


THE IMPACT OF IMMIGRATION POLICIES ON FRENCH FIRMS

A STUDY OF THE CENTER FOR
MIGRATIONS AND CITIZENSHIP

Summary note and recommendations

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This text was written by Emma Broughton and Matthieu Tardis. It is based on the results of fieldwork carried out by Emma Broughton from September 2013 to December 2014 in four French firms. It sums up the research carried out as part of the « Employers and Migration » research programme of the Ifri, coordinated by Emma Broughton and Dorothee Prud'homme with the participation of Danièle Joly and under the direction of Christophe Bertossi, from 2011 to 2014.

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Introduction

Since the 1970's, French immigration policies have targeted migrant workers. The first action taken to control migration flows concerned this category of migrants: in 1974, amidst an acute economic crisis, all labour migration programmes were stopped in France. Thus were immigration and unemployment linked. At the beginning of the 2000's, political orientations began to change. The notion of selective immigration ("immigration choisie") was coined to describe a policy geared towards attracting migrants as a way of responding to labour market needs. This expression fell into disuse after the presidential election of 2012, but the objective of an immigration policy concerned with the "attractiveness of our country", along with the "fight against illegal immigration¹", was retained.

While this policy aims to respond to the needs of economic actors, in the context of a globalised and competitive economy, French firms have been only marginally involved and consulted in its definition and implementation. Likewise, the consequences that immigration policies could have on firms have not been considered. How does the recruitment of foreign workers take place in French firms? What impact do immigration policies, i.e. the rules determining the conditions of entry and stay of foreigners in France, have on HR and recruitment processes in firms? On their economic objectives?

The Center for Migrations and Citizenship of the French institute for international relations (Ifri) initiated a research programmes on these issues in 2011. The research carried out so far suggests the following conclusions:

- Administrative procedures to recruit a foreign worker are not adapted to the way firms function. They obstruct recruitment processes at all stages.
- Administrative and business logics clash when it comes to the reception of foreign workers.
- Firms play a central role in the socio-economic integration of foreign workers.

1. Speech given by Manuel Valls during the senatorial debate on the immigration of foreign students and workers (24th of April 2013). www.senat.fr/cra/s20130424/s20130424_9.html.

The Inadaptability of Administrative Procedures

A recruitment process is a response to an economic need: replacement of an employee, development of a specific market, general increase in the workforce, etc. Having the right skills at the right moment can make all the difference in a competitive economic environment.

In certain sectors of the economy, and for certain companies, recruitment needs can concern a specific nationality, in the case of a project with a foreign partner requiring specific language skills, for example, or simply when the most competent candidate is a foreigner. In practise, this type of recruitment is more complex than the recruitment of a French candidate or of a foreign candidate with a work permit.

- Administrative procedures are complex for individuals who are not familiar with immigration law and information on these procedures is difficult to access.
- These procedures are time consuming, first because they require extra actions from those employees in charge of the recruitment process (information collection, verification of identity documents, creation of a candidate file etc.) Second, the processing time of the candidate file by administrative authorities takes a minimum of two months, with some extreme cases lasting years, when only a few weeks are needed for a French worker or a foreign worker with a work permit. The duration of the processing time cannot be known in advance.
- The outcome of a recruitment procedure, when it concerns a foreign worker, cannot be anticipated: the decision to authorise such recruitment rests with officers in the different prefectures and, to a lesser extent, Direccte (Regional Directorate for Companies, Competition, Consumption, Work and Employment). The recruiters that were interviewed during our research argue such decisions vary widely and are not based on any objective criteria.
- The administrative situation of a foreign worker can create problems in the company even after he or she has been recruited. Foreign workers are required to renew their residence permit regularly (once a year in most cases). This forces them to frequently take days off work to go to the prefecture. In some cases, when the renewal of a residence permit is postponed or refused by the French administration, the company has to interrupt the employee's work contract.

All these difficulties are aggravated by the fact that they cannot be anticipated and streamlined in the companies' internal procedures, which would reduce their negative impacts. The rules

framing the entry and stay of foreign workers change frequently and a number of parameters cannot be foreseen, such as processing time and outcome of the procedure.

In this context, the recruitment objectives of companies cannot be attained or, when they are, only suboptimally, when foreign workers are concerned. Teams are not always in a position to recruit the needed skills within an adequate time frame. The “recruiters” that were interviewed all underline the negative impact of an inefficient recruitment process on the economic performance of a company. These procedural difficulties therefore affect the development potential of companies.

Administrative vs. Business Logics

Beyond the operational aspect of recruitment processes, immigration policies can have an impact on the ability of “recruiters” to do their jobs as they think they should be done.

A majority of employees, when talking about the recruitment process, maintain its social dimension as being on par with its economic dimension: recruitment is about responding to the company’s economic needs, but it is also about putting an individual to work in a country suffering from massive unemployment. This is particularly relevant if the individual has specific difficulties entering the labour market. Moreover, recruitment must be free of discrimination.

