REFUGEES’ LABOUR MARKET PROSPECTS IN GERMANY

Jutta Höhne
Transatlantic Social Dialogue
Panel: The refugee movements in Europe and migrant workers: the broad picture
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Germany 2014

1st gen. immigrants
(11 mio.)

2nd gen. immigrants
(5.5 mio.)

80%

natives
(64.5 mio.)

13%

7%

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;
age 18-64; persons in education/training excluded
Asylum applications, Germany 1953 – 2015

1992: 440,000

2015: 480,000 + x

Data: BAMF 2016
First time asylum applicants, by region of origin

Germany, January 2012 - March 2016

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

<table>
<thead>
<tr>
<th></th>
<th>Primary School</th>
<th>Secondary School</th>
<th>High School, Tertiary Education</th>
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</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>25%</td>
<td>26%</td>
<td>46%</td>
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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

<table>
<thead>
<tr>
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<th>Low-skilled</th>
<th>Vocational training completed</th>
<th>High-skilled</th>
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<tbody>
<tr>
<td><strong>Immigrants from main asylum seeker countries (1st generation)</strong></td>
<td>61.8%</td>
<td>29.5%</td>
<td>8.7%</td>
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<tr>
<td><strong>Natives</strong></td>
<td>11.0%</td>
<td>69.4%</td>
<td>19.6%</td>
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<tr>
<td><strong>Migrants (1st and 2nd generation)</strong></td>
<td>36.0%</td>
<td>48.0%</td>
<td>16.0%</td>
</tr>
</tbody>
</table>

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

- Natives: 4.7 female, 4.1 male
- Turkish origin: 10.2 female, 10.7 male
- Other non-EU*: 12.4 female, 11.4 male
- Southern EU: 6.9 female, 8.1 male
- Eastern EU: 6.6 female, 7.7 male

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)

ISC0 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
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
References


