



European Foundation
for the Improvement of
Living and Working Conditions

Long-distance mobility in Europe: Getting the balance right

> résumé <

'Mobility is crucial for the economy and employers, but it also offers huge benefits for individual workers... Mobility opens the door to new skills, a new culture, possibly a new language and a new working environment. It is our job, particularly over the coming year, to tackle the remaining obstacles to mobility, while also convincing workers that the benefits of moving to another job or to another country outweigh the costs.'

Vladimír Špidla, European Commissioner for Employment, Social Affairs and Equal Opportunities
Interviewed at the start of the European Year of Workers' Mobility, January 2006



Why mobility?

The European Commission has designated 2006 as the 'European Year of Workers' Mobility'. The initiative aims to inform workers about the job opportunities available throughout the EU, their rights and entitlements and the support available to them. Greater mobility would enable the EU to better deal with the current challenges facing its labour markets: different countries have differing levels of employment, resulting in simultaneous shortages and excesses of labour across Europe.

Making Europe more competitive

Europe is dealing with the growing challenges of globalisation, rapid technological change and a developing knowledge society; maintaining employment and social cohesion is a further challenge. The Lisbon agenda seeks to meet these challenges by making Europe a more competitive, flexible and adaptable economy. Greater labour mobility between regions and between jobs is a crucial element in this.

Guaranteeing freedom of movement

A cornerstone of the European agenda is the right of freedom of movement throughout the EU – a basic human and social right. Since the Treaty of

Rome in 1957, freedom of movement has been one of the core 'acquis' of the European Communities.

This right is of central importance to European citizens: when asked what the EU represents to them, 53% say 'freedom to travel and work in the EU'. This answer comes first, well ahead of the introduction of the euro as a common currency (44%) and safeguarding peace (36%).¹

Responding to a larger Europe

Although both European institutions and European citizens strongly support the idea of mobility, concerns still exist regarding the potential impact of labour inflows from new Member States. At each stage of enlargement of the Union, temporary transitional arrangements have limited the free movement of people on the labour market.

In 2004, with the accession of ten new Member States (NMS), a maximum transition period of five years was agreed (under exceptional circumstances, this can be extended to seven years). From the outset, three Member States (Ireland, United Kingdom and Sweden) decided not to apply any restrictions. Two years after enlargement, Member States are required to state their intentions with regard to maintaining transitional arrangements. The European Commission recommends their suspension; some Member States – Finland, Portugal and Spain – have already announced their discontinuation; other Member States, in particular Germany and Austria, intend to retain restrictions on access to their labour markets.

¹ Unless otherwise indicated, the data in this article come from Eurobarometer survey 64.1 (2005) on geographical and labour market mobility. The survey's findings are currently being analysed by the Foundation.

Alternatives to mobility

Shortages and surpluses of labour can be tackled by policies other than the promotion of long-distance mobility. Instead of bringing labour to capital, capital can be brought to labour. The regional and structural policies of the EU are a good example of such an approach. Another strategy is to support cross-border commuting (without the worker changing residence). Although increasing, this is still relatively uncommon: on average around 0.2% of the EU15 working population commutes between Member States.

Opportunities and challenges

For the citizen

For the individual, moving country or region entails a complete change of social environment. It can mean a chance to learn new skills, have new life experiences and develop one's career. However, it can also mean the loss of established social networks and of an established position in the former workplace, as well as the devaluation of company-specific skills. In addition to the effort involved in adapting to different social security, health and school systems, the migrant often has to simultaneously find a job and learn a new language.

For countries

For the regions and the Member States experiencing inflows and outflows, greater mobility challenges social cohesion and economic performance: the hosting region gains new labour resources (a 'brain gain'), but needs to integrate new workers and their families. The sending region

often loses its most talented people (a 'brain drain'); however, if return migration is well organised, it has the potential to result in a win-win situation for all parties in the long term. To maximise the benefits arising from an integrated single labour market, Europe must balance these trade-offs.

