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Working Paper 1

Analysis of data on (un)employment of “third country nationals” and of industry and service sectors where they work – The case of Cyprus

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Prospects for Integration of Migrants from “Third countries” and their Labour Market Situations: Towards Policies and Action

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1. Introduction



Illustration1: Map of Cyprus

Cyprus, a micro-state which joined the EU on Mayday 2004, is a de facto divided country which has recently been transformed from a net exporter to a net importer of migrants. The change of policy in 1990 allowed migrant workers to be granted short-term contacts to specific employers on specific jobs in the designated sectors of employment. The system is based on a short-term work permits and stay visas, which lasted up to 4 years, but under certain circumstances and in practice could be extended further. The historical setting of Cyprus has been dominated by the ethnic relations between the two constitutionally recognised ‘communities’, Greek-Cypriots and Turkish-Cypriots, as well as the role of foreign forces, something also reflected in the research agenda on Cyprus. The result is a general neglect in initiating studies on other subjects such as migrant rights, equality issues, marginalised and vulnerable and civic participation, as the research agenda has historically been subsumed on the so-called ‘national question’. Recently however, particularly since accession to the EU, there have been developments that have begun put on the agenda the issues of migration, integration, exclusion and equal participation of migrant and other discriminated communities in institutions of Cypriot society; yet these issues as disciplines of study are at an infancy level, despite a new vigour and breath of fresh ideas asserted by new scholars. To appreciate the context of migration to Cyprus one has to locate the relatively *new* migration within the politically turbulent historical setting of the island, in which ethnic conflict prevailed over other issues. Since independence in 1960, the political stage was dominated by the inter-ethnic relations and clashes between the two constitutionally recognised

communities,¹ Greek-Cypriots (78%) and Turkish-Cypriots (18%), and by the role which foreign powers played in this conflict. These characteristics are also reflected in the research landscape of Cyprus. In 1960 the smaller ‘religious groups’, as referred to in the Constitution, consisting of Armenians, Latins, Maronites and ‘others’ constituted 3,2% of the population.

In an area of 9,251 sq. km, the population of Cyprus in the Government controlled area was estimated at 789,300 at the end of 2007, recording an increase of 1.4% from the previous year. The population in the district of Nicosia (the capital) was 310,900 at the end of 2007, in Famagusta 43,700, in Larnaka 131,900, in Limassol 226,700 and in Paphos 76,100. A proportion of 69.9% resided in the urban areas of Cyprus, whereas a proportion of 30.1% resided in rural areas.² The population in northern Cyprus is 265,100 persons who resided in the unrecognized Turkish Republic of Northern Cyprus (TRNC),³ but population and demographics is a hotly disputed issue. The current divide was shaped in 1974 with the Greek coup and the Turkish army invasion and occupation of the northern territories.⁴ The two main communities of the island, the Greek-Cypriots and the Turkish-Cypriots have collided over issues of governance and the ‘course’ of the newly established republic: the Greek-Cypriot nationalist aspiration was to achieve union with Greece (*Enosis*) and the Turkish-Cypriot was partition (*Taksim*). Hence, by 1963-64 there was an inter-communal strife that paralysed the bi-communal consociational Republic. From 1964 the Greek-Cypriots control of the Cyprus Republic, since the Turkish-Cypriot withdrawal from government in reaction to the unilateral attempt by the Greek-Cypriot President, Makarios, to amend the constitution. Efforts to resolve the Cyprus problem have so far failed; the latest failure being the UN effort to provide a comprehensive plan (the Annan plan) resolving the problem on the eve of accession to the EU in April 2004. Greek-Cypriots overwhelmingly rejected it. Turkish-Cypriots on the other hand overwhelmingly accepted it, leaving the issue in a state of limbo.

Cyprus had historically been a country of emigration, exporting migrants to richer countries. As is usually the case in former British colonies, many Cypriots migrated to the UK, as well as other destinations such as Australia, the United States, and South Africa; in fact the number of Cypriots living abroad nears half the population of the island.⁵ The Greek junta coup and the Turkish invasion of 1974 left the Cypriot society and economy devastated: 18 % fall of the GNP between 1973 to 1975, 30% rise in unemployment, mass poverty and a loss of 37% of the

1 Only the Greek-Cypriots and the Turkish-Cypriots are recognised by the Cyprus Constitution as ‘communities’, endowed with specific power-sharing rights; three other ethnic groups (Armenians, Latins, Maronites) are treated by the constitution as religious groups, who only have certain minority rights (see note 4). The ‘Latins’ are Roman Catholics referred to in Greek as “Latini”.

² According to the Cyprus Statistical Service <http://www.pio.gov.cy/mof/cystat/statistics.nsf/All/FC5F3AB325D6BEEAC22574D7002DB767?OpenDocument&sub=1&e=>

³ According to the 2006 population census see <http://nufussayimi.devplan.org/Census%202006.pdf>

⁴ However the troubles had started from the early late 1950s, and took a nasty turn in the early days of independence in 1963-67. Since independence from British colonial rule in 1960, the consociational Republic of Cyprus has had a troubled history.

⁵ Anthias, 1992a.

country's territory. Since then Cyprus has seen extensive economic development and has been transformed into a society which acts as 'host' to immigrants (see Trimikliniotis 2001).

The dramatic economic growth in the 1980s and 1990s, referred as 'the economic miracle'⁶ was structured by a number of 'external' factors such as the Turkish occupation of the north since 1974. This, by default, created the preconditions for rapid modernisation, in spite of the severe drop in the GDP during 1973-75 and the sharp rise in unemployment and mass poverty. Cheap labour was provided by the 180,000 Greek Cypriot refugees, who were forcibly expelled from the northern part and lived in refugee camps. This fact, together with a concerted effort by the Government, political parties and trade unions, created the conditions for the kind and level of development that was subsequently experienced in Cyprus based on the massive expansion of the model known as 'mass tourism' (Anthias and Ayres 1983; Christodoulou 1992; Panayiotopoulos 1995; 1996). Other international factors, which are elaborated below were crucial in the recovery (see Trimikliniotis 2001).

Immigration policy prior to 1990 was restrictive hence very few migrants were allowed to work. The current immigration policy in Cyprus was formulated in the 1990s, when the government decided to abandon the restrictive policies followed until then and allow more migrant workers into the country in order to meet labour shortages. The trade unions abandoned their opposition to the change of policy on the condition that certain criteria are met: the permits will be restricted only to those economic sectors that Cypriots no longer do; the labour relations and standards of labour and pay are to be maintained (see Trimikliniotis 1999; Trimikliniotis and Pantelides, 2003; 2007; Trimikliniotis and Demetriou 2007). This change of policy meant that Cyprus was almost overnight transformed, from a country that traditionally exported migrants to all corners of the earth, to a net recipient of migrants from all over the globe. Today, the total number of resident non-Cypriots⁷ is a subject of debate as various governmental departments produce very different figures, varying between 100,000 to 150,000; the estimation of the irregular/undocumented migrant workers is between 25,000 to 30,000. There are some 60,000 third country nationals and another 70,000 EU citizens representing approximately 20-25% of the working population which resides in the south of the island. Most of these are migrant workers whose main areas of employment are: domestic workers, service industry (tourism, trade), manufacturing industry, agriculture and construction.. We have witnessed a steady rise in the number of EU citizens taking up the right of movement of workers to work in Cyprus. The problem of the discrepancy between the various figures provided is often explained as the result of different methods used to collect them and the purpose of these figures.

In March 2009, according to the migration office, there were 138,000 non-Cypriots legally residing in Cyprus,⁸ out of whom over 70,000 EU citizens. According to the Ministry of Labour

6 For more details see Christodoulou (1992).

⁷ The term 'Cypriots' includes all citizens of Cyprus, both north and south and south of the barbed wire that divides the country. However, the term 'residents' ,refers only to those who are habitually residing in the areas under the control of the Republic of Cyprus government, i.e. the Greek-cypriot controlled southern part of the country.

⁸ Source: Civil Registry Migration Department and the Population Data Archives, provided on 3.3.2009. I would like to thank Mr. Andros Ktorides for the help in obtaining the data.

and Social Insurance, the number of EU citizens figure in July 2008 was 49,639 and mean figure for 2008 was 42,303 EU citizens,⁹ in comparison to 57,137 and 55,174 respectively from third countries.¹⁰ Third country nationals include persons from Eastern Europe (citizens for former Yugoslavia, who are mainly Serbs; Russians; Ukrainians; Georgians; Moldavians; Ukrainians and others), south east Asia (particularly women, mainly from the Philippines, Sri Lanka, India and Pakistan), China and Arab and middle eastern countries such as Syria, Palestine, Egypt, Lebanon, Iran etc.

The policy assumption for the employment of migrant workers formulated in 1990s was that their stay was to be short-term, temporary and restricted to specific sectors. Although the actual developments of the past decade reversed this presumption, a number of institutional devices, designed with those goals in mind, have persisted and little thought has been given by policy-makers on how to encourage civic participation of migrants and help develop a sense of belonging to the Cypriot society. Only very recently did the debate on multiculturalism begin, but this is still at an infancy stage and is more geared towards *acceptance* and *tolerance* rather than *civic participation* which, as a concept, is located at a stage several steps ahead from tolerance.

EU nationals do not require a work permit but only a certificate which is automatically provided. The Ministry of Labour issues work permits, temporary or permanent but the immigration visas as to residence (the so-called 'pink slip') is issued by the Ministry of Interior. Permanent permits are issued to persons wishing to reside in Cyprus as self-employed professionals or to persons with long-term employment contracts. Temporary work permits are issued for a certain period (up to four years with a possibility for extension up to six years) and for specific positions/jobs in sectors where labour shortages are observed and no suitable Cypriots are available. The procedure is that an employer applies for a permit to employ a foreign worker for a specific job prior to the worker's entry into Cyprus. If there is a change of job or of the employer, a fresh application must be filed. The Ministry of Labour and Social Insurance examines the applications by employers and makes appropriate recommendations according to the labour market situation. The terms of temporary employment of foreign workers (with the exception of domestic workers) was agreed by the social partners in the early 1990s and they have not been altered since that date. Overall, the situation in the Republic of Cyprus on the level of civic participation of migrants can be described as rather disappointing: precariousness is the key characteristic of migrant labour, particularly TCN migrant workers. Nevertheless migrants face, on the whole, a hostile environment and racial discrimination in society and an unsympathetic immigration regime based on controlling, but ultimately failing to achieve the declared goal which was to curb the growth of migration.

9 See Total Aliens and Europeans Data 2008, 13.10.2008 at <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/3609D4C436EE184AC2257465003967B5?OpenDocument> accessed on 23.4.2009.

10 Total Aliens and Europeans Data 2008 13.10.2008/aliens <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/3609D4C436EE184AC2257465003967B5?OpenDocument> accessed on 23.4.2009.

In the northern part of the country the estimations vary from 120,000¹¹ to 220,000-230,000,¹² some even put the figures as high as 500,000¹³ depending on their perspective and method of estimation. The problem with the population discourses over the numbers in northern Cyprus is that they tend to lump together persons into one category as if they are a homogenous group/ in fact there are different groups, who enjoy different legal status and rights (in a regime that exists but is not recognised); they came at different times and in different settings; they perform different jobs and do not behave in the same political manner. Not all are ‘settled’ and such to treat them all as ‘settlers’, when the vast majority are precarious workers, a large portion of whom are working in the informal sector, can be misleading (see Hatay 2006; 2007), even if Turkey’s policy is indeed aimed at changing the demographic structure of the population (see BILBAN-IKME 2008).

2. Overview of data on third-country nationals

The data collected was from different Government Departments, such as the following: the Ministry of Interior (Population Archive of the Ministry of Interior; Asylum Unit and other sections of the Ministry of Interior); Ministry of Labour and Social Insurance (Labour Department; Social Insurance Department; Industrial Relations); the Police and the Cyprus Statistical Service.

Some of the data sets are available on line, whilst others were requested in writing. The main problem is that one has to gather data from different sources, often without any explanation about the discrepancies if compared with other data sets, other than to state that there are different methods of collection or to dispute the other data. The Statistical Services, which collect data from all Government Departments produce their own but do not integrate all relevant statistic to deal with the question of labour migration and integration; hence we have the Migration statistics only dealing with the flows, the Labour statistics dealing with the stocks of migrant workers [as ‘alien labour’] and the Crime statistics dealing with the irregular migrants, each one being dealt by a different unit of the Statistics Service. The data provided by the Statistical Service is the most accurate; they supply Eurostat with data on Cyprus. However, the publically available data are at least two years out of date. Another difficulty in data collection is the absence of any secondary sources which discuss the data available to allow for cross-reference.

We obtained the data and asked the various officers in the different departments to comment on them as well as the other data; we particularly sought a comment on the contradictions and

¹¹ Hatay (2007) refers to 42,000 Turks who are naturalised citizens, including 16,000 born in Cyprus and ho have voting and other civic and political rights, plus another 78,000, who are migrant workers, 70,000 of whom are from Turkey.

¹² This the figure Muharrem Faiz provides in the book BILBAN-IKME (2008) *The demographic composition of northern Cyprus*, BILBAN-IKME, Nicosia, p. 134.

¹³ This figure is attributed to the President of the TRNC, Mehmet Ali Talat and is related to the fact that there are 400000 mobile telephone subscriptions and the 225,000 motorized vehicles registered (see Halil Paşa, BILBAN-IKME (2008) *The demographic composition of northern Cyprus*, BILBAN-IKME, Nicosia p.125.

discrepancies when compared to other data. We also relied on data our research team has been collecting since 2004. We have concluded that on the basis of the data in front of us we are still unable to put a definite figure as to actually present of migrant workers, TCNs and EU citizens, regular or irregular, others than those who are paying social insurance and accept some estimation of the irregular migrant workers.

Net migration has been positive since 1983 and reached 2.7%, the highest within the EU25, in 2005. According to the census of 2001 there were 32,117 non-EU nationals (almost 5% of the population) and 32,693 EU25 nationals resident in the Republic of Cyprus. Women account for approximately half of all immigrants in the period since the mid-1980s. In 2003 almost 12% of immigrants were returning nationals, a lower figure than in previous years, and over 53% of foreign migrants were citizens of EU15, mainly from Greece and the UK. Immigrants from Eastern Europe accounted for 18% of all immigrants and a further 18% of migrants were Asian. Migrants from Russia accounted for almost 10% of all immigrants and this was the largest group of third country nationals in 2003. 78% of Russians entered Cyprus for employment reasons. Asian migrants came mainly from Sri Lanka, Philippines, China and India. Migrants from the Philippines and Sri Lanka enter exclusively for work and most of them are women (88%) and are employed as domestic servants. In contrast, 89% of Chinese immigrants enter for study or training. While migrants from Asia and Eastern Europe enter Cyprus primarily for employment or business reasons or for study, many EU15 nationals, mainly from the UK, many of whom are pensioners, and returning Cypriots intend to become permanent residents. The majority of Greek migrants are Russian-Greeks or Pontiacs and over two-thirds of them enter Cyprus for employment purposes. Overall, in 2003, 55% of long-term migrants came for employment; 10% for study or training; and 31% for permanent settlement. Migrants entering on a student visa are not allowed to work and as a result many subsequently apply for asylum in order to obtain a work permit. Since April 2003, when the border between the north and south was opened, several thousand Turkish Cypriot workers daily have been entering the south for employment. These crossing of barbed wire may be considered as 'internal migrants' but are not included in the migration statistics. The number of official foreign workers increased by one third between 2001 and 2003 and were mainly employed in Private Households (30%); Hotels and Restaurants (19%); Wholesale and Retail (11%); Agriculture and Forestry (9%); Construction (8%); Manufacturing (8%); and Other (15%). Unemployment is low in Cyprus (about 3.5-4% between 2003 and 2006). In general, migrant workers are employed in manual, unskilled, low-paid and low-status jobs. Migrants, particularly TCNs, are often forced into conditions of isolation and many, such as domestic workers, are restricted in terms of the sectors where they can work. Migrants entering Cyprus on a work permit are rarely allowed to stay long enough to acquire citizenship. This may partly explain why there is systematic discrimination against immigrants and only a limited attempt to integrate them into the country's labour market and social life.

There are major discrepancies in the figures produced by different Governmental departments. The cited figures as provided by various official sources are therefore quite limited in providing accurate indications of social reality. According to the Statistical Section of the Social Insurance Services, Ministry of Labour, the average monthly number of EU citizens who were working and paying social insurance was 31,345 in 2007 compared to 20,542 for 2006. During 2007 they were employed in the following sectors of the economy: in construction 6,074 (19.38%), hotels 4,395 (14.2%), in wholesale and retail trade 4,064 (12.97%), restaurants 3,790 (12.09%), in

manufacturing 3,246 (10.35%), and in transport/communications/storage 1,723 (5.5%). However, figures from the Social Insurance¹⁴ give different numbers as they are based on social insurance contributions showing that the total number of union citizens paying social insurance contributions is 37,470, which is considerable different to the was 31,345 referred to above. The discrepancy in the figures is probably due to the fact that the former refers to the numbers of European Union citizens workers who have paid social insurance contributions, whilst the latter referred to processed applications. European citizens working in Cyprus in 2007 were from the following countries: Greece 8622, UK 4880, Bulgaria 4479, Poland 3573, Slovakia 1876, Hungary 636, Germany 544, Latvia 343, France 307, Lithuania 258, Low countries 178, Austria 97, Belgium 57, Denmark 44, Switzerland 30, Estonia 71, Ireland 98, Island 3, Italy 91, Luxemburg 5, Norway 24, Portugal 52, Slovenia 46, Sweden 173, Czech Republic 319, Finland 73, non disclosed country 4400. Of course the numbers increase in comparison to 2006 as Bulgaria and Rumania joined the EU on 1.1.2007.

