

EUSA Conference, Los Angeles, April 23-25 2009

Ulla Partanen
MTT Economic Research
Rural Policy
00410 Helsinki, Finland
ulla.partanen (a) mtt.fi

Dynamics of Migrant Labour in Rural Areas

1 Introduction

Labour migration has long been regarded only as an urban phenomenon, although its economic and social importance for rural areas is growing. There are several reasons for the new migration flow to rural areas: the out-migration and ageing of the rural population have created demand of labour. On the other hand, the native population does not often have the needed motivation to work for lower wages and in harder conditions (Kasimis 2008). In addition, the work in agriculture is changing, which contributes to the dependency of seasonal labour especially in horticulture but also, for example, in forestry and berry-picking. Furthermore, agriculture is not the only activity in the European rural areas. Lack of labour is a fact also in construction, industry, ICT and health sector, which affects the conditions for rural entrepreneurship.

The aim of this paper is to present preliminary results of an ongoing research project, which analyses political measures needed regarding the question of migrant labour in rural areas in Finland. Three different policy sectors, which deal with the questions of labour migration, are distinguished for this purpose: immigration, integration and diversity policies. Immigration policy is concerned with the process of entering a country and its labour market, regarding the needs of both employees and employers. Integration policy is more related to improving the capacities of newcomers to settle in the host society. Diversity policy deals with integrating the host society to the changed ethnic and cultural realities. In addition to these, the phenomenon is also affected by other policy fields such as agricultural, rural and labour policies.

Crucial questions of the research project are the importance of migrant labour on the rural labour market at the moment and in the future, as well as the political challenges, which are connected to the migrant labour force. The main research question is how this development can be governed in an economically, socially and culturally sustainable way. The first results of the project are based on previous research, policy programmes and statistics of migration. A vast statistical data concerning migrant labour in different kind of farms in Finland will be collected and analysed at a later stage of the project. The research process will be continued by analysing the existing political and administrative measures, and by making interviews with different stakeholders in order to inquire the administrative and policy challenges, which are connected to labour migration in rural areas, and have to be met in the future.

A theoretical framework for understanding the phenomenon and its effects is to speak in terms of transition of administrative culture. According to Heusala (2005) the changes in administrative elements in the transitional process can be looked through three themes: political ideology of an administrative change, state building and transformed culture of the administration. The basis of cultural changes is a political ideology of administrative change, which includes purposes. Purposes

tell about the vision of good government and about the type of changes, which are needed to reach it. An ideology of administrative change involves presumptions about the economic basis, authority, information and language, leadership, personnel and external relations. Purposes are carried into state building in which there are changes in rules and resources. State building concerns organizations, laws and economy, and their structural changes represent ethical choice. A new culture is formed in the social system of the organisation, which is to be seen in the changes in different cultural elements, and in the level of institutionalisation of different administrative elements (Heusala 2005, 28-29).

The transition of administration culture is especially adaptable to countries like Finland, which have gone through a rapid change from relatively closed and culturally homogenous sending countries to more culturally heterogeneous receiving countries in terms of migration. It helps to understand the processes of change and adjustment, and thereby to explicate the weak points of the administration concerning the phenomenon of migrant labour. Both the policy dimension and institutional organisation are important in studying the political dimension of the phenomenon.

2 Demographic trends in Europe

In order to meet the demographic challenges the European Commission presented five key areas of opportunities for constructive policy responses in October 2006:

- a) Promoting demographic renewal in Europe
- b) Promoting employment in Europe: more jobs and longer working lives of better quality
- c) A more productive and dynamic Europe
- d) Receiving and integrating migrants in Europe
- e) Sustainable public finances to guarantee adequate social protection and equity between the generations

The Member States are mainly responsible for these five areas, but there is also a strong EU dimension. The EU provides a common European framework for these challenges by the Lisbon Strategy for growth and jobs. Although international migration may help to solve future labour market shortages, its impact on population ageing is likely to be small. According to the United Nations, to halt or let alone reverse population ageing, massive flows of young migrants would be required. Immigration cannot prevent ageing but it can realistically contribute to alleviating labour market bottlenecks (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007). According to a Finnish study, immigration is nevertheless often claimed to have a positive effect on the problems of population ageing in the public discourse (Heikkilä & Pikkarainen 2008, 131). The internal mobility of workers within the European Union will certainly not change demographic trends for the EU as a whole, but it opens up better opportunities for higher rates of participation and employment (Literature Study on Migrant Workers 2006). This is particularly true, if the immigrants are younger than the natives in the receiving countries on an average, which has been the case in some parts of the European Union, such as in Finland, Southern Europe and in the UK. Approximately 75% of migrants are of working age in Finland (Kohonen 2007, 8).