Levels of mobility in the EU

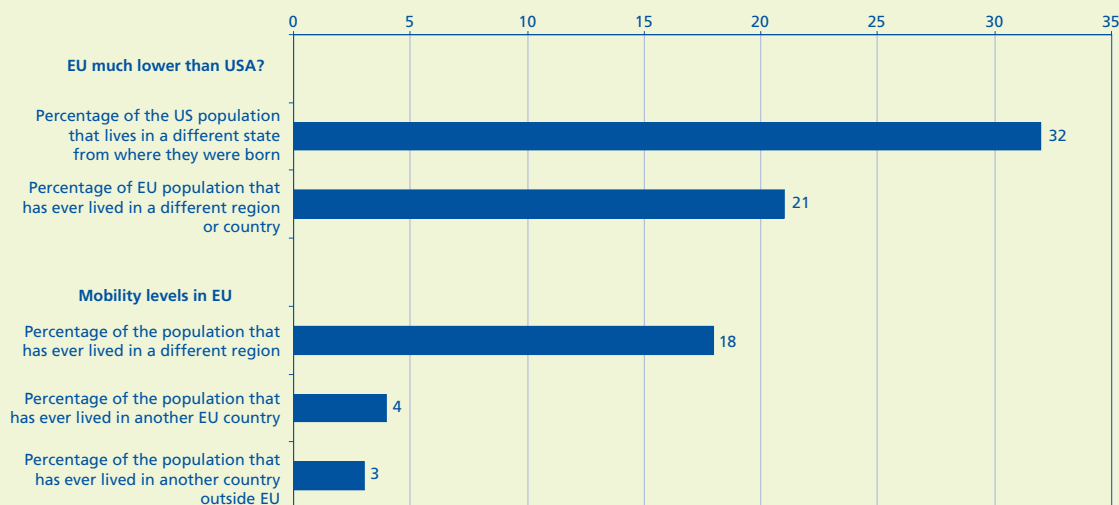
A 2005 Eurobarometer study carried out in all 25 EU Member States looked at mobility levels to date across the European Union.

- > Around 2% of the EU workforce was born in a different Member State than their current state of residence.²
- > Approximately 4% of the EU population has ever lived in another EU country while another 3% has lived in a country outside the Union.

It is often argued that this level of mobility is too low, in comparison to the USA, for instance. In the USA, 32% of the population live outside the state in which they were born.³ However, because of the lower institutional and language barriers, moving between states in the USA cannot be compared to moving between countries in the EU: it would be more realistic to include migration between regions within Member States in the comparison.

Including regions in the comparison changes the picture considerably: approximately 21% of the EU population has lived in a region (or country) other than their own. Even so, the level is still below that of the USA.

Long-distance mobility in the EU and USA (%)

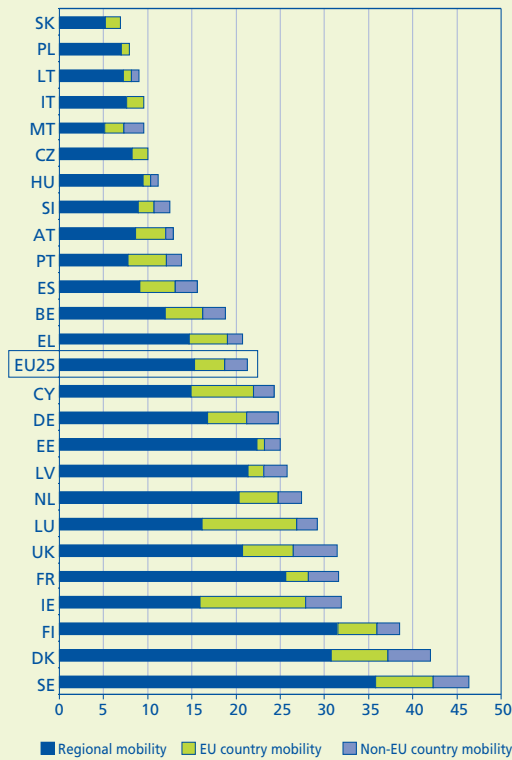


Source: Eurobarometer (2005) and US Census

² European Labour Force Survey, 2005

³ US Census Bureau, data from 2000

Past patterns of long-distance mobility in the EU (%)



Source: Eurobarometer (2005)

Of course, the general EU level of geographical mobility represents only an average of the different levels of mobility in each Member State. While some countries have very low mobility, in at least five EU countries the level of mobility is as high as, or higher than, in the USA.

