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**Migrants, labour markets and
integration in Europe:
a comparative analysis**

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Global Commission on International Migration

In his report on the 'Strengthening of the United Nations: an agenda for further change', UN Secretary-General Kofi Annan identified migration as a priority issue for the international community.

Wishing to provide the framework for the formulation of a coherent, comprehensive and global response to migration issues, and acting on the encouragement of the UN Secretary-General, Sweden and Switzerland, together with the governments of Brazil, Morocco, and the Philippines, decided to establish a Global Commission on International Migration (GCIM). Many additional countries subsequently supported this initiative and an open-ended Core Group of Governments established itself to support and follow the work of the Commission.

The Global Commission on International Migration was launched by the United Nations Secretary-General and a number of governments on December 9, 2003 in Geneva. It is comprised of 19 Commissioners.

The mandate of the Commission is to place the issue of international migration on the global policy agenda, to analyze gaps in current approaches to migration, to examine the inter-linkages between migration and other global issues, and to present appropriate recommendations to the Secretary-General and other stakeholders.

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Introduction

For more than two centuries most countries of Western Europe have primarily been countries of emigration. During the last 60 years, countries of Western Europe have gradually become destinations for international migrants and asylum seekers. Today all West European countries and several new EU member states in Central Europe 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.¹

This paper discusses the size of Europe's migrant population and assesses their demographic structure, as well as their economic position. The European Labour Force Survey (LFS) is used as the main data base. For the first time, the criterion "place of birth" is used to distinguish between foreign-born and native-born residents of the EU. The results are then compared with those of legal foreign residents (which so far, in the absence of better data, were equally called "migrants"). This exercise shows low employment rates and higher unemployment as well as a 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, however, is somewhat better when looking at the foreign-born population as this includes naturalized citizens of EU member states who on average are economically better integrated than those who remain third country nationals. As a result immigrants have higher employment rates and, on average, are occupied in better positions than legal foreign residents. This suggests the following: 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 although labour market outcomes remain disappointing for migrants from low and middle-income countries in particular from Northern Africa and Turkey.

Further sustained efforts to enhance integration of immigrants and their children and to provide equal opportunities are necessary. Confronted with an aging and eventually shrinking domestic population Europe also has to consider pro-active migration policies and measures to identify future labour 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 interest to compare its efforts and experiences with those of traditional countries of immigration—in particular with the US and Canada. This paper lays the ground for such comparison.

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 Europe² 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.³ It is very likely that, sooner or

¹ This paper summarizes findings of five research papers for the European Commission (DG Employment and Social Affairs) authored by experts working at the Hamburg Institute of International Economics (Hamburg, Germany) and the Migration Policy Institute (Washington DC). It 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). This help is greatly acknowledged.

² Defined as the EU 15, Iceland, Liechtenstein, Norway and Switzerland, with 393 million inhabitants.

later, this will be the case in other new EU member states and accession countries⁴ as well. Many Europeans, however, still do not see their homelands as immigration countries—in particular not as destinations of permanent immigrants.

Today, this counterfactual 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 2004, the European Union (EU 25) had 456 million inhabitants (US: 290 million). The 15 member states that constituted the EU until recent enlargement (EU 15) had 382 million EU citizens and legal foreign residents. The remaining 74 million live in one of the 10 new member states in Central Europe and the Mediterranean that joined the European Union on May 1, 2004.⁵ Of these 456 million people some 34-37 million are international migrants—representing roughly 8 percent of Europe’s total population.⁶ This is an estimate elaborated below for the EU 15. If accurate, this means that in absolute terms the number of international migrants⁷ in Europe is comparable⁸ to the one in America (US 2002: 33.5 million foreign-born), though the foreign-born represent a larger proportion of total US population (2002: 11.5 percent).⁹

Europe—like the US—faces demographic aging due to increasing life expectancy. But—unlike the US—almost all countries in Europe are experiencing below replacement fertility. As a result, the pace of demographic aging is much larger in Europe than it is in the US. In 2003, out of the 28 EU+EEA countries and Switzerland already 12 countries were experiencing higher mortality than birth rates.¹⁰ The other 17 countries still had natural (but declining) population growth. Net migration, however, was positive in 24 of the 29 countries

³ In 2003, Cyprus (Greek part only), the Czech Republic, Hungary, Slovakia, and Slovenia already have a positive migration balance (Table 2). The new EU member states in Central Europe and the Mediterranean have a total population of 74 million.

⁴ Countries with possible EU accession in 2007 are Bulgaria, Croatia and Romania.

⁵ Another 29.5 million people were living in the EU candidate countries Bulgaria and Romania. And 12.3 million people were citizens or foreign residents of other countries belonging to the European Economic Area (= Iceland, Liechtenstein, Norway) and of Switzerland. In 2004, the total population of all these 29 countries (EU 25, EEA, CH) was 497 million.

⁶ In many documents of the European Commission and of EU member states, so far, legal foreign residents or third country nationals have been used as “proxy” for immigrants not accounting for the rapidly growing number of naturalized citizens of EU member states. While in the EU most legal foreign residents in fact are migrants it is no longer true to conclude that most migrants are foreign residents. This paper aims at giving information both on legal foreign residents and on the foreign-born (=immigrant) population of Europe while trying to distinguish between these two overlapping groups. By doing so the paper allows for direct comparison with US data traditionally based on a distinction between native-born and foreign-born (=immigrant) populations (see European and US concepts analyzed below).

⁷ Defined according to a UN suggestion as people living for 12 or more months outside their county of birth or citizenship.

⁸ The numbers for Europe and the US have to be compared with some caution as the figures for the EU include intra-EU mobility between member states as well as immigration from third countries.

⁹ US census results for 2000; US census data on foreign-born residents include irregular migrants (see Passel 2002).

¹⁰ In 2003, Bulgaria, Romania (and several other of Europe’s non-EU countries) had higher mortality than birth rates.

analysed.¹¹ Relative to population size, Cyprus¹² had the largest positive migration balance (+17.9 per 1000 inhabitants), followed by Spain (14.2 per 1000), Liechtenstein (+10.0), Italy (+8.9), Ireland (+7.0), Portugal (+6.1) and Switzerland (+6.0). Only Lithuania (-1.8 per 1000 inhabitants), Iceland (-0.8 per 1000), Poland (-0.4), Latvia (-0.4) and Estonia (-0.2) had a negative migration balance. Several countries, in particular Austria, the Czech Republic, Italy, Germany, Greece, Slovenia and Slovakia, only showed a population growth because of immigration (Table 2).

Recent inflows

In 2003, the 28 EU+EEA countries and Switzerland had an overall net migration rate of +3.7 per 1000 inhabitants or +1.7 million people. This accounts for 90 percent of Europe's total population growth (+1.9 million people in 2003). In absolute numbers net migration was largest in Spain (+594,000) and Italy (+511,000), followed by Germany (+166,000), the UK (+103,000), Portugal (+64,000) and France (+55,000).¹³ Comparisons with the US suffer from the lack of population registers in North America. But in 2001 (FY) the US admitted 1.1 million legal permanent immigrants (3.7 per 1000 inhabitants) and some 1.5 million temporary migrants.¹⁴ In contrast to Europe net migration only accounts for a third of US population growth.

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% of residence permits were granted for purposes of family formation/reunion. In Belgium and Denmark this was the reason in over 50% of cases; and in Austria, Finland, France and Italy it applied to between 20% and 30% of all people taking legal residence in these countries.¹⁵

In 2000, in 61% of the cases, employment was the reason of legal entry in Italy, 46% in Portugal and 36% in Spain. In Ireland and Greece admission for economic reasons played a dominant role. In the UK, employment was the reason for entry in only 27% of the cases, as was family reunion. The latter was the most important "gate of entry" in Sweden (50%), France (40%), Denmark (36%) and Finland (33%).¹⁶

Looking at the EU overall, nearly 40% of all residence permits were granted for the purpose of employment whereas 30% were granted for the purpose of family reunion. These figures, however, do not give the full picture as in several EU countries economic migration to a larger scale takes place in the form of seasonal and temporary labour migration (529,000 persons admitted in 2001 in EU 15)¹⁷ as well as in the form of large-scale irregular labour

¹¹ The 28 current EU+EEA countries + Switzerland.

