Mobility in Europe since the Eastern enlargement: emergence of a European labour market?

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Abstract

The aim of this paper is to give an overview of the most recent trends in labour mobility after the two waves of Eastern enlargement, within the context of labour market developments mainly in the newly joined Central and Eastern European Member States. The article focuses on the question of how the current economic and financial crisis impacted on these trends, whether a slowdown of labour outflow from the Central and Eastern European Member States could be detected as a consequence. From a policy point of view, it is important to assess the consequences of the new mobility trends not only in the receiving countries, but also in the sending ones, as well as the individuals and families affected. Due to the short time which passed since the enlargement, there is limited empirical evidence, but the paper makes an attempt to highlight those issues in this regard, which could have important policy implications in the future. The analysis is based partly on previous research, partly on the most recent empirical data.

Keywords: Geographic labour mobility, public policy, Demand and supply of labour (general): labour demand, Labour Force and Employment

JEL Classification: J61, J68, J20, J23, J21

1. Introduction

As is well known, even before Eastern enlargement, keen interest was shown by policy-makers both at Member States and European level in the extent of potential labour outflow from the would-be members. As a result, extensive research was conducted on the topic, exploring also the impacts the potential

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number of mobile workers could have, on economies of the EU15 countries...

The best known and largest research (commissioned by European policy-makers, i.e. the European Commission, (see: Boeri and Brücker, 2001)) concluded that large outflow could not be expected. Despite this, a 7-year transition period was introduced, similarly to all previous enlargements (with the exception of only one, when Austria, Finland and Sweden joined the EU in 1995). Nonetheless, some countries had already opened their labour markets at the time of the accession of the 8 countries of Central and Eastern Europe, i.e. on May 1, 2004. These were the UK, Ireland and Sweden (especially the former two are well known for their deregulated labour markets). It is remarkable, however, that neither Ireland, nor the UK opened their labour markets during the second wave of enlargement, i.e. in 2007, when Bulgaria and Romania joined the EU. It is true that both these countries do have a relatively high migration potential: from Bulgaria, quite recently, but well before the enlargement, large emigration waves could be observed, whereas in the case of Romania, apart from its low GDP-level (even compared to countries of the first wave of enlargement), the size of its population is large. Apart from Sweden, only Finland (which lifted its restrictions after 2004) kept its labour market open towards these two new East-European members. (Fóti, 2009)

The main objective of this paper is to give an overview of the most recent trends in labour mobility after the two waves of Eastern enlargement, within the context of labour market developments mainly in the newly joined Central and Eastern European Member States. The article focuses on the question of how the current economic and financial crisis impacted on these trends, and whether a slowdown of labour outflow from the Central and Eastern European Member States could be detected as a consequence. Our assumption is that the impact was significant and visible in those host countries where the inflow had been high before the crisis. This has, however, manifested itself rather in lower net inflow than in massive return of mobile workers to their home countries. One of the reasons could be that the financial and economic downturn severely hit also the economies of the sending countries (the only exception is Poland - here the return seemed to be higher, although not on a massive scale, either, the wage differentials being very large).

The structure of the paper is as follows: first, it raises some relevant issues and recent research findings are touched. In the second section, labour market developments are to be presented both at the EU-level and in the countries most affected by increased mobility. The first part of the third section is concerned with the most recent mobility trends with special regard to possible impacts of the current financial and economic crisis, whereas the second part focuses on those sectors and occupations which are most affected by the increased mobility. In the concluding section, the paper is concerned with possible future trends pointing to further relevant research topics.

2. Some questions and findings from recent research

Both from a theoretical and practical point of view it is relevant to ask how the recent financial and economic crisis affected those mobility trends which have developed since the two waves of Eastern enlargement. From a theoretical perspective, one could assume that in the wake of dismantling administrative barriers, free allocation of labour could alleviate adverse effects of the crisis on the labour market. The data, however, do not seem to support the assumption. An obvious explanation for this could be that there are still some administrative restrictions in place, long-term experiences are lacking both in terms of the free labour flow and its consequences, and finally, the crisis severely hit practically all Member States. In addition, other factors than mobility had large influence (since individual migration decisions are based on complex considerations).

