Addressing labour migration challenges in Europe

ESPON Policy Brief
Current trends in labour migration across European regions
Sending and receiving regions in Europe

- Regions with a negative net migration rate defined as “sending” regions, while the regions with a positive net migration rate defined as “receiving” regions.

- Eastern and Southern European regions report a substantially negative net migration rate, while Northern, Western European regions report a substantially positive rate.
Population migration and its link to labour migration

- In “receiving” regions employment rate of citizens of other EU member states is generally higher than in “sending” regions.

- Across the EU the highest regional employment rates for citizens of other EU Member States were recorded in the United Kingdom and Nordic countries.
Migration in metropolitan regions

- Migrants are more likely to be employed in mostly metropolitan regions than in other types of regions.
- Net migration is the main driver of change among metropolitan regions with the highest rates of overall population change.
- The fastest outward flows of migrants tended to be recorded in some of the metropolitan regions most affected by the financial and economic crisis.
- Highly-educated migrants tend to concentrate in the same regions where the highly-educated natives concentrate.
Shrinking cities (at FUA scale)

- One out of every five cities in Europe has faced population losses since 1990
- A study by Wolff and Wiechmann has identified three broad groups:
  - Continuously shrinking cities
  - Episodically shrinking cities
  - Temporarily shrinking cities
- In some cities population loss can be a structural persistent problem, while some cities may be more vulnerable to shrinking at different points in time
- Labour force migration greatly contributes to urban shrinkage
Inner peripheries

- **Delineation 1:** Higher *travel time* to regional centres
- **Delineation 2:** Low *economic potential* due to low potential accessibility
- **Delineation 3:** Areas of *poor access to services of general interest*
- **Delineation 4:** *Depleting areas* (poor demographic basis)
Peripheralization can be one of the factors which provokes labour migration in “sending regions”.

Negative migration tendencies mostly affect East-central European countries: Baltic States, Poland, Romania, Croatia and Bulgaria. In these “sending” countries there is high likelihood that peripheralization contribute to out migration.

Inner peripheries with clear uptrend dynamics (positive net migration) are only concentrated in a few parts of Europe.
Policy options to reverse emigration and attract labour force
Build knowledge economy (KE)

- The following indicators offer a good proxy of Knowledge Economy:
  - Population with tertiary education
  - R&D expenditure and personnel working in R&D sectors
  - Human resources in science and technology
  - Patenting activity.

- Outmigration in sending regions correlates with lower levels of human resources in science and technology.

- Highly skilled migrants migrate towards areas with higher standards of living and where the KE is more developed.

- In KE regions human capital could be offered more satisfactory returns.
Types of knowledge economies

Highly competitive and KE-based regions

Competitive and KE-related regions

Less competitive regions with potential in the KE

Less competitive regions with low incidence of KE

- Highly competitive and KE-based economies
- Competitive and KE-related economy
- Less competitive with potential in KE economy
- Less competitive economy with low incidence of KE
- no data

ESPON seminar Iași “The role of functional areas for territorial cohesion”
Wednesday, 26 June 2019
## Develop diaspora strategies

<table>
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<th>Category</th>
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| **Economic domain**              | - Facilitating transfer of remittances through discounts on bank transfers  
- Investment policies, e.g., special government bonds for diaspora investors  
- Tax exemptions and fiscal advantages to attract expat investment  
- National, regional, and local government programmes to match funding provided by emigrants for development-oriented projects in their hometowns  
- Property rights allowing emigrants and expatriates to buy land that is otherwise not available to non-residents. Easing of taxation on property for non-resident citizens  
- National, regional, and local government programmes to match funding provided by emigrants for development-oriented projects in their hometowns |
| **Political domain: Extending political rights** | - Dual citizenship policies  
- External voting rights  
- Setting up platforms for consultative dialogue, such as councils of emigrants |
| **Political domain: Influencing political activities abroad** | - Encouraging lobbying for country of origin interests in country of residence |
| **Social domain**                | - Welfare provisions, extending social security (pension, access to healthcare during holidays) to emigrants  
- Bilateral agreements on social rights with countries of residence |
| **Religious and cultural domain** | - Sponsoring religious institutions or personnel abroad  
- Funding cultural centres abroad  
- Government-sponsored schools abroad  
- Broadcasting of national media abroad |
| **Other policies of recognition** | - Including diaspora in national calendar of celebrations  
- Diaspora conferences  
- Honouring expats with awards |
The ESPON MIGRARE project developed several regional typologies with an aim to describe main characteristics of regions and cities in terms of being able to attract immigrants.

The following typologies emerged:

- Strongly attractive metropolitan areas and financial poles
- Highly attractive, innovative and growing regions
- Attractive manufacturing regions
- Less attractive, average growing regions, demographically balanced
- Growing but low income and depopulating regions
- Lagging behind and depopulating regions
Promotion of functional approach in planning and governance

The functional approach requires a stronger cooperation among places and that, in turn, stimulates their development perspectives at least in two ways:

• allowing to increase the resource base that is needed to serve people’s well-being needs;
• ensuring the efficiency of investment through their coordinated use and avoiding wasteful/overlapping investment.

The ESPON FUORE project (https://www.espon.eu/functional-urban-areas-tool) is developing a webtool for illustrating and benchmarking functional urban areas and other functional regions which have been identified at the European level.
Policy recommendations
Building knowledge economy and supporting diaspora

- Monetary or non-monetary incentives (Abruzzo, Molpolska, Berlin, North-East Region of Romania).
- ‘Oasis Strategy’: supporting KE sector(s) with highest potential given existing competences and structures (Mecklenburg-Vorpommern strategy for the health sector).
- ‘Build a magnet’ strategy: exploiting some unique territorial resource, in very remote areas with rather low potential of attracting resources from abroad (GSSI, Abruzzo).
- Building KE opportunities through urban development (Berlin, London, and in the city of Lasi in Romania).
- Branding in well-established KE economies (‘the world in one city’ London; ‘poor but sexy’ Berlin).
- Selective migration (UK) and diaspora strategies (Romania, Italy) to exploit the skills and resources of emigrants.
Improving attractiveness of regions

• Strengthen the role of public authorities and their capacity to strategically instigate and direct the mobilization processes.
  o This requires a governance system that can identify the existing strengths and weakness of an area’s territorial capital and develop an appropriate strategy to enhance/develop the different forms of territorial capital through a mobilization strategy.
  o This also requires the involvement of relevant stakeholders/actors to coordinate the actions of different levels of governance.

• Develop capacities of stakeholders to mobilise assets in a multilevel governance framework.
  o Regions and cities will require the capacity to access and articulate resources available at the national and EU level.
Functional approach in planning

Through policy and legislation

❖ Intensify policy coordination at the EU level on the issues related to functional cooperation areas (e.g. metropolitan areas, cross-border areas, transnational areas, city networks, rural-urban linkages) and how these can be addressed by the EU programmes.

❖ At national level - establish an overarching policy framework and guidance to enhance the involvement of regional and local authorities in cooperative governance and planning initiatives at various functional scales.

Through funding

❖ At EU level - improve the vertical coordination of different funding sources and programmes to guarantee more coherence of the agendas at different governance and planning levels.

❖ At national level - allocate financial incentives to support networking, cooperation and linkages among municipalities.

Through capacity building, territorial evidence and knowledge sharing

❖ At EU level - address more robustly the under-researched phenomenon of territorial networking and cooperation and spatial planning; in particular, the impact of sectoral EU legislation and funding instruments in shaping territorial governance and spatial planning at regional, metropolitan and local levels.
Thank you

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This presentation will be made available at: www.espon.eu/lasi