

# *The Role and Potential of Immigration in the EU*

*European Commission  
Employment and Social Affairs DG  
Unit A.2 Employment Strategy*

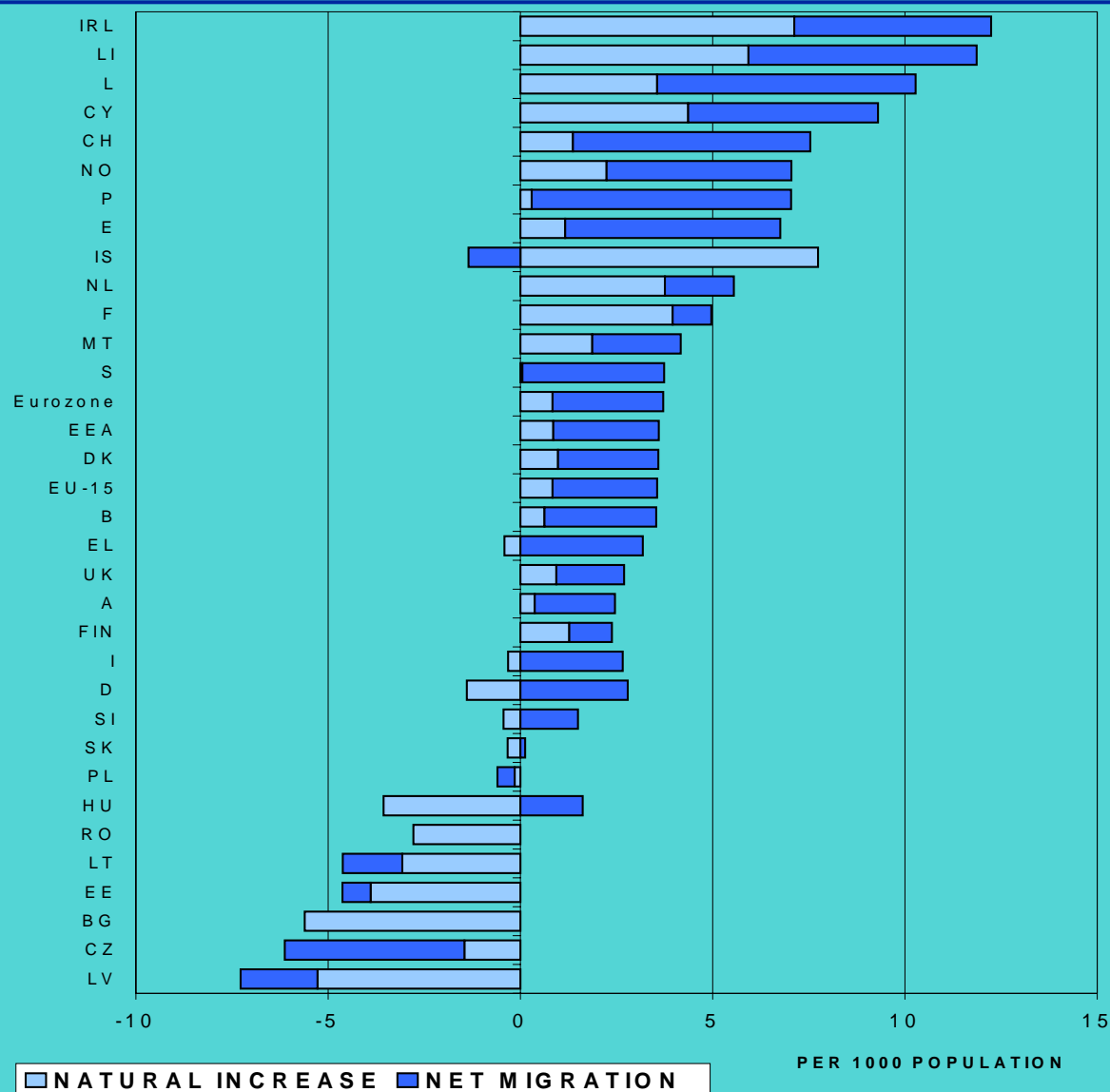


## *Key facts about demographic ageing in the EU*

- ✓ In most EU countries, the overall annual increase in population in the 1990s results from net immigration
- ✓ The decrease in fertility rates will have long-lasting effects
- ✓ The working-age population is ageing...
- ✓ ... and, before long, it will be diminishing



