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Is there a Strategy on the Foreign Labour Force in Hungary?

Abstract

The author analyses the labour migration trends in Hungary in recent years on the basis of hardly available statistics and public data. The workers' migration pressure in enlargement process and in period of transition measures have been below the expectations, labour authorisation of foreign workers remained non-accepting, rigid and bureaucratic without impact assessment of implemented provisions and economic effects. The Ministry of Foreign Affairs launched a foreign affairs strategy preparation project in 2007, while in August it proposed a decision on the European policy to the Government. Does it mean a new epoch in labour migration policy in Hungary? The article can describe only a continuous dilemma of the kin-state, community building, modernisation and economic competitiveness. The author describes an indirect labour migration policy which is going ahead together with combating illegal (labour) migration on the bumpy road towards a promising land of workers' acceptance and integration.

Trends on labour migration to Hungary

Researchers have faced numerous shortages in statistical and public data system coming from three major sources: (a) labour office, (b) migration authority and (c) Central Statistical Office. The labour and immigration statistics cannot produce figures on the base of different legal categories that became more complex due to enlargement and transitional provisions on labour market. Although certain efforts for reform are going on in the ministries and Central Statistical Office, the existing proceedings and the practice of legal implementation have not been in harmony. There is an absence of public data base of judgements and labour permits, thus it is impossible to analyse and draw conclusions on jurisprudence on movements or relating authorisation issues to migrant workers. Although the right to access freely to information on public interest is a

fundamental right,¹ neither the Act on Statistics,² nor on Protection of Personal Data and on Free Accession to Information of Public Interest³ contains concrete and standard method of implementation. The Act on accession to electronic information⁴ entered into force on 1st January 2006, and some progress can be seen on homepages of authorities, state agencies and publicly financed institutions, but detailed statistics and up-to-date information are not available significantly easier. A Electronic data bases of judgements at appealing and the Supreme Court theoretically are available after 1 July 2007. Further on, enlargement, new bilateral agreements or provisions changed in the middle of the year are not covered by the yearly statistical brake or ratio.

Taking into account these circumstances, it can be said that the migration of EEA nationals and family members is stable. In comparison the data of issued labour permits, registrations, green cards and seasonal permits in 2005-2006⁵, the migration activity of nationals of EU15 and EFTA did not increase, it has remained marginal, while the appearance of labourers from EU-8 is growing, in particular from Slovakia. Practically we are speaking of frontier or commuting workers (multinational companies carry daily the workers from Slovakia to Hungary for 12 hour-long shifts which is partially attractive for local unemployed people). The third country nationals' activity in labour migration is also stable but it is rather higher than that of EEA labourers. (*Table 1*)

Labourers from the EEA and third countries play different roles in sectors. The EU15 and EFTA nationals are represented in *financial services and processing industry*, while third country nationals are employed in building industry, trade and processing industry to a great extent. This difference is probably connected to the differing qualification of the two groups. If we have a look at the rate of labourers from A8 *a further disproportion can be seen: 80% of them is employed only in processing industry and financial services*. It means that workers from the EEA are employed in processing industry and financial services.

¹ Article 60. (1) In the Republic of Hungary everyone has the right to freely express his opinion, and furthermore to access and distribute information of public interest. (3) A majority of two-thirds of the votes of the Members of Parliament present is required to pass the law on the public access to information of public interest and the law on the freedom of the press. (Constitution of the Hungarian Republic)

² Act XLVI of 1993

³ Act LXIII of 1992

⁴ Act XC of 2005

⁵ Source: Állami Foglalkoztatási Szolgálat – FMM [Employment Service – Ministry of Employment Policy and Labour] and Bevándorlási és Állampolgársági Hivatal [Office of Immigration and Nationality Affairs]

Table 1: Labour migration in Hungary in 2004-2006

	2004	2005	2006
EU 15: Labour permit holders, green card holders and registered workers	2 064	2 322	2 349
EU 10: registered workers	12 457	15 932	17 893
Labour permit holders (third country nationals)	51 868	44 600	44 377
Total	66 389	62 854	64 626

