



Centre for European Policy Studies

LABOUR MOBILITY IN THE EU

Prospectus for a CEPS Task Force

First meeting: Monday, 16 December, Venue: CEPS, Brussels
Chair: Klaus van der Pas (Former Director-General DG Employment)

The Centre for European Policy Studies (CEPS) is launching a new Task Force on labour mobility in the European Union with a focus on the potential benefits, the main obstacles and the role of public policy in fostering it. Special attention will be given to the demand side, although the Task Force will also look at the supply side and longer term effects.

CEPS wishes to engage corporations, SMEs, governmental and international organisations and NGOs, together with international experts and academics, in an extended discussion on intra-EU labour mobility. The purpose of this Task Force is to bring together a diverse group of stakeholders to identify the potential benefits from increasing intra-EU labour mobility as well as the main obstacles to increasing labour mobility as primarily seen from the point of view of employers. The aim is to deliver a list of policy innovations at the EU level that either would remove unwanted barriers to labour migration or facilitate the exchange of information that would allow individuals and businesses to take fuller advantage of existing opportunities. Current EU initiatives in this area will feature as an integrated part of the Task Force's discussions.

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This prospectus contains a description of the objectives of the Task Force, intended stakeholders, and work plan. To join this group, please fill in the registration form at the end of this brochure.

For any questions, contact Mikkel.barslund@ceps.eu or Matthias.busse@ceps.eu.

With the sponsorship of the Confederation of Danish Employers

INTRODUCTION AND BACKGROUND

The debate on the workings of the EU labour market is not novel, but the stark contrasts in the economic situations prevailing in Europe along the North-South axis has brought the issue of intra-EU labour migration to the forefront of policy discussions. Not at any time in the history of the Community have labour markets diverged to the extent they do now. This implies that the returns one can expect to reap from policy innovations that make the intra-EU labour market function better are larger than under normal economic conditions. This applies not only at the societal level, but also for the individual EU citizen and in the business sector. At the same time, there are concerns about the long-term implications related to potential 'brain drain' effects. The Task Force will address each of these aspects with a view to provide recommendations for policy innovations.

Europe has seen very weak economic growth in the aftermath of the financial crisis beginning in 2008. However, the overall economic picture hides very different economic developments from one country to another in Europe. The worst-affected countries have sunk deeper into recession and many have seen little recovery since 2009. On the other hand, a few countries, notably Germany, have experienced decent economic growth the last couple of years.

These different economic trajectories have spilled over to the national labour markets, such that we are now seeing very strong labour market performance in Germany and Austria, whereas the south of Europe is fighting ever higher unemployment rates. In fact, in Germany and Austria, there are reports of labour shortages in some occupations (high-tech and high-touch) and unemployment is at its lowest level in the previous 20 years.

Compare this with the situation in the periphery countries, notably Greece, Portugal, Spain and Ireland, which are struggling with very high rates of unemployment. The situation is exacerbated by the fact that the current short- to medium-term economic outlook is much more favourable in the north than in the south of Europe. Thus, the different labour market situations are likely to prevail for some time.

The role of labour mobility

One of the key pillars of the EU common market is the free movement of labour across national borders. A more mobile and flexible EU labour force could – at least in the short term – relieve the strain on countries hardest hit by the crisis; nationals working in another EU country will not draw on health and welfare systems in their country of origin. They will maintain and enhance their skills to the benefit of their nation states when (if) they return.

At the same time, mobile workers make a valued contribution in countries where labour shortages have begun to emerge and are likely to persist due to the negative demographic outlook particularly for Germany.

While there are associated risks for countries where workers are leaving in the longer term, if the relocation turns out to be permanent it is not clear whether these risks might be outweighed by the short-term benefits at the societal level, but as important, at the individual level as well.

This Task Force will present a new vision for a more mobile and better integrated EU-wide labour market. The economic crisis is not only a test of the workings of the EU labour market, but a big opportunity for advancing it. This opportunity should be actively pursued, to the benefit of Europe, businesses and citizens.

