

Introduction

Main barriers to the labour market integration of refugees and asylum seekers in key EU host countries

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The European context of third country migration since 2015

With over one million asylum seekers from the Middle East, Asia and Africa fleeing civil war oppression and failing states, in 2015 and 2016 Europe faced the greatest migration inflow since World War II. European institutions were not able to tackle this historic challenge and national governments often pursued self-serving, in certain cases obstructive, policies although a small number of countries did take up the challenge and act. Parts of the existing European legal framework were breaking down, including the collapse of the Dublin III regulation on the responsibility of member states for examining an asylum application while, for a short period, even the Schengen system of free movement was suspended.

Instead of co-operation and a common response to facing this humanitarian challenge, it created new fault-lines in Europe. A common European asylum policy has never emerged and the Asylum and Migration Pact, newly proposed by the European Commission (2020a), can be seen more as acknowledging the lack of capability to establish one in the political minefield that migration and asylum policy has become. All this at a time of strong job creation across the EU. After five years, however, it is time to take stock about how Europe and its member states have managed to accommodate the nearly two million new arrivals because, at the same time, neither has this difficult period been without its successes.

This publication focuses on the practices of the labour market integration of asylum seekers and refugees in the main receiving EU member states in the post-2015 period. Substantially, it takes a comparative approach seeking to highlight areas of good practice across the countries while looking in detail at what is going on within each one.

Arrivals

The entry of asylum seekers into EU territory is usually irregular due to the lack of necessary documentation and/or the use of unauthorised border-crossing points. The statistical coverage of irregular migration flows far from delivers an up-to-date and exact picture of the events but, with all the contradictions, the major processes can be tracked.

Figures for illegal border crossings documented by the EU border surveillance agency, Frontex, refer to the mixed flows both of irregular immigrants and possible future asylum seekers. The challenge for the border authorities is that, while asylum seekers

cannot be refused entrance, the duties of the authorities also include the refusal of entry to irregular economic migrants not having the proper travel documents.

Frontex collects data concerning the illegal crossings of the EU's external borders by third-country citizens via land and sea routes. In 2015, there was a six-fold increase in illegal border crossings in comparison with 2014, as 789,000 irregular land arrivals and just over one million (1,033,000) irregular sea arrivals were recorded; in 2016, the numbers were, respectively, 146,000 and 365,000 (Frontex 2017). The agency specifies that irregular border crossings may be attempted by the same person several times in different locations, which means that a large number of those who were counted when they arrived in Greece were counted again when entering the EU for the second time through Hungary or Croatia.

The United Nations High Commissioner for Refugees (UNHCR) monitors entries at Europe's geographical borders so it has fewer problems with double accounting and reflects the actual reality rather better.

UNHCR data presented in Table 1 show sea and land arrivals (via Spain and Greece as entry points) to EU territory. Accordingly, 2015 was the peak year, with 1,032,408 arrivals in Europe, while from 2016 onwards the numbers showed a clearly decreasing trend.

Table 1 Total arrivals of migrants in the EU

2014	2015	2016	2017	2018	2019	2020 I-VIII
225,455	1,032,408	373,652	185,139	141,472	123,663	49,309

Source: UNHCR 2020. <https://data2.unhcr.org/en/situations/mediterranean>

The clearly documented sudden drop of refugee arrivals in 2016 was due to the unilateral steps taken by certain member states to close their borders by erecting border fences that led to the *de facto* closure of what, at that time, was the most important route – the so-called ‘Balkans route’.

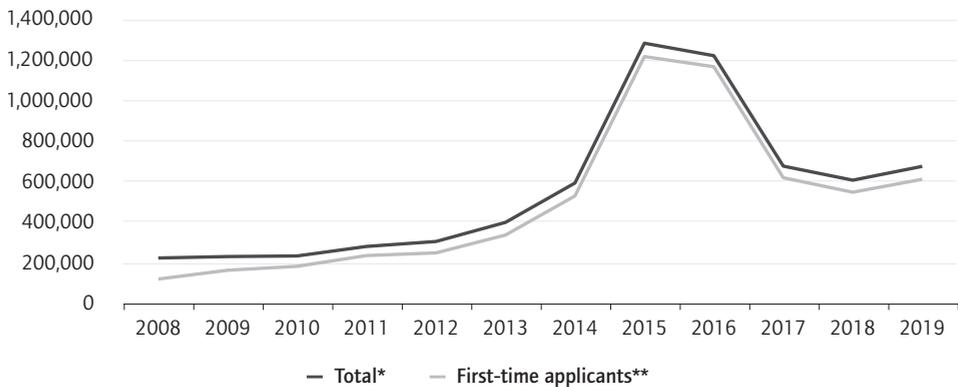
Asylum applications

The distribution of the registration of asylum claims by member state gives an indication of the absorption of asylum seekers by individual countries, but these data also need to be regarded with caution as a result of the lack of a common registration practice at European level. Due to migrants' fear of being registered in a member state while on route to their destination country, and the often obstructive strategies of transit countries in actively forwarding refugees westwards, registration figures by transit countries do not reflect a *de facto* accommodation of migrants. To complicate the picture even further, as member states are not coping effectively with the registration of asylum seekers, there is a time shift between arrivals and registrations.

The development of first-time asylum claims in the EU-27 is shown in Figure 1 (for the EU) and Figure 2 (by member state). A first-time applicant for international protection is a person who has filed an application for asylum for the first time in a given EU member state, excluding repeat applicants (in that member state). The number of repeat applicants (persons who have lodged more than one application) in the EU-27 in 2019 made up 9.4 per cent of the total number (also shown in Figure 1).

The number of first-time applicants followed, with a time lag, the trend in arrivals, with 1.21 and 1.16 million claims in the peak years of 2015 and 2016 (Eurostat 2020), since when they have been in sharp decline at EU level (Figure 1). First-time applicants across the EU-27 fell to 620,000 in 2017 and the figures have remained broadly at that level in the last two years.

Figure 1 Asylum applications in the EU (non EU-27 citizens, 2008-2019)



Notes: * 2008–2014: Croatia not available.

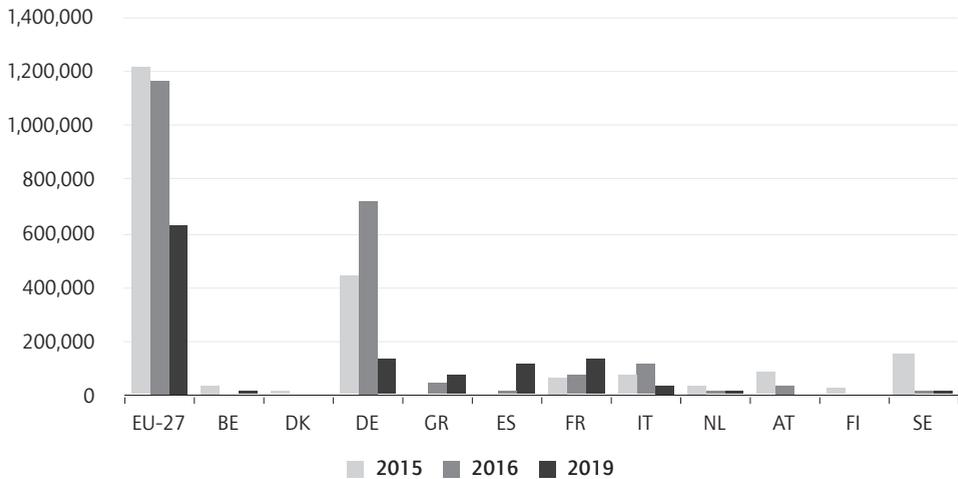
** 2008: Bulgaria, Greece, Spain, France, Croatia, Lithuania, Luxembourg, Hungary, Austria, Romania, Slovakia and Finland not available. 2009: Bulgaria, Greece, Spain, Croatia, Luxembourg, Hungary, Austria, Romania, Slovakia and Finland not available. 2010: Bulgaria, Greece, Croatia, Luxembourg, Hungary, Austria, Romania and Finland not available. 2011: Croatia, Hungary, Austria and Finland not available. 2012: Croatia, Hungary and Austria not available. 2013: Austria not available.

Source: Eurostat (2020).

Figure 2 shows first-time asylum applications for selected member states and the EU-27 for 2015, 2016 and 2019. Germany accounted for most asylum claims in the peak years of 2015 and 2016, with a share of 36 per cent and 60 per cent of the EU-27 total. The evolution of asylum claims by member state showed different trends, depending on the shifting migration routes as well as the varying time lags between arrivals and registrations. For Sweden and Austria the peak year was 2015; for Germany and Italy it was 2016; while for Greece, Spain and France it was 2019, when total EU asylum claims were already falling sharply. In that year, France was in second place (after Germany) even though in the peak years it had been only moderately affected.