¹² Greek part of Cyprus only.

¹³ Net flow of migrants (regardless of citizenship) according to Eurostat (Chronos data base).

¹⁴ Non-immigrant visa for foreign migrants arriving for business, work and educational purposes. Many of these non-immigrant legal foreign residents later manage to adjust their status in the US and become permanent immigrants (Gozdziak 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.

¹⁵ European Commission (2004a).

¹⁶ European Commission (2003b).

¹⁷ Admitted by France, Germany, Italy, Sweden, and Switzerland (see OECD/Sopemi 2004).

migration. The latter statistically becomes visible at the occasion of so-called amnesties and regularization programs (2.5 million during the period 1995-2002).¹⁸

In the new EU member states in Central Europe labour migration is still relatively small compared to population size. In Poland the number of work permits for labour migrants fluctuated between 15,000 and 18,000 per year between 1997 and 2002, but irregular labour migration has already become visible; in Slovenia the number of work permits fluctuated between 34,000 and 40,000.¹⁹ The Czech Republic, in 2001, counted 104,000 non-nationals legally working in this country. When adding trade licenses the number of economic migrants can be put at around 168,000 (2001). In Slovakia their number was 9,000 in 2002. Relative to work force and population size Hungary has the largest number of legal foreign workers and employees: 115.000 in 2002 or 2.3% of the work force (Table 3).²⁰

In the new EU member states, the great majority of migrant workers come from neighbouring countries and regions. In Slovenia, more than 90% of the foreign workers and employees come from other successor states to former Yugoslavia. Foreign workers from Ukraine, Belarus and the Russian Federation represent the majority in Poland and some 30% in the Czech Republic. In Hungary 43% of the foreigners were Romanian citizens, followed by citizens of Serbia (11%) and Ukraine (8%), most of them ethnic Hungarians. Around 10% had come from the EU.

The Czech Republic and Poland also have a sizeable share of migrant workers from Asian countries, notably Vietnam, whereas Hungary hosts the largest Chinese diaspora community in the region (2002: 6% of all foreign residents).²¹ Only in (the government controlled, i.e. Greek part of) Cyprus the share of foreign labour is above EU average and continuously growing.²²

In the US at least permanent immigration is dominated by people admitted as family members of foreign legal residents or US citizens (63% in FY 2001). Those admitted for economic reasons (17%) were only the second largest group of recent immigrants and those entering for humanitarian reasons (12%) come third.²³ In the US irregular migration also plays a quantitatively significant role. In 2000-1, according to estimates, the US was home or host to some 6.9 million to 8.5 million irregular migrants.²⁴ It is estimated that up to 5 million of these people came during the 1990s.²⁵

Foreign residents vs. foreign-borns: EU and US concepts

The exact number of migrants residing in Europe is unknown. This is partly due to the fact that many European countries—in contrast to the US—continue to use nationality, but not place or country of birth as a standard criterion in their demographic, economic and social statistics. This European concept basically distinguishes natives from legal foreign residents.

¹⁸ The US on the basis of the 1986 Immigration Reform and Control Act regularized 2.8 million irregular foreign residents. For regularization in Europe and the US see Papademetriou et al. 2004.

¹⁹ See IOM (2004).

²⁰ See OECD/Sopemi (2004).

²¹ See IOM (2004).

²² In 2003, relative to population, size Cyprus (government controlled, i.e. Greek part only) had the highest positive migration balance (Table 2).

²³ See U.S. Department of Labor (2002), Papademetriou and O'Neill (2004).

²⁴ See Gozdzik and Martin (2004), Passel (2002).

²⁵ See Gozdzik and Martin (2004), Passel (2002).

The latter give an indication of the number of people living in Europe as citizens of another EU member state or as third country nationals. This group consists of both immigrants and native born children/grandchildren of immigrants, who at birth only acquired the (foreign) citizenship of their parents. In many documents of the European Commission and of EU member states, so far, legal foreign residents or third country nationals have been used as “proxy” for immigrants not accounting for the rapidly growing number of naturalized citizens of EU member states.²⁶

While in the EU most legal foreign residents in fact are migrants it is no longer true to conclude that most migrants are foreign residents. At the same time, the group of people holding citizenship of their country of residence are not all native-born. Some of them are naturalized immigrants. Others were already citizens of the destination country when they immigrated.

In countries with high naturalization rates and/or *ius soli* birthright citizenship,²⁷ the official number of legal foreign residents largely underestimates the immigrant population. This is obvious for the USA and Canada, but can also be demonstrated for a few EU countries with high naturalization rates: in 2001, for example, Sweden’s foreign-born population was 1,028,000 (2001) while only 476.000 people were legal foreign residents. The Netherlands, to give another example, in 2001 had 1,679,000 foreign-born residents, but only 690.000 legal foreign residents (Table 4).

Basic concepts in Europe and the US

European concept: Citizenship	US concept: Place of birth applied to the EU context	
	Native-born population	Foreign-born population
Citizens of a particular EU member state	Majority of domestic population in receiving countries; native-born children and grandchildren of foreign immigrants who acquired the receiving countries’ citizenship at birth (<i>ius soli</i>) or through naturalization	Naturalized immigrants; people who immigrated as citizens of the receiving country
Other EU citizens	Children/grandchildren of EU immigrants who did not acquire the receiving countries’ citizenship at birth or through naturalization	Immigrants from other EU member states
Third country nationals	Children/grandchildren of third country immigrants who did not acquire the receiving countries’ citizenship at birth or through naturalization	Immigrants from third countries

²⁶ In the decade 1992-2001 some 5,855,000 people were naturalized in EU 15 (OECD/ Sopemi 2004).

²⁷ *Ius soli* birthright citizenship primarily defines nationality through place of birth thus giving some, most or all children (or grandchildren) of foreign immigrants automatic access to citizenship of the receiving country.

Little is known about the characteristics of foreign-born residents of EU countries, as in many government statistics, other official data and surveys based on nationality (but not place of birth), naturalized citizens—rapidly growing in numbers²⁸— are difficult to distinguish from the majority of native citizens. By the same token native-born children of immigrants holding their parents nationality remain registered as “foreigners” unless they acquire *ius soli* citizenship of the receiving country at birth or naturalize later on. Furthermore only a few countries try to deal with irregular migrants.

Belgium, France, Greece, Italy, Portugal and Spain have offered quantitatively significant regularization programs. Smaller numbers of irregular migrants were regularized in Germany, Luxemburg and the UK. Since the 1970s the EU member states (listed in this paragraph) regularized a little less than 3.5 million irregular foreign residents altogether.²⁹ Of them 2.5 were regularized in recent years (1995-2002).³⁰ Most of them were irregular labour migrants. Spain continues to give irregular migrants access to basic medical services if they register with local municipalities. As a result Spain, in 2002-3, had 2,664,000 registered foreign-born residents,³¹ but only 1,324,000 legal foreign residents (Table 4).

Europe’s immigrants: how many?

According to national population statistics, population registers and census data collected around 2000-01, the 15 states that constituted the EU until recent enlargement were home or host to some 18.7 million legal foreign residents.³² This is the number also reported by Eurostat’s Chronos data base (Table 4). In slight contrast to these official statistics are information collected by national correspondents of OECD’s Sopemi network for 2000-2001. They put the number of foreign nationals in EU 15 at 20.1 million people (Table 2).³³ Of these, fewer than 6 million people were EU 15 citizens living in another EU 15 member state, and some 14.3 million were third country nationals³⁴ (= 3.8% of the total population of EU 15). The largest group of third country nationals residing in the EU are citizens of Turkey (2002: 2.6 million), followed by Morocco (1.4 million).³⁵

The group of 18.7 million (Chronos) to 20.1 million (Sopemi) registered legal foreign residents in EU 15 consists of both foreign-born and native-born people not holding the citizenship of the EU country in which they lived around 2000-01.

