

Why migrant unemployment and employment rose at the same time

It seems paradoxical that both foreign unemployment and employment grew at the same time. To understand why this was the case requires looking at both short-term factors (what economists call ‘conjunctural’ issues like interest rates, consumer behaviour and entrepreneurs’ propensity to invest), and longer-term structural factors (like changes in underlying economic and demographic patterns). Conjunctural factors led to a sharp decline in some types of production, especially of consumer goods and therefore also of the steel and plastics needed to make them. Yet structural changes like the shift away from manufacturing to the services and the demographic decline in the domestic labour forces of European countries continued. Migrants working in declining sectors lost their jobs, but other migrants were able to gain jobs in emerging sectors.

The gender aspects of employment change are important: migrant men were far more affected by job losses than migrant women. This is because migrant men tended to be employed in the sectors hardest hit by the downturn, especially manufacturing and construction, while migrant women were more concentrated in less-affected sectors, notably social services, care work and domestic work. As fertility rates fell and the populations of developed countries aged, there has been increased demand for migrant women to fill such positions. In fact, 643,000 new jobs were created in ‘residential care activities’ from 2008 to 2011, and more than half were taken by foreign-born workers. Immigrants (especially women) also filled 193,000 new jobs as domestic workers (OECD, 2012: 67). At the same time, the GEC has reinforced the trend towards part-time, temporary and casual employment, with women more likely to enter such employment relationships than men (OECD, 2011a: 78–81). The growth in employment of migrant women does not necessarily represent a gain, since many of the new jobs are part-time, badly paid and precarious, and women often have to work long hours to make up for the loss of male migrants’ earnings.