Studies.

Tijdelijke Commissie onderzoek Integratiebeleid. 2004. *Onderzoek integratiebeleid, Rapport Bruggen bouwen*. Eindrapport, 28689, nr. 9, Kammerstuk 2003-2004, Amsterdam: Tweede Kamer.

United Nations Population Division. 2002. *International Migration Report 2002*. New York: UN.

United Nations Population Division. 2003. *World Population Prospects - The 2002 Revision*. New York: UN.

United Nations High Commissioner for Refugees (2004), *Asylum Applications Lodged in Industrialized Countries: Levels and Trends, 2000–2003*. Geneva: UNHCR.

United Nations (2005), *World Population Prospects. The 2004 Revision*, Population Division, Department of Economics and Social Affairs, New York: UN.

U.S. Department of Labor. 2002. *Developments in International Migration to the United States: 2002*. Washington DC.

World Bank (2005), *Global Economic Prospects 2006: Economic Implications of Remittances and Migration*, Washington DC: The World Bank.

Tables

Table 1: Net Migration to Western Europe, 1960-2000

Country	Annual Average		Cumulative Net Migration			
	1990-2000	1960-2000	1990-2000		1960-2000	
	Migrants per 1000 Population	Migrants per 1000 Population	Number In 1,000s	Percent of Total Population.	Number In 1,000s	Percent of Total Population
Austria	3.6	1.9	294	3.6	602	7.5
Belgium	1.5	1.0	153	1.5	400	3.9
Denmark	2.5	1.1	129	2.4	226	4.2
Finland	1.3	-0.5	64	1.2	-76	-1.5
France	1.0	1.8	585	1.0	3,855	6.5
Germany	4.4	2.6	3,638	4.4	8,495	10.4
Greece	4.2	1.0	442	4.2	469	4.4
Iceland	-0.4	-1.1	-1	-0.4	-10	-3.5
Ireland	2.4	-1.6	91	2.4	-194	-5.1
Italy	2.0	0.0	1,177	2.0	273	0.5
Luxembourg	10.0	6.5	42	9.7	100	22.8
Netherlands	2.3	1.7	360	2.3	1,004	6.3
Norway	2.0	1.1	88	2.0	186	4.2
Portugal	0.3	-3.4	35	0.4	-1,162	-11.6
Spain	0.9	0.0	358	0.9	72	0.2
Sweden	2.2	2.0	194	2.2	670	7.6
Switzerland	3.3	3.1	235	3.3	804	11.2
United Kingdom	1.5	0.4	827	1.4	941	1.6

Source: UN. World Population Prospects - The 2000 Revision; Brücker (2002); Laczko and Münz 2003

