Parliamentary Assembly
Assemblée parlementaire
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Doc. 12729
28 September 2011

The activities of the Organisation for Economic Co-operation and Development (OECD) in 2010-2011

Contribution[1]
Committee on Migration, Refugees and Population
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1. Conclusions of the committee

1. The Committee on Migration, Refugees and Population welcomes the report by Ms Birutė Vėsaitė (Lithuania, SOC), which reviews the activities of the OECD in 2010-2011 in the light of the Organisation's 50th anniversary and its latest annual report, focussing on the current trends and prospects for the world economy. The regular debate on the activities of the OECD remains relevant to the work of the Council of Europe, in particular on issues related to economic governance which are closely interlinked with the core values of the Council of Europe and the work of several committees of the Assembly. In this respect, the committee appreciates the recommendation in paragraph 3 of the draft resolution requesting the OECD to keep demanding full respect for democracy, human rights and the rule of law as accession criteria for its candidate countries.

2. With regard to its own field of activities, the committee applauds the OECD for the essential work it carries out in the field of international migration. This work, and particularly the wide range of migration statistics its Continuous Reporting System on Migration (SOPEMI) provides, is crucial in the current period of economic turmoil in a number of OECD member states.

3. The committee welcomes the recent publication of the 2011 edition of International Migration Outlook (hereafter "IMO 2011"), which presents fresh data on migration flows and formulates policy suggestions for dealing with the impacts of the economic downturn on the labour market. Most of the data analysed concerns the year 2009, which explains why some of the more recent developments in the world, be it the effects of the Arab Spring or of the looming threat of default in a number of European OECD member states, have not yet been reflected in them.

4. The committee observes that international migration is affected by the same global changes that are affecting the world economy. The driving changes in migration policies and patterns can significantly influence social stability, inter-state relations and the pace of global economic recovery. The IMO 2011 states that the emerging economies of China and India are now the main origin countries of immigration to the OECD area (accounting respectively for 9% and 4.5% of immigrants), while South Africa is the main destination country for asylum seekers. As economic growth in developing Asia outstrips that of OECD countries, regional migration flows are gaining importance. South–South migration already accounts for about half of global movements and the competition for talent goes well beyond the OECD area. Future migration movement are thus unlikely to mirror completely the patterns of the past.

1. Reference to committee: Standing mandate. Reporting Committee: Committee on Economic Affairs and Development. See Doc. 12683. Contribution approved by the committee on 13 September 2011.

5. The committee notes the following trends and developments in the OECD area: in 2009, the economic downturn marked a decline in permanent regulated labour inflows of about 7%. Free-circulation movements within the European Union and temporary labour migration saw the biggest falls: 22% and 16% respectively compared with 2008. Compared with movements observed prior to the crisis, the largest absolute declines were recorded for migration from new European Union member states, most notably Romania, Poland and Bulgaria.

6. Nonetheless, regardless of the severity of the economic crisis, migration movements have not declined as much as one might have expected. The OECD argues that this may partly reflect the impact of current demographic trends, notably in Europe, where ageing populations and falling fertility rates create an increasing demand for both skilled and unskilled workers. It also reveals that family and humanitarian migration are less affected by economic downturns than labour migration and tend to remain more or less unchanged.

7. The economic crisis has not had an obvious impact on the number of asylum requests in OECD countries, which stood at about 363 000 in 2009 and remained virtually unchanged in 2010. This, as the report points out, corresponds to a relatively low level, compared with the historical highs attained in the early to mid-1990s or even compared with the levels above 600 000 in the early part of the decade. It remains to be seen how the 2011 Arab Spring and its consequent events will affect the numbers of asylum claims in Europe.

8. As already referred to in previous 2009 and 2010 editions of International Migration Outlook, immigrants have been disproportionately – and immediately – hit by the economic downturn and consequent employment crisis. The 2011 report notes that between the first three quarters of 2008 and 2009, the unemployment rate of the foreign-born increased markedly in all OECD countries. In Spain, for example, in the fourth quarter of 2010, the foreign-born unemployment rate reached 29.3% compared with 18.4% for natives.

9. OECD data confirm that migrant women have been less affected than migrant men. One reason is that they are concentrated in employment sectors (for example, social and domestic services) which have not suffered as much from the economic crisis. Another possible explanation is that migrant women may have increased their labour force participation to compensate for income losses from migrant men.

10. Young migrants continue to be in a particularly vulnerable situation in the labour market. Except in Germany, the employment rate of young migrants aged between 15 and 24 has decreased in the past three years and it did so more than the employment rate for the native-born young people. On average, in European OECD countries, in the third quarter of 2010, 24.5% of young migrants were unemployed compared with 19.6% of native-born young people.

