



# ***Labour Mobility in the EU: facts, figures and way forward***

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# Key Figures



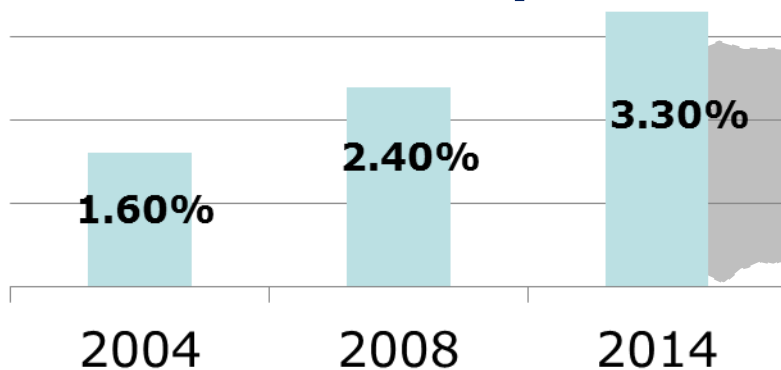
**8.7 million economically active third-country nationals living in the EU**

**8.3 million economically active EU citizens living in another MS in 2013** (3.3% of total labour force in EU)

**25% of EU citizens would definitely (8%) or probably (17%) consider working in another EU country in the next ten years**

**1.6 million frontier workers**

**1.3 million posted workers**





*EU rules on labour mobility*

# **FREE MOVEMENT OF WORKERS**

## EU/EFTA citizens have the right to:

- look for a job in another EU/EFTA country
- work there without the need for a work permit
- reside there for that purpose
- stay there after employment has finished
- enjoy equal treatment with nationals in access to employment, working conditions and all other social and tax advantages
- as workers, be joined by family members who have derived rights

# What about jobseekers?

- ❑ Same assistance from national employment office as nationals of that Member State
- ❑ Right to reside in Member State for job-seeking
  - ❑ Unconditionally during first 6 months
  - ❑ *Beyond 6 months: they must prove that they are continuing to seek employment and that they have a genuine chance of being engaged*

*EU rules on labour mobility*

# **COORDINATION OF SOCIAL SECURITY SYSTEMS**

# Social security coordination rules

- ❑ They protect citizens' social security rights when moving within Europe
- ❑ They concern statutory schemes (pensions, sickness benefits, family benefits, unemployment benefits, maternity and paternity benefits...)
- ❑ They cover EU citizens and their family members
- ❑ They apply also to citizens from Iceland, Liechtenstein, Norway and Switzerland
- ❑ They apply also to third country nationals who are legally residents and in a cross-border situation

# Social Security Coordination Principles

- Only one legislation applicable
- Equality of treatment
- Export of cash benefits
- Aggregation of insurance periods
- Assimilation of facts