Table 2: Demographic Indicators 2005 in Europe

	Pop. January 2005	births	deaths	Nat. pop. change	Net migration	Total pop. change	Pop. January 2006
	in 1,000	per 1,000 population					in 1,000
EU 25	459,488	10.5	9.7	0.7	3.7	4.4	461,507
Germany	82,501	8.4	10.1	-1.7	1.2	-0.5	82,456
France	60,561	12.6	8.8	3.7	1.7	5.4	60,892
UK	60,035	11.9	9.9	2.0	3.3	5.3	60,354
Italy	58,462	9.9	10.4	-0.5	5.8	5.3	58,772
Spain	43,038	10.9	8.8	2.1	15.0	17.1	43,781
Poland	38,174	9.4	9.7	-0.3	-0.3	-0.7	38,148
Netherlands	16,306	11.6	8.4	3.1	-1.2	2.0	16,338
Greece	11,076	9.4	9.2	0.2	3.1	3.3	11,112
Portugal	10,529	10.5	9.7	0.8	3.9	4.7	10,579
Belgium	10,446	11.4	10.0	1.4	3.2	4.6	10,494
Czech Rep.	10,221	10.0	10.5	-0.5	3.5	2.9	10,251
Hungary	10,098	9.6	13.5	-3.9	1.8	-2.1	10,076
Sweden	9,011	10.4	9.9	0.5	2.7	3.2	9,040
Austria	8,207	9.4	9.0	0.4	7.4	7.8	8,270
Denmark	5,411	11.8	10.3	1.6	1.4	3.0	5,428
Slovakia	5,385	10.0	9.8	0.2	0.8	0.9	5,390
Finland	5,237	11.0	9.2	1.8	1.7	3.5	5,255
Ireland	4,109	15.3	6.5	8.8	11.4	20.2	4,193
Lithuania	3,425	8.9	12.9	-4.0	-3.0	-7.0	3,401
Latvia	2,306	9.3	14.2	-4.9	-0.5	-5.4	2,294
Slovenia	1,998	8.8	9.2	-0.5	3.6	3.1	2,004
Estonia	1,347	10.6	13.1	-2.5	-0.3	-2.8	1,343
Cyprus (i)	749	10.9	6.7	4.1	27.2	31.3	773
Luxembourg	455	11.5	7.6	3.9	3.4	7.3	458
Malta	403	9.9	7.2	2.7	5.0	7.8	406
Other EEA							
Iceland	294	14.2	6.2	7.9	2.0	10.0	297
Liechtenstein	35	10.8	6.4	4.5	3.8	8.3	35
Norway	4,606	12.4	8.8	3.7	4.7	8.4	4,645
EEA	464,423	10.5	9.7	0.7	3.7	4.4	466,484
Switzerland	7,415	9.6	8.3	1.3	4.7	6.0	7,460
Accession countries	105,472	16.0	8.3	7.6	-4.1	3.5	106,276
Croatia	4,444	9.4	11.1	-1.7	2.6	0.9	4,448
Bulgaria	7,761	9.0	14.6	-5.6	-1.8	-7.4	7,704
Romania	21,659	10.2	12.3	-2.1	-0.5	-2.5	21,604
Turkey (ii)	71,609	18.9	6.2	12.6	-5.9	6.7	72,520

Notes:

(i) Greek part of Cyprus only.

(ii) Data for Turkey on net migration are from 2003.

Source: EUROSTAT, Chronos Database.

Table 3: Foreign Labor Force in Selected European Countries in 2000

Country	Foreign Labor Force As Percent of Total Labor Force	Foreign Labor Force Total
Austria	10.5	398,622
Belgium	8.9	378,243 *
Czech Republic	2.0	115,431
Denmark	3.4	100,076
Finland	1.5	39,109 *
France	6.0	1,603,185
Germany	8.8	3,599,877
Hungary	0.9	43,645
Ireland	3.7	59,619
Italy	3.6	926,271
Luxembourg	57.3	107,091
Netherlands	3.4	248,452 **
Norway	4.9	114,431
Portugal	2.0	101,681
Slovak Republic	0.2	5,864 *
Spain	1.2	211,736 *
Sweden	5.0	239,951
Switzerland	18.3	707,294
United Kingdom	4.4	1,293,649
* 1999 values		
** 1998 values		

Source: *World Bank, World Development Indicators database.*

Table 4: Foreign-national and foreign-born population in EU-25, 2005

	Foreign nationals ⁽ⁱ⁾		Foreign born	
	in 1000	%	in 1000	%
EU-25	16,332	3.6	39,791	8.6
Austria	523	6.4	1,234	15.1
Belgium	272	2.6	719	6.9
Cyprus ⁽ⁱⁱ⁾	48	6.4	116	13.9
Czech Republic	34	0.3	453	4.4
Denmark	128	2.4	389	7.2
Estonia	244	18.1	202	15.2
Finland	46	0.9	156	3.0
France	1,948	3.2	6,471	10.7
Germany	4,795	5.8	10,144	12.3
Greece	478	4.3	974	8.8
Hungary	52	0.5	316	3.1
Ireland	100	2.4	585	14.1
Italy ⁽ⁱⁱⁱ⁾	1,503	2.6	2,519	4.3
Latvia	19	0.8	449	19.5
Lithuania	15	0.4	165	4.8
Luxembourg ^(iv)	140	30.7	177	37.4
Malta	7	1.6	11	2.7
Netherlands	395	2.4	1,638	10.1
Poland	41	0.1	703	1.8
Portugal	231	2.2	764	7.3
Slovakia	4	0.1	124	2.3
Slovenia	6	0.3	167	8.5
Spain	2,984	6.9	4,790	11.1
Sweden	252	2.8	1,117	12.4
United Kingdom	2,068	3.4	5,408	9.1

Notes:

(i) EU citizens from other member States and third country nationals.