In practical terms, even some controversial effects seem to emerge, especially in the sending countries: as a consequence of large outflow from certain occupations, mainly in the care and health sectors, concerns over labour shortages are being increasingly raised in the Central and East-European Member States. Moreover, it may well be that the consequences of the crisis accelerate this process since the ensuing budgetary restrictions affect precisely this sector to a considerable extent. Amidst large restructuring, which goes together with layoffs and wage cuts (also in public services), the outflow will be accelerating. Although budgetary cuts are being experienced throughout the EU, the adjustments could be smoother (at least in these two sectors) in the receiving countries (EU15) than in the newly joined Central and East-European members[1]. At the same time, due to job opportunities for citizens of the recently joined members, in a wider European space, newly emerging tensions on their labour market could be eased. Free cross-country mobility is, however, not a panacea since, in reality, job opportunities are available for certain occupations and socio-economic groups only. No doubt, mostly young people could avail of them. Even in their case, however, there are certain limits of unemployment being reduced in this way. Not only does their propensity for migration depend on many factors (such as family circumstances, knowledge of languages willingness to invest in learning them, etc.), demand is lacking in many skilled

[1] According to the two waves of enlargement (the first on 1st of May 2004, the second on 1st of January 2007, when data are available the paper distinguishes between those which joined during the first wave, and will be called hereinafter as EU10 (although, as is well known, out of these only 8 are from Central and Eastern Europe, and the two, Cyprus and Malta do not belong to this region, due to short size of the latter two, this will not disturb the general trends). Bulgaria and Romania which joined during the second wave, will be labelled as EU2.

or unskilled jobs, a situation, exacerbated by the crisis in the (potential) host countries.

Therefore, even if the crisis impacted on recent mobility trends to a significant extent (as to be shown in the paper); it is difficult to explore how these trends influenced labour markets in individual Member States. The impacts are obviously different, depending primarily on the extent of outflow from and inflow to the given country, respectively. It is clear, however, that there is a tendency towards some labour market adjustment at the European level, pointing to an emerging European labour market.

A comprehensive overview of recent research findings is given by Holland et al. (2011), dealing with the effects of post-accession mobility on labour markets in individual countries (both host and sending countries) as well as the impacts of the crisis. As regards the former, it was concluded that "there has been no, a small negative, or even a small positive labour market effect in the destination countries while the long run impact is believed to be very small or none." (Holland et al., 2011. p. 30.) Less research was concerned with the effects on labour markets of the sending countries. Two main tendencies were identified: potential loss of specialised workers and lower unemployment. As far as the demographic effects are concerned, which are particularly relevant not only in the long-run, but also in the medium- and short-term, it was suggested that due to the younger age profile of the migrants, "the host countries benefit from the demographic effect, the sending countries will experience negative effects from higher old age dependency rates. The EU-8 and EU2 exhibit low fertility levels and a net outflow of people in their working age will aggravate the pension situation in these countries" (ibid). In some sending countries, where the outflow was significant, the consequences could be particularly severe. For example, in Latvia the government already has to face the challenge "to ensure there are enough working-age people to fund the pension system" (Buckley, 2011).

3. Recent labour market developments, based on some relevant indicators

The impact of the crisis becomes clear even for the first sight, when the key indicators at the EU-level are looked at (see Table 1). It is interesting to see however, that the employment rate between 2007 and 2010 declined less in the Central and East-European EU-Members than in the EU15 (0.1 percentage points, 1.6 percentage points, respectively). As regards the unemployment rate, it increased by less percentage points in the former than in the latter group (from 7.8% to 10.0% and from 7.1 to 9.6, i.e. by 2.2 and 2.5 percentage points, respectively).

