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# European Migration Policies and Albanian Labor Market

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#### Abstract

Migration and integration are closely interconnected. Current EU directives on migration provide a set of minimum entry and residence conditions as well as equal treatment rights. Member States have some discretion in how they transpose these directives into national law with the result that rules applied to migrants are not identical in all Member States. Those differences lead migrants to move between countries, delaying the start of the integration process.

Employment policies aim to support jobseekers in finding a suitable job. They are an important tool for improving the labor market situation but still have a limited impact on reducing the level of unemployment due to factors in the labor market. There are several policies, but the paper deals with one of them, the employment and vocational training policy of potential and returnee migrants. Social co-operation and achievement of working conditions and equal opportunities is one of the conditions for EU integration, but inequalities in the labor market are a phenomenon not only for Albanians, but it is an obvious concern in our country. Even in Article 99 of the SAA, in the context of strengthening economic and integration reforms, Albanian legislation needs to be adapted in terms of improving working conditions, working conditions and more.

Key words: migration, integration, EU, employment, Albania

## INTRODUCTION

In response to increasing migration inflows, starting from 2015, the EU budget has mobilized over  $\in 5~000$  million of additional funding for

migration<sup>1</sup>. European Commission increased its support for Member States' efforts to improve migrant integration. In 2016, it developed an Action Plan on integration with 52 measures to be undertaken at EU level. The Commission will report on the implementation of the Action Plan to the Parliament and the Council in 2018. As of December 2017, 23 actions had not been completed. Member States are also encouraged to develop specific measures to tackle certain areas. According to the Commission, as these measures were formulated as suggestions for the Member States and fall under their competence, it does not monitor them.

The majority of Member States have integration policies in place within different policy frameworks. Not all groups of migrants are systematically addressed and not all areas of integration are always tackled. Weaknesses in the design and implementation of integration policies have been identified in reports by the Supreme Audit Institutions in Member States. At EU level, a set of common core indicators ('Zaragoza') represent a step forward in understanding integration in the EU, but not all Member States use them and, according to the Commission, there are some limitations in these indicators<sup>2</sup>. At national level, there are various weaknesses in monitoring. In the context of the current revision of the ERDF regulation, the Commission is 5 proposing the creation of dedicated indicators for the ERDF. This may facilitate the development of evidence-based policy making

#### **OVERVIEW OF THE CURRENT LABOR MARKET SITUATION**

The labor market is a set of relationships that arise between employers represented by state or private, and employees, according to the applicable labor legislation and international conventions. In a market economy, it represents the entirety of measures that allow or facilitate the exchange between buyers and sellers, so all production factors are released on the market.

Macroeconomic reforms and restructuring of the early 1990s reduced demand for employment in Albania, as in other countries in economic transition, the country suffered a decline in the rate of

 $<sup>^{\</sup>rm 1}$  The integration of migrants from outside the EU Briefing Paper May 2018, p.4, European Court of Auditors

<sup>&</sup>lt;sup>2</sup> Ibid

participation in the labor force. The mass privatization of state-owned enterprises closed, as well as increased competition for a reduced number of jobs, forced many people to withdraw from the labor force<sup>3</sup>.

The male participation rate in the labor force has historically been higher than the rate of female participation and the transition years negatively impacted women's employment more than men. Significant drop in labor force participation rates may have different causes, for example, a considerable number of people work in the informal sector, others may be discouraged from the labor market situation and are removed from power workers.

These indicators are also related to today's labor market situation where women's employment falls for reasons such as:

- closure of many previous industrial activities developed before the 1990s, with a high number of women employed there;
- (ii) the development of economic activities more oriented to male employment such as trade or construction;
- (iii) rural-urban mobility, which does not give much opportunity to women from rural areas to enter the urban labor market due to their low level of education, the current level of technology, etc.

