



The Performance of Bulgarian Undocumented and

Background

There is a considerable volume of research dealing with the economics of international labour migration (for useful reviews see Straubhaar, 1988; Stark, 1991; Borjas, 1994; van den Broek, 1996, and Djajic, 2001) but almost all of it refers to legal migration. Economic research into undocumented migration is much more limited and mainly of a theoretical nature. High quality empirical evidence is still restricted to the US labour market, with first empirical results coming from surveys of undocumented aliens, mostly Mexicans, to the United States (Chiswick, 1984; 1986; Borjas *et al*, 1991). There are a few papers

40 per cent of total employment in Spain, which demonstrates the “ethno-stratification” of the job market (Sole and Parella, 2003). The process of ethno-stratification in Spain was confirmed by a recent study of the La Caixa Bank (2004)², which found that 42 per cent of almost one million

Migration history

The migration history of the interviewed Bulgarians in the sample contains information on their last occupation in Bulgaria, 'push-pull' migration factors, date of first arrival in Spain as well as previous working experience in another foreign country.

Sixty-eight per cent of the migrants were last occupied in Bulgaria in the private sector, either as employees or self-employed, and 25 per cent were employed in the public sector. A small percentage held jobs in both sectors. These were usually people employed in public education, who were also managers of their own real estate businesses. Results support data by the Bulgarian National Statistical Institute on the sectoral distribution of employees showing an increasing share of public sector employment, 59 per cent and 63 per cent in 2001 and 2003 respectively³.

Six per cent of those interviewed had never worked in Bulgaria, either coming to Spain right after completing or not even completing the high school or working only abroad. Some three people reported earning their living before migration through suitcase trade with the neighbouring countries of Serbia-Montenegro and Romania. A great part of the migrants belonged to the skilled category of workers in Bulgaria. Most of them (26 per cent) were occupied in private services (finance, insurance, communications) or in manufacturing (17 per cent), followed by wholesale and retail trade (16 per cent), construction, education and agriculture. Among them were accountants, auditors, engineers, a criminologist and a University professor, high school and secondary school teachers and journalists. Self-employed migrants had their businesses mainly in the catering and trade; one person reported running a warehouse for the production of fishing tackle (Table 1).

Seventy-seven per cent of the sample reported no working experience abroad before emigrating to Spain and some 23 per cent had worked in another foreign country. After 1990, most of these had worked in Greece, illegally, in the construction, agriculture or domestic services; the usual duration of their work there was between two to three, even to four years. Others worked in Germany, France, Cyprus, and Portugal. Before 1990, a few had worked in the former USSR, Algeria and Angola.

Asked to rank the reasons for leaving Bulgaria, 57 people (29 per cent) chose "I had work but money was not enough to survive or to live a normal life" as the first one. "The lack of

prospects for improving the economic situation in Bulgaria" was ranked first by 45 people (22 per cent) in the sample, followed by those who left Bulgaria to join a family member or a partner (14 per cent). Equal number of people emigrated because of "unemployment and no money" (9 per cent) and "better future for their children" (9 per cent). The survey findings reveal the emergence of a family migration model to Spain with one of the spouses coming first, legalising his/her status or even not doing so, and then, the rest of the family following.

Table 1. Distribution of immigrants by sector of last occupation in Bulgaria

Sector	Public	Private	Total	%
Agriculture, hunting, forestry	0	4	4	2%
Manufacturing	7	28	35	17%
Construction	2	13	15	8%
Hotel/restaurant	3	26	29	14%
Wholesale/retail trade		31	31	15%
Education	13	1	14	7%
Health	5	1	6	3%
Other services	20	33	53	26%
'Suitcase' trade	-	-	3	2%
Never worked	-	-	12	6%
TOTAL	50	137	202	100%

Source: Survey results

Almost all of the interviewed migrants in the sample have remained continuously in Spain since the date of their first entry in the country. Most of the interviewed Bulgarians (62 per cent) first migrated to Spain in the period 2000-2002. "Relatives already in Spain" or "friends already in Spain" were pointed out as the main reasons for immigration to Spain. Some 6 per cent came between 1990-1997. Their main reason for migration was the anticipated "possibilities for illegal stay and work, and regularisation". The peak entry-year was 2002 when 31 per cent of those interviewed entered Spain. Another 19 per cent came in 2003 and at the beginning of 2004.

Almost half of the migrants had thoughts of going or attempted to go to another host country before coming to Spain, typically UK, USA, Germany or Italy. Most of them did not migrate to the destination of their first choice because of difficulties in obtaining entry visas or work and residence permits. Spain appeared as their second choice because of expected lower real wages.

Migrant legal status in Spain

More than half of the interviewed in the sample (56 per cent) were residing and working illegally in Spain, some 7 per cent were working on their 3-month tourist visas and 37 per cent had legal

³ http://www.nsi.bg/Labour_e/LCS03.htm

Bulgarian. Sometimes, it was a Chinese restaurant or Russian/Polish construction companies where Spaniards were never employed.

