Maren Gag - Coordinator of the Development Partnership - passage gGmbH Hamburg:

Cooperation with Business Companies

We are very pleased to have this opportunity to contribute some of our experience from two funding periods with the EQUAL programme to this discussion. The Hamburg DPs have helped to establish a network linking numerous operating and strategic partners in a very wide range of combinations. All in all, there are 16 sub-projects so far in the two funding periods, involving 2000 refugees with ‘toleration’ status; the DPs have provided counselling, therapy, language courses, and preparation for vocational training and the labour market, and also in-house training in commercial companies. We will focus in our presentation today on “Cooperation with Business Companies”. EQUAL works as an experimental laboratory, and is not afraid of debates and disputes with the policy makers in government and vocational training organisations – that is the model which we have set for our strategy for practice, cooperation and mainstreaming.

Legal restrictions

To understand the special features of our practical situation in Hamburg, it is important to take a look at the restrictions under the law, which hinder the full implementation of the EQUAL community initiative programme in Germany. The key issues are:

1. Legal status: Asylum seekers whose application is rejected are granted the status of ‘toleration’ (Duldung), if they cannot be deported for humanitarian reasons. This ‘toleration’ status is not a right of residence, but simply a temporary suspension of deportation of a foreigner, who cannot leave the country on a voluntary basis. This suspension of deportation is granted in each case for a short period only, and is repeatedly extended. The practical result of this is that the refugee is excluded for many years from training and the labour market.

2. The work permit examination: In theory, access to the labour market is possible after one year, but the principle of subsidiary treatment for work permits means that a work permit is granted only if there is no German or priority foreigner who comes into consideration for the training place or employment in question.

Cooperation in the network

The Hamburg EQUAL network has succeeded in conducting labour market policy experiments in a field where the obstacles are highest due to legal restrictions. It has persuaded business companies to provide additional training places. Proof that these training places are additional makes it possible to eliminate the subsidiarity principle, and to get work permits for EQUAL participants.
All in all, more than 80 Hamburg companies were involved in this programme, providing training for mainly young refugees by in-company placements and in-company training. By the end of 2006, the DP Safe Haven in Hamburg obtained placements for 92 participants, training for 53 participants, and regular employment for 8 participants. Training is part of the “dual training” system, i.e. training is done at two locations – practical training in the company, and theoretical training at the vocational training school. A relatively unbureaucratic process has been achieved by cooperation in the network and active involvement of the Agency for Labour and the Hamburg authorities; this simplifies examination under aliens law and labour law, making use of the scope granted in legislation for the purposes of the project.

The excellent response of many Hamburg companies and the constructive cooperation with representatives of Hamburg authorities show that the network system is an excellent model. The companies have recognised the potentials of the young refugees, and see their high level of motivation and their multi-lingual skills as a benefit for the company. The fact that they get training also gives benefits for the public budgets. But fiscal arguments have so far been neglected. In Germany there have been financial analyses available for many years, showing a positive macro-economic balance, considering the fiscal burdens and the fiscal relief, and also considering improved integration. We have calculated this on the basis of a simple equation, using the example of a project where 15 participants were trained in the restaurant sector in Hamburg.

**Government expenditure**

This shows clearly that integration in the labour market gives substantial savings potentials, because ‘tolerated’ refugees in Germany are entitled to financial benefits which are below the level of social support (in this case 138,024 euros). The training remuneration plus employer’s contributions to social security are paid by the companies. To calculate total costs, we have to deduct the expenditure incurred from attendance at the state vocational training schools (30,128 euros). The fact that participants are at work and in training means that they pay taxes and social security contributions, which increase public revenues. It was not possible to take account of other social costs which could occur in the event of non-integration, e.g. due to increased crime rate, ghettoisation or by reduced functioning of schools as a result of conflicts. It is likewise practically impossible to quantify the social benefit given by increase in cultural diversity.

This win-win situation has so far only been achieved under the conditions of EQUAL. Thus only minorities can benefit from these successes, as long as the exclusion instruments of ‘toleration’ and the ‘subsidiarity principle’ in assessment of applications for work permits are maintained. These principles prevent access.

**What are the main consequences?**

1. Experience with the Development Partnerships shows that they are appropriate as inventor’s workshops to develop and test innovative concepts. They work by swimming against the tide to generate the atmosphere of a “new start” in the institutions. The involvement of a wide range of actors and of the refugee organisations means that they act both as driving forces for political change and as safe havens for the participants.

2. The provisions of the European Directive for improvement of reception conditions leave the member states a great deal of freedom with respect to access to education,
training and the labour market. It is not possible to say at the present time how far these successfully implemented experiments from the EQUAL programme can also lead to establishment of new concepts – that is a matter for German policy makers. The role of EQUAL is of great importance – this is the first time in Germany that the group of ‘tolerated’ refugees has been included in a programme to combat discrimination. Bearing in mind the implementation autonomy of member states, the discussion has to be continued at European level after the end of the EQUAL programme, to ensure further progress in the overall European work for improved integration of refugees. The European discussion is essential to provide inputs to discussions in the member states.

3. Draft legislation for amendment of the Immigration Act has been put before the German Parliament. The amendments provide for granting access of ‘tolerated’ refugees to training and the labour market after they have been here for 4 years, provided that they have no criminal record and that they have a passport. If this amendment is passed, that will give a chance to eliminate the artificial distinction between migrants on the one hand and refugees on the other. That does not automatically mean that refugees will in practice participate in training programmes. The major results of the EQUAL programme in terms of asylum have to be incorporated in the funding systems which are to operate in Germany from 2008 onwards – the network approach for consolidation and dissemination of successfully tested cultures of cooperation and application of teaching concepts related to the life situations of refugees. The Federal Ministry of Labour and Social Affairs has special responsibility in this area.

Sushil Punjani – Trainee in restaurant business – Turnhalle St. Georg Hamburg:

A personal experience
I am 24 years old, and come from Kabul/ Afghanistan. I fled from there with my family to Germany 9 years ago. I had 7 years of schooling in Afghanistan. After arriving in Hamburg, I had one year of preparation class, and then attended the “Realschule” (Junior High School); after two years I obtained my Realschule certificate. Then I attended a “Gymnasium” (Senior High School), and obtained a specialist Abitur certificate. I was 21 years old at the time. For the next two years I applied for training places. I got offers for two training places, but as a ‘tolerated’ refugee I could not get a work permit, so I was not able to start the training. At the beginning of 2006 the Aliens Department threatened to deport me, and sent me to the German Red Cross for counselling on my return. This counselling office is a sub-project in the development partnership. The counsellor was very kind and sent me on to a training project in the development partnership. They found a placement for me in a restaurant. That placement enabled me to show how motivated and committed I am. The General Manager offered me a training place starting on 1 August 2006. That was an additional training place, but despite that the Aliens Department wanted to deport me in June. My deportation was stopped only by means of discussions between my counsellor in the sub-project, the coordination organisation, and the Aliens Department, so that my application was processed. Then they gave me the assurance that I would be able to stay. From then on, I was able to concentrate on my training, without having to fear that I would be deported during the training. For the first time, I had the opportunity to do what I wanted, and to show what I can do. My results at school and at work are good, and everyone is satisfied with me. The only difficult point is that I do not get vocational training support like the young Germans.
Vocational training support is a government top-up to training remuneration, which is a very small amount. Then the “right to stay” was very helpful for me. As I am in training, and have been living in Germany for eight years, I was able to apply for the right to stay. I got my residence permit just shortly before setting off for Malmö, making it possible for me to participate in this event!!!

My plans for the future are firstly to complete my two-year training as an Assistant Cook, and then to continue my training for another year, and to take the exam as a Cook. I would like to open my own restaurant – together with my brothers. My older brother will then cook, my younger brother will work in service, and I can manage the restaurant.

Götz Diederichs – Hotel manager and training supervisor – Junges Hotel Hamburg:

Opportunities for companies

We are already taking the opportunities! We are a 3-star superior hotel with 128 guest rooms, 5 meeting rooms and the corresponding restaurant facilities, located in the Hamburg city centre; our customers are many business travellers, conference participants and tourists from a wide range of countries. As an international hotel, we need international staff. We have about 40 staff in total, and 20% of them are of non-German origin. They include people from Chile, from Armenia and from the Côte d’Ivoire – we have real cultural diversity at the Junges Hotel.

Right from the opening of the hotel in May 2000 we worked out a system in cooperation with various educational providers, the labour office and the City of Hamburg, to provide an opportunity to those who have difficulties finding employment in the primary labour market, such as migrants from Iraq or Afghanistan, and refugees from former Yugoslavia. Some of these employees are still with us today, seven years on.

In winter 2005 we had our first contact with the EQUAL development partnership “A Safe Haven in Hamburg”. Ms. Gül, who was one of those responsible for the project, approached us with the request to give a chance for a young Afghan to get training at the Junges Hotel for qualification as a skilled hotel employee. After a four-week placement in which this young man showed good standards, we were able to sign a training contract with him. Since then, we have maintained close and regular contact with the committed people at EQUAL. We see it as a high-quality strategic partnership – for us as a mid-sized company, it gives previously unused opportunities. We have found that young migrants and refugees are often highly motivated, and many of them show substantially more commitment than the “normal” German trainees.

These people often have “dormant” qualities which are just waiting for an opportunity to show themselves. At the same time, it is extremely important for a profit-making company of our size to get the appropriate support. For example, language training for applicants who do not have sufficient knowledge of German. The best possible command of the language of the host country greatly improves all further chances for refugees and migrants. And it is also desirable for new entrants to get more extensive support than would normally be given at the company. It would be helpful for large municipalities and urban districts to provide support here. Migrants and refugees often have to deal with further burdens and obstacles alongside their training (in company and school) and improvement of their knowledge of German, for example many visits to government offices to deal with formalities, which may be very time consuming.
Why are so many companies hesitant about offering migrants a training place or employment? There are many prejudices in the companies, saying for example “We cannot afford that, because refugees need a lot more attention and help” or they talk about lack of knowledge of German. There is an urgent need to provide information to these companies. I believe this is very much a matter for the trade associations. Unfortunately there are still very rigid structures in many of these associations, and changes and new opportunities to gain members are often very slow. Can government institutions help in this area? It would certainly be desirable! It is only if the companies address the subject of integration of migrants and refugees in the labour market that there will be real opportunities for many foreign citizens. It is important for this subject to be input into the companies on a “top down” basis. Top management has to show staff in the company that opening up to these people can give benefits for everyone.

I see this as a social responsibility of the business community in the course of general globalisation and liberalisation of the world’s markets. To give refugees and migrants long-term help, and thus to facilitate the integration of foreign citizens, it is essential for this subject to be discussed more, and for more information to be provided. The untiring efforts made by EQUAL staff show clearly that informal discussions have made it possible to achieve success in the companies. So my appeal to the business community is: Find out about the possibilities, and above all the opportunities that your company can get by offering migrants or refugees a training place or employment in your company. Talk to your friends in the business community, and discuss the matter in your business associations – you will not only be helping highly talented people from different origins, but also giving your own company a real chance!