

EUROPE'S LABOUR MOBILITY PROBLEM: CAN FLEXICURITY BE SOLUTION?

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Abstract

Debate about the concept of flexicurity has focused on the European employment strategy which has attracted attention in the number of European countries. Especially, the process of improving labour market flexibility has stimulated a renewed interest in the issue of European Social Model. As employment prospect is one of the determinants of labour flows, the flexicurity model may be applicable to workers' movement situation in the EU. This derives from the fact that level of mobility in the European Union (EU) is low, despite the right to live and work in another member state contained in Articles 39-42 of EC Treaty. The EU has introduced a number of measures to make it easier for citizens to move from one member state to another, but within the EU system no concrete instruments or guidelines as to how to achieve higher mobility is yet to be materialised. Although the flexicurity model has introduced mechanisms to rectify problems in the social policies of the member states, under the prevailing conditions, the existing problems may become more intense. The basic question is whether the flexicurity model will enhance policy dimension of mobility, since the member states have their own national social models. This article aims to explore the significance of flexicurity for movement of labour in the EU.

Key words: Flexicurity, Flexibility, Labour Mobility

JEL Classification: J Labour and Demographic Economics

1. INTRODUCTION

The ability to move freely within the territory of the EU is an essential element of citizenship. With the passage of the Single European Act in 1987, the welfare effects have reinforced such an element by enabling workers to move where they are most productive. The policy reflects the most immediate economic and social aspects. Since 1995, the European social policy action programme has introduced new measures to the extent of which piecemeal extensions have brought in more categories of people. Even so, the shift has been modest and free movement of workers has yet to be taken for granted. This is to say, labour mobility across the member states remains low. The results from the Year of Workers' Mobility in 2006¹ shows that overall figures concerning mobility has remained low. Currently, less than 2% of all workers in the EU come from other member state. Unsurprisingly, removing disadvantages to workers has become difficult to achieve. It is simply the

¹Analysis of Eurobarometer survey on geographical and labour market mobility (2006), Mobility in Europe, European Foundation for the Improvement of Living and Working Conditions, www.eurofound.europa.eu

case for reducing practical obstacles to mobility (housing, languages, employment of spouses and partners), combined with a variety of legal and administrative inflexibility. Therefore, it is necessary constantly to develop the rules that would eventually stimulate movement.

It is generally accepted that labour mobility is the key to increase Europe's competitiveness, growth and employment. This was envisaged by the Lisbon Treaty in 2000. The emphasis placed on the European employment strategy can be an engine for adapting the flexicurity model by the revised Lisbon Strategy for Growth and Jobs. Moreover, the European Commission adopted the Guideline No.21 of the Integrated Guidelines for Growth and Employment for the objectives for the periods of 2005-2008 and 2008-2010. These steps call on the member states to '...promote flexibility combined with employment security and reduce labour market segmentation, having regard to the role of the social partners'. The ability to move freely is attributable to the EU legislation that protects the rights of those who make the move, together with the practical steps to increase the transparency of European labour markets. In the first place, the declared aim in a single market must be the elimination of freeing up the barriers and hurdles hindering mobility. The new market (both governments and economic actors at European, national, regional and local levels) needs to do more to eliminate barriers to labour mobility. The study focuses on the flexicurity strategies for mobility, which may not prove difficult to implement in practice given the present situation in the EU.

2. THE CONCEPT

The concept of flexicurity is rooted in a commitment to combine flexibility in the labour markets with high levels of security for workers. What makes this concept so conspicuous is, then, that it extends beyond traditionally conceived as interaction between flexibility and security. There is no important distinctions between two terms. In fact in many situations they can mutually reinforce one another. The concept places less emphasis on how the monopoly of the employers are retained in the labour markets, but more emphasis on the maintenance of employment. In an dynamic economy, an active labour market policy implies rights and obligations for the unemployed. This denotes ideas that more individual preferences in accordance with adjusting their work and family life.

The significant of such preferences needs to be achieved in order to stimulate labour mobility and work life that has to be organised in more flexible ways. It is typically concerned with the potential for win-win-outcomes in situations of which both wage flexibility and relative ease for firms in laying off worker regarding the degree of job protection. Flexicurity is then compatible with welfare state model, reflecting on a proactive labour market policy. Having said so, one may assume that this logic is relevant to European labour mobility situation.

3. BACKGROUND

The idea of flexicurity became visible in the labour market in the 1980s and has, since then, been launched in varying degrees in several European countries. The term was first implemented by the social democratic Prime Minister of Denmark Poul Nyrup Rasmussen in the early 1990s. Facing unemployment, low growth, a public sector nearly immobilized in the face of economic decline, and a long-smoldering revolt against an apparently incapacitated state, Denmark reconfigured its welfare state to create a system called flexicurity. The essential idea of flexicurity – conveyed by the name – is to combine high flexibility in labour markets with high levels of security for workers (Cohen and Sabel, 2009: 11). As a concept, the phrase flexicurity was then coined in the

Netherlands in the mid-1990s, based on a number of specific conditions. By contrast, the Netherlands had a rather restrictive system for dismissal of permanent employees, which has induced enterprises to increase flexibility in the workforce by hiring groups of temporary workers on fix-term contracts (Madsen, 2006: 3).