Comparing the changes between 2016 and 2019, the most apparent is the opposing trends observed in Germany on the one hand and in Spain on the other: in 2019, asylum claims in Germany fell to one-fifth of the 2016 level whereas in Spain these were almost eight times higher in 2019 than in 2016.

Figure 2 First-time asylum applications in selected member states



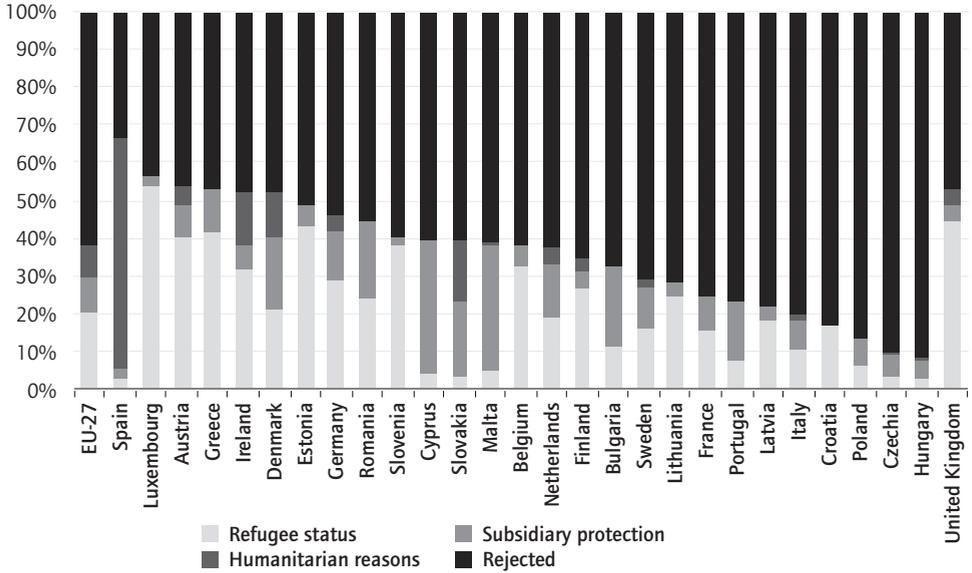
Source: Eurostat (2020).

The pattern remained the same in the whole period: asylum seekers are focused on a small number of member states, putting some under huge pressure while others are hardly affected. Most affected were those at the entry points to EU territory (Greece and Italy) and a few member states that accepted the need to make an active contribution towards managing the common humanitarian crisis (for example Germany, Sweden, Spain and Austria at the beginning).

Figure 3 shows the results of first-instance asylum decisions by member state for 2019. The high share of rejected asylum claims is the most apparent feature of the data. At the level of the EU-27, the share of rejected claims in first-instance decisions was above 60 per cent in 2019, while those granted refugee status made up 20 per cent. The picture varies by member state: rejections were lowest in Spain and highest in Hungary. Germany (with the highest number of asylum claims in 2019) had a 54 per cent rate of rejection while France (in second place that year) rejected more than three-quarters of asylum claims.

When looking at developments in the share of negative first-instance decisions since 2015, Eurostat data across the EU-27 shows these ranged between 38 per cent (2016) and 62 per cent (2018). There are no reliable data on what share of rejected asylum seekers receive a decision that they be returned and what share of the latter will actually be returned. According to a report by the Migration Policy Institute (Beirens 2020), in the period between 2015 and 2018 the share of actually returned asylum seekers from the EU-27 was between 35 and 47 per cent of the total number of those with a 'return' decision.

Figure 3 Distribution of first-instance asylum decisions by outcome (non EU-27 citizens, 2019)



Note: calculation is based on exact figures (not rounded).
Source: Eurostat (2020).

Table 2 Third-country nationals ordered to leave EU territories and returns actually implemented, 2015-18

	2015	2016	2017	2018
Return decisions	528,645	486,150	505,300	478,155
Returns implemented	196,190	228,905	189,740	170,360
Share of those returned	37%	47%	37%	35%

Source: Beirens (2020).

With decision backlogs of several years and a low share of rejected asylum seekers actually being returned, the high proportion of rejections also means that hundreds of thousands of people are getting stuck in vulnerable situations, mostly without the right to employment and with only limited access to social services.

The lack of a common EU migration and asylum policy

Although no comprehensive EU policy framework to face the challenge was put in place, the closure of the Western Balkans route meant that the smaller wave of refugee arrivals afterwards was concentrated on the central Mediterranean route. The ‘consolidation’ since 2016 is a temporary phenomenon due mostly to the unilateral actions of certain member states and not the result of co-ordinated or successful policies at EU-wide level. Where European ‘co-ordination’ has had some effect has been in the strengthening

of migration policy towards a ‘fortress Europe’. The tightening of access to the EU with the closure of the land route through the Balkans was followed by the EU-Turkey Statement (see also the chapter by Kapsalis *et al.* in this publication).

The EU-Turkey Statement

In March 2016, the European Council and Turkey reached a joint agreement aimed at stopping the flow of irregular migration via Turkey to Europe. According to the EU-Turkey Statement, all new irregular migrants and asylum seekers arriving from Turkey to the Greek islands, and whose applications for asylum had been declared inadmissible, should be returned to Turkey which the Statement recognised as a safe third country for refugees. The Statement also envisaged that all new irregular migrants crossing from Turkey to the Greek islands from 18 March 2016 would be returned to Turkey; and that, for each Syrian returned to Turkey from the Greek islands, another would be resettled from Turkey into the EU.

Yet, the ‘EU-Turkey Statement & Action Plan’ did not end the crisis but merely transformed the challenges facing the interested parties. The EU became less pressured by a large number of asylum seekers at its gateways, having assumed a financial role instead. Under the EU-Turkey Statement, the Commission and member states committed €6bn in two tranches in EU assistance to refugees in Turkey for 2016-2019, delivered through the Facility for Refugees in Turkey programme. The EU also approved the funding of 72 projects worth €3bn, mostly within the framework of the ‘Emergency Social Safety Net’, an EU humanitarian programme reaching 1.5 million Syrians to provide their basic needs in terms of food, medicine and housing. The EU also agreed to release a second tranche of €3bn by the end of 2018.

From April 2016 until February 2019, 1,825 people were returned to Turkey under the EU-Turkey Statement, 2 per cent of the 84,210 refugees and migrants who arrived on the Greek islands in this period. The largest number (386) were returned in the first month, in April 2016. In the whole of 2018 the number was lower than that, with 322 people in total, less than 1 per cent of those who arrived in that year (UNHCR 2019).

The failed relocation scheme

The difficulty in finding a European solution was most apparent with the failure of the proposed redistribution quotas. The quota system for reallocating asylum seekers more evenly among member states could not be fully implemented because of the refusal of a small number of states to participate.

On 31 May 2018, the European Commission reported that 34,689 asylum seekers had been relocated, 12,690 from Italy and 21,999 from Greece to other states participating in its second emergency relocation scheme. This is roughly one-third of the commitments legally foreseen in the Council Decisions of 98,255 asylum seekers being relocated (34,953 from Italy and 63,302 from Greece) over two years (European Parliament 2018).

Since then, EU member states have not been able to agree on how to share the responsibility for asylum seekers arriving in Europe. Some countries have taken a lead in making individual commitments, such as Portugal (hosting 1,000 refugees) and France (400), while Finland announced it would take 175 people, but the EU has backed away from the idea of relocation quotas.

More success has been achieved by the two rounds of EU resettlement programmes under which more than 65,000 persons in need of international protection have been settled in the EU since 2015. Participating member states resettling persons receive financial support from the EU budget. In the second round of the scheme (2017-2019), this contribution was set at €10,000 for each resettled person. The resettlement pledges made by member states in the second round totalled over 50,000 persons, 83 per cent of which had been achieved by the end of 2019 (European Commission 2019).

Instead of ad hoc resettlement programmes, the Commission also committed itself to frame a more permanent and structured EU policy on resettlement and announced that it would come up with a proposal in 2016. According to the UNHCR, the EU should take on at least 20 per cent of annual projected global resettlement needs, which would have meant around 250,000 people in 2017. A permanent EU resettlement programme is still blocked in the EU Council.