THE TASK FORCE AT A GLANCE

Objectives

To explore:

- ✓ Current and prospective potential for intra-EU labour mobility
- ✓ Barriers and obstacles to realising the potential of labour mobility
- ✓ Impact in light of the economic crisis: a business and individual perspective
- ✓ Longer-term impacts of intra-EU labour mobility for the sending country, the receiving country and on aggregate

To deliver:

- ✓ An assessment of the potential for cross-border labour mobility, together with policy innovations to address barriers to realising this potential
- ✓ A background report, drafted in accordance with CEPS' high academic standards
- ✓ A forum where policy-makers, businesses and experts can meet and exchange views
- ✓ An opportunity for policy-makers, businesses and regional authorities to work together with other stakeholders to design pilot projects

Intended Stakeholders

This Task Force is intended for the following stakeholders:

- | | |
|---|-------------------------|
| ✓ Businesses/SMEs | ✓ European institutions |
| ✓ Business organisations | ✓ National governments |
| ✓ International and regional institutions | ✓ Experts from academia |

Other stakeholders not explicitly mentioned are welcome to participate. CEPS Task Forces usually benefit from the participation of representatives of national and international policy-making bodies as «observers», including the European Commission.

Timeline

The first meeting will take place 16 December 2013. A total of four full-day meetings will take place over the next four to five months. A final report will be launched in the first half of 2014.

Methodology

CEPS Task Forces are processes of structured dialogue among stakeholders, backed by independent research and analysis of one of Europe's top think-tank. Based on the research agenda outlined in this prospectus, CEPS will organise a number of private meetings for Task Force members, with the participation of academics, stakeholders and policy-makers. Based on the discussions at these meetings and its own independent research, CEPS will publish a final report and the set of policy recommendations agreed by members. The principles and guidelines for CEPS Task Forces are attached as an Annex at the back of this Prospectus.

Team

The research for this Task Force will be carried-out by two rapporteurs assigned to the task: Mikkel Barslund, Research Fellow, and Matthias Busse, Research Assistant. The Task Force will be chaired by (TBC). Their biographies are found on page 8.

How to Join

To join, please follow the instructions on page 8 and submit the form on page 9.

SCHEDULE AND CONTENT OF MEETINGS

Meeting 1 – Monday 16 December 2013 (Venue: CEPS, Brussels)

Key topic: North-South Labour Mobility Potential

The Commission has rightly identified increasing labour mobility as part of the strategy to alleviate high rates of youth unemployment in the periphery. This Task Force will explore the current labour mobility potential – without explicitly focusing on young people – given the divergent economic conditions. Data on mobility and the constraints on the movement of workers are central to this issue. Differences in demographics will play a role in the medium-term prospective analysis.

Research questions:

- ✓ Macroeconomic background and short- to medium-term outlooks and their implication for labour mobility potential
- ✓ Labour mobility up to now - knowledge and knowledge gaps
- ✓ Are the right skills available?

Meeting 2 – End January 2014 (Venue: CEPS, Brussels)

Key topic: Recruiting abroad - moving abroad

Very few Spaniards or Portuguese have moved to (and stayed in) Germany in the past five years, despite high unemployment rates for Spain at least since 2009. The Task Force will look at the main reasons for this phenomenon. What are the main barriers and obstacles for moving – and for hiring. Is it a skills issue? What role do language difficulties play, and how can they be overcome? Are there macro drivers which can explain the difference in mobility behaviour between e.g. Romania and Spain? What is the business perspective on the hiring decision in this respect? To what extent can these issues be dealt with from a business perspective and what are the experiences so far?

Research questions:

- ✓ What are the costs of recruiting abroad? Perspectives from SMEs/large enterprises
- ✓ Success rates of foreign recruits
- ✓ Overcoming the language barrier for new workers
- ✓ Making the move - who are the movers?
- ✓ What are the drivers of labour mobility?
- ✓ What is the evidence from current initiatives?
- ✓ (Missing) EU legislation (e.g. transferability of pensions)
- ✓ What connection with Green Card initiatives at EU level?