Table 1. Employment and unemployment rates since the enlargement in EU27, EU15 and EU12 (2004-2010)

Employment rate

EU and Member States-Groups	2004	2007	2009	2010
EU-27	62.8	65.4	64.6	64.2
EU-15	64.6	66.9	65.9	65.4
EU-12 (NMS)	56.4	59.9	60.0	60.0

Unemployment rate

EU and Member States Groups	2004	2007	2009	2010
EU-27	9.3	7.2	9.0	9.7
EU-15	8.3	7.1	9.1	9.6
EU-12 (NMS)	13.0	7.8	8.6	10.0

Source: Eurostat, ELFS

Based just on these indicators, one could conclude that the crisis has not hit the recently joined EU-members as severely as it has the “old” ones. It has to be clearly seen, however, that the “new” Member States started from a very low level: even on the average, their employment rate stood well below 60%, whereas in EU15, even in less developed countries this level was reached (for example, in Greece, see table 2.). In addition, Table 2. (indicating the employment rate in selected individual Member States) also shows that, in some countries of the newly joined Central and European region, the rate stood at below 56% (for example in Poland).

Table 2. Employment rate in selected EU-Member States % (2005-2010)

Selected countries	2005	2006	2007	2008	2009	2010
Bulgaria	55.8	58.6	61.7	64.0	62.6	59.7
Czech Republic	64.8	65.3	66.1	66.6	65.4	65.0
Germany	66.0	67.5	69.4	70.7	70.9	71.1[i]
Estonia	64.4	68.1	69.4	69.8	63.5	61.0
Ireland	67.6	68.7	69.2	67.6	61.8	60.0
Greece	60.1	61.0	61.4	61.9	61.2	59.6
Spain	63.3	64.8	65.6	64.3	59.8	58.6
France	63.7	63.7	64.3	64.9	64.1	64.0
Italy	57.6	58.4	58.7	58.7	57.5	56.9
Latvia	63.3	66.3	68.3	68.6	60.9	59.3
Lithuania	62.6	63.6	64.9	64.3	60.1	57.8
Hungary	56.9	57.3	57.3	56.7	55.4	55.4
Austria	68.6	70.2	71.4	72.1	71.6	71.7
Poland	52.8	54.5	57.0	59.2	59.3	59.3
Romania	57.6	58.8	58.8	59.0	58.6	58.8
Slovakia	57.7	59.4	60.7	62.3	60.2	58.8
United Kingdom	71.7	71.6	71.5	71.5	69.9	69.5

Source: Eurostat, ELFS

If unemployment is also looked at more thoroughly, i.e. by individual countries, it becomes also clear that there is no difference between the two parts of the EU in how severely the crisis hit their labour markets: in some EU15 countries, the unemployment rate more than doubled (in Spain), or even tripled (in Ireland) and, at the same time, in some Central and Eastern European members, the rate also more than tripled (Latvia), and in Lithuania it even increased by four times, i.e. from 4.4% in 2007 to 18% in 2010). The reason why the overall (average) picture of the latter group seems more favourable is that in the biggest country of the region, which has a high weight, in Poland, unemployment even decreased, and in the other big country, in Romania, it remained more or less at the same level (although in the biggest country of the EU15, Germany the rate also declined, this happened to a lesser extent than in Poland, and other large countries' worse performance offset Germany's more favourable labour market situation).