Lesbos: a symbol of EU migration and asylum policy

Currently, the Greek state operates five reception and identification centres (RIC) for asylum seekers on islands in the eastern Aegean (also called ‘hotspots’). The breakdown of the data by RIC presented in Table 3 highlights the main characteristics of these centres and demonstrates the major shortcoming of the entire system. The situation has been dramatically escalating in the last eighteen months, with occupancy rates far above capacity: for the largest one in Lesbos by seven-fold and, for Samos, by almost twelve-fold. In the context of the spread of the Covid-19 pandemic, overcrowded reception centres with low sanitary standards and limited health care provision pose a life-threatening emergency and present a looming humanitarian catastrophe. The devastating fire in the Moria camp on Lesbos in early September was a culmination of this tragedy.

Table 3 Reception and Identification Centres (RIC) for asylum seekers in Greece

Island/RIC	Start of operation	Capacity	Occupancy October 2018	Occupancy March 2020
Lesbos	October 2015	2,757	7,352	19,271
Chios	February 2016	1,014	2,361	5,363
Samos	March 2016	648	4,185	7,291
Leros	March 2016	860	718	2,117
Kos	June 2016	816	1,114	2,970
Total		6,095	15,730	37,012

Source: Greek Government (2020).

EU Asylum and Migration Pact: failure at birth

The New Asylum and Migration Pact proposed by the European Commission (2020a) can be seen as an acknowledgment of its inability to establish a common migration and asylum policy framework, as suggested by the new code word ‘flexible solidarity’ – a main pillar of the Pact. The Pact tries to follow the logic of consensus building or unanimity among all EU member states within a heterogeneous and divided EU in a policy area in which the EU Treaties call for qualified majority voting with the European Parliament as co-legislator. Instead of finding common ground, this will lead to further fragmentation in European cooperation on an issue that lies at the very core of the EU’s foundations and where *common* action is essential.

Although the Pact refers to the United Nations Global Compact for Refugees (UN GCR) it already goes against its core principle in the title. The EU’s approach of linking asylum with migration disregards a core element of the UN GCR: the primacy of refugee protection. Asylum is about protection (a humanitarian obligation) while immigration, which is about controlling borders and managing migration, is driven by economic self-interest according to the priorities set by host nations along the lines of their labour market policy or demographic objectives.

It is positive that the Pact sets up an independent monitoring mechanism of border procedures in compliance with fundamental rights. The ‘solidarity à la carte’ principle underpinning the idea of ‘returns sponsorship’ (without the euphemism: ‘deportation sponsorship’) is not worthy of the term ‘solidarity’. The ETUC dismissed the Pact by saying: ‘Trade unions know the meaning of solidarity and this is not it. Fortress Europe looks stronger than ever’ (ETUC 2020). The main principle of the Pact is ‘externalisation’ – keeping the problem as much as possible at arm’s length. Humanitarian migration is thus a case for EU external relations with ‘migration partnerships’ likely to follow the dysfunctional EU-Turkey Statement.

The proposal for a fast-track screening and asylum process at the border mirrors the implementation of the EU-Turkey Statement in that accelerated procedures lead to higher rejection rates. This poses a significant risk of displaced people being wrongly denied asylum and returned to their countries of origin where their safety may be seriously threatened. The main objective of the Pact is deterrence, keeping displaced persons away from ‘fortress Europe’.

Amnesty International (2020) stated that the new Pact is ‘designed to heighten walls and strengthen fences’, adding also that it would ‘do nothing to alleviate the suffering of thousands of people stuck in camps on the Greek islands, or in detention centres in Libya’.

The result of these policies can be seen on the Greek islands and in the scandalously high loss of life in the Mediterranean Sea, the Sahara Desert and in the detention camps in Libya, as well as the violent and deadly defences against refugees and migrants at the external borders of the EU, including pushbacks.

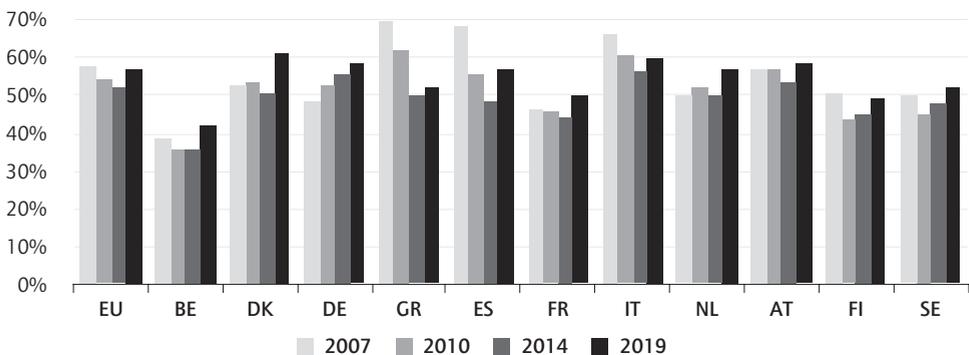
The European labour market context

While the overall population structure by citizenship matters, and the integration practices and results of earlier migration waves can deliver lessons, the focus of this publication is the labour market integration of asylum seekers and refugees of the last couple of years; and it is this issue to which we now turn.

A wave of newcomers in a period of job creation

The big challenge for countries hosting refugees and asylum seekers will be their integration into the labour market. Numerous factors are at play in determining employment levels among non-EU nationals, such as the labour market situation in the host country and the socio-demographic characteristics of migrants. There are no comparable data available on the labour market participation of specifically refugees. We should keep in mind that, between 2007 and 2019, the EU experienced strong labour market recovery, creating a total of 7.5 million jobs (after job losses of c. 5 million between 2007 and 2014). This means that the increase in non-EU employment in this period is not only due to the new arrivals, but to greater employment for non-EU citizens already residing in the EU. As background, Figure 4 shows Eurostat data on the employment rates of non EU-28 citizens by main host country for 2007, 2010, 2014 and 2019. These figures include all non-EU nationals, not only refugees. In 2019 the employment rates of non-EU nationals in most of the member states shown in Figure 4 were close to 50 per cent or above (highest in Denmark, Italy and Austria), while Germany was the only one among these countries that saw a continuous increase in non EU-28 employment between 2007 and 2019. Greece, Spain and Italy had significantly lower non EU-28 employment rates in 2019 than they had in 2007.

Figure 4 Employment rates of non EU-28 citizens in selected member states



Source: Eurostat (2020).

It is also interesting to look at the change in absolute numbers for non EU-28 employment and for the non-EU population of working age for the period between 2014 and 2019 (Table 4). In the EU-27 (without UK) the non-EU working age population grew by 2.5 million while employment for this group grew by 2.1 million. The highest

increase, both for the population as a whole (1.1 million) and the numbers in employment (750,000) was recorded by Germany. Sweden also had a high increase (and the highest in per capita terms), both in non-EU population and employment. France saw the second highest increase in the working age population of non-EU citizens in this period, but Spain had the second highest value in terms of employment. This also means that Spain created more jobs for non-EU nationals (407,000) than it had as new arrivals (365,000), as did Italy (125,000 vs 51,000). Denmark saw a small decrease in the non-EU population during 2014 and 2019, but it created some new jobs for non-EU citizens. In Greece, both the non-EU population and employment fell during this period.

Table 4 Change in non-EU working age population and persons employed (in thousands)

	Employed	Working age population
	2014-2019	2014-2019
EU-27 (excl. UK)	2,108,500	2,549,200
Belgium	26,200	15,200
Denmark	15,400	-5,400
Germany	749,800	1,136,100
Greece	-14,900	-46,700
Spain	407,400	364,800
France	289,000	396,200
Italy	124,700	50,800
Netherlands	54,800	63,700
Austria	66,700	82,500
Finland	13,700	20,400
Sweden	110,000	193,000

Source: Eurostat.

Main findings of the national chapters

The chapters of this publication take a close look at national-level policies for the labour market integration of refugees and asylum seekers in eight EU member states that have played a key role as host countries in the period after 2015. Integration barriers and labour market outcomes are also examined in detail. This summary follows the structure of the chapters according to three main topics, followed by some general conclusions on integration policies. These include (i) the national context of migration as regards migration history, population structure and labour market situation; (ii) the main policies of national governments and their changes regarding particular issues such as, for example, access to welfare services, equal treatment and access to employment; and as broken down by legal status (asylum seeker, refugee, international protection beneficiary, tolerated status after a rejected asylum claim); and (iii) labour market access and barriers by migrant status in terms of legal access, then actual employment numbers also taking stock of different types of barriers: legal, administrative and financial. This element also includes the role of NGOs, particularly where governments have outsourced assistance and support measures instead of relying on public institutions.