The active employment policies in Albania for the first time were introduced in 1995 in Law no. 7995, dated 20.09.1995 "On employment promotion" by creating the first bases of a program package such as:

- (i) job and profession mediation,
- (ii) job and vocational counseling,
- (iii) vocational training,
- (iv) employment promotion, etc.

The main objective of employment policies is to support jobseekers in finding a suitable job. Employment policies are an important tool for improving the labor market situation, but they still have a limited impact on reducing the level of unemployment. This is the result of several factors in the labor market that are linked to the fact that

<sup>&</sup>lt;sup>3</sup> Hobdari, B: "Tregu i Punës dhe pabarazitë rajonale të papunësisë në Shqipëri", seri të Europës Lindore Nr. 53, Instituti për Studime të Avancuara, Vienna, 1998.

labor market policies are costly and require more people to implement them.

The basic law in the field of employment is the law no. 7995 dated 20.09.2005 "On Promoting Employment". This law supports the implementation of employment development programs, as well as the establishment of the National Employment Service and the National Employment Fund.

# EUROPEAN UNION MIGRATION LAW AND EMPLOYMENT POLICIES

The European Union's migration law is relatively new, but it is developed a lot in order to respond to migration developments in Europe. Currently, a large migratory norm corpus has been developed, often referred to as the Acquis Communautaire migrator, which aims to regulate the status of foreigners uniformly across all EU member states. However, despite developments and tendencies for unified legal procedures and legal standards, some elements of the migration process continue to be governed by the national legislation of member states.

All EU member states have been significantly affected by international migration movements. Consequently, they have naturally sought the development of common policies at Community level aiming at effective migration management through coordinated movements that take into account the economic and demographic situation of member states. The latter (economic and demographic situation) occupy a fundamental place in EU migration policies, especially referring to the fact that various studies talk about increasing the number of migrant demand in Europe to reach around 56 million by 2050. In addition to the demand for cheap labor in specific sectors, there is a continuous increase in the number of people intending to settle in EU member states that often exceeds the labor supply.

This situation is often exploited by traffickers or smugglers in Europe, who make extraordinary profits from aiding the illegal crossing of borders. In order to better address developments and effective migration management in order to strengthen freedom, security and justice in the EU, in 2004, the Hague program provided for a number of measures as follows:

- 1. Drafting of joint annual statistical reports on migration and asylum and adoption of an EU framework for collection of migration and asylum statistics; the proposal to create a migration monitoring center in Europe, and the proposal for an information system on migration issues.
- 2. Drafting the framework program for managing migratory flows.
- 3. Drafting migration policies on regular migration, including including drafting a green card for regular economic migrants, in line with suggestions and recommendations after extensive consultation with the public;
- 4. Establishing a contemporary European framework for integration;
- 5. Taking joint measures in the fight against irregular migration;
- 6. Develop effective removal and repatriation policies based on common standards, and closer cooperation and joint technical assistance.

With these measures, the EU reiterated the need for shared responsibility of Member States in migration issues. Finally, the EU has been focused on strengthening cooperation with third World countries, mainly countries of origin, to crack down on irregular migration in two main directions: developing countries of origin to tackle the causes of migration and return and readmission.

The specific migration feature for professional training purposes is that it is temporary and does not depend on the labor market situation in the host country. It is considered as a form of mutual benefit to migrants who directly benefit from it, their country of origin and the host country, while also helping to improve mutual convergence between cultures. Admission of third-country nationals for study or training purposes is traditionally seen favorably.

Directive 2004/38<sup>4</sup> contains some of these and also because the main attention has been to the negative effects of this article, which relate to obstacles to freedom of movement and other obstacles, these effects have been improved by the drafting of Regulation 1612/68. This regulation includes conditions for equal treatment for employees,

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<sup>&</sup>lt;sup>4</sup> DIRECTIVE 2004/38/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 29 April 2004

the protection of family members of employees, the right to choose employment and the setting of conditions for cooperation between member states and employment agencies.

