



EUROPEAN POLICY BRIEF



Youth labour mobility and unemployment Lucia Mýtna Kureková
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INTRODUCTION

Free movement of labour represents one of the cornerstones of European integration. Labour mobility was in particular realized after the Eastern enlargements of the EU that were followed by unexpectedly high flows of young and well educated migrants. A further spur to mobility came from the Great Recession that affected very harshly several Southern European countries and encouraged young people (aged 15-34) to look for work elsewhere in Europe. How does intra-EU mobility influence labour market outcomes of young people in the EU? Does labour migration help to fight youth unemployment? These are pertinent questions that were addressed by a set of interrelated research tasks in Work Package 6 of the STYLE project. We looked at the differences and similarities in patterns of mobility from South to North and from East to West as well as over time, in order to understand the relevance of institutional factors and macroeconomic environment in explaining the role of youth labour mobility in alleviating unemployment and labour market mismatches. We were interested to understand how the Great Recession shaped mobility of youth in terms of return migration and new migration streams.

EVIDENCE AND ANALYSIS

Our work confirmed existing research, but we were also able to fine-tune knowledge about performance of youth labour migrants, and to generate new insights into the role of labour market intermediaries and public institutions in the process of migration and return.

Performance of intra-EU migrants

We departed from understanding that migrants are often disadvantaged in receiving country labour markets and found further evidence showing large inequalities especially with respect to quality of employment. Young migrants from Central and Eastern Europe in particular, in spite of high employment rates, continue to face high risk of being overeducated, underpaid and of having atypical forms of employment in host countries. While this disadvantage also holds for the new streams of migration from Southern to Northern Europe, it is much less prevalent and disappears completely in the context of West-West mobility where intra-EU migrants are treated equally in labour market. Importantly, we do not find negative evidence of the Great Recession on labour

market outcomes of young migrants and returnees. In sum, while youth labour migration helps to decrease unemployment in home countries, it falls short of providing equal level playing field in a cross-European context, in particular for the Eastern European migrants.

Return migration in the crisis

Foreign work experience generally brings positive benefits to individuals and is viewed rather positively also by employers in Estonia and Slovakia on which we focused in the analysis. Estonian returnees reap benefits in terms of higher wages, but no evidence was found of a positive effect of migration and return on the upward occupational mobility. In Slovakia, individuals with post-accession foreign work experience are more attractive in the labour market than those without such a record. Return migrants in Slovakia initially face a higher risk of short-term unemployment, but they exit unemployment registries at a higher rate than stayers.

While employers perceive returnees mostly positively, it matters what type of experience the returnees gained with larger benefits for having worked in a matching field or having developed skills needed in the labour market. In both countries, migrants as well as employers attribute a set of skills conducive to success in the job search and good performance at work to foreign work experience. In addition to language, social skills, a positive approach, a problem-solving attitude, greater cultural sensitivity and tolerance are also seen as assets. Evidence in the Slovak case study implies that return is typically not driven by worsened labour market conditions abroad, but a combination of individual-level factors and opportunities in home country. From this perspective, the recent financial crisis had more of a contextual rather than deterministic effect on return decisions of Slovak migrants.

Role of actors in labour mobility: Labour market intermediaries and public institutions

Private labour market intermediaries have powerful positions in the triangular relationship between themselves, employers and young migrants. They strongly impact working conditions, but in an ambivalent manner. They are, on the one hand, able to secure good working conditions for young migrants by counselling and controlling the employer. However, since they conceive of employers as their main clients, their level of commitment is higher to employers than to migrants. The position of young migrants is, therefore, often fragile, bearing the risk of exploitation.

Regarding the role of institutions in the re-integration process after return, especially high-skilled young returnees bypass institutions and tend to rely on personal networks and family, while the internet serves as the key job search tool. Welfare policy is not a key driver of return or re-integration, but access to public services is considered and evaluated in the migration decision and upon return, especially with respect to family-related issues (i.e. maternity benefits, health care). Unemployment benefits provide a framework for possibly better job-skill matching for returnees. Return migrants are a diverse group where gender or ethnicity act as factors that make re-integration difficult.

POLICY IMPLICATIONS AND RECOMMENDATIONS

1. Enhancing the role of public institutions

This research underlines the importance of labour market intermediaries for youth migration in Europe. We advocate drawing more attention to the needs of young migrants. To this end, public labour market intermediaries could take a more active role in transnational job search, recruiting and matching processes of young migrants in Europe. Furthermore, there is scope for public institutions to provide better assistance upon return and to facilitate integration. For example, return migrants can become a target category in labour offices. Importantly, inequalities exist among returnees and not all returnees are on an equal footing in terms of their abilities. While many returnees circumvent formal institutions, there are still many who approach them and can be reached by effective policy that they most likely also need. In particular, returnees disadvantaged in terms of gender, age or ethnicity might need assistance in their re-integration process.