Table 3. Unemployment rates in selected EU Member States (%) 2005-2010

Selected Member States	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Spain	9.2	8.6	8.3	11.4	18.1	20.2
Latvia	9.0	7.0	6.1	7.7	17.5	19.0
Lithuania	8.4	5.7	4.4	5.9	13.9	18.0
Estonia	8.1	6.0	4.8	5.6	14.1	17.3
Slovakia	16.3	13.4	11.2	9.5	12.1	14.4
Ireland	4.4	4.5	4.6	6.1	12.0	13.7
Hungary	7.2	7.5	7.4	7.9	10.1	11.2
Bulgaria	10.2	9.0	6.9	5.7	6.9	10.3
Poland	18.0	14.0	9.7	7.2	8.3	9.7
Italy	7.8	6.9	6.2	6.8	7.9	8.5
United Kingdom	4.8	5.4	5.4	5.7	7.7	7.9
Romania	7.5	7.6	6.8	6.1	7.2	7.6
Germany	11.2	10.3	8.7	7.6	7.8	7.2

Source: Eurostat, ELFS

The fact that labour markets of the Central and East-European region performed at a lower level before the crisis, is also confirmed by the activity rate: the share of the economically active population (share of employed persons plus unemployed people in working age, i.e. 15-64 years of age, population) is generally lower in the region than in EU15. As can be seen from Table 4, there are large differences in the level of economic activity across countries. It is remarkable that in Italy, which is a major receiving country (of mainly Romanian nationals), the activity rate is very low and since the crisis outburst it has become even lower than that in Hungary, which had the lowest share of economically active population.

Table 4. Activity rate in EU27, EU15 and selected Member States (%) 2005-2010

EU27, EU15, and selected Member States	2005	2006	2007	2008	2009	2010
European Union (27 countries)	69.8	70.3	70.5	70.9	71.0	71.0
European Union (15 countries)	71.2	71.8	72.0	72.5	72.5	72.4
EU12 (NMS)	64.8	65.0	64.9	65.3	65.7	66.2
Bulgaria	62.1	64.5	66.3	67.8	67.2	66.5
Czech Republic	70.4	70.3	69.9	69.7	70.1	70.2
Germany	74.3	75.3	76.0	76.5	76.9	76.6
Estonia	70.1	72.4	72.9	74.0	74.0	73.8
Ireland	70.8	71.9	72.5	72.0	70.2	69.5
Spain	69.7	70.8	71.6	72.6	73.0	73.4
Italy	62.5	62.7	62.5	63.0	62.4	62.2
Latvia	69.6	71.3	72.8	74.4	73.9	73.2
Lithuania	68.4	67.4	67.9	68.4	69.8	70.5
Hungary	61.3	62.0	61.9	61.5	61.6	62.4
Austria	72.4	73.7	74.7	75.0	75.3	75.1
Poland	64.4	63.4	63.2	63.8	64.7	65.6
Romania	62.3	63.6	63.0	62.9	63.1	63.6
Slovenia	70.7	70.9	71.3	71.8	71.8	71.5
Slovakia	68.9	68.6	68.3	68.8	68.4	68.7
United Kingdom	75.4	75.7	75.5	75.8	75.7	75.5

Source: Eurostat, ELFS

As can be seen from Table 4., even after the crisis, the average activity rate remained on the same level (in EU15 it slightly decreased, whereas in EU12 it even increased). The aggregate figures both at EU15 and EU12 levels mask large cross-country differences. In the case of the Central and Eastern European Member States, the activity rates ranged from 62.4% (Hungary, as mentioned above), to 73.8% (Estonia).

4. Trends and key features of recent mobility from the Central and East-European Member States, with special regard to the impact of the crisis

4.1. The extent of the recent inflow

As the inflow primarily affected the working age population, in order to get a first and overall picture of the extent, it is worth to have a look at the share of foreign citizens from other Member States in the working age population of the destination countries in the total of the EU as well as to the countries of the main receiving country group - the EU15. As can be seen in Table 5., the share of citizens from the Central and Eastern European members doubled: it increased from 0.7% to 1.5%. As a result, the mobility from the Eastern part of the EU almost reached the level of mobility between the “old” members, i.e. the

EU15, and the reason why it has not come very close to it was that, in the meantime, the intra-EU15 mobility also increased, though it slightly stood at 1.7% in 2005 and grew to 1.9 % in both 2009 and 2010.