National context of migration

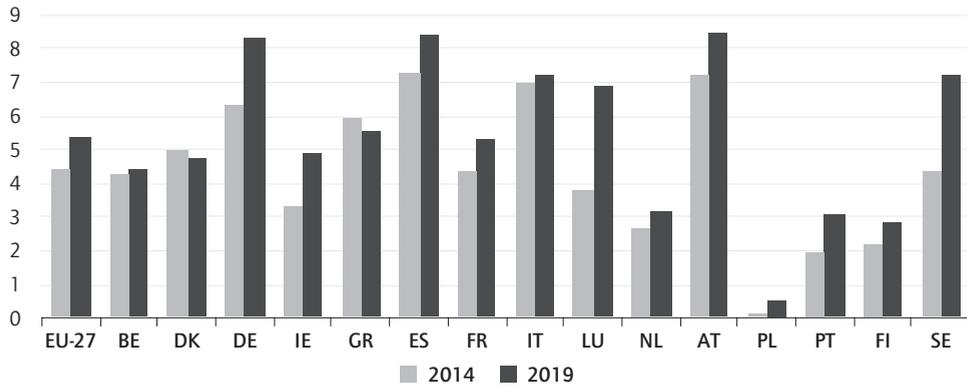
Each member state has different history, traditions and perceptions in dealing with migration. One common feature, however, for most of the host countries examined, was that, until very recently, their status of being an ‘immigration country’ had not been explicitly recognised and corresponding migration policy frameworks were largely missing. Italy, Spain and Greece – but also Finland – had been countries of emigration for a long period and neither public opinion nor the political administrative institutions were prepared for larger-scale immigration and ready to accommodate and integrate a high number of people seeking refuge. Paradoxically even Austria and Germany were not prepared despite these countries being host countries for migration over several decades. France, on the other hand, does have significant historical experience with immigration but, due to difficulties in absorption and integration, the country experienced some sort of ‘migration fatigue’ during the last decade.

In 2014, the EU-27 (without UK) had a share of non-EU nationals in its working age population which reached 4.4 per cent, while by 2019 this had grown to 5.4 per cent. Member states do show significant differences, however, as Figure 5 shows. Central Eastern European countries are least affected, as Poland demonstrates with 0.15 per cent and 0.51 per cent respectively.¹ In 2019 Austria, Spain and Germany had the largest share of non-EU nationals in the working age population, with shares of 8.44, 8.4 and 8.3 per cent respectively. Apart from Luxembourg, Sweden had the highest increase between 2014 and 2019, from 4.3 to 7.2 per cent, while Denmark was the only country in which the share of non-EU citizens decreased during this period. The actual figures are thus not necessarily in line with the perceptions or with the state of readiness to deal with the challenge. Austria, Germany, Italy and Spain all already had above-average shares of the non-EU population before the 2015 migration wave. France and the Netherlands (traditional immigration countries, not least due to their colonial pasts) actually have lower than average non-EU population shares but a high sensitivity to the issue. Both have tried to keep a low profile in terms of receiving new arrivals.

The policy environment and public attitudes in most EU member states were generally not favourable to migration across the entire period. Eurobarometer surveys (European Commission 2020b) reveal that, in 2016, almost 60 per cent of EU citizens had a negative view on third country immigration to Europe (Figure 6). Citizens of Spain and Sweden had the least negative view, while those from Greece, Italy and Finland the most negative. By 2019, the picture had become slightly improved as the share of negative views in the EU had fallen to 45 per cent. At over 70 per cent, it was Greece that had by far the highest share of negative views among the examined countries. Right-wing xenophobic parties emerged in all member states during this period and tried to capitalise on the concerns of the population. There was only a handful of countries in which these parties managed to become part of the governing coalition, but they have had an impact on government policies in all of them.

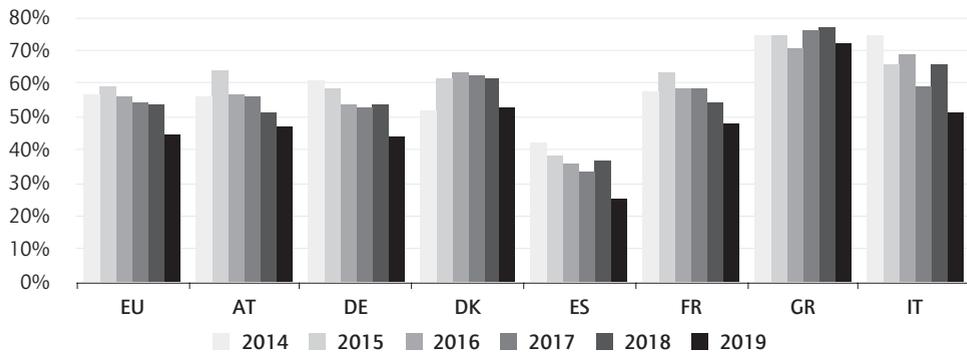
1. The latest increase in the non-EU population in Poland is due to the employment of Ukrainian citizens filling labour market gaps and not due to the take-up of refugees or asylum seekers. Apart from Estonia, due to its Russian population, no CEE country has a significant non-EU population share.

Figure 5 Share of non-EU nationals in the working age population



Source: Eurostat.

Figure 6 Changes in the share of the population with a negative attitude towards non-EU immigration (2014-2019)



Note: sum of the share of answers 'fairly negative' and 'very negative' to the question: 'Please tell me whether "Immigration of people from outside the EU" evokes a positive or negative feeling for you'.

Source: European Commission (2020b).

While the tense political environment and the strong concerns expressed in public opinion can be attributed, to a large extent, to the long-lasting effects of austerity policies in the wake of the 2008 crisis, the arrivals peak and subsequent absorption did coincide with a strong recovery in EU labour markets with millions of jobs being created across the EU.

National migration policy frameworks and their changes – the swinging of an asymmetrical pendulum

With some exceptions, the general trend across the countries covered by this study is that national policy frameworks for migration have become more stringent over time. Sudden policy shifts due to changes in governments have resulted in frequent amendments to

the legislation and have also led to discontinuities in migration and integration policies. Even in countries with political continuity (for example, Germany) migration policies have become stricter as a result of the pressures of right-wing fringe parties.

In certain of the countries covered here, changes in governments have had a substantial impact on migration policy.

In *Austria*, asylum legislation has been reformed in several waves in the wake of the inflow and transit of asylum seekers during 2015. According to these new regulations, the period of protection/residence of recognised refugees (according to the Geneva Convention) has been limited to three years, after which people are expected to return if the country of origin can be considered safe for the person in question. Those with subsidiary protection status receive a one-year residence permit.

The labour market integration of refugees was an important concern for the then grand coalition government and benefited from appropriate levels of funding up to 2017 but, when the centre-right coalition took office, the funding of policies for both recognised refugees and people with subsidiary protection were made more restrictive. Basic care provided for asylum seekers was cut and, since September 2018, asylum seekers can also be requested to contribute financially to the basic care they receive during the asylum procedure. For recognised refugees, the provision of a needs-based minimum income was replaced by ‘social assistance’ with the primary objective of sanctioning child-rich refugee families. During its period in office, the centre-right coalition also pursued a deliberate policy of the non-integration of refugees. Funding for labour market integration was reduced (including cuts to language courses), while the possibility for asylum seekers up to the age of 25 obtaining an employment permit for an apprenticeship in a shortage occupation was cancelled in 2018. At the same time, an ‘integration’ law was passed that, instead of providing integration support, made integration a ‘duty’, including proper German language skills as a condition of receiving full social assistance.

The Conservative/Green coalition from 2019 has brought only minor policy changes. According to human rights organisations, more than one-half of the political announcements and measures of the current government may be assessed as ‘non-integrationist’ and less than one-third as ‘integrationist’.

A similar development took place in *Denmark*. The ‘refugee crisis’ of 2014-2015 resulted in major reforms to refugee integration and employment policies, with a tripartite agreement reached in 2016 setting an ambitious target of a fifty per cent employment rate for refugees and family-reunified migrants. The most important changes included a shift in active labour market policies to encourage faster and more intensive job placement (work experience programmes) and stricter job search requirements. The employment rate of male refugees increased from 30 per cent in 2015 to 58 per cent in 2018, while the employment rate of female refugees increased in the same period from 6.5 per cent to 18.5 per cent. Impact evaluations indicated that the reform of the integration and employment policies targeted at refugees had a significant and positive employment effect.

However, less than three years after the reforms were introduced, the major political parties decided to implement a fundamental change in migration policies under which the objective of migration law has become the promotion of the repatriation of refugees rather than their integration. The respective law transmits conflicting signals to refugees and the public authorities as well as to employers. The migration authorities are instructed to avoid issuing permanent residence permits and to seek to repatriate refugees to their countries of origin as soon as the grounds for humanitarian protection cease.