In Finland, both the birth-rate and life expectancy are very close to the EU average, which is estimated to continue in the future. Among the immigrants the birth-rate is even higher. The elderly dependence ratio is also close to the EU average. The number of elderly people will nevertheless continue to grow in the future, whereas the number of children declines. The employment ratio

among the elderly population is relatively high. For the meantime, Finland does not have much public debt, but the ageing of the population and the economic downturn are likely to encumber the public finances in the future. This development is estimated to be faster than in the EU on an average. The employment rate may grow, if foreign citizens and minorities get a better access to labour markets and education. The need for labour force will annually be around 10 000 persons as between the years 2000-2015 approximately one million people will retire from working life in Finland (Heikkilä & Pikkarainen 2008).

In general, the need for migrant labour force in the European rural areas is based on the same changes in demographic structure as in more urban areas. The impact of ageing and population decline can already be observed at the regional level. Demographic ageing is especially evident in the predominantly rural regions of some Member States, notably Portugal, Spain, Greece, Italy, Germany and France. Moreover, in Germany, the Nordic and the Baltic countries and in Southern Europe, a strong rural-urban migration of females results in a high degree of masculinisation of the rural population (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007). European rural regions are not homogenous, but there are still some demographic patterns, which can be shown. First point is the age structure. It seems that there is a big difference between Southern Europe and Northern Europe. The Southern Member States of the European Union are experiencing greatest demographic ageing in their rural regions and higher dependency ratios than the North. Second point is that in terms of gender, the sparsely populated Nordic regions and the less developed regions of Southern Europe and the new Member States are facing the out-migration of younger women. Some of these flows have been halted by two independent developments: counter-urbanisation and international migration to rural areas (Kasimis 2008). Counter-urbanisation is especially relevant to the rural areas, which are located nearby urban areas. These areas have allured more inhabitants, and as a result more workplaces (Gareth 1998).

Many EU regions have been experiencing a negative natural population change since the beginning of the decade in Central Eastern Europe. In some regions, a negative natural change has been offset by a positive net migration in Western, Southern and Central Europe. In the north of Poland, a positive natural change has been offset by a negative net migration. The importance of regional and local public authorities as policy initiators and service providers is thus increasing (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007). In Finland the regional differences are significant as well. The population and jobs are strongly concentrated in South and South-West Finland. The Åland Islands and North-East Finland will have the most difficult situation in compensating the retiring population with their own labour force (Heikkilä & Pikkarainen 2008).

3 Migration in the European Union

The migration flow to the European Union has been growing during the last years. Net migration to the EU reached a peak of almost 2 million between the years 2003 and 2004. However, two thirds of this flow are to be explained by the fact that Italy and Spain regularised a large number of illegal migrants during those years. If immigration was maintained at this very high level, the working age population in the European Union would continue to grow until around 2030. Approximately 3.7% of the EU-27 population are non-EU nationals (5.1% in EU-15). The United Nations has estimated that there were approximately 40 million immigrants in the European Union in the year 2005, which makes up 8.8% of the total population (Europe's Demographic Future: Facts and Figures on Challenges and opportunities 2007).

Migrant inflows vary across Member States. The countries bordering to the Mediterranean receive greater influxes of migrants in absolute terms than other areas of the European Union. Illegal migration has been a great concern in the area (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007). The European Agency for Safety and Health at work has estimated that the number of illegal immigrants in EU-25 was from 6 to 8 million persons. The phenomenon is common in Southern Europe and rare in the North. In 2004 there were approximately 25 million, 5.5%, non-EU nationals living in the European Union. Most of them were in Germany, France, Spain, the UK and Italy. In the majority of the EU Member States, the share of non-EU nationals was from 2 to 8% (Literature Study on Migrant Workers 2006).