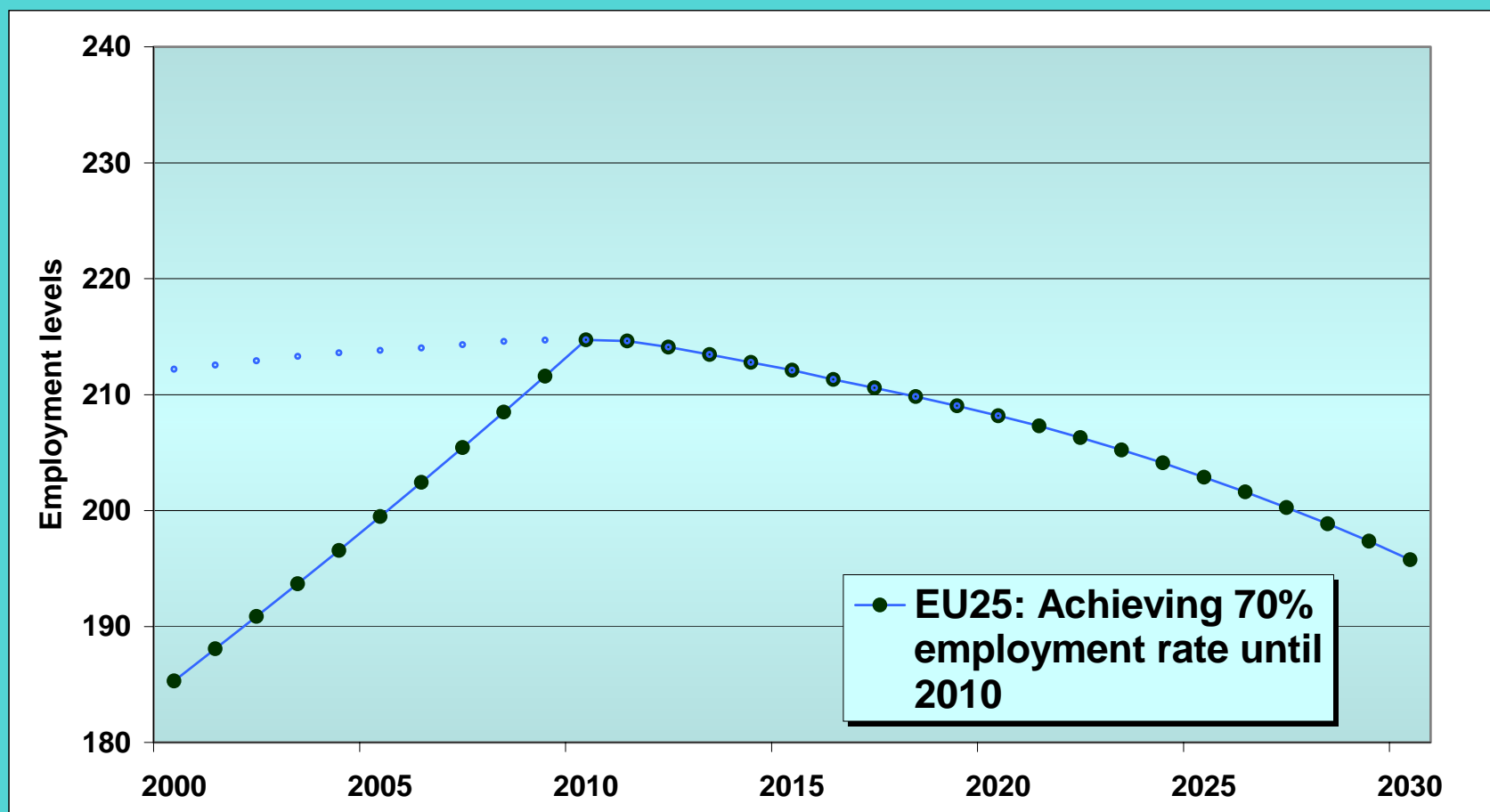
## The role of immigration in the increase in population



