

Labour market integration of immigrants in times of economic crisis in Germany and Spain: same crisis – different effects.

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1. Introduction

The global economic crisis affected countries all over the world and particularly concerned European countries with regards to their immigrant populations. However, the effects differed between countries – Spain is among the countries with more severe impacts and Germany among the countries leading the recovery. Two years after the outbreak of the global economic crisis in autumn 2008, Germany shows a relatively favourable employment situation, with only 7% of unemployment, while Spain's unemployment rate is higher than 20%. The difference is even more marked with regard to foreign nationals: Germany registers decreasing numbers of unemployed foreign nationals, while in Spain these numbers have multiplied. At the same time, it is in Germany where there is a heated debate about integration issues is observed and Chancellor Merkel announces the complete failure of multicultural society. In Spain, economic meltdown seems to have swept away immigration from the media and the debate about integration issues is only starting.

In this paper, we sketch the differing effect of the economic crisis on the labour markets in Spain and Germany and explore how it affects immigrant labour market integration and the discussion about immigrants in public debates, using Eurostat data and published studies. Labour market developments are conceptualized as the interplay of labour supply and labour demand under the influence of institutional structures, with labour supply being influenced among others by immigration which is enabled by migration policies, and labour demand being influenced by global and domestic demand for products and services.

We firstly show how production and employment developed during the last decade which encompassed a boom and a decline period (section 2.) before highlighting the impact of restrictive policies on migration (section 3). We sketch relevant institutional and sectoral features of the labour market comparatively (section 4.) to explain the general patterns and in particular the differential impact of the economic crisis on the labour market integration of foreign nationals (section 5.). Lastly, we question a strong relation between economic crisis and public debates about immigration (section 6.).

2. Development of growth and employment levels

For years, the German economy had lower growth rates than the EU average, and considerably lower growth rates than the Spanish economy. From the last quarter of 2008 (which we consider as the beginning of the global economic crisis) growth rates converged. In 2009, declines of the Gross Domestic Product (GDP) around four percent were observed on average in the European Union, Germany and Spain. Estimates for 2010 indicate a quicker recovery in Germany than in Spain, and Eurostat forecasts that this trend will persist.

Figure 1. Growth rates of real Gross Domestic Product in Germany and Spain

Behind the growth rates, there are highly different growth patterns in terms of employment and productivity. Prior to the crisis, the Spanish economy grew nearly exclusively through employment expansion (annual average of 5.3% during 1998-2007), creating 6.5 million additional jobs between 1998 and 2007, while real labour productivity per hour worked expanded only on average by 0.9% (for more detail see Godenau 2010: 6-10). Germany's GDP growth added 2.7 million jobs during the same period (0.8%), but with a much higher increase in productivity (1.6%). The crisis reduced real labour productivity in Germany, due to lower hours worked by the average employee. In Spain, measured productivity grew as the destruction of employment was more intense than the output reduction.

The different patterns of growth can be partly attributed to different sectoral growth patterns. Table 1 shows the sectoral distribution of employment growth (see table 1).

Table 1. Employment growth rates by sectors

The economic sectors contributed differently to growth in the beginning of the millennium, and they have been affected differently by the international crisis. In Spain construction and real estate activities lost nearly a quarter of their total employment between 2008 and 2009. In these sectors, prices and production had been overshooting, creating a 'bubble'. The bursting of the bubble marked the start of the crisis.

In Germany agriculture, manufacturing and 'other services' are among the sectors which lost bigger shares of employment. In general, sectors with the most considerable employment growth before the crisis lost most employment during the crisis in both countries.

3. Development of migration under the influence of migration policies

Both Germany and Spain are characterized by a progressively ageing work force. Spain still has a slightly younger population, but fertility reduction has been profound and put Spain among the European countries with lowest fertility levels during many years. Educational levels are high and keep growing in the younger population in both countries, conditioning rising wage and employment expectations according to the educational level. Both countries continuously had a large number of unemployed persons, but considerable difficulties in organising the labour market integration of this reserve.

In such a context, the exceptional Spanish employment growth at the beginning of the millennium would not have been possible without immigration, which was enabled by a de facto permissive immigration policy. New legal immigration opportunities into the labour market were opened by the immigration law of 2004 by introducing annual quotas for labour immigration. During the extraordinary regularisation campaign of 2005 about 692 000 irregular migrants were regularized. In spite of somewhat increasing efforts to combat the shadow economy, the informal sector of the economy is still relatively large, offering employment opportunities for irregular migrants. Spanish policies towards irregular residents are characterized by a focus on preventing new entries over the borders and securing basic rights of migrants such as health care and schooling for minors in the interior.

During the crisis, the Spanish government introduced ‘pay-to-go’-programmes targeting at third-country nationals, subsidizing the return of unemployed immigrants and promising them favourable return options after five years, but the take-up of the programme was limited to a small number of persons¹. Recruitment of new foreign workers has been reduced by cutting down the quota in the immigration law and suspending the bilateral hiring agreements with countries of origin (Ferrero and López 2010: 174).

In contrast, German migration policies did not allow for a growth of the labour supply through immigration. The 2005 immigration law (‘Zuwanderungsgesetz’) provided a more consistent and simplified framework for immigration, but it basically consolidated the restrictive policies with regard to labour market access for regular migrants. New opportunities were opened only for highly qualified immigrants with job offers involving high earnings and for foreign graduates of German universities. The Labour Migration Control Act of 2009 exhibits the government’s efforts in calling for ‘action to ensure to bring the best brains into the German labour market’. According to this new law, highly skilled workers from both new Member States (EU-12) and third countries are entitled to seek permanent residency in Germany (Koehler et al. 2010: 29). At the same time, efforts to combat employment in the shadow economy were consolidated. In 2004, labour market control was integrated in the ‘Finanzkontrolle Schwarzarbeit’ (directly translated as Financial Control Black Labour) when civil inspection units became part of the police-like inspection units of the customs. Being already quite restrictive, migration policies did not change during the crisis.²

With regard to intra-EU labour migration for the new member states of the European Union, both countries implemented different policies. Germany made full use of transitional periods for seven years, restricting access to the labour market for immigrants of the new EU member states in the enlargement waves of 2004 (eight from ten new member states) and 2007 (Romania and Bulgaria). Spain used a two-year transitional period in both cases and has currently an unrestricted access to the labour market for citizens from the new EU member states.

As a consequence of these divergent migration policies, immigration showed distinctly different features in the recent past. Immigration has been growing intensively in Spain during the economic boom and particularly between 2000 and 2007 while Germany’s net immigration is exceptionally low, both in comparison to Spain and in comparison to earlier periods in Germany’s post-war migration history (see figure 2).

