



# **Labour market integration of asylum seekers and refugees**

Luxembourg

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European Employment Policy Observatory

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**Summary table on the support available to (a) asylum seekers; (b) refugees; and (c) third country nationals (TCN) in Luxembourg**

|   | <b>Refugees</b>  | <b>Asylum Seekers</b>   | <b>Third Country Nationals</b>   | <b>Recipients of Subsidiary Protection</b> |
|---|--|---|--|--|
| Is the PES involved in the labour market integration of (a) asylum seekers, (b) refugees (c) third country nationals (TCN)?                                     | Yes  | Yes   | Yes  | N/A  |
| Do (a) asylum seekers, (b) refugees and (c) TCN have access to:   | Yes  | No  | Yes  | N/A  |
| <ul style="list-style-type: none"> <li>Hiring subsidies</li> </ul>  | Yes  | No  | Yes  | N/A  |
| <ul style="list-style-type: none"> <li>Start-up (self-employment) support</li> </ul>  | Yes  | No  | Yes  | N/A  |
| <ul style="list-style-type: none"> <li>On-the-job training</li> </ul>   | Yes  | No  | Yes  | N/A  |
| <ul style="list-style-type: none"> <li>Other labour market integration support?</li> </ul>  | Yes  | No  | Yes  | N/A  |
| Is there a systematic mentorship scheme in place for (a) asylum seekers, (b) refugees and (c) TCN?  | Yes  | No  | Yes  | N/A  |
| Are (a) refugees, (b) asylum seekers and (c) TCN eligible to receive unemployment benefits or unemployment assistance?  | Yes  | No  | Yes  | N/A  |
| Are benefits that are generally received by (a) refugees, (b) by asylum seekers (if applicable) and (c) TCN, conditional on job search requirements/activation? | No   | No  | No   | N/A  |
| Does the support provided to (a) asylum seekers, (b) refugees (c) TCN end as soon as they get a job?  | No   | No  | No   | N/A  |
| Please specify which services asylum seekers or refugees have access to that other TCN do not have access to.   | Refugees with a permanent status have access to all social and employment rights stipulated by the | Asylum seekers during procedure have access to services defined by social assistance or offered by NGOs. They have access | With a working permit, TCN benefit from full social and employment rights. | N/A  |

|  |               |  |  |  |
|--|---------------|--|--|--|
|  | Code of Work. | to language classes, to help on diploma registration and professional training, social counselling |  |  |
|--|---------------|--|--|--|

**1 What is the role of PES in integrating (a) (some<sup>1</sup>) asylum seekers<sup>2</sup> and (b) refugees<sup>3</sup>?**

**If the PES is not involved, is there another agency dealing with the labour market integration of migrants?**

**Does the support offered differ according to different factors (e.g. socio-demographic characteristics, family circumstances, host country language skills etc.)?**

**Does the support differ according to the skill level of the target group?**

**Are there specific programmes for these target groups?**

**To what extent do these target groups benefit from measures for broader target groups?**

The issue of asylum seekers and refugees in Luxembourg has been shaped by two significant events. First, two new laws from December 2015 on immigration (international protection and temporary protection)<sup>4</sup> have been enforced, which reduce the length of time period until asylum seekers can work from nine months to six months after seeking asylum in Luxembourg; second, a broader set of data on immigration in 2015<sup>5</sup> has been compiled by the government, which includes an overview of immigrants' characteristics, refusals of demands, and procedural elements currently dealt with by the government.

The main new feature of the law concerns the integration into employment, as refugees are allowed to work in theory after six months of registration. The labour market integration of asylum seekers and refugees thus depends on their status: as soon as they receive the status of a refugee (*'bénéficiaire de protection internationale'*) by the government, refugees are allowed to benefit from the same employment and social rights stipulated by the Code of Work (i.e. unemployment rights or the right to training) as resident or cross-border workers. However, as long as their application procedure lasts, asylum seekers (*'demandeur de protection internationale'*) have only restricted

<sup>1</sup> The reasoning for including (some) is that there is no requirement by the EU that asylum seekers are included in integration policies.

<sup>2</sup> Persons who have applied for international humanitarian protection but have not been granted it yet.

<sup>3</sup> Covers all beneficiaries of international humanitarian protection – both refugees and recipients of subsidiary protection.

<sup>4</sup> Loi du 18 décembre 2015 1. relative à la protection internationale et à la protection temporaire; 2. Modifiant - la loi modifiée du 10 août 1991 sur la profession d'avocat, - la loi modifiée du 29 août 2008 sur la libre circulation des personnes et l'immigration, - la loi du 28 mai 2009 concernant le Centre de rétention; 3. abrogeant la loi modifiée du 5 mai 2006 relative au droit d'asile et à des formes complémentaires de protection. And Loi du 18 décembre 2015 relative à l'accueil des demandeurs de protection internationale et de protection temporaire, et modifiant la loi modifiée du 10 août 1991 sur la profession d'avocat.