As only some EU member states register the country of birth of their legal residents the European Labour Force Survey (LFS) is the sole Europe-wide data source that provides at least some systematic information on people born outside their country of residence. In 2002, according to the LFS, an estimated 22.7 million people (for whom the duration of stay is

²⁸ Between 1992 and 2001 some 5.6 million people were naturalized in EU 15 (see OECD/ Sopemi 2004).

²⁹ Including irregular labour migrants, unsuccessful asylum applicants, people admitted under temporary protection status (TPS). See Apap (et al. 2000), Niessen and Schibel (2002), OECD/ Sopemi (2004), Papademetriou (et al. 2004).

³⁰ See OECD/Sopemi (2004), Papademetriou (et al. 2004).

³¹ Regular and irregular migrants based on the local municipalities’ registers.

³² Not all of them are foreign-born (=immigrants). Some are native born holding the citizenship of their parent’s country of origin only.

³³ In 2000-2001 the difference between Eurostat/Chronos and OECD/Sopemi was particularly visible for Greece, Spain, Ireland and Portugal (Table 2).

³⁴ These third country nationals (of 2000-01) included citizens of new EU member states residing in EU 15. They became EU citizens in May 2004.

³⁵ See (OECD/ Sopemi 2004).

known) were born in another EU or third country. For a partially overlapping group of 14.8 million people (except foreign-born residents of Germany and Italy),³⁶ there is information on their country of birth.³⁷

In order to calculate the total number of foreign-born in the EU, estimates are needed for Germany and Italy. For Germany, the best estimate combines the number of legal foreign residents not born in the country (5.7 million), a certain percentage of the persons naturalized (some 65% out of 1.4 million) and the number of ethnic German immigrants (*Aussiedler* with German citizenship still alive in 2002: 3.2 million). The estimated number for Germany therefore is 9.7 million.³⁸

The assumed number for Italy is 2.5 million based on the number of residency permits (2003, various categories) and an estimate for foreign-born children not required to hold residency permits.³⁹ Adding these 12.2 million to the number of immigrants identified in the LFS (14.8 million with country of birth known) puts the foreign-born population at 27.0 million. A similar figure (26.4 million) is published by the UN Population Division for EU 15 in 2002.⁴⁰ As shown below, however, this figure seems to be too low.

For ten of the 15 states that constituted the EU until recent enlargement data on the foreign-born (=immigrant) population are available from either population registers⁴¹ or a recent census⁴² or from other sources.⁴³ The aggregated results put the number of foreign-born residents in these ten countries at 24.9 million (Table 4).

Combining the information from the LFS⁴⁴ with that produced by the UN Population Division and data from national censuses and population registers (looking only at the highest available figure or estimate), the number of first generation immigrants in the EU 15 (2002) can be put at 33.0 million. As published and unpublished data for some countries still to certain extent under-estimate the size of the foreign-born population,⁴⁵ one can assume the presence of 33-36 million people in EU 15 (2001-02) who are either legal immigrants—both foreign nationals and citizens—or irregular migrants.⁴⁶ Another 1.7 million immigrants living in the

³⁶ Data on foreign-born residents of Germany and Italy (by country of birth) are not available from LFS as in Germany country of birth is not asked while Italy does not agree with the publication of this information.

³⁷ The two groups are only partially overlapping as for some people we only know either their county of birth or their duration of stay. For some we know neither their county of birth nor their duration of stay. The latter have been excluded from the calculation though some of them might actually be immigrants.

³⁸ See Münz and Ulrich (2003).

³⁹ See Einaudi (2004).

⁴⁰ Standard UN criteria define international migrants as persons residing outside their country of birth or citizenship for 12 months or more. But for its own statistics, the UN Population Division has to rely on national data sources. Some countries define migrants according to different criteria; others publish data on legal foreign residents, but not on the foreign-born population.

⁴¹ Denmark, Finland, Spain, Sweden.

⁴² Austria, France, Luxemburg, the Netherlands.

⁴³ Data for Germany are from foreigner's registers, naturalization statistics and an Allbus survey estimate for ethnic German *Aussiedler* (see Münz and Ulrich 2003); data for Italy are based on residency permits (see Einaudi 2004).

⁴⁴ This calculation takes the foreign-born population by duration of stay or country of birth (whatever is higher).

⁴⁵ Such an undercount has to be assumed both for foreign immigrants with short duration of stay and/or irregular status as well as for naturalized immigrants with a fairly long duration of stay, in particular privileged co-ethnic immigrants (e.g., ethnic German *Aussiedler*, Pontian Greeks) and colonial return migrants (e.g., French *pieds noirs*).

⁴⁶ Prior to recent regularization programs in Italy, Greece, Portugal and Spain the irregular migrants seemingly was above 10 percent of the total foreign-born population: for the UK 10% might be a good estimate: figures for Denmark, Sweden and Finland could be lower than 10%. We can estimate such differences both from recent

other EEA states and Switzerland⁴⁷ and some 1.5 million immigrants living in the new EU member states in Central Europe⁴⁸ bring the size of Western and Central Europe's migrant population to 36-39 million people. Given available information and the shortcomings mentioned, this could be seen as a best estimate.

Education and skills

The skills profile of the foreign-born population is markedly different from that of the total EU population. Both people with low skills⁴⁹ (immigrants: 52%; EU 15 average: 48%) and with high skills⁵⁰ (immigrants: 20%; EU 15 average: 17%; Table 5) are overrepresented among immigrants. People with medium skills⁵¹ are underrepresented (immigrants: 28%; EU 15 average: 39%). This is mainly a result of labour markets primarily creating demand for high and low skilled migrants.

Immigrants from Southern Europe living in another EU country as well as among from Turkey, North Africa/Middle East and sub-Saharan Africa have relatively high proportions of people with low skills. In contrast immigrants 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 (Table 5).

Work force

In 2002 some 250 million people living in the EU 15 were at working age (15-64). Of them 161 million were actually employed (employment rate in age groups 15-64: 64.2%) while another 14 million were seeking a job (unemployment rate: 7.8%; Table 7). Between 1997 and 2002 the number of people employed⁵² in the EU-15 increased by about 12 million (+8.1%), out of which 9.5 million were EU-nationals and more than 2.5 million were third-country nationals. While the share of third-country nationals in total EU employment was 3.6% in 2002, they contributed to employment growth by 13% during the period 1997-2002.⁵³ If we also account for foreign-born naturalized EU citizens the contribution of immigrants to employment growth is in the order of 20 percent. For comparison: between 1996 and 2000, foreign-born workers and employees constituted nearly half of the net increase in the US labour force.⁵⁴

regularization and amnesty programs (see Papademetriou et al. 2004) as well as from discrepancies between local registers and general census results or national registers (see the case of Spain; Table 4).

⁴⁷ Besides the EU 25 the European Economic Area (EEA) includes Iceland, Norway and Liechtenstein; migration between the EU 25 and Switzerland is regulated through bilateral agreements.

⁴⁸ New EU member states in Central Europe are: Estonia, Czech Republic, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia; other new member states are: Cyprus, Malta. In the new EU member states, most labor migrant apparently come from neighboring countries such as the Balkans, Belarus, Moldova, Russia and Ukraine. Several countries are also home or host to labor migrants from Asian countries, notably China and Vietnam.

⁴⁹ Only primary education completed.

⁵⁰ Tertiary education completed.

⁵¹ Lower or higher secondary education completed.

⁵² Defined as the number of people gainfully employed in the working age population (15-64) in the European Labour Force Survey (LFS).

⁵³ European Commission (2004b)

⁵⁴ See Mosisa (2002).

In 1997, the employment rates of EU-nationals already had reached at 79% for the medium skilled and at 88% for the high skilled. In 2002 they had further risen to 82% and 89% respectively. A similar development is true for legal foreign residents in EU 15. The number of medium skilled increased by 50% and that of high skilled doubled, amounting to more than 60% of the total increase in their employment.⁵⁵ This reflected cyclical growth in employment and the migrants over proportional contribution to this increase during the period 1997-2002, which was characterised predominantly by economic and employment growth. The situation for the low skilled is less favourable, with more modest employment increase. And this increase is somewhat stronger for third-country nationals than for EU-nationals.⁵⁶

Employment and unemployment rate

The employment rate of the foreign-born population (age groups 15-65) is lower (61%) than the EU 15 average (64%). This rate varies according to the place of origin. Immigrants from Western and Southern Europe living in another EU 15 country and from other industrialised countries have higher employment rates (Western/Southern EU: 67%; North America, Australia: 76%) and a lower unemployment rate (Western/Southern EU: 6.5%; North America: 4.4%) than the total EU population (employment rate 64%, unemployment rate: 7.8). The opposite is true for immigrants from other parts of the world.

