

Germany, Austria finally open doors to eastern workers

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EUOBSERVER / BRUSSELS- Germany and Austria have finally opened their doors to eastern European workers, seven years after eight former Soviet-bloc states joined the European Union in 2004.

As of Sunday (1 May), individuals from the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Slovakia and Slovenia will now be able to come and go and work freely in the last two EU states to maintain restrictions on the flow of workers from the east.

Just three EU states - the UK, Ireland and Sweden - fully opened their labour markets upon the bloc's 'big-bang' expansion in 2004, with other member countries steadily raising restrictions in the years that followed.

However, the two German-speaking states kept the door closed until the very last moment allowed within the transition period, which came to an end on Sunday, coincidentally international workers' day.

Berlin for its part went on a media blitz among right-wing populist papers attempting to soothe fears of a sudden wave of migrants from the east.

Labour minister Ursula von der Leyen, speaking to Bild, the conservative daily, said that the government would ramp up the number of checks in the construction and catering sectors to ensure employers were not using migrants to undercut wages.

The finance minister, Wolfgang Schaeuble, announced the addition of a further 150 inspectors to clamp down on employment of irregular migrants.

Not everyone was so sanguine about the move. The neo-Nazi NPD marched in Bremen and other German cities over the weekend in protest at the labour market opening.

The party held banners reading "Stop the foreign worker invasion", but were outnumbered by thousands of counter-protesters.

In a related development, a report out last week from the UK's National Institute for Economic and Social Research said that the country's decision to immediately open the gates had been overwhelmingly positive to the economy.

Migrants from eastern Europe boosted the British economy by 0.38 percent from 2004 to 2009, the report said, equivalent to an injection of some £5 billion to the British economy.

Some 700,000 workers from the east entered the UK over this period, the authors estimated, 500,000 of which came from Poland.

Nevertheless, concerns by trade unions, who in Germany have used the occasion to call for the introduction of a minimum wage, that migrant workers are used by employers to push down wages appear to be borne out by a separate report from the centre-left Friedrich Ebert Stiftung, a think-tank allied to the country's Social Democrats.

The study found that eastern workers arriving in Ireland earn on average 18 percent less than native-born Irish workers.

Meanwhile, workers from the last two eastern states to join the block, Romania and Bulgaria, who entered the Union in 2007, still remain locked out until 1 January, 2013.

Romanians and Bulgarians do however enjoy full rights to free movement in 15 member states.