Since August 2005 there has been an employment booklet available at labour authorities for occasionally hired foreigners and foreign spouses of nationals without labour permits. Though this booklet was introduced in 1997 only the recent amendment facilitated lawful employment and taxation, as well as social insurance contribution in a simplified way with fixed tariff fee for local employers and foreign labourers. In 2005 the work of segregated nationals and unemployed persons was equal with about the whole year activity of 11,000 workers (2,188,826 working days). The 68,107 working days of non-nationals in August-December of 2005 can be considered as marginal (3% of the total) but 2,236 foreign workers representing 97% were recruited from three countries: Slovakia (64%), Romania (23%) and Ukraine (10%). In average 12% of these working days were employed in agricultural seasonal work. It means that 2/3 of the temporary work booklets were used by Slovak nationals, and the remaining 1/3 by Romanians and Ukraine nationals. This reflects quite well the general tendencies characterising the Hungarian labour market as regards the representation of foreigners.

According to locality 60% of the occasional labour was employed in one county next to the Hungarian-Slovakian border and 18% in two rural counties. The total number of temporary booklets issued was 275037 and 124079 validated. In the year of 2005 the number of temporary work booklets issued for foreigners (non-Hungarians) was 9209. Out of this only 2236 booklets were validated (24,3%). With the validated booklets foreigners worked a total of 68107 days. 80% of the working days (56 thousand) fell upon the district Komárom-Esztergom (border region to Slovakia) where mostly Slovak nationals are employed. 3-3% fell upon Csongrád and Bács-Kiskun district while Budapest took only less than 1%. In the first half of 2006 the number of requested temporary work booklet was 230 000. At least 4 million € were paid as social insurance contribution and tax through this channel.⁶

⁶ Népszava, 2006.aug.21., MTI július 24.

Table 2: Motivation of applicants for one-year long valid visa

Applicants for staying visa (D) for reason of	2002	2003	2004	2005	2006
Employment, labour	7 660	26 421	30 957	19 374	23 604
Study	5 095	6 742	4 721	3 659	3911
Visit	1 040	2 026	3 518	1 876	1509
Money making	856	1 340	1 823	906	891
Family re/unification	218	1 283	1 914	1 232	1805
Seasonal labour	0	796	779	34	34
Official trip	216	230	121	171	103
Medical treatment	15	20	37	21	16
Other	2 282	3 676	4 263	3 438	2 647
Total	17 382	42 534	48 133	30 711	34 520

Speaking of migration in a broader context we can give details on procedures of visa, residence permit, settlement permit and naturalisation as well as expulsion decisions,. The first observation is that the number of lawful migrants was growing in 2006 (+16%) in comparison with the previous year by the migration authority (OIN). Furthermore, employment, labour and study represents the major motivation of foreigners' entry to Hungary in growing numbers. (Table 2)

Although the absolute number of refusals was growing, the rate of success has increased for a staying visa in the application processes. (Table 3) It would require a deeper analysis whether it is thanks to better trained clients or less prepared officials.

As Table 4 proves, the components of residing migrants have altered in two directions: the number of non-commuting labourers is reduced – perhaps due to certain liberalisation of the labour market – while the rate of students and family reunifications increases.

Among the applicants for residence permit the three leading positions have not changed since 2002: the major source of lawful migrants has been Romania, Ukraine and China. The rejection rate of applications slightly decreased but has remained really low (3.5%) including prolongation of

Table 3: Success of applicants for visa

For staying visa (D)	2002	2003	2004	2005	2006
Issued	15 800	37 838	44 701	29 362	32 714
Rejected	1 494	2 360	2 092	1 349	1806

Table 4: Applicants for residence permit

Applicants for residence permit on the reasons of	2002	2003	2004	2005	2006
Employment, labour	18 186	20 347	24 902	29 958	26 746
Study	5 436	5 559	4 855	4 693	5 297
Family re/unification	4 850	5 773	6 486	7 884	8 466
Remuneration, money making	4 310	3 206	2 232	658	479
Visit	1 483	1 391	1 923	1 916	1450
Official trip	207	193	79	105	109
Medical treatment	55	57	61	68	40
Other	2 798	3 011	3 994	1 384	4 000
Total	37 151	39 564	44 532	46 666	46 587

the validity. It raises the question how effective is the screening of authorisations in the territory of the county and also – looking at success in visa applications – abroad. According to field research⁷ visa procedures are no more than a “game of presumptions”. Furthermore, residence authorisation is supposed to serve as another screening method but the figures for holders (stock data) below represent actual staying persons. (Table 5)