We can notice a steady rise in the number of Union citizens taking up the right of movement of workers to work in Cyprus: there are currently 138,000 non-Cypriots residing in Cyprus,¹⁵ out of whom over 70,000 EU citizens. According to the Ministry of Labour and social Insurance, the number of EU citizens figure in July 2008 was 49,639 and mean figure for 2008 was 42,303 EU citizens,¹⁶ in comparison to 57,137 and 55,174 respectively from third countries.¹⁷ However, these trends may be reversed as the financial crisis is beginning to be felt in Cyprus with the reduction in the numbers of tourists visiting the country:

Cyprus's earnings from tourism fell 15.5 percent in the first seven months of 2009 as holidaymakers from countries hit by the financial crisis cut back on spending. Revenue from January until the end of July was estimated at 798.3 million Euros, down from 944.8 million in the same period of 2008, statistics issued on Monday showed. In July earnings were down 14.8 percent from July last year. Tourism earnings represent between 10 and 11 percent of Cyprus's economy, which is in recession after recording two successive quarters of negative growth this year. Arrivals fell 10.9 percent in the first seven months of the year. July, August and September are traditionally Cyprus's busiest months. Tourists from Britain, Cyprus's biggest market, marginally cut spending and their average length of stay. Irish tourists cut spending by 9 Euros a day on average while American tourists, who are a minority, were spending 35 Euros per day less.¹⁸

¹⁴ See <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/40E8F0171DEE0E30C225739B003FD1BC?OpenDocument>

¹⁵ Source: Civil Registry Migration Department and the Population Data Archives, provided on 3.3.2009. I would like to thank Mr. Andros Ktorides for the help in obtaining the data.

¹⁶ See Total Aliens and Europeans Data 2008, 13.10.2008 at <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/3609D4C436EE184AC2257465003967B5?OpenDocument> accessed on 23.3.2009.

¹⁷ Total Aliens and Europeans Data 2008 13.10.2008/aliens <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/3609D4C436EE184AC2257465003967B5?OpenDocument> accessed on 23.3.2009.

¹⁸ <http://www.forbes.com/feeds/afx/2009/08/24/afx6807675.html>

Below some alternative figures are presented in tables. The Labour Department claims that the percentage of “migrant workers” in Cyprus is 11,7% of the total labour force,¹⁹ referring only to non-EU nationals and excluding certain categories of migrant workers such as “entertainment workers”, often victims of trafficking. In other contexts this percentage and total figure rises to at least double or even as much as triple on occasion. According to the Demographic Report of 2005 the total population of foreign residents was 100,200 or 12,9% of the population.²⁰ This figure will presumably include retired persons who are not part of the labour force. The discrepancy derives from the fact that the different departments of Government produce figures according to what sort of area they are regulating or trying to monitor, whether or not they include EU citizens for example, or undocumented workers and others working in the so-called ‘informal sector’ etc.

2.1 Statistical Data

Below we have the available statistical data by age, gender, citizenship, sector of employment, employment status, including data on “subcategories” such as refugees, asylum seekers, trafficked persons, “irregular” migrants, marriage migrants. The data is incomplete and at times inconsistent but it is an important starting point for further analysis and data collection.

As for the question of unemployment and migration/ethnic groups, we cannot establish any connection given that it is a precondition for a third country migrant to have a job offer in order to obtain work permit; in other words the permit to hire ‘foreign labour’ is already granted to the employer. Moreover, there are no statistics on nationality/citizenship or ethnic background and unemployment, nor do we have any other hard evidence or information on the subject to indicate that this is the case.²¹

The table below is taken from the ministry of Labour and Social insurance, which is based on the Statistical service of the Social Security Department and was provided by the Ministry of Labour and Social Insurance.

Table 1: Distribution of Third Country Migrant Workers in Sectors of the Economy since accession to the EU

Year/ Sector	2004	2005*	2006	2007	2008	2009
Agriculture/live stock/ hunting/ forestry	3823	3578	3633	3430	3679	3,785 (6.58%)
Fishing	46	42	33	44	55	55 (0.10%)
Manufacturing	3883	3959	3383	3608	3798	3,928 (6.83%)

19 See http://www.mlsi.gov.cy/mlsi/dl/dl.nsf/dmlinformation_gr/dmlinformation_gr?OpenDocument

20 See Demographic Report of 2005, Department of Statistics, Republic of Cyprus, Nicosia, p.12.

21 It has been suggested during an interview with one leader of a Pontiac group that there may be a problem with young Pontians who find it is difficult to find work (see Trimikliniotis, N. Trimikliniotis, N. (2001) The Educational Problems of the Pontians in Cyprus: Preliminary Research and Report on Primary Education, Report on behalf of the Cyprus Association of Sociologists submitted to the Ministry of Education 2001). Pontians are of Greek origin who have migrated from the Caucuses and Georgia to Cyprus after 1989.

Services	-	-	-	-	-	-	-	
Domestic Labour	5467	6100	6925	7597	9515	10677	12248	14648
Entertainment	1420	1425	1436	1440	1200	1200	1333	1118
Other	2041	2185	2169	2578	2860	3346	3810	4
Total	18344	20136	22263	22398	28267	33700	39041	45182

Table 4 was given to the social partners by the Department of Labour in July 2005. There is some variance with the figures provided by the Statistical Service. Moreover they do not include (a) EU nationals, (b) the Greek-Pontiacs, (c) students, (d) Asylum-seekers and refugees and (e) any estimate of the undocumented workers.

The next table includes the figures and is based on the Statistical service of the Social Security Department and was provided by the Ministry of Labour and Social Insurance.

Table 3: Employment of TCN migrant workers in the different sectors of the Economy

Economic Activity	Jan 2008	April 2008	July 2008	Average	%
Agriculture/live stock/ hunting/ forestry	3,665	3,868	3,504	3,679	6.67%
Fishing	56	54	56	55	0.10%
Fishing	51	53	58	54	0.10%
Manufacturing	3,701	3,786	3,907	3,798	6.88%
Waters supply/ electricity and gas	22	21	22	22	0.04%
Construction	4,907	5,072	5,321	5,100	9.24%
Wholesale / Retail/repairs	6,269	6,499	6,662	6,477	11.74%
Hotels	1,651	1,930	2,238	1,940	3.52%
Restaurants *	4,887	5,115	5,737	5,246	9.51%
Transport/communication/storage	880	932	1,010	941	1.70%
Financial Intermediation	512	558	588	553	1.00%
Other trade services	2,722	2,922	3,105	2,916	5.29%
Public administration	1,145	1,204	1,227	1,192	2.16%
Education	592	610	552	585	1.06%
Health and Social work	1,042	1,076	1,092	1,070	1.94%
Other community, social activities	1,512	1,565	1,629	1,569	2.84%
Domestic work	18,770	19,255	19,706	19,244	34.88%
Extra Territorial organisations	74	73	74	74	0.13%
Not stated economic activity	675	659	649	661	1.20%
Total	53,133	55,252	57,137	55,174	100.00%

**These figures are now included under the 'restaurants' category: these vary between 1226-1509.

*** This figure refers to real estate, renting & business activities. Source: Social Insurance Services, <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/2046A8379E101CABC22575C200321494?OpenDocument> (accessed 20.1.2010)

Table 4: The number of E.U. citizens employed in Cyprus by Country and

	Romania*	Bulgaria*	Greece	United Kingdom	C.N.S**	Poland	Slovakia	Hungary	Germany	Lithuania	Latvia	Czech Republic	Sweden	France	Italy	The Netherland	Estonia	Ireland	Austria	Finland	Slovenia	Portugal	Spain	Belgium
CONSTRUCTION	3486	1492	1828	743	807	644	188	30	13	68	57	23	4	29	3	4	7	6	1	0	2	2	5	2
WHOLESALE AND RETAIL TRADE	2099	1923	1766	724	1019	402	161	45	56	86	87	24	26	38	20	21	24	13	12	12	11	13	4	9
RESTAURANTS	2024	1872	771	478	679	422	269	131	27	100	98	60	33	12	13	14	50	19	6	5	13	5	4	3
MANUFACTURING	2486	1510	952	246	610	321	133	13	19	24	34	21	2	9	6	2	3	8	3	4	7	0	9	2
OTHER TRADE SERVICES	1098	527	719	1265	613	780	74	99	161	231	71	56	114	67	40	50	29	58	18	31	12	13	18	9
HOTELS	1029	1328	1023	365	289	564	585	222	118	99	117	67	67	24	11	25	31	6	13	11	14	3	6	4
TRANSPORT / COMMUNICATION / STORAGE	329	242	273	481	177	219	96	383	195	10	47	79	14	28	71	30	9	10	37	12	16	1	1	15
OTHER COMMUNITY, SOCIAL ACTIVITIES	363	464	394	527	302	108	42	28	37	20	20	9	16	35	21	10	9	11	7	2	3	30	2	7
PUBLIC ADMINISTRATION	9	12	1115	26	195	8	3	0	9	2	1	0	4	8	3	1	0	0	2	1	0	4	10	1
EDUCATION	17	33	299	369	150	7	3	5	28	1	4	2	9	36	11	9	0	7	3	3	0	2	11	7
HEALTH & SOCIAL WORK	72	154	284	102	117	19	10	6	18	5	2	7	3	6	3	7	3	2	2	3	2	3	1	1
AGRICULTURE / LIVESTOCK / HUNTING / FORESTRY	236	231	26	41	110	14	1	0	0	0	2	1	1	1	2	0	0	1	0	0	0	0	0	1
FINANCIAL INTERMEDIATION	36	16	142	141	66	15	18	6	9	10	25	3	23	12	5	9	1	4	1	2	0	1	1	1
PRIVATE HOUSEHOLDS	27	78	4	4	188	3	0	0	0	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0
MINING / QUARRYING	20	12	21	32	13	4	1	0	1	1	1	0	0	1	0	0	0	0	0	0	0	0	0	0
EXTRA-TERRITORIAL ORGANIZATIONS	1	2	4	22	6	2	0	3	2	0	0	0	1	7	0	2	0	0	4	0	0	1	0	0
WATER SUPPLY/ ELECTRICITY / GAS	3	4	13	13	1	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FISHING	11	1	0	1	2	1	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	1	0	0
NOT STATED ECONOMIC ACTIVITY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Country Totals	13346	9901	9634	5580	5344	3535	1585	971	693	659	568	354	317	316	209	184	166	145	109	86	80	79	72	62

Table 4: Employment of EU citizen migrant workers in the different sectors of the Economy

The table is found at <http://www.mlsi.gov.cy/mlsi/sid/sid.nsf/All/844C42E39635E7F7C22576BF0032D153?OpenDocument>

** C.N.S: Country Not Stated

Table 5: Distribution of Third Country Migrant Workers in Sectors of the Economy

Year/ Sector	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	% of total
Private households	5467	6100	6925	7597	9515	10677	12248	14648	15863	16547	17268	19244	20566	35,79
Wholesale / Retail/repairs	1269	1420	1429	1554	1951	2810	3487	4193	4692	4660	569	6477	6941	12,08
Construction	1445	1463	1552	1398	1884	2592	3553	4614	4495	3897	4574	5100	5106	8,89
Restaurants	-	-	-	-	-	-	-	4838	4984	5006	5575	5246	4900	8,53
Manufacturing	2011	2058	2108	2052	2550	2854	3524	3883	3959	3383	3608	3798	3928	6,84
Agriculture/live stock/ hunting/	1647	1681	1862	2018	2456	2933	3414	3823	3578	3633	3430	3679	3785	6,59
Other trade services	1255	1425	1558	1629	2189	2441	-	765	1446	1748	2350	2916	3370	5,86
Other community, social activities	-	-	-	-	-	-	-	1428		1223	1428	1569	1724	3,00
Hotels	3044	3804	4682	3761	5851	7288	7672	3351	2958	1839	1997	1940	1603	2,79
Public administration	-	-	-	-	-	-	-	1069	-	918	1069	1192	1278	2,22
Transport/communication/storage	-	-	-	-	-	-	1,388	851	802	697	851	941	1131	1,97
Health and Social work	-	-	-	-	-	-	-	1023	823	864	1023	1070	1125	1,96
Education	-	-	-	-	-	-	-	564	582	531	550	585	622	1,08
Financial Intermediation	-	-	-	-	-	-	-	478	263	336	478	553	618	1,08
Not stated economic activity	-	-	-	-	-	-	-	-	-	819	741	661	595	1,04
Extra Territorial organisations	-	-	-	-	-	-	-	68	-	64	68	74	87	0,15
Fishing	-	-	-	-	-	-	-	46	42	33	44	55	55	0,10
Waters supply/ electricity and gas	-	-	-	-	-	-	-	9	8	20	21	22	26	0,05
Entertainment	1420	1425	1436	1440	1200	1200	1333	1118	1200	**	**	**	**	-
Other*	2041	2185	2169	2578	2860	3346	3810	-	-	-	-	-	-	-
Total	19599	21561	23721	24027	30456	36141	39042,4	46769	45695	46218	45644	55122	57460	
Annual % Change	-	9,40	8,63	-2,18	27,46	21,60	5,22	74,55	-2,30	1,14	-1,24	20,77	4,24	
*This item refers to immigrants that were not classified in a specific sector. This classification changed after the entry of Cyprus in the EU														
**These figures are now included under the 'restaurants' category: these vary between 1226-1509														

Bar Charts Distribution of Third Country Migrant Workers in Sectors of the Economy based on Table 5

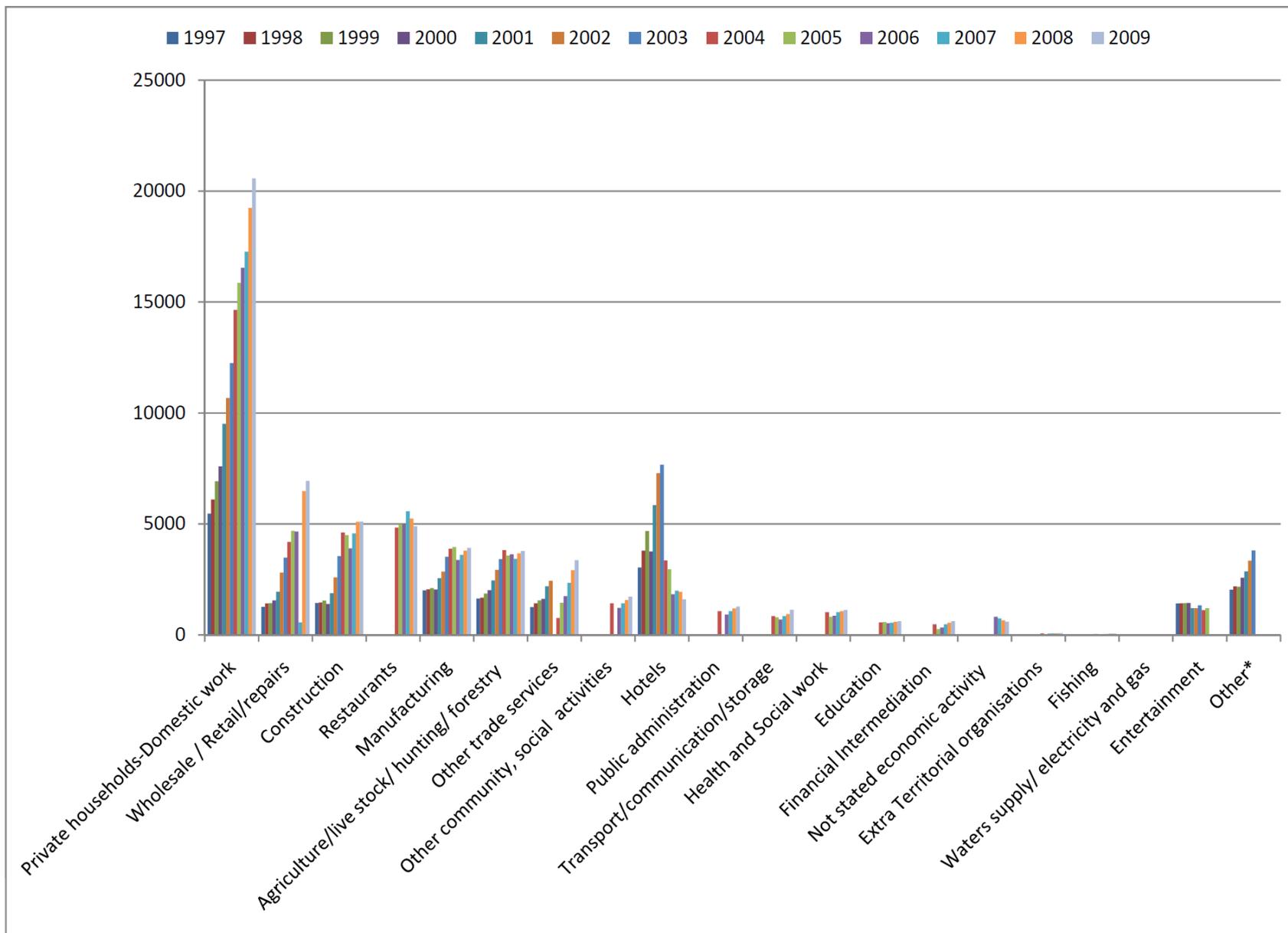


Table 6: Distribution of Valid Visas in April 2010

PHILIPPINES	11103	NEW ZEALAND	17
SRI LANKA	9909	MEXICO	16
VIETNAM	9272	ALGERIA	15
RUSSIAN FEDERATION	6499	AZERBAIJAN	15
INDIA	3712	NETHERLANDS ANTILLES	15
UKRAINE	2991	COSTA RICA	14
BANGLADESH	2088	SUDAN	14
MOLDOVA	2032	MALAYSIA	13
EGYPT	1926	VENEZUELA	13
CHINA	1635	CUBA	10
SYRIAN ARAB REPUBLIC	1360	CYPRUS	10
IRAN	1300	SENEGAL	10
PAKISTAN	1209	TANZANIA	10
PALAISTINE	1121	TUNISIA	10
GEORGIA	1008	ICELAND	9
NEPAL	782	JAPAN	9
BELARUS	513	SINGAPORE	9
LEBANON	505	BURKINA FASO	8
IRAQ	452	COTE DE IVOIRE	8
YUGOSLAVIA	436	MONTENEGRO	8
TURKEY	397	LIBERIA	7
U.S.A	320	SEYCHELLES	7
ARMENIA	274	URUGUAY	7
CAMEROON	263	ZAMBIA	7
JORDAN	219	RWANDA	6
NIGERIA	185	SOUTH KOREA	6
NORWAY	185	YEMEN	6
ISRAEL	182	BELIZE	5
ALBANIA	173	GAMBIA	5
SWITZERLAND	146	PERU	5
ETHIOPIA	136	TURKMENISTAN	5
CANADA	129	ECUADOR	4
UZBEKISTAN	129	GRENADA	4
SOUTH AFRICA	108	UGANDA	4
MOROCCO	98	ANGOLA	3
MYANMAR	96	CHILE	3
THAILAND	92	EL SALVADOR	3
AFGHANISTAN	89	KUWAIT	3
INDONESIA	87	MALI	3
KAZAKHSTAN	87	NIGER	3
AUSTRALIA	74	SAUDI ARABIA	3
GHANA	74	BAHRAIN	2
LIBYA	61	BENIN	2
SERBIA	60	MALAWI	2
ZIMBABWE	54	MAURITIUS	2
BOSNIA AND HERZEGOVINA	50	TAIWAN, PROVINCE OF CHINA	2
BRAZIL	46	TAJIKISTAN	2
CONGO	43	CAMBODIA (KAMPUCHEA)	1
MOZAMBIQUE	38	CAPE VERDE	1
CROATIA	37	CHAD	1
KENYA	35	ERITREA	1
GUINEA	32	FIJI	1
MONGOLIA	29	GABON	1
DOMINICAN REPUBLIC	27	GUATEMALA	1
KYRGYZSTAN	24	HONDURAS	1
COLOMBIA	23	JAMAICA	1
SOMALIA	23	KIRIBATI	1
SIERRA LEONE	22	LAO DEMOCRATIC REPUBLIC	1
UNCERTAIN	22	MADAGASCAR	1
ARGENTINA	20	TOGO	1
SKOPIA	19	ZAIRE	1
TOTAL 64419			