Employment is particularly low and unemployment correspondingly high among immigrants from Turkey (empl.: 50%, unempl.: 15.5%), Middle East/Africa (empl.: 51%, unempl.: 16.0%), and Asia (empl.: 58%, unempl.: 8.2%). Immigrants from the new EU member states, the Balkans and Eastern Europe (63%) and from Latin America (63%) have almost the same employment rate as the EU 15 average, but higher unemployment (Balkans, E. Europe: 11.0%, Latin America: 11.7%; Table 10).

Foreign-born men only have a slightly lower employment rate (71%) and higher unemployment (9.3%) than the EU 15 average for the male population (empl.: 73%; unempl.: 6.9%). Employment is high among male immigrants from other EU member states (75%), the Americas and Australia (N. America, Austr.: 86%, Latin America, Caribb.: 74%). Only male immigrants from Turkey (empl.: 65%; unempl.: 15.1%), Africa and the Middle East (empl.: 63%; unempl.: 15.4%) have significantly lower employment rates and much higher unemployment (Table 11).

Differences are larger among women. Female immigrants from Turkey (empl.: 33%; unempl.: 16.9%), Africa and the Middle East (empl.: 33%; unempl.: 17.0%) have particularly low employment (EU 15 average for the female population: 55%) and high unemployment (EU 15 average: 8.7) while women from Asia have particularly low employment (46%) but average unemployment rates (9.3%). And women from Latin America have particularly high unemployment rates (17.1%). The opposite is true for women from Western EU countries (empl.: 61%; unempl.: 6.6%) and from other Western countries (N. America, Australia - empl.: 68%; unempl.: 4.8%; Table 12) living in EU 15.

By switching the analyzed group and looking at the legal foreign residents (instead of the foreign-born/immigrant population) we see systematic differences between the foreign-born and the legal foreign residents.

⁵⁵ European Commission (2004a).

⁵⁶ European Commission (2004a).

When comparing legal foreign residents with the EU 15 average, the differences are much larger. The overall employment rate of other EU citizens (residing in the EU outside their country of citizenship) and third country nationals residing in EU 15 is only 55% (EU 15 average: 64%; Table 13) while their unemployment rate is 11.6% (EU 15 average: 7.8%). Among foreign men the employment rate is 69% (EU 15 average: 73%) and the unemployment rate 11.7% (EU 15 average: 6.9%; Table 14); among foreign women the employment rate is 48% (EU 15 average: 56%) and the unemployment rate 11.6% (EU 15 average: 8.7%; Table 15).

A comparison of the foreign-born (=immigrants) and the legal foreign resident population shows the following: discrepancies in employment and unemployment rates are clearly visible when comparing immigrants from new EU member states, the Balkans and Eastern Europe, Turkey, Africa and the Middle East (Table 10) with foreign nationals of these countries residing in the EU (Table 16). Such discrepancies, however, vary from country to country, as exemplified in a cross country comparison of immigrants from Maghreb and Turkey with nationals of the Maghreb countries and Turkey living in EU 15 (Table 19).

In most EU countries which in the past received immigrants from the Southern and/or Eastern Mediterranean, the immigrants originating from 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, Austria and the UK; for Maghreb citizens the differences are visible in France, Belgium and the Netherlands (Table 19).

This can be interpreted as result of particularly exclusionary mechanisms on labour markets of these countries affecting foreign nationals, but not to the same extent naturalized citizens. At the same time such discrepancies seem to be almost inexistent when comparing immigrants from other EU member states, North America and Australia as well as from Latin America with foreign nationals of other EU member states, North America and Australia as well as Latin America living in EU 15 (Tables 10, 16).

As employment and unemployment rates vary to a considerable degree with acquired skill levels, lower employment rates among certain immigrant groups are partly the result of differences in skills compositions. Employment rates of male migrants moving within EU 15 countries do not differ from the EU average while lower skilled women from other EU 15 countries have higher employment rates. In contrast immigrants from Turkey, North Africa/Middle East at all skill levels have lower employment and higher unemployment rates than the EU average. The employment rates of immigrants from new EU member states, Eastern Europe and the Balkans are below EU 15 average for highly skilled men and women, but above EU average for low skilled women.

A comparison of the foreign-born (=immigrants) and the legal foreign resident population shows the following: discrepancies in employment and unemployment rates are clearly visible when comparing highly skilled male and female immigrants from new EU member states, the Balkans and Eastern Europe, with foreign nationals of these countries residing in the EU 15.

Such discrepancies are visible at all skill levels when comparing female immigrants from Turkey and male as well as female immigrants from North Africa/Middle East with Turkish nationals (women) and with nationals of North African and Middle Eastern countries (men+women) residing in the EU 15. Such discrepancies do not appear when comparing highly skilled and unskilled male immigrants from Turkey with Turkish nationals of the same skill level (male).

In the US the foreign-born population is also extremely heterogeneous with respect to labour market performance as measured by labour force participation and unemployment rates. Including only individuals between the ages of 15 and 64, the US-born population as well as North/West European, Canadian, and African immigrants have labour force participation rates of over 72 percent. In contrast, Mexican, West Asian, Caribbean and Central American immigrants have considerably lower rates of labour force participation (between 62% and 66%).⁵⁷

Likewise, there is strong variation in unemployment rates between groups. North/West European and Canadian immigrants have the lowest unemployment rate (3.1%); moreover, the rate for several other immigrant groups is less than that for the US-born population (5.6%). Other groups have unemployment rates that are almost double that of the American born population: rates for Mexican (9.4%), Caribbean (9.3%) and Central American (8.4%) immigrants are particularly high.⁵⁸

Occupational structure, industry structure

On the whole the occupational structure of the foreign-born population in Europe (as identified in the LFS) is different from the EU 15 average. Economically active immigrants are underrepresented in medium-skilled non-manual positions (immigrants: 9%; EU 15 average: 13%) and overrepresented in non-skilled manual positions (immigrants: 24%; EU 15 average: 18%).

Immigrants from north-western Europe living in another EU country as well as immigrants from other industrialized countries (North America, Australia/New Zealand) predominantly occupy highly skilled non-manual positions (Northern EU immigrants: 50%, North American immigrants: 65%, EU 15 average: 37%). Immigrants from southern Europe living in another EU country (skilled manual: 32%, unskilled manual: 27%) as well as immigrants from the Balkans, Central and Eastern Europe (skilled manual: 22% unskilled manual: 36%) and from Turkey (skilled manual: 23%, unskilled manual: 35%) are over proportionally active in skilled and unskilled manual positions (EU 15 average skilled manual: 18%, unskilled manual: 18%).

Immigrants from North Africa/Middle East and sub-Saharan Africa as well as from Asia have an average representation in highly skilled non-manual positions⁵⁹ but are over proportionally active in unskilled manual positions (Africa: 24%, Asia: 28%; Table 20).

A comparison with legal foreign residents shows: foreigners in Europe on average occupy to a lower extent highly skilled non-manual positions (29%, EU 15 average: 37%), but they are overrepresented in skilled manual (20%, EU 15: 18%) and particularly in unskilled manual positions (29%, EU 15: 18%; Table 21). 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/nationals of north-western Europe and North America, Australia/New Zealand.

⁵⁷ US Census results of 2000; see Ray (2004). For a critical review of these findings see Lowell (2004).

⁵⁸ US census results of 2000; see Ray (2004), Lowell (2004).

⁵⁹ This could well be influenced by an over representation of skilled migrants in the LFS.

Occupation by industry shows certain differences between the economically active immigrant population and total EU 15 population (Table 22). When comparing the latter with the legal foreign resident population some differences become more accentuated. Foreign nationals are more frequently employed in manufacturing, in construction, in hotels and restaurants as well as in research and development than the EU 15 average.