Table 5: Stock of residence permit holders (2006)

By nationality of	Residence permit holders on 31 December 2006
Romania	21 473
Ukraine	5 386
China	4 114
Szerbia-Montenegro	2 216
Vietnam	1 601
USA	1 312
Others	8 584
Total	44 686

Among the residence permit and permanent residence permit holders (under the name of settlement or immigration permit owners) there are a lot of labourers indeed (Table 6). Furthermore, permanent residence permit entitles to be employed without permit, therefore practically all of this type of authorisation makes a continuous working activity in Hungary possible.

⁷ Luca Váradi: The Visa in Practice at the Serbian and the Ukrainian borders. *Regio*, Vol.9, 2006:150-178

*Table 6: Stock of permanent residence permit holders
(by changing legal categories)*

Nationals of	Settlement permit holders on 31 December 2006	Immigration permit holders on 31 December 2006
Romania	21 434	23 139
Ukraine	3 784	4 654
Serbia-Montenegro	1 868	7 497
China	1 232	3 547
Russia	388	2 642
Vietnam	380	1 402
Others	2 428	9 788
Total	31 514	52 666

Table 7: Decrease of expulsion migrants

Expelled foreigners by nationals of	2002	2003	2004	2005	2006
Romania	3 301	2 881	2 573	2 735	2 024
Ukraine	824	833	634	955	312
Serbia-Montenegro	516	233	100	120	190
Moldova	340	166	143	67	64
China	240	89	98	48	54
Turkey	132	82	74	50	21
Other	742	545	589	401	367
Total	6095	4 829	4 211	4 376	3 032

Taking into account of the reasons of expulsion, the number of overstayed, illegally employed migrants was decreasing in 2006, in particular coming from Ukraine, Romania and Turkey (*Table 7*). Otherwise, this reduction can be explained by the efficiency of entry and residence screening. However, the expulsion cases have been gradually reduced to half of figures of those in 2002.

The migratory movement described above can be supplemented with data on tourism gathered by the Central Statistical Office.⁸ Accordingly, the yearly number of foreigners entered was 34 million in 2004, 36.2

⁸ Jelentés a turizmus 2006.évi teljesítményéről. KSH, Budapest, 2007.

million in 2005 and 38.4 million in 2006. *Table 8* shows the foreigners' motivation of travel in 2006. Naturally, the number of persons is overlapping with number of entries, thus entry of (lawful and unlawful) labourers and commuters cannot be separated. However, 2.6 million cases of entry with labour motivation is much higher than the total number of all labour authorisation, registry or free accession to (lawful) employment.

Furthermore, of the visitors only 1.2 million persons required any kind of tourist services in Hungary while the overwhelming majority of foreigners entered, such as Romanian, Slovakian, Polish and Serbian visitors spent daily less than 20 € per capita. Who can suppose the the majority of entered foreigners were tourists or shopping visitors? On the other side, 16.6 million Hungarian nationals (cases) visited abroad in 2006 and from them 6.5 million (cases) went to Austria, 4.5 million to Slovakia and 1.7 million to Romania. What was their motivation? Among the one day spending travellers 15% left for labour; that rate was doubled in 3 years (from them 31% to Austria, 19% to Slovenia and 9% to Croatia), and among the more days spending travellers 10% left for labour. All in all, we can suppose an extensive rate of irregular or illegal (seasonal, occasional, commuting) remunerated work in Hungary and across the borders, too. Taking into account the low employment rate of the active age population in our region and the differing structure of labour force⁹ and the level of salary in the old and new member states, regional labour migration (across Hungary) remains a standard component of migratory movements.

Table 8: Motivation of foreigners' entry into Hungary in 2006

Motivation	%	Number
Transit	38.2	14.7
Shopping	18.1	6.9
Tourism, free time programmes	28.0	10.8
Labour and employment	6.6	2.6
Business, conference tourism	4.5	1.7
Studies	0.8	0.3
Other	3.7	1.4
Total	100	38.4 million

⁹ Education level of population in active age (25-64) in A10: 15% with low education, 67% with medium education and 18% with high education. In EU15 this rate is: 33%, 42% and 25%. In Romania and Bulgaria this rate is 25.5%, 60.1% and 14.4%. See A KSH Jelenti 2007/6: Gazdaság és társadalom. KSH, Budapest, 2007.