In *Finland*, the centre-right government (2015-2019) tried to follow its international legal obligations and did not close the country's borders when the numbers of irregular border crossings from both Sweden and Russia increased dramatically in 2015. At a later stage, however, the government took measures to make it more difficult for asylum seekers to receive refugee status. This tightening of policy was also the result of the composition of the multi-party coalition government changing to include the populist Finns Party, which succeeded in steering asylum policy changes that have negatively affected the rights of asylum seekers. The internal practices of the Finnish Immigration Service also resulted in more decisions becoming unfavourable to asylum seekers, leading to an increased number of undocumented migrants in the country. The legal changes enacted by the 2015-2019 government were also unfavourable to the labour market integration of asylum seekers.

Following the 2019 parliamentary elections, Finland has been governed by a centre-left coalition of five parties. The new government has made some changes in asylum policy that have, according to human rights organisations, improved the rights of asylum seekers although not to the extent expected.

Italy had three political cycles during this period with massive changes as the political pendulum swung back and forth.

The first tightening of the existing policy framework for (economic) migration came in the form of a right-wing legislative change as far back as 2002 that made the possession of an employment contract a condition for applying for a residence permit and permitted refoulement within extra-territorial waters based on bilateral agreements between Italy and other countries.

Specific legislation on asylum seekers and refugees represented a clear gap in the Italian legislation that was filled only in 2015. The Legislative Decree, enacted by a centre-left government, incorporated European regulations and directives on the subject and set out the main competences of the levels of administration within the Italian reception system. During the most acute phase of the refugee crisis, a new decree aimed at speeding up the asylum procedure reduced the legal rights of asylum seekers to appeal and extended the network of detention centres for irregular migrants. The Decree also 'introduced' volunteering for asylum seekers in the local communities in which they are hosted, although it did not allocate resources in support.

The next centre-left government in 2017 introduced a code of conduct for NGOs engaged in search and rescue operations concerning migrants at sea, putting their role somewhere between the humanitarian level and that of assisting the judicial and police authorities in combating illegal immigration.

Despite the sharp decline in the numbers of refugees and asylum seekers, the government established by the 5-Star Movement and the right-wing *Lega* in June 2018 placed strong legislative and administrative restrictions on the reception of migrants. The restrictive but pragmatic practice of previous centre-left governments was changed towards one that was hostile to asylum seekers and which criminalised helpers and volunteers. The regulations imposed criminal and financial sanctions on rescue ships that did not operate in conjunction with the Italian authorities. Additionally, the legislative package reshaped the Italian reception system and, by excluding asylum seekers from secondary protection, it abolished the category of ‘humanitarian protection’, which represents about two-thirds of residence permits granted in respect of international protection in Italy. All this was accompanied by administrative measures to reduce the resources allocated to centres for asylum seekers and the consequent downsizing or elimination of socialisation activities, language training, legal support, mentoring, psychological and health assistance, etc.

In the meantime, several independent observers (NGOs, civil rights lawyers and trade unions) have complained about the negative consequences of the new legislation in terms of the increase in irregular migrants. The government installed in September 2019 (consisting of the 5-Star Movement, the Democratic Party and a smaller left-wing party) has changed the most controversial parts of those decrees by December 2020.

The above cases demonstrate a peculiar migration policy ‘pendulum’ in which swings to the right are much greater than swings to the left. Once a right-wing government comes into power, sweeping restrictions in migration policy are enacted while a subsequent left-wing change usually results in late and reluctant policy moves back, if at all. Another common feature of the tightening of policy frameworks has been the implicit objective (in particular in Austria and Denmark) of making supporting measures less attractive for future migrants in the hope they would move to other countries instead.

The cases of France, Spain and Greece – while being very different in many ways – share the feature of how governments have looked to NGOs in the key fields of asylum policy and indeed, become reliant on them.

France had no public policy for the occupational integration of refugees, other than the actions of a few NGOs, until 2015. The so-called ‘refugee crisis’ sparked fresh policy attention towards the integration of refugees. Even though the national authorities are careful not to create incentives for asylum seekers to choose France or remain in it, they have now accepted the idea that, having specific needs and facing specific challenges, refugees should be targeted with dedicated measures. This change has resulted in focused funding and a centralised strategy that builds on the actions of NGOs and on those of other actors at local level. These either provide individual support in accommodation centres or run dedicated regional programmes.

In *Spain*, immigration flows, together with asylum requests, have increased notably in the most recent years, basically since the recent economic recovery. These have seen a large number of migrations from Syria, Ukraine and Venezuela amidst more restricted migratory policies in other EU countries. These events caught the Spanish refuge and asylum system rather unprepared. In this context, the main government strategy for managing integration processes has been to decentralise them to the non-profit sector. Given the increase in the number of asylum seekers, there is obviously a greater workload for those NGOs which are supposed to tackle the integration of an increasing number of asylum seekers at a time when such capacities in public institutions have been systematically cut. This decentralisation approach is typical of business process outsourcing models and fits the broader austerity strategy which Spanish governments have continued to apply in the wake of the 2009 crisis in terms of outsourcing the basic functions of public administration.

Public employment services demonstrate significant inadequacies when it comes to adapting to the vulnerable situations that asylum seekers face. Delays in the resolution of applications also generate uncertainty both for asylum seekers and their potential employers.

The recent progressive centre-left Spanish government has continued this heritage from its conservative predecessor. The key to understanding this is a debate over whether the government considers the recent surge in asylum requests as temporary or whether it anticipates that maintaining a precarious reception and integration system will work as a disincentive to future asylum requests.

Greece is a case by itself. It is the main entry point for asylum seekers into the EU but, given the lack of a common and co-ordinated European policy approach, has been left mostly on its own. The question of the labour market integration of refugees and asylum seekers appears to be defined by the context of the fear of entrapment and, thus, by a large amount of self-regulation. Due also to the controversial EU-Turkey Statement, tens of thousands of asylum seekers have been abandoned in the Greek islands under conditions of geographical immobility and lack of social freedom.

For new entrants after 2015, the dominant form of employment has been undeclared work limited to sectors such as tourism or the rural economy with occupational immobility.

One common feature with the Spanish case is that Greek immigration policy is also subject to a privatisation which is being promoted as 'refugee management'. Consequently, it is NGOs and individual professionals, often with 'rights' backgrounds, which have been the ones which have mostly become engaged in initiatives on the reception and integration of refugees. In the face of the pressures stemming from increases in demands and needs, concerns have been raised by trade unions as to whether NGOs are sowing the seeds of poor working relationships with their employees, dominated by insecurity and short-term contracts.

Germany, which has hosted roughly one-half of the asylum seekers arriving in Europe since 2015, is also a distinct case with clear priorities and a rather coherent asylum strategy. What distinguishes Germany from other host countries is political continuity and a reliance on strong public institutions. While the political climate – as in other countries – has not been particularly favourable to the hosting and integration of a large number of new arrivals, and policies have also been tightened over the years, German asylum policy has preserved its humanitarian approach. However, by recognising the importance of labour market integration it has followed a pragmatic approach from early on. With an ageing society and a dynamic economy, German unemployment rates have been at a record low and labour shortages across the economy have been characteristic. The labour market integration of refugees and asylum seekers has thus also been driven by self-interest. Governments at all levels (federal, state and municipal) have invested significant resources in programmes to achieve the public policy aim of language acquisition and employment training.

Germany has followed a strategy of early labour market integration for those refugees who have a high likelihood of remaining in the country, but at the expense of those asylum seekers who have less good prospects. Labour market integration has thus relied on a differentiated approach. This pre-existing stratification was further developed during the 2015-2018 period with political reforms concerning eligibility for language courses, occupational training and access to the labour market.

This phenomenon of boundary drawing and classification is one that is typical of labour migration policies. The result of this duality is a refugee reception infrastructure and environment that combines humanitarian motivations, liberal-utilitarian approaches, restrictionism and structurally-racist perceptions of refugees. Sometimes all of this is visible within the same organisation which, self-evidently, makes it difficult for refugees to find room for manoeuvre.

Labour market access and integration

Even though the recent surge of non-EU arrivals since 2015 has taken place in a period of intense job creation and, in certain countries, labour shortages, the labour market integration of asylum seekers and refugees has been anything but smooth. As described in the previous section, the status of hundreds of thousands of asylum seekers has not been clarified and, while waiting for a final decision, they have no or only limited access to employment in most receiving countries. First we look at the situation facing asylum seekers and then at integration policies more broadly.

Asylum seekers

Asylum seekers' right to work is a critical issue in European countries in the wake of the recent 'refugee crisis'. In contrast to the position for refugees, the United Nations Refugee Convention does not oblige countries to grant asylum seekers the right to work, with each individual country being free to determine whether or not to grant such a right and to set any conditions for doing so. The EU Reception Conditions Directive

(European Union 2013), however, requires member states to grant asylum seekers access to their labour market after nine months of waiting for a decision.