(ii) Greek part of Cyprus only.

(iii) Foreign nationals for Italy: ISTAT 2003.

(iv) Foreign nationals for Luxembourg: Census Data 2001.

Source: Foreign-born population: OECD Data Base (2006), UN (2005); Foreign national population: Community Labour Force Survey, Eurostat; other sources (see notes); own calculations Münz and Fassmann (2004), various national sources.

Table 5: Immigrant Population (15+ years) of Known Origin by Education Level and Country of Birth, EU 15, 2002¹

(Percentages)

Education Level ² Completed (in Percent)	Immigrant Population by Known Country of Birth									EU 15 Total Population
	EU West ²	EU South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total Immigrants	
Low⁵	30.9	76.8	40.8	69.2	58.6	11.6	33.9	41.0	51.8	43.4
Medium⁶	37.8	15.6	39.5	22.5	24.5	34.7	33.0	31.5	28.2	39.4
High⁷	31.3	7.6	19.7	8.4	17.0	53.8	33.0	27.5	20.0	17.2
Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (in 1,000s)	2,774	2,801	1,628	766	3,084	346	224	966	12,589	312,639
¹ LFS 2002, Data for Germany and Italy not available; ² EU 15 residents born in another EU 15 country (except Italy, Greece, Portugal, or Spain) or born in Iceland, Liechtenstein, Norway, or Switzerland; ³ EU 15 residents born in Italy, Greece, Portugal, or Spain but living in another EU 15 country; ⁴ EU 15 residents born in new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia; ⁵ Completed primary education only; ⁶ Completed lower or upper secondary education only; ⁷ Completed at least tertiary education.										

Table 6: Immigrant Population of Working Age (15-64 years) and Known Origin by Labor Force Status, Gender, and Region of Birth, EU 15, 2002¹

(Percentages)

Labor Force Status		Immigrant Population by Known Region of Birth				EU 15 Total Population
		EU 15 ²	EU 10 ³	Rest of the World	Total Immigrants	
Total	Employed	67.3	62.0	57.0	61.3	64.2
	Unemployed	4.5	5.2	8.2	6.6	5.4
	Inactive	28.2	32.8	34.8	32.1	30.4
	Total (Percent)	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	71.8	67.2	65.2	67.8	69.6
	Unemployment Rate (Percent)	6.2	7.7	12.6	9.7	7.8
	Total (in 1,000s)	4,559	461	6,546	11,566	250,433
Male	Employed	75.3	69.8	68.5	71.2	72.9
	Unemployed	4.7	4.8	9.2	7.3	5.4
	Inactive	20.1	25.4	22.3	21.5	21.7
	Total (Percent)	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	79.9	74.6	77.7	78.5	78.3
	Unemployment Rate (Percent)	5.9	6.4	11.9	9.3	6.9
	Total (in 1,000s)	2,239	189	3,284	5,714	125,441
Female	Employed	59.6	56.6	45.3	51.5	55.5
	Unemployed	4.3	5.5	7.1	5.9	5.3
	Inactive	36.1	37.9	47.5	42.5	39.2
	Total (Percent)	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	63.9	62.1	52.5	57.5	60.8
	Unemployment Rate (Percent)	6.7	8.9	13.6	10.3	8.7
	Total (in 1,000s)	2,319	272	3,262	5,853	124,993

¹LFS 2002, Data for Germany and Italy not available; ²EU 15 residents born in another EU 15 country or born in Iceland, Liechtenstein, Norway, or Switzerland; ³EU 15 residents born in the new EU member states (EU 10).