- > In general, Nordic countries show the highest overall levels of mobility (around 40% of the working age population have lived in a different region or country).
- > Ireland and the UK come second, with a mobility level of approximately 30%.
- > In central Europe, the levels of mobility are around the EU average of 20%, except for that of France which is somewhat higher (30%).
- > Citizens of the southern European and the eastern European Member States have shown the lowest levels of mobility to date (average levels of around 15% and 10% respectively).
- > Looking at the five countries with the highest mobility rates, there appears to be a close relationship between high levels of mobility and strong economic and labour market performance; an exception to this is Spain, which has a low mobility rate and one of the highest growth rates in Europe.

Profile of migrants

Education

Well educated individuals are twice as likely to have moved as those with a low or average level of education. This difference in mobility may be because workers with a lower level of education face significantly higher employment risks; as a result, they are more dependent upon their social networks (in particular their extended families) in the event of becoming unemployed.

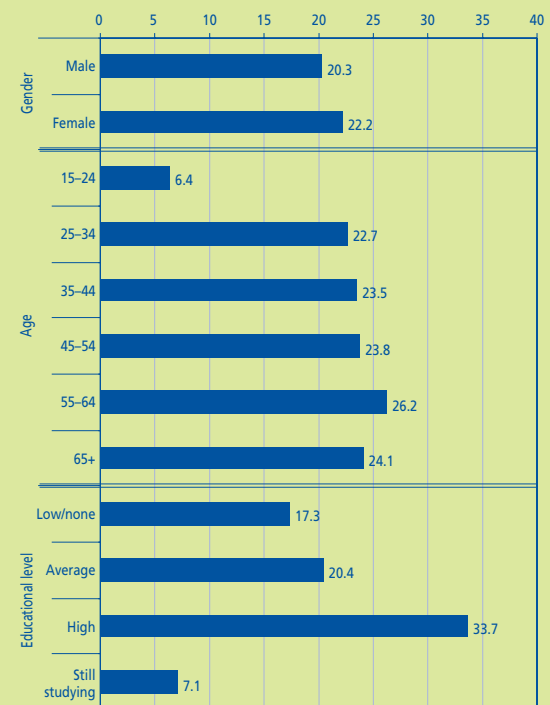
Age

Age is clearly important in terms of past mobility: the youngest age group (15–24 year olds) have not yet had the time to move to another country. However, the next group (25–34 year olds) have moved as much as the older generations in a shorter time span, indicating that there may be a general, EU-wide increase in mobility taking place.

Gender

Approximately equal percentages of men and women have lived elsewhere, women being slightly more mobile. Long-distance mobility is undergoing a process of 'feminisation', due to factors such as: women's increasing education and professional training; better job opportunities for women in specific parts of the services sector e.g. care for children and the elderly; and the emancipation of younger women from traditional family or partnership structures.

Long-distance mobility in the EU by individual characteristics (%)



Notes: the chart indicates past geographical mobility levels in the EU by gender, age and education: that is, the percentage of people in each of those categories that has ever moved.

Source: Eurobarometer (2005)

Future intentions to migrate

NMS and EU15 compared

The 2005 Eurobarometer survey looked at the intentions of European citizens to move to another EU country over the next five years. A clear distinction arises:

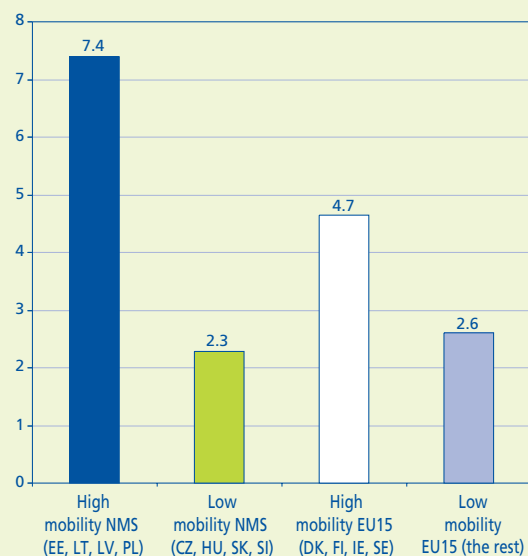
- > in four 'low mobility' new Member States (Czech Republic, Hungary, Slovakia, and Slovenia) very few citizens have any intention of moving – between 1% and 2%;
- > in four 'high mobility' NMS (Estonia, Latvia, Lithuania, Poland), more citizens have some interest in moving – between 7% and 9%.