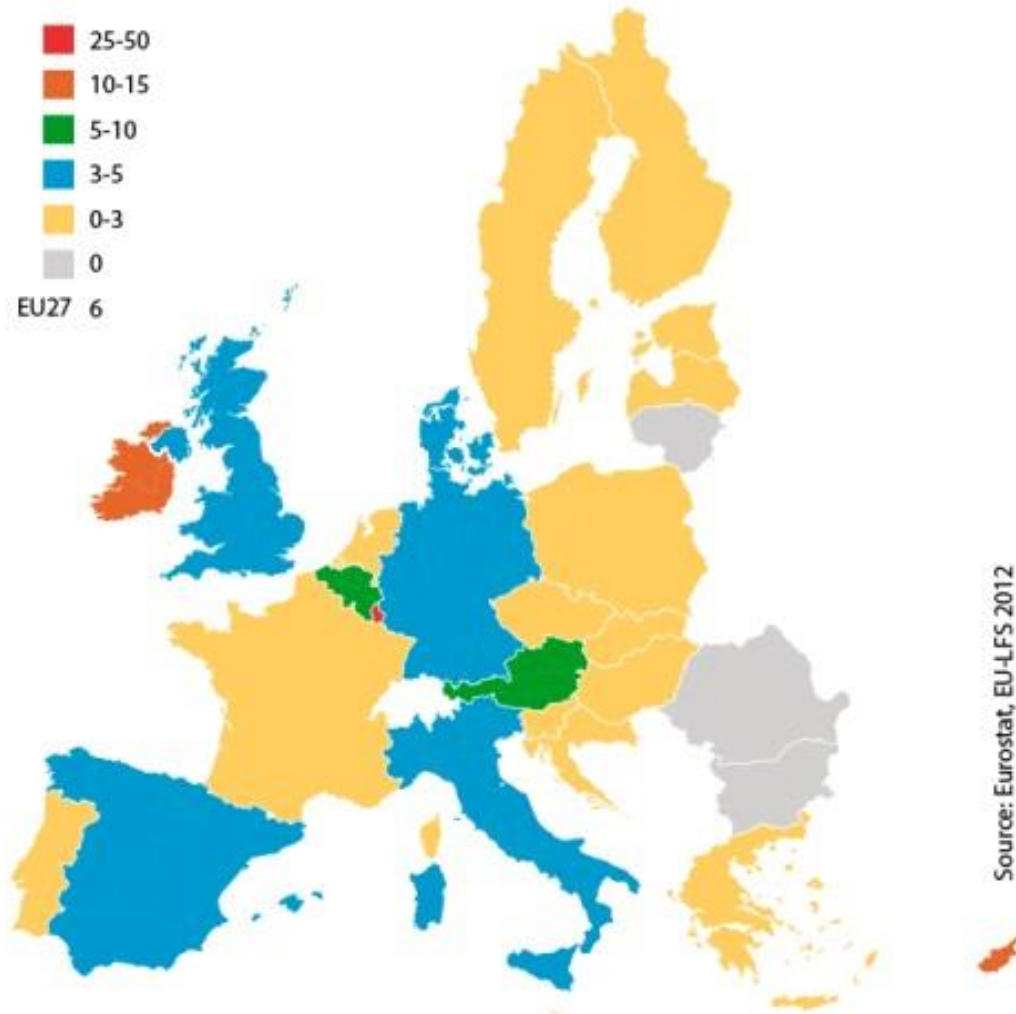
# Labour Mobility – Status Quo

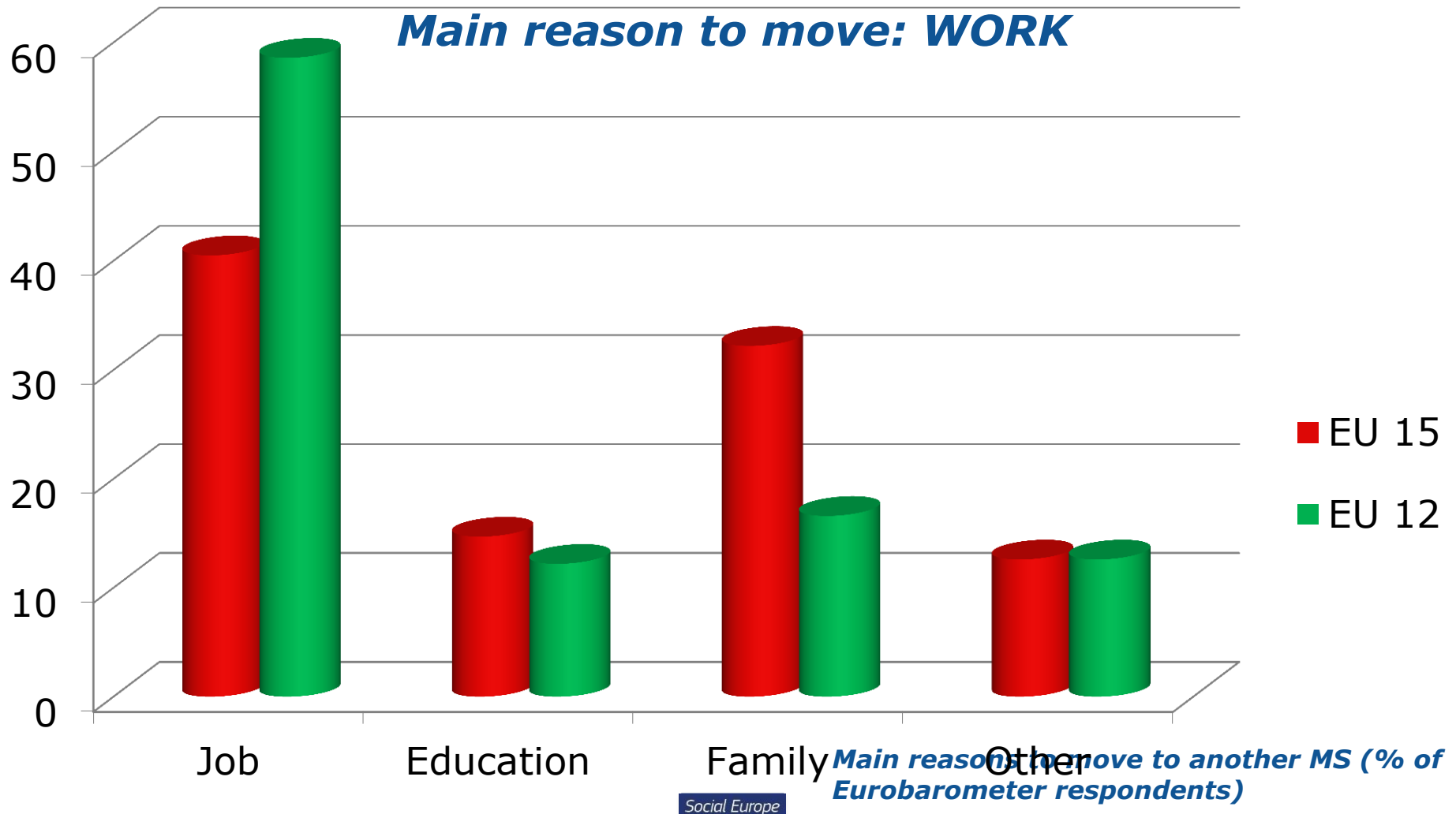
- **Labour Mobility overall positive**
- **Obstacles remain**
- **New challenges for Member States of origin and destination**
- **Intense public and political debate**