Table 5. Share of citizens from other EU members in the total working age population of the destination countries of all the EU and of the EU15 (15-64 years, %)

EU-Member States (group) of destination	**Member States (group) of origin**								
	EU-27	**EU-15**	**EU-12**	**EU-27**	**EU-15**	**EU-12**	**EU-27**	**EU-15**	**EU-12**
	2005			2009			2010		
EU-27 countries	1.9	1.4	0.6	2.6	1.5	1.1	2.8	1.6	1.3
EU-15 countries	2.4	1.7	0.7	3.2	1.9	1.4	3.5	1.9	1.5

Source: Eurostat ELFS

Therefore, it is without doubt that since the two waves of Eastern enlargement, the intra-EU mobility has increased substantially, mainly due to the inflow of the citizens from the Central and East-European members. If, however, the share of all the foreigners are taken into account, the dominance of third country nationals becomes clear in the EU15, and, as a result, in the EU as a whole (see Table 6.).

Table 6. Foreign nationals in the EU population of working age (15-64 years)

EU27 and EU-country- groups as destinations	**2000**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
EU-27	4.2	4.9	5.7	6.1	6.5	7.0	7.2	7.3
EU-15	5.3	6.1	7.1	7.6	8.2	8.6	8.9	9.0
EU-12	0.6	0.6	0.6	0.7	0.7	1.0	1.1	1.1

Source: Eurostat ELFS

Although the role of the EU-12 as destination is negligible, it is interesting to see the increasing trend in this since the enlargement (the share of the foreign working age population grew from 0.6% in 2005 to 1.1%, so this share has almost also doubled.)

There is one host country of the EU15, which is a clear exception to the rule of the dominance of third country migrants: Ireland. From 2006, the number of third country residents living here has become lower than that of citizens from the EU-10 countries. In fact, between 2005 and 2008, the working-age population arriving from these EU Member States contributed to the growth of Ireland’s working-age population of 2008 by 4.4%, whereas the third country nationals by 2.2% and even those of the EU-15 by 2.0% (despite the traditionally and geographically close connections with the UK, i.e. many of those citizens come from Northern Ireland). In all other major host countries, the mobile citizens from EU15 exceed those coming from EU-10 (their number is close to citizens from EU15 only in Italy, where together with the EU-2 citizens, they even exceed the number arriving from the other EU15 countries.)

Despite the general dominance of third country nationals in EU15 (which is the result of long-term developments over many decades), the large inflow from the Central and Eastern European members becomes evident from absolute numbers, focusing on inflow to the key host countries (see Table 7). It is interesting to see that, despite the remaining restrictions, the number of residents increased both in Austria and in Germany (although some authors argue that the increase is due to "regularisation" of those illegal EU-10 and EU-2 migrants who had already stayed there before the accession – this may have been the case initially, but cannot explain later increases, which, especially in the case of EU citizens, continued even despite the crisis, towards the end of the first decade of the new Millennium). It is understandable, however, that the growth of the inflow of EU-10 mobile citizens was much more pronounced in the UK and Ireland, i.e. in those EU countries which had already opened their labour markets in 2004 during the entry of the EU-10 countries (i.e. during the first wave of accession). As can be seen, their numbers doubled in the case of these two host countries between 2005 and 2007. The impact of the crisis, however, is very clear: in Ireland, which is one of the countries, the hardest hit by the economic recession (well reflected in key macro-level labour market indicators - see them above), the number of residents declined between 2008 and 2010 from 211 thousand to 180. (This fall is even more sharply reflected in the case of workers, or even of their potential number: as can be seen from the table in the Annex, the number of applicants for the Personal Public Service Number which is required to work in Ireland strongly declined: for example, the number of Polish applicants fell from 42,553 to 13,794 between 2008 and 2009, and it declined further in 2010.) Despite this decline, however, the citizens of the EU-10 remained the largest group of foreign nationals living in Ireland[2]. At the same time, it has to be noted that, not surprisingly, the crisis adversely affected job opportunities not only for the native population, but also for the mobile workers in Ireland: the employment rate of the EU10 citizens fell by 18.1% during the period between 2007 and 2009, which seems to be the largest decline, compared