Figure 2. Net immigration in Germany and Spain, 1998 to 2008

The percentage of foreign population in Spain is now higher than that in Germany, due to the recent massive influx. Germany experienced peak immigration on various occasions in the past and consolidated a permanent presence of foreign nationals with longer settlement (Loeffelholz 2002).

¹ In 2008, 1 821 immigrants participated in the Voluntary Return Programme for Immigrants in Socially Precarious Situations (PREVIE) and in 2009 the number increased to 3 297. The Programme for the Early Payment of Unemployment Benefits to Foreigners (APRE) was used by 8 724 applicants in 2009, plus 1 581 relatives who accompanied these people back home (Ferrero and López 2010: 172).

² For German and Spanish reactions to the crisis, see also the “Ad-Hoc Query on the actions/policy measures taken in migration management as the reaction to global crisis” from July 22nd 2009 <http://emn.sarenet.es/Downloads/prepareShowFiles.do?entryTitle=4.%20EMN%20Ad-Hoc%20Queries>

Figure 3. Foreign population in Germany and Spain, 2000-2009 (%)

It should be noted that the Spanish figures also include a large share of the irregular resident population. Municipal registration is possible independent of migration status and allows for access to basic health services and may serve as a proof of residence in case of a regularisation campaign (Gonzalez 2009). In Germany, municipal registration is only possible for regular migrants (Cyrus 2009: 9). However, estimates indicate a declining trend in the irregular resident population in Germany (Vogel 2009).

Immigration profiles of both countries are different. Spain's immigration is dominated by labour motives and migrants of non-European origins (with Romania as the most relevant exception). Settlement duration of most immigrants is still short, activity rates are high and education levels relatively low (at least in terms of recognized degrees). Among non-European origins the Latin American countries have been dominant and language barriers are low in most of these cases.

In Germany's immigrant population, most foreign nationals have been residents for a longer time and come from non-German-speaking countries. Former immigration peaks in the 1960s (migration from Turkey) and the late 1980s to the early 1990s (migration from Eastern Europe) are mainly influencing the current population of foreign citizenship.

While both countries' immigration consists of inflows mainly triggered by labour demand, family reunification, education purposes and asylum seeking, it is in Spain where labour demand plays and played a more important role (table 2).

Table 2. Valid permits by reason in Germany and Spain, 2009 (%)

4. Institutional structures of the labour market

Labour market outcomes are a result of the interplay of supply and demand in a market that is strongly influenced by the institutional features of the labour market³. The state influences the conditions by legislating minimum conditions and providing (or not providing) effective institutions for the enforcement of such conditions, as well as by the provision of unemployment benefit schemes and active labour market policies. In addition, the strength and organisational structures of trade unions do shape the wage-setting process and influence whether employees can find help in case their employment rights have been violated. The combined effect of such factors is crucial for labour market outcomes, although it is debatable which features in the complex interaction are most important for the effects.

The OECD developed a summary indicator of employment protection strictness, including 21 basic items which can be classified in three main areas: (i) protection of regular workers against individual dismissal; (ii) regulation of temporary forms of employment; and (iii) specific requirements for collective dismissals. The information refers to employment protection provided through legislation and as a result of

³ The institutional settings of national labour markets can introduce significant differences in how supply and demand will interact and produce market outcomes (Bassanini and Duval 2006; Furceri and Mourougane 2009). The most relevant aspects are unemployment benefits, tax wedges, wage bargaining systems, active labour market programmes, minimum wage floors and short-time working schemes (Jean and Jiménez 2007). Labour market outcomes for migrants are also influenced by these general institutional aspects (Jean a.o. 2007).

enforcement processes. Both Germany and Spain reduced their levels in protection strictness during the nineties, but still differ from less regulated economies like the United States of America. In 2008, the United States of America show the lowest value in this indicator among the OECD countries (0.85), while Spain (3.11) has a slightly higher level of protection than Germany (2.63). This latter difference is due to a more strict regulation on temporary forms of employment and not to the protection of permanent workers against (individual) dismissal or specific requirements for collective dismissal. Although temporary workers may be effectively protected during their contracts or not, it does not protect workers from unemployment when their contract ends in a period of employment reduction. This has important implications for understanding the differences between the German and the Spanish labour market effects of the crisis.⁴

To explain them, we propose to conceptualise the labour market as consisting of three segments⁵, with considerably more barriers of entry between segments than within segments:

- The permanent segment, characterized by permanent contracts. It is dominated by a high proportion of relatively qualified and well paid jobs, many of them in manufacturing and public service. Older employees dominate, either because they have acquired permanent contracts before the liberalisation of the labour market, or because temporary entry jobs lead to permanent employment.
- The temporary segment, characterized by fixed-term contracts. It includes entry level jobs in all sectors and is specifically important in sectors like services, construction and agriculture where wage and labour conditions are generally worse than in manufacturing and public service. Younger employees and migrants as new entrants to the labour market are overrepresented.
- The informal segment, characterized by the absence of formal contracts. It is dominated by low-paid jobs requiring low qualifications, mainly in construction, agriculture and services with a considerable proportion of domestic work in private households which are nearly exclusively part of the informal economy.

Spain and Germany differ considerably with regard to the importance of these labour market segments. The size of the informal economy is difficult to measure, but there are clear indications that the size is bigger in Spain than that in Germany (OECD 2002: 6).

Temporary employment in Spain more than doubled the German proportion in 2006 (34.1 to 14.5 % of all employees). The percentage declined sharply in Spain to about 25%, indicating that the net job loss was much more pronounced in the temporary segment. In Germany, the percentage remained constant, with a possible explanation that job losses in the temporary sector due to the crisis balanced with the reluctance of employers to enter into new permanent contracts.

Figure 4. Temporary employees as percentage of the total number of employees in Germany and Spain (%)

⁴ As Bentolila et al. (2010: 322) point out, “there are good reasons for suspecting that this EPS index, based on legal norms and not on usual application, results misleading in the Spanish case. The de facto employment protection strictness in temporary employment is much lower in Spain than in France, while the opposite happens with EPS in permanent employment”. They add (p. 323) that in Spain “there are no restrictions de facto: the authorities hardly supervise if firms comply with established conditions for temporary contracts”.

⁵ In discussions about these issues, the degree of segmentation is often called ‘dualism’ as only two segments are differentiated (Jean et al. 2007: 22). We prefer to speak of labour market segmentation instead of dualism.