Job turnover

Job turnover is an important characteristic of migrants' employment patterns. Most illegal Bulgarian men employed in construction reported frequent job changes. However, illegal employment of men was usually correlated with high job mobility and long unemployment periods. Job mobility among regularised Bulgarian migrants did lead to an improvement in their employment opportunities. Some 7 per cent in the sample reported job change because of self-employment. Self-employment of Bulgarians in Spain, almost exclusively attributed to legality in the labour market, can be considered an employment opportunity created as a result of

Table 4 gives a detailed account of the sectors of migrant current employment by their legal status. Illegal Bulgarian men were concentrated in the construction sector working side by side with legal Bulgarian migrants. Equal proportions of them were unskilled labourers or professional builders. Almost equal numbers of undocumented and legal migrants were working in warehouses for packing sand, printing leaflets, colouring souvenirs or assembling furniture. Figures suggest that the bulk of Bulgarian illegal migrants were absorbed in the Spanish labour market in a manner similar to legal migrants, a result that partially suggests signs of an ethno-stratified host labour market. Moreover, undocumented Bulgarians in construction, cleaning and small-scale businesses seemed to experience improvements over time in earnings and occupational status, as did legal Bulgarian migrants. Live-in employment in housekeeping and elderly care or baby-sitting, 24 hours at employers' disposal was a market niche almost exclusively occupied by illegal or semi-legal migrants working on their tourist visas. This was a safer and cheaper option for Bulgarian women with uncertain legal status in the country. Live-out employment in households was also a preferred option mainly of illegal Bulgarians. Other occupations where legal and illegal Bulgarians were working together included guards for nightclubs or private guards, mechanics in auto-repair shops, technicians in TV – repair shops or technicians installing air-conditioners.

Another aspect of migrant performance in the host labour market refers to the problems migrants face at work. Table 5 shows that 93 people or 46 per cent of those interviewed reported no problems' at their current work place. Of them, 54 were working illegally in Spain. Equal numbers of people, sixteen, ranked 'employer difficult to work for', 'problems with other Bulgarians' and 'employer does not want to register me' as their first work-related problem, followed by 'heavy manual work/ unbearable working conditions' selected by 14 of the interviewed migrants. 'Hostility of locals towards migrants' was mentioned as the main problem at work by eight of the interviewed Bulgarians in the sample. Most of them were undocumented migrants. They were usually earning their living though the distribution of fliers. Another 12 people mentioned 'low/irregular payment' and 'many working hours' as the main problems they face at workplace. Only two of them were working legally. Other problems included: hostility by other migrants (competition for jobs in the personal services sector between Latin Americans and East Europeans was reported), language barriers or psychological problems caused by taking care of mentally ill children or adults.

Table 5. Problems faced by migrants at work by legal status

Problems at work	Legal	Illegal	Tourists	Total
No problems	39 (19.2%)	50 (24.8%)	4 (2.0%)	93 (46.0%)
Heavy work	4 (2.0%)	9 (4.5%)	1 (0.5%)	14 (7.0%)
Difficult employer	8 (3.9%)	7 (3.5%)	1 (0.5%)	16 (7.9%)
Hostility of locals	3 (1.5%)	5 (2.4%)	0 (0.0%)	8 (3.9%)
Hostility of migrants	1 (0.5%)	1 (0.5%)	0 (0.0%)	2 (1.0%)
Bulgarian co-workers	5 (2.5%)	11 (5.4%)	0 (0.0%)	16 (7.9%)
Registration	3 (1.5%)	12 (5.9%)	1 (0.5%)	16 (7.9%)
Low/irregular payment	0 (0.0%)	7 (3.5%)	0 (0.0%)	7 (3.5%)
Working hours	2 (1.0%)	1 (0.5%)	2 (1.0%)	5 (2.5%)
Language	0 (0.0%)	3 (1.5%)	1 (0.5%)	4 (2.0%)
Not enough work	0 (0.0%)	2 (1.0%)	0 (0.0%)	2 (1.0%)
Other problems	6 (3.0%)	4 (2.0%)	1 (0.5%)	11 (5.5%)
Never worked in Spain	3 (1.5%)	2 (1.0%)	3 (1.5%)	8 (3.9%)
TOTAL	74 (36.6%)	114 (56.4%)	14 (7.0%)	202 (100.0%)

Source: Survey results

Migrant wages

Table 6 shows the variation in migrant monthly wages by sector of employment. Compensation levels for Bulgarian migrants varied between sectors of employment, occupational status within a sector, and employment experience in the Spanish labour market. Drivers were 'taking home' between €1,500 to €2,700 per month and they were mostly doing international or internal routes. Two of the drivers were earning between €500-800 per month because of their illegal status that would allow them to work within Madrid area only. Family businesses reported more than €2,000 monthly profits. Illegal Bulgarian men in construction doing unqualified jobs reported irregular employment, which resulted in low monthly earnings, sometimes below €500. Wages in live-out elderly care and/or housekeeping and cleaning jobs, were correlated with the number of employers and the total hours of work per month. In those sectors, the average net hourly wage was low, at about €4.50, requiring excessive hours of work. The average remuneration for live-in employment in households was between €500-800 per month. Undocumented Bulgarian women there were getting some benefits-in-kind as well such as shelter and food. Professional builders, on average, were earning about €1,200 per month.