Table 7: Distribution of Employment Growth by Region of Origin or Nationality and Gender of Worker, EU 15,¹ 1997-2003: Two Concepts Compared

(Percentages)

Nationality Country of Birth	Citizenship or Nationality of Persons in the Additional Workforce					
	Male		Female		Total	
	Foreign Nationals vs. Citizens	Foreign Born vs. Native Born	Foreign Nationals vs. Citizens	Foreign Born vs. Native Born	Foreign Nationals vs. Citizens	Foreign Born vs. Native Born
Other EU 15	1.3 ²	2.2 ³	1.8 ²	3.2 ³	1.8 ²	2.6 ³
EU 8 + CEE⁶	3.9	2.7	5.6	4.1	3.3	4.8
Other Europe	0.1	0.1	1.4	0.6	0.1	1.0
North Africa	0.3	0.4	0.6	1.2	0.3	0.9
North America, Australia	0.4	0.2	0.3	-0.2	0.3	0.0
Other	7.3	5.5	13.4	10.1	6.3	11.6
Nationals/Natives	85.9 ⁴	88.4 ⁵	78.1 ⁴	81.8 ⁵	87.3 ⁴	80.1 ⁵
Unknown	0.7	0.5	-1.2	-0.7	0.6	-1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

¹Data for Germany and Italy not available; ²EU 15 legal residents with citizenship of another EU 15 member state; ³EU 15 residents born in another EU 15 member state; ⁴EU 15 nationals residing in their country of citizenship; ⁵EU 15 natives residing in their country of birth; ⁶New EU member states (EU 8), EU accession countries (except Turkey), other countries of Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia .

Source: Labour Force Survey 2003

Table 8: Immigrant Population of Working Age (15-64 years) and Known Origin by Labor Force Status, Gender, and Country of Birth, EU 15, 2002¹

(Percentages)

Labor Force Status		Immigrant Population by Known Country of Birth									EU 15 Total Population
		EU-West ²	EU-South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total Immigrants	
Total	Employed	67.1	67.3	63.2	50.0	51.4	76.3	62.7	58.6	61.3	64.2
	Unemployed	4.7	4.2	7.8	9.2	9.8	3.5	8.3	5.2	6.6	5.4
	Inactive	28.1	28.4	29.0	40.8	38.7	20.2	29.0	36.2	32.1	30.4
	Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	71.8	71.5	71.0	59.2	61.2	79.8	71.0	63.8	67.9	69.6
	Unemployment Rate (Percent)	6.5	5.9	11.0	15.5	16.0	4.4	11.7	8.2	9.7	7.8
	Total (in 1,000s)	2,587	2,145	1,516	772	2,706	456	217	1,166	11,565	250,433
Male	Employed	75.0	75.3	72.7	65.1	62.6	86.0	73.9	73.2	71.2	72.9
	Unemployed	5.2	4.1	7.6	11.6	11.4	3.2	5.4	6.0	7.3	5.4
	Inactive	19.9	20.5	19.7	23.4	25.9	10.9	20.7	20.8	21.5	21.7
	Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active Percent	80.2	79.4	80.3	76.7	74.0	89.2	79.3	79.2	78.5	78.3
	Unemployment Rate (Percent)	6.5	5.2	9.5	15.1	15.4	3.6	6.8	7.6	9.3	6.9
	Total (in 1,000s)	1,182	1,135	696	398	1,442	221	92	548	5,714	125,441
Female	Employed	60.5	58.3	55.1	33.9	38.7	67.5	54.0	45.6	51.5	55.5
	Unemployed	4.3	4.4	7.9	6.9	8.0	3.4	11.1	4.7	5.9	5.3
	Inactive	35.2	37.3	37.0	59.2	53.3	29.1	34.9	49.8	42.5	39.2
	Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active Percent	64.8	62.7	63.0	40.8	46.7	70.9	65.1	50.3	57.4	60.8
	Unemployment Rate (Percent)	6.6	7.0	12.5	16.9	17.1	4.8	17.1	9.3	10.3	8.7
	Total (in 1,000s)	1,405	1,010	820	375	1,264	234	126	619	5,853	124,993

¹LFS 2002, Data for Germany and Italy not available; ²EU 15 residents born in another EU 15 country (except Italy, Greece, Portugal, or Spain) or born in Iceland, Liechtenstein, Norway, or Switzerland; ³EU 15 residents born in Italy, Greece, Portugal, or Spain but living in another EU 15 country; ⁴EU 15 residents born in new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 9: Legal Foreign Resident Population of Working Age (15 to 64) by Labor Force Status, Gender and Region of Nationality, EU 15, 2002¹