Comparing the old and new Member States, citizens in the four high mobility countries of the former EU15 (Denmark, Ireland, Finland and Sweden) have a substantially greater intention of moving than the citizens in the four low mobility NMS – between 4% and 6%, more than twice the percentage for the Czech Republic, Slovenia and Hungary.

Approximately 6% of Danish citizens have some intention of moving, a rate quite close to that of Poland and Latvia (7%).

Surprisingly, even the low mobility EU15 countries (the remaining 11) have a slightly higher intention of moving than citizens in the low mobility NMS: it is unlikely that future migration from these new Member States would unduly challenge the labour markets of the EU15.

Intention to move country in the next five years (%)



Source: Eurobarometer (2005)

Projected migration from NMS to EU15

Based upon the figures for citizens who have a firm intention of moving, it is possible to estimate realistic figures for migration from the NMS to the EU15 in the next five years.

Intention of moving to another EU country in the next five years (%)

| | Some intention | | Firm intention | |
|-------------------------------------|----------------|------|----------------|---------|
| | 2001 | 2005 | 2001 | 2005 |
| Low mobility NMS | | | | |
| Czech Republic | 1.1 | 1.6 | 0.4-0.6 | 0.5-0.8 |
| Slovenia | 0.9 | 1.8 | 0.3-0.5 | 0.6-0.9 |
| Slovakia | 2.0 | 3.5 | 0.7-1.0 | 1.2-1.8 |
| Hungary | 0.8 | 2.5 | 0.2-0.4 | 0.8-1.3 |
| High mobility NMS | | | | |
| Latvia | 2.0 | 7.4 | 0.7-1.0 | 2.5-3.7 |
| Estonia | 1.6 | 8.3 | 0.6-0.8 | 2.8-4.1 |
| Poland | 1.8 | 7.2 | 0.6-0.9 | 2.4-3.6 |
| Lithuania | 2.5 | 8.5 | 0.8-1.3 | 2.9-4.2 |
| High mobility EU15 countries | | | | |
| Denmark | 2.7 | 5.8 | 0.9-1.3 | 1.9-2.9 |
| Ireland | 2.9 | 4.3 | 1.0-1.5 | 1.4-2.1 |
| Sweden | 3.7 | 4.4 | 1.2-1.9 | 1.5-2.2 |
| Finland | 3.6 | 4.5 | 1.2-1.8 | 1.5-2.2 |

Source: Eurobarometer (2001, 2005)

- > For the low mobility NMS, the likely figure is between 0.5% and 1.8% of the working population; for the high mobility NMS, it is between 2.5% and 4.2%.
- > There was a modest increase, from 2001–2005, in the numbers intending to migrate in the low mobility NMS and EU15. However, in the high mobility NMS, there was a marked change of intentions: for all four countries, there was a 5–7 percentage points increase in those who had some intention of migrating, and therefore a 2–3 percentage points increase in those with a firm intention.
- > Actual labour market figures on economic migration from these countries to the EU15 – in particular towards UK, Ireland and Sweden – confirm a substantial movement of people.
- > The developing social networks of migrants from the high mobility NMS in the EU15 create an additional 'pull' for potential migrants.

'Brain drain' and 'youth drain'

For Estonia, Latvia, Lithuania and Poland, the high percentage of well-educated young people intending to move abroad constitutes a potentially serious 'brain drain' and 'youth drain' – a substantial challenge to these countries and to their policy makers.

Higher level of education

The higher the level of education, the greater the willingness to migrate; this trend is strongest in the high mobility NMS, where almost one in 10 of those with higher qualifications and nearly one in five of all students are willing to move to other EU countries. If these better educated groups do migrate from the NMS, it could result in a 'brain drain' for their countries.

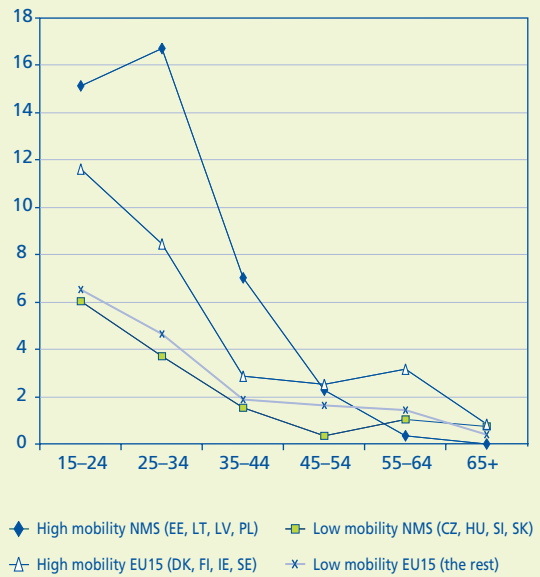
In other countries, even the high mobility EU15, only those currently studying have a firm intention of migrating.

