



Labour mobility within the EU: The impact of return migration

Executive summary

Introduction

There is growing interest in the return migration of mobile workers from the central and eastern European (CEE) Member States of the EU because one of the consequences of the recent economic and financial crisis may be an acceleration in the return of these workers from the EU15 to their home countries. This research explores to what extent this has happened by generating new empirical evidence, not only through an analysis of the existing statistical data and literature, but also through interviews with returnees, policymakers and experts on migration. The four CEE countries considered were Hungary, Latvia, Poland and Romania because of their different experiences both in terms of outflow and return migration. The case studies provided rich qualitative data on the returnees' motivations to return, as well as the circumstances in their home countries encouraging or, on the contrary, deterring return migration. Interview material also provided new insights into labour market outcomes of mobility for returnees, as well as existing policies to help returnees with reintegration into the labour market.

Policy context

Free movement of people is one of the key factors for smart and sustainable growth as emphasised by the Europe 2020 strategy and its flagship initiatives 'An agenda for new skills and jobs' and 'Youth on the move'. According to the former, 'the potential of intra-EU mobility ... is not fully utilised and insufficiently targeted to meet labour market needs, despite the substantial contribution of migrants to employment and growth'. After the EU enlargements in 2004 and 2007, migrant flows from the EU8+2 to the EU15 increased substantially, which contributed to a better allocation of labour across the EU. Migration can, however, have some negative consequences for migrants (if they accept low-quality jobs and their human capital is underutilised) and for the home

countries (if they lose their labour force, especially highly skilled workers).

Both EU and national policymakers are challenged by the demand for policy actions that would help tackle the issues that currently make it difficult for CEE migrants and returnees to take full advantage of their human capital and opportunities offered by the free movement of labour in the EU. In order to address those challenges, a better understanding of ongoing processes of return migration is required.

Key findings

- **No mass return took place during the economic crisis.** Instead, many emigrants opted for either a wait-and-see strategy by staying in the host countries or migrating onward to other destination countries.
- **The impacts of the economic crisis on return migration differed somewhat across the four selected countries.** In Poland and Romania, the most prominent impacts were the freezing of emigration, a growth in the rate of return that would probably have happened later anyway, and an increase of circularity (where migrants return to the host country repeatedly for short periods), followed by another rise in emigration. In Latvia, the global downturn increased emigration and diminished return migration, which had accelerated in 2006 and 2007, when there was rapid economic growth and substantial wage increases in many sectors. At the same time, the impact on Hungary was minor as the level of labour migration from Hungary, as well as return migration to the country, was low compared to the other three countries.

- **The economic crisis mainly accelerated foreseen returns.** Because of the economic crisis, some of the foreseen returns happened earlier than emigrants had planned, due to the worsening economic conditions. The economic situation complemented personal or family reasons when considering return.
- **Most returnees went back for family reasons or because they had achieved their emigration goals.** Family reasons tended to fall in two categories: returning to join family in the home country, or returning with family to the home country because of a partner's employment or a child's transition to another education cycle. Accomplishment of plans or, conversely, disappointment with the real experience of migration was also among the most important motives.
- **At home, returnees looked for better opportunities to develop professionally.** Skilled, but not highly qualified employees in 'brain waste' situations abroad returned to their home countries in order to return to their profession as well. However, they were likely to encounter difficulties in reintegrating successfully into the home labour market due to the gap in their career development. This was particularly true for young people without work experience relevant to their qualification.
- **Mobility experience of highly skilled returnees was appreciated in the home labour markets, whereas this was usually not the case with the low-skilled mobile workers.** The returnees were in a better position if international work experience was important for the employer. This was usually not the case in low-skilled jobs, where workers experienced difficulties in using their new skills.
- **The four CEE countries considered have implemented various policy initiatives targeting returnees, and to different extents.** In Latvia and Poland such initiatives were developed because of the massive outflow of people and the consequent labour market shortages. In Romania initiatives were created

because of pressure from the authorities in receiving countries to manage the flow of emigrants. However, policy factors seemed to be of negligible importance for returnees due to their general scepticism towards these policies and limited visibility of the policy initiatives among the targeted group.

Policy pointers

The policy recommendations below suggest actions that would help to tackle the issues that currently make it difficult for CEE migrants and returnees to take full advantage of their human capital and of the opportunities offered by the free movement of labour in the EU.

- **Assisting returnees who took deskilling jobs abroad – measures against 'brain waste'**
Skilled workers who took up jobs below their qualification level often face difficulties reintegrating in their home labour market after their return. Their potential is squandered in both receiving and sending countries. Therefore, special attention should be paid to the deskilling phenomenon both at Member State and EU level.
- **Improving cooperation between public and private initiatives as well as NGOs, exploring the necessary synergies**
Due to the limited trust in politicians observed in the region, any policy initiatives targeting returnees should involve NGOs or private sector entities rather than governments alone.
- **Improving data gathering on the outflow of mobile workers and return migration to enable a clearer view on the scale of mobility**
EU Member States should take actions to improve official statistics on outflow and return migration, perhaps by creating incentives for mobile workers to officially declare their emigration. As regards return migration specifically, it would be helpful if a common definition of 'return migration' could be adopted across the EU to facilitate comparison.

Further information

The report *Labour mobility within the EU: The impact of return migration* is available at <http://www.eurofound.europa.eu/publications/htmlfiles/ef1243.htm>

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