At the same time they are less likely to work in the public sector, in particular public administration and education (Table 23). 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 labour 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.⁶⁰

Economic inclusion and exclusion of migrants

In Europe, over the last decade, third-country nationals' unemployment has remained higher than EU nationals' unemployment. In a majority of member states the former is twice as high as the latter. The difference is less marked when domestic populations and foreign-born populations are compared (Table 7). Third-country nationals have also much lower employment rates than EU-nationals (by 14 percentage points lower in 2002), in particular in the prime-age group (by 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.⁶¹

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 points) and Finland (+12 percentage points).⁶²

In Portugal and Denmark the employment rate of non-EU nationals increased by more than 10 percentage points over the rate for EU nationals. 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),⁶³ Luxembourg (-3.1 percentage points) and Germany (-2.0 percentage points).⁶⁴

⁶⁰ US Census results of 2000; see Ray (2004).

⁶¹ European Commission 2003(b).

⁶² Finland since entering EU in 1995.

⁶³ Austria since entering EU in 1995.

⁶⁴ See European Commission (2003), Ray (2004).

Migrant workers and employees originating from non-Western and non-EU countries are not only concentrated in a few sectors of the economy, 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 domestic profile.⁶⁵

Whether these changes mean a better starting point for migrants' longer term integration in the labour 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 picture, however, tends to be better if one does not compare third-country nationals with EU nationals, but native-born with foreign-born workers and employees. This is to be expected as naturalized citizens tend to be better integrated than legal foreign residents. However discrepancies between immigrants from non-industrialized countries and Europe's majority populations remain strong.

Those third country nationals who entered the EU in recent years tend on average to have a higher skill level than those already established in the EU for a decade or longer. The activity rates of the newcomers are, however, lower and their unemployment rates higher than those of longer established immigrants. In 2002, with 45 percent, the employment rate of migrant's from non-EU countries who arrived in 2001 was nearly 20 points below that of those who arrived 10 years earlier.⁶⁶

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 whatever the skill level is. 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).⁶⁷ In contrast citizens of Balkan countries have employment rates at or over 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.

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 population, as foreign nationals only constitute a sub-segment of the migrant population. And as naturalization in many EU 15 countries has drastically increased during the 1990s and remained high at the beginning of the 21st century this sub-segment of foreign nationals has become much less representative of the migrant population.

As a result, the economic position of the foreign-born (=migrant) population in EU 15 differs on average less from Europe's total population than the economic position of the foreign resident population. The latter are in a less favourable economic position.

⁶⁵ See OECD/Sopemi (2003, 2004).

⁶⁶ European Commission (2004b).

⁶⁷ See Münz and Fassmann (2004).

If one looks at foreign nationals only instead of immigrants with or without citizenship of 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.⁶⁸

But the analysis of European Labour Force Survey data shows: apparently immigrants in Europe are more successful than surveys and data only focussing on foreign nationals suggest. Thus, differences between traditional countries of immigration—such as Australia, Canada and the US⁶⁹—and European countries are probably smaller than assumed.⁷⁰ 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: especially those immigrants who do not naturalize within the first 10-15 years are more likely to remain in low-skill and low-paid employment. This sectoral concentration of legal (and irregular) foreign residents can partly be explained by labour shortages and lower requirements in terms of specific skills.

Such circumstance may provide immigrants and their children with better chance to enter the labour market. At the same time, relatively large numbers of non-EU nationals in some sectors with limited rights or scope for mobility within the labour market will not be in a strong position as regards wages and job-quality.⁷¹

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.⁷² In recent years a growing number of EU member states have introduced integration programs, ranging from language training courses to civic education.⁷³

In contrast to many EU Member States, economic integration of newcomers in the US is primarily based on the power of labour 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 labour 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 in low-skill and low-paid employment.⁷⁴ 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 labour 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.⁷⁵

⁶⁸ In the decade 1992-2001 some 5,855,000 people were naturalized in the EU 15 (OECD/ Sopemi 2003).

⁶⁹ See Lowell (2004), Papademetriou and O'Neill (2004).

⁷⁰ See Münz and Fassmann (2004).

⁷¹ See European Commission (2003a).

⁷² See European Commission (2000, 2003).

⁷³ For a comprehensive summary of such integration programs see Bade, Bommers and Münz (2004), Heckmann and Schnapper (2003), Ray (2004), Tijdelijke Commissie onderzoek Integratiebeleid (2004).

⁷⁴ The US-born population also experienced varying degrees of socio-economic mobility during the 1990s.

⁷⁵ See Ray (2004), Portes and Rumbaut (2001).

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 labour market—in particular the public service—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.⁷⁶

In any case the results clearly show that sustained efforts for the economic and civic integration of immigrants and their native-born children (= so called 2nd generation) are necessary.⁷⁷ This goes along with efforts of the EU to implement anti-discrimination and equal opportunities legislation in all its member states.⁷⁸

Demographic imbalances

In this section of the paper for the sake of a brief overview on divergent demographic trends and their likely consequences for migration in Europe and its neighbouring regions the following three groups of countries are compared:⁷⁹ (a) Western and Central Europe,⁸⁰ (b) Eastern Europe, the Balkans, Turkey, and Central Asia (EECA-20),⁸¹ (c) the Middle East, North Africa, and the Gulf states (MENA-20).⁸²

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 2003 already show the following: on the one hand, the number of countries with an already shrinking domestic population is growing; on the other hand, the number of countries with a negative migration balance has become very small. This contrasts

⁷⁶ This can be demonstrated for Canada (see DeVorez and Pivnenko 2004) and for Sweden (see Bevelander 2000).

⁷⁷ "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 2002⁷⁷, 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)

⁷⁸ "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 2000⁷⁸ 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).

⁷⁹ This typology and the calculations derive from similar exercises published by the World Bank and the UN (see Holzmann and Münz 2004, UN Population Division 2003).

⁸⁰ The 28 EU+EEA countries and Switzerland.

⁸¹ The EECA-20 countries consist of Albania, Armenia, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kyrgyz Rep., Macedonia, Moldova, Romania, Russian Fed., Serbia-Montenegro (including Kosovo), Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan.

⁸² The MENA-20 countries consist of Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestinian Territories (West Bank and Gaza), Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, Yemen.

with the situation in neighbouring 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. According to Eurostat data and projections by the United Nations, Western and Central Europe's total population size will remain stable during the next 20 years (2000: 464 million, 2003: 467 million, 2025: 466 million) and start to decrease only during the following decades (by 2050, 442 million). But in the absence of massive recruitment of economically active migrants, the number of people between ages 15 and 64 will decrease from 312 million (2000) to 295 million (or -5.5 percent) until 2025 and to 251 million (-19.6 percent) by 2050. During the same period the old age dependency ratio⁸³ is likely to increase from 23 percent (2000) to 35 percent (2025) and 45-50 percent (2050).

Even more worrisome is the change in the ratio between economically active and retired persons. With an employment rate of 70%, the number of employed per persons aged 65 and over will decline from 2.7 in 2010, to some 2.2 in 2020, 1.8 in 2030, and 1.5 in 2040. If, by reaching the 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 2020.⁸⁴

The situation in Eastern Europe, the Balkans, Turkey, and Central Asia (EECA-20) is similar to the one in the EU-25. In the EECA-20, the population will also remain stable during the next 25 years (in 2000, 405 million; by 2025, 407 million) and then start to decrease during the following decades (by 2050, 381 million; -6.2 percent). Continuing population growth is expected for Azerbaijan, Turkey, and most parts of Central Asia, but most Balkan countries, Russia, and Ukraine face considerable demographic decline.⁸⁵ In the EECA-20, the number of people between ages 15 and 64 will slightly increase from 270 million (in 2000) to 277 million in 2025 (+2.6 percent) and then rapidly decrease to 235 million (-13 percent) in 2050.