The country chapters of this publication provide an insight as to how individual member states deal with the access of asylum seekers to employment.

Austria provides limited access for asylum seekers to seasonal work (in narrowly defined sectors) but, from 2018, it has abolished the option of allowing them to take up apprenticeships in shortage occupations. Delays in the asylum procedure continue to hamper the integration of asylum seekers into the labour market.

France allows asylum seekers to take up employment six months after their asylum claim was submitted, on the condition of obtaining a special work permit, but, due to the complicated administrative procedure, most asylum seekers do not enter the legal labour market.

In *Finland*, asylum seekers are generally allowed to work three months following the submission of an asylum application; however, for those without a valid travel document at the time of the application, the right to employment starts only after six months. Unlike in most host countries, in Finland asylum seekers may receive some elementary services from the state in terms of preparation for the labour market, i.e. language training. On top of that, NGOs and civil society actors are providing further help to asylum seekers in labour market integration.

In *Italy*, access to work for asylum seekers is allowed sixty days after the date of submission of their application. At the same time, there are no dedicated services targeted at their inclusion into the labour market. They can, however, make use of the active policy tools aimed at ‘weak’ labour market subjects as well as avail themselves of public services for work and the social benefits and allowances provided to all workers legally employed in Italy.

The case of *Greece* is again special, as asylum seekers trapped in reception centres on the Greek islands are excluded from any form of employment. Asylum seekers generally obtain the right to work six months after filing their application for refugee status. Up to that point, their employment can only take place in the context of undeclared work, the same as all those who will not be recognised as refugees but remain in the country undocumented. In addition, the relocation of those who are recognised as refugees to areas of mainland Greece is hardly ever accompanied by state policies for the recognition of professional skills or vocational training, while NGOs’ action at this level is extremely rare and on a very limited scale.

Germany, on the other hand, has introduced a two-track asylum procedure with an early labour market integration strategy for those refugees who have a high likelihood of remaining in the country. While this sounds a pragmatic approach, it comes at the expense of those asylum seekers who are categorised as having insufficiently good prospects.

In *Spain*, asylum seekers are forced administratively to remain in certain assigned territories in order to maintain economic support, despite the obvious regional differences in employment opportunities. This administrative limitation is incomprehensible considering that geographical mobility is a fundamental tool in situations of unemployment. In addition, public employment services demonstrate significant inadequacies when it comes to adapting to the vulnerable situations asylum seekers face in the context of massive delays in the resolution of applications as well as ignorance of the law among asylum seekers themselves, generating uncertainty and distrust among potential employers.

Refugees

The labour market integration of refugees can be discussed both from a supply-side and a demand-side perspective. The supply-side approach focuses on the capacity of refugees for integration into the labour market of a host country considering potential individual barriers, such as inadequate language skills, low or insufficient education, mental or physical challenges, limited work experience and low motivation to work. The objective of public intervention is, therefore, mainly to prepare refugees for the labour market by improving their skills, qualifications and motivation.

On the demand-side, barriers regarding refugees may include (direct and indirect) discriminatory practices and low incentives for employers to recruit refugees. Policies addressing the demand-side focus on encouraging and providing such incentives, which may range from 'hard regulation' (anti-discrimination laws, employment quotas and sanctions) to 'soft regulation' (wage subsidies and communications and other campaigns).

Matching labour market demand and supply in this specific context should consider the information asymmetries on both the supply and demand sides of the labour market and the inability of public employment services to facilitate matches between refugees and potential employers. Refugees often have insufficient information about the new host labour market and inadequate personal networks to gain access to employers' informal recruitment channels. Some employers, on the other hand, lack information about the productivity, qualifications and competencies of refugees and are reluctant to recruit them. Public employment services may assist by providing credible information to both sides.

In *Austria*, refugees and people with subsidiary protection status are, in principle, entitled to the entire range of support offered by the Public Employment Service (AMS). In order to match their specific needs, targeted projects have been launched and most often delivered by NGOs focusing on German language courses, coaching, counselling or labour market access support.

One important programme is 'Competence Check', a tool used to assess the skills, qualifications and language knowledge of recognised refugees whose competences are not apparent from their documents. The aim is to recognise existing skills and qualifications and to define the need for additional qualifications.

Survey results on the impact of integration programmes in Austria show that the use of language and other integration courses has been beneficial to refugees in the sense that participants have been able to acquire new skills, improve their education and have their formal education or previous work experience recognised. The main obstacle is the low take-up of such programmes. While it is clear that learning the German language is of key importance in gaining a foothold in Austria, the number of German language courses has declined significantly following the former federal government's decision to stop financing German courses from autumn 2018.

In *Denmark*, an Expert Committee on the labour market integration of disadvantaged jobseekers paved the way for the changes to come resulting from the unfolding 'refugee crisis' from late 2014. The Committee had been appointed by the government to provide recommendations for the reform of public employment services for jobseekers regarding unemployment insurance benefits and other types of public income support. An official government target was set of a fifty per cent employment rate, meaning that one-half of all refugees and family-reunified migrants should be in employment after three years of residency in the country.

Previously, the integration programme consisted primarily of language courses and municipal training programmes; now, these have been combined, marking a shift from a 'human capital' policy to a 'jobs first' policy. The main instrument in the toolbox is a work experience programme (*virksomhedspraktik*) with a duration of typically 13 weeks under which refugees (and the unemployed in general) provide work for an employer. The employer does not pay any wages to the individual directly, with the participant instead receiving welfare benefits. Furthermore, employment programmes were both started earlier and intensified compared to previous practice. Two to four weeks after refugees transfer from the asylum centre to the municipalities, they begin employment programmes and participate throughout the year, with a maximum break of six weeks between periods of activation.

The results are clearly shown in the statistics. However, even though these new integration and employment programmes seemed to have been working, the former (liberal) and current (social democratic) governments decided to engage in a 'paradigm shift' in regulation and integration policies, shifting the focus from integration towards repatriation. This paradigm shift was enacted by the former liberal government in February 2019 but the general approach has been maintained after the change in government in June 2019. While public employment services and employers are supposed to continue their efforts to integrate refugees into the Danish labour market, employers' associations, trade unions and civil society organisations have all criticised these repatriation policies for potentially undermining achievements in labour market integration.

In *Finland*, beside the legal barriers, the comparatively low labour market participation of refugees is also due to their lack of human capital relevant in the Finnish context (e.g. Finnish/Swedish language skills; and formal education). It is not entirely clear what relevant labour market skills are possessed by those who are newly-arrived; therefore, some steps have been taken by the authorities and private actors for the mapping of their skills such as, for example, the 'Startup Refugees' programme.

At the same time, structural racism in the labour market also works as a barrier. Therefore, in order to facilitate labour market integration, efforts to counteract discrimination in recruitment are needed on top of the existing measures to create equal opportunities in the labour market. Moreover, the difficulties facing refugees in finding employment may partly be explained by a lack of social networks, aggravating the problem of matching labour market demand and supply. It is also clear that the tightening of the policy framework that was carried out by the 2015-2019 government was unfavourable to refugees' labour market integration.

For *France*, the key challenges to labour market integration identified include legal, institutional, economic and social factors. Several professions are only accessible to French or EU citizens which means any non-EU citizen is excluded. A lesser French language proficiency among recent refugees (compared to earlier non-EU migration from mostly francophone countries) – due also to bottlenecks in language training – is identified as one factor hampering their labour market prospects. The generally challenging matching between labour demand and supply is aggravated by mismatches in housing and employment offers across France, taking also into account the geographical concentration of refugees. Moreover, the legal and practical obstacles to the recognition of qualifications and diplomas results in overqualification among refugees who do find a place on the labour market.

In *Italy*, the progressive degradation of public immigration services, characterised by large gaps and underfunding as well as by occupational disqualification, unsatisfied occupational training needs and, in some cases, worker precarity have all contributed to the perception and an emerging narrative of a country under pressure and in a condition of presumed permanent emergency.

The inclusion of refugees in the Italian labour market demonstrates a series of critical points on which there has been continuity over a period of years. This includes uncertainty, hardship conditions, low wages and the weak opportunities offered by the active labour market. The window of opportunity for change has narrowed – from a political point of view – because of the priority given to the relative peak in refugee numbers during 2015-2017; this was the point at which Italy lost its chance to improve its systems of reception and integration for refugees as well as those influencing their subsequent inclusion in the labour market.