Summing up, the labour office can provide basic information on lawful employment of non-nationals. These figures may cover a narrower circle of migrant workers. Irregular and illegal workers entering or staying as visitors, family members or students can be better calculated on the basis of data from the migration office (OIN). It can be made more colourful by the general statistics on tourism in the year of concern. However, only trends and no precise (stock and flow) data on labour migration can be described through existing statistics in Hungary. It has to be taken into account in a strategic planning unless significant improvement of statistical system is devised as a part of the modernisation in migratory movement management. However, labour migration pressure on Hungary has not been dramatically increased in the enlargement period and this solid trend of migrant workers' movement can be projected in the (near) future but would also be necessary from the same sending region.

Legal rules on employment of foreign labourers

Describing the normative and administrative system on labour migration¹⁰ in the last 17 years we may conclude that it has been more and more complicated, continuously changing and not based on impact assessment but rather on prejudices. Briefly, the following legal categories shall be divided:

- a) The non-EEA nationals and persons under the transitional measures of the Accession Treaty can be employed in all kind of remunerated work in the possession of labour authorisation (permit, visa and/or residence permit) until its validity. Procedure takes about 120 days at least without appeal, while issued permit is applicable utmost 365

¹⁰ 1991. évi IV. törvény a foglalkoztatás elősegítéséről és a munkanélküliek ellátásáról [Act on Job Assistance and Unemployment Benefits], 8/1999 (XI. 10.) SZCSM rendelet a külföldiek magyarországi foglalkoztatásának engedélyezéséről [Decree of the Social and Family Affairs Minister on Work Permits Issued to Foreign Nationals in Hungary] Up to 22 October 2007 it was amended 7 times. 354/2006. (XII. 23.) Korm. rendelet a Bolgár Köztársaságnak és Romániának az Európai Unióhoz történő csatlakozását követően a Magyar Köztársaság által alkalmazandó, a munkavállalók szabad áramlására vonatkozó átmeneti szabályokról [Government Decree 354/2006 (XII. 23.) on the transitory rules applicable to free movement of workers by the Republic of Hungary after the accession of the Republic of Bulgaria and Romania to the European Union], 93/2004. (IV. 27.) Korm. rendelet a Magyar Köztársaság által az Európai Unióhoz történő csatlakozást követően alkalmazandó munkaerőpiaci viszonzosság és védintézkedés szabályairól [Government Decree on the rules of labour market reciprocity and the safeguard measure to be applied following the accession of the Republic of Hungary to the European Union] that was amended by the Government Decree No.107 of 2006, 2 May and No. 218 of 2006, 9 November. The bilateral labour agreements as well as specific form of labour (volunteers, training, seasonal workers, service providers on the base of contract) are regulated in further legal documents.

days in the working place designated in it. The price of the transaction of authorisation is also high (personal submission of the application to the consular office, fee, authentic translation of necessary documents, health checking fee, time-synchronisation of travel, labour and employment periods and validity of documents).

- b) Preferences are given for family members, certain EEA nationals and in determined jobs in authorisation, e.g. labour permit is issued without labour-market, economic necessity test. In other aspects of the general procedural rules shall be implemented. Bilateral agreements in yearly quota and in determined professions provide simple labour authorisation such as for Romanian and Bulgarian labourers for transitory period.
- c) Labourers from new member states (A8) can be employed but its registry is required in parallel at the labour office by the employer. It is relatively simple administration but there is an estimation (10-20%) on the absence of registry in Slovak-Hungarian relations. It is more related to avoid taxation (shadow economy) than to illegal migration. The occasional labour booklet is also applicable in which paid taxation-stamp proves legality of employment.
- d) The best privileged third country nationals and labourers from liberalised EEA countries are lawfully employed without labour authorisation. Exceptions are broad including refugees, settled migrants, athletes, key persons in top management, researchers, study-practitioner, clergymen, participant in short term posting and labour-exchange. Its preconditions are frequently altered and rationale is not clear.

Only two practical examples are given to demonstrate the weak efficiency of existing labour regulation.