Table 7: Distribution of EU migrant workers in 2010

GREECE	29094
UNITED KINGDOM	16950
ROMANIA	11619
BULGARIA	11563
POLAND	5332
SLOVAKIA	2224
GERMANY	1245
LATVIA	955
FRANCE	589
LITHUANIA	555
SWEDEN	494
HUNGARY	489
NETHERLANDS	409
CZECH REPUBLIC	311
ITALY	290
IRELAND	268
AUSTRIA	205
NORWAY	182
FINLAND	161
DENMARK	107
BELGIUM	100
PORTUGAL	91
SPAIN	71
SLOVENIA	46
MALTA	34
LUXEMBOURG	3
TOTAL	83387

Source: Ministry of Interior 21 April 2010

Bar chart depicting the distribution of EU migrant workers in 2010 based on Table 7

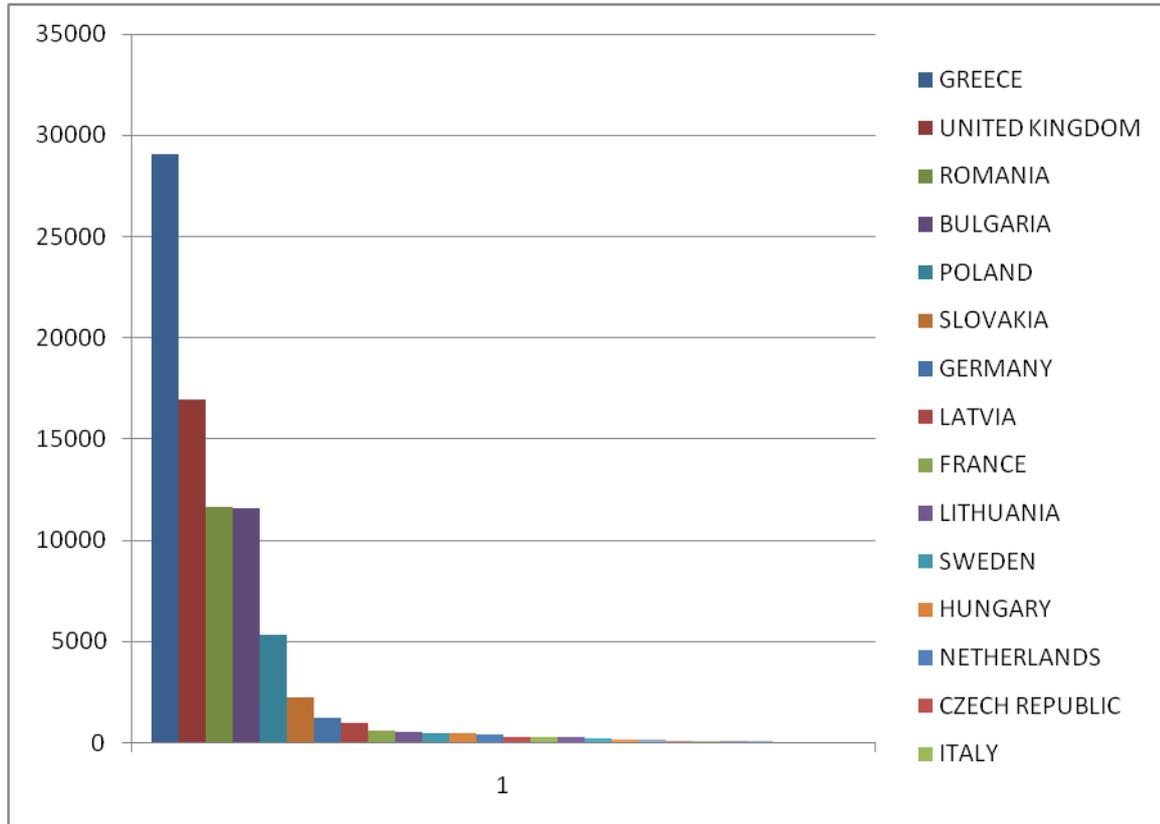


Table 4 as well as the bar chart 1 above illustrates the number of economic immigrants employed in Cyprus by country and economic activity. An overview of the table reveals that most economic immigrants (90%) arrive from a cluster of six countries (Romania, Bulgaria, Greece, United Kingdom, Poland and Slovakia) and a large number coming from non stated countries (CNS). About 42% of all EU workers come from Bulgaria and Romania, who prior to 2007 were considered to be TCNs; in any case 57% of all EU citizens working in Cyprus are eastern Europeans, apart from Romani and Bulgaria the come from Poland, Slovakia, Hungary, Lithuania, Latvia, Czech Republic, Estonia and Slovenia. Another 28% of EU citizens working in the Republic of Cyprus come from Greece and the UK, counties with long historical, economic and political ties with the country.

Bar chart 2 below is indicative of the economic activities EU migrant workers are employed. As regards to the economic activities of the EU migrants, we notice that 81% are employed in construction, trading and tourism industries. More specifically, 17.5% are employed in constructions, 16% in wholesale and retail trade, 13% in restaurants, 12% in manufacturing, 11.5% in other trade services and 11% hotels. The tourist sector (restaurants and hotels) makes up 23% of EU national employees in the Republic. Furthermore, taking a closer look at the economic activities of the EU migrants coming from Greece, UK, CNS, Germany we notice that a significant percentage is employed in fields which are considered to enjoy a more privileged or 'higher social status' jobs (such as public administration, education, other trade services, transport/communication/ storage, other community and social activities) while the largest percentage of workers coming from eastern European countries are employed in labour, trading and tourism industries.

E.U. citizens employed in Cyprus by Country during October 2009

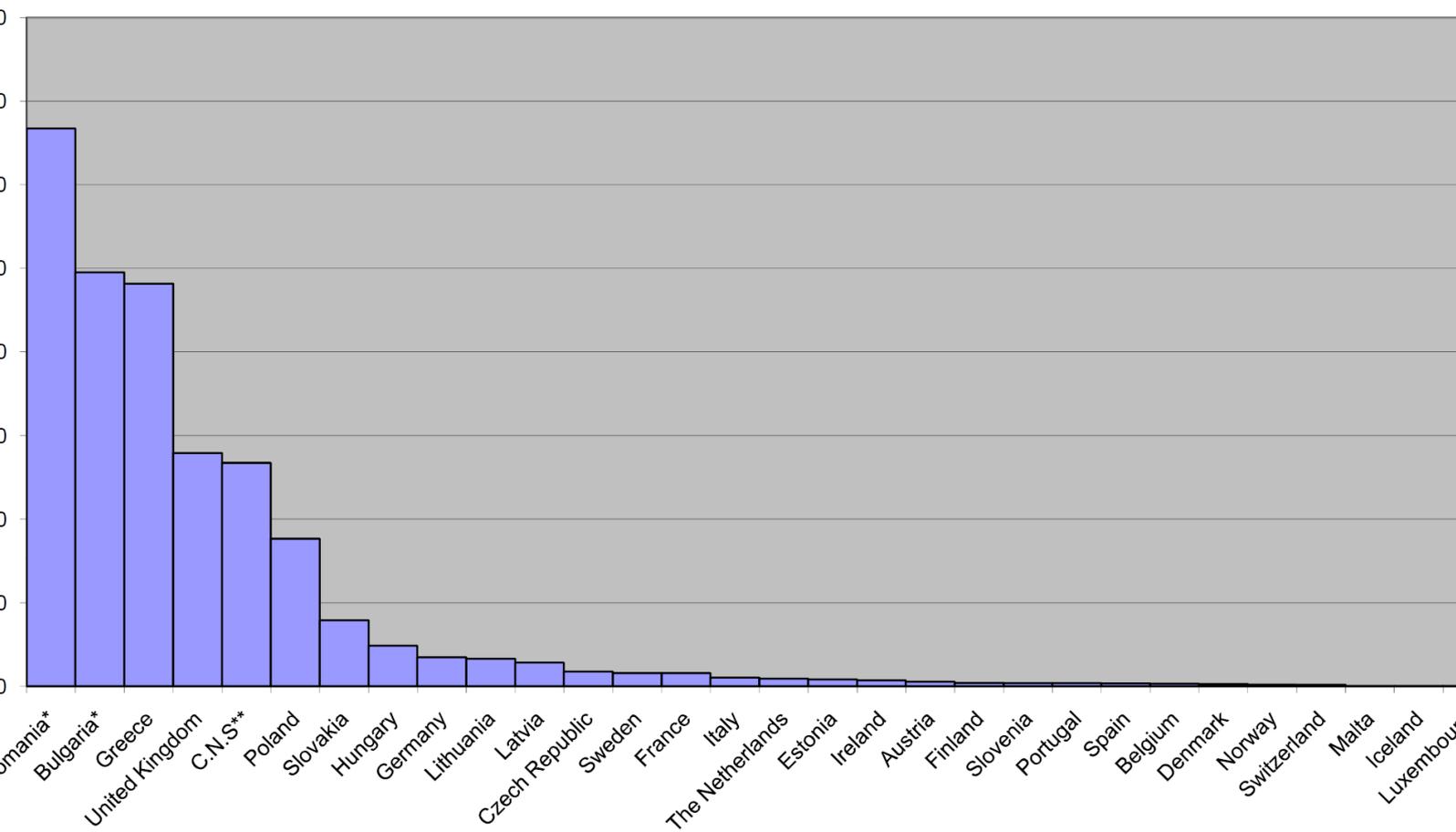


Table 8 : Asylum Seekers and Refugees

Year	2002	2003	2004	2005	2006	2007	2008	2009	TOTAL
Asylum Applications	839	4,032	9285	7291	4286	5905	3449	2663	37758
Number of persons seeking asylum	952	4407	9,872	7,746	4545	6789	3922	3195	41428
Persons granted 1951 Convention Status	0	0	30	41	37	36	64	49	257
Allowed/humanitarian	0	10	56	122	151	191	163	1320	2813

Source: Ministry of Interior, 3.3.2010'

The figures in table 8 are relevant as asylum-seekers and refugees are part of the labour market, despite the fact that there are rules which prohibit the employment of asylum seekers for six months after applying for asylum. In fact amongst migrant workers, evidence shows that asylum seekers whose right to access the labour market is restricted to farming and agriculture, along domestic workers and agricultural workers, particularly if they are irregular migrants, with the most low-status and low-paid jobs in the market these groups are in a most vulnerable position.

2.2 Irregular Migrants and Illegal Entry

According to information given to Parliamentary Commission on Human Rights by the Chief of the Police on 27/02/2007, in 2006 3.778 persons entered the Republic illegally, of whom 3.762 entered from the check points of the occupied territories in the north and another 16 areas under the control of the Republic of Cyprus. From the 'illegal entrants' who arrived from the northern part of the country not under the control of the Government, 1.147 are reported to have returned to their countries voluntarily. Also in 2006 4.131 foreigners sought asylum, 2.000 of whom entered from the north and 2.131 entered the Republic. As regard 'illegal employment', in 2006 there were complaints against 1.104 foreigners and 592 employers. There were 2.983 removals, whilst the Republic refused entry to 1.830 persons. A comparison with other years shows an increase in all categories with the exception of refusal entry. According to statistical information provided by the Cypriot police, in 2002, 726 irregular immigrants were arrested. In 2003 there were 3,796 arrests and 2,559 arrests in 2004. Up until September 2005, 1,129 irregular immigrants had been arrested.

An issue of concern for the authorities concerns the numbers of 'illegal entrants' from the northern Turkish occupied territories from the "Green line" (i.e. buffer zone) who are non-Cypriots living in the occupied territories. During 2007 there were 662 persons who entered illegally from the north as oppose to 615 in 2006 and 1264 in 2005. There were 2892 expulsions/deportations in 2007, compared with 2983 for 2006; however we are informed by the police that the numbers of expulsion is very much depended on capacity to detain persons and that they are working in more or less 'full capacity'.

Table 9: Deportation Figures since Accession 2005-2009

Year -	Number of deportations
2005	2849
2006	2983
2007	2892
2008	3231
2009	3394 (until 11/2009)
TOTAL since 2005	15339

**Figures provided by the Ministry of Interior 23 March 2010*

According to the Ministry of Interior,²² whilst it is impossible to know for certain, it is estimated that the total number of irregular migrants, what they term as ‘illegal immigrants’ is between 25000-30000, a number which includes both overstayers and illegal entrants.

²² Information provided to the author by the Ministry of Interior 23 March 2010.

Table 10 : Irregular and Undeclared work

**: Total figures provided by the Inspection Unit of the Labour Relations Department of Ministry of Labour
Situation as compiled by the aggregate figures of the Inspection Units for the period 1/4/2009 - 31/12/2009**
(Source: Labour Relations Department of Ministry of Labour)

CATEGORY	Employers and Self-employed			Employees							
	Total	Undeclared	%	Greek-Cypriot			Turkish-Cypriot			EU citizens	
				Total	Undeclared	%	Σύν.	Undeclared	%	Total	Undeclared
construction industry	2,009	179	8.91	1,888	212	11.23	304	85	27.96	2,287	807
hotel industry	220	6	2.73	1,450	93	6.41	2	0	0.00	1,048	241
leisure centres	185	12	6.49	133	16	12.03	3	1	33.33	318	133
Various	154	6	3.90	223	19	8.52	0	0	0	235	63
AGGREGATE	2,568	203	7.90	3,694	340	9.20	309	86	27.83	3,888	1,244

Aggregate Data

Aggregate employees	8,858		
Aggregate of Undeclared:	2,191	24.73%	*
Aggregate of Aliens:	967	10.92%	

Construction Industry

Aggregate employees:	4,998
Aggregate of Undeclared:	1,422 28.45%
Aggregate of Aliens:	519 10.38%

Hotel Industry

Aggregate employees:	
Aggregate of Undeclared:	
Aggregate of Aliens:	

Leisure Centres

Aggregate employees	593	
Aggregate of Undeclared:	225	37.94%
Aggregate of Aliens:	139	23.44%

Different Types of firms

Aggregate employees	593
Aggregate of Undeclared:	146 24.62%
Aggregate of Aliens:	135 22.77%

In April 2007, a special tripartite technical committee²³ was established to find ways to combat undeclared work in the construction sector, given that undeclared work tends to affect

²³ Cyprus has a strong tradition of tripartitism (see Slocum 1972; Sparsis 1998)The government side is represented on the committee by the MLSI (Υπουργείο Εργασίας και Κοινωνικών Ασφαλίσεων), through the SIS Social Insurance Services and the DLR Department of Labour Relations (Τμήμα Εργασιακών Σχέσεων). It is also represented by the MCW (Υπουργείο Συγκοινωνιών και Έργων), through the Public Works Department. The workers' side is represented by the following trade unions: DEOK (Δημοκρατική Εργατική Ομοσπονδία), the Cyprus Building, Wood, Mine and General Workers' Trade Union, affiliated to the PEO (Παγκύπρια Εργατική Ομοσπονδία), and the Federation of Builders, Miners and Relevant Professions, affiliated to SEK (Συνομοσπονδία Εργαζομένων Κύπρου). The employer side is represented by the OSEOK (Ομοσπονδία Συνδέσμων Εργολάβων Οικοδομών Κύπρου), affiliated to OEV (Ομοσπονδία Εργοδοτών και Βιομηχάνων).

the most vulnerable groups of workers (TCNs, EU workers and Turkish Cypriots); it includes intensified inspection activity, particularly with regard to public works.²⁴ There is a significant knowledge gap with regard to the extent of undeclared work, but it is generally believed that undeclared work in Cyprus is more widespread in certain sectors of economic activity such as the construction sector, hotels and restaurants and parts of the services sector. Moreover, it is thought that undeclared work affects more adversely specific categories of workers who tend to be more vulnerable – in particular, migrants and Turkish Cypriots, and to a lesser extent women and new labour market entrants.²⁵ Hence, since 2004 specific initiatives have been taken at sectoral level, primarily with regard to the construction industry and the special tripartite technical committee set up in 2007. Since April 2009, the Inspection Unit of the Labour Relations Department of Ministry of Labour has begun reporting on a monthly basis on Irregular and Undeclared work on their findings to monitor the situation, improve knowledge as well as combat the problem. For the situation as compiled by the aggregate figures of the inspections for Inspection Units for the period 1/4/2009 - 31/12/2009, see *Table 7 above Irregular and Undeclared work: Total figures provided by the Inspection Unit of the Labour Relations Department of Ministry of Labour.*²⁶

3. Employment and unemployment trends of third-country nationals

3.1. Employment and Unemployment

During the period 2004-2008, the services sector expanded by 40.000 job positions and it proved once again to be the most dynamic sector for employment creation with a rate of annual growth of around 3.6%. A more detailed sectoral breakdown of net employment creation shows that the sectors of real estate and business activities, public administration and defence, manufacturing and education experienced the greatest increase in employment. In contrast the sectors of hotels and restaurants and manufacturing demonstrated a negative employment growth.

