

LABOUR MOBILITY AND TRANSNATIONALISM IN THE NORDIC-BALTIC REGION

Conference in Kumu Art Museum in Tallinn, Estonia on 7 March, 2014

Free movement of people is one of the fundamental principles of the European Union. Mobility, including labour mobility, is an important way of balancing out demand for and supply of labour and thereby also balancing employment in the EU, solving the challenges caused by demographic developments and increasing the competitiveness of countries.

Last year the Nordic Council of Ministers initiated [a project in the Nordic and Baltic countries that concerns labour mobility and associated demographic development](#).

The high-level conference 'Labour Mobility and Transnationalism in the Nordic-Baltic Region' that will take place in Kumu Art Museum in Tallinn on 7 March, 2014 will continue discussing the subject of labour mobility. A new subject that will be discussed is transnationalism as a new phenomenon associated with labour mobility.

Professor **Tiit Tammaru** from the University of Tartu explains that transnationalism means that the work activities and communication network of many people these days reach far across the borders of their home countries. This change is having an increasingly strong impact on many areas of life in the Baltic Sea region and throughout the world, incl. the labour market, thereby setting new challenges for the development of nation states.

Estonian Minister of Social Affairs **Taavi Rõivas**, Estonian Minister of the Interior **Ken-Marti Vaher** and European Commission Commissioner **László Andor**, among others, will speak at the conference.

Academics, specialists and politicians will discuss the following topics at the conference:

- How many working-age people in Estonia would like to work abroad? Who wants to leave and why? The Estonian Ministry of Social Affairs will introduce a new policy analysis entitled 'Migration Potential of Working-age Population in Estonia in 2013'.
- How can people be helped to adapt to new circumstances in a new country and also to immigrant workers?
- How can we develop a smart migration policy in the Nordic and Baltic countries in such a manner that the region's competitiveness improves and people maintain ties to their home countries?
- The Praxis Centre for Policy Studies will assemble the puzzle of talent policy.



Estonia: New Study of Migration Potential

The increasing shortage of qualified workers means that it is necessary to find ways to attract the required labour and support the adaptation of immigrants. It is necessary to increase fair labour mobility and access to jobs throughout the European Union. However, attention must also be given to the number of people leaving their home countries and their reasons for leaving.

In 2013 the [Ministry of Social Affairs in Estonia](#) commissioned the fifth study aimed at assessing the migration potential of the working-age population, i.e. the number of people in Estonia who intend to work abroad and who have made preparations to do so. The results of the study offer food for thought to the general public as well as policymakers.

The Ministry of Social Affairs in Estonia carried out its last study of migration potential in 2010. It revealed that the number of working-age people who want to go abroad to work had increased compared to previous years. The 2006 study 'Migration Preferences of Working-age Population in Estonia' indicated that the estimated migration potential of the working-age population in Estonia was 3.9% (ca 36,000 people). In 2010, this indicator had reached 8.5% (ca 77,000 people). This was no surprise in light of the developments on the labour market, as the number of unemployed people reached record levels in the first quarter of 2010, when there were 137,000 people who had no work. It is therefore understandable that people were very interested in working abroad at the time of the economic crisis.

The situation on the labour market had improved by 2014, but the question remains: did significant changes occur in the migration potential of the working-age population from 2010-2013 or were the results comparable to the situation in 2010? The answer to this question should be given by the new study 'Migration Potential of Working-age Population in Estonia in 2013'.

Labour Mobility in the Nordic-Baltic Region

The heads of Nordic governments emphasised at the Nordic summit held in Oslo at the end of last year that countries should learn more from one another, work actively to eliminate border barriers and be open to labour migrants. It is also important to support vocational training and education, and create opportunities for work placements.

Creating opportunities for people born abroad to enter the labour market and guaranteeing them equal rights on the market are also common goals of the Nordic countries. [The recent study of the situation of Eastern and Central European labour migrants in the Nordic countries](#) highlights the importance of employment agencies – they have become support units for immigrants and made labour mobility safer.



The joint project of Finland, Sweden, Latvia and Estonia entitled '[CentralBaltic JobFerry](#)' was completed in summer 2013 and its report is complemented by a multilingual [web environment for job-seekers in the region](#). The Nordic Centre for Spatial Development [Nordregio](#) also participated in the project.

The analysis reveals that Finland, Sweden, Latvia and Estonia are all facing labour shortages in the areas of health, social services, engineering, information and computing technology and construction. The movement of labour across borders is prevented by a lack of knowledge caused by a shortage of information and inadequate cooperation; more specifically the bottlenecks associated with social benefits and pensions, but also limited language skills, explains the summary of 'CentralBaltic JobFerry'.

One of the conclusions reached as a result of the project is that cross-border labour mobility requires better organisation and a support system that covers all of the countries in the region. For example, Sweden mainly focuses at present on the labour markets of Norway and Denmark, and in some cases also of Finland, but cooperation with the Baltic States is not considered especially important. This means that there is a lot of room for development as well as many opportunities in the area of the labour market.

The creation of a more harmonised labour market would have a far more positive impact on the region's economy and welfare. It is necessary to create a more favourable situation for those who wish to acquire experience and knowledge abroad, but maintain ties to their home countries.

Labour mobility is directly associated with demographic developments. Both the Nordic and Baltic countries will soon have to find solutions to the challenges associated with an aging population (a large number of pensioners) and a stagnating or decreasing (qualified) workforce. These changes in the population will have a significant impact on all future policies.