In Germany, job losses in the permanent segment were mitigated by short-time working schemes. Such programmes give incentives to employers to adjust to temporarily lower production levels by cutting down numbers of hours worked instead of cutting down numbers of persons employed (OECD 2010). Such programmes are very effective in mitigating effects when lower production levels are really temporary as expected, but they may also delay the impact of the crisis and make it more persistent (Duval et al. 2007: 25). As export production soon recovered in the crisis, short-term worker programmes are considered to have worked well in this crisis in Germany (Myunghee 2010). While 1.5 million persons were in short-time working schemes by May 2009, their number decreased to 0.8 million by December the same year (Federal Statistical Office 2010).

Labour market segmentation also indicates that the economic recession affected the gender composition of the migrant workforce differently. In a recent IOM report (2010), researchers point out that male-dominated sectors such as construction (in the temporary or informal segment) have seen a rising unemployment rate; while more female-dominated sectors such as health care (in the permanent segment) still demand continuing inflows of workforce. As a consequence, more women than men immigrated into EU countries during the economic crisis. The percentage of female foreign workers of the total foreign workforce rose from 49% to 53% between 2007 and 2009 in Spain (Koehler et al. 2010:21). While in Germany, the high unemployment growth rates are in those traditionally strong German industries (such as electrical and automobile manufacturing) in the permanent segment dominated by native male workforce. Consequently the German government subsidized job protection programme targets at such a group of workforce (Koehler et al. 2010). Meanwhile, it is also suggested that migrant workers adjust to the worsening employment situation by switching to other labour market segments. Migrant construction workers were believed to seek employment in self-employed informal segment in Spain, which led to an increase of 15% of labour force in agriculture and services in 2009 compared to that of 2008 (Koehler et al. 2010: 21).

Immigrant integration policies in the labour market, defined as specific policies promoting the labour market integration (for example courses for occupational skill adjustment), have not been analysed in detail for this paper. Although the presented arguments indicate the strong presence of other factors than integration policies, integration policies may play a significant role in the aftermath of the crisis. Economic restructuring is faster in economic crisis, and immigrants who came to fill job vacancies with low qualifications may find it difficult to adjust. In addition, new immigrants for reasons such as family unification continue to arrive during the crisis. Experts warn that the timing of such immigration cause a lasting ‘scarring effect’ as qualifications deteriorate if new immigrants do not find immediate access to the labour market (Papademetriou et al. 2010: 16). For them, integration programmes are of major importance. As a consequence of fiscal consolidation due to the crisis, many public services and also integration programmes are reduced. Between 2009 and 2010 the Spanish government cut down the national budget dedicated to integration policies by 50% (Ferrero and López 2010: 179).

5. Labour market integration of immigrants

Labour market integration implies an economic convergence between the native and foreign population. In this short overview, only employment and unemployment are used as indicators.

Foreigners are usually more affected in times of economic recession than natives. Among migrants, recent entrants into the labour market are usually more strongly affected by economic downturns, and this is more so the case if recent entrants are only offered temporary jobs. This is the case in Spain where many recently arrived migrants were offered temporary jobs and lost them during the crisis, because a large part of the employment adjustments operated through the temporary segment of the market.

Figure 5 shows comparatively how employment of native-born and foreign nationals developed since the late 1990s in Germany and Spain.

Figure 5. Employment by nationality in Germany and Spain, 1998-2009

The figure shows that employment growth from 1998 to 2007 was positive in both countries, with higher intensity in Spain. While in Germany only 14% of employment growth went to foreigners, in Spain this proportion is 39%. Official estimation from the Spanish government (Oficina Económica del Presidente de Gobierno 2006) shows that between 2001 and 2005 immigration was responsible for 40% of GDP growth and also contributed to employment growth of nationals. The crisis reduced employment of nationals in Spain to 2004 levels while in Germany employment of nationals started to grow from 2004 onwards.

The differences during the last phase of the crisis are striking and are featured separately in figure 6.

Figure 6. Employment growth by nationality and countries (% 2nd quarters 2008-2010)

The economic crisis reduced employment in both countries, with lower intensity in Germany if compared to the extensive job destruction in Spain. Between 2008 and 2010 (second quarter) the Spanish economy destroyed 9.5% of total employment, while Germany created 0.4% of additional employment (EU-27 average: -2.2%). Employment destruction in Spain affected foreigners with particular intensity (-13.3%). In Germany, on the other hand, foreign employment grew 2.4% in these two years and national employment only 0.3%.

Figure 7. Unemployment rates by nationality in Germany and Spain, 1998-2009 (%)

In both countries differences in unemployment rates between foreigners and nationals are positive and substantial. In Germany these gaps have been persistent during the last 10 years, while in Spain foreign nationals had similar unemployment rates as own citizens until the crisis and unemployment rocketed since 2007 to nearly 30%. Meanwhile, the unemployment rate for foreign migrants reached almost 30% in 2009 in Spain; while in Germany, unemployment rate for foreigners was about 15%. One reason is that migrant-concentrated economic sectors (such as construction) accounted for a large proportion of unemployment in Spain; while in Germany 'foreign workers were under-represented in the industries that were mostly affected

by the economic crisis' (such as metal production or car manufacturing) (Koehler et al. 2010: 19-20). It is also noted that the unemployment of Spanish people also increased rapidly to about 16%. Immigrants in Spain were more severely affected by the crisis, but the difference between native-born and foreign nationals is still more pronounced in Germany, if measured in relative terms.⁶ The 'wild ride' (Bentolila et al. 2009) of labour market outcomes in Spain is not limited to foreign workers. It is a common attribute and affects all workers in the extensive temporary segment of the market. The strictness of employment protection in the permanent segment is partially compensated by the flexibility provided by the temporary segment.

6. Public discourse on migration

It is commonly assumed that migrants may easily become scapegoats in times of economic crisis because of the increased fierce job competition between foreigners and nationals. The gaining popularity of the British National Party and the outbreak of wildcat strikes 'British jobs for British worker' in February 2009 in the UK show the severe impact of economic crisis on public discourse on migrants. Given the differential economic developments in Spain and Germany, one expects negative public attitudes towards, more heated debates about and more grave concerns over migration in Spain than in Germany. However, evidence suggests that public attitudes towards migration did not change dramatically during the course of the economic recession.

The current economic crisis has strengthened the voices of those who have always been sceptical of immigration's benefits, as a panel of experts concludes after analysis of developments in several countries including Germany and Spain (Papademetriou et al. 2010: 15). People who considered immigration more of a problem than an opportunity increased by between 4 and 9 percentage points between 2008 and 2009 in several European countries (German Marshall Fund et al. 2009: 6). In Germany, this number increased by five percentage points to 44 per cent of the survey participants – an increase but not really a striking change. Spain was included only in 2009 in the survey and came up with 58 percent of respondents who saw immigration as rather problematic.