<sup>5</sup> <http://download.rtl.lu/2016/02/04/a91e297e88e05c2bb4f761e073a3e959.pdf>

access to the labour market<sup>6</sup> although that they benefit from support provided by the government such as language courses, diploma registration or professional training. Regarding the integration into employment at the procedural level, the research for this ad hoc has highlighted some restrictions (i.e. the internal database check at the PES level) on the employment of asylum seekers. These bear the potential of reducing the number of employable asylum seekers as the focus still remains on the integration of PES-registered jobseekers in times of high unemployment. In terms of data collection by the government, the number of refugees has increased in 2015 from a total of 1 091 in 2014 to 2 447 in 2015. In all, 200 asylum seekers received permanent refugee status in Luxembourg in 2015 (16.1 %). In terms of migration of EU nationals within the EU and based mostly on migration from countries with pre-existing communities in Luxembourg, the Ministry of Foreign Affairs approved 8 278 positive demands, mostly from Portuguese migrants.

In the context of the new law, information on how the PES will integrate the large number of asylum seekers into the employment market has not been disclosed. It has also not been disclosed whether there will be a new procedure, structure or department to tackle the refugee crisis. The PES deals with both asylum seekers who are eligible to work and refugees, while the Luxembourg Reception and Integration Agency (OLAI) is in charge of implementing the reception and integration of asylum seekers who can now work after a period of six months, according to the new legal framework<sup>7</sup>. OLAI also organises support for refugees and participates in a series of initiatives at the local or municipal level.

Furthermore, in terms of the procedure at the PES level and according to the new 2015 law, an asylum seeker can register for a temporary work permit for a position with only one employer (termed as an '*autorisation d'occupation temporaire* AOT') after six months of registration. For this to be acceptable, the asylum seeker should find an employer, and a working proposal by an employer and work contract must be presented to the PES. Alternatively, an employer must first register an open position with a detailed task description at PES. The PES services will then conduct a thorough screening to ensure that the position cannot be filled by a registered jobseeker, by checking if there is a registered and eligible jobseeker in their database (priority given to EU nationals and residents). If, after three weeks, the employer is still interested to recruit the asylum seeker and if no resident jobseeker is identified in the database, the employer can contact the PES and provide a motivation for this choice. This procedure at the PES level is similar to that for third country nationals. A second demand must then be made to the Immigration Office of the Ministry of Foreign Affairs ('*Direction de l'Immigration*') and a third to the OLAI.

However, as the PES has benefitted from a larger reform (launched by law in 2012), new facilities such as the Employers' Department are mobilised in the current context. Nonetheless, it remains uncertain if a large number of asylum seekers are going to enter the employment market via the procedure in place. For refugees with a permanent status and who benefit from full employment and social rights, the question instead arises of whether they can compete with registered jobseekers and if their certificates and competences will be fully acknowledged on the resident employment market.

## **2 How does the support provided to (a) (some) asylum seekers, and (b) refugees compare to other categories of migrants (third country nationals)?**

Support for asylum seekers takes the form of social assistance, the criteria of which are defined by a 2012 grand-ducal legislation<sup>8</sup>. Social assistance does not cover migrants

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<sup>6</sup> The procedure is different for third country nationals, who are required to obtain a work permit.

<sup>7</sup> <http://www.olai.public.lu/en/olai/index.html>

<sup>8</sup> Règlement grand-ducal du 8 juin 2012 fixant les conditions et les modalités d'octroi d'une aide sociale aux demandeurs de protection internationale, Mémorial A, Number 123, 20 of June 2012.

under the 2008 law on the free movement of persons, and it also excludes refugees who have been given permanent status and who can fully benefit from the social and employment rights of the Code of Work. Social assistance includes, for example, accommodation (private, public or hotel), a small monthly allowance in addition to vouchers (i.e. EUR 225 for an adult), health costs, social counselling, public transport, guidance for young asylum seekers, or other help if required. Asylum seekers can also benefit from language classes if they are accredited with the Ministry of Education. For example, when registered at the National Language Institute<sup>9</sup>, asylum seekers can participate in all languages courses at reduced cost and sit international language tests to obtain all levels (A1, B1, C1) according to the Common European Framework of Reference for Languages).

### **3 Do (a) asylum seekers, (b) refugees and (c) other third-country migrants have access to other ALMPs such as:**

- Hiring subsidies,
- Start-up (self-employment) support
- On-the-job training
- Other labour market integration support?

