#### **SUBMISSION NO. 504**

29.02.2012 Anja Burkhardt / Markus Seifert: The history of the German Gastarbeiter – an argument for Australia to keep the door open for her guest workers?

# The history of the German "Gastarbeiter"

# An argument for Australia to keep the door open for her guest workers?

### I. Introduction

Immigration and integration are issues which affect us all, today and in the future. About 7 million foreigners currently live in Germany, and nearly 16 million others have an immigrant background.<sup>1</sup> A lot of them have been attracted to work in Germany, as contract or seasonal workers, IT specialists or academics, nevertheless it all started with the "Gastarbeiteren" (guest workers). This process started over 50 years ago. Since then multiculturalism and immigration politics have been discussed in Germany under various points of views.

This submission, in which you will find facts and figures on the development and legal basis for migration and integration in Germany, is intended to facilitate understanding and knowledge of German immigration history in the hope that it may assist the Australian people in understanding the links between temporary migration regimes and multicultural outcomes. Through providing an insight into the German system, perhaps we can also assist Australia to learn the lessons of Germany's history.

#### II. The origins of the German immigration question

A common belief is that the immigration of Gastarbeitern to Germany started in 1955. This is not entirely true. In the second half of the 19th century Germany's immigration rate was already growing. The source countries in that era were predominantly Poland, Italy, Russia and Switzerland. However the year 1955 has a special meaning for Germany's migration history.

<sup>&</sup>lt;sup>1</sup> http://www.welt.de/politik/deutschland/article9475620/Kein-EU-Land-hat-mehr-Auslaender-als-Deutschland.html

29.02.2012

Dec. 1955:	The first Gastarbeiter Treaty between Italy and Germany was signed.
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- **1956:** The first Gastarbeiter came to Germany officially
- **1960:** Treaty with Spain and Greece
- **1961:** Treaty with Turkey
- **1964:** Treaty with Portugal

Armando Rodrigues the one millionth Gastarbeiter came to Germany

- **1965:** Treaty with Tunisia and Morocco
- **1968:** Treaty with Yugoslavia
- **Nov. 1964:** The first TV programs in Greek, Spanish, Italian and Turkish were broadcast for the benefit of Gastarbeiter communities. Gastarbeiter communities began to form associations to represent their interests and promote understanding with the larger German society.
- **1970:** A balanced public dialogue about the benefits of the Gastarbeiter program began to emerge.
- **1973:** Discontinuation of the Gastarbeiter program which was initially merely suspended, but never renewed. The new policy recognized that Germany's need for Gastarbeiter was limited by the capacity of the social infrastructure to absorb them. A new integration policy came into force to allow reunion for Gastarbeiter families. Until that point it had not been possible for the Gastarbeiter to bring their extended families to Germany.
- 1<sup>st</sup> Jan. 1991: A new Aliens Act came into force which allowed Gastarbeiter to become citizens for the first time. The Act did not make it possible to hold dual citizenship, and the system of different kinds of resident permits was very complicated, which in itself did not facilitate applications for citizenship.<sup>2</sup>
- 7<sup>th</sup> Feb. 1992: After the Maastricht Contract was signed in Germany living European Citizens received EU voting rights.
- 1<sup>st</sup> Jan. 2000: A new Staatsangehoerigkeitsgesetz (STAG) came into force. Since then German law has applied both the jus sanguinis (citizenship by descent), and the jus soli (citizenship by place of birth). Children of foreign parents become entitled to German citizenship as well as through the citizenship of their parents.

<sup>&</sup>lt;sup>2</sup> http://www.deutschlandundeuropa.de/45\_02/Migration.pdf

The terms for this right are that the parents lived in Germany for at least 8 years and that they have secured residence status – "Aufenthaltsrecht". Nevertheless the children have to choose between the two citizenships once they are 23 years old.<sup>3</sup>

2005: A new Zuwanderungsgesetz (Immigration law) came into force. The center-pieces were the integration courses. These courses are 645 hours long, 600 hours of teaching German and 45 hours in which the participants learn the basics of German history and culture.<sup>4</sup>
Immigrants can be bound by § 44a Abs. I Aufenthaltsgesetz (resident permit law) to attend such a course. This applies if the immigrant has no job or does not attend some kind of school and is not able to pass a German test within 2 month. The main purpose is to promote a greater facility for daily life in Germany.<sup>5</sup>

**2006:** The "Charta der Vielfalt" (Charta of diversity) starts.

2009: 560 German businesses signed The "Charta der Vielfalt" More than 1000 businesses signed the "Charta" until 2012 (e.g. Allianz, Siemens AG, Thyssen-Krupp AG, and Volkswagen).<sup>6</sup> With their signature each company commits themselves to support their employees with immigration backgrounds.

As a result of the German history with Gastarbeitern one might conclude that the initial treaty in 1955 gave insufficient attention to the downstream social issues which followed it. A lot of questions and problems were not regulated. Therefore there is still a lot of work to do in Germany to redress multicultural and citizenship issues created by this history.

<sup>&</sup>lt;sup>3</sup> http://www.uni-bielefeld.de/tdrc/ag\_comcad/downloads/workingpaper\_2.pdf

<sup>&</sup>lt;sup>4</sup> http://www.bamf.de/DE/Willkommen/DeutschLernen/Integrationskurse/integrationskurse-node.html

<sup>&</sup>lt;sup>5</sup> http://www.bundesregierung.de/Webs/Breg/DE/Bundesregierung/BeauftragtefuerIntegration/geschich

te/zuwanderungslandDt/\_node.html;jsessionid=9DFB7D5439FA85983FC1208A3D11D668.s2t2 <sup>6</sup> http://www.charta-der-vielfalt.de/de/unterzeichner/unterzeichner-der-charta-der-vielfalt.html

## III. The situation in Germany today

German Chancellor Angela Merkel declared on 16.10.2010 that multiculturalism, or *Multikulti*, as the Germans term it, "has failed totally."<sup>7</sup>

Bundeskanzlerin Merkel has in this case nearly the same opinion as Minister President of Bavaria Horst Seehofer, who has stated that his party is "committed to a dominant German culture and opposed to a multicultural one."<sup>8</sup>

These statements at the end of 2010 have ignited broad and intense public discussion of many aspects of multiculturalism.

The springboard for all this debates is/was the history of the Gastarbeiter. But what went wrong? The idea was that all guest workers would return to their countries of origin when they were no longer needed (many Spanish, Italians and Portuguese did just this). The Germans simply didn't expect to develop a long-term issue. They did not consider how to assimilate these migrants. Germany's federal finance minister, Wolfgang Schäuble said: "We made a mistake in the early 60s when we decided to look for workers, not qualified workers but cheap workers from abroad. Some people of Turkish origin had lived in Germany for decades and did not speak German".<sup>9</sup>

Approximately 7.2 million registered foreigners now reside in Germany. Turks make up the largest group, followed by immigrants from the former Yugoslavia, Italians, Greeks, Poland, and Austrians.

The foreign population is not distributed evenly. More than two-thirds live in the States of North Rhine-Westphalia, Baden-Wuerttemberg, and Bavaria.

<sup>&</sup>lt;sup>7</sup> http://www.welt.de/politik/deutschland/article10360199/Der-Tag-als-Multikulti-fuer-tot-erklaert-wurde.html

<sup>&</sup>lt;sup>8</sup> http://www.spiegel.de/politik/deutschland/0,1518,723532,00.html

<sup>&</sup>lt;sup>9</sup> http://www.guardian.co.uk/world/2011/mar/18/german-finance-minister-guest-workers-row

Foreigners live mainly in urban areas; in 1989 approximately 23 percent of foreign residents lived in just two major cities, Hamburg and Berlin.

Foreigners often live in particular areas of large cities. For example, Kreuzberg in Berlin and Kalk in Cologne both have large Turkish communities.

So the migration problem in Germany is not incomprehensible. For example Turkish people who don't want to be integrated into the German society have no reason to do so. They live in their Turkish community, they have their own Turkish shops with food, newspapers etc and they can watch Turkish TV shows. Their kids move to kindergartens and schools where the proportion of foreigners is over 60 percent.<sup>10</sup> So they don't need to learn German. They don't need to be integrated into the German society, just because they have their own society.

And this may become a vicious circle. Children who grow up in an environment like this are just as hard to integrate as their parents. A lot of kids with a migration backdrop start school without adequate language skills in German, and are therefore not marked for success in mainstream schooling in Germany, leading to poor high school outcomes and low university entrance. In no other developed country are high school outcomes as important for future employment options as they are in Germany.<sup>11</sup>

Unfortunately it is easier for unintegrated children to follow the same career pathways as their parents, although many do overcome this disadvantage. On the part of the German government there have been many measures to achieve integration, including regulatory, encouragement and social engineering, however none of these have proved ultimately effective.

German politicians have different ideas how to change this situation, but perhaps too readily concede defeat. For example they make references a "foreigner attitude" in schools in order to justify an obligatory German course for children with migration background.<sup>12</sup> A common theme is that those who obstruct integration should be punished.