(Percentages)

Labor Force Status		Legal Foreign Resident Population by Nationality				EU 15 Total Population
		EU 15 ²	EU 10 ³	Rest of the World	Total LFRs	
Total	Employed	67.2	60.4	52.5	58.6	64.2
	Unemployed	5.1	6.7	9.7	7.7	5.4
	Inactive	27.7	33.0	37.8	33.6	30.4
	Total (Percent)	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	72.3	67.0	62.2	66.4	69.6
	Unemployment Rate (Percent)	7.0	10.0	15.5	11.7	7.8
	Total (in 1,000s)	4,206	449	6,059	10,714	250,433
Male	Employed	74.6	73.9	64.6	68.9	72.9
	Unemployed	5.7	6.8	11.7	9.1	5.4
	Inactive	19.7	19.3	23.7	22.0	21.7
	Total (Percent)	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	8.3	80.7	76.3	78.0	78.3
	Unemployment Rate (Percent)	7.1	8.5	15.3	11.7	6.9
	Total (in 1,000s)	2,208	176	3,087	5,471	125,441
Female	Employed	59.1	51.6	40.1	47.9	55.5
	Unemployed	4.4	6.6	7.6	6.3	5.3
	Inactive	36.6	41.8	52.4	45.8	39.2
	Total (Percent)	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	63.4	58.2	47.6	54.2	60.8
	Unemployment Rate (Percent)	6.9	11.3	15.9	11.6	8.7
	Total (in 1,000s)	1,997	273	2,972	5,242	124,993

¹LFS 2002, Data for Italy not available; ²EU 15 nationals + nationals of Iceland, Liechtenstein, Norway and Switzerland living in (another) EU 15 country; ³Nationals of EU 10 (new member) states living in an EU 15 country.

Table 10: Employment Rates of Working Age Legal Foreign Resident Population and Immigrant Population with Country of Birth Known, by Nationality or Country of Birth, and Gender, EU 15, 2002

Nationality or Country of Birth	Employment rate					
	Male		Female		Total	
	Foreign National ¹	Foreign Born ²	Foreign National ¹	Foreign Born ²	Foreign National ¹	Foreign Born ²
EU15 ³	74.6	75.3	59.1	59.6	67.2	67.3
Non EU 15 Europe	64.6	68.5	40.1	45.3	52.5	57.0
North Africa	55.3	62.6	24.8	38.7	41.5	51.4
North America	85.9	86.0	67.5	67.5	76.8	76.3
Turkey	61.3	65.1	31.6	33.9	47.5	50.0
Total ⁴	68.9	71.2	47.9	51.5	58.6	61.3
EU 15 average	72.9	72.9	55.5	55.5	64.2	64.2

¹ LFS 2002, data on foreign nationals for Italy not available; ² LFS 2002, data on foreign born for Germany and Italy not available; ³ EU 15 nationals/people born in EU 15 and currently living in EU 15, but outside their country of citizenship or birth; ⁴ All foreign nationals/all migrants.

Table 11: Legal Foreign Resident Population of Working Age (15-64) by Labor Force Status, Gender, and Country of Nationality, EU 15, 2002¹

(Percentages)