Younger age group

The most marked differences between the high mobility NMS and high mobility EU15 are in the 15–34 age group: in the high mobility NMS, almost one in five of this group expressed the intention to move, much higher than in the high mobility EU15. Such willingness to move is understandable given the job opportunities available in the EU15 for this age group.

In all country groups except the high mobility NMS, the youngest age group (15–24 years)

Percentage with intentions to migrate, by age (%)

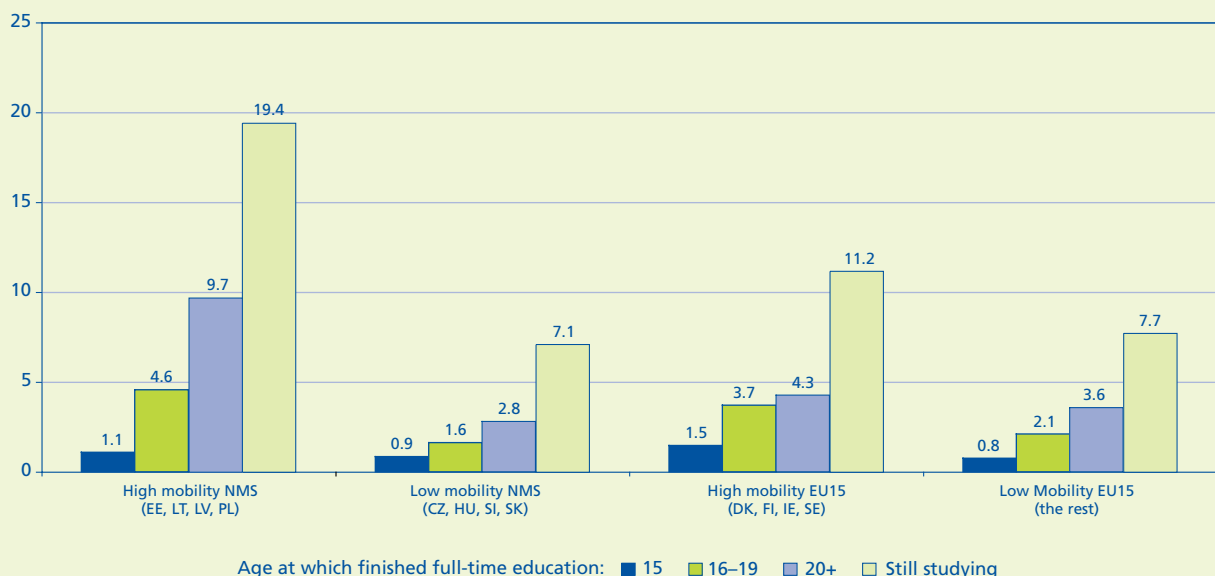


Source: Eurobarometer (2005)

expresses the greatest willingness to move. In the high mobility NMS, by contrast, people are prepared to migrate at a later stage: willingness to migrate rises until around 35 years of age; only then does it fall sharply.

In the EU15, many people move after they retire, a phenomenon almost unknown in the NMS. Hence, in the high mobility NMS, people express almost no intention to move after the age of 54; the equivalent age group in high mobility EU15 countries indicated much greater willingness.

Percentage who intend migrating, by level of education (%)



Source: Eurobarometer (2005)