In *Germany*, governments at all levels have been investing significant resources in labour market policy programmes to achieve the public policy aim of language acquisition and employment training. Countless profit and non-profit labour market training projects are playing a major role in delivering the infrastructure required by the active and early labour market integration strategy. The courses are almost all (many of them fully) subsidised by the state. The state infrastructure is, compared to other countries, quite well-equipped although without the voluntary support of millions of citizens, refugee reception would not have taken place in such an orderly way. This is also the case for labour market participation where many volunteers are using their own networks to find jobs for refugees, provide help with job applications and furnish translation during interviews with bureaucracies or with potential employers.

While the early labour market integration strategy applied in Germany for those asylum seekers with a high likelihood of remaining in the country has its clear advantages, it also hampers the prospects for a successful asylum outcome of those who are classified as having poor prospects. Policy reforms introduced in the 2015-2018 period were built on this pre-existing stratification and reflected in the eligibility criteria for language courses, occupational training and access to the labour market.

The German vocational training system plays a major role for younger refugees who will, upon completion, have a solid base for good employment prospects. Employers, especially in sectors with labour shortages, are very open to taking on refugees for vocational training; however, the large amount of bureaucratic hurdles and, sometimes, the insecurity of investing in a person's education, without knowing whether s/he will remain in Germany or be deported, makes it difficult for employers to make longer term commitments. In addition, refugees face challenges in taking on apprenticeships since, for example, the German language taught in integration classes deviates from the language skills necessary in occupational settings.

For refugees, incorporation into the labour market is often perceived to be difficult in terms of the relevance of sound language knowledge, the matching of skills and qualifications with the job and the recognition of education and job credentials, but due also to the very human experiences of loss of status and of racism. From the perspective of decent work, the mode of labour market integration leaves some dark blots on the statistics that, otherwise, tell a success story: here, we should note the high number of refugees who are employed via staffing agencies or under precarious conditions in low-wage sectors.

The tone of refugee labour market integration in the 2015-2018 period is one of differentiated integration. This is in line with the overall policy orientation in Germany of combining a security-based approach with a neoliberal, or utilitarian, one while meeting the international responsibility of receiving humanitarian migrants.

Spain has two parallel processes for managing asylum requests (under the Home Office) and integration (under the Ministry responsible for Labour and Migration) and this tends towards higher levels of bureaucratisation, complexity and delay. Applicants whose asylum requests are accepted for evaluation are subject to a reception and integration system which follows a standard process composed of three successive phases: temporary reception; integration; and autonomy. Each of these generally takes six months. The first phase takes place in accommodation centres provided by the government or by NGOs (temporary reception), with support and technical advice delivered by the non-profit organisations that also provide education services, including language courses. In the second phase (integration) asylum seekers must seek a place to live; and, while access to training services is maintained, they must also not seek employment. In the third phase (autonomy) economic support is practically cut although work and residence permits, and the technical advice from non-profit organisations, are maintained. The Ministry requires individualised labour market integration programmes to be drawn up during the implementation of the three phases of the integration process. This implies a study and evaluation of the labour

market potential of each person, alongside the required counselling and monitoring elements.

If an application is unfavourably resolved, the applicant is forced out of the integration process and may face a situation of losing both work and residence permits and pushed into an irregular status of high vulnerability.

The development of programmes targeted at the labour market integration of asylum seekers and refugees has been decentralised to certain non-governmental organisations according to their reception capacity, territorial coverage and specialist area. This decentralisation process reflects austerity strategies in Spain that have promoted the outsourcing of underfinanced public services.

In 2019, a number of non-profit organisations submitted a review of current practices to identify required changes in the integration model. The main deficiency identified in the Spanish system is that a combination of difficulties with the validation of qualifications, the lack of access to apprenticeships and the absence of flexible validation systems for previous work experience represents a major obstacle to labour market prospects. Similarly, the lack of systems to identify and capture the qualifications and skills of refugees hinders the matching process between labour supply and demand.

In *Greece*, occupational immobility is the issue that is more or less dominant in respect of the situation facing all new entrants after 2015. The lack of resources and insecurity draw a bleak employment future for the victims of the humanitarian crisis which marks the position in Greece: integration into the labour market will be a strictly personal affair, implemented in a precarious fashion and on the basis of mostly undeclared terms in dirty, dangerous and demeaning jobs in a limited number of sectors. This is probably not the result of a failure or insufficiency of Greek immigration policy but rather a reflection of how this policy has tacitly been pursued.

Labour market outcomes

It does need to be emphasised once more that the period 2014-2019 was one of intense job creation in the EU with a total of 7.5 million new jobs being created while the non-EU working age population grew by 2.5 million and the non-EU workforce by 2.1 million. When looking at labour market outcomes for non-EU nationals and specifically refugees by country, we find some common patterns but also major differences.

The combined number of workers from Afghanistan, Iran, Iraq, Russia and Syria rose significantly in *Austria* in the decade up to 2018 (from 6,892 in 2008 to 28,490). Employment increases were particularly strong for citizens from Afghanistan and, even more so, from Syria after 2015. In terms of foreign female labour market participation, Russia (mainly women from Chechnya) had the highest level (55 per cent) followed by Iraqis (17.4 per cent). The lowest share of women in employment is amongst Afghans (10.5 per cent) and Syrians (9.5 per cent), pointing to the most serious challenge in labour market integration.

In *Denmark*, where there was a specific target for the employment rate of refugees and family-reunified migrants, there has indeed been significant progress with employment rates increasing from 20 per cent to 43 per cent between 2015 and 2018. The achievement of a 58 per cent male refugee participation rate in 2018, surpassing the government target, nevertheless highlights that the challenge again lies with the employment rate for female refugees which stands at just 19 per cent. The tripartite agreement and the new integration and employment policies in place since 2016 have certainly helped, although the focus on labour market integration has been conceded in favour of making repatriation the main policy target from 2019.

In *Finland*, between 2015 and the beginning of 2019, around 400 rejected asylum seekers found employment and applied successfully for a work-based residence permit. Nevertheless, the unemployment rates of nationals of Iraq, Somalia and Afghanistan are over 35 percentage points higher than the rates of Finnish nationals. As the vast majority of those arriving from these countries have arrived in Finland for reasons of international protection (or as family members of those who have been granted asylum), we can infer that refugees from these three countries have remarkably lower labour market participation rates than the indigenous population, or immigrants who have arrived on grounds other than humanitarian ones.

In *France*, existing studies on the occupational integration of refugees and asylum seekers highlight that this population faces numerous difficulties in accessing the French labour market despite the motivation to find employment. Refugees who, in contrast to asylum seekers, enjoy free access to the labour market face higher levels of unemployment than French citizens and other immigrants. When they work, refugees are mostly employed in occupations not requiring higher-order skills or which are precarious or tough, such as in the hotel and catering trade, temporary work, security, cleaning, construction and personal care. Ethnic networks are a major route to finding a job, even though asylum seekers and refugees are less able to rely on the existence of these than other non-EU foreigners. Frequently, asylum seekers and refugees work in the informal labour market, facing related vulnerabilities. Furthermore, many refugees experience occupational downgrading, which often brings its own social and psychological costs.

In *Germany*, the first five years of organised labour market integration shows that the current cohort of refugees is managing to find its first 'regular' employment somewhat faster than refugees arriving earlier: one-half of post-2013 refugees have taken up their first 'regular employment' by 46 months following their arrival whereas, for earlier cohorts, it was 50 months. Furthermore, the overall employment rate of refugees has significantly increased over the years: five years after arrival, the employment rate for men stood at 57 per cent although for women at a mere 29 per cent. Like in many other receiving countries, the high gender gap in the labour market participation of refugees in Germany poses a further challenge to integration efforts. It is of great concern that particularly the mothers of small children do not often have a paid employment relationship despite their high employment aspirations.

Italy had remarkable success at integrating a large number of foreign workers, including non-EU nationals, in the last decade. Two-thirds of non-EU foreigners hold EU long-term residence permits and over one million foreigners have been naturalised since 2010. These integration achievements of the recent past could have been a good basis for sound immigration policies addressing the increasing number of refugee arrivals after 2015. The employment rate of foreign citizens in 2018 was three percentage points higher compared to that of Italians. However, the employment rates of immigrant groups among which there is a high share of international protection is lower compared to other non-EU foreigners and EU foreigners: 56.3 per cent against, respectively, 60.7 per cent and 63.5 per cent, but still close to that of Italian citizens (58.2 per cent). As is the case in other receiving countries, female employment rates for this group are particularly low: just 23.6 per cent compared to 49.4 per cent among all non-EU foreign citizens. Employment rates for recent arrivals (0-3 years of stay) within the group benefiting from international protection is around just 25 per cent, similar to other non-EU foreigners of recent arrival.