However, the same survey indicates that immigration does not really score high in current concerns of most respondents.⁷ What is strikingly different is the opinion about the government's capacity to manage migration: 71 percent of the respondents in Germany thought that their government is doing a good or fair job, while only 33 of the Spanish sample had a positive opinion about their governments' management capacities (German Marshall Fund et al. 2009: 23). To a certain degree, the economic recession even replaced migration as a focus of concern in public discourse in some countries where migration was an issue of high salience in the pre-crisis period (such as Spain and the UK) (Koehler et al. 2010: 23).

So far right-wing parties have not successfully mobilised along xenophobic lines in Spain. Issues of restricting migration and blaming migrants have come up during

⁶ If measured in absolute terms (differences in percentage points between foreign and own nationals), the employment gap opened most strongly in Spain (Papademetriou et al. 2010: 10).

⁷ One third of the German and two thirds of the Spanish respondents named the economy as the most important problem facing the country today, with immigration being indicated by only 7 percent as key issue after some other topics such as education. At the same time, similar percentages indicate that they are worried about legal migration (Germany: 29%; Spain: 22%) or illegal migration (Germany: 63%; Spain: 71%).

electoral campaign, but right-wing parties have received less than 1 percent of votes in recent elections. Media debates peaked during the time of rapidly increasing boat people arrivals in 2006, without gaining a major momentum since the economic crisis.

Figure 8: Evolution of public opinion on immigration as a problem for Spain

Major political debates in the EU member states are sketched in the yearly reports of the National Contact point of the European Migration Network⁸. In Germany and Spain, major debates in 2008 and 2009 are not reported to be triggered by the economic crisis but rather by ongoing legislative and institutional debates (e.g. on the Spanish Law on immigration in 2008 and 2009) and extraordinary news events (e.g. following the killing of a German person by young men of foreign origin in 2008 in Germany). Media's framing of migration related issues is regarded as a contributing factor to the negative public attitudes towards migration. For example, a recent study of the media coverage of British Muslims between 2000 and 2008 reveals that 36% of the media stories about British Muslims were related to terrorism and migrants (especially Muslim migrants) are therefore perceived as associated with threat and danger in media discourse (Moore et al. 2008). Currently, in both countries there are coinciding debates about integration problems of immigrants with a Muslim background, with debates about the loosening restrictions for the immigration of highly skilled labour migrants in Germany. The debate on the integration of Muslim immigrants evolved around the book *Deutschland schafft sich ab* (Germany Does Away With Itself) penned by of the social-democratic national bank leader Thilo Sarrazin. The presentation as 'taboo breaking' was welcomed by considerable parts of the population, while researchers and immigrant organisation criticized the mixture of one-sided evidence presentation and the accusing tone. However, the German debates are strongly dominated rather by a theme of socio-cultural integration than by economic consideration. In Spain, the main topic in public and political debates is focused on irregular migrants and easily mixes labour market integration with cultural issues (e.g. Moroccans).

6. Conclusions

Germany and Spain have experienced highly divergent impacts of the crisis on the labour market in general and immigrant workers in particular. This can be mainly explained by looking at the economic growth patterns prior to the crisis. Spain's higher, more labour-intensive growth was enabled by a growth of labour supply through immigration, fostered by a de facto permissive immigration policy, while a restrictive migration policy prevented a growth of labour supply in Germany and encouraged a more capital intensive growth in which low qualified natives and particularly immigrants found it difficult to integrate. We therefore conclude that institutional features of the labour market promoted these patterns. The high importance of the temporary and informal labour market segment in Spain which were most hardly hit by the crisis led to the vulnerable position of immigrant and youth workers.

⁸ <http://emn.sarenet.es/Downloads/prepareShowFiles.do?entryTitle=1.%20Annual%20Policy%20Reports>

The economic crisis has made parts of the population more sceptical about immigration. However, there are seemingly no links between the severity of the crisis and public debates on migration. Although Spain was definitely hit harder by the crisis than Germany and immigrants were more severely affected, public debates on migration and integration issues seems to be at least as fierce in Germany than in Spain. In the German case, one can expect that due to the low impact of the crisis on labour market outcomes public debates do not put in the fore migration and integration issues. In the Spanish case as a result of the crisis migration policies have been changed and these legislative endeavours have drawn public attention. However, the legacy of past migrations and migration policies seems to be much more important than economic factors.

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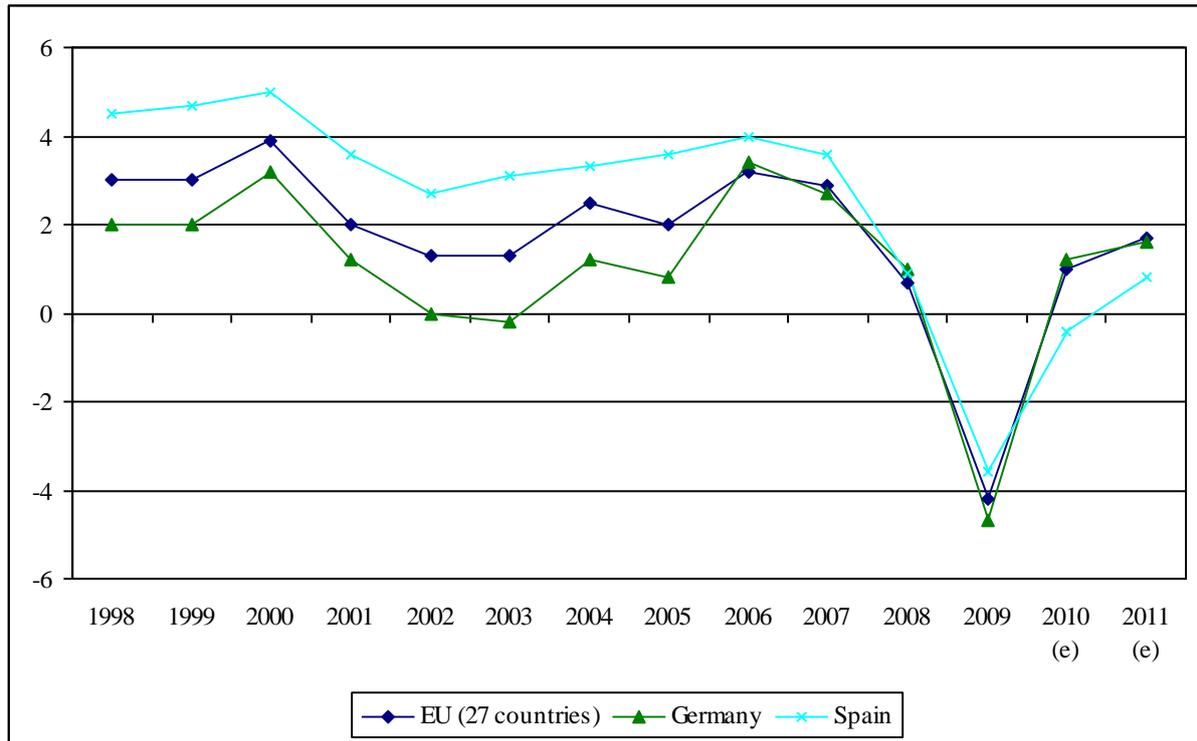
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Figure 1. Real GDP growth rates in Germany and Spain



Source: Eurostat.