2. Addressing labour market segmentation of intra-EU migrants

In order to better address *de facto* discrimination of CEE and Southern European migrants, we propose the following measures:

- Strengthen the role of public labour market intermediaries
- Increase monitoring and regulation of private intermediaries to secure good working conditions for young migrants
- Improve career and training opportunities to help young migrants to develop their country-specific skills to help them in accessing jobs that fit their skills and interests
- Consider providing financial support and counselling to young migrants, following best practice of *Jobbresan* scheme offered to Swedish migrants in Norway

3. Improving matching of migrants' and returnees' skills to jobs

Over-qualification of intra-EU migrants and poor matching continue to be a challenge. From this perspective, tools facilitating the matching of migrants to jobs, such as EURES, employment agencies or well-designed job portals can be very useful. Matching should be encouraged by decreasing information asymmetries in the intra-EU mobility. A further focus to enhance matching should be given to improving language skills of migrants. An increased focus on intra-EU exchange during education may be one way, subsidised language courses or increased opportunities for financial support for participating in language training are further forms of facilitating language skills development. To deal with non-recognition of foreign qualifications and experience, public (or private) labour market intermediaries or labour unions could mediate between employers and employees. These services could be set up as a web-based service or as an actual contact point for migrants. Continued efforts to standardise educational criteria and to develop a European qualification framework may be another strategy to help migrants get adequate positions by enhancing employers' understanding of their skills.

RESEARCH PARAMETERS

This project aimed to understand under what conditions intra-EU mobility improves labour market outcomes of young people. It consisted of interrelated tasks analysing the selectivity of recent intra-EU migration, migrants' and returnees' labour market integration patterns, and the role of labour market actors, policies and institutions in facilitating better labour market outcomes of migrants and returnees. It covered a number of receiving and sending countries in Europe, it had a strong comparative component and we used mixed methods and various data sources (LFS, European Social Survey, administrative data, online data, web survey, and interviews). This enabled us to understand better the role of institutional or macroeconomic factors, and identify important differences across countries and over time that help us to get further insights regarding the underlying causes and consequences of intra-EU mobility, and ensuing policy challenges.

PROJECT IDENTITY

PROJECT NAME	Strategic Transitions for Youth Labour in Europe (STYLE)
COORDINATOR	Prof. Jacqueline O'Reilly, University of Brighton, Brighton, United Kingdom J.O'Reilly@brighton.ac.uk
CONSORTIUM	<ul style="list-style-type: none">• Centre for European Policy Studies, Brussels, Belgium• Copenhagen Business School, Copenhagen, Denmark• Cracow University of Economics, Cracow, Poland• Democritus University of Thrace, Komotini, Greece• Economic & Social Research Institute, Dublin, Ireland

- EurActiv, Brussels, Belgium
- Grenoble School of Management, Grenoble, France
- Institute for Employment Studies, Brighton, United Kingdom
- Institute for the Study of Labour, Bonn, Germany
- Koç University Social Policy Centre, Istanbul, Turkey
- Metropolitan University Prague, Prague, Czech Republic
- National University of Ireland Galway, Galway, Ireland
- Norwegian Social Research, Oslo, Norway
- Slovak Governance Institute, Bratislava, Slovakia
- Swedish Institute for Social Research, Stockholm, Sweden
- TARKI Social Research Institute, Budapest, Hungary
- University of Brighton – BBS CROME, Brighton, United Kingdom
- University of Graz, Graz, Austria
- University of Oviedo, Oviedo, Spain
- University of Oxford, Oxford, United Kingdom
- University of Salerno, Salerno, Italy
- University of Tartu, Tartu, Estonia
- University of Tilburg, Tilburg, Netherlands
- University of Trento, Trento, Italy
- University of Turin, Turin, Italy

FUNDING SCHEME

FP7 Framework Programme for Research of the European Union – Collaborative project. SSH - ACTIVITY 8.1: GROWTH, EMPLOYMENT AND COMPETITIVENESS IN A KNOWLEDGE SOCIETY, Area 8.1.2 Structural changes in the European knowledge economy and society - SSH.2013.1.2-1 Overcoming youth unemployment in Europe.

DURATION

March 2014 – August 2017 (42 months).

BUDGET

EU contribution: €4 999 056.

WEBSITE

www.style-research.eu

FOR MORE INFORMATION

Contact: John Clinton, University of Brighton – J.M.Clinton@brighton.ac.uk

FURTHER READING

- Akgüç, M., & Beblavý, M. (2016) *[From South or East? Re-emerging European Migration Patterns and Labor Market Outcomes](#)*, STYLE Working Papers, WP6.3. CROME, University of Brighton, Brighton.
- Hyggen, C., Ortlieb, R., Sandlie, H.C. & Weiss, S. (2016) *[East-West and North-North Migrating Youth and the Role of Labour Market Intermediaries. The Case of Austria and Norway](#)*, STYLE Working Papers, WP6.2. CROME, University of Brighton, Brighton.
- Masso, J., Kureková, L. M., Tverdostup, M., and Žilinčíková, Z. (2016) *[Return migration patterns of young return migrants after the crises in the CEE countries: Estonia and Slovakia](#)*, STYLE Working Papers, STYLE-WP 6.1. CROME, University of Brighton, Brighton.
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