Key drivers of mobility

In the EU25

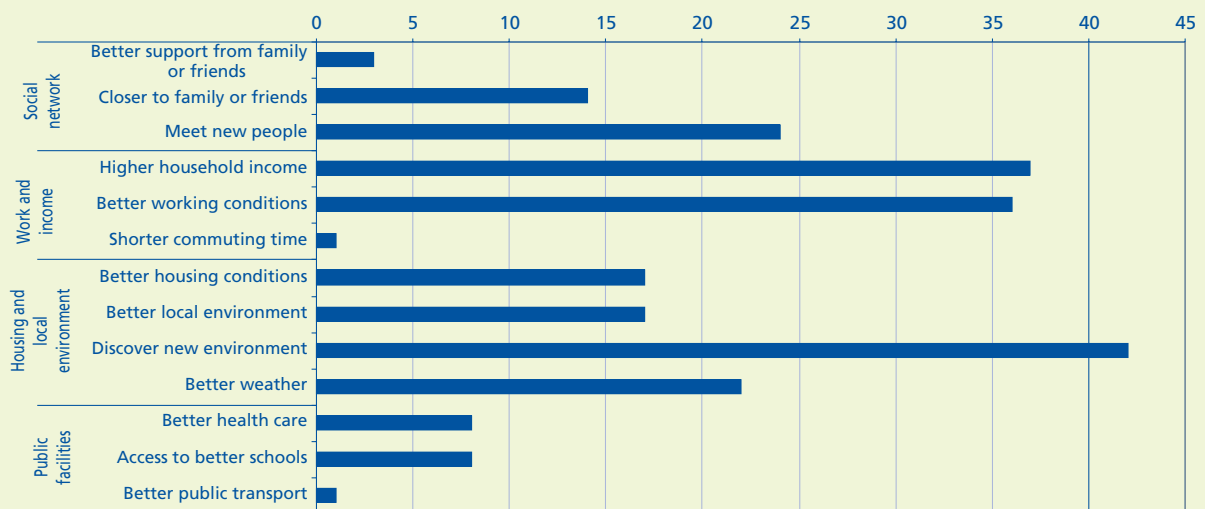
Across all countries, the most important driver of mobility (for over 40% of respondents) is the opportunity to meet new people and discover new places: this is not surprising, given the proportion of young people and students among those who intend moving. More than a third (38%) of those who plan to live abroad cite economic reasons (more money, better quality of employment). Minor drivers of mobility include: better weather (22%); better housing conditions (17%); and a better local environment (17%).

The NMS vs the EU15

For the four country groupings, the reasons why people intend to move differ greatly. In the EU15, leisure and retirement would seem to be the key

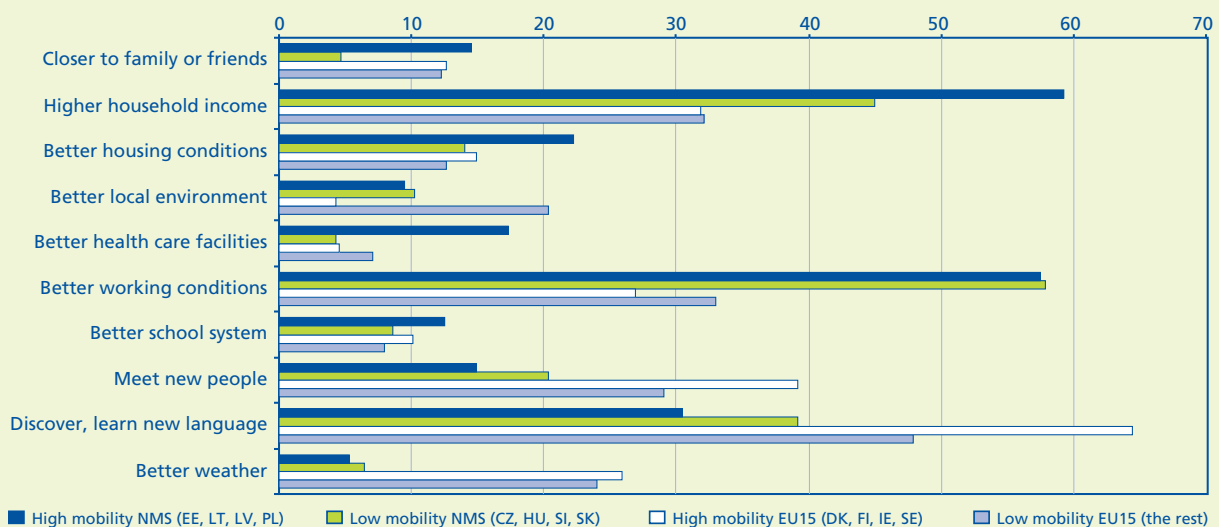
drivers of migration; in the NMS, economic motivations are much stronger. The findings do not support sentiments that migration from the NMS to the EU15 is motivated by access to welfare payments or better public services. The results indicate a willingness on the part of potential migrants to work: in both high and low mobility NMS, the key motivations are a higher income and better working conditions. Access to better health services, better schooling or a better local environment in the host countries appear to matter little to those intending to move to the EU15. In the EU15 – particularly in the high mobility countries – mobility is linked more to leisure and retirement. Lifestyle factors (discovering a new environment, meeting new people, learning a new language and better weather) are much more important than in the NMS.