Table 1. Employment shares and growth rates in Germany and Spain^{a)}

Sectors (NACE 1)	Share 2007		Growth 2007-1998	
	Germany	Spain	Germany	Spain
Total - all NACE 1 activities	100.0	100.0	7.5	47.4
Agriculture, forestry and fishing	4.5	9.1	-13.3	-13.0
Industry (except construction)	23.2	16.0	-2.4	14.6
Construction	6.6	13.3	-19.4	97.0
Services	67.9	66.2	16.3	57.8
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	14.0	15.4	4.8	37.4
Hotels and restaurants	3.8	7.1	27.5	72.1
Transport, storage and communication	5.6	5.8	12.3	43.1
Financial intermediation	3.4	2.5	3.9	44.4
Real estate, renting and business activities	10.3	9.9	52.8	119.8
Public administration and defence; compulsory social security	7.6	6.1	-5.0	42.1
Education; health; other service activities; activities of households; extra-territorial organizations	23.3	19.5	21.7	61.1
Education	5.9	5.5	14.4	34.8
Health and social work	11.4	6.0	28.2	65.1
Other community, social and personal service activities	5.4	4.2	15.4	65.1
Activities of households	0.5	3.8	55.5	106.9
Sectors (NACE 2)	Share 2009		Growth 2009-2008	
	Germany	Spain	Germany	Spain
Total - All NACE 2 activities	100.0	100.0	-0.2	-6.8
Agriculture, forestry and fishing	1.7	4.2	-6.0	-4.0
Industry (except construction)	22.1	14.7	-2.6	-13.3
Construction	6.6	10.0	0.1	-23.0
Wholesale and retail trade; repair of motor vehicles and motorcycles	13.5	15.7	-0.5	-7.1
Transportation and storage	4.7	4.8	-1.2	-5.6
Accommodation and food service activities	3.9	7.5	2.1	-2.2
Information and communication	3.2	2.7	-0.4	-7.8
Financial and insurance activities	3.5	2.5	0.6	-6.6
Real estate activities	0.7	0.5	23.4	-23.2
Professional, scientific and technical activities	4.9	4.5	3.3	-2.7
Administrative and support service activities	5.0	4.7	4.5	-3.1
Public administration and defence; compulsory social security	7.2	7.2	0.2	7.1

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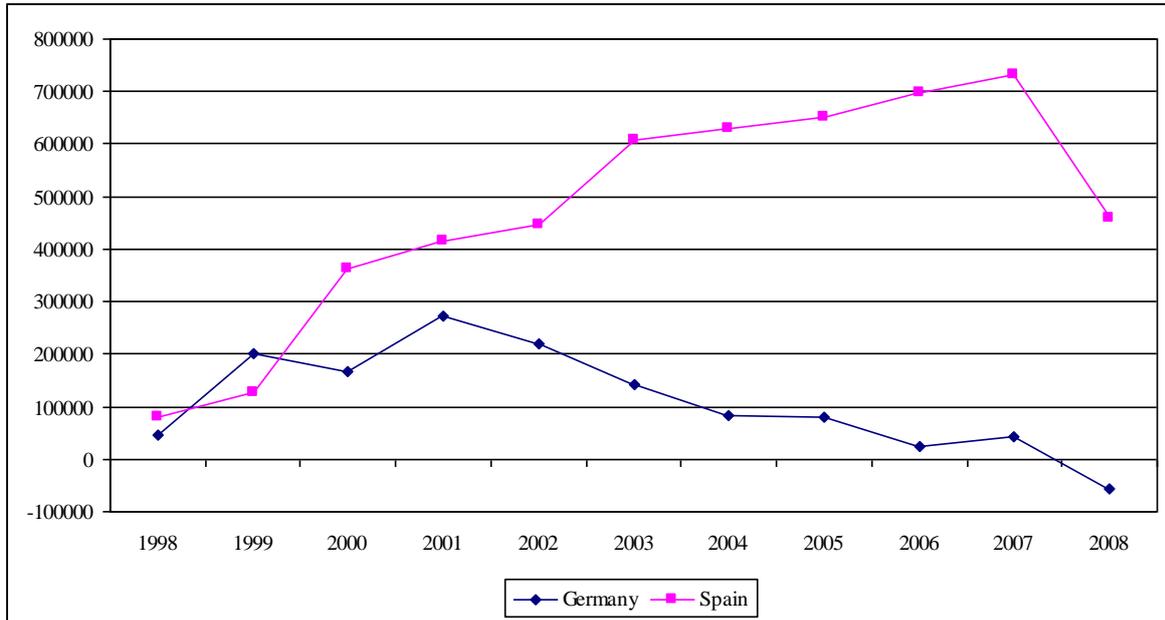
www.network-migration.org and www.migremus.uni-bremen.de

Education	6.2	6.1	1.3	1.0
Human health and social work activities	11.8	7.0	3.6	4.9
Arts, entertainment and recreation	1.4	1.6	0.6	-1.7
Other service activities	3.0	2.2	-13.6	-1.6
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	0.5	3.8	-6.0	-3.6

Source: Eurostat.