Meeting 3 – End February 2014 (Venue: CEPS, Brussels)

Key topic: Impact of labour mobility – in the short and long term

How and to what extent do individuals, businesses and countries gain from labour mobility? Businesses gain from a larger recruitment pool and individuals benefit from job experience and language skills. But what is the immediate economic impact on periphery countries? Nationals working in another country will not draw on public resources in sending countries due to savings on health care expenditures, unemployment benefits and other social expenditures. Their movement will also reduce the strain on retraining and educational facilities. There might also be non-negligible direct benefits for the sending countries in terms of an increased stream of remittances to family and friends from mobile workers. However, if workers leave young, and stay and work outside their country of origin for a major part of their career, there could be negative longer-term consequences.

Will a movement of young from the south of Europe to the North lead to a 'brain drain' of sending countries? Can it undermine the welfare system in, e.g. Spain, in the longer term? These issues will be explored comprehensively on the background of the existing literature on migration. Related to this is the issue of the longer-term perspectives for welfare states if labour becomes more mobile across EU borders. Will the higher mobility within Europe accelerate factor price equalisation? In case of an economic bust in the north, will foreign born workers return to their home countries or will the remaining wage gap prevent this?

Research questions:

- ✓ What can be achieved in the short to medium term?
- ✓ Impact on sending countries - short and long term
- ✓ Impact in receiving countries/businesses - short and long term
- ✓ What are the welfare effects within EU as a whole?

Meeting 4 – Mid March 2014 (Venue: CEPS, Brussels)

Key topic: Comments on advanced draft report

Research questions:

- ✓ Clarify outstanding issues and reconcile potential disagreement

DISSEMINATION

CEPS will ensure that the results of the Task Force are disseminated widely to different audiences. The objective is to make sure that the results and considerations included in the Task Force report reach policy-makers – and are taken into account in subsequent policy-making/thinking. The following events are scheduled, but CEPS will seek to present the report for relevant policy-makers in smaller fora in Brussels and where appropriate to EU member states as well.

Launch Event – End March of 2014

Presentation of the Task Force report to policy-makers, media and the public

Presentation of the policy conclusions and recommendations and the main findings of the final report at CEPS in Brussels, followed by a panel discussion with experts, business representatives and policy-makers.

CEPS' Think Tank Fair – beginning of April of 2014

Presentation of the Task Force results at CEPS' Think Tank Fair

CEPS will host a Think Tank Fair in the beginning of April which will be attended by around 250 high-level people from the Brussels policy environment and think tanks around Europe. Presentations will be short and focused with an emphasis on distilling core differences in opinion on important topics for Europe and the European Union.

The Task Force report will be presented and discussed at CEPS' Think Tank Fair. Subsequently, the core recommendations arising will be included in a concise publication handed to new Members of the European Parliament when it convenes in July 2014.

DELIVERABLES



(1) A list of issues and policy innovations for policy makers, international organisations and businesses

Building on the discussions during Task Force meetings and the input provided by members, the team of CEPS researchers will formulate a set of policy conclusions and recommendations, to be reviewed, refined and finally approved by the Task Force members. Drafted in a clear and concise manner, this set of conclusions will serve as the executive summary to the final report of the Task Force.

(2) A background report, drafted in accordance with CEPS' high academic standards

Based on their own independent research, the rapporteurs will draft a final report (background study) on the issues highlighted in this research proposal and discussed during Task Force meetings. The final report will be drafted following high standards of academic excellence and will benefit from the extensive experience of CEPS in policy-oriented research. The report will have a length of around 100 pages and will be preceded by the set of policy innovations and main issues agreed by Task Force members.

The final report will be made available for free downloading from the CEPS website, SSRN and other web platforms, to ensure maximum exposure in circles of relevant stakeholders. In addition, printed copies of the report will be sent by mail to key policy-makers, industry organisations and experts around Europe. The report will also be available for sale in printed format via the CEPS Online Bookshop and in electronic format via the web merchant Amazon.