Factors that encourage people to move to another EU country (%)



Notes: Figures are for respondents from the EU25 who intend moving to another country within the next five years.
Source: Eurobarometer (2005)

Factors encouraging mobility, by country groupings (%)



Notes: Figures are for people intending to move to another EU country in the next five years.
Source: Eurobarometer (2005)

Disincentives to mobility

For the EU25 as a whole, the key factor discouraging mobility is the fear of losing one's social network: 44% give 'losing direct contact with family and friends' as a reason, and 27% cite 'missing support from family and friends'. These 'social network factors' are much more important than the challenge of learning a new language (approximately 19%), which is usually considered a key factor in limiting geographical mobility between EU countries. Housing conditions and health care facilities were also cited as reasons, albeit less important.

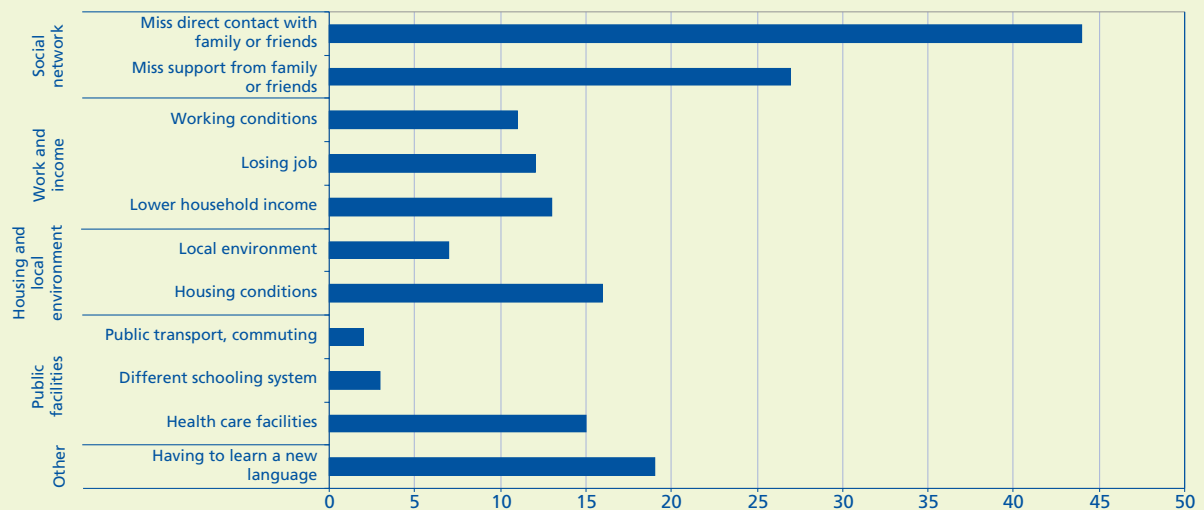
When country groupings are looked at, the primary deterrent is still the loss of contact with family and friends. However, in the high mobility NMS, this is

much less a concern than in the other country groupings – 10 percentage points less than in the low mobility NMS and 20 percentage points less than in the high mobility EU15.

It may be the case that sending and receiving countries are separated by a 'threshold' of relative economic deprivation. Below this threshold, deprivation is such that economic motivations determine an individual's mobility; above the threshold, greater relative affluence means that social motivations can play a similarly important role.