The EU enlargement has increased labour migration within the European Union from the new Member States particularly towards the UK and Ireland. The UK, Ireland and Sweden allowed a free movement to EU-10 nationals immediately after they joined the European Union. The full potential of intra-EU mobility is not yet harnessed, as transitional arrangements still restrict the mobility of the citizens from the new EU Member States (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007). Finland, Portugal and Spain abolished restrictions concerning labour migration from the EU-10 nationals in May 2006. At the moment, most of the EU Member States are in a transitional period, which limits the free movement of the new EU citizens. From 2011 these restrictions are to be abolished (Literature Study on Migrant Workers 2006). About 1.5% of the EU-25 citizens lived and worked in a different Member State from their country of origin in 2006. The number has not changed in the past 30 years, but the dynamics of the migration have. For example, in the 1960s Spanish people went to work in Germany, France and Belgium, but nowadays Polish and Czech citizens migrate to Spain (Literature Study on Migrant Workers 2006).

After the EU enlargement in May 2004, also the Nordic countries have received a lot of workforce from the new Member States. The Nordic countries have experienced labour mobility especially from the Baltic countries and Poland. The Nordic countries have combined granted 150 000 first time work permits and renewed more than 75 000 permits to citizens of the new Member States. There are national differences in the proportions of granted permits. The differences do not correlate strongly with the transitional arrangements of the Nordic countries: Norway and Iceland, and to some extent Denmark have seen a significant increase in work permits, although they did not allow a free migration from the new Member States in the beginning. Sweden did not have any restrictions for workforce from the new EU Member States, Finland and Iceland abolished the restrictions in 2006, and Norway and Denmark will abolish them in 2009 (Doelvik & Eldring Line 2008).

Finland had been a country of out-migration until the early 1990s. The turn occurred when Somali asylum seekers and migrants from the collapsed Soviet Union, including ingrain re-migrants, immigrated to Finland. Nowadays most of the immigrants come from Russia, Estonia, Sweden, former Yugoslavia and Iraq. A Finnish survey among Russian, Estonian, Somali and Vietnamese immigrants shows that the Estonian immigrants have a similar employment ratio than that of the Finns. The Somali have the highest unemployment ratio (Literature Study on Migrant Workers 2006).

The Finnish government adopted a new migration policy programme in October 2006. It aims to promote labour migration and thus compensate shortage in the supply of labour on the national labour market (Hallituksen maahanmuuttopoliittinen ohjelma. 2006). The amount of immigrants in Finland in 2006 was 121 793 persons, which makes up 2.3% of the total population of 5.3 million and 1.6% of the workforce (the latter number from 2000). Labour migration makes up 5 to 10% of

the total immigration. Regional differences in immigration are great in Finland, and the competition for labour is unequal. Most of the immigrants live in cities, in western and southern coastal areas or near the Russian border in East Finland. High-skilled, Western migrants have the best employment opportunities. In the future, the economic growth and depopulation of the sending countries will affect the phenomenon also in Finland. Most of the immigrants in Finland originate from neighbouring areas, but if the gap in living standards narrows, the flow of immigrants will decline. It is estimated that temporary migration and short term employment will become more common (Heikkilä & Pikkarainen 2008).

4 The consequences of labour migration

The labour migration has its consequences both in sending and receiving countries. According to a Nordic study, in the receiving countries the migrant labour has contributed to economic growth and slower inflation and removed labour market bottlenecks. On the other hand, migration has strengthened division lines in parts of the labour market and contributed to the growth of low-wage jobs. The feared social tourism has not come true, although Norwegian figures show increasing numbers of migrants using welfare benefits. The receiving countries have also experienced low-wage competition and circumvention of regulations. The problems of subcontractors and manpower suppliers or temporary work agencies are a common challenge for the Nordic countries and the European Union. Another challenge is the formulation of agreements for registration or declaration of posted labour in accordance with EU regulations in a form, which ensures efficient control. The EU regulations for free movement impose strict limitations on the measures, which can be used. Furthermore, the regulation and control purposes are often politically controversial. The Nordic countries have chosen different strategies to adapt to the new situation. Finland, Iceland and to an increasing extent Norway base their policies on generalisation of collective wage agreements and stricter control. Denmark and Sweden, for their part, rely on trade unions and their ability to boycott and to use industrial action to ensure that the collective agreements are extended to foreign workers and enterprises (Doelvik & Eldring Line 2008).