In contrast, the situation in Europe's southern and south-eastern neighbours (the Middle East, North Africa, and the Gulf states [MENA-20]) is characterized by higher—but declining—fertility, rising life expectancy, and sustained demographic growth. Total population in the MENA-20 will grow steadily from 316 million in 2000 to 492 million by 2025 (+55.7 percent) and to 638 million by 2050 (+102.0 percent). During this period, the number of people between ages 15 and 64 will more than double, from 187 million in 2000 to 323 million by 2025 (+72.7 percent) and continue to grow at almost the same rate to 417 million by 2050 (+123.0 percent).⁸⁶

Labour Force

The change in the economically active population, however, will be smaller than the projected changes for the 15–64 age group, because only 60–80 percent of this age group are currently employed or self-employed (table 6). After 2010, Western and Central Europe (the EU-25) can expect a decrease in the active population. Until 2025, the decrease will be -16 million

⁸³ Population 65+/population 15-65.

⁸⁴ European Commission (2003a).

⁸⁵ Some EECA-20 countries—for example, Armenia, Bulgaria, and Romania—already have a declining population.

⁸⁶ Data from the United Nations Common Database.

(figure 3). During the same period (2000–25), the active or job-seeking population will still increase by 7 million people in the EECA-20 and by 93 million in the MENA-20.⁸⁷ In the EECA-20, this increase will mainly take place in Turkey and Central Asia; in countries such as Bulgaria, Serbia and Montenegro,⁸⁸ Moldavia, and Romania the active or job-seeking population is already shrinking.

Throughout the 21st century, Europe will be confronted with a rapidly shrinking (native) work force (–46 million until 2050; figure 4) while the potentially active population will continue to grow in Europe’s southern and south-eastern neighbours (+157 million until 2050 for the MENA-20) and in Turkey and parts of Central Asia (EECA-20 overall: –28 million until 2050; Turkey: +17 million; rest of EECA: –45 million).

For Europe the main challenge is the changing ratio between economically active and retired persons. In North Africa and the Middle East the main challenge is to absorb those currently unemployed and those entering the labor market during the next two decades. In order to fully cope with this challenge the MENA-20 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 pensionable age, higher labor force participation of women, and the recruitment of immigrants.

The current labor market conditions in many MENA-20 countries raise doubts whether these economies will be able to absorb the significant expansion of the labor force. As a consequence of persistent, large-scale unemployment in many MENA-20 countries, migration pressures on the contracting labor 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 main way of responding to the growing demand for medium and high skilled labour. At the same time Europe experiences a continuing demand for low skilled labour. 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.⁸⁹ 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 labour 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 labour market needs and to sustain economic growth as well as support for the public pension system. In this context a pro-

⁸⁷ Data from author’s own calculations, based on projections from the International Labour Organisation (ILO) Economically Active Population database and United Nations Population Division (2003).

⁸⁸ Without Kosovo.

⁸⁹ See Fassmann and Münz (2002), Krieger (2004).

active approach to immigration can play a crucial role in tackling shortages of labour and skills, provided the qualifications of immigrants are appropriate.⁹⁰

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 labour supply requirements. This partly is linked to problems with predicting phenomena which are influenced by complex, often volatile economic factors, and which may also be significantly affected by unforeseeable policy developments in the years to come.

Accurate projections are also confronted with problems in disaggregation, 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 the very most. More accurate or disaggregated projections may not even be possible for such a time span in advance.⁹¹

The migrants most likely to help match shortages of labour and skills and with the best chances to integrate probably are those who are able to adapt to changing conditions, in view 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 immigrants⁹² and offer them 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 programmes in the absence of already existing acute labour shortages. Even if projections might 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 labour.

This implies that while projections may provide a basis for policy planning in the areas of education, labour 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.⁹³ In this context the EU is well placed to develop medium and long-term migration policies able to cope with future demographic and economic challenges for Europe shortly 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 remains on that map and continues to manage economically motivated migration for its own benefit.

In this context future labour market needs will lead to increased competition among EU member states and between OECD countries as they will try to recruit attractive potential

⁹⁰ See European Commission (2003), Holzmann and Münz (2004).

⁹¹ See Boswell et al. (2004).

⁹² See Holzmann and Münz (2004); for the experiences of traditional countries of immigration see Papademetriou and O'Neil (2004).

⁹³ See Boswell et al. (2004).

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 may conclude: in contrast to the US, for Europe net gains from migration and the possibility of moving towards pro-active migration policy are relatively new phenomena. Therefore Europe has a genuine interest to compare its efforts and experiences with those of traditional countries of immigration—in particular with the US and Canada.

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Table 1: Net migration to western Europe, 1960-2000

	Annual average		Cumulative net migration			
	1990-2000	1960-2000	1990-2000		1960-2000	
	Per 1000	Per 1000	in 1000	in % of total pop.	in 1000	in % of total pop.
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	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	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
U. Kingdom	1.5	0.4	827	1.4	941	1.6

Source: UN (2003); Brücker (2002); Laczco and Münz (2003)

Table 2: Demographic indicators for Europe in 2003

	Pop. January 2003 In	births per 1,000	deaths population	Nat. pop. decrease/ n	Net migratio n	Total pop. change	Pop. January 2004 in
EU-25	453,68	10.4	9.9	0.5	2.2	2.7	454,90
Germany	82,537	8.6	10.4	-1.8	1.9	0.1	82,545
France	59,629	12.7	9.2	3.5	1.0	4.5	59,896
UK	59,329	11.6	10.2	1.4	1.7	3.2	59,518
Italy	57,321	9.4	10.3	-0.8	3.6	2.8	57,482
Spain	40,683	10.7	9.0	1.7	5.5	7.2	40,978
Poland	38,219	9.2	9.4	-0.2	-0.4	-0.6	38,194
Netherlands	16,193	12.6	8.8	3.8	0.2	4.0	16,258
Greece	11,018	9.3	9.4	-0.1	2.7	2.6	11,047
Portugal	10,408	10.8	9.9	0.9	6.1	6.9	10,480
Belgium	10,356	10.7	10.2	0.6	3.4	3.9	10,397
Czech Rep.	10,203	8.9	10.5	-1.6	2.4	0.8	10,211
Hungary	10,142	9.5	13.4	-3.9	1.2	-2.7	10,115
Sweden	8,941	11.0	10.4	0.6	3.2	3.8	8,975
Austria	8,067	9.5	9.6	0.0	3.1	3.1	8,092
Denmark	5,384	12.0	10.7	1.3	1.3	2.6	5,398
Slovakia	5,379	9.6	9.6	0.0	0.3	0.3	5,381
Finland	5,206	10.8	9.2	1.6	1.1	2.7	5,220
Ireland	3,964	15.5	7.3	8.3	7.0	15.3	4,025
Lithuania	3,463	8.8	11.8	-3.0	-1.4	-4.5	3,447
Latvia	2,332	8.8	14.1	-5.2	-0.3	-5.6	2,319
Slovenia	1,995	8.6	9.6	-1.0	1.8	0.8	1,997
Estonia	1,356	9.6	13.3	-3.7	-0.1	-3.8	1,351
Cyprus*	715	11.1	7.8	3.3	14.1	17.4	728
Luxembourg	448	11.5	8.5	3.0	2.5	5.6	451
Malta	397	10.0	8.2	1.8	3.9	5.7	400
Iceland	289	14.1	6.3	7.8	-0.9	6.9	291
Liechtenstein	34	11.7	5.9	5.9	5.9	11.7	34
Norway	4,552	12.0	9.4	2.6	2.5	5.1	4,576
EEA	458,56	10.4	9.9	0.5	2.2	2.7	459,80
Switzerland	7,324	9.7	8.5	1.2	6.0	7.2	7,377
Accession countries	29,619	9.3	12.8	-3.5	-	-3.5	29,515
Bulgaria	7,846	8.4	14.3	-5.9	-	-5.9	7,799
Romania	21,773	9.6	12.2	-2.6	-	-2.6	21,716

Source: Eurostat

Table 3: Foreign labor force in elected European countries in 2000

	Foreign Labor Force (% 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: Total foreign resident and immigrant population (EU 15), 2000-2002: different data sources compared

