

# **Social Policy in EU States: Inclusion and Exclusion of EU and non-EU migrants**

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# Constantin Brancusi

## A typical Romanian migrant?

- Born 1876: village [Hobița](#), [Gorj](#), near [Târgu Jiu](#)
- Village to nearest town at age of 9
- Patron support: art school
- Travel to Munich 1903 → Paris
- ‘Brâncuși was cared for in his later years by a Romanian **refugee couple**. He became a **French citizen** in 1952 in order to make the caregivers his heirs, and to **bequeath** his studio and its contents to the [Musée National d'Art Moderne](#) in Paris’
- **Migration when NO welfare state!**
- **Migrant → Native → Contribution to host & humanity!**

# Migrant Categories & Social Policy

- labour migrants or economic immigrants
- refugees and asylum seekers or political immigrants
- undocumented immigrants
- family members, ethnic 'citizens'
- Are they all covered in host country?

# Social security/protection

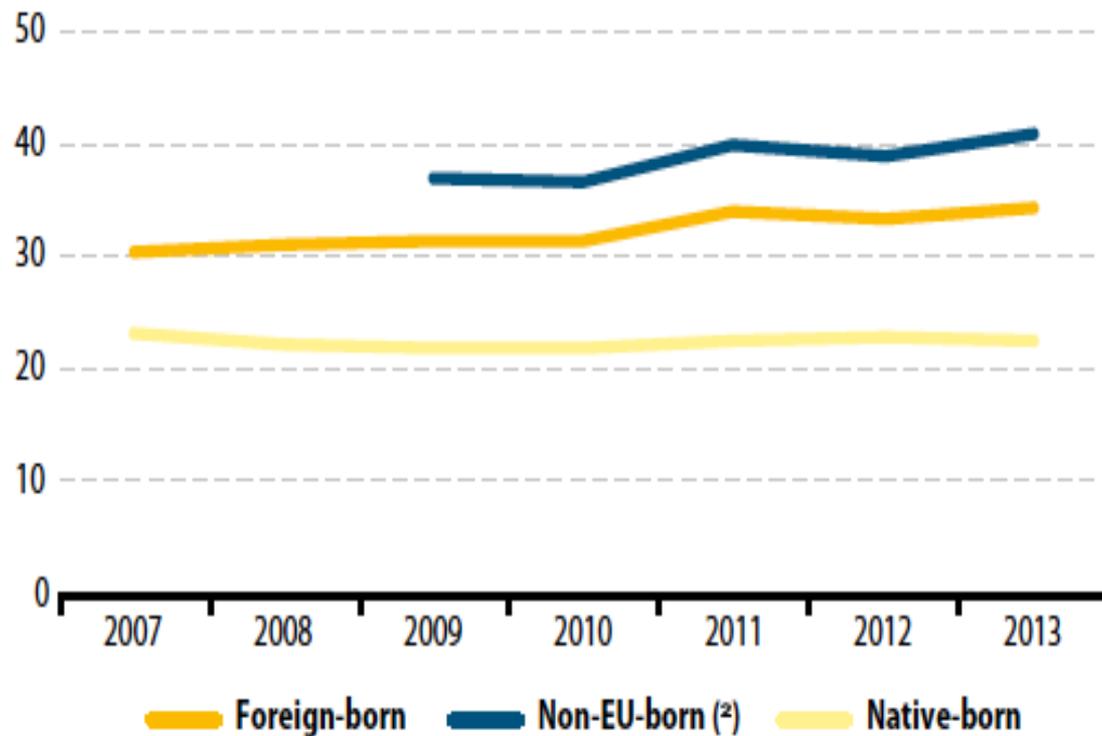
- “Social security” is broadly defined as public policy measures aimed to **protect** members of society against **social and economic distress** in relation to sickness, economic insecurity, unemployment, disability, poverty, old age and so on.
- N.B. Social Policy is more general than Social Security. E.G. health and education provisions come under social policy and NOT social security
- **EU approach: Directives on most points BUT National Policies – No unemployment benefit from EU offices!**

# EU: Poverty and Social Protection

- Who is in need of social security/protection?
- Relative Poverty: income 60% below median.
- ‘80 million people [about 17%] at risk of poverty, including 20 million children and 8% of the working population.’ (EU, 2011)
- Most at risk: children, young, old (esp. women), and **foreign born**.
- At risk: Unemployed 40%, Employed 8%
- **N.B. Job is no guarantee to be out of poverty (working poor)**

**Figure 1:** At risk of poverty or social exclusion of the foreign-born, non-EU-born and native-born population, aged 18 and over, EU-28, 2007–13 <sup>(1)</sup>

(%)



<sup>(1)</sup> EU-27 data from 2007 to 2009.

