



## **EMIGRATION - IMPACTS UPON THE MARKET OF WORK FORCE**

CONSTANTINESCU Simona Cristina,  
CREȚ Iuliana Ioana, BANU Liana Anca

USAMBV TIMIȘOARA  
FACULTATEA DE MANAGEMENT AGRICOL

### **ABSTRACT**

*The labor market isn't a "standard" market but it is characterized by unique institutions like work force laws or collective negotiations that make the object of some complex, legal and common rules. It is a dynamic market where employees get in and out of unemployment with a remarkable rate.*

*Theoretically and empirically speaking, emigrations have a positive economic impact on a world scale. The theory mentions the existence of negative effects upon wages and upon local labor force that is constrained by the presence of foreign work force, which isn't registered.*

### **KEY WORDS:**

labor market, immigration, salaries

### **INTRODUCTION**

Work is the most important production factor. Everything we use comes from work. Prime matters are extracted from earth by the hands of people; the equipments used in this process are made from work and with the help of some equipments made before which are also the result of work made sometime before. Even the knowledge that people have – something called “human capital” – comes from the effort, abilities and professional technics, as from the time that teachers spent trying the professional training.

The market of labor is not a “standard market”. The workers are not the same, and the quality of labor services is difficult to determinate and more difficult of following. Unlike the cars and prime matters, workers can decide if they want to work for someone and in what conditions. In fact the relation of employing implies implicit and explicit contractual arrangements with strong characteristics as personal bands or ability and specific knowledge of the firm. The market of work is characterized by unique institutions, as the law of labor or collective negotiations, and makes the object of some complex rules, legal and common. Finally the

---

place of work is a dynamic market the offer of work coming and going from unemployment with a remarkable rate.

In modern societies, the earning of incomes means work or the offer of firms working force, in change for a retribution or salary. Offering work is something that millions of families are doing everyday. The work has a cost: each hour worked is an hour missing from free time.

If the entire employment would be volunteer, it would attract hardly the attention on it. Not wanted employment means that the markets of work are not like other markets. A big number of imperfections, came from the economic and institutional factors is forces the detailing of competition paradigm and the consideration of an alternative difference of the balance between the request of working by the firm and the offer of work from the households.

The balance of work takes place when the rate of employment is stable. Because of the imperfections, the market of work can be in balance without the employment to be limited at volunteer employment.

The dates suggest that European employment has grown when a big number of worker lost they jobs because of the shocks of oil. The returning at the first level of shocks was stopped in many countries from CE by a strong fall of the rate of finding a job, so that going out from employment was harder. Is the blame of social protection system because it encouraged the workers without the job, to like their situation of employment? Different evolution of the rate of the balance unemployment from a country to another also indicates the importance of the institutions in fixing the level of salaries, referring at the negotiations of the salaries.

The comparitions between CE and SUA indicate the fact that high unemployment from CE is bound by the abrupt growing's of real salaries, coming to what was called "salaries shock" in Europe.

### **IMMIGRATION – IMPACTS ON THE LABOR MARKET MITTS AND REALITIES OF THE IMMIGRATION**

A very spreader idea consists on saying that emigrants take the jobs of locals. But, if we rationate in a flexible economy, were the labor market adjusts at the evolution of handwork, the conclusions are different which is confirmed by a study directed by a research worker of College University of London. In that manner the afflux of emigrants in a country does not contribute of lowing the salaries of the present workers from the labor market.

Another idea says that emigrants take profit by the social protection system while they don't contribute at the taxes system.

### **MIGRATIONS IN OCDE COUNTRIES**

What place takes the foreigners emigrants on the labor market from OCDE? If they are an important part of labor force, their well balance

stays very variable with the receiving countries. They are between 15% and 20% from the active population in countries like Australia, New Zealand, or USA, country with 8,9% in Germany and 6,2% in France, their percent is generally inferior to the national population one. In the same time they are often exposed to unemployment. Definitely their places stay concentrated in few sectors (constructions, tourism – hotels, restorations – fixing, etc.). Also from a few years a progressive diffusion to the jobs from tertiary sector is a result. The economic expansions faze from 90 years was accompanied as well as in South Europe countries as in Ireland or USA from a powerful growth of using foreign labor forces

### **COSTS AND ADVANTAGES FOR WORKING HAND**

As well as in theoretic plan as in empiric one, migrations have on positive economic impact at world level. So, in some determinate conditions, the countries of receiving earn favorisating the emigration. It is true that if the biggest part of studies goes to positive results, they seem relatively modest. On the other hand the theory mentions the existence of negative effects on salaries and jobs (working places) of national workers (nonemigrats) making possible migrations of some determinate types of workers very low or very well qualified. Though the studies made especially in Great Britain underline the absence of major impact in this matter. It is about the economic effects of emigrations on emigrants and seems obvious that although they have inferior jobs the person born in foreign countries have advantages. But, what is in the United Kingdom, Canada or USA, recent migration waves is translated by relative going down of the emigrants situation on labor market in comparison with first waves.

### **USA – EMIGRATION POLITICS IN THE DEVELOPMENT SERVICE**

Emigration is not a new thing in USA. As a colony of population the country from the beginning was a hospitable land. For the economist, the history of emigration politics from XX century can not be understand, only if they study between the politics an movements of emigration and on the other part the fluctuations of the American labor force and continuous trying of USA of showing a dominant position in world economic space. 90 decade is, from this point of view, explicit. The strong economic expansion that took place was accompanied by a grow of emigrant population with no precedent in American history. In this period the employers reaffimated their position in favor of the emigration of making lower the cost of foreign hand work than the local one.

Surreptitious emigrations complete local workers? It is presented the problem of born population in foreign countries that works on block market of the hospitable country. They could be person that have no legal base, voyage aloud, but also emigrants that have a voyage aloud and work in a undeclared manner. If the presence of surreptitious workers

stimulates the block market, in compensation the demand of work in informational sector encourage the illegal labor force.

Totally, it appears that local work hand is affected by the presence of the one of declared emigrant workers.

For Rusia was tried the evaluation of the relation between poverty and participation on labor market, using two measures of poverty: a measure of absolute threshold (to be poor) and a subjective one (to feel poor), to realize an evaluation of poverty level. The participation on labor market is not enough to evaluate the risks of poverty. In a content of a strong reduction of the formal sector return and the salary crises in necessary to take consideration of the differences of statute that are on the mission market – formal, informational and pluriactivity.

The study reach at the next conclusion: having a job with salary formal correspond more to a material situation, more precarious in Rusia. Finally, having a single declared job – in formal sector – grows the possibility, simultaneous, of being and feeling poor. Other way probability of being or feeling poor is the lowest on the person that have many activities.

We can conclude that for Eastern Europe countries, for which a concludent example is the one of Rusia migration to the countries from CE is one of a few choices for a decent living. The hospitable countries have winnings from emigration, because the afflux of emigrants in a country does not contribute to the low of the salaries of the workers that are on the labor market.

## **REFERENCES**

1. BURDA, M.; WYPLOSZ, C. – Macroeconomie. Perspectiva europeană, Editura ALL Beck, București, 2002
2. \*\*\* - Problèmes économiques, nr.136, 12 mai 2004.