## Scenario for future employment in the EU

### Scenarios of future employment levels, (EU-25, period 2000-2030 )

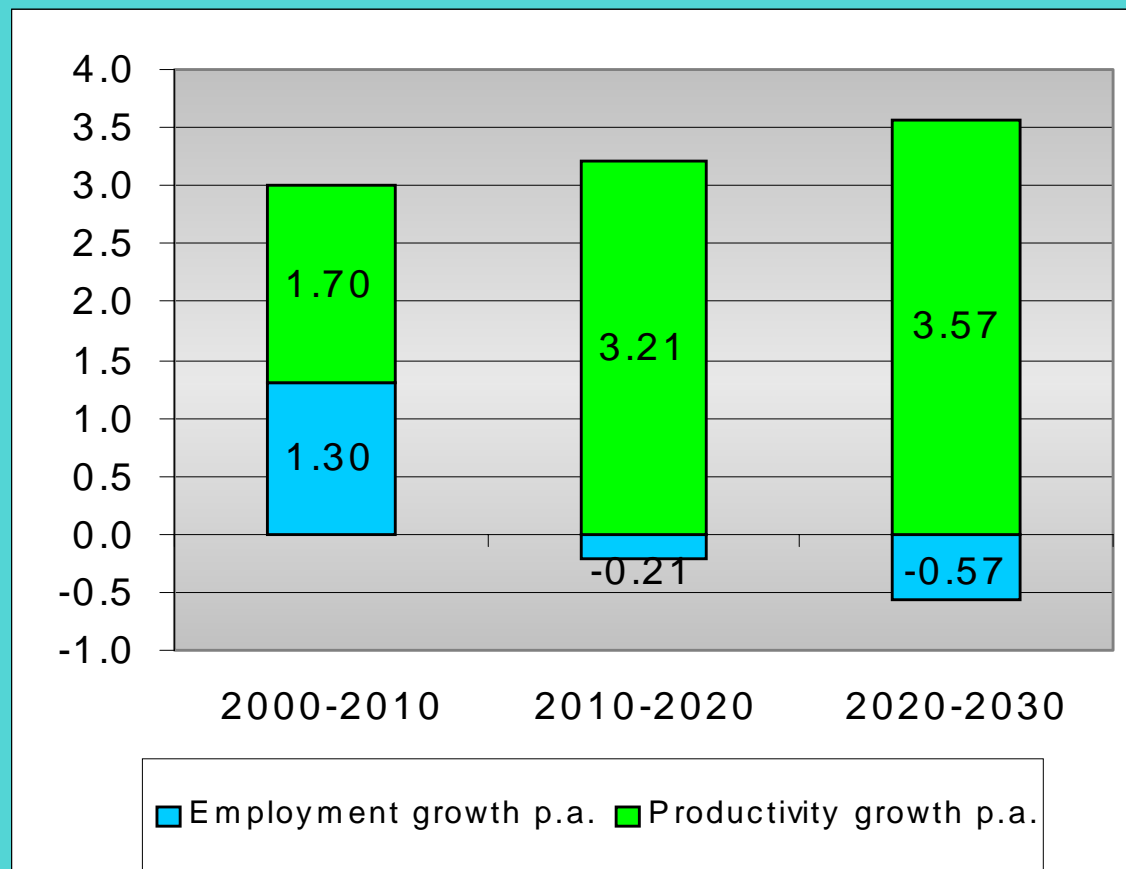
Total employment assuming an employment rate of 70 % in 2010 and for the following period until 2030



## The impact on economic growth and productivity

### *Relative contributions to growth of employment and productivity*

*Shares of employment and productivity growth assuming an employment rate of 70% in the period from 2010 to 2030 on the assumption that annual economic growth would be maintained at 3% on average*

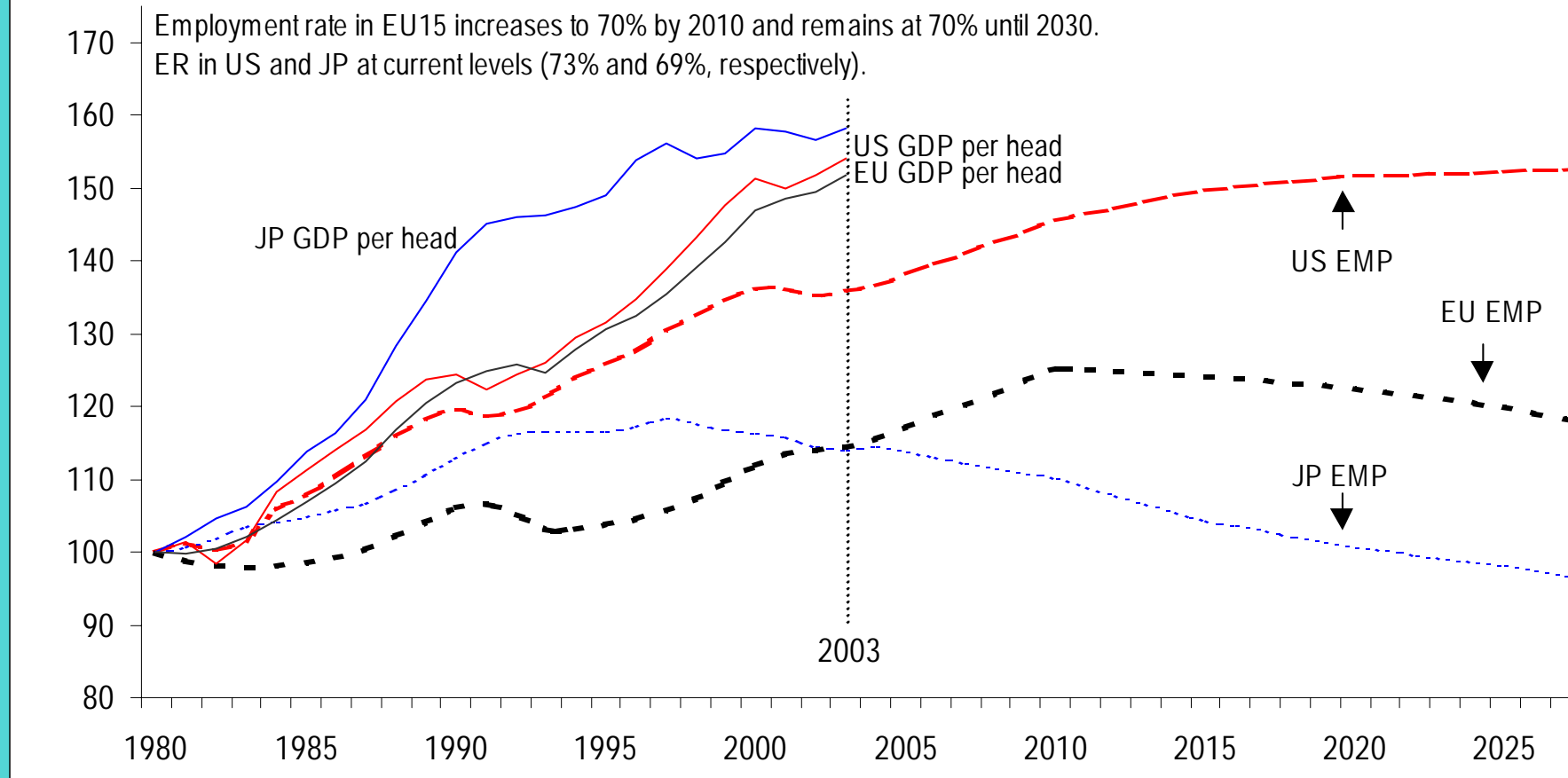


*Source: Eurostat. Simulations based on Eurostat baseline demographic scenario*



# The impact on economic growth: Japan, US, EU

Total employment and GDP per head evolution in the EU, US and JP and demographic impact on employment from changes in the working-age population (1980=100)



## *Is immigration a solution? (1)*

- ✓ The EU must first tap into its resources (including immigrants currently residing in the EU) to meet the Lisbon targets by 2010
- ✓ This means in particular:
  - promoting female participation and developing policies reconciling work and family (including child-friendly policy)
  - promoting active ageing and raising the employment rates of older workers
  - raising productivity by building synergies between quality and productivity at work and investing in human capital



## *Is immigration a solution? (2)*

- ✓ However, increased immigration is not only likely...
- ✓ ... it is increasingly necessary to fill the needs of the EU labour market: the EU must prepare for immigration in a responsible and effective way
- ✓ The condition for success is to achieve better integration of current and future immigrants





## *Preparing for future immigration*

- ✓ The challenge is to anticipate these changes to manage increased legal flows to the benefits of all (EU economy, the migrants, the countries of origin), taking account of increased competition between host countries
- ✓ Securing integration of migrants in society requires to support their access into sustainable employment, their education and training, the fight against illegal immigration, discrimination and undeclared work



## *Do selective labour immigration policies work?*

- ✓ Several OECD countries, including EU countries, have already initiated specific programmes to facilitate access to their labour markets for (skilled) immigrant workers to alleviate labour shortages
- ✓ Managing the shape and dynamics of immigration to make it appropriate for the EU economy can prove difficult in practice
- ✓ This calls for comprehensive and forward-looking immigration policies



## *What should be the role of the EU?*

- ✓ These issues have emerged as issues of common interest (Amsterdam Treaty): the EU has now a range of instruments to support the Member States, in full respect of subsidiarity
- ✓ Among these instruments and priorities:
  - A common legal framework to ensure a level-playing field
  - Coordination in the field of employment, inclusion & education
  - Financial instruments (EU structural funds, EQUAL)
  - Close dialogue with third countries (incl. « mode 4 » GATS)
- ✓ Next steps:
  - a Communication on Immigration, Integration and Employment
  - mainstreaming immigration issues into existing instruments
  - the European Convention



✓ **DG Employment and Social Affairs:**

[http://europa.eu.int/comm/employment\\_social/index\\_en.htm](http://europa.eu.int/comm/employment_social/index_en.htm)

✓ **DG Justice and Home Affairs:**

[http://europa.eu.int/comm/justice\\_home/welcome\\_en.htm](http://europa.eu.int/comm/justice_home/welcome_en.htm)

✓ **DG External Relations:**

[http://europa.eu.int/comm/external\\_relations/index.htm](http://europa.eu.int/comm/external_relations/index.htm)

✓ **DG Development:**

[http://europa.eu.int/comm/development/index\\_en.htm](http://europa.eu.int/comm/development/index_en.htm)

✓ **EUROSTAT: European Statistical Office**

<http://europa.eu.int/comm/eurostat>