EU 15	Total Population, Eurostat (1)	Foreign Resident Population, Chronos DB for 2000	Foreign Resident Population, OECD/Sopemi for 2001	Foreign Resident Population with Nationality Known, LFS (2)	Immigrant/Foreign Resident Population, UN for 2000 (3)	Immigrant Population According to National Sources for 2001 (4)	Immigrant Population with Country of Birth Known, LFS (5)	Immigrant Population with Duration of Stay Known, LFS (2)
Belgium	10,356	853	847	784	879	n.a.	974	1,034
Denmark	5,384	256	267	166	304	322	225	227
Germany	82,537	7,344	7,319	5,444	7,349	9,700	n.a.	8,915
Greece	11,018	161	762	362	534	n.a.	489	480
Spain	40,683	801	1,109	450	1,259	2,664	858	664
France (6)	59,629	3,263	3,263	2,724	6,277	5,868	4,605	1,327
Ireland	3,964	127	151	118	310	n.a.	232	263
Italy	57,321	1,271	1,363	n.a.	1,634	2,500	n.a.	511
Luxemburg	448	148	167	161	162	145	127	119
Netherlands	16,193	652	690	555	1,576	1,675	1,179	1,593
Austria	8,067	754	764	695	756	893	899	798
Portugal	10,408	191	224	106	233	n.a.	1,119	1,313
Finland	5,206	88	99	50	134	145	81	86
Sweden	8,941	487	476	295	993	1,028	681	933
UK	59,329	2,298	2,587	2,026	4,029	n.a.	3,307	4,467
Total (N)	379,484	18,692	20,088	13,936	26,429	24,940	14,776	22,730

(1) Eurostat, year end population 2002; (2) European Labour Force Survey (LFS) 2002 (data for Italy not available); (3) UN Population Division, Data for 2000 or latest available year (see UN 2002); (4) Data for Denmark, the Netherlands, Finland and Sweden are from national population registers, data for France, Luxemburg, the Netherlands, France and Austria are from the most recent national censuses, data for Spain (2003) are from local municipalities' registers, data for Germany are rough estimates based on foreigners's registers, naturalization statistics and an Allbus survey estimate for ethnic German *Aussiedler* taking only immigration after 1950 into account (see Münz and Ulrich 2003), data for Italy are based on the number of residency permits (2003, various categories) and an estimate for foreign-born children not required to hold residency permits (see Einaudi 2004); (5) European Labour Force Survey (LFS) 2002 (data for Germany and Italy not available); (6) Chronos data, Sopemi data and Census data for France are from 1999.

Source: Münz and Fassmann (2004), Eurostat Chronos DB and European Labour Force Survey, OECD/Sopemi (2004), UN Population Division (2002), various national sources.

Table 5: Education of the immigrant population with country of birth known, EU 15 (1)

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Low	30.9	76.8	40.8	69.2	58.6	11.6	33.9	41.0	51.8	43.4
Medium	37.8	15.6	39.5	22.5	24.5	34.7	33.0	31.5	28.2	39.4
High	31.3	7.6	19.7	8.4	17.0	53.8	33.0	27.5	20.0	17.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	2,774	2,801	1,628	766	3,084	346	224	966	12,589	

(1) LFS 2002, data for Germany and Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) New EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 6: Education of the foreign resident population by nationality, EU 15 (1)

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Low	18.9	53.6	31.1	51.1	58.5	7.0	26.7	25.9	40.2	43.4
Medium	30.9	22.0	32.8	15.9	14.9	18.6	28.9	16.0	23.0	39.4
High	26.3	7.0	13.9	1.9	7.6	34.4	25.9	15.4	12.3	17.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	2,640	2,954	2,351	2,975	1,760	474	135	649	13,938	

(1) LFS 2002, data for Germany and Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) new EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 7: Economic activity of the 15-65 years old immigrant population with country of birth known, EU 15 (1)

EU 15	EU-15	EU-10 (2)	Rest of the World	Total	EU 15
Employed	67,3	62,0	57,0	61,3	64,2
Unempl.	4,5	5,2	8,2	6,6	5,4
Inactive	28,2	32,8	34,8	32,1	30,4
Total (%)	100,0	100,0	100,0	100,0	100,0
Active (%)	71,8	67,2	65,2	67,8	69,6
unempl. rate (%)	6,2	7,7	12,6	9,7	7,8
Total (N)	4.559	461	6.546	11.566	250,433

(1) LFS 2002, data for Germany and Italy not available; (2) EU-10: new member states.

Table 8: Economic Activity of the 15-65 years old Immigrant Population with Country of Birth Known, EU 15 (1) male

EU 15	EU-15	EU-10 (2)	Rest of the World	Total	EU 15
Employed	75,3	69,8	68,5	71,2	72,9
Unempl.	4,7	4,8	9,2	7,3	5,4
Inactive	20,1	25,4	22,3	21,5	21,7
Total (%)	100,0	100,0	100,0	100,0	100,0
Active (%)	79,9	74,6	77,7	78,5	78,3
unempl. rate (%)	5,9	6,4	11,9	9,3	6,9
Total (N)	2.239	189	3.284	5.714	125,441

(1) LFS 2002, data for Germany and Italy not available; (2) EU-10: new member states.

Table 9: Economic activity of the 15-65 year old immigrant population with country of birth known, EU 15 (1) female

EU 15	EU-15	EU-10 (2)	Rest of the World	Total	EU 15
Employed	59,6	56,6	45,3	51,5	55.5
Unempl.	4,3	5,5	7,1	5,9	5.3
Inactive	36,1	37,9	47,5	42,5	39.2
Total (%)	100.0	100.0	100.0	100.0	100.0
Active (%)	63,9	62,1	52,5	57,5	60.8
unempl. Rate (%)	6,7	8,9	13,6	10,3	8.7
Total (N)	2.319	272	3.262	5.853	124,993

(1) LFS 2002, data for Germany and Italy not available; (2) EU-10: new member states.

Table 10: Economic activity of the 15-65 year old immigrant population with country of birth known, EU 15 (1)EU 15

	EU-West (2)	EU-South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Employed	67.1	67.3	63.2	50.0	51.4	76.3	62.7	58.6	61.3	64.2
Unempl.	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 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Active (%)	71.8	71.5	71.0	59.2	61.2	79.8	71.0	63.8	67.9	69.6
unempl. Rate (%)	6.5	5.9	11.0	15.5	16.0	4.4	11.7	8.2	9.7	7.8
Total (N)	2,587	2,145	1,516	772	2,706	456	217	1,166	11,565	250,433

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

Table 11: Economic activity of the 15-65 year old immigrant population with country of birth known, EU 15 (1) male

EU 15	EU- West (2)	EU- South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Employed	75.0	75.3	72.7	65.1	62.6	86.0	73.9	73.2	71.2	72.9
Unempl.	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 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Active (%)	80.2	79.4	80.3	76.7	74.0	89.2	79.3	79.2	78.5	78.3
unempl. Rate (%)	6.5	5.2	9.5	15.1	15.4	3.6	6.8	7.6	9.3	6.9
Total (N)	1,182	1,135	696	398	1,442	221	92	548	5,714	125,441

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

Table 12: Economic Activity of the 15-65 years old Immigrant Population with Country of Birth Known, EU 15 (1) female

EU 15	EU- West (2)	EU- South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Employed	60.5	58.3	55.1	33.9	38.7	67.5	54.0	45.6	51.5	55.5
Unempl.	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 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Active (%)	64.8	62.7	63.0	40.8	46.7	70.9	65.1	50.3	57.4	60.8
unempl. rate (%)	6.6	7.0	12.5	16.9	17.1	4.8	17.1	9.3	10.3	8.7
Total (N)	1,405	1,010	820	375	1,264	234	126	619	5,853	124,993

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

Table 13: Economic activity of the 15-64 years old foreign resident population by nationality, EU 15 (1)

EU 15	EU-15	EU-10 (2)	Rest of the World	Total	EU 15
Employed	67,2	60,4	52,5	58,6	64,2
Unempl.	5,1	6,7	9,7	7,7	5,4
Inactive	27,7	33,0	37,8	33,6	30,4
Total (%)	100,0	100,0	100,0	100,0	100,0
Active (%)	72,3	67,0	62,2	66,4	69,6
unempl. rate (%)	7,0	10,0	15,5	11,7	7,8
Total (N)	4.206	449	6.059	10.714	250,433

(1) LFS 2002, Data for Italy not available; (2) EU-10: new member states.