<sup>&</sup>lt;sup>10</sup> www.morgenpost.de/printarchiv/berlin/article319409/Auslaenderanteil\_an\_38\_Berliner\_Schulen\_hoeher\_ als \_80\_Prozent.html

<sup>&</sup>lt;sup>11</sup> http://www.spiegel.de/schulspiegel/0,1518,264911,00.html

<sup>&</sup>lt;sup>12</sup> http://www.welt.de/politik/deutschland/article9400692/Integration-Deutschland-sucht-die-Sueperidee.html

A global child development study, PISA-Study<sup>13</sup> 2000 (since repeated every 3 years<sup>14</sup>) added new explosiveness to the immigration issue. Out of 2 Million Turkish origin children in Germany, one in five will leave school without a school leaving certificate. Only two in five achieve the Certificate of Secondary Education (Hauptschulabschluss, year 9).<sup>15</sup> Only 14 % of Turkish children have access to university.<sup>16</sup>

All in all it is really not incorrect to say Germany has a problem with immigration and integration.

## IV. The immigration situation in Australia – Enquiry Terms of Reference

# 1. <u>The role of multiculturalism in the Federal Government's social inclusion</u> <u>agenda</u>

The Australian view, as we understand it, is that social inclusion is supposed to provide resources and opportunities to those who need it.<sup>17</sup>

The Australian Government has released a new multicultural policy "The People of AUS-TRALIA Australia's Multicultural Policy". Especially Principle 1 and 2 of this policy emphasize on all Australians being included regardless of cultural, religious or any other diversity.<sup>18</sup> This policy is in our view a correct framework for enhancing multiculturalism. However a critical omission is the failure to extend this policy to all visa holders in Australia. Unfortunately there is no difference to Germany here. Every citizen is also included in the German system except the Gastarbeiter. Nobody thought that they would stay forever. Of course many sponsored visa holders have special skills so they may not have the same problems as the Gastarbeiter – who were more generally less qualified – to integrate. Nevertheless only the future can tell us if Australia will succeed.

<sup>&</sup>lt;sup>13</sup> http://www.pisa.oecd.org/document/53/0,3746,en\_32252351\_32235731\_38262901\_1\_1\_1\_1,00.html

<sup>&</sup>lt;sup>14</sup> http://en.wikipedia.org/wiki/Programme\_for\_International\_Student\_Assessment

<sup>&</sup>lt;sup>15</sup> http://www.deutschlandundeuropa.de/45\_02/Migration.pdf

<sup>&</sup>lt;sup>16</sup> http://en.wikipedia.org/wiki/Turks\_in\_Germany

<sup>&</sup>lt;sup>17</sup> http://www.socialinclusion.gov.au/sites/www.socialinclusion.gov.au/files/publications/SIToolKit.pdf

<sup>&</sup>lt;sup>18</sup> http://www.immi.gov.au/media/publications/multicultural/pdf\_doc/people-of-australia-multicultural-policy-booklet.pdf

# 2. <u>The profile of skilled migration to Australia and the extent to which Australia</u> is fully utilising the skills of all migrants

Between 2007-2008 the arriving skilled migrants were manly born in the UK, India, China and South Africa. From 1997-98 to 2007-08, 57% of skilled arrivals were aged 29 years and younger. Australia's immigration program has increasingly been driven by skilled migration, rising from 24,100 skilled visas granted in 1995-96 to 108,540 granted in 2007-08.<sup>19</sup>

"It is estimated that the total fiscal contribution from the 2009-10 Permanent Migration Program (approximately 168 600 migrants) is around \$880 million in the first year after their arrival. This rises to around \$1.2 billion after 10 years."<sup>20</sup>

As this shows Australia is doing well in utilizing the skills of migrants. Especially in relying on skilled migrants to fill the gaps in the labour market. While it is not clear to us what provision is made for their cultural integration, the provision of immediate pathways to permanent residence and citizenship gives clear and manageable indicators of future social need as against haphazard social reactivity to unplanned de facto residence. Of course, those who come on permanent visas may not decide to stay, but that seems easier to cater for than those who come on visas of limited duration and then willfully remain, often in a particularly vulnerable situation.

# 3. <u>The role migration has played and contributes to building Australia's long term</u> <u>productive capacity</u>

An estimated 25.6% of the Australian population was born overseas<sup>21</sup>. Almost half of the population comprises those born overseas and their children.<sup>22</sup> Just by looking at those figures common sense tells us that migration has played a big role for Australia's long term productive capacity.