*Facts & figures*

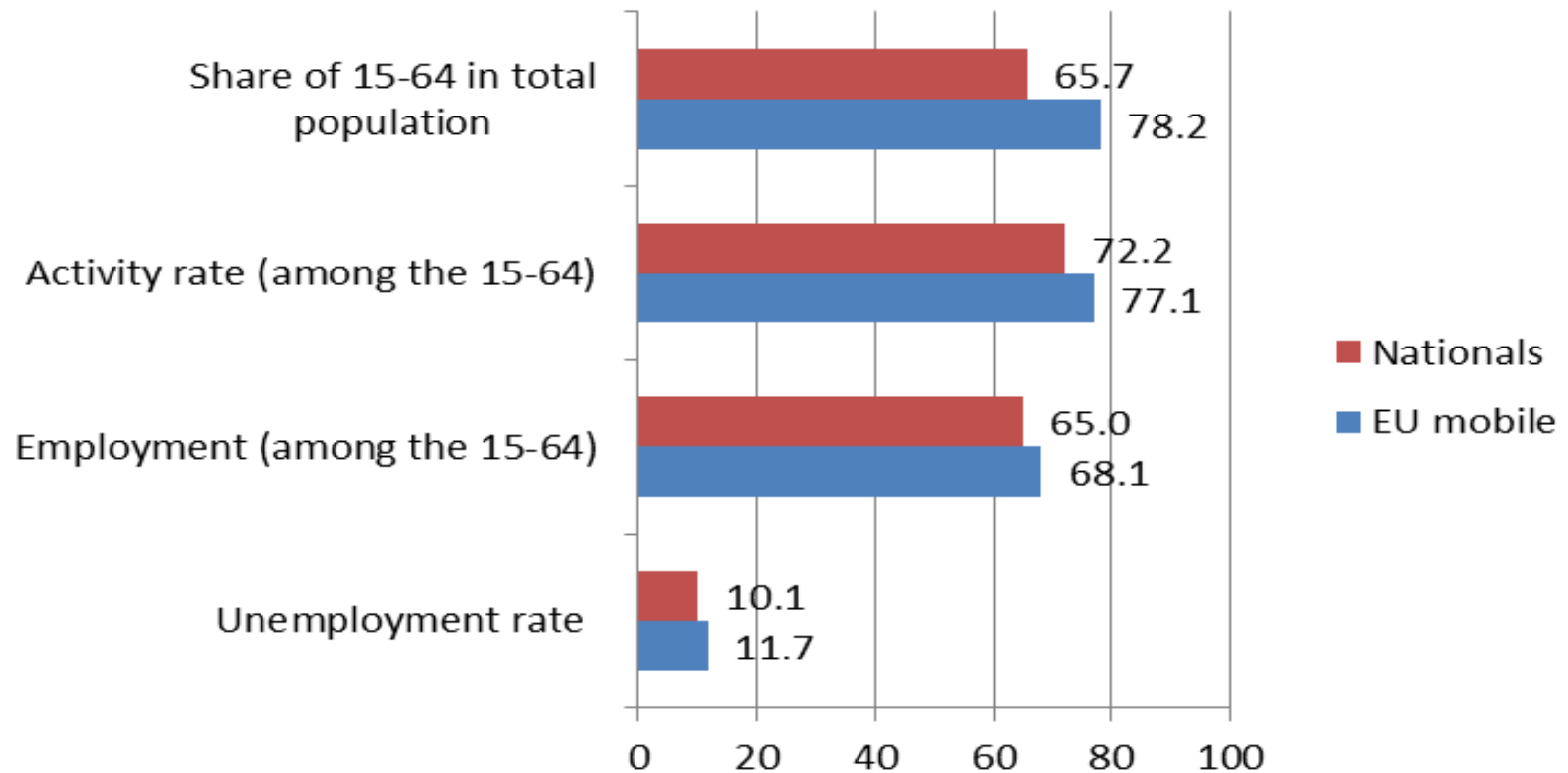
# **MOBILE EU CITIZENS & WORKERS**

## Share of EU mobile workers in % of total labour force





# EU mobile citizens are more likely to be economically active



Source: Eurostat, LFS

**... and because of their young age  
and employment status they tend  
to be less likely to claim benefits  
than nationals**

*Facts & figures*

# **AN OVERALL POSITIVE IMPACT...**

# The positive impact of labour mobility

- It helps correct imbalances between high and low unemployment regions
- It promotes the dissemination of knowledge and innovation across Europe.



# Countries of destination...

- positive contribution to the skill mix
- fill labour shortages
- GDP of EU-15 estimated to have increased by almost 1% in the long-term as a result of post-enlargement mobility (2004-2009)
- Migrants tend to be financial NET contributors to the budget of host state (true for all migrants, and even more so for EU migrants; source: OECD)

## ... countries of origin

- It helps mitigating unemployment
- Gives the possibility to workers:
  - to look for better job opportunities;
  - to send remittances home; and
  - to come back with additional experience, skills or savings to invest.

*Facts & figures*

**... BUT CHALLENGES  
EXIST**

# In countries of destination...

- Pressure on local services
  - Health services
  - Schools
  - Housing
  - Transport
  
- Socio-economic integration of mobile EU workers and their families
  
- Risk of abuse of mobile workers (and consequent risk of social dumping)

## ... and in countries of origin

- Can be negative on GDP owing to large population outflows
  - But impact on GDP per capita is smaller
- Many young people have left their country of origin
  - But they send remittances to country of origin
  - And mobility is not necessarily a one-way street: many mobile workers return with additional experience
- While there is no overall brain-drain effect
  - Percentage of tertiary educated has increased in the last decade
  - But impact on certain sectors may be significant (e.g. health sector)

*Recent and upcoming activities by the Commission*

# **A BALANCED APPROACH TO LABOUR MOBILITY**

## Jean-Claude Juncker

- Free Movement of Workers: one of the key pillars of the internal market
- Right of national authorities to fight abuse of fraudulent claims
- Targeted review of Posting Directive to ensure "that social dumping has no place in the European Union"
- Free movement is an economic opportunity and not a threat (vacancies and skill matching)



*Political Guidelines for the new Commission (15 July 2014)*

# Labour Mobility Package (1)

## *A Balanced Approach*

- Lifting remaining obstacles to free movement of workers and promoting labour mobility, especially in fields with large skill mismatches or unfilled vacancies
- Improving Member States' capacity to prevent and fight social dumping, frauds and abuse, as regards the posting of workers and the access to welfare benefits.



# Labour Mobility Package (2)

- Part of Commission Work Programme 2016
- Revision of Social Security Coordination Rules
- Targeted Review of the Posting of Workers Directive
- Subject to a thorough Impact Assessment (collection of data and figures)
- Consultation with stakeholders (Member States, social partners, public consultation...)