Labor Force Status		Legal Foreign Resident Population by Nationality									EU 15 Total Population
		EU-West ²	EU-South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Canada, Australia	Latin America, Caribbean	Asia	Total LFRs	
Total	Employed	67.5	66.9	60.7	47.5	41.5	76.8	62.6	56.6	58.6	64.2
	Unemployed	4.0	5.9	8.9	10.1	12.8	3.1	9.6	5.9	7.7	5.4
	Inactive	28.5	27.1	30.4	42.4	45.7	20.1	27.8	37.5	33.6	30.4
	Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	71.5	72.8	69.6	57.6	54.3	79.9	72.2	62.5	66.3	69.6
	Unemployment Rate (Percent)	5.6	8.1	12.8	17.5	23.6	3.9	13.3	9.4	11.6	7.8
	Total (in 1,000s)	2,027	2,310	1,861	2,121	1,373	383	115	525	10,715	250,433
Male	Employed	75.5	73.9	70.3	61.3	55.3	85.9	77.1	74.1	68.9	72.9
	Unemployed	4.6	6.4	9.4	13.0	15.6	3.6	4.2	7.5	9.1	5.4
	Inactive	19.9	19.7	20.3	25.7	29.0	10.4	18.8	18.4	22.0	21.7
	Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	80.1	80.3	79.7	74.3	70.9	89.5	81.3	81.6	78.0	78.3
	Unemployment Rate (Percent)	5.7	8.0	11.8	17.5	22.0	4.0	5.2	9.2	11.7	6.9
	Total (in 1,000s)	975	1,293	842	1,131	748	192	48	239	5,468	125,441
Female	Employed	60.1	58.1	52.8	31.6	24.8	67.5	52.2	42.0	47.9	55.5
	Unemployed	3.5	5.3	8.4	6.9	9.5	2.6	13.4	4.5	6.3	5.3
	Inactive	36.4	36.6	38.7	61.5	65.7	29.8	34.3	53.5	45.8	39.2
	Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (Percent)	63.6	63.4	61.2	38.5	34.3	70.1	65.6	46.5	54.2	60.8
	Unemployment Rate (Percent)	5.5	8.4	13.7	17.9	27.7	3.7	20.4	9.7	11.6	8.7
	Total (in 1,000s)	1,052	1,016	1,018	989	624	191	67	286	5,243	124,993

¹ LFS 2002, Data for Italy not available; ² EU 15 nationals (except Italy, Greece, Portugal, Spain)+ nationals of Iceland, Liechtenstein, Norway, or Switzerland living in (another) EU 15 country; ³ Nationals of Italy, Greece, Portugal, or Spain living in another EU 15 country; ⁴ Nationals of new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, or Central Asia living in an EU 15 country.

Table 12: Employment Rate of Working Age (15-64 Years) Population Born in or Nationals of Maghreb and Turkey and Resident in Selected EU Countries, 2002¹: Two Concepts Compared

	Immigrants from Maghreb countries ²	Nationals of Maghreb countries	Immigrants from Turkey	Nationals of Turkey
Belgium	34.5	21.6	31.9	26.2
Denmark	43.5	36.4	46.7	30.8
Germany	n/a	47.1	n/a	48.5
Greece	63.2	75.0	57.1	57.1
Spain	56.3	57.0	n/a	37.9
France	50.8	39.1	42.2	50.6
Netherlands	53.2	41.9	55.9	57.0
Austria	55.6	42.9	59.8	33.3
Sweden	44.3	34.5	50.0	44.4
UK	65.3	60.4	55.9	26.2

¹LFS 2002; ²Algeria, Morocco, Tunisia.

Table 13: Immigrant Workforce of Known Origin by ISCO¹ Skill Level and Country of Birth, EU 15, 2002²

(Percentages)

ISCO Skill Level	Immigrant Workforce by Known Country of Birth									EU 15 Total Workforce
	EU West ²	EU South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total Immig. Workforce	
Highly skilled non-manual	49.9	20.9	20.1	21.4	35.8	64.7	36.5	38.8	34.9	36.8
Medium skilled non-manual	11.7	6.9	5.4	6.6	11.1	12.6	12.4	9.4	9.3	12.9
Low skilled non-manual	13.0	13.1	16.0	14.2	12.5	7.5	20.4	17.5	13.7	14.0
Skilled manual	10.4	32.0	22.1	22.6	15.7	5.8	11.7	6.5	17.7	17.7
Non-skilled manual	14.5	27.0	36.4	34.7	24.2	7.5	19.0	27.6	24.0	17.9
Armed Forces	0.5	0.1	--	0.5	0.7	2.0	--	0.1	0.4	0.7
Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (in 1,000s)	1,758	1,527	959	380	1,391	348	137	691	7,191	161,906

¹ International Standard Classification of Occupations; ²LFS 2002, Data for Germany and Italy not available; ³EU 15 residents born in another EU 15 country (except Italy, Greece, Portugal, Spain) or born in Iceland, Liechtenstein, Norway, or Switzerland; ⁴EU 15 residents born in Italy, Greece, Portugal, or Spain but living in another EU 15 country; ⁵EU 15 residents born in the new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 14: Legal Foreign Resident Workforce by ISCO¹ Skill Level and Nationality, EU 15, 2002²

