WSI
Wirtschafts- und Sozialwissenschaftliches Institut

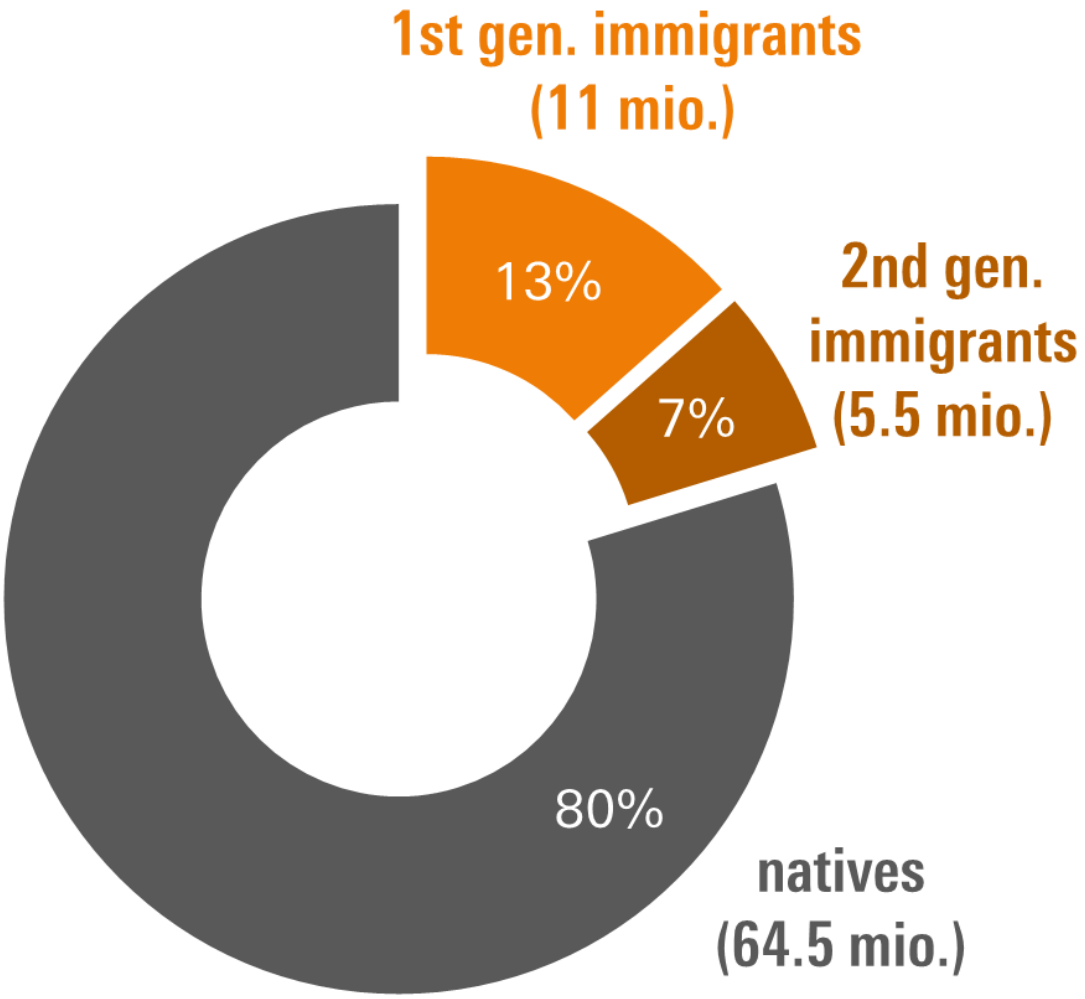
Das WSI ist ein Institut der Hans-Böckler-Stiftung

REFUGEES' LABOUR MARKET PROSPECTS IN GERMANY

Jutta Höhne

Transatlantic Social Dialogue
Panel: The refugee movements in Europe and migrant workers: the broad picture
23.05.2016, Brussels

Germany 2014



Data: Microcensus 2014

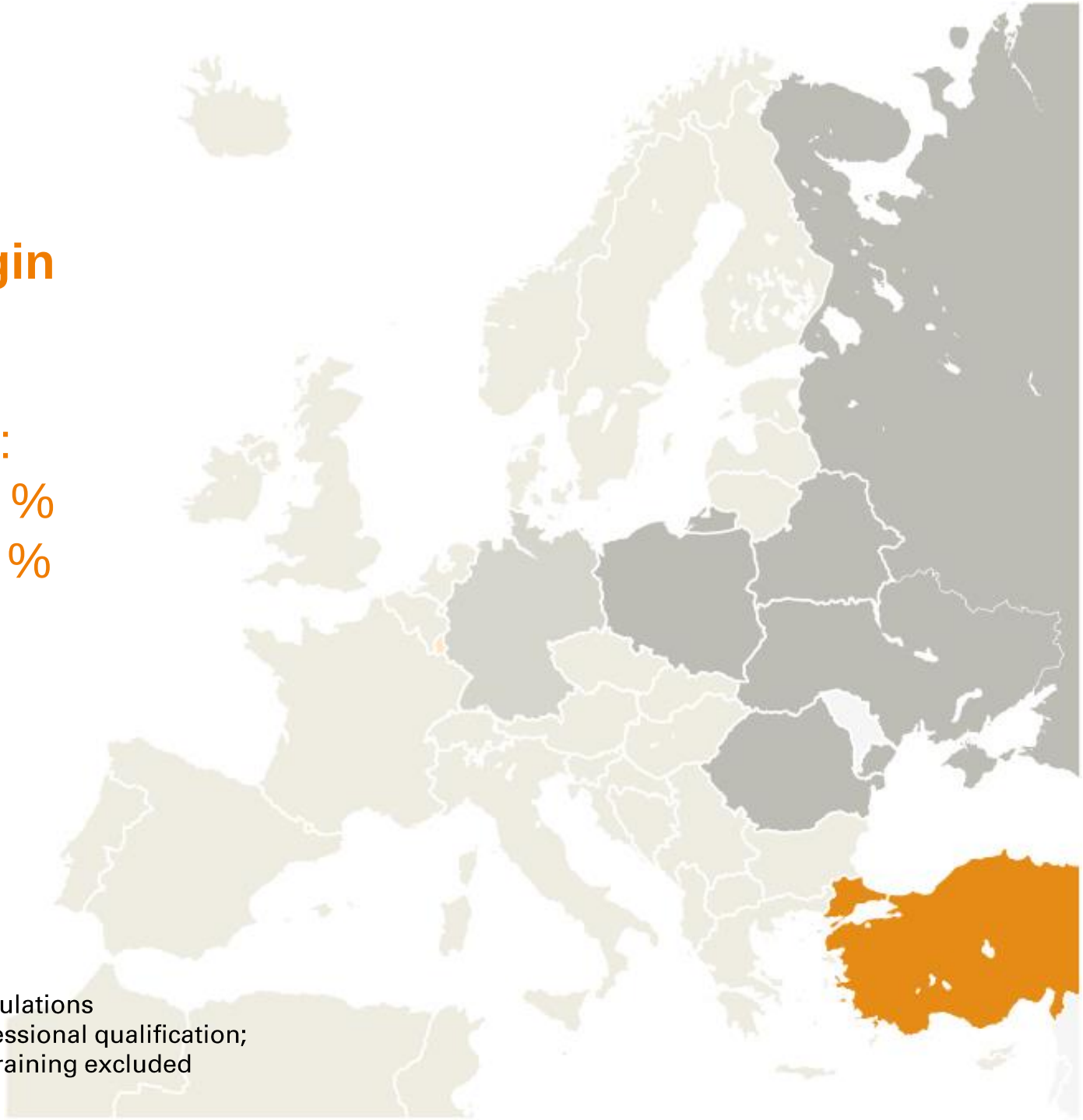
Ethnic Germans
4.1 mio

low-skilled:
1st gen: 22 %

Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
age 18-64; persons in education/training excluded