In 2008, the occupational structure of employed population was composed of 31% of total employment in high skilled – non manual occupations (legislators, managers, professionals and professional assistants), 30% in middle and low skilled – non manual occupations (clerks and service and sales workers) and 38% in skilled and unskilled manual occupations (skilled agricultural workers, craft & related workers, plant & machinery operators, elementary occupations). Occupational categories with the highest number of employed persons: sales and services (63,141); elementary workers (57,338); and professional workers (56,501). The employment of women is mainly concentrated in a narrower spectrum of occupations as compared to men and at lower levels of hierarchy. In 2008, 50% of all women were employed in 4 out of the 17 sectors of economic activity (wholesale and retail trade; education; real estate and business activities ; private households), whereas 50% of all men were employed in 3 sectors of economic activity (construction; wholesale and retail; manufacturing). Specifically, 88% of women were employed in the services sector and 45.5% of these were employed in middle skilled occupations. In 2008 43% of women were employed in middle

²⁴ See Soumeli, E. (2007) ‘Tripartite committee to combat undeclared work in construction sector, Cyprus’, *European Foundation*, <http://www.eurofound.europa.eu/areas/labourmarket/tackling/cases/cy001.htm> (accessed 25.1.2010)

²⁵ See Soumeli, E. (2004) ‘Thematic feature - industrial relations and undeclared work’, *European Foundation*, 16.08.2004, <http://www.eurofound.europa.eu/eiro/2004/06/tfeature/cy0406104t.htm> (accessed 25.1.2010).

²⁶ Information provided by officer of the Labour Relations Department of Ministry of Labour.

skilled occupations, whereas 49% of men were employed in skilled and unskilled manual occupations. Only 16% of women are positioned in the category of managers/legislators. In accordance with the Labour Force Survey, in 2008, of the total employed 9.1% were EU Nationals and 7.8% were third country nationals; however this only includes those workers who paid social security.

Employment of Migrant Labour

The employment of migrant workers, and particularly TCNs, is the result of the structural changes in the economy and society since 1974, as we have indicated in the overview section of this report. The Cyprus Republic has been growing in conditions of full employment and sustainable external trade.²⁷ The underlying idea, which was also powerfully mooted in the study by Christodoulou (1992) is that the labour force Cyprus is the key driver of the ‘economic miracle’, particularly the migrant. It has to be noted the labour force since 1990 is increasingly migrant labour, TCNs and EU nationals.

A study examined the effect of immigration (i.e. TCNs) on the wages of Cypriot workers (Michael et. al 2006) shows interesting results. Using the data of Family Expenditure Surveys, they examined whether the presence of migrant workers in Cyprus has affected and to which extent the wages of Cypriots workers. In any case, a favourite allegation in media reports and public discourses is that the employment of migrant workers adversely affects the income of Cypriot workers (see Trimikliniotis 1999; 2005; Trimikliniotis and Pantelides 2003; Trimikliniotis and Demetriou 2005; 2007). According to the study Michael et al. al. (2006), the increase in the number of foreign workers has only marginal negative effects on the wages of Cypriot workers during the period 1991-2003, which was the period examined: the found that the increase in the number of foreign workers has decreased the real wages by 3.16% annually. The increase in real wages in this period would have been 21.56% instead of 18.40% if the rapid increase in the number of migrant workers during the same period had not occurred. However, not all groups of workers were affected in the same manner: firstly, it was found that the impact of foreign workers on the wages of domestic workers has been negatively related with their educational level. Secondly, workers with no education have been affected most negatively, while workers with basic education less negatively; workers with secondary education have been affected negatively only marginally. Thirdly, on the contrary, the wages of workers with college education have been affected positively and even more positively the wages of workers with university education. The most badly affected were those workers with no skills and who had only basic (i.e. jobs such as salesclerks, delivery men/women etc). On the other hand, skilled workers with secondary education such as plumbers, carpenters, electricians, etc. seem to have benefited marginally from the increase of migrant workers. The ones who mostly benefited were skilled workers with college or university education.

Another study, which examined the effects of migration (TCNs) on the participation of women in the labour market (Michael et. al 2008) found that the work of migrant workers,

²⁷ In Ioakimoglou and Trimikliniotis (2005) we have put forward the idea that the slowing growth in Cyprus Republic comes from two sources: Firstly, we have diminishing returns to tourism. Diminishing returns are a typical characteristic of exhaustible natural resources. High returns in the first stages of exploitation are accompanied by low returns at the final stages. Secondly, advanced European economies constitute a “technological frontier” which the Cyprus Republic tends to reach by adopting technological and organizational methods already used with success in the “leading” economies. For a summary of the debates in this paper see <http://www.mc-med.org/Private/Research-Conferences/Wolfson/W1Documents/BHC-FinalReportMC5ATT.pdf>

and in particular the domestic workers, has facilitated the increase in women's participation in the workforce, particularly educated women.²⁸ The trend of increasing women's participation has been observed before the arrival of migrant workers as the percentage of women who have completed higher education was rising, economic needs, changing family patterns, struggles for equality, global influences and a number of other factors have contributed to this upward trend. However, the study finds that

The availability of domestic workers today seems to have contributed positively to the participation of more women in the workforce, given the large number of domestic workers who are employed in private households in the last years in Cyprus. Specifically, the employment of domestic workers in Cyprus has increased substantially over the last fifteen years. Approximately, 13 716 domestic workers were employed in Cyprus in 2004, a number which is more than double than that of 1998, when domestic workers were approximately 6000. Since 1991, the number has increased almost tenfold. At the same time, the participation rate of married women with children, aged from 25 to 45, has risen significantly.

The study investigated the factors that determine the participation of women in the labour market in Cyprus and in particular, whether the possibility of employing domestic workers contributes to the increase of participation of married women in the workforce.²⁹ They concluded that, "the factor "domestic assistance" has increased the likelihood of women's participation in the labour force. According to our calculations, women who have "domestic assistance" are 20,5% more likely to participate in the labour market than those who don't. Therefore, the possibility of acquiring "domestic assistance" increases the labour supply of women and encourages women who are not participating, to enter the labour market."

The findings of Michael et al. al. (2005) examined the economic effects of the work of migrant workers in Cyprus – at that time the empirical findings only referred to TCNs as all migrant workers were non-Cypriot citizens. Using econometric analysis they estimated parametrically, on the basis of the available data at that time, the effect of migrant workers' labour in the total gross domestic product of the Cypriot economy and of each sector separately. The results provided ample evidence of "the importance of foreign workers on the economy as a whole and each sector individually". They estimated that the contribution of migrant workers to the growth rate of total gross value added in 2004 compared to 1995 was 54.2%, which is the highest contribution among all factors of production: If the number of foreign workers in 2004 was the same as that in 1995, the increase of total gross value added would have been 16.91% instead of 36.93%, while at the same time the average annual growth rate would have been 1.56% instead of 3.4%. They noted that the numbers of migrant workers in 2004 were 47 thousand plus another estimated 20-30 thousands. Over the years 1997-2004 there was an average annual growth of legal foreign workers was at 13.9%; the percentage of legal foreign workers in Cyprus has been 14.6% of the working population and if the irregular migrants were to be taken into account then it is 20% of the working population. The average annual growth of the GDP during this period was around 3.4%.³⁰

²⁸ The rate of participation of women in the labour force increased from 50.5% in 1985 to 53.3% in 2004; in contrast, the corresponding rate among men dropped from 94% in 1985 to 73.5% in 2004.

²⁹ The data of Family Expenditure Surveys for the years 1996/97 and 2002/03 were used for the estimation of the econometric model.

³⁰ During the same period GDP –at 1995 prices- has increased from £4.148,2 million in 1995 to £5.616 million in 2004.

Studies reveal that there are crucial structural changes over the last 30 years, which define a long-term exhaustion of the current economic model based on mass tourism. The notion that the ‘Cyprus economic miracle’ is reaching its limits has been put forward in a number of studies on tourism (see INEK 2005, 2006; Ioakimoglou and Trimikliniotis 2005). The ‘mechanics’ of growth in the country, under the control of the Republic of Cyprus during the post 1974 years illustrate that the levels of growth are diminishing reflecting longer-term processes of exhausting the current ‘developmentalist model’. Some key factors that show the economic (and extra-economic factors) determining the levels of growth in the northern part of the country.

Unemployment Trends

Unemployment Rate

In 2008, the number of unemployed persons decreased by 6% and the unemployment rate dropped to 3.7% (from 3.9% in 2007 and 4.5% in 2006), which was one of the lowest in the EU27. A significant decrease was also observed in the unemployment rate of women which decreased to 4.2% (from 4.6% in 2007) whereas the unemployment rate of men decreased further to 3.2% (from 3.4% in 2007) remaining at low levels. Despite this, young persons (15-24 years old) continue to face problems entering employment. This is reflected in the high unemployment rate of this age group which reached 9% in 2009 and it is more than double the overall unemployment rate.

Unemployment by sector of economic activity and educational attainment level:

The highest proportions of unemployed persons were concentrated in the Hotels and Restaurants sector (3.687 persons and unemployment rate 9.5%). The majority of unemployed (39.8% of total unemployment) were upper secondary education graduates, whereas 30% were tertiary education graduates and 31% had educational level below upper secondary level. The highest unemployment rate, 4.8%, is observed among persons with an educational level below upper secondary.

Unemployment by duration

The majority of unemployed are placed into job positions in a small period of time and therefore long-term unemployment is at low levels. Specifically, during 2007, the 63% (61% in 2006) of unemployed were placed in employment in less than 6 months whereas the 18.6% (19.3% in 2006) remained unemployed for more than one year. The long-term unemployment rate was further decreased to 0.7% from 0.9% in 2006 and 1.2% in 2005, remaining at very low levels.

The Issue of [generally] Low Unemployment in Cyprus

Unemployment is low for EU standards, but has doubled in comparison to five years ago (currently stands between 5.5% -6% - see below for more details). Some trade unions are calling for more restrictions in the employment of TCNs, whilst other fringe and extreme right groups and initiatives have emerged connecting unemployment to the employment of migrant workers. Signs of the ‘developmentalist state in crisis’ were noted since the mid 1990 (Panayiotopoulos 1995), but this could not be articulated as Cyprus continued to enjoy high growth levels, in what Ioakimoglou referred to as “convergence growth” (i.e. levels of growth which were higher than the EU15 average as it was in the process of accession (INEK 2004;

2005b). An overview of development examining variables such as growth, accumulation and real convergence in Cyprus Republic to the E-15³¹ indicates that there is a longer-term slow down of what can be described as a steady state growth path of a mature economy (Ioakimoglou and Trimikliniotis 2005): firstly, labour productivity rises at a constant rate since 1995 as there has been a deceleration in the annual rate of change from 4% in the first years of the '80s to 2% in the mid' 90s; second capital deepening has also been slowing down and continues since 1995 at a pace of 2%; third as a consequence of the first two facts output Capital ratio (called also Capital Productivity) remains broadly constant;³² fourth the primary income distribution between capital and labour shows that the labour share in GDP at factor prices oscillates around a constant value of 70% since 1995;³³ fifth as a consequence of the third and fourth fact, the Rate of Profit is constant since Capital Productivity and Income Distribution are constant: the transitory phase of 1990 to 1995 lies between two periods of stable profitability as a result of the modification of income distribution. Before the current economic crisis which has brought about economic growth just above zero, the economy in the Republic of Cyprus was growing at a pace leading to full employment. For the decade before the recent rise of unemployment, the average unemployment rate oscillated around a constant value of 3% or 4,5% depending on the definition (national or Eurostat definition); since 2005, unemployment has been on the rise and currently stands at 5.5% to 6%. The same growth rate generates a sustainable trade deficit since the balance of goods and services is fluctuating around a constant value of approximately 5.5%. Invisibles and continuous inflow of foreign private capital make this deficit sustainable.

TCN migrants and Unemployment

The issue of competition between migrant workers and Cypriots, as well as the relation between unemployment and the work of migrant workers have been themes quite popular in the Greek-Cypriot media since the 1990s; moreover some trade unions and right-wing politicians and fringe groups have and are often using these alleged connections to argue for restrictions in immigration. However, one has to be cautious when using aggregate figures linking unemployment to migrant workers for these figures cannot only be misleading, but they may serve to give credence to a myth that racists can utilise to scapegoat migrants.³⁴ Aside from engaging in a dangerous 'numbers game' equating migrants to social evils such as unemployment, scientifically speaking there are a number of fundamental flaws many times ignored in the analyses that seek to link unemployment with migrant workers. *Correlation does not necessarily mean that there is any causal relationship whatsoever.* Comparisons of heterogeneous and unrelated variables require close scrutiny and extreme care. The aggregate number of unemployment describes the total number of Cypriots recorded officially as

³¹ For an interesting debate on the subject of 'convergence' of the two parts of Cyprus see the website of the Management centre, which hosts the papers of the Wolfson group at <http://www.mancentre.org/OtherActivities/Wolfson/Wolsonindex.htm>

³² Between 41% and 43%, since capital intensity and labour productivity grow at the same rate.

³³ Before 1991 there was also a remarkable stability in the labour share at the level of 61%. The years 1990-1995 should be considered as a transitory phase: The trade unions had accepted a low labour share after the war of 1974 in order to contribute to the restructuring of the economy. In the early 1970s, when the rate of unemployment was even lower than its long term trend, the trade unions obtained a labour share comparable to shares in other EU-15 countries

³⁴ The classic is the French neo-nazi, Jean Marie Le Pen and his party the *Front Nationale* who have made extensive use of the slogan: "3 million unemployed, 3 million migrants in France!" In Cyprus these connections are made also by those who claim to be fighting against racism, from newspapers of the Right to those on the Left. Two headlines titles are characteristic: "Working people victims of employment of foreigners - mass dismissals" (*I Simerini* 1.3.97); or "Unacceptable: Hundreds of Cypriots dismissed as foreigners are employed" (*Haravyi* 1.3.97). In fact those on the Right go further. A SEK spokesman is quoted as stating that "they ['migrant workers'] are stealing our bread" (*O Phileleftheros* 2.12.97). In December 2009, the far right group ELAM organized a demonstration precisely connecting migrant workers to unemployment: "Each foreign worker = an unemployed Cypriot" (see *Cyprus Mail* 20.12.2009). For critiques see Trimikliniotis 1999; Trimikliniotis and Demteriou 2005; 2007; Charakis et. al. 2005.

actively seeking employment, whilst the aggregate of migrant workers are the numbers of migrant workers employed in various sectors of the economy. In any case such a link cannot be empirically substantiated, as various studies, which will be presented shortly show.

A study published in 2009 dealing with the impact of immigration on unemployment, labour force participation and part-time employment in Cyprus³⁵ found that, despite the sharp increase of the number of migrant workers in Cyprus the last 15 years, the presence of (foreign) migrant workers has not affected total unemployment or total labour force participation in Cyprus; part-time employment seems to be marginally affected overall. However, the presence of migrant workers affects the probability of unemployment, labour force participation and part-time employment of some age and education groups.