(Percentages)

ISCO Skill Level	Legal Foreign Resident Workforce by Nationality									EU 15 Total Workforce
	EU West ³	EU South ⁴	EU 8 + CEE ⁵	Turkey	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total LFR Workforce	
Highly skilled non-manual	53.7	21.1	17.9	12.1	19.9	68.0	27.4	32.7	29.0	36.8
Medium skilled non-manual	11.5	6.8	5.3	6.1	7.8	11.9	12.3	5.4	7.8	12.9
Low skilled non-manual	12.6	16.0	16.1	12.3	13.8	6.5	23.3	25.3	14.5	14.0
Skilled manual	9.6	24.6	24.7	27.7	24.2	4.4	15.1	7.7	19.9	17.7
Non-skilled manual	12.5	31.5	36.0	41.7	34.2	7.5	21.9	29.0	28.6	17.9
Armed Forces	.1	--	--	.1	.2	1.7	--	--	.1	.7
Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (in 1,000s)	1,378	1,541	1,122	995	567	294	73	297	6,267	161,906

¹ International Standard Classification of Occupations; ²LFS 2002, Data for Italy not available; ³ EU 15 nationals (except Italy, Greece, Portugal, or Spain) + nationals of Iceland, Liechtenstein, Norway, or Switzerland living in (another) EU 15 country; ⁴ Nationals of Italy, Greece, Portugal, or Spain living in another EU 15 country; ⁵ Nationals of new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia who are living in an EU 15 country.

Table 15: Immigrant Workforce of Known Origin by Sector/Industry (NACE) and Country of Birth, EU 15, 2002¹

(Percentages)

NACE Sector or Industry	Immigrant Workforce by Country of Birth									EU 15 Total Workforce
	EU West ²	EU South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Can., Austral	Latin Amer., Caribb.	Asia	Total Immig. Workforce	
Agric, fishing, mining	0.4	0.4	0.3	0.3	0.2	0.9	--	0.2	0.3	0.3
Manufacturing	16.4	18.2	19.4	25.3	15.6	11.2	14.9	18.1	17.4	20.9
Construction	6.4	18.8	15.7	12.3	8.8	3.3	7.5	2.2	10.4	8.2
Wholesale, retail trade	13.5	13.0	11.8	16.6	14.7	9.1	11.9	16.2	13.6	15.2
Hotels, restaurants	5.9	7.8	10.1	10.4	5.9	3.6	15.7	13.5	7.9	4.4
Trans., storage, communication	6.2	5.1	5.0	5.7	7.1	3.9	6.0	9.4	6.2	6.5
Financial intermediation	4.3	1.7	1.1	1.4	2.3	7.3	2.2	3.1	2.8	3.5
Real estate, renting, Research	14.4	9.8	12.1	10.4	13.2	22.7	14.2	10.9	12.8	9.7
Public administ., defense	4.8	4.1	1.6	2.7	8.1	5.7	3.0	3.7	4.7	7.9
Education	8.9	4.3	3.9	4.9	7.8	11.8	5.2	5.6	6.6	7.2
Health, social work	12.8	6.5	9.2	6.0	10.7	10.6	8.2	12.7	10.1	10.2
Personal services	5.6	3.7	4.0	3.5	4.2	9.7	8.2	3.5	4.6	5.0
Private households	0.5	6.6	5.9	0.5	1.7	0.3	3.0	1.0	2.8	1.1
Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (in 1,000s)	1,706	1,365	933	367	1,351	331	134	680	6,867	155,470

¹ LFS 2002, Data for Germany and Italy not available; ² EU 15 residents born in another EU 15 country (except Italy, Greece, Portugal, or Spain) or born in Iceland, Liechtenstein, Norway, or Switzerland; ³ EU 15 residents born in Italy, Greece, Portugal, or Spain but living in another EU 15 country; ⁴ EU 15 residents born in new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 16: Legal Foreign Resident Workforce by Sector/Industry (NACE) and Nationality, EU 15, 2002¹

(Percentages)