[2] Between 2006 and 2010 share of citizens from the EU-10 in the total population was the following: 3.7% (2006), 4.8% (2007), 4.1% (2009), and 4.0% (2010). Share of EU-15 citizens for the same years: 3.6 %, 3.6%, 3.8%, 3.3%, 2.7%. Share of third country nationals in the total population during the same period stood at: 3.1%, 3.3%, 3.4%, 3.1%, and 2.8%, respectively. (Source: Eurostat, EU LFS, Eurostat population statistics, national data sources, DG Employment estimates - see notes to Table 7).

to other groups of mobile workers (EU2) or migrants (non EU27) in other European host countries.

Table 7. Number of foreign residents from the recently joined Member States in key host countries, by EU10 and EU2 citizens, 2005-2010 (Thousand)

Host country	EU-10 Member States							EU-2 Member States						
	2005	2006	2007	2008	2009	2010	Change 2005/ 10 (%)	2005	2006	2007	2008	2009	2010	Change, 2005/ 2010 (%)
Germany*	483	564	596	605	616	605	25.3	112	120	141	158	178	206	83.9
Ireland**	100	161	211	211	183	180	80.0	…	13	18	18	19	14	7.7
Spain*	71	103	127	137	140	137	93.0	490	664	890	964	991	1,006	105.3
Italy*	81	95	118	130	138	153	88.9	315	362	659	837	934	1,069	239.4
Austria*	75	81	87	94	97	105	40.0	28	28	35	41	45	46	64.3
UK***	293	503	691	728	720	945	222.5	29	35	40	74	90	124	327.6

Source: Eurostat, ELFS, Eurostat population statistics, national data sources, DG Employment estimates (data extracted from A2 table in Annex to the EC Report, 2011)

Notes: …: too small, or not reliable

*: Eurostat population statistics;

**2005: CSO-estimates, 2006-2010: EU LFS quarterly data, 4th quarter

***EU LFS quarterly data, 4th quarter

As a consequence of the crisis, the gap between labour market performances of the UK and Ireland clearly widened to a considerable extent: as can be seen from Table 3, between 2008 and 2009, the unemployment rate in Ireland doubled, whereas in the UK, although it also increased, this occurred to a lesser extent. (Employment as well as the activity rates, of course, reflects also this; they declined in Ireland by much more than in the UK.) This was obviously reflected in how the numbers of mobile citizens developed: in the UK, after a slight decrease, the number of residents increased again (from 728 thousand in 2008, it declined to 720 thousand in 2009 but rose again to 945 thousand in 2010).

The situation is different with the EU-2, which is obviously linked to their later entry. The crisis, however, does not seem to have an effect on their inflow to their major destination countries (although it may well be that without the crisis, their number would be even higher). As regards the increase in their number in Spain in 2009 and 2010, however, this is understandable in view of the fact that Spain granted free access to Bulgarian and Romanian nationals in January 2009 (which, as is known, was withdrawn from Romanians, due to serious labour market disturbances in Spain). At the first sight, however, it is not easy to explain why the number of EU-2 residents increased in Italy which applied restrictions, even if with simplifications (and it still does). This question is all the more relevant since, as can be seen from Tables 2., 3., and 4., the labour markets in both Spain and Italy were severely hit by the recession (employment rate declined and although unemployment rate increased in Spain by much higher percentage points than in Italy, the activity rate is one of the lowest in the EU27). There are two plausible explanations for this: one is that the increase reflects "regularisation" of illegal Bulgarian and Romanian migrants having already stayed in these countries before the accession (similarly to the case of the EU-10 citizens in Germany and Austria). The other is that the inflow, especially in Italy, is highly demand-driven, i.e. there are some sectors and occupations which are characterised by significant labour shortages, and therefore the EU-2 citizens are in high demand in certain specific segments of the labour market (a topic which is touched on in the next subsection). This assumption is confirmed by the fact that the employment rate of the EU2 workers declined to a lower extent than in Spain, as a consequence of the crisis, i.e. during the period of 2007-2009: in Italy, it decreased by 3.1%, only, whereas in Spain by 14.2% (Eurostat, Labour Force Survey, in: European Commission, 2010).