11. And yet, despite the negative net job creation, hiring has not stopped. Immigrant employment has increased in some sectors (education, health, long-term care, domestic services), while it has shrunk in others (construction, finance, wholesale and retail trade, etc.). However, what is not sure is to what degree laid-off migrant workers can take up new employment opportunities, and this potential inability accentuates the risk of long-term unemployment for specific categories of workers, especially low- and medium-skilled men, and an ever-increasing number of regular (often long-term) migrants losing their legal status.

12. In this regard, the committee reiterates its concern about the risk of “normalising irregularity” in Europe. Migrants who lose their legal status are often forced to accept extremely unfavourable conditions out of fear of unemployment and destitution. Their situation also makes them prey for smugglers and trafficking networks.

13. The immigrant population makes a significant contribution to population growth in many OECD countries. The foreign-born population in 2009 accounted for 14% of the total population in OECD countries for which data were available. This is a 13% increase relative to the year 2006, and a 37% increase over the past decade. In 20 of the 34 OECD countries, immigrants exceed 10% of the total population. Traditional immigration countries such as Germany and the Netherlands (with immigrant populations of 13% and 11%, respectively) have been overtaken by the new migration countries of Ireland and Spain.

14. The committee shares OECD’s concerns about the lack of readiness of European societies to accept these structural changes. Recent elections, in the context of difficult economic conditions, have revealed discomfort on the part of many voters in OECD countries at the prospect of increasing levels of international migration. Anti-immigration rhetoric prevailed in many election campaigns in 2009 and 2010. Several countries adopted restrictive measures on labour migration. This is the case notably in Spain or Ireland, but also in the United Kingdom where a change of government brought a much more restrictive approach to labour migration. Family and humanitarian policies, as well as border controls, have also been tightened, albeit for different reasons.

15. The committee warns that imposing restrictive, populist-led measures or undue or indiscriminate restrictions on immigration could lead European countries to pay a heavy price in future growth. It notes, however, with a certain satisfaction, that in many member states the official policy is in fact favouring more open labour migration, at least in terms of expecting to recruit greater numbers of highly skilled migrants in the coming years, in occupations where the domestic supply is insufficient. Several have implemented reforms to increase attractiveness as a receiving country, for foreign workers in general and skilled workers in particular.

16. In this context, the committee believes that the benefits of migration can only fully be achieved through effective integration measures, many of which have so far regrettably failed to meet their objectives. The diversity brought by migration can be a competitive advantage for the European economies. This would require greater efforts to offer newly arrived people the possibility to learn the language of their host country, to get a job or to study. The IMO 2011 nevertheless observes positive initiatives and increasing attention at policy level to targeting new arrivals, labour market integration, in particular regarding the recognition of foreign qualifications, and the integration of children of immigrants.

17. Finally, the committee recalls that one of the keys to satisfactory employment outcomes and, ultimately, integration for immigrants is naturalisation. The OECD research shows that naturalised immigrants enjoy substantially better labour market outcomes across a whole range of indicators such as a higher employment probability, better occupational status and access to the public sector, and higher wages. Governments should, on the one hand, encourage eligible immigrants to take up nationality of the host country and, on the other, consider lowering barriers to naturalisation, such as limits on dual nationality and overly restrictive eligibility criteria.

18. In the light of the above, the committee supports the four key recommendations of the OECD contained in the IMO 2011 as regards:

– the relevance of getting the facts into the public domain, in particular regarding the true picture of integration of migrants in European economies and societies;

– broader co-operation between OECD and origin countries, as well as between governments and employers;

– the need for enhancing integration efforts, which should be seen as a long-term investment and not a short-term cost;

– providing everybody with a fair chance of succeeding though easier naturalisation programmes and guaranteeing equal rights.

2. Proposed contribution to the draft resolution

19. Whilst emphasising its support for the draft resolution tabled by the Committee on Economic Affairs and Development, the Committee on Migration, Refugees and Population proposes to include the following paragraphs in the draft resolution:

> *"1. The enlarged Assembly expresses its concern over the impact of the lingering economic and job crisis on international migration. It welcomes the OECD's continuing analysis of how the economic situation affects the origin and destination countries in both the short and medium term, as well as in advising governments on specific policy responses to meet this challenge. In this respect, it particularly welcomes the recent publication of the International Migration Outlook 2011.*
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> *2. The enlarged Assembly recognises that Europe is an immigration continent – and it is in its interest to be one. Care should be taken to ensure that the tightening of border controls and the denying of opportunities for legal entry or family reunification do not increase irregular migration and public resentment towards foreigners. This could lead to xenophobia and sow the seeds of social conflict as well as cause tension in inter-state relations.*
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> *3. The enlarged Assembly is convinced that the present economic crisis could be turned into a great opportunity for laying the basis for a sound management of human mobility in the future. The current potential dangers could be minimised through timely preventive measures. It therefore calls on the member states to adopt flexible immigration policies congruous with current and anticipated labour needs, to avoid populist, inward-looking policies, and to introduce proactive labour-market measures, notably through job creation."*