Precariousness and uncertainty – the so-called ‘hardship segment’ of the labour market, which expanded significantly between 2007 and 2018 (by no less than 58.2 per cent) – are increasingly widespread among foreign workers who are in employment. The ratio of people in precarious, uncertain jobs to total employment was much higher for foreigners (34.7 per cent in 2018) than it was for Italians (20.5 per cent).

In *Spain*, the employment rates for asylum seekers and refugees from countries from which come the highest number of arrivals, and who are in possession of a social security number, tend to be in the same range as for nationals and other foreigners, showing an increasing trend during the last four years. Nationals from ‘other Asian countries’ (including, according to official data, from Syria, Afghanistan and Palestine) and Venezuelans had employment rates of either side of eighty per cent in 2018 while people from Guinea had the lowest, at 70 per cent.

In terms of unemployment rates, there are notable differences: Guineans have high unemployment rates (37 per cent on average between 2014 and 2018), while Syrians and Palestinians (along with people from other Asian countries) show lower levels of unemployment than the total population in Spain.

Conclusions

The sudden increase in irregular immigration to the EU in 2015 and 2016, with over a million asylum seekers fleeing war and conflict in the Middle East and Africa, put EU asylum and migration policies to an unprecedented challenge. Five years on, the EU has still not managed to set up a coherent and co-ordinated policy framework. Beside the frontline countries (such as Greece, Italy and Spain) that were directly exposed, a handful of member states hosted most asylum seekers while the remaining member states were not affected. This publication has examined national policies, labour market integration programmes and labour market outcomes in those most affected countries.

One important barrier to a smooth absorption and integration of asylum seekers and refugees is the *frequently changing policy framework*. Under pressure from populist right-wing parties, there has been a general trend towards a tightening of immigration and integration policies in each of these countries. With some exceptions, policy frameworks have been subject to sudden changes when new governments come into power. What we have witnessed is a migration policy pendulum that swings further to the right than when it rebounds. Austria, Denmark and Finland all had tightening policies with the former two moving away from an integration-focused policy approach towards repatriation. Italy has had multiple swings, with the populist right-wing coalition's security-based approach, seeking to criminalise migrants and humanitarian rescue operations, having had a decisive effect. Germany and Spain are the refreshing exceptions to this; in spite of weaknesses, each has preserved a more or less sustained approach to integration. Greece, on the other hand, is a case of its own, overwhelmed by the number of arrivals and let down by the EU.

Taking into account this unfavourable political background and the lack of co-ordinated action and solidarity at European level on the one hand, and tightening national policies on the other, it is quite remarkable that most of the countries we study here have still achieved substantially, in terms of absorbing a large number of asylum seekers, managing the asylum process and delivering on labour market integration. There are important lessons to be drawn from both the successes and the failures of this process.

In spite of favourable labour market conditions across the EU in the 2015-2019 period, the labour market integration of asylum seekers and refugees has encountered serious barriers.

The most important of these is *legal uncertainty* and a limited access to labour market and social services for hundreds of thousands of people. As described herein, the status of up to a million asylum seekers has not been clarified, either in that they are awaiting a final decision with limited access to employment or, having been rejected with a legal status that remains in limbo, without access to formal employment or to social services. This is a humanitarian crisis going on within the European Union.

Institutional barriers have also appeared, with several chapters documenting how public institutions, reception facilities, the asylum procedure and labour market institutions were overwhelmed, especially in the first year. This was not only due to the sudden increase in arrivals and asylum claims, but also reflects many successive years of austerity policies that, in most countries, hit public institutions and municipalities hard. Governments had two kinds of responses: either to boost and invest in public institutions to meet the new challenges; or to outsource asylum and labour market integration policies to NGOs and funding them in part. Germany and the Nordic countries, with Austria in the initial period, opted for the former while Spain, Italy and France took the outsourcing route, with Greece also in this camp but having little other option.

Several barriers appear regarding the *implementation* of labour market integration policies. Difficulties with the validation of qualifications, the lack of access to

apprenticeships and the absence of flexible validation systems for previous work experience represent a major obstacle to labour market prospects, as documented by most national chapters. Language skills are identified as a necessary precondition for a successful integration process, but there are clear identified bottlenecks here, with a lack of targeted courses for individual needs a key problem. The lack of systems to identify and capture the qualifications and skills of asylum seekers is seen as a hindering factor in the matching processes between labour supply and demand, frequently also leading to the over-qualification of refugees in some jobs. However, some good practices in this regard have also been identified: the ‘Startup Refugees’ programme in Finland and the ‘Competence Check’ programme in Austria have been successful in mapping the skills and qualifications of asylum seekers and refugees at an early stage without the need to rely on proven documentation or past records.

There has been success with on-the-job integration approaches in both Denmark and Germany. The Danish work experience programme provides short employment opportunities for refugees in co-operation with employers in which the latter do not pay wages to the individual directly, with the participant instead receiving welfare benefits. This is of course a practice which is not without controversy. Germany has also made use of its dual vocational training system to develop the competences of refugees in real work environments.

Mismatches between *housing and employment* offers appear to be a further barrier, particularly in France and Spain, taking also into account the geographical concentration of refugees as well as a strong desire, for a number of reasons, to be located in large, frequently capital, cities. As asylum seekers are forced into designated geographical locations often without proper employment opportunities, prospects for their integration into the labour market are limited from the start.

Structural racism by employers is mentioned in a number of chapters as an obstacle to integration, as documented by surveys in several countries. In many cases, however, the reluctance of employers to hire asylum seekers or refugees reflects substantially the uncertainty which surrounds their legal situation.

For all the examined countries, the *low level of female labour market participation* of refugees proves to be a continuing challenge.

Finally, it should also be recognised that not everything was bleak in the past five years in terms of the reception and integration of asylum seekers and refugees.

Labour market outcomes provide some reason for hope as, in spite of the political headwinds, a group of EU member states has sought to manage the integration of well over a million refugees with the labour market inclusion of hundreds of thousands of new arrivals. Indeed, the employment of non-EU citizens in the EU-27 has increased by over two million during the last five years. There are remarkable achievements to be noted in Italy and Spain, both of which provided employment opportunities for over one hundred thousand refugees. These countries have comparably high employment rates for non-EU nationals and for people arriving from the main origin countries of asylum

seekers. Germany, which has accommodated roughly half of all the asylum seekers arriving in Europe, also shows a high level of labour market integration. However, Denmark and Finland, two Nordic countries with the reputation of comprehensive welfare states and high labour market participation, have not lived up to previous expectations of managing the fast and smooth labour market inclusion of refugees. Their employment rates lag behind Germany and both Italy and Spain.

This (partial) success is largely due to the engagement of citizens, civil society, trade unions and many employers.

Nevertheless, the main employment challenge in each remains the high level of precarious work among the refugee population.

It needs to be born in mind, however, that all this happened under conditions of a labour market boom in Europe. This situation has dramatically changed since March 2020. The effect of the pandemic and the resulting economic and labour market crisis is hitting asylum seekers and refugees disproportionately. They are frequently in precarious employment and tend to have a high employment share in sectors most affected by lockdowns and the downturn, not to speak of the hundreds of thousands in the informal economy. Labour market integration, already experiencing significant problems when taking all these countries together, is likely to face major difficulties in a post Covid-19 world.

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All links were checked on 27 October 2020.

Glossary

Asylum seeker

An asylum seeker is a person requesting international protection due to the risk of persecution or of being ill-treated or subjected to other serious harm in his or her home country. To qualify as a refugee, an asylum seeker needs to present evidence for evaluation.

Beneficiaries of international protection

A beneficiary of international protection is a person who has been granted refugee status or subsidiary protection status.

Refugee

A person who has been recognised as being in need of international protection. According to the Geneva Refugee Convention, a refugee is a person who 'owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, unwilling to avail himself of the protection of that country'.

Beneficiary of subsidiary protection

A beneficiary of subsidiary protection is a third country national or a stateless person who does not qualify as a refugee under the Geneva Refugee Convention but would be in danger if returned to his or her home country.

Irregular immigrant

An irregular immigrant is a person from a third country (non-EU country) who does not fulfil, or no longer fulfils, the conditions of entry as set out in the Schengen Borders Code or other conditions for entry, stay or residence in a member state.

Legally residing immigrant

A legal immigrant is a person from a third country (non-EU country) that is legally residing in an EU member state for the purposes of work (Blue Card Directive, the Intra-corporate Transfer Directive), study (Students Directive, Scientific Research Directive) or family reunification (Family Reunification Directive).

Migrant

People migrating to the EU are categorised as either: an asylum-seeker; a refugee; a beneficiary of subsidiary protection; an irregular immigrant; or a legal immigrant.