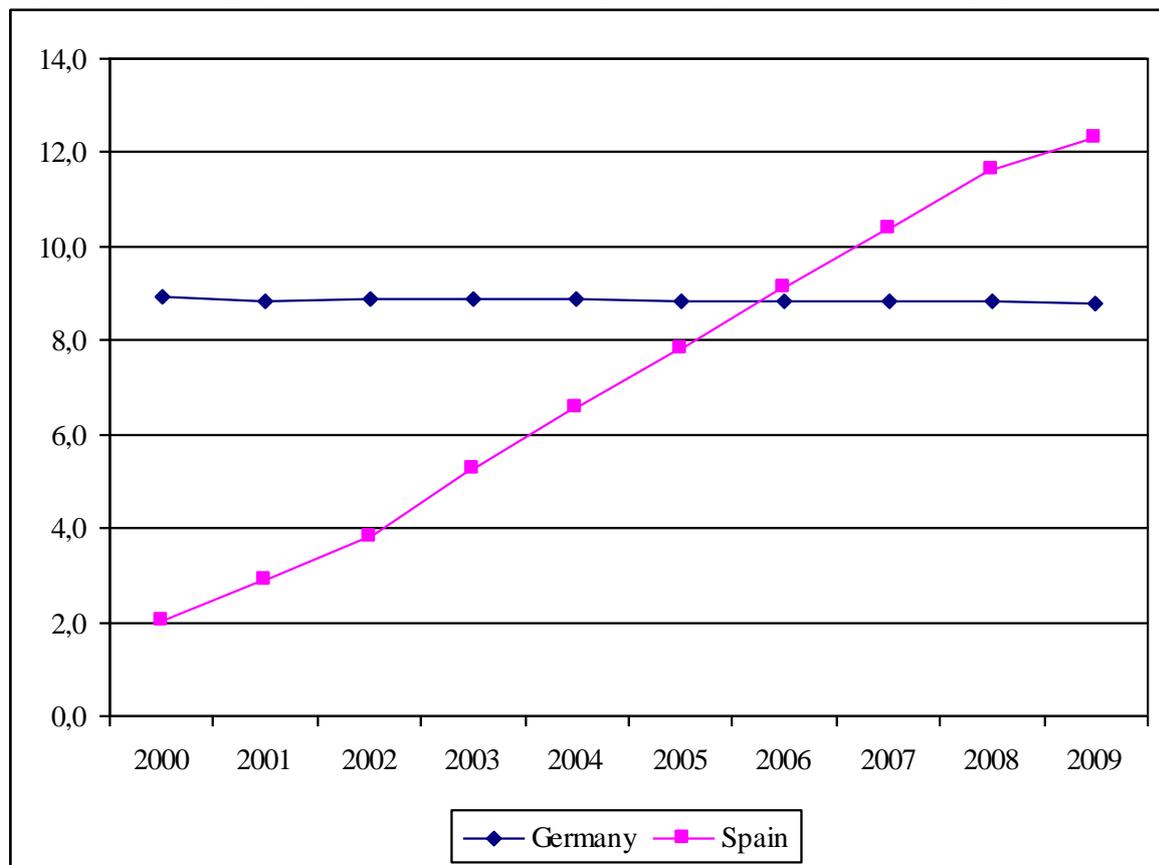
a) Comparison of employment of all persons of 15 years and older in thousands as measured by Eurostat in the indicated years

Figure 2. Net immigration in Germany and Spain, 1998 to 2008



Source: Eurostat.

Figure 3. Foreign population in Germany and Spain, 2000-2009 (%)



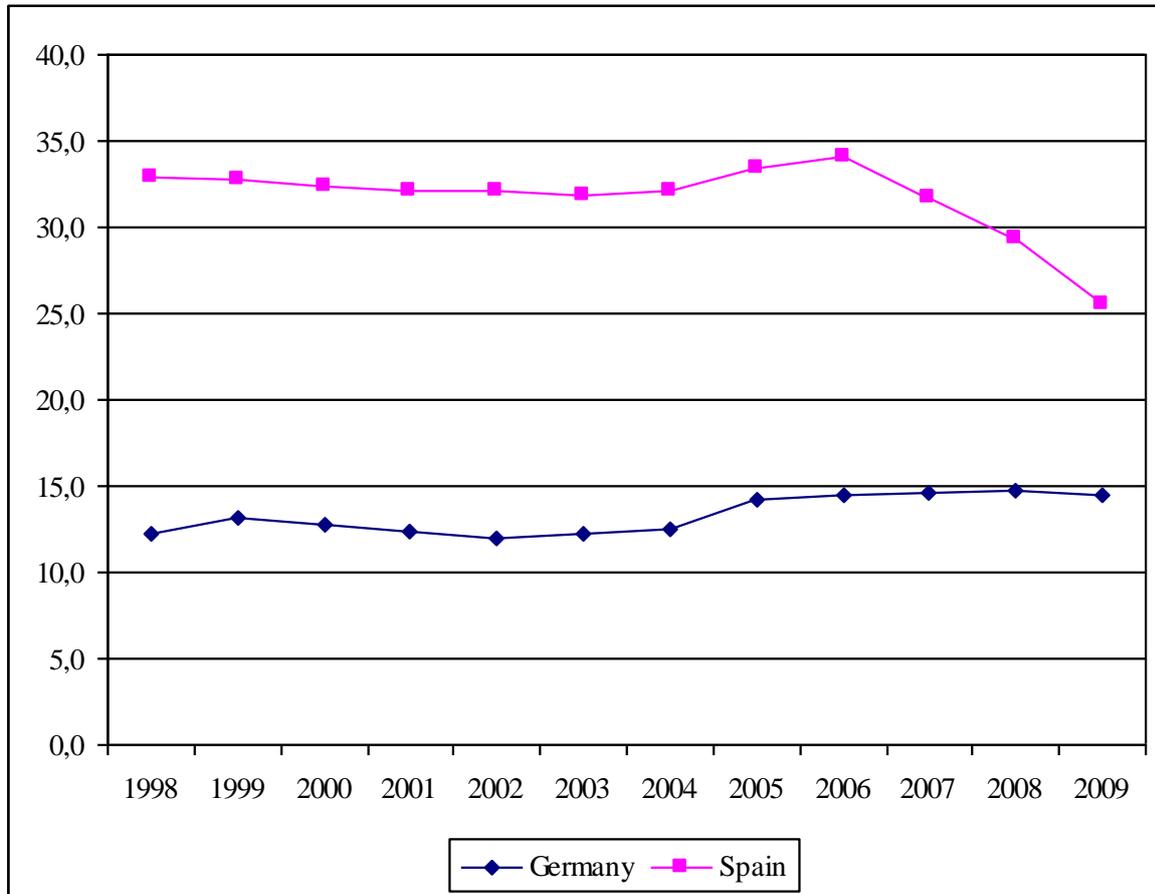
Source: Eurostat.