<sup>(2)</sup> No data for 2007 and 2008.

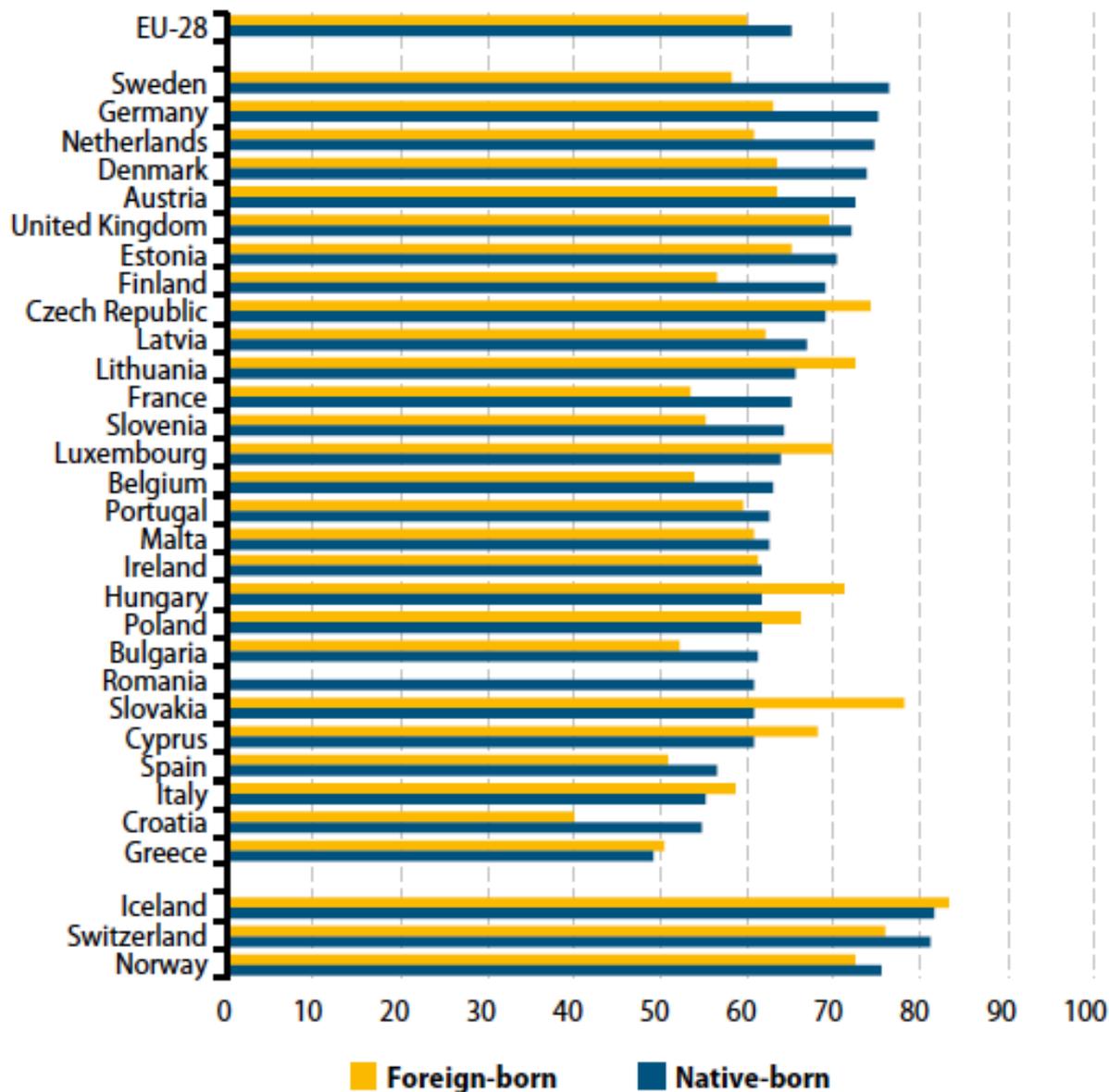
Source: Eurostat (online data code: [ilc\\_peps06](#))

# Employment: Foreign-born or Native?

- Foreign born replace native work force?
  - No evidence overall
  - Some evidence in lower paid occupations (short term?)
- Foreign born complement natives?
  - Strong evidence
    - investment, low skill+native skilled, demand for goods → native investment....
- Cost short term: settlement (and 'social'? 'Integration'/adjustment)
  - Jews integrated longest and deepest, were they protected during the 1930s crisis and the 2<sup>nd</sup> WW?
- Benefits: no 'production' cost of workers, contribution in tax and production...
- Employment comparison:...