There is the Government Resolution No. 2251 passed the 23th December 2006. It decides the administrative tasks on labour management in accordance with the Accession Treaty of Romania and Bulgaria providing a facilitated labour authorisation in sector in need of foreign labour force. It requires a quarterly scrutiny of the list of facilitated labour permits issuing for labourers from Bulgaria and Romania by the Ministry of Employment and Labour Policy. In addition a ministerial review of the implementation and first year experiences of temporary provisions is also ordered. The Government prescribed the necessary analysis of the labour authorisation system in practice up to July 2007 together with necessary modifications.

Although the minimal and maximal fine for illegal employment (e.g. employment without labour permit) was increased in 2006 (its minimal amount is 2000 € for the first time, and repeated infringement of the law is

3750 € in proportion with the level of lawful monthly salary), its retentive or preventive power is limited due to rare labour inspection control. The risk is really low for small and micro-entrepreneurs. As a branch leader of the Labour Inspector Office said: there are more cases when procedure is based on notices on an illegally employed gardener, babysitter, etc. coming from neighbours¹¹.

A foreign strategy and EU policy in germ

In 2006 the Minister of Foreign Affairs launched a public and expert debate on the foreign strategy of Hungary. This unique and ongoing project has remained in closed circle despite of electronically available sub-topic papers,¹² and interactive exchange of views in web and at local, academic or civil meetings. Although a foreign relation strategy may belong to the Republic or to the Government, democratic discussion on strategy may put into the shade the responsibility and accountability of the public power, Furthermore a connection to the common European foreign and security and defence policy limits substantially our democratic consent on a foreign strategy – as the Minister designates the finalisation of the discursive process¹³. The available sub-topic papers containing a situation analysis, possible scenarios, proposals on priorities and instruments have to face the contradiction of newly obtained independency and immediately voluntary framed sovereignty of the state in the Euro-Atlantic integration. Neither the timescale of strategy, nor organic relations to the economic, employment, law enforcement, migration or other policies are defined in the project, while foreign affairs have no own manoeuvring room beyond diplomacy.

Reading the available policy papers, labour migration is a marginal and not a strategic or comprehensively approached issue although it appears almost in each of them.

a) *Hungary has to stand for a liberal labour market* in the EU. Hungary as an internal periphery in the EU – at least until accession to the

¹¹ A büntetés minimum egymillió, Piac és Profit (29.03.2006)

¹² Sub-topic papers made by the Central European University and Hungarian Academy of Sciences are as follows: (a) security interests of Hungary in a bilateral and multilateral framework; (b) global environment forecast in medium-term; (c) economic aspects of security; (d) strategic issues of a successful EU membership; (d) neighbourhood policy and its tasks; (e) national identity and its keeping up; (f) cultural diplomacy; (g) social and cultural implications of foreign policy. These reflect results of discussions, too. http://www.kulugyminiszterium.hu/kum/hu/bal/Kulpolitikank/kulcapcsolati_strategia/

¹³ At a press conference held on 19 February 2007 the Minister of Foreign Affairs (Kinga Göncz) announced that the government's new foreign relations strategy would be finalised by July this year.

euro-zone – cannot enjoy too much advantages of membership due to low development. For this reason free circulation of (cheap) workers must be provided based on the principles of equality and salary-advantage. Up till now only 50 000 Hungarian labourers are employed in the EU26. A wider liberalisation is due gradually in 2015 and after. Competitiveness and security of marketing equally requires liberalisation.

- b) *Protectionism inside against free entry of foreign labourers into the Hungarian labour market is tacitly supported* because “there is no burning need for foreign labourers in the Hungarian economy, foreign investment can be absorbed by the domestic labour force in stock although since mid-1990s there has been a shortage of labourers in the Western part of the country”. However, “Hungary becomes a net labour migration recipient, thus the low salary level of newcomers is the interest of the state”. Hampering the free movement of production factors “at first glance means the protection of social model but political reactions explain it in each state”. The introduction of transitional limitation against Romanian and Bulgarian labourers, reciprocity principle against EEA non-liberal labour markets and the whole incoherent labour authority belongs to this policy. Looking at contradictions of liberalisation outside and “economic patriotism” being simultaneously kept up inside the paper claims that “opposite interests shall be represented in parallel”. Modernisation of Hungarian economy depends on external resources, thus labour migration and long-term migration policy would contribute to technological development and security of investment “although it demands a severe change of attitudes”. However, the radical modernisation of vocational training and public education system in the next 10 years cannot be compensated or substituted by labour migration. This ambivalent policy has been accomplished in disregarding public debate on the Green Paper of the European Commission on labour movement, its common regulation or reluctant transposition of Directive on long-term migrant status that provides an almost free circulation at EU labour market¹⁴. Whether it