Table 2. Valid permits by reason in Germany and Spain, 2009 (%)

Reason	Germany	Spain
Total	100.0	100.0
Family reasons	36.7	19.7
Education reasons	3.2	1.4
Remunerated activities reasons	1.8	29.8
Other reasons	58.3	49.2

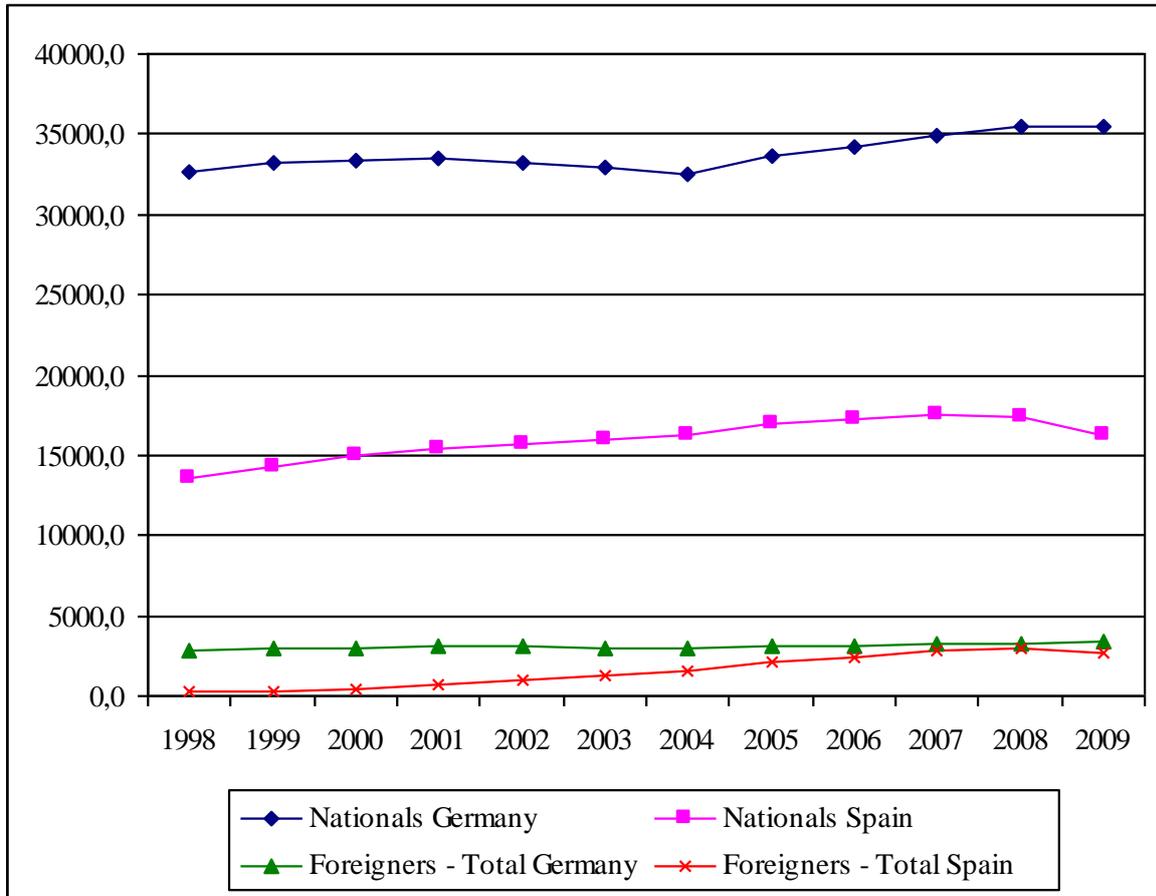
Source: Eurostat.

Figure 4. Temporary employees as percentage of the total number of employees in Germany and Spain (%)

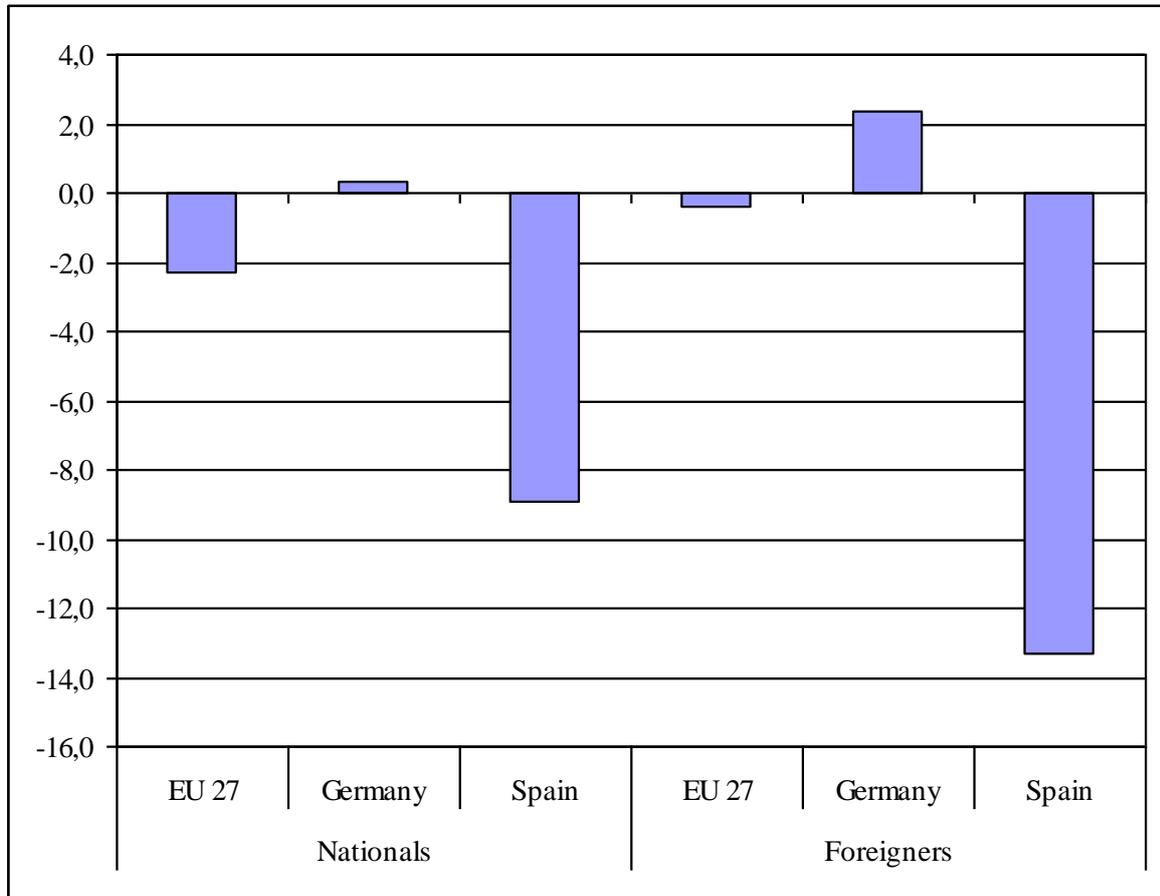


Source: Eurostat.