Turkish origin
2.9 mio

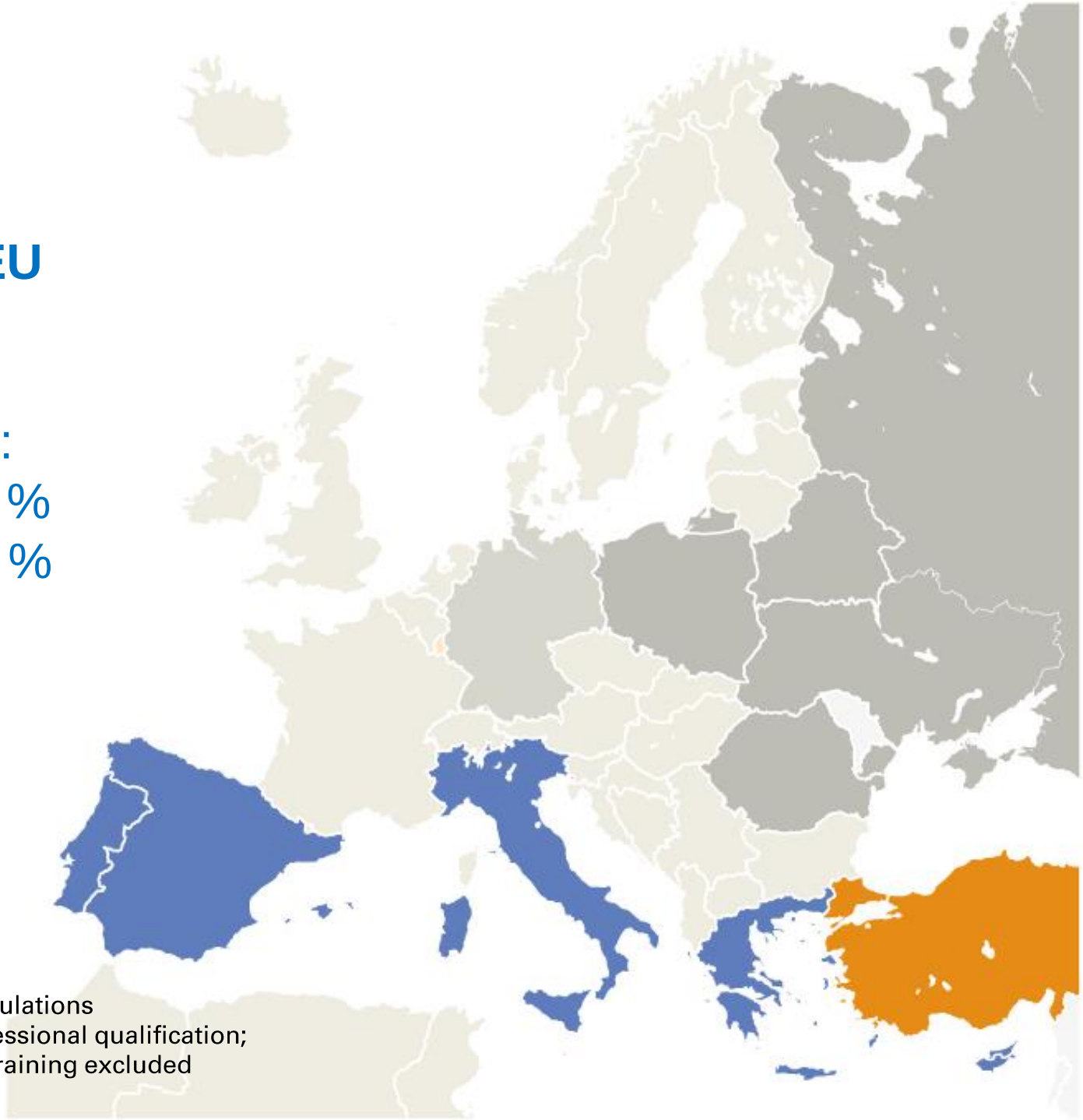
low-skilled:
1st gen: 68 %
2nd gen: 38 %



Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
age 18-64; persons in education/training excluded

Southern EU
1.5 mio

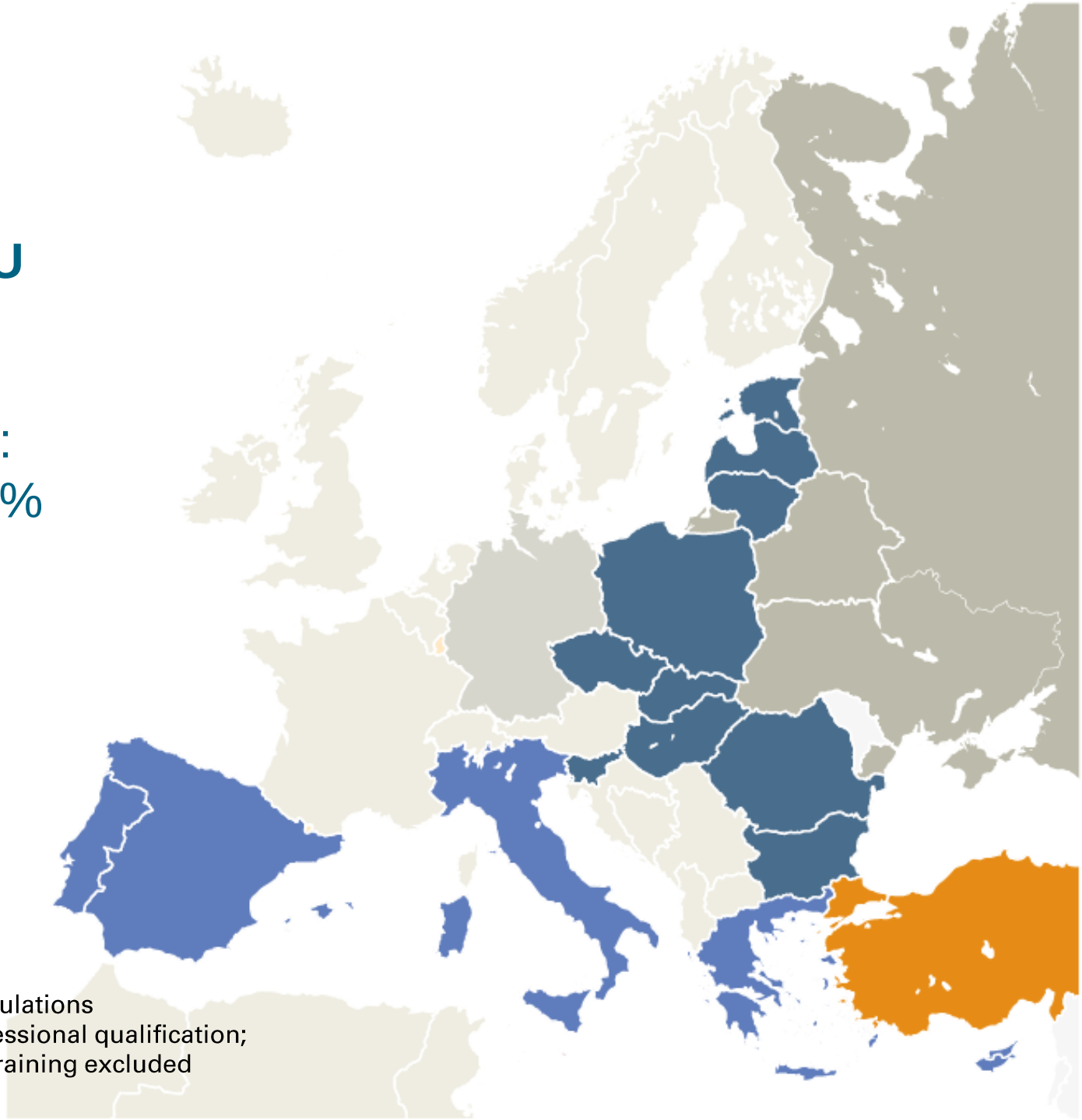
low-skilled:
1st gen: 53 %
2nd gen: 25 %



Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
age 18-64; persons in education/training excluded