**Figure 2: Employment rates of the foreign-born and native-born population, aged 15–64, by country, 2014**

(%)



Source: Eurostat (online data code: [lfsa\\_ergan](#))

# Social Protection & Support and EU Migrants

- EU directives: no discrimination principle
- Type/Level of support depend on the welfare regime: welfare state (Sweden), corporatist (Germany), residualist/market (US)
- Qualification: rights based and/or social insurance

# Migration, Work Stages and Risk

- Three stages of mobility: departure/arrival, working life, retirement (possible return)
- Each stage has risks: Failure to arrive/settle, unemployment, sickness and injury, old age with no/small pension (some support applies to family members)
- **Rights protected in different places (origin and destination) and over time (from arrival till retirement)?**

# Social Protection for International Migrants

- 1. Access to social security in host and origin countries affects their level of vulnerability;
- 2. Portability between host and origin countries is important for avoiding losses of accrued entitlements;
- 3. Labour market conditions for migrants in host countries and the recruitment process for migrants in the origin country must balance between employers' needs and workers' protection;
- 4. Access to informal networks can act as informal social safety nets to support migrants and their family members.
- **Mobility of Labour and mobility of entitlement?**

# Eligibility, Entitlement and Claim

- To qualify for social security in an EU country a person has to satisfy two broad conditions: **eligibility and entitlement.**
- For example eligibility for pension: employment before retirement and/or citizenship or residence.
- Entitlement to state pension: residency and/or contribution to the system before retirement.
- Calculation of state pension based on years of residence and/or contribution
- Social security contribution to be eligible to cover for unemployment, state pension, .....,
- **Are your social security entitlements portable?**

# Portability of social security entitlements

- The **portability**: ability of migrant workers to preserve, maintain, and transfer benefits from a social security programme from one country to another and between localities in a country (**spatial portability**), between jobs, and between members within a household (**social portability**).
- **N.B. Without portability migrants lose their contribution. (Latvian case of help to families)**
- Portability important for North-North and South-North migration flows (North with good social security systems)
- ***Portability* (bilateral/multilateral) or *exportability* (unilateral)**
- **Different systems of portability...check your entitlement!**

# EU Level Coordination

- EU legal and administrative frameworks coordinates national systems; **NOT** harmonizing them.
- N.B. EU regulations grant a right to invoke these coordination mechanisms, but NOT an obligation to do so. Non-EU nationals are treated equally only after a certain period of residence.
- The EU allows exportability of most cash benefits in member states, including pensions, survivors' benefits, death allowances, and benefits for work accidents and occupational diseases.
- Child benefit is exportable in some countries but problems
- Housing benefit not exportable!

# Unemployment and Health

- Some cash support, e.g. unemployment benefits may be exported only up to three months (or six months if the paying country extends it). Some non-contributory cash benefits to be paid only in the country of residence and according to its laws
- Access to health care in another EU member state is allowed for emergency and medically-necessary procedures during a temporary stay, subject to prior authorization for non-retirees.
- Overall, very few bilateral or multilateral agreements exist for health care portability.

# Portability of Pensions

- ...is more challenging...not straightforward
- Imperfect benefit eligibility and take up, as well as selective benefit provision to immigrants, because ...bilateral arrangements
- ... in the EU certain regulations provide protective rights to citizens ...
- Institutional discrimination: certain rules works against migrants...history of the laws
- **N.L.: full state pension if resident/national 40 years (15-65/67), 2% less a year if outside**

# ....some ideas on pension ....

- Increase level of entitlement of migrants by abolishing years of residence as a condition for full pension and replacing it with ...
- ....Period of contribution or other social insurance rules
- **Immigrants** short of a full entitlement because of short period of contribution/insurance be **required to pay extra contributions with support of employers.**
- Gender and pension rules

# EU and Organised Migrants from 'South'

- EU Bilateral agreements with the three Maghreb countries, Algeria, Morocco, and Tunisia – the main origin to destinations of France, Spain and the UK have implemented schemes for seasonal workers
- Documented Moroccan migrant workers in Spain can accrue social security and retirement benefits (potentially portable), many of the *contingente* permits are not used by employers (migrant's preference for cash in hand and NOT pay social insurance!)

# Social Policy agenda in EU

Shift from universal/inclusive to:

- Targeting, fragmentation and regressive social policy
- Welfare model: residual and downgrading of universal entitlements
- Targeting and migrants: access conditional, poor uptake (informal discrimination-'welfare tourists')

Alternative:

- Social policy: universal, financial transfers, service provisions, social benefit payments, health care, support of pensioners etc.

**Solidaristic Europe...difficult right now...but let's try!**