<sup>&</sup>lt;sup>19</sup> http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/3416.0Main+Features32009

<sup>&</sup>lt;sup>20</sup> http://www.immi.gov.au/media/publications/research/\_pdf/outcomes-contributions-apr11.pdf

<sup>&</sup>lt;sup>21</sup> http://www.immi.gov.au/media/fact-sheets/15population.htm

<sup>&</sup>lt;sup>22</sup> http://focus-migration.hwwi.de/Australien.6363.0.html

By stating some of the key facts of the Australian Government's study "Economic Impacts of Migration and Population Growth" the dimension of the migrants' influence becomes clear. The study revealed that Immigrants work more hours per head of population than the Australian-born population. The reasons are, that there is a higher proportion of the immigrant population being old enough to work and that employed immigrants work slightly longer hours than Australian-born workers.

The immigrants work more hours per head of population even though they have a lower workforce participation rate. Therefore they have a positive contribution to output per capita. A permanent increase in skilled immigration by 50 per cent would increase the supply of labour per capita by 1.2 per cent after 21 years. Also immigrants have relatively high levels of education and they tend to be more concentrated in skilled occupations than the rest of the Australian population.

Applicants in the skilled migration group also include secondary applicants (spouse, children). The secondary applicants do not necessarily have the same skill level as the skilled applicants. However, they still have some skills and highly skilled people are likely to have highly skilled partners and children, so secondary applicants might in fact bring significant skills into Australia. Therefore they also increase the average skill levels in Australia.<sup>23</sup>

An interesting additional dimension to this public data is that we have not been able to discover whether the inclusion of temporary visa holders in labour market data does in fact emphasise that a part of the differential in migrants' contribution to Australian society is constituted by Australia's own Gastarbeiter. If Australia does end up replicating Germany's history in this contentious area, perhaps the value of their contribution should be more closely monitored.

<sup>&</sup>lt;sup>23</sup> http://www.pc.gov.au/\_\_data/assets/pdf\_file/0006/9438/migrationandpopulation.pdf

# V. Should Germany and her history with "Gastarbeiter" be a challenging or encouraging example for Australia?

## 1. What Australia can learn from Germany?

To answer the question if Australia is able to learn from German mistakes it's first necessary to identify the errors.

It was not a mistake that Germany opened their doors for guest workers. Germany was reliant on all those people from Spain, Italy and Turkey for many reasons after the Second World War. A new economic boom came along with the ending of the Second World War. This economic boom has been accurately described as the German "Wirtschaftswunder" (economic miracle). As a result of that production conditions changed. Technological progress demanded a lot of employers making assembly-line work. The urgent need for employees could not be rectified by German employers. There was also a significant outflow from rural areas into the big cities. Therefore an associated problem was that many big factories which had their place of location in rural areas were suddenly facing a shortfall of labour.

So Germany did not make a mistake in opening doors for guest workers, they played a part in the economic boom and postwar reconstruction and then positive growth would not have been as fast as it was. Without these people Germany might not be the economically successful country it is today.

The problems came later. Germany desperately fought against becoming a country of net positive immigration for many years using the fiction that the Gastarbeiter would leave. Policy makers did not conceive that the guest workers had any inclination or potential human right to stay. Therefore there was no program or strategy to integrate these people. Integration was not desired and so not pursued.

What happened was that the companies wanted the immigrants to stay longer. They trained them to do the work and so they put too much money and effort into their skills to let them go after 3 years. So a lot of contracts got extended for another 3 years. Once this happened the

politicians didn't recognize that this will lead to a whole new situation. The Gastarbeiter stayed longer and there should have been integration programs right away.

Australia can learn from Germany that once they start to expand their guest worker program you have to be aware of the fact, that companies prefer experienced good workers and don't want them to leave and start with new inexperienced workers all over again. Of course this might not be the case for fruit pickers, but it can happen in other occupations. Therefore the pressure of companies can increase in order to keep their Gastarbeiter. The economic growth of a country is an important topic in politics and can become a very important matter in elections. So if the Australian government intends to redefine its migration program as a Gastarbeiter program then it should at least keep that fact in their mind.

# 2. <u>Differences between the German "Gastarbeiter" system and the Australian</u> <u>immigration system</u>

There are major differences between the German "Gastarbeiter" system and the Australian immigration system. The main difference is that Australia always has been a country of immigration. Therefore the starting point is totally different. As mentioned before Germany never intended to be and still does not want to be an immigration country. All Gastarbeiter were meant to leave and Australia has hitherto always welcomed her immigrants.