Eastern EU
1.5 mio

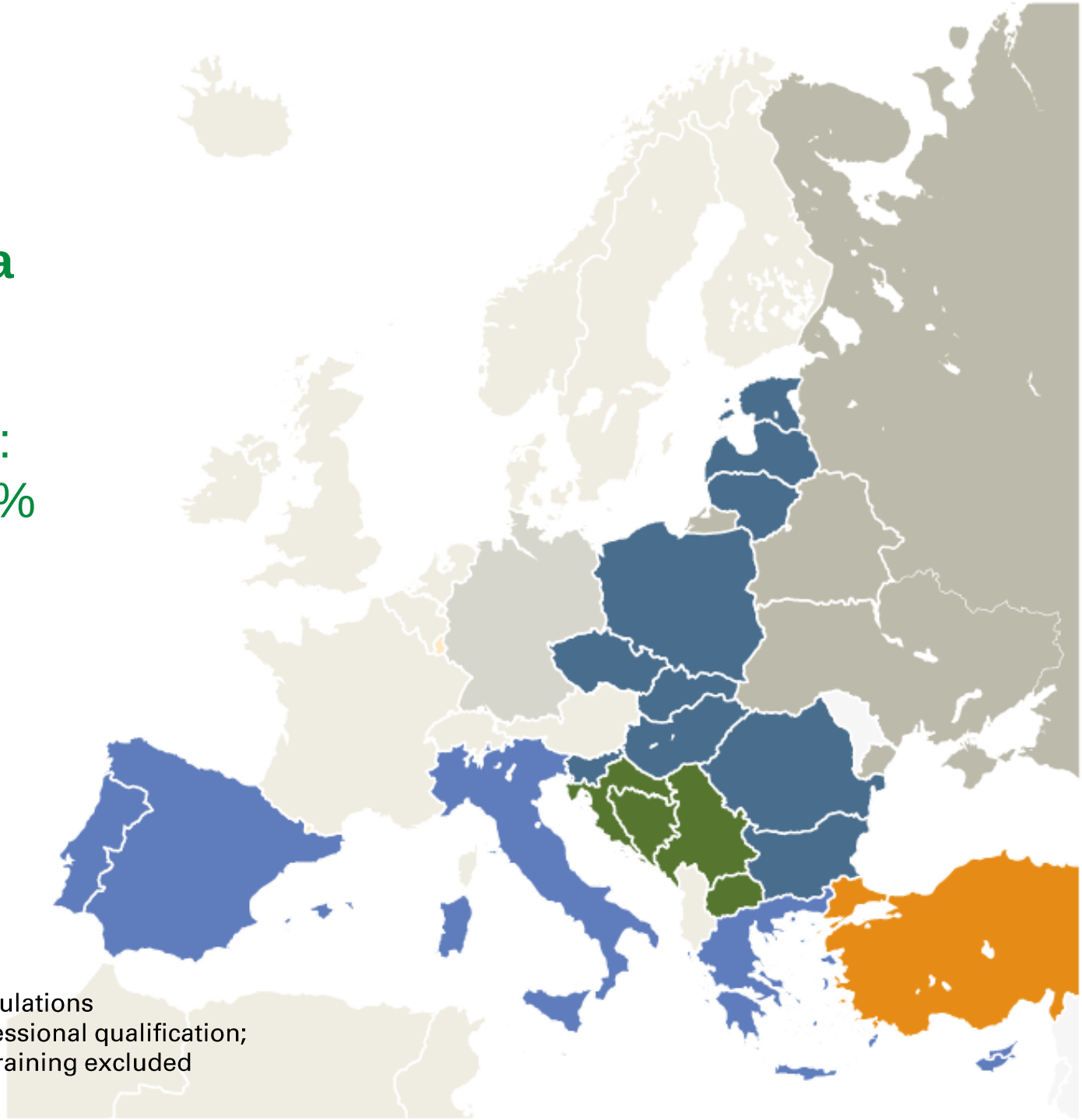
low-skilled:
1st gen: 26 %



Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
age 18-64; persons in education/training excluded

Former Yugoslavia 1.1 mio

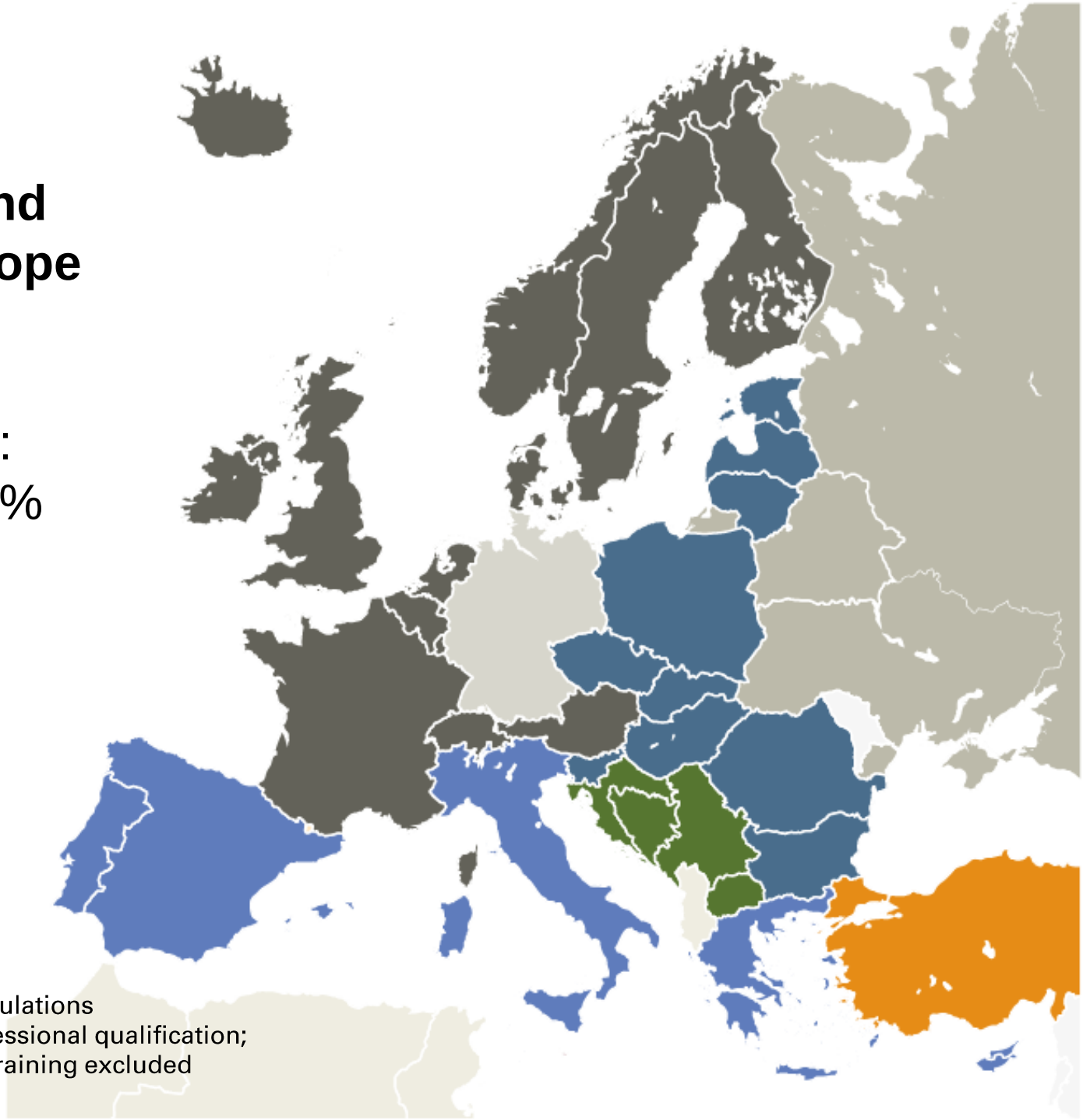
low-skilled:
1st gen: 44 %



Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
age 18-64; persons in education/training excluded

Northern and Western Europe 1.0 mio

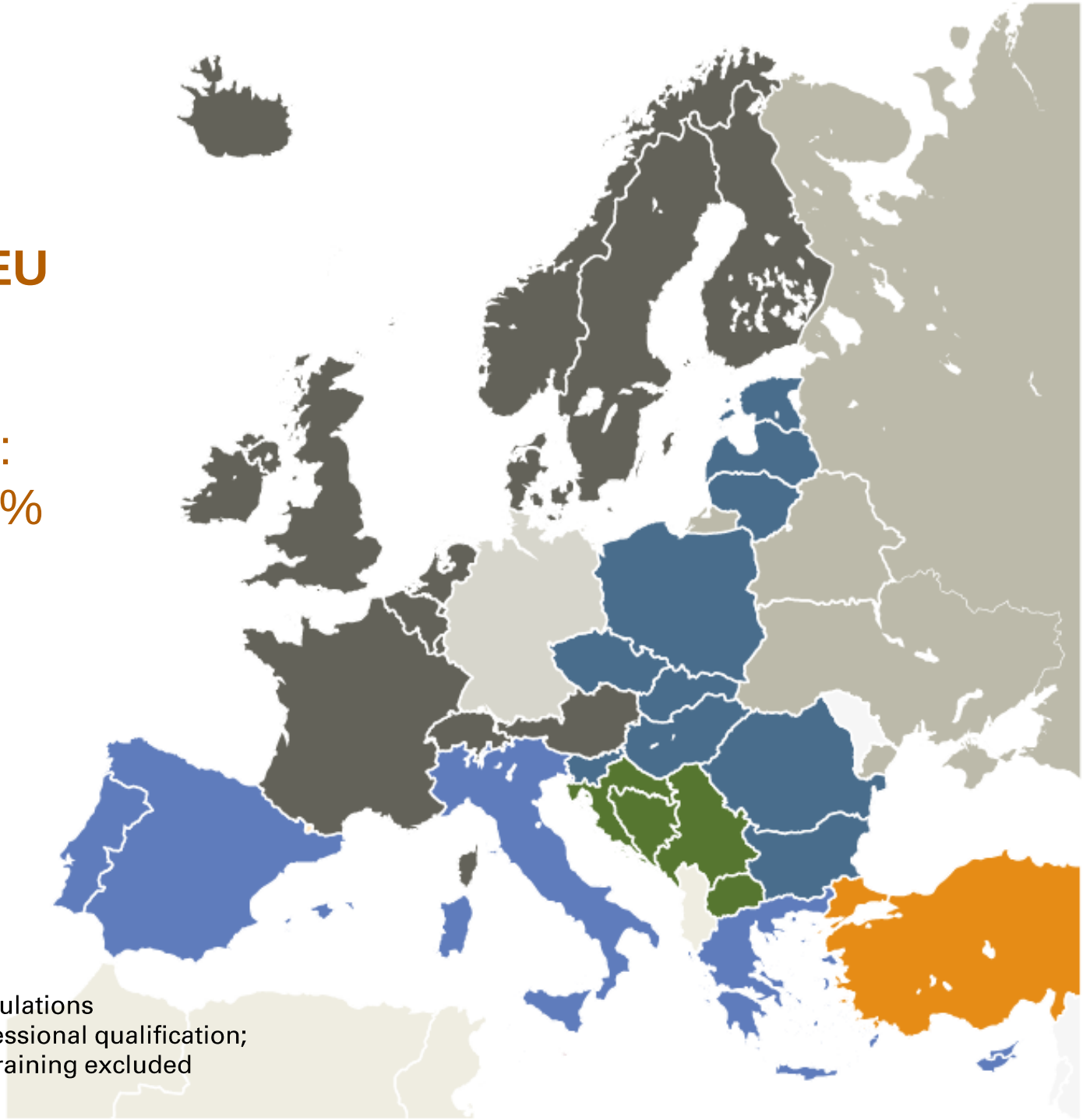
low-skilled:
1st gen: 20 %



Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
age 18-64; persons in education/training excluded