The report will be presented at a public event in Brussels, featuring a panel discussion with key policy-makers, organisations, experts and media. Additional presentations of the report may be arranged in other European capitals.

(3) A forum for policy-makers, business and international organisations, and experts to discuss issues of common concern

CEPS Task Forces benefit from the participation of public officials from the European institutions, as well as national governments and agencies. In organising a Task Force, CEPS pays particular attention to the balance of the interests represented and strives to gather the widest possible variety of stakeholders around the table, to ensure the quality and integrity of the research process.

TEAM AND METHODOLOGY

Chairman

The chairman will steer the discussions and contribute with his experience to the project's success.



Klaus van der Pas, Former Director General DG Employment & DG Education

Klaus has had a long and remarkable career in the service of the European Commission in various capacities. From 1998-99 he was the head of the "Task Force for enlargement negotiations" and subsequently Director General, DG Enlargement. He later served as Director General of DG Education and Culture and later DG Employment. He brings to the Task Force a large amount of background knowledge as well as firsthand experience of the discussion of labour mobility.

Rapporteurs

The «rapporteurs» are CEPS researchers in charge of structuring and leading the research agenda, organising the Task Force meetings and drafting the final report.



Mikkel Barslund

Mikkel holds a Ph.D. in economics from the University of Copenhagen and a M.Sc. in environmental economics from University College London. Prior to joining CEPS, he worked as a senior economist at the Danish Economic Councils and as a Research Fellow at KU Leuven. Mikkel has written extensively on socio-economic issues, and has lately focused on youth unemployment. His thoughts on the issue, including an emphasis on labour migration, have been published among other places in the Financial Times.



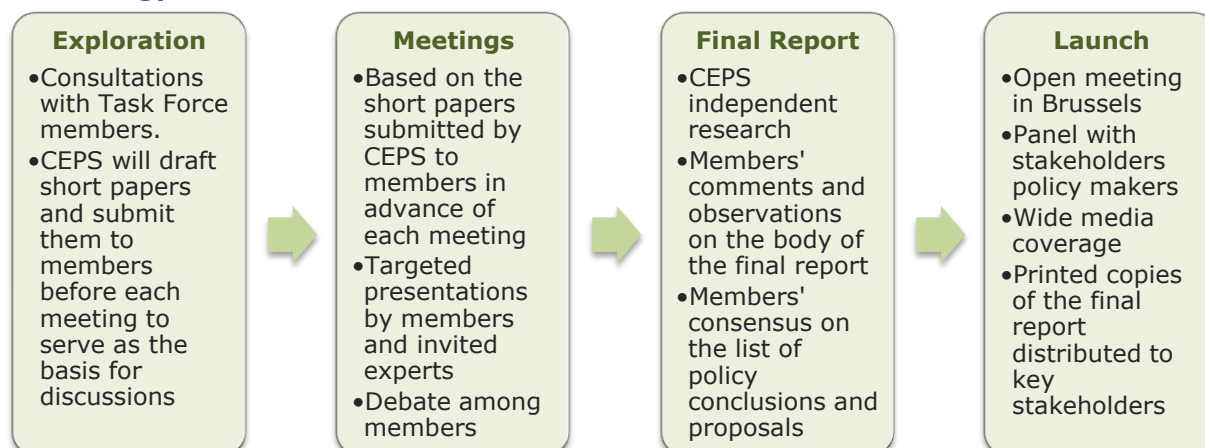
Matthias Busse

Matthias joined CEPS in January 2012 as a Research Assistant in the Economic Policy Unit. He earned a bachelor degree (hons.) in Economics at the University of Hertfordshire and a Masters degree (hons.) in European Studies (Major European Economics) at the University of Hamburg. He has written his dissertation on optimum currency areas with a focus on unit labour cost diversions within the euro area, and is currently working on labour market issues and monetary policy.