The report has already referred to the public debates relating to the issue of competition between migrant workers and Cypriots, as a result whether the work of migrant workers causes unemployment. To establish a causal relation between the presence of migrant workers and the rise of unemployment one must illustrate how the number of one figure actually affects the other by demonstrating a *structural relation between the two variables*. The following must be shown through theoretical framework and empirical research:

- Firstly it must be shown that migrant workers actually *displace* Cypriot workers in the particular sector, in the particular jobs Cypriot workers perform, something not substantiated by the work done in the field by Pashiardes et al. al. (2001) and the subsequent work by the Economic Research Center of the University of Cyprus, all of which are discussed further down.
- Secondly, to the extent that there is such a displacement, migrant workers cannot be blamed, as it is impossible to prove: there is mediation here by the operation of other social actors whose role is to hire and fire, i.e. employers and a policy framework for such a policy. In any case with EU accession and free movement of workers such issues are now completely different. One has to attend to the *different factors that affect the employment* in the country on the one hand and the employment of migrant workers on the other. One has to look at the various collapsing and emergent industries in order to see what jobs are offered and what are being shed as well as structural and other causes of unemployment. We are dealing with figures are heterogeneous and a dynamic analysis cannot just take them for granted. What is apparent is that total demand for labour is higher than the supply at least in the sectors that migrant workers are employed. An analysis of unemployment in Cyprus must be undertaken in order to locate the various types of unemployment such as the following: (a) *frictional unemployment*, allowing for workers persons moving from one job to another and for the *time lag* between someone seeking a job or a new job and actually finding one; (b) *newcomers* in the labour market; (c) the *regional factor* in the question;³⁶ (d) wider structural unemployment is another cause of unemployment that cannot be ignored such as technological, technical and other

³⁵This paper investigated the impact of foreign workers on unemployment, labour force participation and part-time employment in Cyprus, using data from the EU Labour Force Surveys for the period 1999-2005. This is examined overall, and by age group, or education, level. See Christofides et. al (2009) <http://www.ucy.ac.cy/data/ecorece/FullTextChristofidesetal.pdf>

³⁶ For example the substitution thesis fails to account for question of mobility of the labour force. A female worker in a village in Paphos or Limassol may well not be interested in job at Paralimni, if for example she has a family and children and a husband with a job in Paphos. There social and cost implications involved in moving from one town to another and even more from moving from a village to a town.

changers on the production process, as well as general changes in the economy, with relocations of capital where labour is cheaper (i.e. away from Cyprus) are serious causes of unemployment; (e) to draw on the population currently not economically active requires a change in the current attitudes and practice; a regional policy of incentives these persons to enter the labour market as well as a policy of offering incentives to industries to locate close to populations that are not or are no longer economically active.³⁷

- Thirdly, the institutional means of obtaining work permits for migrant workers is many times not taken into consideration, but may provide the key to many problems of analysis. If employers on a *regional basis* want migrant workers to work for them they need to apply after they have exhausted the search for local workers and then they apply. They need to take first any Cypriots registered in the regional office; only when there are no Cypriots available for the specific job in the relevant region, will the permit be granted, in accordance with the criteria. There are also a number of criteria that have been agreed; the trade unions agreed to this mechanism precisely to avoid the substitution of local workers by migrant workers. The extent to which the economy generates new jobs and the kinds of new jobs available, which satisfy local and/or migrant workers to work under the specific terms of employment is an empirical question. This requires that we examine the ages, ages, social backgrounds and aspirations of the unemployed and the kind of jobs and conditions of employment acceptable to them. It may be that the economy generates the kinds of low skilled and low paid jobs which not acceptable to locals; this may be a structural problem of the economy over all and not to do with migrant workers.
- Fourthly, migrant workers in fact generate growth of the economy and more jobs at the higher echelons of the economy are created for Cypriots as migrant workers take posts at the lower echelons of the labour market hierarchy and low skill jobs. As in the case of Greece where migrant workers occupy the lower skilled jobs and Greeks have moved upwards,³⁸ the same does happen in Cyprus, as Cypriots, who though education and training have improved massively in terms of their skills and thus move upwards in the hierarchy. It is well known that there are efficiency benefits from migration that neoclassical or orthodox economics theoretically and empirically substantiate. Labour mobility through migration contributes to allocative efficiency by relocating labour resources away from lower-valued and toward higher valued employment. It is no coincidence that the US has granted amnesty to qualified illegal immigrants with the Simpson-Rodino Act 1986. The same applies in the context of Cyprus. A similar issue is that analyses many times fail to appreciate the positive effects of the presence of migrant workers: the concept of the Keynesian multiplier effect sets in motion a mechanism for job creation; migrant workers are also consumers in the economy.
- A sectoral analysis for unemployment can provide some indications, but what is required is a longer-term analysis to link the contraction of the percentage of industrial output to the total number of unemployed for example. Another important empirical research would be on the effect of new technology, innovation and technological

³⁷ An illustration of this is the industries located close to certain big villages, which attract a workforce of women who would otherwise not be active in the field, should the industry was located far away, in the town for example. Most women in this situation are engaged in domestic work and may also be active in agriculture or other activities on a part time or seasonal basis. Retired population may follow a similar pattern.

³⁸ As the study by Sarris and Zagafakis (1999) shows.

investment on skills: does it lead to a depression of skills or to upgrading? Presumably the answer would possibly be both: to some workers such as the printing industry it lead to a deskilling - the old craft of printing disappeared as a result of new technology. However, for the computer industry for example it means constant upgrading of skills. For Cyprus no such study exists.³⁹

The study of Pashardes et al. (2001: 50-54) using econometric analysis has reached the conclusion that there is no relation between migrant workers and unemployment, but that there is some substitution (i.e. displacement of Cypriots by migrant workers) in the primary sector not towards unemployment but towards the secondary and tertiary sector and a much greater job creation process in the tertiary sector. So a doubling of the percentage of migrant workers in the manufacturing sector would result in the reduction of the possibility of employment of Cypriots by 9,6%, whilst for the same increase in the construction sector the effect will be in the region of 5,6%. However, if there was doubling of migrant workers in the tertiary and service sector there would be an increase in the percentage of Cypriots employed in the region of 16,1%. These findings make the authors conclude the following:

“the effect of foreign labour on the possibility that someone will not be employed in any sector and remain unemployed is almost nil. This, with the other results, leads to the conclusion that the presence of foreign workers had no effect on the level of employment but only affects the structure of employment” (Pashardes, Christofides and Nearchou 2001: 53).

Subsequent studies by the Economic Research Center of the University of Cyprus, using similar econometric methodologies but drawing on subsequent data, found that overall the presence of migrant workers in Cyprus has been extremely beneficial for the economy as whole, for each sector of the economy and for increasing the number of Cypriot women in the labour market.

A recently published study (Christofides et. al. 2009) examined the impact of immigration on unemployment, labour force participation and part-time employment in Cyprus, reflecting the concerns over the rising unemployment and current economic crisis. Again using data from the EU Labour Force Surveys for the period 1999-2005 it examined the impact on the economy of increase of the numbers of migrant workers in Cyprus: the post accession period is marked by the presence of a large number of EU citizens, who are currently estimated to be close to 100,000 persons. The study is based on figures before the sharp rise in the number of EU citizens; therefore it reflects the reality as regard the presence of TCNs. The study examined the overall situation as well as by age group, or education, level and found that (a) the presence of migrant workers has not affected total unemployment or total labour force participation in Cyprus; (b) part-time employment seems to be marginally affected overall; however (c), the presence of migrant workers affects the probability of unemployment, labour force participation and part-time employment of certain age groups and education groups. It seems that the labour force age groups (30-39, 40-49, 50-59, 60-64), the presence of migrant workers in Cyprus over the period 1999–2005 were did not affect their probability of

³⁹ This would allow us to properly look at the root causes of unemployment such as structural unemployment. Such a study would have a bearing on the employment of migrant workers by looking at the kinds of jobs migrant workers do in all the sectors of the economy. The tourism industry would not be affected greatly but some of the retailers will be.

unemployment. However, the study argues that people aged from 30-39 years with secondary education attained, as well as tertiary-educated individuals 60-64 years of age were affected: “an increase in the share of foreign workers by one percentage unit increases the probability of unemployment by 0,15% for the first group and, 0,25% for the latter” (2009: 71).

“In brief, the presence of foreign workers seems to increase the probability of unemployment for younger individuals aged 20-29 years old for any educational attainment. On the other hand, the probability of being unemployed is not influenced by the presence of foreign workers for older groups. Among those aged 25-29 years old, the highest increase in the probability of unemployment is for tertiary-educated people (0,39%), which possibly indicates that domestic newcomers with higher education prefer to remain unemployed for a while, rather than take a job with a lower wage. In other words, foreigners might accept job offers that domestic newcomers refuse to accept. However, this is quite an ambiguous conclusion, since the majority of foreign workers in Cyprus are unskilled with only primary education, which makes them complementary to domestic workers. The second highest probability increase is observed for primary educated individuals (0,35% increase in probability), which is expected. The fact that foreign workers do not have a significant impact on unemployment for upper secondary non tertiary-educated individuals also confirms our theoretical predictions. In the 20-24 age group, education level does not affect the probability of unemployment.”

Moreover, the study finds some impact on labour force inactivity depending on the age and educational attainment, despite the fact that they estimate that presence of foreign workers does not affect total labour force participation in Cyprus for the period 1999-2005. However, they find that is a group-specific effect on the probability of being inactive, depending on age or education level, given that they find that migrant workers affect differently the various age and education level groups:

An increase in the percentage of foreign workers in the sector by one percentage unit, increases the probability of being inactive for individuals with primary education, of age 20-24 by 0,58% (at a 5% significance level), for ages 25-29 by 0,68% (at 1% significance level) and for ages 30-39 by 0,32% (at a 10% significance level). The probability of inactivity also increases for older people aged from 60-64 years. In this age group, by increasing the share of foreign workers by one percentage unit, the probability of non-participation in the labour force increases by 1,03% for secondary-educated individuals, 1,51% for individuals with upper secondary– non tertiary education and 1,48% for tertiary-educated people.

The study is interesting in that it examines another two categories of workers who must be compared as they provide relevant comparative workers to TCNs. These are Turkish-Cypriot workers who commute from the unrecognised TRNC to the south to work every day and EU citizens who are exercising their right to free movement of workers.

3.2. The key issues relating to employment of third country nationals

Recently there has been an interest in research on migration to Cyprus, focusing on third country migrants, and some studies have been produced on the subject, primarily drawing on various research projects (see Trimikliniotis 1999, 2001, 2004; Trimikliniotis and Demetriou 2005; 2006; 2007; Trimikliniotis and Souroulla, 2006; 2007; Charakis, Sitas et. al. 2005). Next I will deal with the relevant literature as it relates to employment trends of third country nationals rather than embark on a general literature on migration to Cyprus. A number reports and studies exist on the employment situation on third country nationals which illustrate that there is a problem of racial/ethnic discrimination in employment and labour market. The *Third ECRI Report* published in May 2006 confirms the findings of the *Second ECRI Report* that third country nationals continue to form the most vulnerable group despite institutional developments brought about by Cyprus' EU accession in 2004. Amongst migrant workers, evidence shows that domestic workers along with asylum seekers whose right to access the labour market is restricted to farming and agriculture, the most low-status and low-paid jobs in the market these groups are in a most vulnerable position, whilst evidence of violation of contract terms by employers is abundant.

Barriers to mobility

The *Annual Report of Labour Office for 2005*⁴⁰ of the Ministry of Labour and Social Insurance maintains that the policy is to ensure equal treatment between Cypriots and non-Cypriot workers. However, from the Preliminary Report of the research conducted by the Research Centre of Cyprus College on *Barriers to mobility from and to Cyprus*⁴¹ "it is generally admitted by all interested parties that there is exploitation of foreign labour force in Cyprus and especially on subjects such as pay, labour/industrial relations and working conditions". This is explained as the result of inadequate information, the general feeling of social exclusion and marginalisation due to the inability and unwillingness of Cypriots to accept cultural diversity towards foreigners." Most EU migrant workers come from Greece (including Pontiac Greeks), Poland, the UK and Slovakia. The study has located barriers such as the difficulties in communication due to language, educational and family reasons, non recognition of academic qualifications and the great distance between Cyprus and continental Europe.⁴² *The National Report on Strategies for Social Protection and Social Inclusion 2006-2008*,⁴³ under the subheading "2.3.2 Employment policy for foreign workers" repeats the general statements that "the strategy for the employment of third country nationals will be revised with a view to serving the development needs of Cyprus without undermining the objective of increasing the domestic supply of labour. This strategy will enhance efforts to promote access to the labour market for persons facing special problems (e.g. women, young persons and older workers), since these persons are affected by the influx of foreign labour force in Cyprus. The measures envisaged under the new strategy are "strengthening the infrastructure of the Department of Labour for the effective monitoring of the labour market" and

40 See http://www.mlsi.gov.cy/mlsi/dl/dl.nsf/dmlannual_gr/dmlannual_gr?OpenDocument

41 Presentation of Preliminary Results of a Research, 2006: European Mobility Year in an Enlarged Europe, on behalf of the Labour Department of the Ministry of Labour, 2.10.2006, Lefkosia. The research is based on interviews of stratified samples from all echelons of working life of 850 Cypriots, 200 workers from different European countries and used methods of questionnaires, semi-structured interviews and focus groups.

42 See Press Release and power point presentation provided of the study, Barriers to mobility from and to Cyprus.

43 Ministry of Labour and Social Insurance, Lefkosia, September 2006.

“enhancing the monitoring infrastructure of the new strategy.” We have no details about how these are to be implemented.

In fact, all major studies on the third country migrant workers point to the same conclusion that they remain ‘a vulnerable position’, as the *Second ECRI Report on Cyprus* (2001) described them. They continue to be in a vulnerable position in spite the improvements of the institutional and legal framework, as the *Third ECRI Report on Cyprus* (published on 16 May 2006). Moreover, over and above third country nationals, it is now generally admitted the categories of ‘vulnerable groups’ include EU citizen workers, Turkish-Cypriots and Roma⁴⁴ and this is particularly the case as regards their employment situation: the *Third ECRI Report* records that the working conditions in the sectors of the farming and agriculture industry, which is almost entirely made up by migrant workers and are sectors open to the employment to asylum seekers, are ‘extremely poor’: wages are well below the minimum fixed by collective sectors of the economy’. The Report refers to non-governmental organisation reports that asylum seekers are pushed towards the irregular labour market’ (para.55) and recommends that the Cypriot authorities ensure that asylum-seekers are not discriminated against in exercising the right to employment granted to them by law’ (para. 60).

Discrimination and inequality in the labour market is a pattern that can be located by examining the kind of jobs migrants from third countries, many EU citizens from poorer countries and some other numerically smaller ethnic groups are concentrated in. Third country migrants are by policy design concentrated in the lower echelons of the labour hierarch: it is a condition for granting them employment and entry permit that they take up jobs that Cypriots do not wish to do which are typically low skill, low pay and low status. However, what is particularly problematic is that migrant workers have little, if any opportunity for training and betterment, and no opportunity whatsoever to progress or advance in the employment ladder in terms of promotion or career move, as their stay is dependent on the particular job and employer.⁴⁵

The Cyprus Equality Body has ruled that the treatment of foreign domestic workers is discriminatory on the ground of race or ethnic origin as there is indirect discrimination against them: the Ombudswoman referred to the low salaries paid to migrant domestic workers⁴⁶ compared to Cypriot workers, pointing out that the number of migrant female domestic workers was at the time 16236. The data is used to demonstrate the acuteness of the problem, based on the large size of this group and on the disparity in the salaries of migrants and locals. It certainly illustrates that there is indirect discrimination. The fact that there is evidence of discrimination and violation of the employment working condition of domestic workers was already recoded by the *Second ECRI Report*, as well as other studies.⁴⁷ Moreover as regards the newly adopted regulations restricting access to the labour market for asylum seekers, who are now forced to work only in the farming and agriculture, the *Third ECRI Report* criticises the authorities for presenting this restriction as a means to deter people from applying for asylum in Cyprus (para.57).

44 This was noted by the EUMC/FRA National Focal Point from the National annual Reports of 2004 and 2005; the literature on racism, xenophobia and discrimination in Cyprus pointed this out from the outset.

45 See Trimikliniotis and Pantelides (2003).and Charakis et. al. (2005).

46 Calculated at CYP0.82 per hour, contrasted with CYP4-Cyp5 ler hour for Cypriots carrying out the same work: Cyprus Ombudswoman Report File No. A.K.I 2/2005, dated 4.11.2005, page 4.

47 See Trimikliniotis (1999); Trimikliniotis and Pantelides (2003); Kadir. (2001).

The *Third ECRI Report on Cyprus* also points to the possibility of indirect discrimination against non-EU workers “when collective agreements stipulate unreasonably disadvantageous conditions for sectors mainly operated by these workers” (para.71). The Third Report refers to the fact that the Second Report on Cyprus noted the particular vulnerable situation, “exploitation and abuse by their employers” of domestic and other foreign workers, noting that there have been some changes in the procedures; however, “the close link still existing between employment with a specific employer and the residence permit” continues to be critical and as a result “domestic and other foreign workers are still reported to endure serious situations of exploitation and abuse in order to avoid deportation”. Moreover, *the Third ECRI Report* refers to the problem of artists in cabarets, night clubs and pubs, who are many times victims of trafficking” (para.111). Going back to the *Second Country Report of the European Commission against Racism and Intolerance* made abundantly clear the need urgent action. The Report falls short of using the term ‘institutional racism’ but the inference is apparent. In all but name the picture painted by the report is particularly gloomy: excessive violence by the police; immigration officers abuse their discretion; public figures’ public statements that lead to a xenophobic climate all of which cause the ‘vulnerable position of migrants’. All major studies on the third country migrant workers in society point to the same conclusion that they remain ‘a vulnerable position’; they continue to be in a vulnerable position in spite the improvements of the institutional and legal framework, as the Third ECRI Report on Cyprus indicates.

Other research conducted in the last ten years reached similar conclusions as to the seriousness of problem of racism in Cyprus, illustrating how racialisation was endemic in the media,⁴⁸ in employment,⁴⁹ in education⁵⁰ and amongst the youth. A quantitative study conducted by the Centre of the Study of Childhood and Adolescence on children’s perceptions of and attitudes towards foreigners of various nationalities who live in Cyprus showed a serious problem of racist stereotyping.⁵¹ Surveys show that Greek-Cypriots in

⁴⁸ N. Trimikliniotis ‘New Migration and Racism in Cyprus: The Racialisation of Migrant Workers’ in: F. Anthias and G. Lazarides (eds.) (1999), *Into the Margins: Migration and Exclusion in Southern Europe*, Avebury: Ashgate, pp. 139-178.

⁴⁹ See RAXEN National Data Collection Reports for Cyprus (2004-2008); Trimikliniotis (1999, 139-178) Trimikliniotis and Pantelides (2003, 121-148); Trimikliniotis (2004, 53-86); Trimikliniotis and Demetriou, (2006) *Combating ethnic and racial discrimination and promoting equality: Trends and developments 2000-2005*, RAXEN Special Study; Trimikliniotis, N. and Demetriou, C. (2008) “Evaluating the Anti-discrimination Law in the Republic of Cyprus: A Critical Reflection”, *The Cyprus Review*, Special Issue on *Rethinking Migration, Discrimination and Multiculturalism in a Post-tourist Society*, Volume 20:2 Fall 2008 , pp. 79-116.

⁵⁰ See RAXEN Country Reports (2004-2008); N. Trimikliniotis and C. Demetriou, C. (2006) *Combating ethnic and racial discrimination and promoting equality: Trends and developments 2000-2005*, RAXEN Special Study; E. Papamichael (2008) ‘Greek Cypriot Teachers’ Understandings of Intercultural Education in an Increasingly Diverse Society’, in: *The Cyprus Review*, Special Issue on *Rethinking Migration, Discrimination and Multiculturalism in a Post-tourist Society*, Vol. 20, No.2 Fall 2008 pp. 51-78.

⁵¹ “Greek-Cypriot children’s familiarity with, knowledge about, perceptions of and attitudes towards a variety of foreigners who live in Cyprus”, 2005: The study was carried out with fifth and sixth grade elementary school children (i.e. around the ages of 10-12) from ten different schools in Nicosia during May and June 2004. With permission from the Ministry of Education and Culture, the schools were selected based on certain criteria such as the size of the school and its social class profile to ensure maximum variability. The questionnaires were self-administered in the classrooms in the presence of a research assistant who responded to students’ questions and provided clarifications. The questionnaires were then analysed using SPSS. See also Spyrou, S. (2006), ‘Children Constructing Ethnic Identities in Cyprus’ in Y. Papadakis, N. Peristianis, and G. Welz. (eds.), *Divided Cyprus: Modernity, History and an Island in Conflict*. Bloomington and Indianapolis, Indiana University Press,

general overwhelmingly blame non-Greek-Cypriot migrant workers, and in particular Pontiac migrants for the rise in unemployment, drugs, criminality and car accidents.⁵² The data available is by no means satisfactory as a systematic and efficient system of recording racial incidents, monitoring and properly following up discriminatory practices, incidents and trends; nevertheless the overall picture that emerges from the imperfect tools available is largely the same as that referred to by various international and national reports and research on the subject. With regard to the overall employment situation on the subject of discrimination the data available is drawn from the following sources: the UN Report of the Office of the High Commissioner for Human Rights on the question of human rights in Cyprus; the Amnesty Report; UNHCR press release which is based on a research they conducted;⁵³ the survey on the views, perceptions and reactions of the public for Pontiacs conducted by the Authority Against Racism and Discrimination and the Equality Authority; the cases recorded by active associations such as “PROSOPO” referred to above. Trade union complaints about health and safety issues which particularly affect ethnic and migrant groups also came to fore during 2007.

The UN Report of the Office of the High Commissioner for Human Rights on the question of human rights in Cyprus⁵⁴ notes that “the persisting division of Cyprus has consequences in relation to a number of human rights issues on the whole island”, including areas that affect employment such “freedom of movement”, “human trafficking activities” and “discrimination.” It must be noted however, that racial and ethnic discrimination in employment is not a subject that derives exclusively, or even predominantly, as a result or consequence of the chronic division of the island and the long ensued ‘Cyprus problem’ as it is often cited by official perspectives. In the context of Cyprus, racial and ethnic discrimination in employment derives from a variety of sources,⁵⁵ sometimes as a result of policy or its implementation, as a result of decisions of employers, trade unions, government officials, or as a result of the structure and operation of the labour market, as well as general attitudes and perceptions in society.

3.3 Gender specificities

We can safely speak of a gendered /ethnic labour markets in Cyprus and a gendered and ethnic division of labour, although there are overlaps and complications in the processes of segmentation.⁵⁶ Any analysis of statistical data reveals the feminisation of entire sectors of the labour market, something that was apparent from the early to late 1990s (see

pp. 121-139; E. Papamichael (2008) “Greek Cypriot Teachers’ Understandings of Intercultural Education in an Increasingly Diverse Society”, in: *The Cyprus Review*, Special Issue on *Rethinking Migration, Discrimination and Multiculturalism in a Post-tourist Society*, Volume 20:2 Fall 2008 pp. 51-78.

⁵² See Appendix I, Table on survey of the Cyprus Equality body on the attitudes of Greek-Cypriots towards Pontiacs, 13 October 2007.

⁵³ The UNHCR study is described in paragraph 74 below.

⁵⁴ Report of the Office of the High Commissioner for Human Rights, on the question of human rights in Cyprus, General Assembly Distr. GENERAL, A/HRC/4/59, 9 March 2007 HUMAN RIGHTS COUNCIL, Fourth session, Item 2 of the provisional agenda in implementation of General assembly Resolution 60/251 of 15 March 2006 entitled “Human Rights Council”.

⁵⁵ For more on this subject see Trimikliniotis and Pantelides (2003); Trimikliniotis and Demetriou (2005); Trimikliniotis and Demetriou (2007).

⁵⁶ This section draws on the work we did for the FEMIPOL project, in particular, Trimikliniotis, Demetriou and Fuliar-Souroulla (2007) and Trimikliniotis, Fuliar-Souroulla (2009).

Trimikliniotis, 1999; Trimikliniotis and Pantelides 2003). Domestic workers/ cleaners and carers consist almost entirely of Asian, and primarily Filipino, Sri Lankan, Indian women; recently some eastern Europeans have also begun to work in these fields. Another feminised sector is retail such as employment in bakeries and commercial sales. Other sectors, such as building and construction, are male dominated (Syria, Egypt). There are both men and women in low paid jobs in production and services; however there are industries with sectors that consist entirely of men or entirely of women. Even where there are both men and women in a particular sector, a sexual division of labour may be found, as well as wage differentials. In the hotel industry for example many employers may employ women in what they consider 'feminine' types of jobs (cleaners, room attendees etc.) and men in more 'male' types of works (such as bar work, waiters, kitchen etc.) though this is not always the case.

Anthias and Lazaridis (2000, 17), who have introduced a collective volume on gender and migration in southern Europe point out that gendered work of migrant female workers is best understood "within a secondary, service-oriented or hidden labour market that is divided into male and female sectors and reproduces and ethnically and gendered divided labour market". There is a high concentration of women's participation in the service sector, particularly domestic/care service and within the sex or leisure industry; a sector, where "the undocumented nature of much migration is therefore important in structuring its relation to the market, in terms of the hidden or private economies" (Anthias and Lazaridis 2000: 26).

The majority of migrants to Cyprus are women as revealed by the population data on long-term immigrants⁵⁷ (106,284 people for the years between 1997 and 2004) shows that the sex ratio for long-term immigrants was slightly in favour of female immigrants, six years out of eight (1997-2004); the overall sex ratio was 98 men for 100 long-term immigrant women (see Trimikliniotis, Demetriou and Fulas 2007). Moreover, women account for more than half of all immigrants in the period since the mid-1980s.⁵⁸ The only data available regards the distribution of migrant workers, fact that reflects lack of preoccupation and awareness about the situation of work migrant women at the level of state authorities and to what extent they respond to an increasing demand for female migrants' labour.⁵⁹

There is an increasing number of Cypriot women participating into the workforce. However, we can observe that the trends of growing urbanisation has maintained "a gendered division of labour in the Cypriot economy and within the home" (Anthias, 2000, 29). Nevertheless, changing attitudes regarding the role of women within a traditionally male-dominated society are transforming the landscape of work, both within and outside the home, albeit in a slow pace. Cypriot women are receiving higher educational levels and are increasingly entering the labour market, often moving beyond the traditional confines of home-based work. One can assert with confidence that a decade after the publication of one of few but increasing numbers of work on gender, migration and employment in Cyprus "there has not been any great transformation of gender relations to accompany economic participation" (Anthias, 2000, 29). Hence, household chores and childcare remain primarily provenance of women.

⁵⁷ This is a statistical analysis of data on marriage, mixed marriage and immigration in Cyprus, in Fulas-Souroulla, M. (2006) *Marriages between Greek Cypriots and Foreign Nationals in the Republic of Cyprus*, University of Cyprus, unpublished PhD Dissertation.

⁵⁸ See for details FeMiPol Working paper 3.

⁵⁹ We have no statistical data split by gender available for all sectors of the economy.

Cyprus is not atypical in southern Europe, particularly with respect to the role of women as the sole providers of domestic work and childcare. In the traditionally dominant model, termed as ‘familistic’ or ‘family wage’ model of domestic income and social welfare, male members of the household contribute to the bulk of the family income through outside employment and formal participation in the labour market (Bahle and Pfenning 2000, 4-5). By contrast, women remain the sole providers of domestic labour, although they may contribute to the total family wage through such activities as baby sitting, cleaning, washing, or through unpaid ‘assistance’ to the family farm or business (Bahle and Pfenning 2000, 41-46). Nonetheless, the traditional pattern is being transformed and altered in dramatic ways and to a degree unknown to previous generations. Therefore, Cypriot women are leaving the home in the pursuit of educational and labour opportunities. To illustrate this increasing tendency we may use statistical data showing that, for example, in 2004, 44% of the employed population was women by comparison to 41% in 2000⁶⁰. Therefore, native women’s increasing participation in the labour market and their high level of tertiary education attainment create the conditions favouring employment of other women to undertake traditional sex-roles bounded to the private sphere. Thus, in part as a result of social modernisation at the level of Cypriot society, work migrant women begin to fill in a newly emergent gap created as more and more women become active in formal employment. Therefore, the migrant women take up jobs related to the informal private sphere of household chores and care provided to children and elderly. This also reflects the underdevelopment of the state formal sector and welfare services to provide care and services for families.⁶¹

Section 4.5 and 4.6 of inequality and exclusion focuses on the situation of migrant women in different sectors of the Cypriot economy; specifically, focusing on the two most obvious aspects of the feminization of migration in Cyprus: that of the growing demand for migrant women as domestic workers and the similarly increasing demand for migrant women in the sex industry.

3.4 Regional specificities: A Topography of inner city spatial transformations⁶²

We have no data on regional aspects of migration. This is a significant gap in knowledge that needs to be addressed to get a proper regional perspective on the subject. There cannot be said to be a housing policy as such, other than a general policy on housing those who are on low incomes, destitute persons etc..

However there are indications of specific locations of high third country migrant concentration in specific urban and rural setting. The social scene of Cyprus, including Nicosia and Paphos,⁶³ has seen a dramatic change over the years. Not only tourism has grown immensely, but also inner city areas, such as Faneromeni⁶⁴ and Kato Paphos, which were once hang-outs for Cypriots have now become almost exclusively immigrant area. They have

⁶⁰ Source: Data calculated from Labour Statistics, Report no. 23, Statistical Service, Republic of Cyprus, 2005, 40.

⁶¹ See for more details, FeMiPol Working paper 2 based on key informant interviews.

⁶² This section draws on Trimikliniotis (2004a).

⁶³ which is brilliantly described by Argyrou (1993), who conducted his fieldwork 1991-92, just after the policy change that allowed the introduction of ‘foreign’ labour into Cyprus

⁶⁴ The rightwing newspaper Simerini (21.3.03) carried the headline “Old Nicosia is a ghetto”, quoting a Police chief who expresses ‘concern’ about the concentration of migrants in the area but expresses his assurances that the Police is ‘prepared to take drastic measures’.

become new cities resembling inner European cities, on a smaller scale of course and with their own specificities.

Of Nicosia

Nicosia's population and area grew dramatically since the British rule, for a number of reasons including: the fact that it is the centre of government and has most of the bureaucratic services, has attracted large companies and expanded the import oriented market, and has a large inflow of people coming from rural areas to settle in the capital (urbanisation). The capital has attracted also a number of important industries, situated primarily in industrial zones in the outskirts of the city. It is the most 'modern' city of Cyprus and has an important historic centre within the Venetian walls, which is also a commercial centre. Many structural problems related town planning derive from the fact that the city has been divided for over 30 years between the Greek Cypriot and Turkish Cypriot sectors, with a zone in the middle called 'the dead zone' patrolled the UN peace keep forces. Nicosia attracts many migrant communities who work in the industries of the capital and provide services not offered by Cypriots. Thousands of migrant workers (Pontiacs, South East Asians, Arabs and Eastern Europeans) live in the city-residing in all the poorer neighbourhoods of the capital. A large number of migrant workers reside in the city centre which is close to the 'Green Line' and thus 'downgraded' as ghettos [see Cyprus RAXEN Report 2004]. Since April 2003, when occupation regime in the north partially lifted the restriction on freedom of movement among Greek Cypriots and Turkish Cypriots, allowing the two communities to mingle, most of the exchanges happen via the two cross points of the capital: One at the centre of the city, via the historic hotel *Ledra Palace* (for diplomats in limousines and those crossing on foot) and one in the suburb of *Ayios Dometios* or *Kermia* (for cars). Thousands of people cross over: Greek Cypriots visiting friends or their homes and lands (now resided by Turkish Cypriots) or even crossing over out of curiosity, thus or even to frequent one of 90 or 80 casinos in the north. On the other hand many Turkish Cypriots would cross over to the south estimated at about 10,000 to work in the south primarily as skilled or semi-skilled workers in the construction as well as other industries.

The city has its own 'centres':

(a) **the historic centre which is rather 'under-developed'** as there are barrack, sand sacks and young Greek-Cypriot soldiers bored out of their heads 'guarding against the enemy' on the other side. Similarly on the other side young Turkish-Cypriot soldiers would be equally boiling under the hot daily sun and bored during breezy Nicosia night. Close to the *Green Line* cheap and ill-kept accommodation is provided to the poor, students, foreign students and migrants Pontiacs, Pakistanis, Indians, Sri Lankans and others(see Papadakis, 2004).

(b) **Another centre is the modern commercial site along Makarios Avenue** with trendy cafes, designer shops and clothes shops.

Platia Eleftherias (Freedom Square) is the central square where all-important political rallies take place; it is also the most frequented public meeting point for migrants and poorer people. The other popular place is the Hospital Park – a Sunday meeting point for migrant workers.

It no coincidence that one mayoral candidate, in a desperate effort to play the 'localist card' not only scorned that Limassol, Ayios Dometios and Strovolos are becoming the new

‘centres’ at the expense of the great old capital of Cyprus, but pledged to ‘cleanse’ the inner city by moving the migrant workers as residents because *they* are causing a depression of the prices of property and, I quote, ‘they are altering the character of the city’.⁶⁵ Cyprus is being Europeanised in another way as we are happy to join the European racist populisms of various other cities.

Of Limassol

Limassol covers the south part of Cyprus with an area covering the 15% of the whole island (1393 km²) and with 80 km being coastal. The inhabitants of Limassol living in the rural area are occupied with agriculture, stockbreeding, fishing, tourism and handicraft making. Limassol has a highly developed tourist industry that begun after the 1974 Turkish invasion due to the occupation of the pre-1974 popular tourist resorts located in Kyrenia and Famagusta. Limassol is also an industrial centre with approximately 350 units being involved in wine and drinks making, dress and shoe making, and metal and plastic industry. The presence of the British bases at Episkopi and Akrotiri, the large inflow of refugees after the invasion, and the fact that the harbour is located in the city make Limassol an attractive commercial centre. The main harbour of Cyprus is located there and there are large numbers of migrant communities, as well as an indigenous Turkish-Cypriot community, a few hundred of whom have stayed in the town even after forced separation of populations in the immediate aftermath of the Greek junta coup and Turkish military invasion of 1974. As far as the work places selected these were selected from Nicosia and Limassol. The migrant workers live in cheap flats and houses in poor neighbourhoods in the centre of the city, near industry sites and generally all downgraded areas. Many Pontiacs are concentrated in the area near the municipal library.

In Limassol the sites frequented by migrant communities are the historical centres of Limassol in the area around the Public library square (particularly by Pontiacs), the municipality park next the appalling for its residents, municipal Zoo and the public square next to the old harbour, known as *Molos* (particularly frequented by south east Asians from the Philippines, Sri Lanka and India). Turkish-Cypriots and Roma frequent the old Turkish-Cypriot sector of Limassol and the Market or *Pantopolion* of Limassol. The presence of migrants, particularly on Sundays, when they are off work has been an issue of controversy and at some points, (in 2000 and 2001), Asian women complained that the Police harassed them for using public benches and the municipal parks for ‘too long’ and demanding that move every hour. The Police eventually dropped the matter amid media complaints. Since then a number of incidents were reported such as rioting and fights between Greek-Cypriot and Pontiac youths in Public library square in the summer of 2004 (see Trimikliniotis, 2003a).

Of Paphos

The city of Paphos lost population throughout the British rule since many of its inhabitants moved to other cities such as Limassol and Nicosia. Until 1974 Paphos remained a small unspoilt city, with some important touristy attractions due its archaeological findings; over the last ten years or so it has become a major tourist destination with large hotels, restaurants, shops to cater for the thousands of tourists who frequent the coastal area of ‘Kato Paphos’. Another important feature of Paphos is the mountainous rural and agricultural region, which is well known for its wineries and fruit production and which has developed a ‘trendy’ type of

⁶⁵ See *Peripeties Ideon*, October 2006.

tourism known as ‘agro-tourism’. Since 1998, when there was a liberalisation of migration policy, Paphos became a prime destination for migrants, particularly from the former soviet Republics of Greek-origin Pontiacs and has a large concentration of Pontiac migrants.

In Paphos the media-amplified issue is the alleged ‘criminality’ and ‘bad behaviour’ of the Pontiac communities, who reside near the old Paphos and the district of *Muttalos*. Interestingly it was the Pontiac youth who became the most vigorous defender of retaining the *public* character of the coastal area known as *Mbania* or *Public Baths*. The mass presence of Pontiacs in Paphos, who were not ‘behaving’ in mode accepted by the middle class ethic acceptable to the local entrepreneurial elite, who wanted to exploit commercially, to commercialise the only *Public Baths* (*Δημόσια Μπάνια*) in the Cyprus. In 2000-2001, there were complaints by migrant workers that the Limassol police were trying to prevent South-East Asian women from using the public benches and the municipal park over the weekends⁶⁶. This relic of the Ottoman days remains the public, free and open to the *subaltern* classes to swim in deep waters became the centre of a local conflict of the kind or model of development of the area. Even though, the campaigners was made up only by a handful of local Paphian activists the presence of the Pontiacs altered the dynamic in favour of the retention of the public baths. The struggle to retain the baths against the commercialisation, the expansionist kitsch of the plastic chair and table which has spread all over and a ‘good manner’ of behaviour tailored around middle class behaviour and norms that may exclude the ethnic ‘other’, particularly if they appear scruffy, poor and of a more working class identity. Migrant worker become important *factors* in the local city struggles, not necessarily as conscious political action or praxis, but something that may result in unintended consequence, but may in fact be something beyond. Migrant workers and other marginalized groups and certain radical Greek Cypriot intellectuals and pro-migrant activists, who joined for in action to ‘defend public space may well be agent of a novel phenomenon in the process of becoming agents of *new* subaltern activism. This is not the result of an agency based on organisation and planning not in the sense of a ‘conscious agents’ of social change, but through common struggle they became *structural* carriers of a *subalternity* derived from the marginal social status, position and their vested interests to defend public spaces as free and open meeting points, happenings and hang-outs from privatisation, commercialisation and becoming middle class areas. The ‘ghosts’ of what was once considered as the struggles of the rural and urban poor, the working classes for the public sphere as a free and open to all public meeting place, a kind of *modern agora* to use the analogy an analogy of ancient Athens: this is a group that that has nowhere else to go; only in a *public* space. In short, its Pontiacs who have the material incentive and social identity as the *subaltern Other* to generate what Castells once called ‘*mouvements sociaux urbains*’ provided that they are able to communicate and act together breaking the ethno-cultural barriers without necessarily ‘losing them altogether’ (Castells, 1973).

⁶⁶ See the relevant press release by the Immigrant Action Group (2001).

4. Inequality and exclusion of Third country nationals in the Labour market ***Indexing indicators: Health, Safety, Danger and Accidents***

4.1 Labour accidents

A structural issue that particularly affects ethnic and migrant groups is the question of health and safety at work. The issue of labour accidents, although a general problem that affect all workers, migrant workers and Turkish-Cypriots working in the area under the control of the Republic are particularly hit in comparison to Cypriots as their employment is concentrated in manual, low skill jobs and are generally employed in sectors which are much more prone to labour accidents:⁶⁷ during 2006 out of the total 2,107 recorded labour accidents about three quarters occurred in sectors where there is an overwhelming presence of manual migrant workers and Turkish-Cypriots such as construction (545 accidents), manufacturing (525), hotels and restaurants (332), wholesale and retail (289); transport (94). This is an issue regularly commented upon by journalists and trade unionists, who complain that migrant workers are the usual victims of any dangerous job, often as a result of negligence by employers.⁶⁸ According to figures of the Labour inspectorate of the Ministry of Labour, 11 out of the 16 deaths or 70 percent of the deadly accidents were migrants.⁶⁹ The executive committee of the construction workers of PEO⁷⁰ issued a statement on the issue of labour accidents as a major trade union concern on the day another construction worker was killed by a labour accident calling on the Labour Ministry to fully implement the health and safety regulations. Moreover, they called on the authorities and to take further measures to ensure that such accidents do not occur as a result of the drive for profits which risk human lives.⁷¹

4.2 Exposed to extreme weather (temperature and sun)

Trade unions have reported that during the hot months of the summer, where temperatures can easily climb to 40 degrees Celsius, employers failed to comply with the guideline given by Labour Inspection Department of the Ministry of Labour on the 26.6.2007 not expose employees directly under sun between 12p.m. and 4.00 p.m., due to the dangerous heat wave. Trade unions PEO and SEK⁷² claimed that employers intimidated workers, particularly migrant workers and Turkish-Cypriots, who compose up to 60-70% of the construction workforce:⁷³ “they forced many migrant workers to work under the sun, whilst they moved Cypriots in the shade”, according to the unions.⁷⁴ The fact that migrant workers and other vulnerable groups such as Turkish-Cypriots are located at the lower end of the labour hierarchy,⁷⁵ means that “they are also more prone to employer pressures who often expose them to such dangers” and apparently “there is persistent failure by many employer- building contractors to comply with the Ministry of Labour’s instruction to cease production during the

67 See Appendix II.

68 Venizelos, C. (2007) “To merokamato ton ripsokinidinon”, Philelephetheros, 06.08.2007.

69A. Adamou (2007) “Απροστάτευτοι οι αλλοδαποί, Από τους 16 εργάτες που χάθηκαν φέτος οι 11 ήταν ξένοι”, Πολίτης, (19/10/2007).

70 Pancyprian Labour Federation.

71 PEO press release 16.7.2007.

72 Cyprus Labour Confederation.

73 Interview with Michalis Papanicolaou, General Secretary of the Construction workers of PEO, 28.07.2007.

74 Lambraki, A. and Kasinidou, K. (2007) “Merokamato ston kafsona- Sinagermos gia tis sinthikes ergasias stis ikodomes”, Philelephetheros, 27.07.2007.

75 See Trimikliniotis, N. (forthcoming) Ρατσισμός, Μετανάστες και Εργασία σε μια Μετατουριστική χώρα: Για ένα Νέο Εργασιακό και Μεταναστευτικό Υπόδειγμα και την Ανανέωση του Κυπριακού Συνδικαλισμού, Πολύτροπον, Athens.

unbearable heat waves in late July 2007”.⁷⁶ It was reported that half of the 70 employers, who failed to comply with the Ministry guideline claimed ignorance about the guideline.⁷⁷ According to trade union officials the most serious failures take place in the case of temporary workers paid by the hour⁷⁸ and small and medium-sized building contractors.⁷⁹ Trade unions point out that there is inconsistency in the collective agreements when there is cessation of work necessitated by ‘bad weather conditions’: in the winter workers get paid their daily wage, whilst in the summer they don’t get paid. The guideline of the Ministry of Labour is not legally binding as it is merely a “gentlemen’s agreement”. A leading trade unionist suggested that “it is mostly the non-unionised building contractors who employ primarily migrant workers from the EU and Turkish-Cypriots, who are failing to follow the guidelines and expose workers to unacceptable dangers”; thus he demanded that “more drastic measures be taken, so that those who fail to comply face prosecution.”⁸⁰ The President of the building contractors’ association stated that the 800 members of the association “have been properly informed about their responsibilities”, but there is a problem with the 1500 non-unionised building contractors.⁸¹ The health and safety issue affects those workers employed in domestic labour, who are overwhelmingly migrant: “the law does not apply to private households where persons were employed as domestic servants.”⁸²

4.3 Categories of Workers facing increasing risks of exclusion, marginalisation and discrimination

Certain categories of migrant workers who are particularly vulnerable are increasingly at the centre of research and studies, many of which are European Community funded. A research project on integration of female migrants⁸³ has produced a number of working papers that illustrate the specificities of *gendered* migrant labour in Cyprus, whereby there is an intersection between class, race/ethnicity, gender and migration status which produce particular *gendered and racialised positionalities* and problems that require close scrutinising and contextual way of locating the discrimination is produced as well as the means to overcome it.⁸⁴ According to this study, racial discrimination against migrant women needs to

76 Interview with Michalis Papanicolaou, General Secretary of the Construction workers of PEO, 28.07.2007.

77 Lambraki, A. (2007) “Ston kafto ilio doulevan I ikidoni – agnia gia tin odigia, dilonoun ergodotes”, Philelephetheros, 26.07.2007.

78 Known as “kabalintzides”.

79 Yiannankis Ioannou, general secretary of constructon union of workers of SEK, see Lambraki, A. (2007) “Ston kafto ilio doulevan I ikidoni – agnia gia tin odigia, dilonoun ergodotes”, Philelephetheros, 26.07.2007.

80 Interview with Michalis Papanicolaou, General Secretary of the Construction workers of PEO, 28.07.2007.

81 Lambraki, A. and Kasinidou, K. (2007) “Merokamato ston kafsona- Sinagermos gia tis sinthikes ergasias stis ikodomes”, Philelephetheros, 27.07.2007.

82 According to the US Human Rights Report on Cyprus, 2006, “Health and safety laws apply to places of work in all economic sectors and were enforced by Ministry of Labor inspectors. Factory inspectors processed complaints and inspected businesses to ensure that occupational safety laws were observed. Their inspections were supported by close government cooperation with employer/employee organizations. However, the law does not apply to private households where persons were employed as domestic servants. Workers have the right to remove themselves from work situations that endanger health or safety without jeopardy to their continued employment, and authorities effectively enforced this right.”

83 *Integration of female immigrants in labour market and society. Policy assessment and policy recommendations, A Comparative Study Research Project Femipol*, EU sixth Framework Program.

84 See Trimikliniotis, N., Demetriou, C and Fuliaris-Souroulla, S. (2007) “A Cypriot Recipe for ‘Mediterranean Paradise’: From the three ‘S’ to the three ‘Ps’ - Profits, Reproduction, Pleasure’ [(Ab)Using Female Migrant Labour]”, WP4 National report on the structure of the labour markets for female migrants: Integration of female immigrants in labour market and society. Policy assessment and policy recommendations, A Comparative study

take into account the particular employment and social locations of various categories such as those employed in the different sectors of the economy but also examine the operation of differentials in pay, working conditions and status as well as any gender/sexual division of labour in practice. Moreover, in many cases discrimination can thus be said to be ‘structural’, ‘institutional’⁸⁵ and ‘indirect’,⁸⁶ not because it is necessarily intentionally designed to be such, but because it results from the specific position. Also, it finds that the legal and migratory status of female migrants is extremely important in understanding their employment and social position. The two categories that are particularly vulnerable and prone to more aggravated forms of discrimination are domestic workers and sex workers in cabarets. For the former, their legal migratory status coupled together with their ‘low’ position in society and within the household as the ‘intimate others’⁸⁷ seem to be determining factors in structuring their particular kind of ‘vulnerability’.

Similarly, the study of the Mediterranean Institute of Gender Studies (MIGS) on the ‘integration of female domestic workers: strategies for employment and civic participation’⁸⁸ illustrates that the discrimination against domestic migrant workers employed in Cyprus⁸⁹ is specifically structured by a number of factors routed in the policy regulating their stay, working conditions and employment position: firstly, their income is below the poverty line and they have not received a pay rise in the last 17 years. This is in spite of the Equality body decision of 2005 that female migrant domestic workers face direct discrimination on the ground of race or ethnic origin and indirect discrimination manifested in the low salaries paid to them.⁹⁰ Since then there have been developments with the new strategy proposed on migrant workers in Cyprus as noted further down in this report. The number of migrant domestic workers in Cyprus is, according to this study, 22,500 persons or 2.57 per cent of the total population of Cyprus and 22.93 per cent of the total migrant population of Cyprus.⁹¹ It is now suggested by the Minister of Interior that the number of domestic workers exceeds 30,000, something that has prompted the Ministers of Interior and Labour to talk about the

including 8 European countries including Cyprus, Intercollege, Research Project Femipol, EU sixth Framework Program.

85 For a discussion of ‘structural’ and ‘institutional’ discrimination see : The European Dilemma: Institutional Patterns and Politics of ‘Racial’ Discrimination, A Comparative study including 8 European countries including Cyprus, Intercollege, The European Dilemma: Institutional Patterns and the Politics of ‘Racial’ Discrimination, Research Project Xenophob, EU Fifth Framework Program 2002-2005; for a specific analysis on Cyprus see Trimikliniotis 1999; Trimikliniotis and Pantelides, 2003; Trimikliniotis (2004).

86 As defined by EU Directives 2000/43 and 2000/78.

87 See Helma Lutz (2007) ‘Intimate Others- Migrant Domestic Workers in Europe ’ Berggren, E., Likić-Brborić, B., Toksøz and Trimikliniotis, N. (eds.) *Irregular Migration, Informal Labour and Community: A Challenge for Europe*, Maastricht: Shaker, 2007, pp. 226-241.

88 The Mediterranean Institute of Gender Studies (MIGS- www.medinstgenderstudies.org), in collaboration with Intercollege is coordinating a transnational project entitled “Integration of Female Migrant Domestic Workers: Strategies for Employment and Civic Participation”, funded under the INTI Preparatory Actions 2005, Integration for third- country nationals of the European Commission. They have published a leaflet which contains the results of the project with regards to the situation of female migrant domestic workers in each of the five partner countries, as well as policy recommendations on an EU level. It is available in English and Greek (see <http://www.medinstgenderstudies.org/wp/wp-content/uploads/inti-results-leaflet-english.pdf>)

89 This is the figure given by the MIGS study.

90 In the Ombudsman Report their income in that report is calculated at CYP 0.82 per hour, contrasted with CYP 4-5 per hour for Cypriots carrying out the same work (Cyprus Ombudsman Report File No. A.K.I 2/2005, dated 4.11.2005, page 4). For more details see National Data Collection Report 2006, p. 27.

⁹¹ Based on the Republic of Cyprus Census of 2004.

need to revise the criteria for allowing domestic workers to Cyprus.⁹² The study referred to institutional discrimination that denies domestic workers the opportunity to be integrated as they are excluded from access to Greek lessons offered by the Ministry of Education, who allow attendance of such classes only by Turkish-Cypriots and Pontians. Moreover a precondition for participation in these classes is the consent from the employers, which in the case of domestic workers is, as a rule, denied. The study also shows that the authorities have no system of monitoring the conditions of employment and considers the absence of state policy of integration as racist. Moreover, it criticises the fact that the Cypriot state appropriates the social security deductions from the pay of domestic workers who come from countries with no bilateral agreement with Cyprus and leaves these workers with no pension rights or other benefits. The study also shows that there is a violation of the contractual and labour rights of domestic workers as they are forced to work more than the seven hours per day (excluding Sundays) that their contract provides and that they are essentially always on call by their employer. The research offers a number of recommendations to improve their position such as the following:

- More opportunity for flexible forms of employment so that domestic workers can work and get paid for more than one home and get full social security benefits
- Increase in the national minimum pay for domestic workers
- Institutional framework for civic participation in public life
- Full recognition of domestic workers as ‘workers’ not as ‘member of the family’ or ‘dependent person’.

4.4 Weak bargaining position and denial of rights

Unlike other categories of migrant workers whose standard contract is provided by the Labour Department of the ministry of Labour and Social Insurance, the contract of domestic workers is provided for by the Ministry of Civil Registry and Migration Affairs. Also, their status and rights is ambiguous as there is a difference in the Greek and English versions of the standard contract provided for by the Ministry. Fourth, the fact that the vast majority reside in the home of the employer and there is no state mechanism to monitor working and living conditions is a serious problem. The US State Department Report 2007 for Cyprus also refers to the case of migrant domestic workers. It states: “the minimum wage was approximately \$800 (362 pounds) per month for shop assistants, practical nurses, clerks, hairdressers, and nursery assistants. The minimum wage rose to approximately \$850 (385 pounds) after six months' employment. Neither amount provided a decent standard of living for a worker and family. All other occupations, including unskilled workers, were covered under collective bargaining agreements between unions and employers within the same economic sector. The wages set in these agreements were significantly higher than the minimum wage. Migration services of the Ministry of Interior set the starting salary for foreigners working as housekeepers at approximately \$340 (150 pounds) per month, plus approximately \$90 (40 pounds) for lodging if the worker was not a live-in, and an additional 16 percent, which employers were required to pay directly to the government in the form of social insurance. Workers were not allowed to claim pensions unless they became citizens, although in some cases there were bilateral agreements that allowed workers to claim credit in their home

⁹² *Politis*, 28.8.2009.

countries. Unions and labour confederations were generally effective in enforcing negotiated wage rates (collectively bargained rates), which were generally much higher than the minimum wage. Migration services were responsible for enforcing the minimum wage for foreign workers but did not actively do so. By law there was no premium pay for overtime for foreign workers; however, limits on workweeks are stipulated in their contracts and varied according to the economic sector. The Ministry of Labour experienced a substantial increase in the number of complaints of labour exploitation. Foreign workers, primarily from Eastern Europe and East and South Asia, reportedly were forced to work up to 13 hours a day, seven days a week, for very low wages. NGOs and the ombudsman also confirmed that employers often retained a portion of foreign workers' salaries as payment for accommodations. There were reports of mistreatment of maids and other foreign domestic workers. Such reports usually involved allegations that maids, primarily from East or South Asia, were mistreated by their employers or fired without cause in violation of their contracts. Although the law protects domestic workers who file a complaint with the Ministry of Labour from being deported until their cases have been adjudicated, NGOs reported that many of them did not complain to authorities out of fear of deportation.”

4.5 Migrant women domestic workers

The roots of the current migrant domestic worker phenomenon are easily identifiable, as they lie in one of the most obvious social transformations to take place in nowadays Cyprus. Simply put the traditional expectation that women will work primarily in the home as the providers of domestic services and childcare, leaving employment in the paid labour to men, is dissipating rapidly. Thus, with women working outside the home in increasing numbers, yet facing the same level of domestic work at home due to no changes in gender relations, as already discussed, the need for outside help- for a paid domestic worker- becomes obvious.

Moreover, we should account for factors that converge with wider European trends towards an ageing population and therefore an increase of the demand for care for elderly. According to official statistical data, the proportion of children below 15 decreased to 19,2% while the proportion of old-aged persons 65 and over increased to 11,9% in 2004, compared to 25,4% and 11,0% respectively in 1992 and 25,0% and 10,8% in 1982. There was a gradual increase in the proportion of old-aged persons and a decrease in the proportion of children demonstrating the aging process of native population⁹³.

A significant number is given by the women coming to work mostly as live-in domestic workers. They have been employed in Cyprus since the early 1990s and currently form the largest group within the category of migrant workers in possession of work permits. The latest figures show that in 2005, female migrant workers in domestic work constituted a percentage of 31% (or 15,863) from the overall number of migrant workers with work permits (from a total of 52,000 people)⁹⁴. Coming mainly from Sri Lanka, the Philippines, India, eastern Europe and former USSR countries, thousands of women work mostly in the houses of the Cypriot upper- and middle-classes performing a variety of domestic and childcare functions. Both documented and undocumented women find that their circumstances are precarious economically and to various degrees they are legally unprotected. These women come to Cyprus driven by the same motivations that pushed generations of Cypriots to seek employment opportunities abroad; on a

⁹³ Demographic Report No.42/2004, Statistical Service, Republic of Cyprus, 2005.

⁹⁴ According to statistical data provided by the Ministry of Labour and Social Insurance.

daily base they must cope with conditions in desperate need of improvement, an aspect specific to most migrant workers in Cyprus, as already discussed.