- However, where foreign workers are concerned, the social role of “recruiters” is often impeded. Recruitment processes can be stopped at any time by administrative authorities. Furthermore, “recruiters” feel that certain aspects of the recruitment process for foreign workers are discriminatory, such as the obligation of justifying, as part of the candidate file submitted to the prefecture, why a foreign worker is preferred to a French worker/foreign worker with a work permit.

“Recruiters” also have to control the administrative status of their foreign workers. To prevent any accusations of concealed employment, a “recruiter” has to check that a foreign worker has all the necessary permits to reside and work in France. Criminal sanctions apply when these obligations are not complied with.

- According to interviewed “recruiters”, these actions are outside of their role, which they define as the identification and capture of skills, as well as offering work and social inclusion to people through employment. Checking the residence permit of a candidate or an employee can lead to the discovery of an irregularity in the candidate’s administrative status, which can in turn cause this candidate to lose his employment and, in certain cases, be deported from France.

- These new responsibilities can affect the employer/employee relationship typically based on exchange and trust rather than control. The “recruiter” can feel ill at ease when he or she has to control the identity documents of a candidate or an employee, and a foreign worker can lose confidence in his employers/future employers when scrutinised.

The obligations “recruiters” have to abide by when recruiting a foreign worker can clash with what they themselves consider as their role, their responsibilities and the nature of their relationship with candidates/employees. More broadly, these tensions illustrate the difference in the way in which companies and administrations perceive foreign workers: as a talent to attract and nurture on the one hand, versus an individual whose trajectory in France must be controlled on the other.

The administrative and legislative specificities pertaining to the recruitment of a foreign worker therefore have an impact on all the dimensions of the recruitment process in all firms. These specificities prevent “recruiters” from making optimal recruitment choices, which in turn affects their ability to achieve their economic objectives. They also have an impact, more broadly, on the ability of “recruiters” to do their job as they feel they should be doing it. Immigration policies are based on a perception of the foreign worker as a potential threat, in social, economic or criminal terms, whose trajectory in France must be controlled. This approach clashes with the way “recruiters” perceive their role within a company: being the identification and capture of needed skills and the employment of individuals, regardless of nationality.

Are Companies Agents in the Implementation of French Immigration Policy?

If companies inherit a number of control responsibilities from administrative authorities, they also play a key role in supporting foreign workers in their socio-economic integration.

- Foreign workers differ from other employees in that their professional trajectory tends to be more erratic, due in part to the administrative procedures they have to follow. “Recruiters” attempt to reduce such difficulties by accompanying their employees in their social integration. Having a job is a gateway for foreign workers, who, once employed, have access to social security, affordable housing schemes, training and a professional network.
- From an administrative point of view, “recruiters” accompany their employees through the formalities of obtaining the necessary permits: the firm lawyer can help a foreign worker with the completion of his application file and can accompany him during his appointments at the prefecture; private corporate contacts can be asked for help when an application

procedure is not successful; and, in some cases, employers will sponsor undocumented workers in their application for residence and/or work permits.

Such actions are perceived by “recruiters” as integral parts of the employer/employee relationship. The degree to which “recruiters” will perform these duties varies according to the different companies studied, but in all of them the recruited worker is perceived as part of a team. As such, the company will support him throughout these procedures.

The study of the interaction of immigration policies with recruitment processes in French firms raises the question of the place and role these companies hold within the immigration policy framework. The role played by companies in the control of foreign populations – from an administrative and police point of view – is clear, as well as the central role played by companies in the socio-economic integration of these workers. These two lines of action form the backbone of French immigration policy since the beginning of the 2000’s. Companies thus appear to be full-fledged agents in the implementation of migration policies, even though this role is not recognised by the State.

Recommendations

The research carried out as part of the program of the Center for Migrations and Citizenship at Ifri highlighted the impact of immigration policies on the recruitment of foreigners in French firms. Despite an objective of “chosen immigration”, policies have not enabled companies to achieve their recruitment objectives. The administrative constraints associated with the control of migration flows clash with the business logic in companies and are, in most cases, ill-fitted to their functioning. These measures appear to have been adopted with no consideration for the context within which companies operate. In this sense, the policies as they have been formulated and implemented prevent French society from reaping all the positive effects of immigration. Recruitment procedures could easily be improved however, by offering companies channels to express themselves on these issues – that is, by giving companies a role that corresponds to their inputs and involvement.

The objective of the bill, presented to the Council of Ministers in July 2014, on the rights of foreigners in France, is to make more visible the mechanisms put in place to attract skilled foreigners and simplify procedures, through two main initiatives: the “passeport talents” and a multi-annual residence permit. The debates that will be held in 2015 on these issues are an opportunity to make the voices of companies heard.

Adapting Policies on the Recruitment of Foreign Workers to Recruitment Procedures in Companies

Improve Access to Clear Information for Companies

One of the main problems encountered by “recruiters” when planning the recruitment of a foreign worker is the lack of clear information on administrative procedures. This information is hard to access and hard to understand.