Excellence in Research

CEPS takes a multidisciplinary approach to its research, drawing from its team of experts in the fields relevant to this Task Force (labour markets, macroeconomics, institutions and EU citizens' law). CEPS experts are experienced researchers who have significantly influenced the current debate over macroeconomic policy and youth unemployment, and more generally over the years, European labour markets. CEPS coordinates a number of networks specialised in policy analysis of which the European Network of Economic Policy Research Institutes (ENEPRI) is particularly relevant for this Task Force.

Methodology



See the Annex for background information of the functioning of CEPS Task Forces.

JOINING THE TASK FORCE

Participation in the Task Force is subject to a fee to cover the research and organisational expenses. CEPS Corporate Members are entitled to receive a significant discount. Discounted fees will be considered for non-members if they decide to become a member of CEPS.

The fee covers:

- The research carried out by CEPS for the purpose of this Task Force
- Organisational, catering and other costs of all meetings
- Web access and documentation
- Launch of the final report in Brussels in a public event to maximise exposure
- Press release and communications management
- Printing and editing costs of the final report
- Distribution of the final report to key stakeholders in industry and policy-making
- Three printed copies of the final report per member (mailing included)

The fee does not cover travel and accommodation costs for Task Force members to attend the meetings.

Upon request, CEPS will mail additional copies of the final report to members, at their expense. The final report will be launched at a public event in Brussels, open to the press, with the presence of high-level policy-makers. Additional launch events in other European capitals may be organised, if sponsored by members of the Task Force.

Fee Structure (+21% VAT if applicable)	
CEPS Corporate Members	€ 1,000
Non-Members	€ 5,000
Academics	€ 500 [upon request]
Policy-makers	Free of charge [upon request]

To join the Task Force, please fill in the application form on the next page. If you have any questions do not hesitate to contact us:

Questions related to the Task Force:

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REGISTRATION FORM

Labour Mobility in EU



Person attending the meetings

Salutation: First name: Last name:

Job title:

E-mail: Telephone:

Company / Institution

Company / Institution name:

Postal address:

Postcode: City: Country:

Contact Person:

E-mail: Telephone:

Billing information

Tax register number (VAT for Europe):

Your reference, Customer Purchase Order No. or Cost Code N:

Department:

Postal address:

Postcode: City: Country:

Contact person:

Telephone: Fax:

E-mail: Other:

CEPS members – check the applicable fee (+21% VAT)

☐ CEPS Corporate Member | EUR 1,000

Non-members - check the applicable box (+21% VAT)

☐ Full Fee | EUR 5,000 ☐ My company is interested in becoming a member of CEPS

Date:

Signature:

Return to: Karin Lenk | karin.lenk@ceps.eu | +32 2 229 39 78 | Centre for European Policy Studies | 1 Place du Congrès | 1000 Brussels | Belgium

More information: If you would like to become a member or need more information, please contact *Mikkel Barslund*, Research Fellow at mikkel.barslund@ceps.eu +32 2 229 3949 or *Kerstin Born*, Director for Corporate Relations, at kerstin.born@ceps.eu or +32 2 229 39 10.

*Discounted fees for this Task Force will be considered for non-members if they decide to become member of CEPS.

ANNEX

Principles and Guidelines for CEPS Task Forces

This Annex offers guidance to prospective Task Force members and other interested parties in understanding the functioning of a CEPS Task Force and the process of drafting a Task Force report. Task Forces are processes of structured dialogue among industry representatives, policy-makers, consumers and NGOs, who are brought together over several meetings. Task Force reports are the final output of the research carried out independently by CEPS in the context of the Task Force.

Participants in a Task Force

- ✓ Members are for-profit entities, membership organisations or NGOs which participate in a Task Force and contribute to its expenses by paying a fee.
- ✓ Rapporteurs are CEPS researchers who organise the Task Force, conduct the research independently and draft the final report.
- ✓ Chair is an expert appointed by CEPS to steer the dialogue during the meetings and advise as to the general conduct of the activities of the Task Force.
- ✓ Observers are any policymakers or stakeholders who are invited to attend the Task Force meetings and provide oral and written input.