4.2. Key features of recent mobility from the Central and Eastern European Member States: some educational, sectorial and occupational patterns

The figures of educational attainment of mobile citizens from EU2 to Italy as well as the occupational and sectorial pattern seem to confirm the above mentioned assumption. The share of those prime age (25-49 years) persons, who had upper secondary education attainment, was far higher in 2009 than that of the population born in the country, being 62.4%, as against 44.7% (Source: Eurostat, Labour Force Survey, quoted in: European Commission, 2010). This means that the majority of mobile citizens in this age group already had specific skills to offer when they arrived in the country. In addition, the share of those who were employed in intermediate level occupations was also high in 2010, reaching 54% (of the EU2 mobile workers of 15-64 of age). At the same time, the share of the EU2 mobile citizens with higher educational attainment was by far the lowest in Italy[3], and the proportion of those employed in high-skilled jobs was also negligible (4%). These, together with the sectorial pattern, showing that the highest share of EU2 workers (27%)[4] can be found in "Other services, private households, etc.", point to the same direction: namely that the EU2 citizens (mainly Romanians who constitute the majority) are primarily occupied in a specific "niche" of the labour market, where there was high, unmet demand before (24% was employed in construction, 18% in trade, transport and communication, 14% in manufacturing, etc.).

[3] 8.4% only, in 2009 (of the 25-49 years of population of EU2 mobile citizens).
[4] The figure refers to the year 2010.

Generally, most mobile citizens from Central and Easter-European Member States have upper secondary education (similarly to the EU2 citizens in Italy). Although in some destination countries, the educational attainment of the Central and Eastern mobile citizens seems high (for example, according to Eurostat data of the Labour Force Survey, in Austria, the share of the EU10 citizens with tertiary education was higher in both 2008 and 2009 than that of the population born in the country), the general "rule" is that the upper secondary attainment dominate the scene, and the share of mobile citizens with basic education is lower than that of the population born in the destination country (interestingly, the exception is again Austria, where the share of the EU2 mobile citizens with basic education was slightly higher 12.6% as against 11.4% in 2009, and clearly higher in 2010 when the respective figures were 18.3% and 10.9%)[5].

If the sectorial pattern in general is examined, it becomes clear from the European Labour Force Survey that it is basically characterised by those features which are quite typical for migrant workers: the share of manufacturing is high among EU-10 workers (22.1%), accommodation and food service sector employs 13.4% of EU10 and 14.2% of EU2 workers, the share of those who work in construction is twice as much in the case of EU2 workers as that of EU10 workers (21.2% against 10.4%). It is interesting that in "activities of households as employers", the share of the EU2 workers is much higher, being 17.5% as against 2.5% (EU10 workers). It is highly unlikely that this gap reflects the reality. It can rather be assumed that this and construction are those two activities where most EU10 workers are employed in Austria and Germany but, due to the restrictions still in place in 2010, the numbers cannot be revealed (i.e. many workers are employed illegally, and/or as seasonal workers).

5. Conclusions: potential future trends and directions for further research

The paper presented the most recent trends in labour mobility, with special focus on the consequences of the crisis. As could be seen, the recent economic downturn most visibly affected the inflow of the citizens from countries of the first wave of enlargement, i.e. those of the EU10, whereas mobility from the EU2 countries continued to increase partly due to the severity of effects of the downturn in these sending countries, and partly to the very large income differentials, and finally due to the constant high demand in those

[5] Although, according to the Eurostat LFS data, share of the EU-10 citizens with basic education is lower than the population born in Austria, it may well be that share of the former is underestimated by the LFS since seasonal workers (for example in agriculture or in tourism and catering) cannot be included. This could also provide an explanation why these figures show higher share of EU10 citizens with tertiary education than that of people who were born in the country.

specific occupations and sectors where they are largely employed (the current figures show that in Italy this seems to be the case).

