



## JÜRGEN STRUBE

Chairman of the Supervisory Board, BASF AG,  
Ludwigshafen  
President, Union of Industrial and Employers'  
Confederations of Europe (UNICE), Brussels

Ladies and gentlemen,

The heated discussion on the subject of “immigration” in Germany and other Member States frequently leaves out the legal position at the European level and the economic necessities.

The influx of labour from the new Member States to Western Europe since May 1st is covered by the freedom of free movement of persons guaranteed in the EU Treaty, even though many Member States are presently applying restrictions on labour permits for the new EU citizens, in some cases up to 2011. According to the EU Treaty, “immigration” is solely immigration from third countries outside the EU.

To me, the key question is: How can the cross-border mobility of labour within the single market and the immigration of labour from third countries help to achieve the Lisbon target, in other words contribute to the strategy for more growth and employment in Europe?

The EU can only become “the most competitive and dynamic knowledge-based economy in the world“ if Europe attracts and retains the best brains and the most skilled workers in the world. This is why we need

- greater mobility of labour in the single market,
- a managed immigration of qualified manpower from third countries, and
- more flexible labour markets including social security systems giving incentives to take also lower paid jobs and postponing full entitlement for migrants.

Europe cannot sustain any further immigration into its generous social security systems. But highly qual-

ified immigrants scarcely have any integration problems and rarely become a burden on the social exchequers.

Europe has a considerable long-term demand for skilled workers. In Germany alone, a million positions cannot be filled currently – in spite of high unemployment.

The supply of skilled workers will drop by approximately 1.6 million by 2015, whereas the demand for such workers will increase by approximately 2 million during the same period. This means that there will be a deficit of more than 3 million skilled workers in Germany in the next 15 years.

Such a deficit of skilled workers also exists in most of the other EU countries. Furthermore, in comparison to the United States, Europe is not attractive for top researchers. For this reason, many European companies are unable to accept orders, carry out planned investments or initiate innovations. Thus, the shortage of skilled and highly qualified human resources is a genuine “growth brake” on the European economy.

This is why existing mobility barriers for skilled workers within the internal market must be dismantled as soon as possible. Otherwise “the best” from Eastern Europe could decide to go to other growth regions outside Europe.

For immigrants from third countries we need a coherent legal framework at the EU level that is primarily based on economic needs. But EU rules on the admission of “economic migrants” should respect subsidiarity and leave enough room for Member States to develop tailor-made solutions for their specific situation. Immigration communities and national labour markets are different in each Member State.

European business calls for simple, transparent and speedy procedures for the admission of economic migrants. We have to abolish the bureaucratic rules currently applied in nearly all Member States.

Ladies and gentlemen, I am an advocate of the “best practice approach”. There is indeed a sector where Europe is already a successful global competitor for “high potentials”: The market for professional football players. I am constantly amazed how quickly and without any bureaucracy the officials of the national employment administrations issue work permits for football stars from third countries when it is a question of strengthening the local soccer team.

Any football expert will agree that these soccer migrants from Brazil, Nigeria or other regions greatly help the teams of the European Champions League to be world class. However, from the German point of view, there is a sore point: The ball wizards from Brazil have been trained in Europe so well and with such discipline that the Brazilian team was able to beat Germany in the finals of the world championship in 2002.

I do wish that Europe would become just as successful in the “fight for brains” as it is in the “fight for legs” of soccer players. “Brain gain” could help European industry to play a role right at the top of the World Champions League.

Thank you.