Figure 5. Employment by nationality in Germany and Spain, 1998-2009

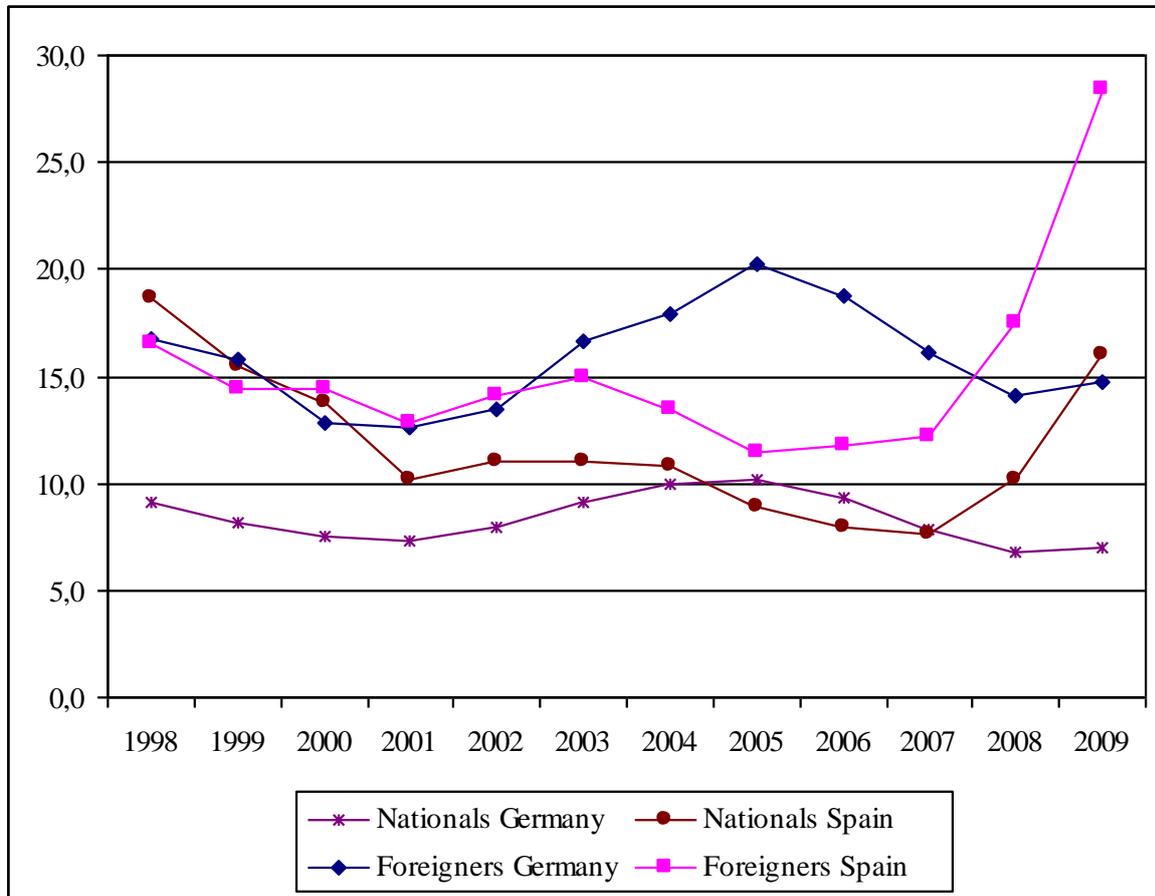


Source: Eurostat.

Figure 6. Employment growth by nationality in Germany and Spain (% 2nd quarters 2008-2010)

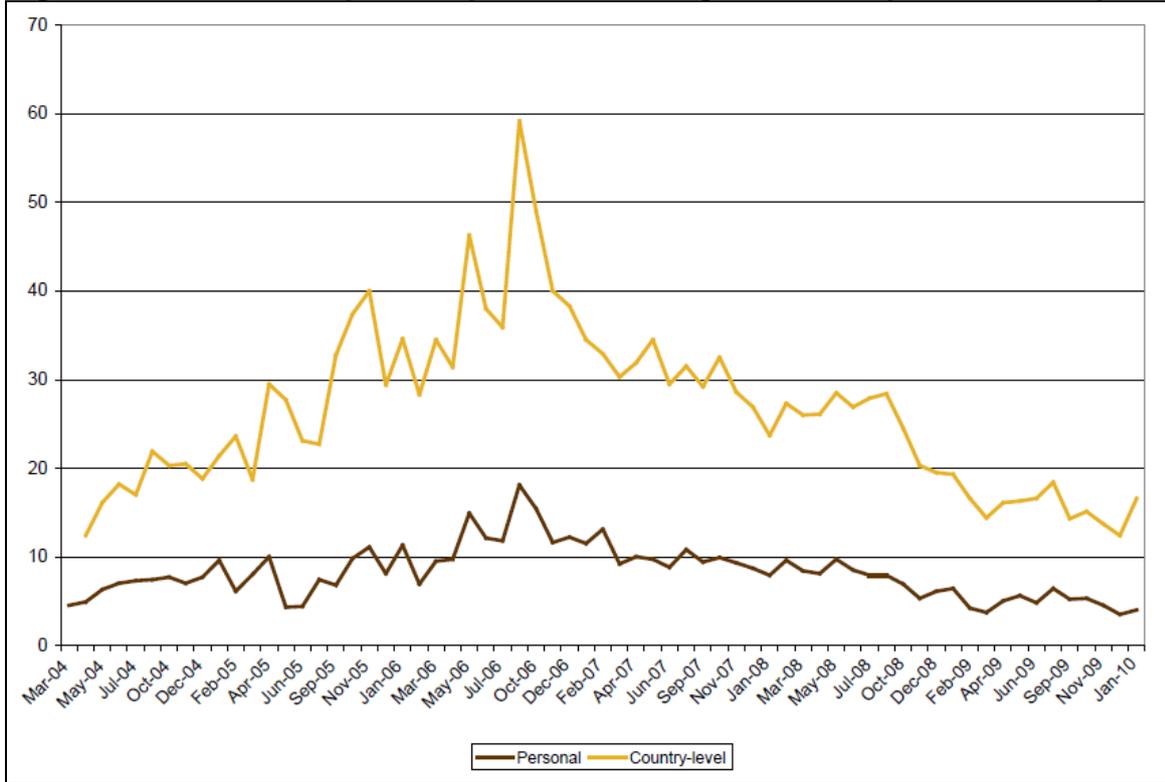
Source: Eurostat.

Figure 7. Unemployment rates by nationality in Germany and Spain, 1998-2009 (%)



Source: Eurostat.

Figure 8: Evolution of public opinion on immigration as a problem for Spain



Source: Ferrero and López (2010)