other non-EU
3.9 mio

low-skilled:
1st gen: 42 %



Data: Mikrozensus 2013; own calculations
low-skilled: persons with no professional qualification;
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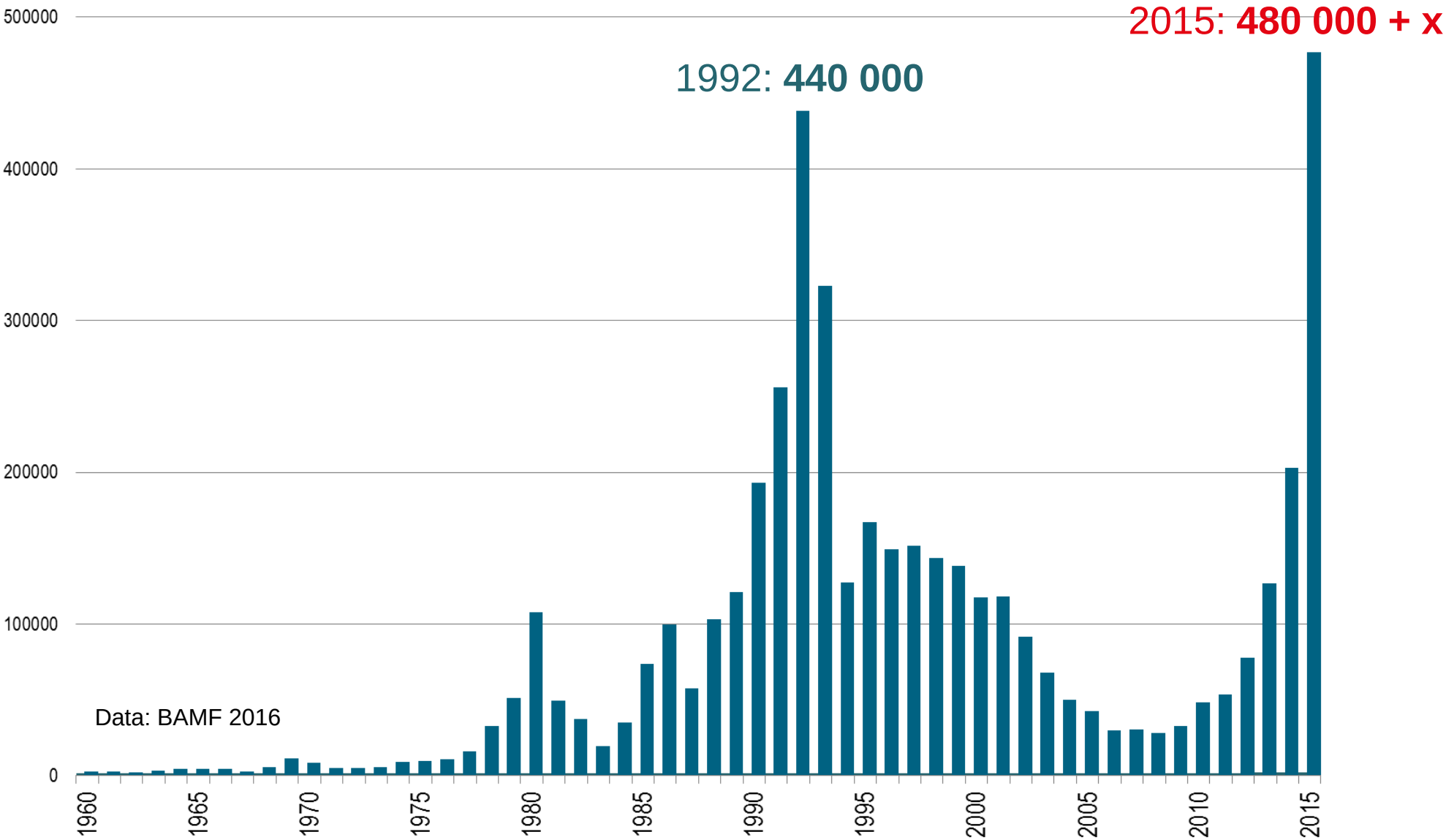
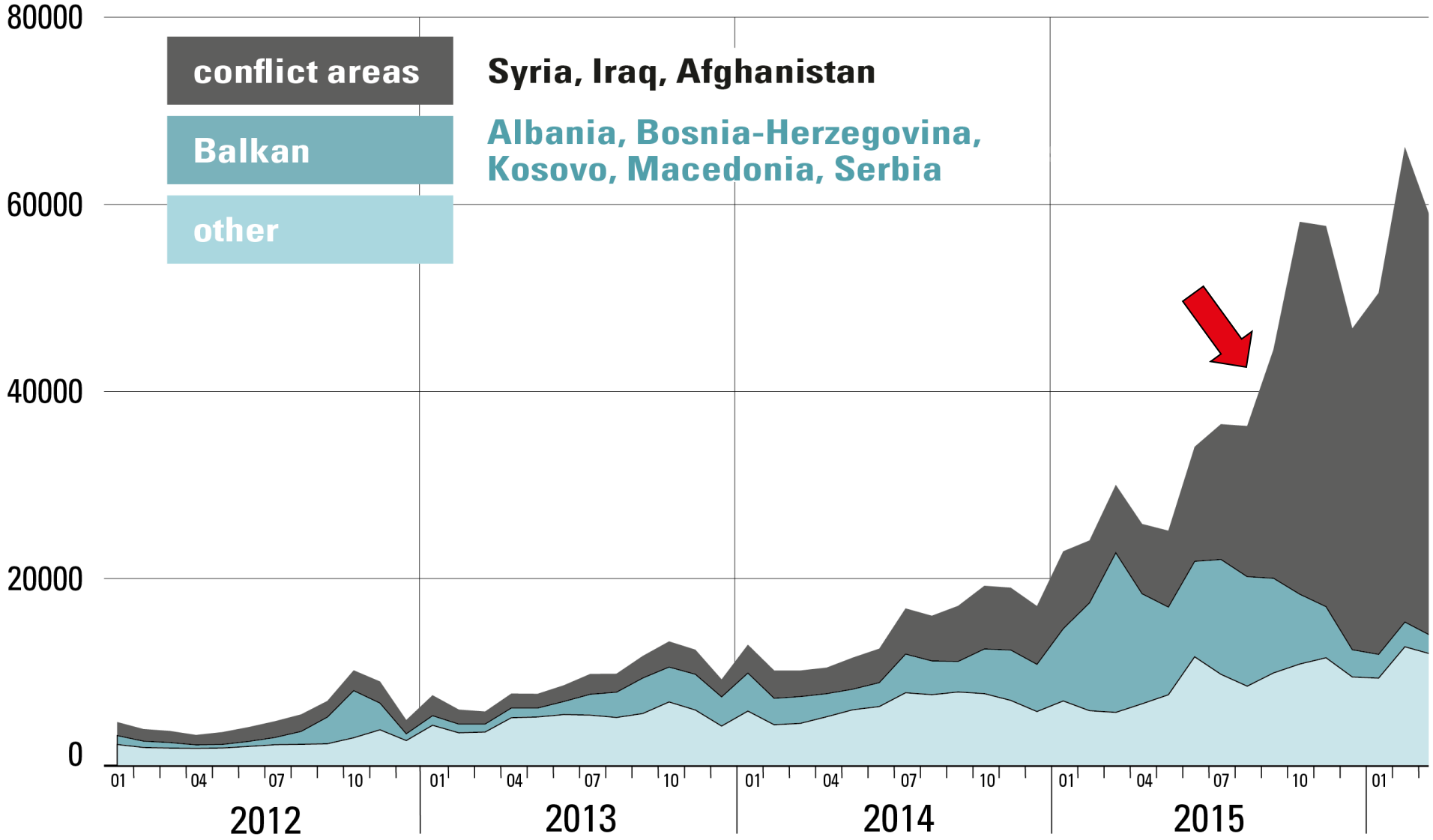
Asylum applications, Germany 1953 – 2015