¹⁴ The European Commission initiated in infringement procedure against Hungary for non-compliance with the residence directives (2006/0446-0451). The Hungarian government submitted two Bills in order to transpose the Directive 2004/38/EC and the Directives dealing with third country nationals’ rights to the Parliament on 10 November 2006. The Parliament adopted the text (Act I of 2007 on the entry and residence of persons exercising their right to free movement and Act II of 2007 on entry and residence of third country nationals) at its plenary session on 12 December 2006. The new Acts introducing a completely new set of rules delete the rules in force. The Acts were published on 5 January 2007, and it enters into force on 1 July 2007.

means the faltering of reciprocity principle: if the others are liberal, we follow them but not earlier.

- c) *Strong European cohesion policy* shall be supported. Due to enlargement heterogeneity inside the Union is growing and neither the reform of CAP, nor employment or education improvement can solve the high unemployment rate, low economic activity and deep poverty in rural areas in the new member states. Moreover, convergent programmes catching up budget and currency stability towards the EMU rally may provoke further social and political instability that shall be compensated by union financial instruments.
- d) *Cultural diplomacy can improve the influential power* of Hungary as a complementary instrument to traditional foreign policy. It would require a stable finance and institutions of foreign representation of Hungarian and minority identity, festivals, cultural events while its governing competence, role or connection with tourism has been missing. In fact more scholarships for foreign as well as Hungarian students from state budget, supports for cultural projects would effect labour migration too.
- e) *European Neighbourhood Policy shall be better developed for Eastern-European liberalisation of markets and improvement of security*. For this purpose national development planning shall be harmonised and iterated between Hungary and adjacent states including employment and human resource development policy. Full implementation of Schengen acquis may impede people-to-people contacts but “settlement of ethnic Hungarians from neighbouring countries to Hungary cannot solve the Hungarian deficit in demographic, skilled workers and social insurance but it endangers modernisation of the sending environment and community”.
- f) *A stable system of values* can absorb differing cultures and external impacts transmitted by migrants, minorities, intercultural exchange and dialogue. Hungary is not supposed to become an influential destination country but national identity and solidarity shall be developed or modernised to receive back emigrants, to accept multiple attachment and integrate immigrants through language teaching, scholarships, electronic networks inside the diaspora as well as protection of linguistic rights. Preparing integration measures, an “integration contract concluded with migrants” would be introduced which contains community services, individual efforts, rights and obligations. Migration policy cannot be isolated from the modernisation of health care, social care, public education, vocational training, with their interactions taken into account.

Regardless the ongoing discussions on foreign affairs strategy, the Government adopted a non-binding *decision on the "Europe Policy"* on 2 August 2007 – announced the spokesman of the Government. It was submitted by the Minister of Foreign Affairs referring on results of public debates that was respected by the Government. Although Hungary has not had European an integration strategy for ten years, and evaluation of its success is absent, the strategic decision covers the period up to the further planning period of community policies or to the end of the mandate of next European Parliament or Commission. The policy paper contains solemn slogans, glittering principles and goals related to the EU not in harmony with above described (academic) papers and debates. For instance, there is no answer what is the relation of European policy to foreign affairs strategy taking into account the CFSP and ESDP, or what is the major vision of the EU as an international actor. However, labour migration also indirectly appears wrapping into other themes as follows.