According to this regulation, discrimination is prohibited:

- workers regarding the termination of employment contracts;
- direct or indirect administrative documents such as. booking a fixed quote for a job
- limited job advertisements
- professional or health-related recruitment criteria, eg. imposing taxes in discriminatory ways;
- the right to trade unions;
- the same rights to housing conditions;

Regarding to other general-interest restrictions, health safety in the right of entry and residence Directive 2004/38 provides that all measures adopted in the field of public and security matters should be in accordance with the principle of exclusion and will apply only to the personal conduct of the individual. The Directive itself contains the right of residence of persons, to stay in places where they work and also the right to a permanent residence together with their families. The condition that persons acquire a permanent right of residence is to have stayed in the Member State for 5 years uninterruptedly. This right is acquired in cases of residence for a period of three years, persons who:

- 1. retire,
- 2. suffer a significant impairment or
- 3. die.

Persons who benefit from the rights as family members of the person are: spouses, cohabitants, partners, children, and a relative of the person who needs health assistance. In the case of spouses, they also benefit those extra-nationals provided they are married. Children enjoy the right to education, training in professional courses under the same conditions as citizens of the state if they have stayed in that territory. There is a derogating Article 35 in the Directive, which allows Member States to refuse or waive the rights conferred on the free movement of persons in cases of abuse or fraud.

One of the most important consequences for the Albanian economy caused by the collapse of the communist regime in Albania was the mass emigration of Albanians, mainly to neighboring countries such as Greece, Italy and other Western European countries. However, in recent years, particularly after the financial crisis of 2008, the difficult economic situation of these hosts of Albanian emigrants made a large part of them return to the country.

Returned migrants sought to reintegrate or retouch in the Albanian labor market, saying otherwise to re-integrate into this market by changing its structures. Reintegration into the Albanian labor market seems to have been one of the main reasons for their return to the country of origin, as most returnees were unemployed. According to a report by INSTAT and International Organization for Migration, "Return and Reintegration Migration" of 2013, it results that 63.2% have returned to Albania due to job losses in the country of immigration and 16.5% due to loss of employment contract in this country. Including those who could not be part of labor markets in host countries, it turns out that over 80% of returnees were due to the inability to further integrate into labor markets in immigration countries.<sup>5</sup> The majority of returnees are employed in agriculture and construction. The percentage of emigrants employed in the agriculture sector has doubled after returning to Albania, while the one in the employment sector has halved. Most of the Albanian emigrants in the migration countries have worked in the construction sector. Even after returning to Albania, employment in the sector accounts for a considerable percentage, but only half of the returning migrants are again integrated into these sectors. The sector with the highest employment after return is agriculture, and even the percentage of returning emigrants employed in this sector has doubled compared to employment in migration countries. It is also noted that the number of employees in these two sectors was higher before return. Employment of Albanian returnees in the country in other sectors of industry seems to have fallen sharply. Particularly noted is an increase in employment of Albanian returnees returning to the retail and other business sectors.

Return and integration issues are addressed in a separate chapter in the National Strategy on Migration and the National Action Plan. For the first time, these two return documents are treated closely related to the reintegration of nationals into the

 $<sup>^5</sup>$  Raporti i Tregut të Punës në Shqipëri, p. 27 Instituti për Politika Publike dhe Mirëqeverisje (IPPM)

country. Such an approach aims to create conditions for a sustainable return for voluntary or forced migrants to stay in the country.

In accordance with this policy, Albanian legislation deals with the situation of immigrants who have returned to the country after the termination of the employment contract or have returned voluntarily or due to lack of documentation or on the basis of readmission agreements. The purpose of legislation is to facilitate the return process, making it easier to re-integrate them into the country. More specifically, in the following is briefly presented the legal basis for reinstatement and reintegration.