The consequences of out-migration have been predominantly negative in the sending countries. There has been shortage in the supply of skills and labour in Poland and the Baltic countries, which has become a major obstacle to continue economic development and growth. The out-migration and shortage in skilled labour may cause more restricted economic policies, labour market barriers, inflation and increased wage growth, which slows down the economic growth in these countries. In the long run this may even weaken the harmonisation of living standards within the EU (Doelvik & Eldring Line 2008).

The migration flows originating from rural areas have various consequences in the sending countries. A great number of migrants emigrating from rural areas leads obviously to an out-flow of labour force. However, the migrants may send significant remittances to their native rural areas, which means a positive economic inflow to the sending area (Knerr 2006). In 2004 the remittances were estimated to be 126 billion US dollars on a global scale. In addition to migrants' earnings, they can make investments in the home countries, use their skills and contribute to local growth. According to Brox (2006), in practice the positive effects have not been as significant as in theory (Brox 2006). International out-migration occurs mostly from structurally weak areas. Often high-skilled labour moves out as unskilled labour comes to the area (Knerr 2006).

According to Kasimis (2008) evidence suggests that the majority of migrant workers from the 2004 EU enlargement have found employment in rural areas instead of in the traditional migration

centres, that is to say in cities. The rural migration is organised legally and is more seasonal than in urban areas. Rural migrants are concentrated in specific geographical areas where they make up a significant proportion of the overall workforce. They are also employed in specific sectors, such as agriculture, food industry, hospitality and manufacturing. There are some major differences between Northern and Southern Europe in terms of rural migration. The migration flow to the Nordic countries expanded after the EU enlargement in 2004. Until recently it has been mostly legally organised and seasonal including contractual employment in predominantly entrepreneurial agriculture and food processing industry. The salaries have been low and working conditions hard. In the rural regions of Southern Europe, rural migration increased already in the 1980s and 1990s. The migration is predominantly illegal and the sending countries are mainly African and Balkan. Recently, following the EU enlargement in 2007, Romanians and Bulgarians have increased their share in total numbers. The migrant labour is employed seasonally by both entrepreneurial and family farms, but they are alternating often between agriculture, tourism and construction as well as taking care of the elderly (Kasimis 2008).

Before the EU enlargement in 2004, there were 4.5 million seasonal workers in the agricultural sector, out of which 500 000 were non-EU citizens. In most of the EU Member States, except the Nordic countries, the number of seasonal agricultural workers exceeded the number of full-timers (Reanut 2003). There is also evidence that the farm sector serves as an entry gate to the new country and its labour markets, and the immigrants do not stay in the rural areas let alone in the agricultural sector (Knerr 2006). In the Finnish agriculture, the new flow of labour migrants began in the early 2000s when Estonians became interested in working in the country, and short-term contracts with youngsters became more common. After the EU enlargement in 2004, the number of Estonian berry-pickers has diminished, and the seasonal workers within the Finnish agricultural and horticultural sector come nowadays mainly from Russia and other non-EU countries, such as Ukraine and Thailand. As a whole, the median age in the agricultural sector in Finland is high, but the need for labour is estimated to diminish in the future (Heikkilä & Pikkarainen 2007).

The phenomenon of migrant labour in agriculture has raised some critical views among scholars. The production in agriculture is labour intensive, and since local workers are not interested in the sector, labour comes from poorer countries and is often illegal. The illegal labour force has less citizen rights, and the problems of lower wages and poorer accommodation contribute to the unattractiveness of the sector among local workers. Therefore, the work in agriculture can permanently be stigmatised as a migrant job. In this sense, it can be questioned whether migrant labour is solving the shortage of labour or rather enlarging the problem by making the sector even less attractive among the natives, and whether the transfer of cheap labour from poor to rich countries helps to maintain global poverty (Brox 2006).