- a) *Further enlargement is the key element of openness, moralistic and political liability of the Union.* Hungary "has a specific mission to support the integration of Balkan". It is not clarified whether supporting their migratory movements or only the accession to their markets is meant.
- b) *Illegal migration* appearing on eastern and south-eastern borders of the country involves organised crimes, smuggling, trafficking in human beings, epidemics and supply of terrorism. Combating illegal migration and "providing aims to Balkan states in fight against them" *requires measures at EU level* that "avoid the dividing borders between states". However, the "Schengen external border control, visa policy and good neighbourhood may confront ad interim with possible risks of migration" and this non-separation concept. It is regrettable that a detailed decision has not been declared whether the government can accept further diversity of counter-migration legal instruments, such as to penalise the employers of irregular migrants¹⁵ or it prefers economic, consumers' awareness raising or victim-oriented measures, actions.
- c) *Competitiveness of economy demands higher employment activity, liberalisation in circulation of workers in parallel keeping up with the European social model.* It includes ongoing reforms of social security and evidence of impacts on prosperity of liberalised labour markets in 2004-2006. Ambivalent relation of labour movement to protectionism

¹⁵ On 16 May 2007 the European Commission issued a proposal for a Council Directive providing for sanctions against employers of illegally staying third country nationals COM(2007) 249. See legal dilemmas of impact assessment, proportionality and effectiveness in Carrera, S. – Guild, E. 'An EZ Framework on Sanctions against Employers of Irregular Immigrants' *CEPS Policy Brief*, No.140, Bruxelles, August 2007.

and enlargement also can be detected in unification of ethnic Hungarians under the umbrella of the Union in 2006.

- d) *A European policy on innovation and R+D is urged which includes support of researchers' mobility.* We add that without support at least 30 percent of academics, researchers from ECE countries have left in recent decade.¹⁶ However, the transposition of Council Directive 2005/71/EC does not provide a liberal set of supportive conditions of admitting third-country scientists, neither does the Governmental initiative on innovation policy explain how it means to add value to the Amsterdam Process and European Research Area and to return migration of qualified brains.

Conclusions

After a decade of integration efforts and accession experiences where Hungary had neither foreign/European strategy, nor a comprehensive migration policy based on comprehensive statistics, within some months the Ministry of Foreign Affairs initiated a European (integration) strategic paper. The Government adopted this non-binding, decision which stressed goals and principles in August 2007. The relation of the publicly announced *European policy* paper would be a part of the ongoing foreign affairs strategy process, or a separate parallel instrument in the hands of the governing power. In the first case the adopted document is premature because the whole discussion is (officially) not finished, the available sub-topics are not amalgamated into a comprehensive one, there are some controversies in it and the Ministry of Foreign Affairs has not confirmed or adopted them. It would be a worse scenario if the adopted decision would mean a ready, equivalent instrument with a widely disputed comprehensive foreign affairs strategy. However, a continuous and ambivalent policy can be detected concerning the labour migration in the strategy papers:

- a) *the whole issue of migration and major stream of workers have remained marginal and indirectly outlined.* It means that no analysis have been made on organic contacts of labour migration to modernisation, employment shortages in given periods or regions, as well as

¹⁶ With regard to the effect of the European integration in Hungary, about 6000 Hungarian PhD students and post-doctoral researchers live and work all over the world (primarily in the USA) who, consequently, do not give their knowledge to Hungary and the EU. According to other estimation half of left persons would return to Hungary. It requires specific re-integration supports, scholarships, research teams, grants and post-national approach to third country nationals' admittance. See Illés, S. – Lukács, É. 'Towards Researcher Mobility' *Európai Tükör* (Journal of the Ministry of Foreign Affairs) Special Issue, August, 2007, 139-155.

its mid-term and long-term social, economic and cultural impacts concerning both immigration and emigration. For this reason prior experiences are not used in projections or calculations.

- b) In the previous decades *liberalisation of labour market* in Hungary was covered by the *ethnic migration dilemma* whether the kin-state would or could attract and seduce ethnic minority as labourers leave the homeland of ethnic communities empty. After the eastward enlargement another context has been raised: whether liberalisation of EU15 labour market provides further employment for Hungarian nationals on an *equal footing* giving up transitional measures in reciprocity, our labour regulation ceases to be protectionist but never selective impediments for non-nationals. It takes some years that may assist the government to further postpone genuine decisions how to improve migration and labour statistics, how to change attitudes towards otherness, how to react on wage-pressure and brain drain, how to accomplish the reform of vocational training, labour inspection, work authorisation and tripartite system of the employment of foreign workers. During this time coercive measures and sanctions against illegal migration (and employment) have been developed stigmatising exploited victims of employment.

Summing up, employment, migration and labour migration policy as determined clearly on the basis of its own principles and relevant applicable instruments is within reach but its direction is not yet visible.