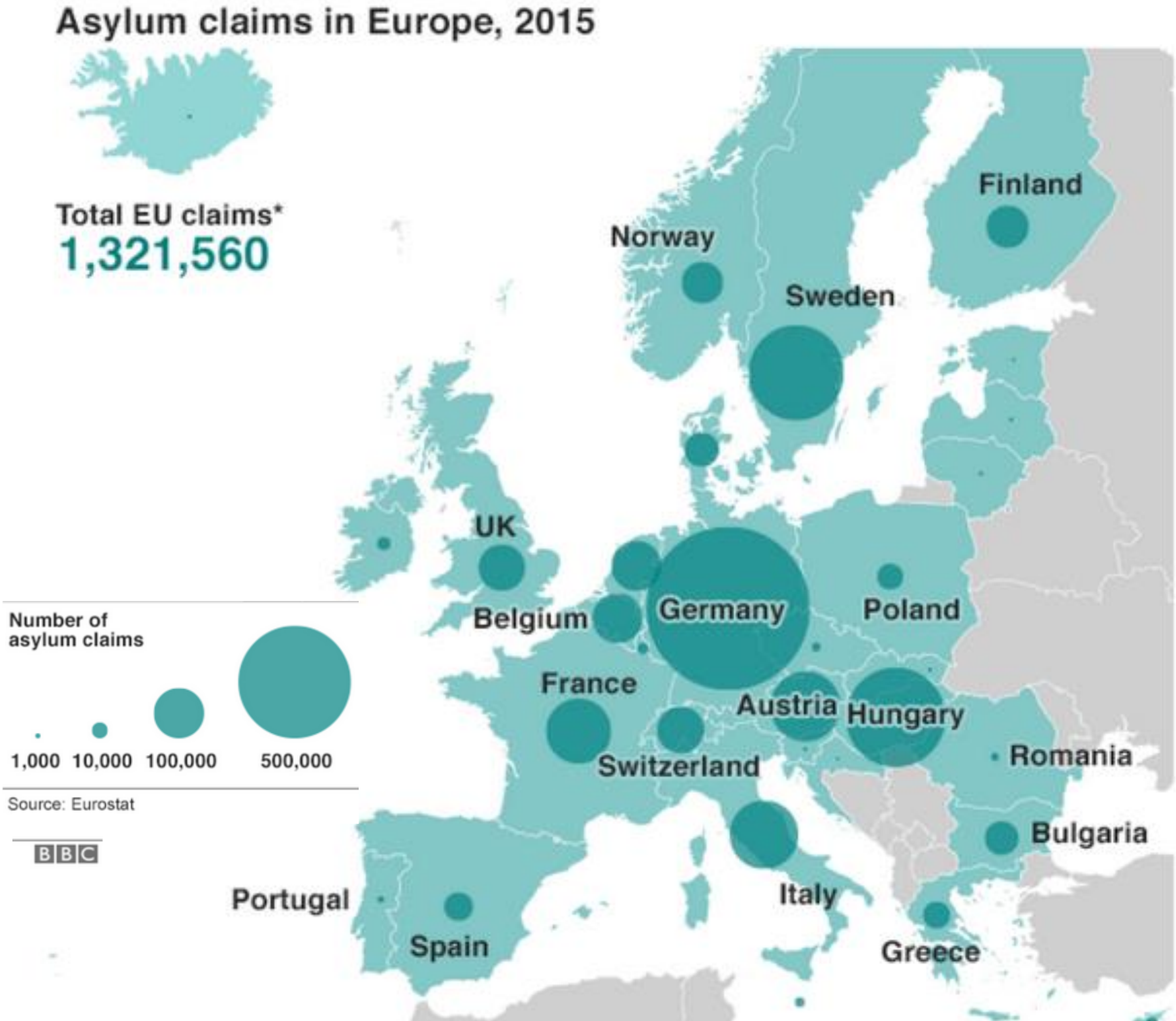


First time asylum applicants, by region of origin

Germany, January 2012 - March 2016



Data: Eurostat [migr_asyappctzm], monthly data (rounded)


Asylum claims in Europe, 2015
Total EU claims*
1,321,560
Finland
Norway
Sweden
UK
Belgium
Germany
Poland
France
Austria
Hungary
Switzerland
Romania
Bulgaria
Portugal
Italy
Spain
Greece
Number of asylum claims
1,000
10,000
100,000
500,000
Source: Eurostat
BBC

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EU – Turkey agreement March 2016

- migrants crossing from Turkey to the Greek islands will be returned to Turkey;
- for every Syrian returned to Turkey, another Syrian will be resettled to the EU;
- Turkey will prevent new sea or land routes for irregular migration opening from Turkey to the EU;
- Turkish citizens will be allowed to travel to the EU without a visa from July 2016 on;
- EU will pay 6 bn euros to Turkey as support for the refugees in Turkey

Germany:
Reactions to refugee inflow, late 2015/2016

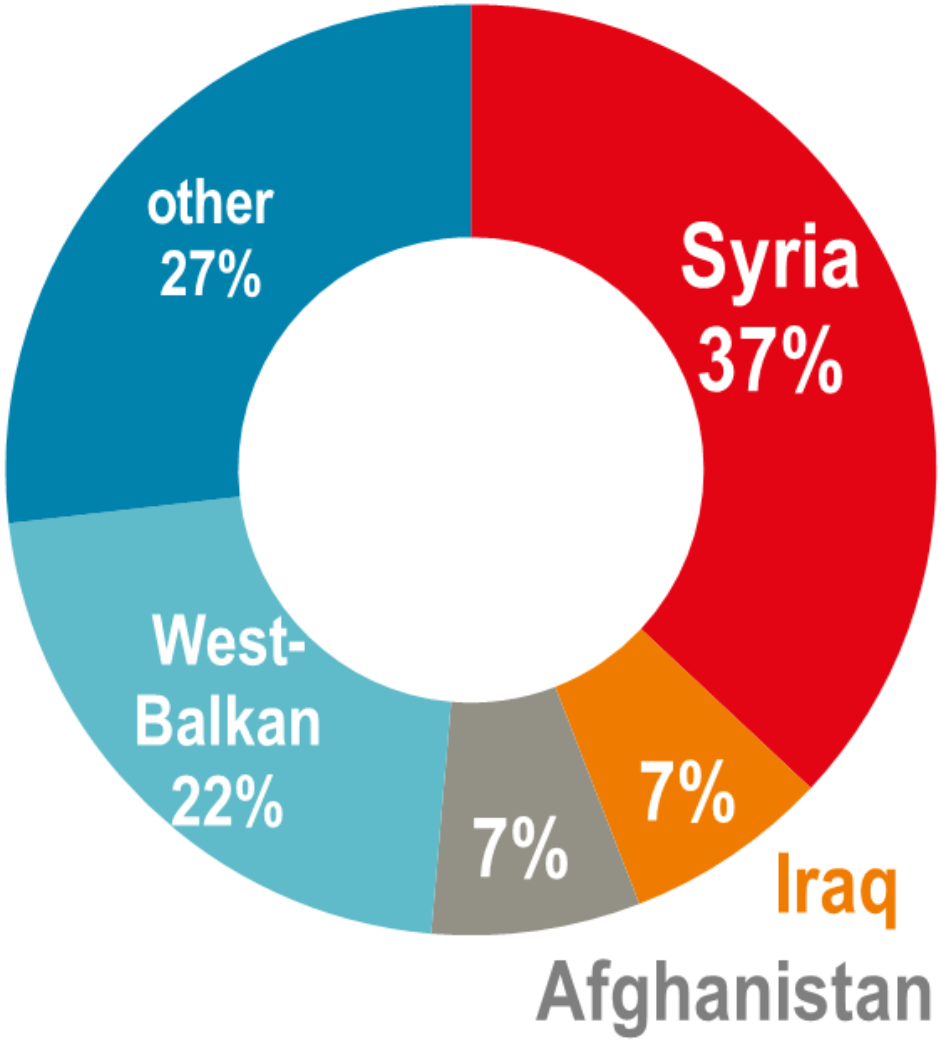
one of the main goals: speed up the asylum procedure

- West-Balkans declared "safe origin countries"
- intention to declare Morocco, Algeria andTunisia “safe origin countries“
- asylum procedures, access to measures of integration differentiate between “low and high prospects to remain in Germany” defined by the quota of recognised asylum seekers by country of origin the year before
- fast-track procedures for applicants with low prospects and from “safe origin countries”
- right for family reunification suspended for two years

What do we know about 2015 refugees?

preliminarily registered refugees: 1.1 mio
registered asylum seekers: 500 000

- 43 % from origin countries with „good perspectives to remain“: **Eritrea, Iraq, Iran, Syria**
- 68,5 % male
- very young:
  88 % less than 40 years old



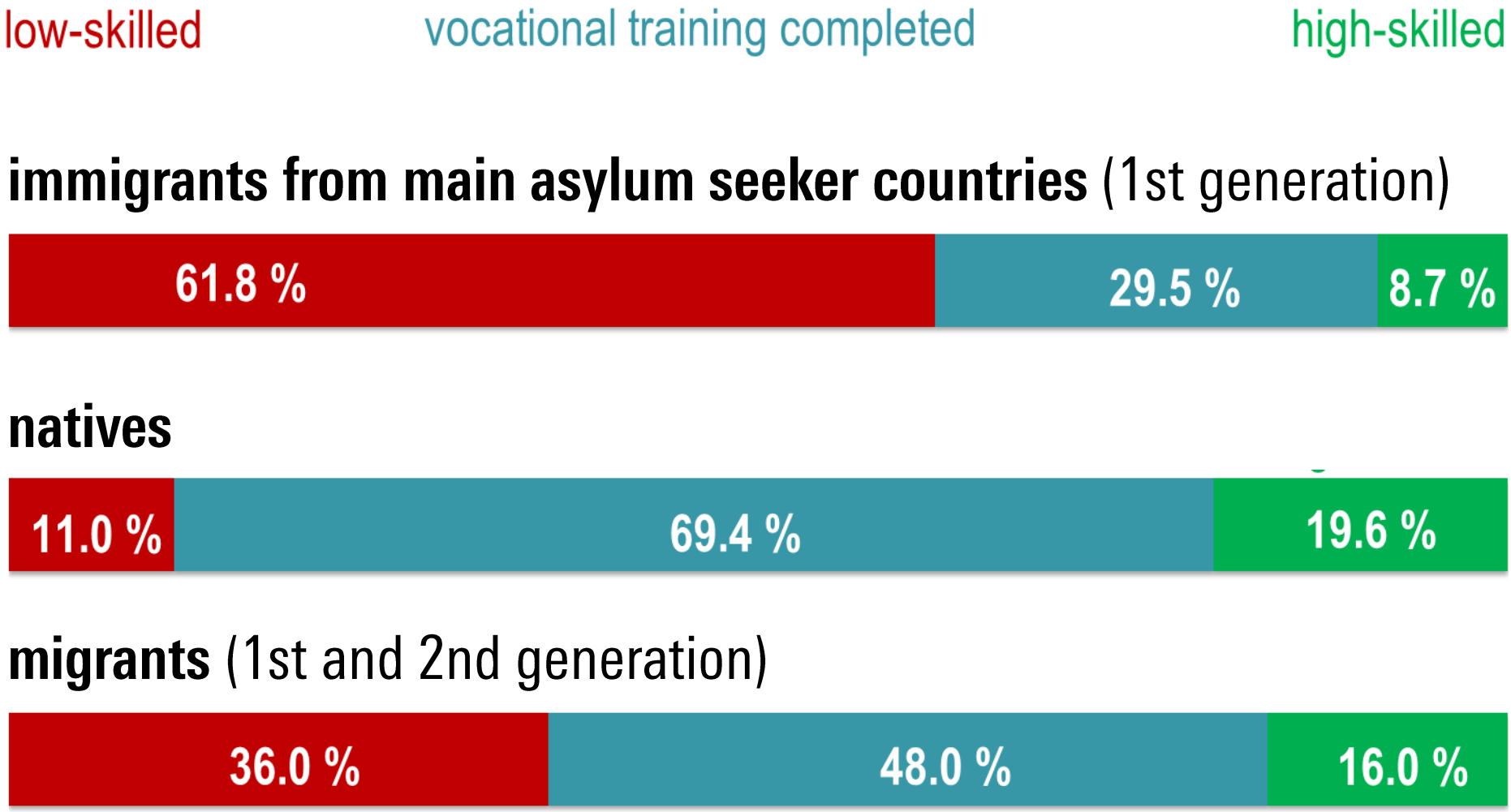
Levels of education:

Refugees with good prospects to remain in Germany, 2015

Preliminary, non-representative estimates based on refugees'own statements (IAB 2016)

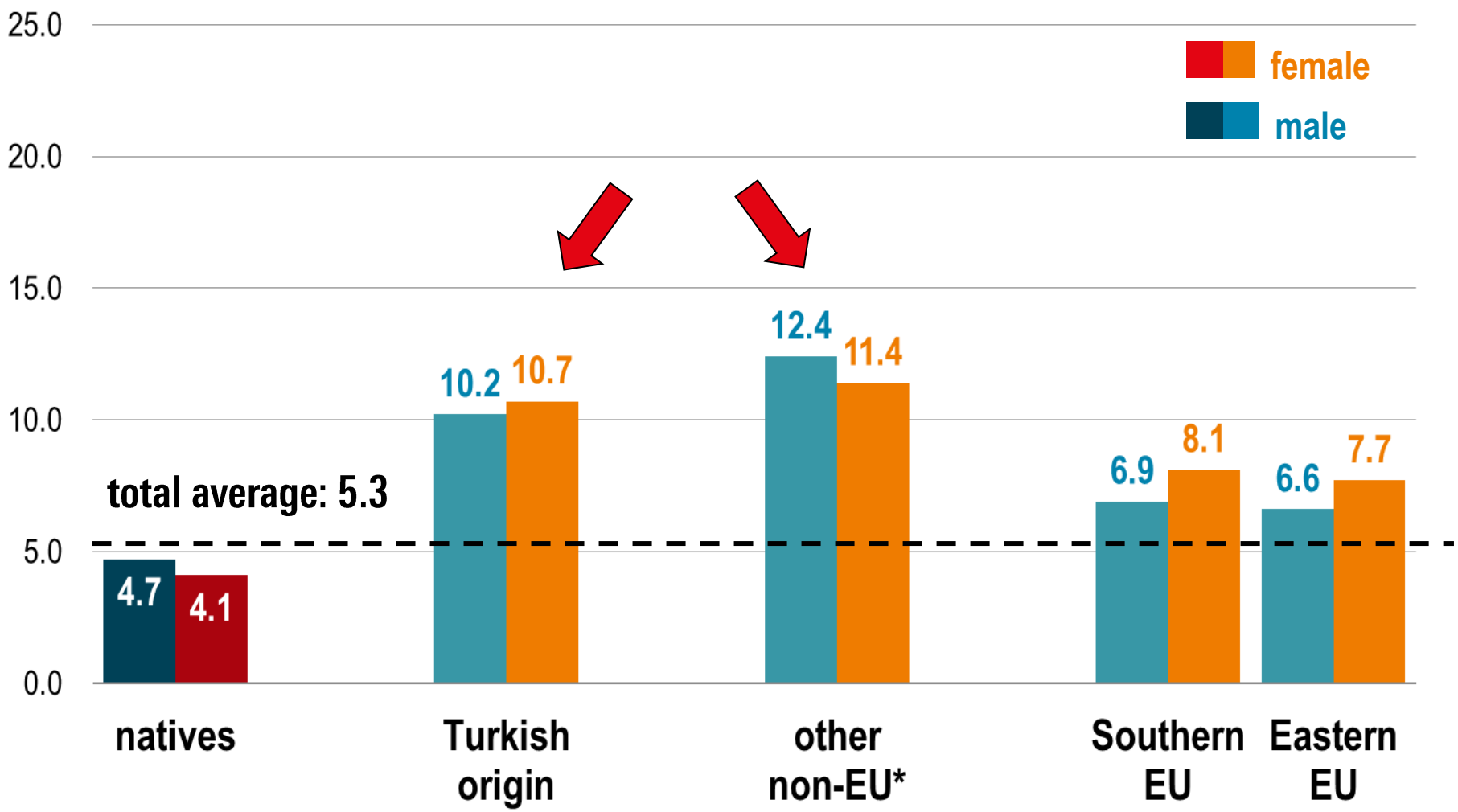
- Information on vocational or academic qualifications: not available
- High share of high-school education does not necessarily translate into high levels of professional qualifications (BAMF 2016, IAB 2016)

Formal vocational and academic qualification: resident immigrants and natives, 2013



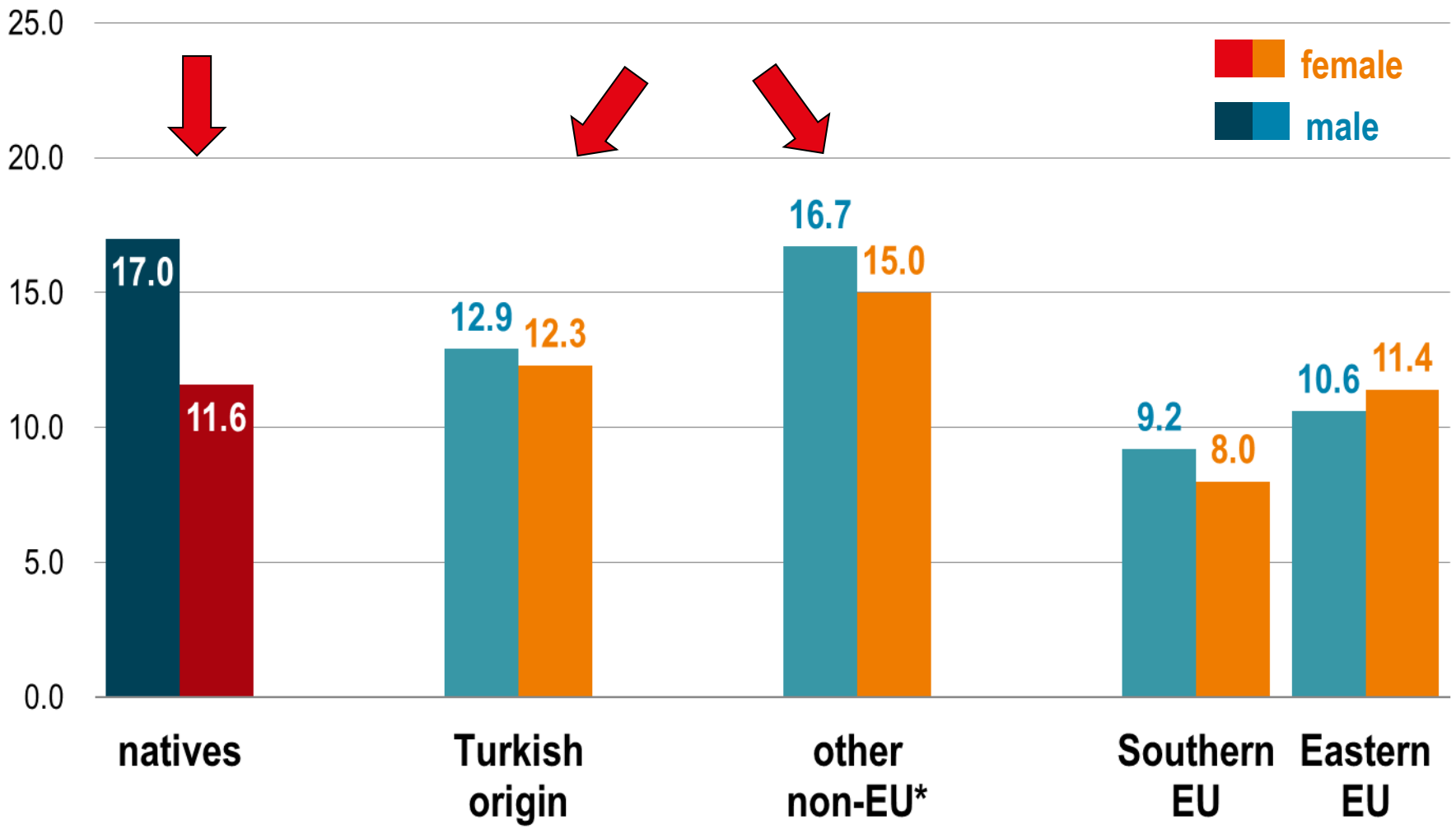
Data: Microcensus 2013; for immigrants from main asylum seeker countries: 2012; own calculations
Working age population (18-64), persons in education/training excluded

Average unemployment rates of natives and 1st gen. immigrants, selected groups 2013



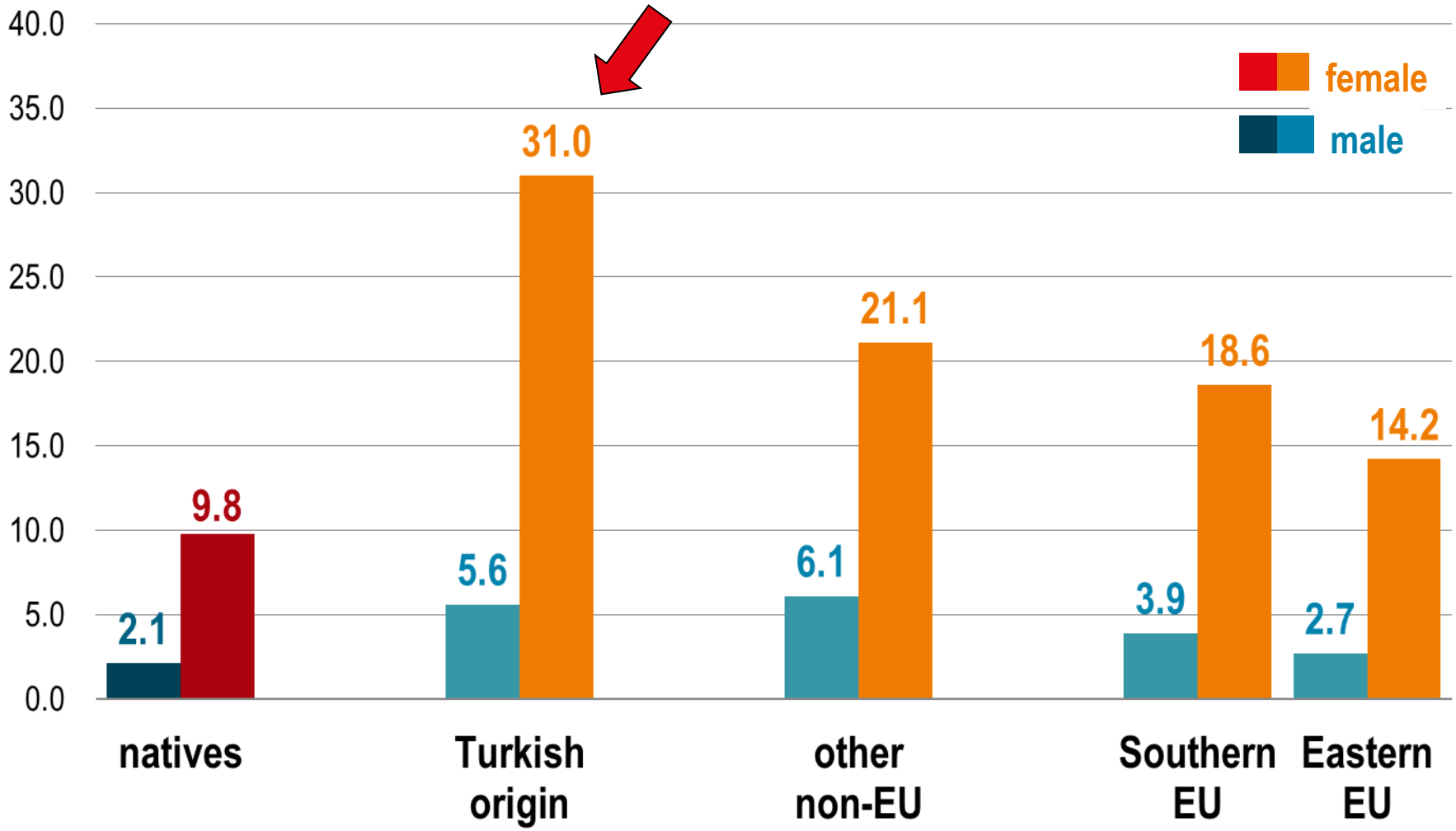
Data: Mikrozensus 2013; own calculations
age 18-64; persons in education/training excluded
* non-EU excluding TK and former YU

Unemployment rates of low-skilled natives and 1st gen. immigrants, selected groups 2013



Data: Mikrozensus 2013; own calculations
persons with no professional qualification; age 18-64; persons in education/training excluded
* non-EU excluding TK and former YU

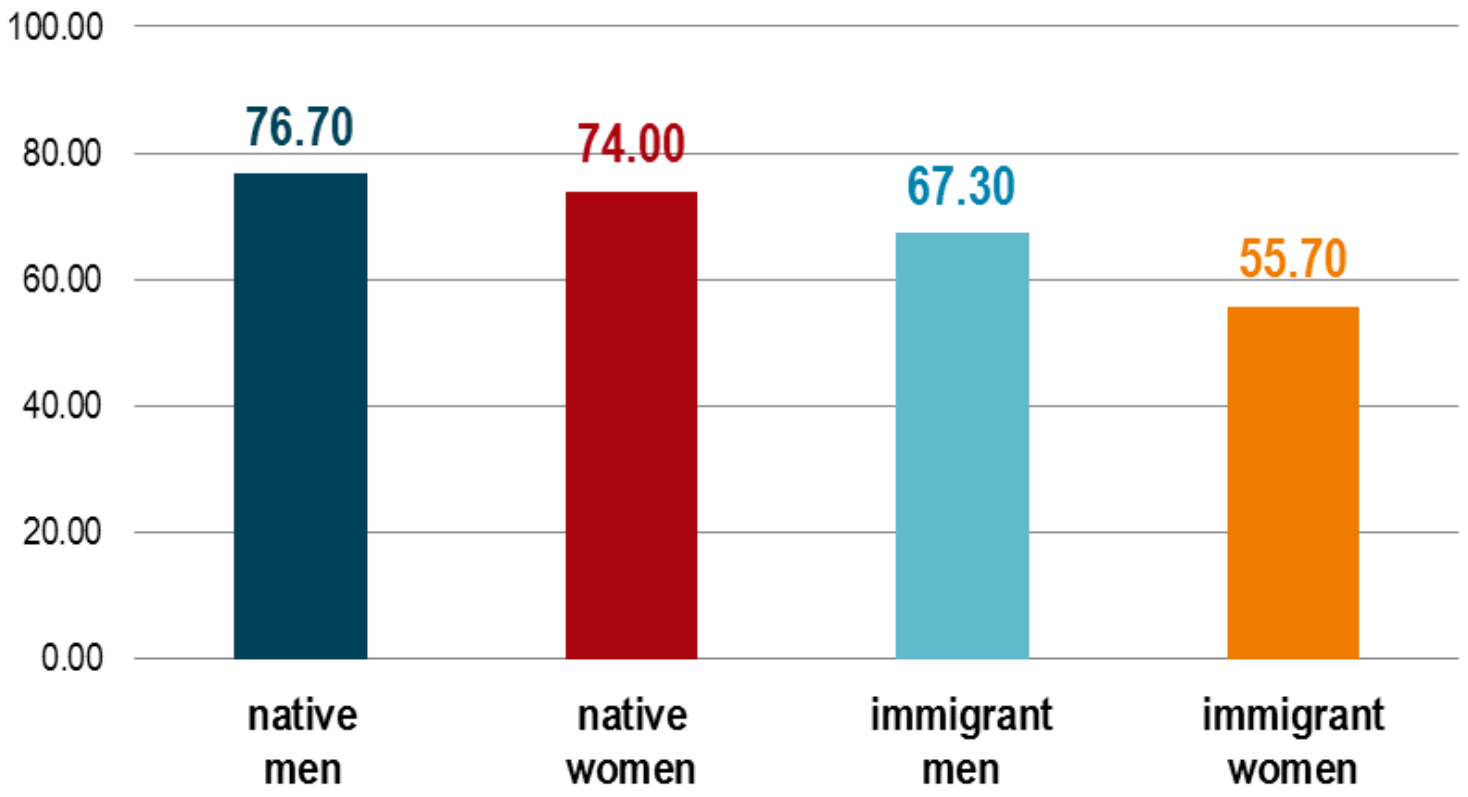
Marginal employment (450 Euros/month), 2013



Data: Mikrozensus 2013; own calculations
persons with no professional qualification; age 18-64; persons in education/training excluded
* non-EU excluding TK and former YU

Labour market position of high-skilled men and women, 2013

Share of high-skilled men and women working in positions matching their academical qualification (ISCO 1 and 2 jobs)



ISCO 08 1: Managers, ISCO 08 2: Professionals
Daten: microcensus 2013
Men and women with tertiary education, age 18-64, own calculations

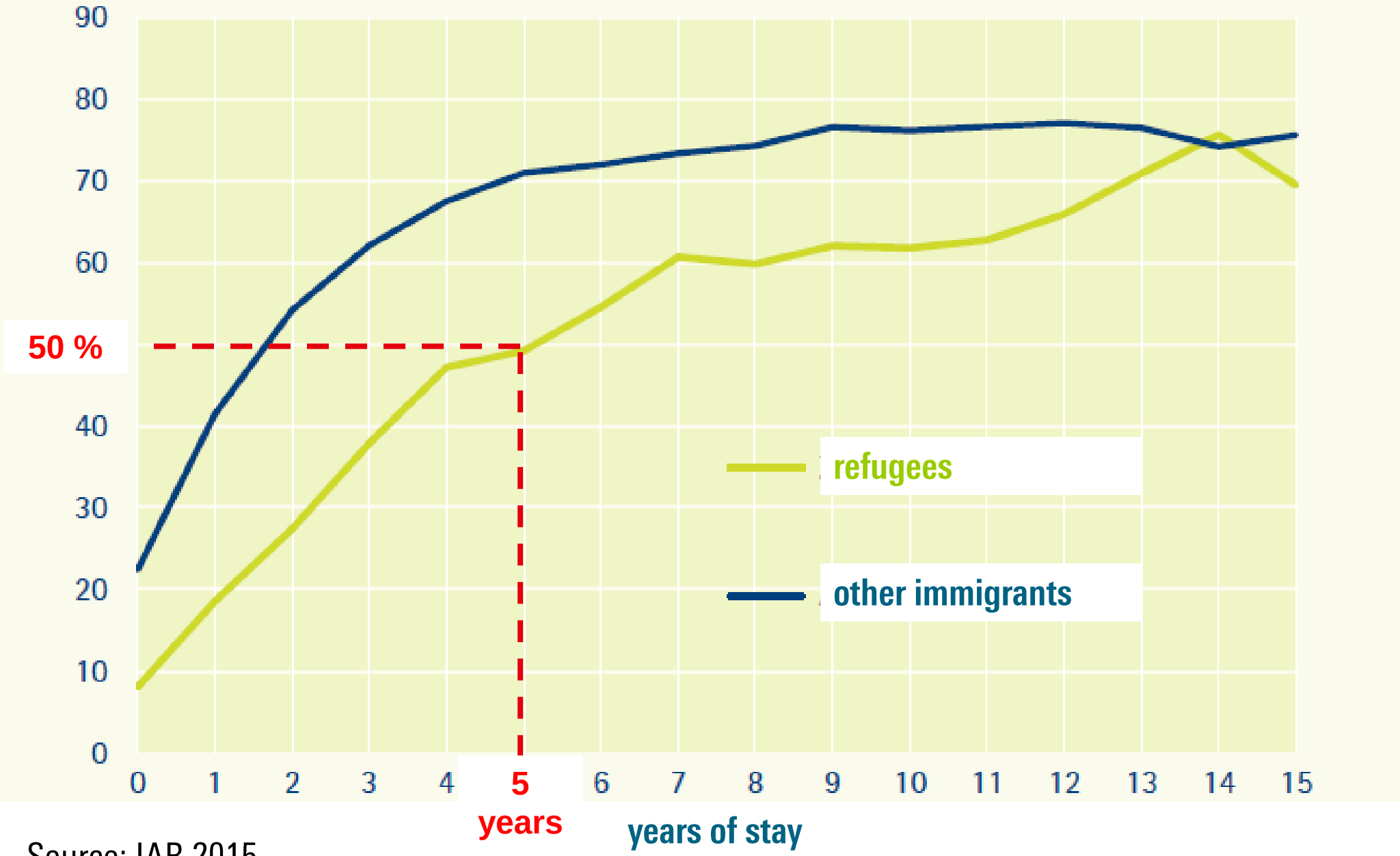
Refugees on the German Labour Market

- **Low labour market participation among female refugees**
  Male refugees: 90 %
  Female refugees: 50 %,
  lowest participation: female refugees from Iraq and Syria (less than 40 %)
  (BAMF refugee study 2014)

- **Job search: often unsuccessful**
  Male refugees: employment rate: 50 %
  Female refugees: employment rate: 11 %
  (BAMF refugee study 2014)

- **Labour market integration: needs a long-term perspective**

Employment rate of refugees and other immigrants, by length of stay



Source: IAB 2015

Employment by economic branch and level of activity

- immigrants overrepresented in low-paid branches
  hotels and restaurants
  services
  construction
- immigrants from conflict areas overrepresented in
  hotels and restaurants
  services

- mainly in very low-skilled jobs
- competition for jobs mainly between immigrants and refugees

International experience
Labour market integration – promising practices

- research and monitoring on the needs of refugees and employers
- manage expectations – decrease discouragement
- individualised employment plans-of-action
- active partnerships with employers
- vocationally-focused language courses with integrated work experience
- assistance with recertification
- microenterprise and self-employment programs

(source: UNHCR 2013)

Refugee integration in Germany
Language training

- **integration courses:**

  900 h language training + 60 h civic orientation
  + new: 30 h cultural orientation

- since 2005 mandatory for all non-EU immigrants
- 2005-2014: 90.000 – 140.000 participants every year
- specialized courses for women, parents, youth, analaphabets
- ESF-BAMF: work-related language tuition
  for several specialisations

Refugee integration in Germany
Labour market

- **unrestricted access** if asylum status or subsidiary protection has been granted
- for **asylum-seekers:** law requiring preference to German or EU job applicants suspended for three years (but not in regions with high unemployment rates)
- 100,000 new “working opportunities” open to asylum-seekers with “high perspectives to remain”
- guaranteed permit to stay for vocational training
- Federal Employment Agency: efforts towards fast registration of qualification and qualificational potentials
- better access to qualification measures

Refugee integration in Germany
Integration law 2016 (draft version April 2016)

Penalties instead of incentives

- asylum seekers will have to face **financial cuts if they reject mandatory integration measures**
- refugees will be **assigned a place to live** by the authorities and will not be allowed to move within the country (for 3 years)

Integration law: Trade Unions‘ positions

Incentives instead of penalties!

- more and better integration courses, bridges into employment
- positive incentives for communities to invest in the labour market integration of refugees
- support for internships combined with language training (IG Metall: “integration year”)
- no exceptions from minimum wages
- no wage competition between refugees and other job-seekers

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