Hotel maids were earning between €800 and €1,000 monthly.

Table 6. Monthly wages of migrants by employment sector

Under €500	€501- €800	€
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applying for their jobs. Most of them were illegal migrants, working as labourers for Bulgarian middlemen or owners in construction, washing dishes in restaurants or in live-in housework or elderly care. Some 10 per cent did not have any opinion on this question.

Table 7. Awareness of competition from Spanish workers by employment sector

	Yes	No	Don't know
Domestic live-in	4	9	5
Domestic live-out	13	10	3
Cleaning (non-domestic)	12	3	1
Construction	25	14	4
Hotels/ restaurants	9	6	
Warehouse	15	4	2
Drivers	7	2	
Self-employed	10	3	
Other	22	6	2
TOTAL	117	59	17

Note: *Ten people in the sample were not in employment in Spain and this question wa

remittances was recorded when migrants employed workers in Bulgaria to either build or renovate houses: two people completed building a house and another 12 people renovated their houses. Other people were paying back loans or financing the education of their children in Bulgaria.

More than half of those interviewed in the sample reported saving money in Spain and most of them were saving between 10-30 per cent of their earnings. Some 15 people reported saving more than 50 per cent of their earnings. Almost all of those making savings, regardless of status, preferred to keep their money in a bank in Spain. Six people had invested their savings in a flat/house in Spain. They had been residing, on average, eight years in Spain. A small fraction of the Bulgarians that reported saving in Spain preferred to keep their money at home. They were residing and working illegally in the country and thus feeling uncertain about their stay in Spain.

Migrant current living conditions

The empirical results showed that the bulk of the interviewed in the sample first entered the Spanish labour market through the underground economy doing unskilled jobs in domestic services, cleaning, construction, agriculture and small-scale businesses. Legalised Bulgarian men in construction, middlemen or owners, were often first employers to new coming Bulgarian undocumented workers, offering low payment and excessive working hours.

A preponderance of the sample started their first employment in the host labour market with very poor or no knowledge of the Spanish language.

Results revealed that job mobility among regularised Bulgarian immigrants lead to improvement in their employment opportunities and earnings. Self-employment and the establishment of family businesses appeared to be employment opportunities for the legalised migrants in the sample. Similar results were obtained for the undocumented Bulgarians in construction, cleaning and small-scale businesses. Over time, they seemed to experience improvement in earnings and occupational status, as did legal Bulgarian migrants. Moreover, the figures presented here suggest that the bulk of undocumented migrants were absorbed in the Spanish labour market in a manner similar to legalised Bulgarian migrants, a result that suggests signs of ethno-stratification of the Spanish labour market.

In addition, empirical results revealed that Bulgarian migrants, irrespective of their legal status, were competing for jobs with local population since 60 per cent of those interviewed said that there were Spaniards applying for their most recent or current jobs. These were mainly jobs in construction, cleaning and small-scale industries. Undocumented migrants, however, believed that Spaniards made more money for the same job and the estimated difference was 'at least as much as 40 per cent'.

In the long-run, the process of deskilling of Bulgarian immigrants may be observed in Spain as the current employment of a considerable share of the interviewed in the samples was not related to their prior-to-migration work experience.

The Spanish government completed a new

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Appendix A

Table 3. Distribution of migrants by their first and last job in the Spanish labour market

	First Job in Spain										
	Agriculture	Domestic live-in	Domestic live-out	Cleaning (non-domestic)	Construction	Hotels/Restaurant/Bars	Warehouse	Distribution of leaflets/Natural gas distribution	Other	TOTAL	%
Last job in Spain											
Domestic live-in (elderly care, baby-sitting, housework; gardening)	1	13		2	2		1			19	9
Domestic live-out	1	5	16	1		1	1	1	1	27	13
Cleaning (non-domestic)	2	3	3	1		4	2	1		16	8
Construction	4				30	1	4	3	2	44	22
Hotels/Restaurants/Bars	1		1		4	4	1	2	1	14	7
Warehouse		2	1		6		6	1	4	20	10
Drivers	1				6				2	9	4
Self-employed		2				2	4		2	10	5
Family businesses		1							2	3	1
Other	3	4	2	2	1		2	5	13	32	16
Never worked in Spain	-	-	-	-	-	-	-	-	-	8	4
TOTAL	13	31	24	6	49	12	21	13	27	202	100

Source: Survey results