#### **RETURN AND READMISSION**

Return of immigrants is generally carried out on the basis of readmission agreements, or optional. Albania has signed bilateral readmission agreements with many countries in the region and beyond and a readmission agreement with the European Community. Based on these readmission agreements, Albania accepts the return of Albanian citizens who have left or abode irregularly abroad. Due to the nature of this manual and in order to avoid duplication, the paper will not dwell much on addressing the provisions of the readmission agreement with the European Community since a detailed commentary on it - the "Implementation Manual" was published in 2006<sup>6</sup>. However, briefly, in the section on immigration, the nature and objectives of the EC-Albania agreement have been addressed. In any case, the Albanian authorities with or without readmission agreement make repatriation of minors off Albanian territory for employment purposes in accordance with applicable legislation and allow entry of Albanian nationals into the country<sup>7</sup>.

#### **Return of Qualified Migrants**

Albanian legislation requires state authorities to encourage voluntary return of migrants, whether qualified or qualified, through the development of special programs with donors or NGOs<sup>8</sup>. In this context, the Albanian government in cooperation with the UN Development Program (UNDP) is implementing the brain-gain

<sup>&</sup>lt;sup>6</sup> Publication of IOM, 2006

<sup>&</sup>lt;sup>7</sup> Article 24, Law No. 9034 dated 20.3.2003. For emigration of Albanian citizens for employment purposes, as amended.

<sup>8</sup> Ibid, Art. 22(2)

program for the return of successful immigrants to the country. Also, in this spirit, it is often given priority to students who have studied abroad for employment in the state administration. The Ministries are responsible for implementing joint programs with local and foreign institutions for the voluntary return of educated and qualified students abroad.

#### Reintegration

Albanian legislation provides that promoting the return of migrants and reintegrating them into the economic, social and political life of the country can be achieved through fiscal facilities and business development programs, employment and vocational training. However, it is not clear how fiscal facilities and business development programs will be realized because no sub-legal acts have been drafted in this regard. According to the law, returned migrants, who have benefited from the status of a migrant, are also exempt from customs duties and personal property taxes and professional equipment, in accordance with the applicable legislation.

Albanian legislation provides that the reintegration of Albanian returnee citizens should be realized through training programs, enrollment in employment offices and their employment with priority from these offices, recognition of vocational qualifications and education, especially for children with in order not to fall from the level, providing financial support for economic reintegration, preservation of insurance rights, etc.

Expansion of integration services is done in order to guarantee the sustainable return of migrants through the design and implementation of joint employment programs with private businesses and provision of career counseling, entry to employment and vocational training.

#### CONCLUSIONS

All EU member states have been significantly affected by international migration movements. Consequently, they have naturally sought the development of common policies at Community level aiming at effective migration management through coordinated movements that take into account the economic and demographic situation of member states. The latter (economic and demographic situation) occupy a fundamental place in EU migration policies, especially referring to the fact that various studies talk about increasing the number of migrant demand in Europe to reach around 56 million by 2050. The return of migrants to the respective countries requires taking measures from the states for employment and adaptation.

Often, this category is a prey to unemployment, so special employment policies are required for them. Their employment, unequal gender-based wages continue to be worrying.

The government in consultation and cooperation with social partners must adopt an action plan aimed at the aggravation of the factors found to be the cause of gender pay gap and recruitment of newly-recruited persons.

The salary monitoring system should be built as an aspect of equality in work and labor, as well as relevant bodies for vocational training of migrants to adapt and become part of the labor market.

One of the most important consequences for the Albanian labor market came mainly from the financial crisis of 2008, where the difficult economic situation of the host countries of Albanian emigrants caused a large part of them to return to the country, demanding that to be included in the labor market. Much of this category has been focused on the construction sector. Given the economic cycle of this sector, it is necessary to train this category of employees in other professions necessary for the Albanian market.

It is necessary to train the staff of vocational training bodies in order to understand the national and international standards and to carry out inspections of the implementation of legal principles regarding these issues.

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