NACE Sector or Industry	Legal Foreign Resident Workforce by Nationality									EU 15 Total Workforce
	EU West ²	EU South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Can., Austral	Latin Amer., Caribb	Asia	Total LFR Workforce	
Agriculture, fishing, mining	0.4	0.2	0.4	1.4	0.2	0.7	--	--	0.5	0.3
Manufacturing	17.5	25.6	22.9	38.4	19.4	11.8	12.7	18.8	23.8	20.9
Construction	5.9	13.5	15.8	10.0	16.1	2.5	8.5	2.4	10.8	8.2
Wholesale, retail trade	12.8	11.5	12.6	13.9	14.8	8.2	14.1	16.1	12.8	15.2
Hotels, restaurants	7.1	12.6	10.5	7.2	7.9	3.9	19.7	21.9	9.9	4.4
Trans., storage, communications	6.4	5.0	4.5	5.9	7.0	4.3	5.6	6.2	5.6	6.5
Financial intermediation	4.7	1.8	1.3	.9	1.5	7.2	1.4	2.4	2.4	3.5
Real estate, renting, Research	15.3	10.6	10.8	9.4	12.8	23.7	12.7	10.3	12.2	9.7
Public administ., defense	3.2	2.1	1.1	1.8	3.0	3.6		1.4	2.2	7.9
Education	8.5	3.0	2.6	1.8	4.3	12.2	4.2	4.1	4.5	7.2
Health, social work	11.2	5.5	8.2	4.3	7.2	10.4	5.6	11.3	7.7	10.2
Personal services	6.6	4.3	4.1	4.5	3.3	11.5	12.7	3.8	5.1	5.0
Private households	0.5	4.3	5.3	0.4	2.6		2.8	1.4	2.5	1.1
Total (Percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (in 1,000s)	1,343	1,518	1,103	994	541	279	71	292	6,141	155,470

¹ LFS 2002, Data for Italy not available; ² EU 15 nationals (except Italy, Greece, Portugal, Spain) + nationals of Iceland, Liechtenstein, Norway, or Switzerland living in (another) EU 15 country; ³ Nationals of Italy, Greece, Portugal, or Spain living in another EU 15 country; ⁴ Nationals of new EU member states (EU 8), EU accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 17: Employment Rates of Working Age Legal Foreign Residents and Immigrants of Known Origin by Nationality or Country of Birth, Gender, and Educational Attainment, EU 15, 2002

Nationality	Foreign Nationals (LFRs) ¹					
	Male			Female		
	Low education ²	Medium education ³	High education ⁴	Low education ²	Medium education ³	High education ⁴
Turkey	55.5	73.3	—	27.9	49.7	—
North Africa	49.3	65.0	67.5	18.9	32.7	49.1
North America	—	79.6	87.3	—	60.6	76.9
EU 8 + CEE	61.3	76.1	77.8	45.7	60.2	53.3
EU-West ⁵	59.5	78.5	87.8	35.0	61.3	78.0
EU-South ⁵	66.9	80.3	84.3	52.3	67.8	69.8
EU 15 average	60.9	76.3	85.8	36.9	63.3	78.6
Country of Birth	Foreign Born (Immigrants) ⁶					
	Male			Female		
	Low education ²	Medium education ³	High education ⁴	Low education ²	Medium education ³	High education ⁴
Turkey	58.4	75.3	—	25.5	49.3	76.9
North Africa	51.6	68.4	79.9	25.1	48.5	66.0
North America	—	82.3	87.6	—	58.9	78.5
EU 8 + CEE	64.5	77.1	80.5	46.5	59.9	63.1
EU-West ⁷	59.7	74.4	86.1	41.7	61.6	76.8
EU-South ⁷	71.6	76.2	85.6	53.4	62.4	77.4
EU 15 average	60.9	76.3	85.8	36.9	63.3	78.6
<p>¹ LFS 2002, data on foreign nationals for Italy not available; ² Primary education only; ³ Lower or upper secondary education completed; ⁴ Tertiary education completed; ⁵ EU 15 nationals living in EU 15 but outside their country of citizenship; ⁶ LFS 2002, data on foreign born for Germany and Italy not available; ⁷ People born in EU 15 but living in EU 15 outside their country of birth.</p>						