For as long as their application procedure lasts, asylum seekers have no access to ALMPs that are offered to jobseekers registered at the PES. Refugees who benefit from permanent refugee status can fully benefit from ALMPs stipulated by the Code of Work like any other resident or cross-border worker.

### **4 What are the concrete obstacles/challenges faced by (a) asylum seekers and (b) refugees in successfully integrating into the labour market?**

Based on desk research and a small sample of interviews, this research has underlined a series of challenges faced by asylum seekers and refugees alike, although that these must be evaluated carefully due to the lack of data and more in-depth studies. For asylum seekers, in particular, access to the labour market remains restricted, not only because the administrative procedure can be cumbersome, but also because asylum seekers rarely find willing employers during their procedure. In addition, asylum seekers are not necessarily familiar enough with the national employment market to identify potential employers and employers can be hesitant to offer AOT permits, given that the long-term employment relationship with the asylum seeker and the resulting investment are not necessarily guaranteed as long as the status of the asylum seekers remains unclear. If the asylum seeker's application is rejected by the government, he or she would have to quit work immediately after six months. Furthermore, NGOs criticise insufficient staff in the various government agencies, as well as the lack of thorough screening of competences during the procedure.

### **5 Is there a systematic mentorship scheme in place for (a) asylum seekers and (b) refugees integrating into the labour market (and/or society more generally)?**

According to available data, there is no mentorship in place as regards the integration of asylum seekers into employment. The grand-ducal legislation on social assistance stipulates in the first article that asylum seekers should be given the opportunity to seek specific help and social guidance if required. For unemployed refugees with a permanent status, integration into the employment market, as with any other resident or cross-border jobseeker, is coordinated by the PES.

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<sup>9</sup><http://www.insl.lu>

**6 Are (a) refugees and (b) (if applicable) asylum seekers eligible to receive unemployment benefits or unemployment assistance?<sup>10</sup>**

Asylum seekers are not eligible to receive unemployment benefits during the application procedure. Refugees, once their status is confirmed, can fully benefit from unemployment benefits or unemployment assistance, in accordance with the Code of Work.

**7 In what ways are benefits that are generally received by (a) refugees and (b) by asylum seekers (if applicable), conditional on job search requirements/activation?**

Benefits for asylum seekers within the procedure (i.e. allowances and accommodation) are not conditional on job-search requirements but are defined by grand-ducal legislation. In the case of refugees with a permanent status, unemployment benefits apply and are defined by the Code of Work, as with any other resident or cross-border worker in Luxembourg.

**8 Does the support provided to the (a) asylum seekers, (b) refugees and (c) other migrants end as soon as they get a job or does it continue for a while during the first phase of their employment? If yes, what support continues?**

Asylum seekers can benefit from support guaranteed through their right to social assistance, as long as a decision on their status has not yet been taken. For example, while registering for social assistance, asylum seekers receive a list of associations providing help (defined under article 3). If an asylum seeker is in paid activity, material support is recalculated by OLAI; if the asylum seekers lives in asylum accomodation, he or she has to pay a financial contribution towards the cost of accommodation. Asylum seekers can also benefit from support from NGOs such as ASTI (*'Association de soutien des travailleurs immigrés'*<sup>11</sup>) or CLAE (*'Comité de liaison des associations étrangères'*<sup>12</sup>). For refugees with a permanent status, social assistance does not apply anymore, as refugees are allowed to work and earn a living or to benefit from unemployment benefits to cover expenses.

**9 To what extent are social partners systematically involved in (a) labour market integration service provision and/or (b) labour market integration service/policy definition and design?**

In Luxembourg, trade and employers' unions are not involved in the labour market integration or service provision, nor in the design of integration policies although that the refugee crisis in general has been a matter of concern on their agenda. However, the two NGOs, ASTI and CLAE, are involved in this process, and offer services to asylum seekers and refugees.

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<sup>10</sup> As regards unemployment benefits, Directive 2011/98 Art 12 (1) e – obliges MSs to provide equal treatment to all TCNs except asylum seekers and as regards refugees there is also the legal obligation to provide equal treatment under Qualifications Directive 2011/95.

<sup>11</sup><http://www.asti.lu>

<sup>12</sup><http://www.clae.lu/clae>

**10 To what extent is the labour market integration of refugees well-coordinated within the country? Do employment agencies and asylum authorities coordinate?**

The research for this report indicates that coordination between the relevant government agencies has increased, in order to respond more efficiently to the urgency of higher migration levels. In order to tackle the crisis, the government implemented in July 2015 an emergency plan, referred to as the *plan d'urgence d'accueil des demandeurs de protection internationale DPI* and which involves the coordination of various ministerial and civil actors. Further, the cooperation has also been enhanced between relevant government agencies and NGOs, although further efforts are welcomed

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