- The different ministries concerned by this issue, primarily Home Affairs and Labour, should ensure that all information concerning the recruitment and employment of foreign workers be accessible to companies. The Ministry of Home Affairs and the French office of Immigration and Integration (Ofii) have created a number of information tools, including a

website dedicated to labour migration², but these tools are often unknown by companies, and the information they provide does not respond to the needs of employers on the ground. Such tools should be complemented by the publication and dissemination of how-to guides adapted to the diversity of recruitment cases, as well as the designation, within each regional office of the Direccte, of a reference point for companies on the issue of the recruitment.

- Companies are not all concerned to the same extent with the recruitment of foreign workers. Furthermore, some firms do not have the capacity to adapt available information to their specific situation, to organise feedback and subsequently to change recruitment procedures. Employer organisations could play a key complementary role in this context, collecting and compiling the practical experiences of different companies and offering them targeted information and tools in return.

Simplified and Predictable Procedures

The amount of time spent on administrative procedures by “recruiters” and foreign workers hinders economic activity in French companies. Such procedures are also highly unpredictable, which has a negative impact on the organisation of the teams in which recruitment takes place and, in certain cases, on the organisation of the company as a whole. If certain aspects of the processing of candidate files by administrative authorities cannot be sped up, or changed, surely improvements can be made.

- The Ministry of Home Affairs must specify, in a public and easily accessible text, the criteria used by administrative authorities to accept or reject a candidate file, and clarify what procedures must be followed to obtain a residence permit issued for employment purposes. The Ministry must also ensure these criteria are applied faithfully and homogeneously throughout the French territory by limiting the leeway and interpretive power of prefectural authorities.
- The simplification of procedures to obtain a work permit must be a prime objective of the Ministry of Home Affairs, particularly in those business sectors that are highly dependent on foreign labour. For these sectors, the computerised management of application files could be favoured, which would simplify and speed up the process within firms through the digitalisation of the candidate file, and would free the worker from frequent trips to the prefecture. Procedures could also be less cumbersome in the case of renewal of residence permits for employment purposes, to

2. See <www.immigration-professionnelle.gouv.fr/>.

avoid breaks in the professional activity of foreign workers. The creation and implementation of a multi-annual residence permit will be a first important step towards simplification for companies, workers and administrative authorities.

- To avoid obstacles in the processing of application files, or to accelerate processing time for urgent cases, mediation mechanisms could be implemented within each prefecture. These would enable companies to respond to any question prefectural agents might have on a specific case or to ask for the speedy processing of an application for a worker responding to an urgent business need.

Towards a Greater Involvement of Companies in the Definition of Immigration Policy

Make Firms Participate in the Evaluation of Labour Market Needs at the Local Level

Since the early 2000's, one of the main objectives of French immigration policy has been to match migration flows with the country's economic needs. The evaluation of these needs is currently undertaken by the Ministry of Home Affairs, through the publication of a list of economic sectors and positions experiencing recruitment shortages, and, to a lesser extent, by the Direccte who give an opinion on specific application files based, amongst other factors, on the employment situation. However, labour market needs change very rapidly and the categories used by administrative actors are often very far removed from the much finer and diverse categories used by economic actors on the ground.

- The evaluation of shortages within a labour market should be based on the recruitment needs expressed by companies, who are closest to the situation on the ground. "Recruiters" could be spared the obligation of justifying the recruitment of a foreign worker rather than a French worker/foreign worker with a work permit. Administrative authorities could focus rather on the verification of the legality of the recruitment process and on working conditions, to avoid concealed employment.

The Participation of Companies in Public Debates on Immigration Policy

Changing the way immigration is presented in public debates, by making positive representations more visible for example, could make immigration policy and the issue of labour immigration less sensitive in public debates, which in turn could encourage companies to voice their opinions on these issues as well as their economic needs. The organisation of an annual debate on immigration was one of candidate François Hollande's propositions in the run-up to the 2012

presidential elections. One such debate was organised in 2013, in which companies did not officially participate, and none occurred in 2014.

- Contrary to what exists in other countries³, there is no formal or regular consultation mechanism in France today set up to collect the opinion and needs of companies with regards to immigration policy. To accurately assess labour market needs in France and determine ways of improving administrative procedures, a consultation framework involving companies should be created. Such a framework should bring together representatives of the business sector and of the Ministry of Home Affairs, as well as representatives from other ministries (Labour, Education), trade unions and NGOs, on an annual basis and when reforms are planned.
- Negative public perceptions of the foreign worker and of the companies that employ them form the basis of restrictive immigration policies, which affect recruitment in French firms. These perceptions do not fit with the views of “recruiters”, for whom foreign workers are a positive factor in performance and competitiveness. Companies, as well as the government, could make such perceptions more visible, by putting forward alternative information and discourse on the impact of foreign workers on French society and economy. Such discourse should also highlight the positive role played by companies in foreign workers’ socio-economic integration.

3. See D. Joly and K. Wadia, « Migration Policy and Irregular Workers in the United Kingdom ». Paris, Ifri, *Notes de l’Ifri*, February 2012, and I. Stürckow, « Undocumented Workers in Spain and the Politics of Regularization », Paris, Ifri, *Notes de l’Ifri* ; May 2012.