On the other hand it is hard to predict what Australia will do with Gastarbeiter. Having established a norm of temporary entry, they are meant to leave so that the paradigm does not extend to integration planning, however such a paradigm denies the experience of history. Although of the obvious differences it is still a big risk for Australia to move towards a Gastarbeiter model. It seems appropriate to undertake relevant planning now.

At least as an innovative idea for a settlement program regarding new Gastarbeiter the integration should start right away. Or the amount of Gastarbeiter should be limited to identified industries with employers becoming strictly accountable for their return. Anja Burkhardt / Markus Seifert: The history of the German Gastarbeiter – an argument for Australia to keep the door open for her guest workers?

#### 3. Other aspects about guest workers in Australia

As a study for Pacific guest workers shows it is far more expensive creating jobs for "Gastarbeiter" in Australia than creating jobs in their home countries.<sup>24</sup> It is not clear to us why the home countries create no jobs for their people or which economic interests are ultimately served by Pacific guest workers, nevertheless if these workers are to come then planning for their long-term integration should be an element of any relevant program.

In Australia high employment rates have made it easy for students and other part-time workers to obtain urban jobs. Backpackers form now the mainstay of fruit picking in Australia. These are self-selected, generally well-educated youngsters working on exchange visas abroad.<sup>25</sup> Australia has an inflow of 85,000 backpackers annually.<sup>26</sup> Especially as the National Farmers' Federation Labour Shortage Action Plan shows there are pervasive labour shortages in the farm sector.<sup>27</sup> Nevertheless the Action Plan also emphasizes that guest workers are only a short solution to address this problem, because it does not result in long term population growth.<sup>28</sup> It is mentioned that the high turn overs and continual training costs limit the extent to which working holiday visas can represent an effective solution to entry level labour shortage.<sup>29</sup> As mentioned above this problem isn't any different to the guest worker issue.

So by answering this question it becomes clear that Australia probably should not open their doors for guest workers if there is a sufficient domestic labour force. At least Australia should search for long term solutions first and if the Gastarbeiter solution is chosen then it is necessary to plan for all the issues that come with that solution.

<sup>28</sup> As above page 82

<sup>&</sup>lt;sup>24</sup> Helen Hughes and Sue Windybank, 'Papua New Guinea's Choice: A Tale of Two Nations', *Issue Analysis* No 58 (Sydney: The Centre for Independent Studies, 31 May 2005)

<sup>&</sup>lt;sup>25</sup> http://www.cis.org.au/images/stories/policy-monographs/pm-72.pdf

<sup>&</sup>lt;sup>26</sup> OECD, Trends in International Migration 2004 (Paris: OECD, 2004), p 368

<sup>&</sup>lt;sup>27</sup> National Farmers' Federation Labour Shortage Action Plan March 2008

<sup>&</sup>lt;sup>29</sup> As above page 83

## VI. Conclusion

Interview conducted by us with Matt Dogan, an Australian and Turkish citizen, living in Australia for 17 years:

What were your emotions when you came to Australia? Matt: *My first emotion was that Australia was extremely nice. It was relaxed compared to the Turkish lifestyle. It is refreshing that people are helpful.* 

Did you ever have a bad racist experience?

Matt: Yes, my fist year in Australia a police car played with the gas pedal when I passed them with my bicycle. I saw racist treatments to a couple of Indian people. When they were talking an Australian guy screamed at them. Also bag packers and tourist get blamed for a lot of stuff.

How did you become an Australian emotionally?

Matt: When you are waiting for the decision of your file it is painful. After I was a citizen it was easy. Because Australia is so welcoming it was a very natural and rewarding process.

## Do you know areas where people congregate and don't integrate?

Matt: Yes I know a lot of them. Some of them don't want to or are too old. They don't appreciate what Australia did or does for them. They see Australia through a lens of hatred because of their religion. They seem to criticise Australia and that makes no sense, because they could always leave.

The place they grew up didn't teach them what freedom is. What they were taught within their culture is totally different. They have trouble to see the boundaries of Australian freedom. For example they don't respect women. They just have no experience in a democratic environment. I think you can't change that sort of ideology with integration programs.

So it is really easy to integrate if you are willing to do so?

Matt: Yes I think it is totally easy. You can feel like an Australian on the first day. That is the great thing about Australia. If you have any problems you can talk to somebody and they will help you. Even a doctor will help you. He will refer you to a psychologist if you say to him you don't understand the country. It is just about the moment you are willing to integrate.

What do you think about the idea of guest workers?

Matt: If they don't mislead them with any false hopes then it can work. It is a good system because everybody is happy.

Final question – why did you change your name from Ahmet to Matt? Matt: *To integrate better*.