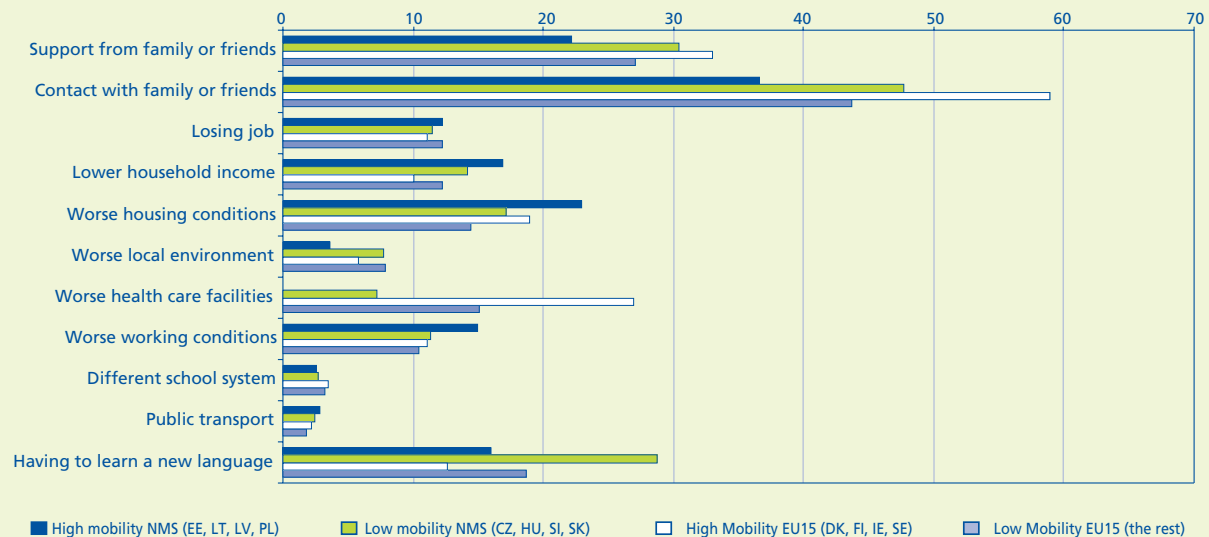
Citizens in the low mobility NMS are deterred by similar factors as those in the EU15; however, for NMS citizens, concerns over learning a new language are substantially greater: twice as many cite this as a reason for not moving.

Factors that deter people from moving to another EU country (%)



Notes: Figures are for respondents from the EU25 who do not intend moving.
Source: Eurobarometer (2005)

Factors discouraging mobility, by country groupings (%)



Notes: Figures are only for people not intending to move to another EU country.
Source: Eurobarometer (2005)

Policy pointers

- Social partners and governments could consider policies that acknowledge and manage the risks associated with migration.
- The combined flexicurity/lifelong learning approach is one policy idea that attempts to reconcile these risks and opportunities. It supports workers' mobility by reinforcing such safety nets as social protection and unemployment insurance, making the worker less dependent upon the support of social networks, and therefore able to take the risk of moving country. The combined approach makes individuals more employable, by facilitating access to further education and training through training programmes or with the help of an 'employment insurance' (based on paid days of leave, available to the individual employee).
- Social partners should strive to ensure good working conditions and salaries for the workers they wish to attract.
- Regions seeking immigrant workers can provide an appropriate social, cultural and physical infrastructure, as well as a welcoming attitude towards newcomers.
- To ensure the long-term success of migration, policies to attract economic migrants should be combined with policies that promote their integration into the community, as well as the integration of their families and of second- and third-generation migrants.
- Citizens still need active support to enable them to avail of their right of free movement in an enlarging European Union, thereby increasing flexibility and adaptability in the labour market.



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Future challenges

In conclusion, geographical mobility remains a major policy challenge for the European Union. Too little mobility may mean reduced adaptability and competitiveness; by contrast, too much mobility – between the poorer regions of eastern Europe and richer parts of northern and central Europe – may distort national labour markets. For instance, other research indicates that in the medium to long term, the effects of a combined youth and brain drain may well pose a serious challenge to policy makers in Estonia, Latvia, Lithuania and Poland.

The Foundation's research also raises new questions for policy makers.

- The five EU countries with the highest mobility rates also have strong economic and labour market performance: are mobility policies most effective under conditions of high employment rates, low unemployment and strong economic growth?
- In light of the projected migration outflows of 2.5%–4% from the high mobility NMS, are further transitional arrangements justified?
- Should transitional arrangements for the low mobility NMS be suspended, given that their citizens have less intention to migrate than citizens in the EU15?

Further reading

Geographical mobility: Challenges and opportunities:
<http://www.eurofound.europa.eu/docs/areas/populationandsociety/mobilitypaper2006.pdf>

European Commission, *Report on the functioning of the transitional arrangements set out in the 2003 Accession Treaty:*
http://ec.europa.eu/employment_social/news/2006/feb/report_en.pdf

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ISBN 92-897-0941-3



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