Regardless of the fact that the income differences between countries are a significant factor in the international migration, studies reveal that out-migration flows from the poorest countries are weaker than from more developed and prosperous countries (Kohonen 2007, 14). Nevertheless, seasonal work within the agriculture is an important source of income for people from relatively poor countries. The economic situation of the home country influences the number of migrant labour. In a Finnish case study the improved living standards in Poland and Estonia diminished the number of migrant workers as much as 70% in a short time. At the same time the increased numbers of Russians and Ukrainians compensated the diminished number of Estonians and Poles (Alijošute 2005).

5 The integration of migrants

It is believed that the European Union needs both high- and low-skilled migrant labour in the future. The main challenge in realising the potential of immigrants is their integration into European societies. The degree of integration of migrant population is often seen as highly problematic in many Member States, and therefore the perspective of a high immigration level raises growing concerns about the future integration of the immigrants. According to Eurobarometer results, on average only 40% of EU citizens feel that immigrants contribute a lot to their country, while 52% do not agree with this statement (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007).

The Member States of the European Union have different degrees of success with labour market and social integration of immigrants. The average educational attainment of immigrants is usually lower than that of the native population. In several countries migrants are often pushed into low-end jobs, regardless of their qualifications. As a result, out-migration countries lose high-skilled workers while in the EU these skills remain untapped. Traditionally about two thirds of the immigrants have been males, but the number of female immigrants is growing. Migrant women face particular problems in the labour market, and the differences in employment rates between natives and non-natives are remarkably large in some countries (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007).

The migrant labour has dual labour markets in the sense that their work either requires high qualifications or is a low-end job (Literature Study on Migrant Workers 2006). The employment ratio of immigrants is lower than on an EU average in Finland. It is estimated that the biggest reason for this are language problems, lack of social networks and difficulties in validating educational qualifications in the new country (Kohonen 2007, 25). Nevertheless according to a Finnish study, the migrants themselves do not usually see the lack of language skills as a great barrier (Literature Study on Migrant Workers 2006). The atmosphere at the workplace and in the surrounding society may sometimes cause problems. Another negative consequence of migration may be social exclusion (Literature Study on Migrant Workers 2006). There have been attempts to form policy responses to these problems in order to integrate immigrants into the society at the regional level. This includes among others, enhancing the immigrants' language skills and knowledge of the labour markets (See f. ex. Miettunen 2006).

In a Finnish study, migrant workers considered their jobs as monotonous and physically hard more often than native Finns. Regardless of that, they were more satisfied with their jobs. In Nordic studies occupational accidents were not more common among migrant workers but studies from other areas do not back this up. There are several explanations why the position of the migrant workers is poor on the labour market. Shortages of local and national labour supply for certain occupations make them migrant jobs as noted above. This is particularly relevant for non-Western migrants who occupy more flexible jobs. Undocumented workforce occupies jobs which require low skills. Poor language skills and poor knowledge of the labour market often worsen the situation. These factors combined, the migrants usually have less efficient strategies than the native workers to find a job (Literature Study on Migrant Workers 2006).

There have been problems with the wages, health and safety conditions, working hours, day or piece rates as well as verbal employment contracts. In many cases there are no contracts and trade unions have been rather powerless in doing anything to improve the situation. Agricultural labour is often hired by a middleman; in the UK alone about 70% of the workers are employed and paid that way. The European social partners GEOPA-COPA (employers) and EFFAT (workers) have tried to

process a framework agreement to regulate maximum working hours and minimum wage (Renaut 2003). According to a North American study, there are cultural, structural, legal, economic and geographical reasons for the worse situation of migrant agricultural workers. These include language problems, low wages, lack of insurances or work permit and health services (Arcury & Quandt 2007, 349-351).

The official statistics concerning migrant labour in agriculture show the number of legal and permanent migration. However, seasonal and illegal work is a common feature of the migrant work within the agricultural sector. This data is not easy to find in statistics regardless of its importance (Literature Study on Migrant Workers 2006). A new phenomenon concerning labour migration, which is difficult to find in statistics, has been the picking of wild berries in North Finland. Berry-pickers from developing countries come to the North in late summer and early autumn with a tourist visa, and are officially not employees of the company they sell their berries to. Wild berry-picking is an everyman's right, and therefore there is no regulation for it concerning the new challenges of globalisation. Sweden changed its regulations in 2006, and since then the berry-pickers have had to pay taxes for the incomes they receive from selling berries. There are still loopholes in the new regulations, and the situation has not improved in practice. In Finland, berry-picking has not been taxable (Valkonen & Rantanen 2006).

6 The future of labour migration

The dynamic population growth in neighbouring areas, especially in Africa, together with Europe's prosperity and political stability will ensure that Europe is an alluring destination for immigrants. Furthermore, globalisation and transnationality, as an example, the connections between Spain and Latin America, contribute to the mobility of potential immigrants (Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007). Migration is a self-reinforcing process to which several factors contribute. Among others, growing migration networks, agencies, learning, information and better knowledge of the labour markets and living conditions in receiving countries, as well as the labour market situation, imbalances, surplus of labour, lower wages and employment opportunities in the sending countries have affected the migration flows (Doelvik & Eldring Line 2008). A high proportion of young adults in the sending country and geographical vicinity to the receiving country are other potential factors influencing migration flows (Kohonen 2007, 14).

The Nordic countries need migrant labour, and there is no lack of job-seekers at the moment. The differences in wages, living conditions and career opportunities together with cumulative network effects and learning processes are likely to increase the flow of migrant workers in the future. However, the development of other countries affects strongly the situation in the Nordic countries, and the competition for attracting labour force will be sharpened when several European countries, including Germany, open their labour markets (Doelvik and Eldring Line 2008). It is estimated that the Finnish agricultural sector might face difficulties in recruiting work force in the future for several reasons. A case study, which researched into the seasonal migrant workers in Finnish agriculture, revealed that in addition to the restrictive Finnish Aliens Act of that time, the high taxation level was regarded as the most negative feature among the employees. There had also been negative attitudes towards foreign workers among the local inhabitants due to cultural differences. In the case study it was stated that it was still far easier for the natives to find employment within the agriculture (Alijošiute 2005).

The Finnish agricultural and forestry sector are believed to decline strongly in the future, the former with 28% and the latter with 20%. Approximately 3% of the employees worked within the agricultural sector in total in the year 1994, and 2% in the year 2003. The proportion of immigrants in agriculture and forestry was 0.6% or 669 persons in the year 2000. It is assumed that the number will be 2.2% in the year 2015. Agriculture employed 1.9% of immigrants and is estimated to employ 2.3% of immigrants in Finland in the year 2015 (Heikkilä & Pikkarainen 2008). The shortage of labour within the agricultural sector might worsen, however, for several different reasons. The agricultural sector has low salaries, but the standard of living and its costs are getting higher. There is a demand for young workers in other sectors as well. The Finnish labour policy has its limitations; for example it is not beneficial for unemployed persons to take a seasonal work, because it will cut back welfare benefits. Furthermore, agricultural work is not appreciated in the society. These factors contribute to the future need for migrant labour within the agriculture (Alijošiuė 2005).

7 Conclusions

There are several reasons why the phenomenon of migrant labour to rural areas is important. The demographic structure in Europe will change in the coming decades. The baby boom cohorts will retire from the labour market, whereas young cohorts entering the labour market are much smaller as a result of low fertility. Furthermore, the average life expectancy and the number of elderly people will increase. The rural areas are also changing due to the 'de-agriculturalisation', that is to say, social and economic diversification of rural areas. Rural areas are no more in the first hand places of production. What happens has more to do with new ways of using space, because of better logistics and technologies to overcome distances. New technologies and labour mobility affect strongly the work done and living in rural areas. In-migrants to rural areas will be increasingly multicultural. In addition, the work within the agricultural sector is labour intensive and there is a significant need for seasonal workers.

The demographic change in Europe is high on the policy agenda both at the EU and the national level: the needs of an increasing number of elderly people have to be met. There have already been policy responses promoting demographic renewal and employment as well as a more productive and dynamic Europe, which includes receiving and integrating migrants and securing sustainable public finances. However, rural areas have long been seen only as the sending region, and therefore policy arrangements, if any, are designed for the urban setting. The special character of migrant workers in rural areas, and particularly within the agricultural sector, is weakly elaborated in policies. The rural applications of the existing and future policies are needed both at the European and the Member States' level and especially at the regional level, in order to meet the future challenges. In addition, the European Union is a major tool for rural development, but the common agricultural policy is under pressure in terms of its budget share and contribution to the EU, its economic and social cohesion and competitiveness. At the moment policy measures are directed to agricultural products and there are hardly any tools to cope with the human dimension of rural development (See f. ex. Niemi & Ahlstedt (eds.) 2009).

Lately several European countries have tightened their migration policies and are planning new restrictions concerning labour migration, because of the recent economic recession and growing unemployment. However, Finland is not one of those countries, although the unemployment rates are growing also in Northern Europe. Researchers and politicians have believed in shortage of labour in the long term and been convinced of the need to gain more migrant labour to the country in the future. Finland has aimed to adjust its policies on immigration to the current needs. At the

local level, strategies for integration and diversity are being formed, but the system is still in the stage of transformation. Therefore, it is important to analyse the processes of change and adjustment, and to explicate the challenges of the administration concerning the phenomenon of migrant labour.

Regardless of the importance of the phenomenon, both public debate and research on labour migration to the rural areas are mainly lacking. New information about the issue is needed in order to add rural applications to integration and diversity policies and to formulate active labour policies for rural areas, that is to say, tools to cope with migrants in different rural areas and to integrate them to rural communities. The question is how to cope with the increasing cultural and ethnic diversity and with the conflicts on both sides in a constructive manner, and how to govern the development in a sustainable way. At the moment migrant labour is seen as a solution to mainly economic problems, but the most crucial and permanent impacts in the society will most likely be cultural.

8 References

Alijošiute, I. 2005. Majority and Seasonal Labourers in the Agricultural Sector. Case Study of Sauvo, Finland. University of Turku.

Arcury, T. A. & Quandt, S. A. 2007. Delivery of Health Services to Migrant and Seasonal Farmworkers. *Annu. Rev. Public Health.* 28, 345-363. University of Iowa.

Brox, O. 2006. *The Political Economy of Rural Development: Modernization without Centralization?* University of Chicago.

Doelvik, J. E. & Eldring Line, F. 2008. Arbeidsmobilitet fra de nye EU-landene til Norden – utviklingstrekk og konsekvenser. *TemaNord*:502.

Europe's Demographic Future: Facts and Figures on Challenges and Opportunities. 2007. European Commission.

Gareth, L. 1998. Rural Migration and Demographic Change. In: Brian Ilbery (ed.): *The Geography of Rural Change*. Prentice Hall.

Hallituksen maahanmuuttopoliittinen ohjelma. 2006. Työhallinnon julkaisu.

Heikkilä, E. & Pikkarainen, M. 2008. Väestön ja työvoiman kansainvälistyminen nyt ja tulevaisuudessa. Siirtolaisuusinstituutti Turku.

Heusala, A.-L. 2005. *The Transitions of Local Administration Culture in Russia*. Kikumora Publications. Helsinki.

Kasimis, C. 2008. Demographic changes and the multifunctional role of migrant labour in rural Europe. *Reviewing Rural Developments in Europe*. University of Helsinki 22-23 May 2008.

Knerr, B. (Hrsg.). 2006. *Vorweggenommene Erweiterungen: Wanderungsbewegungen aus Grenzgebieten in die EU*. University of Kassel.

Kohonen, A. 2007. Työperäinen maahanmuutto Euroopan unionissa. Suomen Pankki. Rahapolitiikka- ja tutkimusosasto. BoF Online. No. 13.

Literature Study on Migrant Workers. 2006. European Agency for Safety and Health at Work. European Risk Observatory.

Miettunen, S. 2006. Itä-Suomi aktiivisen maahanmuuttopolitiikan pilottialueeksi. Taustaselvitys. Etelä-Savon TE-keskus.

Niemi, J. & Ahlstedt, J. (eds.). 2009. Suomen maatalous ja maaseutuelinkeinot 2009. Maa- ja elintarviketalouden tutkimuskeskus. Agrifood Research Finland. Economic Research. Publications 109.

Renaut, A. 2003. Migrants in European Agriculture – the new mercenaries. Decent work in agriculture. Labour Education 2-3. No. 131-132.

Valkonen, J. & Rantanen, P. 2006. The Question of Seasonal migration and the Practice of Wild Berry Picking in Lapland. In: Östen Wahlbeck (red.): Ny Migration och Etniciteten i Norden 23. sociologkongressen i Åbo 18-20 augusti 2006.