Objectives of a Task Force report

- ✓ Task Force reports are meant to contribute to policy debates by presenting a balanced set of arguments, based on the members' views, available data and literature.
- ✓ Reports seek to provide readers with a constructive basis for discussion. Conversely, they do not seek to advance a single position or misrepresent the complexity of any subject matter.
- ✓ Task Force reports also fulfil an educational purpose, and are therefore drafted in a manner that is easy to understand, without jargon, and with any technical terminology fully defined.

The role of the Task Force members

- ✓ Member contributions may take the form of participation in informal debate or a formal presentation in the course of the meetings, or a written submission.
- ✓ Input from members is encouraged and will be made available to all members, if it is to be used for the final report.
- ✓ Members represent their institutions but are asked to provide input as experts.
- ✓ Members are given ample opportunity to review the Task Force report before it is published, as detailed below.

Drafting of conclusions and recommendations

- ✓ Task Force reports feature a set of conclusions. To draft these conclusions, rapporteurs will summarise members' views. Wherever members' views do not lead to clear conclusions, general phrasing will be employed.
- ✓ Task Force reports feature a set of policy recommendations. These recommendations are meant to reflect members' views.
 - For a recommendation to be featured in the report, there needs to be 'consensus' or 'broad agreement' among Task Force members. Consensus does not however mean unanimity or full agreement as to every aspect of a given recommendation.
 - Where 'consensus' co-exists with a significant minority view, the report will feature this minority view next to the relevant recommendation.

- Where there is no 'consensus' but several contradictory views, the report will feature all these views and either refrain from making any recommendation or simply advise policy-makers to clarify the given subject matter.
- In all cases, the report will seek to identify the points where there is some form of agreement, for instance a common understanding of facts or opinions.
- ✓ Both conclusions and policy recommendations will be summarised at the beginning of the report in the form of an 'executive summary'.
- ✓ Members will be given ample opportunity to review the text of both conclusions and recommendations.

Drafting of the main text

- ✓ In the main text, rapporteurs detail the results of the research carried out independently in the framework of the Task Force. This part of the report will refer to the discussions during the task force meetings but also to available data and literature.
- ✓ Members' views are not simply presented as such but are also put into context. Wherever there is fundamental disagreement, the rapporteurs will ensure that all views are presented in a clear and fair manner.
- ✓ Scientific literature may be cited in this part of the report. Members are not purported to endorse any reference to this literature. A general disclaimer is inserted to clarify this aspect.
- ✓ The conclusions for each section will be clearly presented –and highlighted if appropriate. For the drafting of these conclusions please refer to the section above.

Use of data

- ✓ Task Force reports feature data that are considered both relevant and accurate by the rapporteurs.
- ✓ Task Force members are encouraged to contribute with any data or propose any sources they may consider relevant.
- ✓ Members may question either the relevance or accuracy of any given data. After consultation with other Task Force members, rapporteurs may decide either to exclude this data or to mention these concerns in the main body of the text.

Sample structure of a Task Force report

1. Editorial information
2. Disclaimer (see example below)
3. Executive summary
4. Outline
5. Main text
6. Summary of conclusions
7. References
8. Annexes, if any
9. List of participants

Sample disclaimer

"This report is based on the discussions in the CEPS Task Force on Labour Mobility, which met on four separate occasions in 2013. The policy recommendations offered at the beginning of this report reflect a general consensus reached by Task Force members, although not every member agrees with every aspect of each recommendation. A list of members, observers and invited guests of the Task Force can be found in Annex 3. The members were given the opportunity to comment on the draft final report, but its contents may only be attributed to the rapporteurs."

About CEPS – Centre for European Policy Studies

Founded in Brussels in 1983, the Centre for European Policy Studies (CEPS) is among the most experienced and authoritative think tanks operating in the European Union today. CEPS serves as a leading forum for debate on EU affairs, and its most distinguishing feature lies in its strong in-house research capacity, complemented by an extensive network of partner institutes throughout the world.

CEPS' funding is obtained from a variety of sources, including membership fees, project research, foundation grants, conferences fees, publication sales and an annual grant from the European Commission.



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