As regards future trends, once recovery starts, a certain increase in mobility can be expected, and, by lifting all the remaining restrictions (in 2013), the destination countries will be more diversified (as could be clearly seen from the paper, this process has already started with the second wave of enlargement). As it is well known, there are already a high number of young people from the EU12 countries who are doing their studies in one of the EU15. As a consequence of this fact and of such schemes, like for example the ERASMUS programme, the mobility of young people could even increase (although even nowadays they constitute the most important group in intra-EU mobility). This could result in changes in the educational, occupational and sectorial composition of mobile citizens from Central and Eastern-European members, which means that it will show less similarities to the features which characterize the typical occupational and sectorial patterns of migrants' employment.

As mentioned, before the enlargement, much concern was raised over the possible impacts the increased mobility could have on the labour markets of the destination countries. On the basis of the current mobility trends, however, nowadays those concerns, raised in the sending countries, seem more justified - increased mobility could result in serious labour shortages in some occupations, especially in the health and care sector. This, besides other demographic challenges which all the Member States have to face, could put further pressure on the public budgets of these countries. It is without doubt, therefore, that an emerging European labour market could pose new challenges which require adequate responses.

Within the context of an emerging European labour market, it has to be acknowledged, however, that with final removal of restrictions, young people of the Central and Eastern European Member States could have much wider opportunities which could facilitate their school-to-work transition. As a recent project[6] concluded, the possible impact of increased mobility could be an important topic for further research. The integration of young people into the labour market is also high on the agenda at the European policy level since, as a consequence of the current crisis, youth unemployment has become very high. Related to this topic, the integration of young people into their job abroad could also be a relevant research area. Within the context of mobility, this subject is all the more relevant since, according to some recent surveys[7], many young people who work abroad are overqualified for the job they perform there.

[6] A project, launched by the Eurofound on „New mobility trends in Europe".

[7] One of them, which was conducted in 2008, showed that almost all Romanians (93%) with high level of education were overqualified for the job they were doing (European Commission, 2010).

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Annex

Number of Central and Eastern European applicants to whom Personal Public Service (PPS) Numbers* are allocated in Ireland by nationality (2000-2010)

Country of origin	2004	2005	2006	2007	2008	2009	2010
Bulgaria	104	98	267	1008	772	277	295
Czech Republic	3,298	4,505	4,458	3,838	2,762	901	712
Estonia	1,788	2,011	1,407	648	572	428	207
Hungary	1,839	3,086	4,330	5,046	4,562	1,794	1,584
Latvia	6,266	9,328	7,954	4,674	3,727	3,916	3,134
Lithuania	12,817	18,717	16,039	10,728	6,443	3,768	4,353
Poland	27,295	64,731	93,787	79,816	42,553	13,794	8,742
Romania	591	813	3,336	14,525	6,762	2,624	3,002
Slovakia	5,187	9,258	10,687	8,375	4,994	1,784	1,288
Slovenia	64	76	101	63	87	40	37

Source: Department of Social and Family Affairs, Statistics on the Number of PPS Number’s issued
http://www.welfare.ie/EN/Topics/PPSN/Pages/ppsn_all_month10.aspx
http://www.welfare.ie/EN/Topics/PPSN/Pages/ppsn_all_month09.aspx
http://www.welfare.ie/EN/Topics/PPSN/Pages/ppsn_all_month08.aspx
(Access: 28th of September, 2011)
Other years: quoted in: Fóti, K., 2009.
Note :*These numbers are prerequisites for getting a job in Ireland.