The similar elements were extended to the Commission's Social Policy Agenda 2000-2005. As the principles of flexibility and security complement one another, the Commission's stance was to keep right balance between job arrangements and secure smooth transitions between employments, in order to create more and better jobs. A goal to strike a better balance between flexibility and security has been voiced continuously at a number of EU summits, notably the Lisbon strategy. As a further step, the objective of achieving a flexicurity model was confirmed by the Commission's report in June 2007 entitled 'Towards Common Principles of Flexicurity: More and Better Jobs Through Flexibility and Security'. By this way, flexicurity was declared as an "integrated approach" of the Union. Along these lines, in December 2007, the European Council adopted eight common principles of flexicurity as follows:

- Flexicurity is designed to implement the main principles of the Lisbon Strategy.
- Flexicurity, in addition to being committed to life-long learning, active labour market policies and a modern social welfare system, sees the need for flexible contractual arrangements.
- Flexicurity needs to adapt to the different circumstances in each Member State.
- Flexicurity needs to support open and inclusive labour markets which help to reintroduce inactive employees back into employment.
- Flexicurity needs to involve the smooth transition between jobs by constantly up-grading employees' skills and providing the necessary social protection in transition periods.
- Flexicurity should promote both gender equality as well as considering means to reconcile work-life balance issues.
- Flexicurity needs the support of the social partners.
- Flexicurity needs to involve a cost-effective distribution of resources which public budgets can sustain².

As a result, employment security has been promoted in all member states to the extent of which it has provided Europeans with the training to keep their skills up-to-date and developed their talents. At the same time, such a security has progressively extended its coverage to the social security benefits of workers, (especially unemployment benefits) are to be provided, when they become unemployed. Along these lines, the Commission set up "Mission for Flexicurity" in five countries (notably France, Sweden, Finland, Poland and Spain) between April and July 2008, which gave a new impulse to the flexicurity model. It was expected that the intended benefit would promote the

² <http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/flexic>

exchange of good practice in different national contexts and mutual learning between the member states.

In this evolving process, however, it became clear that it would be increasingly difficult to make progress on the basis of the economic crisis, given the high levels of unemployment in some member states and inadequate protection of significant parts of the population. As a response, the Commission announced “European Economic Recovery Plan of November 2008” and then “Driving Economic recovery” of March 2009. The art of the exercise was to recognise the principle of a “no size fits for all”. By doing so, the Commission followed the path towards the progressive implementation of national, tailor-made flexicurity strategies in the member states in order to enrich the European social model.

In the meantime, it became essential to promote the competitiveness of the EU – as one of characteristics of flexicurity – combined with the sustaining the European social model. What makes such combination more valuable is that the development of globalization, leading to technological change. In this regard, adaptation is an important element that systematically places greater demands on European businesses. This implies significant social protection for employed, while underlining the importance of ensuring safeguard of workers’ specific job. A key priority is to keep workers to stay on the job. The strength of these allegiances depends on factors, such as the management of smooth transitions between employments and good performance of employees. This picture is more or less confirmed by the European Council in June 2009. The Council concluded that ‘in the current situation – of crisis – flexicurity is an important means to modernise and foster the adaptability of labour markets’. Any progress regarding the implementation of flexicurity strategies is reported in National Reform Programmes of each member state and is monitored by the Commission within the framework of the European employment strategy.

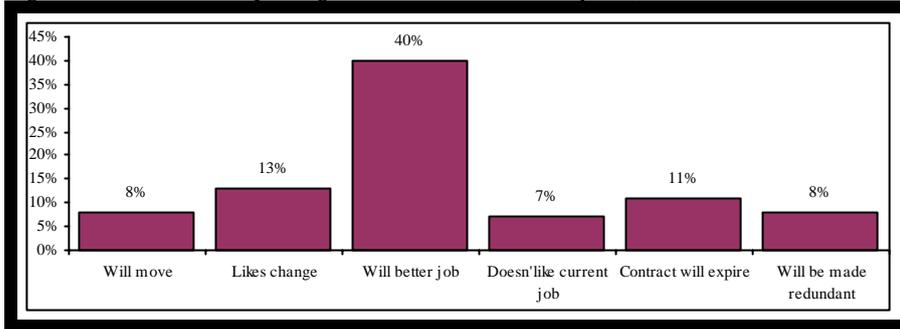
4. FLEXICURITY AND LABOUR MOVEMENT

4.1 Employment

In parallel to the Lisbon Strategy, the flexicurity model is characterised by the importance of modernising labour market, which is a means to promote good work through new forms of flexibility and security, with a specific concern to increase adaptability, employment and social cohesion. Here, reference is made to create more and better jobs. Because labour flows are the results of the decisions of a large number of independent households. With some limited exceptions involving transient staff and actions in border areas, movement of labour simply involves a person shifting his residence from one country to another to take up a job in the second country (El-Agraa, 2001: 488).

From the point of economic theory, under the competitive conditions, workers are allocated to jobs, which tend to maximise the values of employment gain. The main motivation for deciding to migrate is the workers’ desire to improve their economic situation and their conditions of work (Tassinopoulos and Werner, 1999: 3). Not surprisingly, the study by the Dublin Foundation in 2006 attributed the positive macro-economic effects ranged from the intensity of mobility to lower long-term unemployment. This was in accordance with higher employment rates, together with GDP growth. At present, the EU mirrors the inefficient allocation of resources, which is powerful incentive to “stay put” even if high level of unemployment is the case. It is claimed that skill and high unemployment across European regions often exist side by side in regions with skill shortages and low unemployment.

Figure 1. Reasons for expecting to move in the next five years, EU-25



Source: Eurobarometer 64.1 geographical and labour market mobility – September 2005

More generally, geographical mobility is usually understood less in terms of employed and more in terms of joblessness, addressing the question of why people migrate. Beyond limitation, significant progress can be made with employment security, implying security of staying employed, albeit necessarily in the same job. So far, employment security has been very stimulating and this option has often provided the idea of “value of mobility” in the last decade. Presumably, the active labour market policies (i.e. training or education) increase the attractiveness of a destination, while main goal being the general employment prospects. Figure 1 above illustrates the attitudes of Europeans to mobility. The large numbers of Europeans (40%) said that they had intentions to move in the next five years for the purpose of finding a better job.

Studies tend to conclude that migration streams are strongly determined by high level unemployment. According to Eurobarometer data (2006), around 59% of individuals who were either unemployed or in search of a first job actually found a job within the 12 months, when they left on a mobility experience. This was in comparison to 35% that stayed in the same country. Undoubtedly, the employment opportunities for potential migrants are crucial. The employment rate among the EU-27's population aged between 15 and 64 years old was 65.4% in 2007. Although this presented a further rise in the employment rate since the relative low of 60.7% recorded in 1997, it remains below the target of 70% that the Lisbon European Council set for 2010 (Eurostat, 2009: 268). A great deal of responsibility lies in the EU member states to demonstrate the benefits of geographic and job-to-job mobility for individuals and economy as a whole, which will continue to be a key instrument for the implementation of the Lisbon Agenda. As labour movement is generally seen as employment insurance, pointing to availability of jobs in the particular destination country, the flexicurity model fits to this end.

4.2 Social protection

Guided by the principle of “solidarity”, one of the aims of European institutions and EU member states is not to leave any of citizens out of the European construction. This implies significant social protection that social inclusion programmes for the most vulnerable, a strategy that led in 2002 to the adoption of a coordinated policy among member states to fight social exclusion, an approach currently being extended also to candidate countries (Vaughan-Whitehead, 2003: 8). The key to this is modern, adequate and sustainable social protection systems. So, the notion of job security supposes a radical measures for “protection of people”.

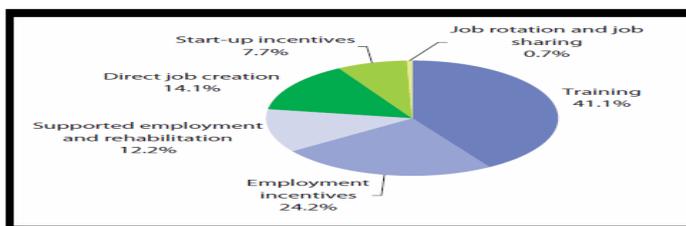
Social policy measures are the actions of government, which affect the welfare of individuals and groups, and usually lead to changes in the distribution of resources, status and opportunities between and within groups. The primary aim of redistribution is not to increase income and wealth, but to modify its allocation by market forces in a manner that its policy makers consider to be more desirable (Kaim-Caudle, 1993: 102).

The question of how all these elements can be joined in a real and successful model is cause for concern. The social provisions should become open to labour migrants from other member states. Theoretically, labour migration is a consequence of people's rational choice, which is oriented at a certain system of values. One of the conditions for migration is the existence of more or less stable social context composed of people whose needs are at least minimally satisfied. If those minimal needs within one social context are not satisfied, some people will emigrate to a new social context, in which they will find better condition to fulfil their needs, or expect to suffer relatively less deprivation and get better opportunities for development (Paas *et al*, 2003: 56).

One of the central purposes of mobility is to career perspectives in the EU. This highlights the growing life-long learning policies. To put differently, life-long learning for migrant workers is crucial due to the potential of workforce. The active policy on labour migration involves with vocational training for especially the unemployment of the young, who are caught in a vicious circle. To facilitate labour mobility, measures are progressively extended to the mutual recognition of qualifications and diplomas. The result of Eurobarometer survey in 2006³ showed that 30% of young employees still believed in a job for life. With regard to migration patterns, significant changes are taking place in the 2000s. The focus is largely on mobility of younger and higher-skilled workers, together with maintenance of those migration patterns for short periods of time. This is why the notion of "multi-mobility practices" has emerged in the last decade. Such a notion represents mobility periods, corresponding to specific needs in a career.

Figure 2. Public expenditure on labour market policy measures, EU-27, 2006(1)

Source: Eurostat 1) Estimates



Within the framework of flexicurity model, there is a broad understanding of the idea of effective active labour market policies, with comprehensive lifelong learning strategies. As part of active labour market policies, the EU's expenditure measures on training is significantly higher (41.1%), as Figure 2 above indicates. The social programmes, such as labour market integration of those with reduced working capacity and the additional jobs creation account almost one quarter (26.3%) of EU-27 expenditure, whilst the lowest rate (0.7%) for job rotation and job sharing is observed. Along with other measures to facilitate labour mobility, the goal of the active labour market policy is to improve the employability of the unemployed and other target groups. This process can be

³Ibid

regarded as upward harmonization of conditions in accordance with the implementation of the flexicurity approach.

Social protection expenditure, which fosters labour market participation and thus generate positive rates of mobility, should not be interpreted exclusively. It is expected that financial assistance would provide with flexibility and security for those who intend to move face the reality of being unemployed in the host country. At the same time, other groups (women, the young, and the elderly) enter the labour market with particular difficulties. As Table 1 shows, the breakdown of expenditure is extremely varied across the member states. This owes much to problems faced by individual economies with different characteristics.

Table 1. Labour market policy measures, participants by type of action, 2006(1) (annual average stock in 1 000)

| | Training | Job rotation & Job sharing | Employment incentives | Supported employment & rehabilitation | Direct job creation | Start-up incentives |
|--------------------|----------|----------------------------------|--------------------------|---|------------------------|------------------------|
| EU-27 | 3.816.1 | 10.6 | 4606.3 | 773.6 | 1336.9 | 712.2 |
| Belgium | 96.0 | - | 16.1 | 38.6 | 108.9 | 1.0 |
| Bulgaria | 11.6 | - | 14.3 | 1.8 | 74.3 | 4.6 |
| Czech Rep. | 7.4 | - | 16.6 | 21.0 | 9.5 | 4.2 |
| Denmark | - | - | - | - | - | - |
| Germany | 1.585.4 | 04 | 126.8 | 23.2 | 372.9 | 407.8 |
| Estonia | 1.1 | - | 0.7 | 0.1 | 0.0 | 0.0 |
| Ireland | 26.8 | - | 4.3 | 1.6 | 23.8 | 4.4 |
| Greece | - | - | - | - | - | - |
| Spain | 262.9 | 68.7 | 2.591.1 | 42.9 | 222.8 | 158.7 |
| France | 553.8 | - | 556.2 | 129.5 | 279.3 | 76.4 |
| Italy | - | 17.4 | 579.4 | - | 35.1 | 8.2 |
| Cyprus | 0.1 | - | 1.1 | - | - | 0.1 |
| Latvia | 5.0 | - | 2.6 | 0.5 | 1.5 | - |
| Lithuania | 7.1 | 0.0 | - | - | 6.5 | 0.2 |
| Luxemb. | 2.3 | - | - | 0.1 | 1.1 | - |
| Hungary | 13.9 | - | 35.4 | - | 17.0 | 3.3 |
| Malta | 1.5 | - | 0.4 | - | 0.0 | - |
| Netherlands | 1.785 | - | 46.7 | 144.4 | - | - |
| Austria | 90.1 | 0.0 | 61.0 | - | 7.6 | 2.2 |
| Poland | 98.8 | - | 98.8 | - | 8.2 | 3.4 |
| Portugal | 48.0 | - | 79.1 | 5.7 | 21.2 | 4.3 |
| Romania | 15.1 | - | 51.4 | - | 17.4 | - |
| Slovenia | 12.0 | - | 2.4 | - | 3.3 | 3.3 |
| Slovakia | 2.3 | - | 13.1 | 1.9 | 104.6 | 20.6 |
| Finland(2) | 50.2 | 7.8 | 16.1 | 8.4 | 13.8 | 4.5 |
| Sweden | 52.0 | 13.0 | 118.8 | 36.9 | - | 5.4 |
| United Kin. | 39.0 | - | 30.0 | 7.2 | 8.3 | - |
| Norway | 34.5 | - | 4.6 | 12.6 | 7.6 | 0.5 |

Source: Eurostat, (1) A large number of the cells are unreliable (2) 2007.

It is equally important to highlight entrenched, institutionalised obstacles to mobility regarding complexity of the Community Law. There is often a gap between the principle and practice of

European law. This gap needs to be reduced so that law enforcement in the EU can be improved by training of front-line officials, the legal professions and advice services practitioners who deal with migrant workers. The obstacles facing migrant workers and their families (i.e., the lack of language) are even more formidable. These obstacles lower labour standards, preventing workers from integrating in the host countries. Apparently, they pose a challenge to the flexicurity and their removal would make it possible for Europeans to move. Therefore, there is a substantial pressure, which calls for the Commission Action Plan on Languages towards a tailor-made approach across the member states.

4.3 Special arrangements

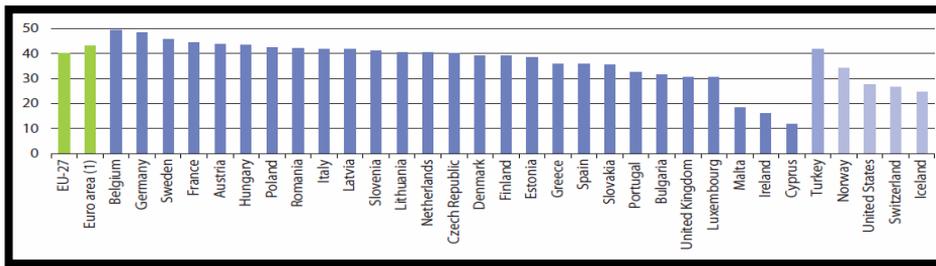
The flexicurity model is concerned with not only increasingly enhanced common principles, but with the special flexicurity arrangements for each member state that may foster cross labour mobility. The model does not correspond to one single labour market or one employment strategy, nor a single policy. Based on the assumption that each member state has its special needs, demands and interests, etc. flexicurity makes a clear distinction between rights and responsibilities of all concerned. In fact this is a new experience and challenge when the principle of labour movement is tailored to the specific circumstances of each member state. The entire activity should effectively be monitored in terms of progress.

Bringing the practices together concerning labour relations was recognised as a necessity from the start. While the individual national migration policies of the EU-15 member states have remained as the history of those countries would suggest, a complex but steady process of EU cooperation has taken place from the 1980s (Morales, 2003: 127). So far, process of harmonization, such as work organisation, life-long learning, equal opportunities and social inclusion are steps forward as determinants for workers' movement. When compared to national social policies, these steps are commonly agreed upon as ambitious changes, albeit important in their own respects.

However, as Hans-Werner and Wolfgang argued, different sorts of social policies affect the basic variables of an economy's transition path, in particular its migration alongside with employment and capital flows. Here, they focused on workplace standards like working conditions or standards of health and safety at work; and replacement incomes, such as social or unemployment assistance (Hans-Werner and Wolfgang, 2003: 870). Problems are still reported, for example concerning access to training or the application of the principle of equal opportunities, while in the host country. In practice, the right to obtain job in the public sector is often restricted, for example by applying a nationality rule to areas of work, which are unconnected with the exercise of public authority in any way.

Equally important, the tax treatment of retirement scheme may penalize a migrant. There is also a general need for coordination between the rules for occupational and supplementary pension schemes, especially now that these are becoming more important. Technical formalities, too, are, often formidable but there are plans for a standardized EC Resident card for the automatic renewal of a residence permit, including for those whose worker is interrupted by unemployment or ill-health (El-Agraa, 2001:421). As an example of the current conditions, Figure 3 presents tax rates on low wage earners between the member states. When ranking the countries in order, the highest tax rates are particularly marked in Belgium (48%), Germany (47%) and Sweden (46%), and the lowest in Bulgaria (32%) and the two countries – the UK and Luxembourg (31%). Against the flexicurity approach, trends in the taxes levied by the national governments have differed significantly.

Figure 3. Tax rate on low wage earners: tax wedge on labour cost, 2006 (%) economy



Source: Eurostat, OECD and the Commission services. (1) EA-13 instead of EA-15.

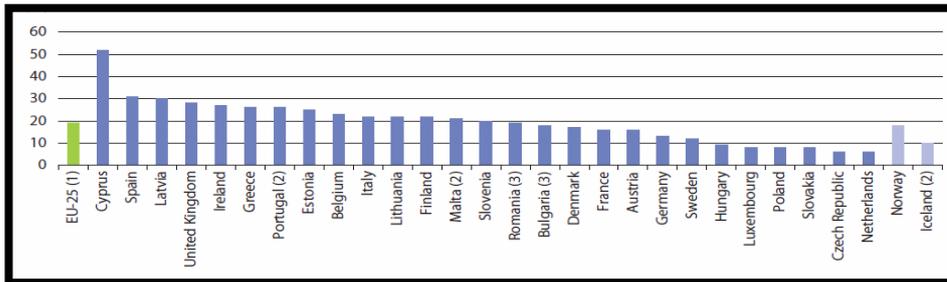
Additionally, the signatories of the European Economic Community made a special appeal to the cooperate sense of social conditions to ‘ensure the economic and social progress of their countries by common action to eliminate the barriers. The idea that all members should develop their own special arrangements will likely reflect different preferences that cannot be reconciled without endangering the economic and social objectives. The member states will simply use the latitudes to pursue their goals which clashes with the notion of the general common interest. The result is divergencies; a blow to the EU’s harmonization process of migration policies.

4.4 Social inclusion

The term “social inclusion” is usually referred to equalities in the distribution of income as the main incentive to move. The scope for the debate of flexicurity in social policy context needs to be carefully delimited to promote more open, responsive and inclusive labour markets, with the ultimate aim of dismantling segmentation. It is constituted in contrast to an outgroup; those who excluded from the labour market. Attention is directed towards the inactive, the unemployed, those in undeclared work, or in unstable employment. The concern of flexicurity has tented to be with protecting social rights in order to easier access to work or assist progress into stable and legally secure employment. One way to reduce social exclusion is to provide assistance and support for all those in employment to remain employable.

Theoretically, the quality of healthcare services, education and training opportunities, living conditions and good transport facilities, etc. induce people to move from one country to another. These factors are the keys to favourable living conditions, pointing to the flexicurity model. There are still multitude of factors that impede movemet of labour in the EU. Many member states now face social trends, such as the growth of part-time and flexible working, and the changing position of women. Other trends of social divergence include the funding of long-term care, early retirement and sustaining pension commitments. Figure 4 illustrates disparities in the risk poverty rate of those aged over 65 years and over in 2006. In some countries (notably, Cyprus and Spain), though not in all, this rate was more than 30%. This trend reflects the toll exacted by many EU policies. This position may change on flexicurity model of labour flows, when free movement policy is extended to allow retired people spend their later years anywhere across the EU countries.

Figure 4. At-risk-of-poverty rate after social transfers, persons aged 65 years and over, 2006(%)



Source: Eurostat, (1) Eurostat estimate based on population-weighted averages of national data. (2) Provisional. (3) National HBS.

The flexicurity should be the remedy the social exclusion of labour migrants, with mainly the least language skills and the fewest qualifications. This clarifies the role of the EU. The general upward trend in unemployment in recent years has put strain upon social security policies of the member states, as the relationship between labour migration and social exclusion become a complex problem. As current trend, rapidly ageing population in most European countries is also evident. In the view of increasing the number of retired people, pressures on healthcare mounted. Consequently, many national governments has restricted social security expenditure. Generally, the lack of the social provisions in the host countries, readily makes mobility difficult. It may therefore be crucial for the EU policy-makers to address these concerns explicitly in the flexicurity model.

Finally, the concept of flexicurity has also been used to refer labour market segmentation as represented by the social partners at European level (European Trade Union Confederation and BusinessEurope etc.). Flexicurity is seen as an instrument to tackle the modern labour market challenges. A strategy has been adopted to make European labour markets more inclusive by creating non-discriminatory European society. To facilitate equal opportunities, an attempt has also been to integrate with outsiders (i.e. unemployed persons youth and migrants who constitute a significant magnitude in several European countries) into labour market alongside with insiders (people with well-established, stable and quality jobs). More importantly, the Commission has already set up a small action programme to exchange knowledge, idea and experience in the Community wide. Further incentives can be created for the specific groups to improve their situation through work, innovation or acquiring new skills. In this light, the flexicurity model can provide useful mechanism for the process of policy harmonization.

4.5 Transitions from job to job

Under the flexicurity model, the national governments will have all the incentives and all the information needed to overcome difficulties that may emerge during the transition between jobs. High-quality and productive workplaces, good organisation of work, and continuous upgrading of skills are important component in the transition periods. In general, securing transitions from job to job requires sufficient contractual flexibility. In particular, social protection is expected to promote actions among the member states to support for job transitions and for easy access to new employment, while coordinating role to ensure that workers, who move across borders, continue to

receive adequate protection. Here, flexicurity endeavours to facilitate labour migration among employed as well as unemployed or the inactive.

The 1957 provisions were primarily concerned with the ability of unskilled labour and, in practice, were mainly of benefit to Italy. With the move towards the single European market, a sharp discussion began about a serious mismatch of jobs and workers, implying high unemployment rates in certain areas. Today, matters look different. Movement within the Union takes place for many reasons. It may be a way of escaping local unemployment, of filling skill shortages, of a temporary posting from one branch of a company to another or of a firm fulfilling a contract elsewhere in the EU (El-Agraa, 2001:421). As the demographic gap widens and students shy away from scientific and technical studies, it is becoming more and more difficult to match Europe's growing demand for high-skilled labour. (EurActive, 2009: 2). With the flexicurity approach, the EU should be given greater powers over social policy to enable it to dismantle problems relating to unemployment amongst young people, women and the long-term unemployed. This must also be developed in such a way to take account of the difficulties faced by the older people in finding and keeping a job, despite they still have skills to put on the market.

The concept of traditional job security is fading relevance as the concept of employment security have become more prominent pointing to the involvement of social policy. A particular attention is given to rules concerning the right of families to move and receive certain benefits. Since the 1997 Luxembourg Jobs Summit, the need for movement of skilled workers, managerial staff and professional people, who are more likely to be affected by occupational benefits than by statutory social security systems, has become a policy objective. Other benefits are included in the social assistance as pension entitlement, the quality of housing, availability of schools and leisure facilities that keeps migrants in abroad. On balance, free movement strategy in the EU is largely focused on the transferability of occupational pension schemes, the incidence of taxation on the transfer of monies and variations in taxation methods, despite all these matters are dealt at national levels. In a flexible labour market, it is easy for employers to hire and fire. Eurobarometer survey (2006)⁴ noted that three quarters of Europeans considered the security of their job as the most important element of the employment aspect, whilst an overwhelming majority of Europeans thought that insufficient job protection would reduce their work performance. It is not surprising to find that high unemployment benefits of up to 90% of the latest wage makes a smooth transition from one job to another. The issue concerning the security of jobs is equally important. This suggests that European workers themselves attach a great deal of value to expected net benefits in a dynamic labour market.

4.6 Equal treatment of men and women

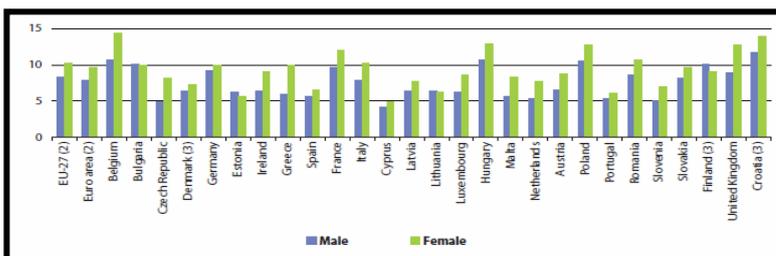
The model of flexicurity is built on the principle of gender equality and allows more scope for the EU to promote equal access to quality employment for men and women. It is recognised that new instrument should be established to reconcile work, family and private life at the EU level. The notion of model supposes a radical improvement of women, both socially and economically and paying of particular attention to measures for labour market participation. The exclusion of new migrants from the European labour markets mean a bias not only in gender equality, but also in other respects. Only when such principles are ignored or discrimination persists migration flows will likely fall across the EU countries.

⁴Ibid.

The Europeanization of labour market brings with a fundamental reframing and recoding of the idea of equality; the process can be interpreted as a fundamental intervention into the traditional nationally limited coding of equality (Gehards, 2008: 125). The relevance of flexicurity approach is that a new directive on social security to include equal treatment for the sexes in the working environment and claiming benefits for dependents will trigger labour migration in the long term. Thus, it might be expected that as the legal basis for entitlement of an individuals' rights are fully established there would be some expansion in movement. According to International Labour Organization (ILO) reports on flexicurity in the EU, many women have to accept part time employment due to a lack of alternative job opportunities. While only one in ten women work part-time in Greece, three quarters do so in the Netherlands (ILO, 2009: 1). The practical effect of flexicurity will surely put many women in a different position in their working environment. Recent data from the European Labour Force survey in 2006 showed that, for people already in employment, moving to another region or country seemed to increase the risk of becoming unemployed or inactive. This is partly because when a couple moves, it is difficult for both partners to find a job at the same time. Even so, 25% of long distance movers have seen their job situation or working conditions improve, while very few have seen it deteriorate (less than 5%). Survey also noted that the proportion of Europeans, who participated in a training and education programmes in another EU member state was only 12% of both men and women of all ages with a high level of education (European Commission 2006: 4). The flexicurity model may therefore be particularly vulnerable to the vagaries of European labour markets.

A major incentive to move is an income differentials with regard to a "better" job with higher pay. The integration theories usually relate to the nature of people who move, together with living conditions with regard to the destination. In practice, the actual part of labour migration is heavily affected by gender equality. It is important to stress that women earn less, when they are often placed in less favourable circumstances in relation to low-skilled, low-paid work and, in most cases, the bulk of part-time workers, etc. Owing to this, the unemployment rate for women is proportionally high. In 2007, data from Eurostat shed light on a significant gap in population lived in a jobless household between men and women in the member states (see Figure 5). The highest proportion of women living in jobless households was recorded in the Belgium (13.5%), United Kingdom (12.7%) and followed by Hungary (12.0%). In only four member states, the proportion of men in jobless household was higher than women, notably in Bulgaria (10.5%), Estonia (6.5%), Lithuania (7.0%) and Finland (10.5%). This proportion was almost at the same level in other member states, ranging from 5% in Cyprus to 11% in Estonia. It is clearly much more difficult to set out a model of flexicurity, when the restraints of kind appear to be the case.

Figure 5. Persons living in jobless households, by gender, 2007 (1) (% of respective gender aged 18-59 who are living in households where no-one works)



Source: Eurostat (1) Sweden, not available. (2) Estimates. (3) 2006.

It should be noted that a significant provision on equal pay has been incorporated in the Treaty of Rome since its beginning. Over the decades directives on living conditions have provided an opportunity for the lives of the female workers as pay matters relating to pregnant women and parental leave. For example, the idea for work of equal value, which was adopted in 1996, was merely confined to the Commission's code of practice in equal pay for women and men. Consequently, the number of women in labour market participation has, since then, increased substantially. In addition, the provisions laid down in the treaties gave way to establish a variety of EC support programmes, such as the European Social Fund in Grant-aiding schemes and the Social Action Programme, at the EU level, with the aim of increasing opportunities to find job and equality of treatment. Nonetheless, there is still a large gap between equal pay and working conditions of women and men in the member states. To a large extent, such a gap has an effective impact on women's movement.

4.7 Social partners

The flexicurity model that also emphasizes a climate of trust and broadly-based dialogue among all national partners, who are generally expected secure a policy on the basis of workers' mobility. The model undoubtedly draws attention to important aspects of policy. This means that all partners should prepare to take the responsibility in mobility facilitation by providing information and advise on different aspects of mobility. Essentially, networking between the public employment services in the EU and monitoring the labour markets in cross-border areas fall within the responsibility of social partners. In principle, the model cannot be understood simply in terms of the involvement of social partners in the design and implementation of migration policies. Flexicurity can be understood in a sense to imply social dialogue and collective bargaining which are of crucial significance.

Apart from local public employment services, new attempts to combine different approaches to promote the concept of flexicurity that takes of "fair mobility" should be made at cross-border level. One should not ignore the role of Commission that has effectively involved in setting networks and dialogue with Non-Governmental Organisations and independent experts. Also, created in 1993 to facilitate free movement of workers, EURES (European Employment Services) is regarded today as a powerful instrument to strengthen the labour market infrastructure at national and EU level. Since 2006, all vacancies from EU and EEA national public employment services are accessible on the EURES portal in 25 European languages. The network of EURES advisors provides for personalised assistance to mobile workers and their families in all matters related to their mobility experience (Vignon, 2006: 9). The European social model – through a key instrument for the implementation of the Lisbon Agenda – has already placed an emphasis on the role of social partners in demonstrating the benefits of geographic and job-to-job mobility. The result of Eurobarometer survey in 2006⁵ indicated that, although Europeans attach their region of origin, one third of them took the initiative to move out of their region of origin at least once in the past. More precisely, of these individuals that had moved, 24% changed their place of residence at least once in another region and 4% in another EU member state. With this picture, it can be assumed that there is a growing readiness to move.

In spite of these positive developments, much still remains to secure a policy by social partners based on facts and trust. This can easily be referred to the improvement of information of mobile

⁵Ibid

workers' rights. In this sense, there is a need of raising awareness schemes through information and research projects in culture, education and the media that will enable the exchange of information and knowledge of good practice. It is readily possible to make mobility easy through these measures. There is a risk in mobility, such as disruption to family life, loss of friends and changing the schooling, etc. So, the incentive to move would disappear in the absence of "positive value". Also, differences between educational levels of the host and home countries influence most people to stay immobile. The goal is to address practical and psychological obstacles to mobility by concerted action of social partners. Their energies are channelled into organizing local and regional authorities and, learning and training centres.

4.8 Effective allocation of resources

Beyond being based on a set of flexicurity principles, the conditions required to achieve a perfect functioning of European labour markets are related to a cost effective allocation of resources. From this perspective, poor resources, especially in delivering of training of the most advantaged groups, result from the fact that the member states do not comply with budgetary transfers to the EU. This is a problem of "immobility"; a phenomenon which is inconsistent with European employment strategy, when it heightens expectations of combating unemployment or facilitating the integration of young people into the labour market.

The importance of flexicurity model is that it provides a fair distribution of costs and benefits especially between businesses, public authorities and individuals. The policy objectives are especially focused on a broader range of inactive persons, who are more likely immobile. An increasingly targeted groups are women, the young, the elderly or other groups of society, who face disadvantages. With a stronger emphasis on active labour market programmes, flexicurity should be fully compatible with a sound and financially sustainable public budget. Needless to say, some of such programmes are underfinanced, whereas they are vital for labour market flexibility. The insufficient resources for supporting scheme will likely have a negative impact on flexibility. This clearly constitutes an obstacle to mobility.

5. CONCLUSION

Although the flexicurity model is linked to the European employment strategy, the analysis suggested that such a model primarily contributed to steps forwards towards labour migration within European social model. The acceptance of the flexicurity model by the EU merely reflects a combination of flexibility with security. There are many reasons why flexicurity is desirable for mobility. The employment prospect, social protection system, social inclusion, social partners, job transitions, social partners and allocation of resources are the most persuasive arguments, which are in line with the common principles of flexicurity. These principles correspond to the determinants of labour migration and will likely to trigger cross border mobility in the EU. After all, what Europeans should now see and understand is to figure out the ongoing discussion on the combination of flexicurity and labour mobility.

As the analysis demonstrated, labour mobility and the flexicurity model goes hand-in-hand, pointing to the national employment strategies, such as life-long learning schemes and developing vocational or language skills. The model certainly refers the social provisions in the member states as one of the determinants of mobility. However, flexicurity cannot be applied without any difficulty given the diversity of situations at national level. Thus, the analysis concluded that the principle of special arrangement of flexicurity will likely distort efforts the harmonization process.

The flexicurity model places emphasis on social inclusion for securing labour mobility across the EU countries. The security of job transition is of importance for mobility in line with the model. The effect of flexicurity is easily felt in the area of gender equality. Surely, unequal treatment of men and women will lead to lower migration. The balance is also consistently referred to social partners at national level, where the real decisions must be taken, while stressing that the EU level is crucial. The role of national partners is crucial to secure confidence for policies. In a sense of ensuring workers are freely circulated exactly as intended, an effective allocation of resources is the case. An overall view, concerted efforts via flexicurity must be made to remove the barriers that impede cross labour mobility.

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