Table 14: Economic activity of the 15-64 year old foreign resident population by nationality, EU 15 (1) male

EU 15	EU-15	EU-10 (2)	Rest of the World	Total	EU 15
Employed	74,6	73,9	64,6	68,9	72,9
Unempl.	5,7	6,8	11,7	9,1	5,4
Inactive	19,7	19,3	23,7	22,0	21,7
Total (%)	100,0	100,0	100,0	100,0	100,0
Active (%)	80,3	80,7	76,3	78,0	78,3
unempl. rate (%)	7,1	8,5	15,3	11,7	6,9
Total (N)	2.208	176	3.087	5.471	125.441

(1) LFS 2002, data for Italy not available; (2) EU-10: new member states.

Table 15: Economic Activity of the 15-64 years old Foreign Resident Population by Nationality, EU 15 (1) female

EU 15	EU-15	EU-10 (2)	Rest of the World	Total	EU 15
Employed	59,1	51,6	40,1	47,9	55,5
Unempl.	4,4	6,6	7,6	6,3	5,3
Inactive	36,6	41,8	52,4	45,8	39,2
Total (%)	100,0	100,0	100,0	100,0	100,0
Active (%)	63,4	58,2	47,6	54,2	60,8
unempl. rate (%)	6,9	11,3	15,9	11,6	8,7
Total (N)	1.997	273	2.972	5.242	124,993

(1) LFS 2002, data for Italy not available; (2) EU-10: new member states.

Table 16: Economic Activity of the 15-64 years old Foreign Resident Population by Nationality, EU 15 (1)

EU 15	EU- West (2)	EU- South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Employed	67.5	66.9	60.7	47.5	41.5	76.8	62.6	56.6	58.6	64.2
Unempl.	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 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Active (%)	71.5	72.8	69.6	57.6	54.3	79.9	72.2	62.5	66.3	69.6
unempl. rate (%)	5.6	8.1	12.8	17.5	23.6	3.9	13.3	9.4	11.6	7.8
Total (N)	2,027	2,310	1,861	2,121	1,373	383	115	525	10,715	250,433

(1) LFS 2002, data for Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain), Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) New EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 17: Economic activity of the 15-64 years old foreign resident population by Nationality, EU 15 (1) male

EU 15	EU- West (2)	EU- South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Employed	75.5	73.9	70.3	61.3	55.3	85.9	77.1	74.1	68.9	72.9
Unempl.	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 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Active (%)	80.1	80.3	79.7	74.3	70.9	89.5	81.3	81.6	78.0	78.3
unempl. rate (%)	5.7	8.0	11.8	17.5	22.0	4.0	5.2	9.2	11.7	6.9
Total (N)	975	1,293	842	1,131	748	192	48	239	5,468	125,441

(1) LFS 2002, Data for Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain), Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) New EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 18: Economic activity of the 15-64 year old foreign resident population by nationality, EU 15 (1) female

EU 15	EU- West (2)	EU- South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Employed	60.1	58.1	52.8	31.6	24.8	67.5	52.2	42.0	47.9	55.5
Unempl.	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 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Active (%)	63.6	63.4	61.2	38.5	34.3	70.1	65.6	46.5	54.2	60.8
unempl. rate (%)	5.5	8.4	13.7	17.9	27.7	3.7	20.4	9.7	11.6	8.7
Total (N)	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 (except Italy, Greece, Portugal, Spain), Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) new EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 19: Activity rate (age groups 15-65) of the immigrant population with country of birth known (Maghreb, Turkey) and the Foreign resident population (Maghreb, Turkey), selected EU countries (1)

	Immigrants from Maghreb nationals Maghreb Countries (2)	Immigrants from (2) Turkey	Turkish nationals
101.BE	34.5	21.6	26.2
102.DK	43.5	36.4	30.8
103.DE		47.1	48.5
104.EL	63.2	75.0	57.1
105.ES	56.3	57.0	37.9
106.FR	50.8	39.1	50.6
110.NL	53.2	41.9	57.0
111.AT	55.6	42.9	33.3
114.SE	44.3	34.5	44.4
115.UK	65.3	60.4	26.2

(1) LFS 2002; (2) Algeria, Morocco, Tunisia.

Table 20: International standard classification of occupations (ISCO) of the immigrant population with country of birth known, EU 15 (1)

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Highly skilled non-man.	49.9	20.9	20.1	21.4	35.8	64.7	36.5	38.8	34.9	36.8
Medium skilled non-man.	11.7	6.9	5.4	6.6	11.1	12.6	12.4	9.4	9.3	12.9
Low skilled non-man.	13.0	13.1	16.0	14.2	12.5	7.5	20.4	17.5	13.7	14.0
skilled manual non skilled manual	10.4	32.0	22.1	22.6	15.7	5.8	11.7	6.5	17.7	17.7
armed forces	14.5	27.0	36.4	34.7	24.2	7.5	19.0	27.6	24.0	17.9
Total (%)	0.5	0.1		0.5	0.7	2.0		0.1	0.4	0.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,758	1,527	959	380	1,391	348	137	691	7,191	161,906

(1) LFS 2002, data for Germany and Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) New EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Table 21: International standard classification of occupations (ISCO) of the foreign resident population by nationality, EU 15 (1)

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Highly skilled non-man.	53.7	21.1	17.9	12.1	19.9	68.0	27.4	32.7	29.0	36.8
Medium skilled non-man.	11.5	6.8	5.3	6.1	7.8	11.9	12.3	5.4	7.8	12.9
Low skilled non-man.	12.6	16.0	16.1	12.3	13.8	6.5	23.3	25.3	14.5	14.0
skilled manual non skilled manual	9.6	24.6	24.7	27.7	24.2	4.4	15.1	7.7	19.9	17.7
armed forces	12.5	31.5	36.0	41.7	34.2	7.5	21.9	29.0	28.6	17.9
	0.1			0.1	0.2	1.7			0.1	0.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,378	1,541	1,122	995	567	294	73	297	6,267	161,906

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

Table 22: Economically active immigrant population with country of birth known, by sector/industry (NACE), EU 15 (1)

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey	Africa, Middle East	USA, Canada , Austral	Latin Am., Caribb.	Asia	Total	EU 15
Agric, fish.,, mining	0.4	0.4	0.3	0.3	0.2	0.9		0.2	0.3	0.3
Manufact.	16.4	18.2	19.4	25.3	15.6	11.2	14.9	18.1	17.4	20.9
Construct.	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
Transport, storage, communic	6.2	5.1	5.0	5.7	7.1	3.9	6.0	9.4	6.2	6.5
Financial intermed.	4.3	1.7	1.1	1.4	2.3	7.3	2.2	3.1	2.8	3.5
Real est., renting,	14.4	9.8	12.1	10.4	13.2	22.7	14.2	10.9	12.8	9.7
Public adm.	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 household s	0.5	6.6	5.9	0.5	1.7	0.3	3.0	1.0	2.8	1.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	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 (without Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) new EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia

Table 23: Economically active foreign resident population by nationality, by sector/industry (NACE), EU 15 (1)

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Caribb.	Asia	Total	EU 15
Agric, fish., mining	0.4	0.2	0.4	1.4	0.2	0.7			0.5	0.3
Manufact.	17.5	25.6	22.9	38.4	19.4	11.8	12.7	18.8	23.8	20.9
Construct.	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
Transport, storage, communic	6.4	5.0	4.5	5.9	7.0	4.3	5.6	6.2	5.6	6.5
Financial intermed.	4.7	1.8	1.3	0.9	1.5	7.2	1.4	2.4	2.4	3.5
Real est., renting,	15.3	10.6	10.8	9.4	12.8	23.7	12.7	10.3	12.2	9.7
Public adm.	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 household s	0.5	4.3	5.3	0.4	2.6		2.8	1.4	2.5	1.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	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 (except Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) new EU member states, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia