

THE EFFECTS OF LABOUR FORCE MIGRATION IN ROMANIA TO THE COMUNITY COUNTRIES-REALITIES AND PERSPECTIVES-

Szarka Arpad

University of Oradea – Faculty of Economical Sciences, Oradea, 1 . Universitatii St., postal code 410087, Telephone 0744472241, Fax 0259-437662, E-mail: szarkaarpad@yahoo.co.uk

Nowadays, the migration of active labour force is a phenomenon with a rapid dynamics, generated mainly by globalization.

The international migration is appreciated to imply about 200 million persons, which is double than 25 years ago.

.The migration is determined by economical, social and political causes.

.The migration of active labour force in Romania registered in the Community Countries reaches low levels, about 200.000 person, but the illegal one is appreciated to reach 1.7-2 milion persons.

The effects of migration are mainly due to: the loss of the tax payer – active labour force formed in Romania, the weakening of the social solidarity in the social security system, and in the same time, its increase in the destination countries , the remittance of some important amounts of money in the origin countries, the contact with other economical, social, cultural models.

The evolution of remittance in the world is very dynamic, in 2007 it is said to be about 250 billion dollars from which 7,1 billion euro for our country, compared to 9,1 billion euro representing direct investments.

Migration implies the existence of a subject (the emigrant or the immigrant) at least two countries (the country of origin, and the country of destination but also the countries of transit) and an intention of settlement or working in the country of destination.

Nowadays, migration is a **phenomenon with a rapid dynamics**, generated, mainly by globalization. According to the „Global Economic Prospect” of the World Bank, the **international migration** is summed up at approximately **200 million persons** working outside the native borders, **which is double compared to 25 years ago**.

Romania is a part of the international migration phenomenon, with a history of migration marked by ups and downs especially determined by **economical**, social and political conditions. The analysis of the historical evolution of this phenomenon emphasizes at least two distinct stages: before and after December 1989.

Before 1989, the emigration of Romanians had its roots in the political regime of those years. The emigration was done due to ethnical reasons (more than 64% of the emigrants had other origins than Romanian, especially Germans, Hungarians, and Jews) the main countries of destination Germany, Hungary, Israel and also United States of America. The growth of emigration kept on rising as we were close to 1989, along with the deterioration of life and political status in the country.

The first year *after December 1989* (marked by the opening of the borders and a certain incertitude, manifested in the various aspects of social – economical life), has doubled the number of emigrants registered in 1990- approximately one thousand persons – compared to the previous year.

The first sign of change of emigration structure from the point of view of nationality appears.

Thus, even if the number of emigrants of other nationalities has grown from about 60% in 1989 to over 75% in 1990, the number of emigrants of Romanian origin has registered in the same time a growth of approximately 62% compared to 1989.

The structure of emigration per gender emphasizes some changes, women having a higher importance, this number was **62,3%** in 2004 and **62,4%** in 2005.

In age groups, the persons between 26 and 40 years old represented 58,1% in the population which emigrated in 2005, **the tendency being in growth**, from one year to another, as the data comprised in the following table:

The evolution of population emigration in Romania during 1998-2005

	1998	1999	2000	2001	2002	2003	2004	2005
The number of emigrants (thousands of persons)	17,5	12,6	14,8	9,9	8,2	10,7	13,1	10,9
The total number of emigrants between 26-40 years old(thousands of persons)	5,4	4,2	5,7	4,0	4,0	5,5	7,2	6,3
The ponder of persons between 26-40, in the total number of emigrants (%)	30,7	33,7	38,8	40,5	48,7	51,0	54,8	58,1
The rate of emigration (‰)	0,78	0,56	0,66	0,44	0,37	0,49	0,60	0,51

It is necessary to say that the statistical data concerning the migration, made public the National Institute of Statistics, refers only to **the legal emigrants**, who permanently change their residence. Along with them, there are other categories of emigrants: those who migrate illegally, those working temporarily abroad and those practicing circulatory migration (meaning the return of the migrants in the country), the latter categories being most significant quantitatively in the last few years.

The illegal migration has grown during 1990s when a larger number of Romanians has tried to reach in **the European Union**, searching for a place to work in the informal section or even to imply in illegal activities. As to the calculation made by the specialists at the National Institute of Scientific Research in the area of Labour and Social Security, the illegal migration in 2002 has surpassed with approximately 20-30% the legal migration. The result was that over 30% of the illegal migration dealt with human trafficking and labour force, which had negative effects over the human beings by breaching the human rights and the degradation of the individual's personality.

The migration for labour purposes

The information made public by the authorities of the Labour Ministry, (the office for Labour Migration until July 1 2007 and the National Agency for Labour Force after this date) at the level of 2006 there were over 2 million Romanians employed abroad for non-season activities, representing approximately 10% of the population in Romania. The Foundation for a Open Society (FOS) which has done a representative national research concerning the migration for labour purposes of Romanians during 1990-2006 shows the existence of 3 different **stages** in this process: the first stage during 1990-1995, characterized by a rate of emigration from 3 to 1000 inhabitants, the countries of destination being Israel, Turkey, Italy, Hungary, Germany, the second stage between 1996-2001 with a rate of emigration from 7 to 1000 inhabitants with the following destinations: Spain, USA, Canada, and the third stage characterized by the elimination of Schengen visa (2001-2006), which has registered a huge rate of emigration, from 28 to 1000 inhabitants, the main countries of destination being Italy (40% of the total of those migration for labour purposes), Spain (18%) Germany (5%) Hungary (5%), Israel (6%).

It is to underline the fact that there are some important differences between the official information and the results of the study of the Foundation for a Open Society; this is because the official information comprise only a part of the legal migration for labour purposes, while the studies show the fact that 60% of the Romanians who worked in Italy, 45% of those employed in Spain and 38% in Germany have worked illegally during 1990-2006.

As for the immigration for labour purposes in Romania, in July 31 2007 there were over 12 thousand work permits registered for foreign citizens, 2 thousand more than the same period of the last year, out of this number 25% belonging to the citizens of the European Union and 17% to the citizens of the Republic of Moldavia, the main areas of activity being the commerce, the services and the industry. The immigrant workers are mainly men (85% of the total number) with the age between 26-35 years old. A characteristic of the last years is the growth of the number of the labour permits issued to immigrants.

The Effects of Migration

The growing tendency of migration (registered or not, legal or illegal, permanent or temporary) in the period after 1989 is caused by several factors:

1. objectives
 - the economical situation,
 - the political situation
 - the social situation
2. subjective
 - the expectancy and the personal perceptions.

Although the emigration is a significant loss from the point of view of human development, the real losses cannot be quantified, this is because we do not know which might have been the contribution of the respective persons to the economical development of the country and their accomplishments from the point of view of the working place, of education, health and children if they had not left the country, so that the analyses be made in terms of costs and benefices.

The emigration affects the groups with high rate of fertility, being thus able to reduce the potential new born children in Romania, if it becomes permanent. The explanation is that those emigrating are young and the number of emigrant women has almost equaled that of men, being in a continuous growth.

The emigration has a very important effect on the reduction of the unemployment rate in Romania. But it generates unbalances on the internal labour market for some jobs. For example, there is already a lack of workers in the construction department, while a large number of Romanians work abroad in the same area, the cause of this situation being the difference of salaries in Romania compared to those in the European Union.

In spite of these negative aspects the migration has positive effects over Romania by the money transfers of the workers abroad and by cultural changes, which is a fundamental element. The same positive impact for Romania can have the immigration towards our country, but this does not register significant figures yet. Now, when the pyramid of ages in the European countries outlines the *danger of aging on the long term* with an increase in the deficit of labour force, the immigration politics becomes more and more actual for all states. It is defined by the accommodation of heterogeneous requirements:

- equality in treatment
- solidarity
- the avoidance of social exclusion
- the avoidance of illegal work
- the assurance of European economical competitiveness
- the free circulation of labour force.

As for the dynamics and the content of the migration we shall be able to appreciate that there will not register an important increase of the number of Romanians to travel for work abroad.

Also, Romania shall open the frontier for the neighbor countries such as for the Republic of Moldavia, Serbia, Ukraine, where important communities of Romanians reside. This aspect is expected to have positive effects over the economical development of the country.

A special situation that can generate important losses from the point of view of the human development is the fact that the Romanian students who shall study in the European Union (the number is expected to grow every year) might settle in the countries of destination, after graduation.

Among the essential elements for the discussion of the complex problem of the migration is mentioned the elaboration of coherent internal politics, the interstate collaboration and the signing of bilateral agreements.

The effects of migration consist of:

- the loss of tax payer –active labour force in Romania,
- the decrease of social solidarity in the social security system in Romania and in the same time its increase in the countries of destination,

- the remittance of some important amount of money in the countries of origin,
- the contact with other economical, social cultural models

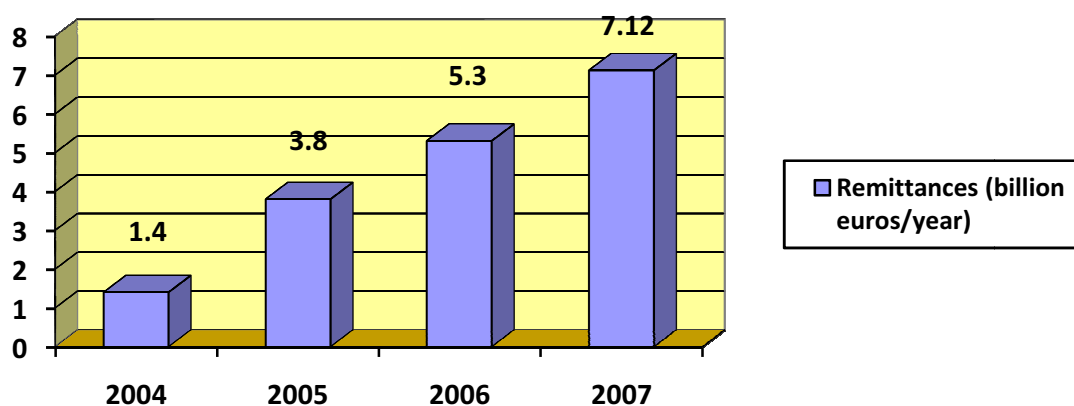
The Money Transfer from Workers Abroad

An essential conclusion to the EU summit in December 2006, dedicated to the accede of Bulgaria and Romania shows that: "the discussion of challenges and opportunities of migration in the benefice of all is one of the major priorities of the European Union in the beginning of the 21th century". The amounts of money sent by emigrants in the country of origin, the so called "remittances " represent one of these benefices of which the Romanians take advantage.

According to the information of the World Bank, the remittances in the entire world have totalized in 2004 about 232,2 billion dollars, from which a quota of 8% (19 billion dollars) for Europe and Central Asia. For several countries of EAC the remittances represent the second source of external financing, after the direct foreign investments, or are situated even in the first place in countries like Moldavia and Albania. In EAC area, the remittances come in a proportion of three quarters in the European Union. Between one third and two thirds of the emigrants money are sent in the country of origin by "informal" ways, such as bus drivers, friends, family members etc.

The estimations of the National Bank of Romania concerning the amount of money sent in the country by Romanian working abroad is 1,4 billion euro in 2004, 3,8 billion euro in 2005 and 5,3 billion euro in 2006. In 2007 the transfers made by the Romanians totalized 7,12 billion euro, being situated over the level of foreign investments of 9,1 billion euro.

THE EVOLUTION OF REMITTANCES



Although they speak a lot in Romania about **the phenomenon of remittances**, they are not situated by far at the level of other countries in the area and not even at the level of other states in the European Union. As for the remittances in PIB, for example, between 10 states of the Central and Eastern Europe newly acceded to the EU, **Romania is before the last place**. As to the estimations of NBR which take into consideration partially the informal fluxes, the remittances in PIB reaches 5,9% at the level of 2007. For comparison, we state that in 2004, according to FMI, in Moldavia, the remittances were close to 25% of PIB, in Haiti 30% and in Tonga over 45%.

The impact at the macro economical level of remittances is difficult to identify because they act over a large number of macro economical variables. The most visible and immediate effect of transfers of money is the one done over the consumption of houses, an important problem at the macro economical level, taking into consideration that it is a part of the final effective consumption, a component of the gross internal product. But the transfers also affect the investment and the savings. Also, the remittances can lead to the increase of the currency in the country of money destination, with the condition that the fluxes be high, which can have a negative influence over the export.

The effects of remittances over Romania are multiple. Both the investment and the consumption get an infusion of dynamism by the entrance of currency in the country, contributing to the growth of economy.

The life standard of the citizens increases, by reducing the potential social tensions. In Romania 65% of the remittances are found in consumption and 35% of those money are sent towards investments and savings.

Due to the fact that the main cause of emigration of the labour force is the significant differences of workers income in Romania on one hand, and the countries of destination (mostly western European) on the other hand, it is obvious that this phenomenon shall not be stopped in the near future. In these terms, the politics destined to the immigration of labour force shall play an important role in the administration of the deficits in the labour force market, which are generated by emigration. Also, they have to bear in mind the politics destined for withdrawal of the actual emigrants for work.

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