The first important observation to be made with regard to the situation of female domestic workers in Cyprus is their extremely precarious economic position that heightens their vulnerability to abuse and maltreatment. In this sense, both documented and undocumented migrant women find themselves in an under protected state, with legislation insufficiently protecting their rights and with a state apparatus not providing basic level of protection and support). In the case of ‘third country nationals’ who make the majority of domestic workers in Cyprus, and in most cases of legal entry, the employees come through contact with an employment agent in the country of origin that recruit women for work and handles the necessary formalities. Domestic workers from third countries need a valid visa, which can only be obtained by a worker who has an employment contract with a specific employer. The requirement of an employment contract- the key to legal work immigration to Cyprus- places migrant women in a difficult legal position. The fact that their legal residence and employment in Cyprus is dependent upon a contract with a specific employer makes them highly vulnerable to all kinds of maltreatment and abuse by their employer. Moreover, generally, “domestic workers are provided accommodation within the household in which they are employed which creates a high degree of dependence with their employer and provides the opportunity for pressurising them to work at irregular and long hours. There is a lot of evidence of contract violation and even abuse of these workers but very few cases are being reported from fear of expulsion or even deportation” (Trimikliniotis and Pantelides, 2003, 13-14).

The salary of migrant domestic workers are below the national minimum wage applicable for Cypriots and have not increased at all since the initial terms of employment were agreed in the early 1990s. The wages of migrant domestic workers are roughly one quarter of the wages of Cypriot women undertaking similar types of work. We could further analyse to what extent this situation contributes to an increasing demand of household work as long as due to the low wage, prescribed by the contract of a live-in domestic workers, the latter become an affordable ‘commodity’ to almost any household in Cyprus. In this sense, Panayiotopoulos (2005:103) gives an explanation in economic terms: “the extent to which the commoditisation of reproductive labour becomes prevalent in society, however, is influenced by the cost of the good or services provided”. He concludes, subsequent to analysing several sorts of economic indicators, that the existing literature may well underestimate the extent to which the use of paid domestic labour is a phenomenon not merely confined to sections of the elite (Panayiotopoulos 2005, 104). The level and forms of discrimination in this case of low-paid domestic workers are quite obvious and so is the unwillingness of the authorities and the trade unions to respond accordingly (Trimikliniotis and Pantelides, 2003). In these conditions, domestic workers, such as all the migrant workers with work permits/or third country nationals in Cyprus, must accept the reality that they have little choice but to tolerate various forms of potential and actual abuse from their employer, if they wish to retain their right to live and work in the country. In case they leave their jobs in protest, therefore breaking the employment contract, their right to live and work in Cyprus is vacated, become undocumented and subject to deportation.

The position of undocumented domestic workers is, by order of magnitude, more difficult and vulnerable, as proper legal protection is inexistent. Whereas documented workers are somehow protected by the law, undocumented workers find themselves virtually unprotected and without recourse from abuse. There is lack of research in this area. When referring to ‘foreign domestic workers’ in Cyprus, Panayiotopoulos (2005) explains how this category can be located within a ‘polarity’, with one pole given by the consensus on that participation both in domestic service

and the entertainment-related sex industry increases the likelihood of violence such as “economic violence of agents who act as money-lenders, and of employers who delay payment, the psychological violence of long hours of work with little social contact and in some cases, physical and sexual violence underpinned by the fear of deportation” (Panayiotopoulos 2005, 114). The other pole (more prevalent) consists of the use of benign paternalism to structure relations in the form of patron-client relations, such as through “the advancing of loans and the granting of personal favour, and may encourage carers to behave like ‘member of the family’ and to take part in communal eating or leisure activities” (Panayiotopoulos 2005, 114). The author further develops his analysis arguing that this type of relations have important control functions: “For example, they may make a worker more amendable to working longer hours, or to carrying out work not specified in their contract; or worker may take on illegal second jobs for in-household business, in contravention of their contracts; and in some case, it may dissuade them from reporting abuse” (Panayiotopoulos 2005, 114). Based on his empirical research related to the female migration from the Philippines to Cyprus, the same author argues that we should understand the transfer of reproductive labour as a form of servitude characterised by the commoditisation and contracts involving the payment of pre-agreed wages, underpinned by legislation on immigration, employment status and social security standards: “Europe has in place extensive social legislation relevant to foreign domestic workers. One paradox of modern servitude is the coexistence of the most oppressive worker-employer relations with extensive social legislation meant to protect immigrant workers” (Panayiotopoulos 2005, 127). The author warns us that we need to investigate the institutional and ideological framework of support for the international transfer of care in order to understand why existing legislation is not implemented to protect the welfare of migrant workers. In this sense he identifies the racialisation of domestic workers in Cyprus and elsewhere as an important criterion for the selectivity of the institutional response (see Harris 2002; Anthias and Lazaridis 1999). Thus, the construction of ideas about racial and gender superiority, applied to women migrant domestic workers, is reinforced by their lack of economic and social rights by comparison to Greek Cypriots.

Furthermore, in relation to specific aspects of discrimination (related to gender and race) in the Cypriot labour markets (Trimikliniotis and Pantelides, 2003:13-14), the issue of the racialisation of domestic workers is discussed: “Asian women have become the stereotype of domestic workers/servants and seen as a ‘necessity’ for every household that can afford them. In fact the term *Asian woman* (in Greek: Ασιάτισσα) is used in many instances interchangeably with *Filipino woman* (in Greek: Φιλιππινέζα) or *Sri Lankan woman* (in Greek: Σριλανκέζα). A common phrase used in popular discourse is: “*What do you think I am? Your Asian/Filipino woman?*” The expression “*I work like a ‘black’*” (in Greek: μαύρος), with its racist connotation, was used before the wave of new migration, but has now reached wider application in popular discourse and found in casual talk among Cypriots. It is also used as a term of abuse against migrant workers.” This in fact reflects employers’ awareness about the overexploitation of female domestic workers who in reality are not black but they ‘respond’ to the stereotype of black slaves working in the harshest conditions.

The memory or at least a kind of collective resentment of what was degrading experience shared by many Cypriot women, forced by poverty to work as a *dhoula* (δούλα) – a Greek work literally translated as ‘slave’ but in fact meaning a ‘domestic worker’ for another.⁹⁵ Even at this day and age there is shame associated with a woman working at another’s house,

⁹⁵ . Other words used are ‘para-douleftra’ (παραδουλέφτρα), μισταρκοί/ος.

having worked as a *dhoula*.⁹⁶ From the 1920s-30s women who were placed as domestic servants in houses were subjected to all sorts of abuses. “They were regularly overworked, starved, sexually assaulted or beaten (Argyrou 1994: 32), whilst those who were seduced or raped by the employers would never return to their village – ended up in brothels⁹⁷ (Surridge 1930 is quoted by Argyrou).

What remains from this memory of shame is the legacy that developed into a modern institutional arrangement with domestic workers from Southeast Asia. Even younger persons would jokingly call their domestic worker the ‘*dhoula*’ (slave); what is worse is that this transferred shame has reproduced and modernised, en mass, a new history of abuse based on the combination of race, class, gender and migrant legal status. The explanation provided by one domestic worker, who related the treatment domestic workers get with Cypriot family angst, problems and pressures maybe apt:

I think people are good here. But they maybe have some personal problems they can't remove to their family so they throw it on us, that anger, because we are foreigners.⁹⁸

Pathology or not, the plight of south East Asian domestic workers, who by catering for “elementary coercive needs”, which are “necessary for the mere conservation of life”, to use Arendt’s words⁹⁹, make it possible for Cypriots to taste what ‘Olympian gods’ enjoyed, is likely to carry on as the ‘curse’ of this type of labour is their job and society is unwilling to change.

4.6 Dancers, Prostitutes and Victims of Trafficking

A category of female migrants who is in a particularly vulnerable employment position, at times analogous to bonded labour, are women who work in cabarets and the sex industry in general. A number of international reports were published over the last years: the Trafficking in Persons Report, where Cyprus is listed within ‘TIER 2 WATCH LIST’ is the most notable international report is the US Report on trafficking which notes: “Cyprus is a destination country for a large number of women trafficked from countries in Eastern and Central Europe, including Ukraine, Moldova, Romania, and Russia, for the purpose of commercial sexual exploitation. Women are also trafficked from the Philippines, the People's Republic of China, and Morocco. Traffickers continued to recruit victims under fraudulent terms for work as dancers in nightclubs with three-month "artiste" category employment permits and more limited numbers of foreign women for work in pubs under the "barmaid" employment

⁹⁶ In Argyrou (1993:32) a 68-year-old woman for instance is quoted saying “I don’t want my husband to know anything about this. He doesn’t even know that I was a *dhoula*”.

⁹⁷ On scholar considered the high number of prostitutes in the Cypriot brothels in the 1920s-1940s was due to the fact that poverty sent many village girls to work in rich masters’ home, who took advantage of them “sending them to the gutter” (Lefkis 1984: 44).

⁹⁸ This is a quote from a focus groups conducted for a study in 2003 (Trimikliniotis 2003).

⁹⁹ Hannah Arendt’s words are compelling: “(...) As the elementary activity, necessary for the mere conservation of life, labour had always been thought as a curse, in the sense that it made life hard, preventing it from ever becoming easy and thereby distinguishing it from the lives of the Olympian gods. ...People, who do nothing but cater to these elementary coercive needs, were traditionally deemed un-free by definition – that is, they were considered unready to exercise the functions of free citizens. Therefore those who did this work for others in order to free them from fulfilling the necessities of life themselves were known as slaves”.

category. According to many international human rights reports, many of the women who work in nightclubs in Cyprus are victims trafficked for sexual exploitation. There were also reports of some Chinese women on student visas, who may have been forced into prostitution. Reports continued of female domestic workers from India, Sri Lanka, and the Philippines forced to work excessively long hours and denied proper compensation and possibly subjected to conditions of involuntary servitude.”¹⁰⁰

A number of reports and studies produced showed the extent of the dangers. On report in 2007, *Mapping the Realities of Trafficking in women for the purpose of sexual exploitation in Cyprus*,¹⁰¹ alleged that “the government appears to tolerate trafficking for the purpose of sexual exploitation in Cyprus and contributes to demand for sexual services through the issuing of specific ‘artiste’ visas as well as ‘high risk’ establishments.” It points out that within 20 years [1982-2002] there has been a dramatic increase of 111% in the number of cabarets”. It notes that, “these women are unable to move freely, are forced to work over and above their working hours, live in desperate conditions, isolated and under strict surveillance. A significant number of trafficked women are misled into believing that they are expected to work as waitresses, or barmaids. Instead, most of these women are forced, through the use of threats and/or violence, into prostitution.”¹⁰² Another research project completed in 2007, called *Demand for Stolen Lives: Researching the demand side of Trafficking in Cyprus, National Report*,¹⁰³ also deals with some dimensions of trafficking but it is based primarily on client interviews. The report considers that migrant women working in cabarets are essentially bonded labour and thus this form of trafficking must be combated.¹⁰⁴

A study by the Ombudsman’s office on sex trafficking is illuminating: the study referred to the legal framework by virtue of which persons who entered Cyprus legally to work with a certain employer but were then forced to leave their workplace as a result of exploitation by the employer, may be allowed to change *employer* but are not allowed to change *profession*. Two major weaknesses were pointed out in this provision: firstly, the fact that the victims of

100 Released by the Office to Monitor and Combat Trafficking in Persons June 12, 2007, see <http://www.state.gov/g/tip/rls/tiprpt/2007/82805.htm>

101 This a project carried out by the Mediterranean Institute of Gender Studies (MIGS-www.medinstgenderstudies.org). The main aim of the project was to gain and share awareness, knowledge and understanding on the phenomenon of trafficking in women in Cyprus for the purpose of sexual exploitation. The research was carried out using a gender sensitive, feminist perspective with the objective to: a. map and assess existing data on the extent of trafficking in women for sexual exploitation in Cyprus; b. outline state and non-governmental responses to the problem; and c. suggest ways to combat this increasingly widespread phenomenon. Please find attached an executive summary of the final report in English and in Greek. The full report is also available online at <http://www.medinstgenderstudies.org/wp/?p=322>

102 See executive summary of the MIGS Report.

103 *Demand of Stolen Lives’: Researching the Demand side of Trafficking of Women - National report on the demand for trafficked women in Cyprus, (DeStoLi)* funded under the EU AGIS project. The report is part of a comparative study that involves Cyprus, Germany and Greece and investigates demand for trafficked women as a component of the trafficking business and as a social phenomenon embedded in a specific (social, moral, economic, gender relations, power relations) environment based on a desk and documentation research and field research on in depth interviews with clients and persons with special knowledge.

104 The report concludes that “trafficking of women, in the case of Cyprus as well as many other countries is primarily a question regulating via immigration and employment laws and policies cases of bonded labour. In fact, the routine practices of the state contribute heavily in the creation of the structural conditions of bonded labour: the operation of immigration rules, including the ‘special rules’ about inspecting and certifying their health so as ‘not to spread venereal diseases’, the rule that prohibits that these women change employment sector and the requirement of 10000 (aprox 16000 euros) as deposit for each of the cabaret dancers are crucial factors making them heavily dependent on their employers, who push them to prostitution to ‘repay their debt’.”

trafficking were allowed to work in different night clubs or cabarets but were forced to remain within the sex industry and, secondly, that not all victims enter Cyprus legally, which means that trafficked victims are left with no choice or protection. The study also criticised the following legal provisions and / or practices of the Cyprus Migration Department as lacking insight into how trafficking works: the provision which renders the victims of prostitution ‘illegal migrants’ and thus subject to deportation; the practice of deportation if a cabaret artiste¹⁰⁵ leaves her workplace without pressing charges; the Witness Protection Law (L. 95(I)/2001) affords protection and right to change employer only to those victims who ‘co-operate with the authorities’.

4.7 Asylum-seekers

The vulnerable position of asylum seekers, refugees and third country nationals in employment is an issue of concern. The *Third ECRI Country Report on Cyprus* records that the working conditions in the sectors of the farming and agriculture industry, which is almost entirely made up by migrant workers and are sectors open to the employment to asylum seekers, are ‘extremely poor’: wages are well below the minimum fixed by collective sectors of the economy’. The Report refers to non-governmental organisation reports that asylum seekers are pushed towards the irregular labour market’ (para.55) and recommends that the Cypriot authorities ensure that asylum-seekers are not discriminated against in exercising the right to employment granted to them by law’ (para. 60).

Also according a UNHCR press release issued in September 2007, based on their own internal research from 2006, asylum seekers and refugees in Cyprus “fear authorities and deportation”, which remains “a great source of concern among” and “were frustrated at what was felt by them as the discrimination and abuse they had to endure from the employees of governmental departments (asylum, welfare and labour offices, and hospitals.”¹⁰⁶ The press release refers to “accounts ...of being yelled at, being made to wait half of, or even the full day to speak with a welfare officer or to see a doctor, being told things like “you don’t belong here, go back to your country”, or “go away and never come back”, “you are not a Cypriot and you have no rights”, and “it’s only a matter of time...” (Meaning: “before deportation).¹⁰⁷

Other relevant data regarding the situation of migrant and other ethnic groups are contained in the 2007 Report on International Religious Freedom – Cyprus.¹⁰⁸ The report refers to an “NGO had reported complaints from political asylees of Muslim origin who had difficulty securing employment because of their religion. Several women also reported that potential

¹⁰⁵ A term which, in Cyprus, is synonymous to ‘prostitute’.

¹⁰⁶ This is titled “Fear of Authorities and Deportation - a great source of concern among, asylum seekers and refugees in Cyprus”. For the purposes of this participatory assessment, 50 female asylum seekers and refugees identified at random were interviewed about their experiences in Cyprus, despite the fact that many more had been contacted for participation in the survey. The reluctance of the majority to participate in the survey was due to a variety of reasons, such as their apprehension that the interviews would negatively affect their applications, or that their participation would ultimately not benefit them in any way.

¹⁰⁷ The press release suggests that the report was shared with governmental departments in February 2007. For the purposes of this participatory assessment, 50 female asylum seekers and refugees identified at random were interviewed about their experiences in Cyprus, despite the fact that many more had been contacted for participation in the survey. It notes: “The reluctance of the majority to participate in the survey was due to a variety of reasons, such as their apprehension that the interviews would negatively affect their applications, or that their participation would ultimately not benefit them in any way.”

¹⁰⁸ <http://www.state.gov/g/drl/rls/irf/2007/90170.htm>

employers did not like their headscarves. Another asylee alleged he could not secure housing due to his Muslim faith.” Moreover, the report notes that “The Ombudsman' Office did not proceed with an investigation because it could not locate one of the complainants. The Independent Authority asked the NGO for additional information, which the NGO was unable to produce. As a result, the Independent Authority closed the investigation.”¹⁰⁹ The same report refers to an NGO reporting in May 2007 that “it continued to receive complaints from recognised political asylees of Muslim origin who had difficulty securing employment because of their religion. An Iranian asylee alleged that he was fired from his position at a major television station that has strong links with the Church of Cyprus when he mentioned that he was Muslim.”

Problematic are the restrictions in the employment of students and asylum-seekers, which essentially leave these persons with few options, for their basic subsistence than to join the informal economy via undeclared work. There was an important Equality Body's report¹¹⁰ which examined the question asylum-seekers employment, whose findings include the following:

1. The decision to restrict the asylum seekers' right to work in agriculture is connected with the sharp rise in the number of asylum applications. It is not only a measure to discourage prospective applicants from filing asylum applications, but it was also publicly presented as such by the government.
2. The selection of this particular sector of the economy is not accidental because it is the sector with the worse working conditions and the lowest salaries, which fall well below the minimum salary fixed by the Council of Ministers for sectors not regulated by collective agreements.
3. Although Council Directive 2003/9/EC permits states to introduce restrictions in the rights of asylum seekers to work, member states are also bound by obligations under international law which prohibit discrimination.¹¹¹
4. In the adoption of measures restricting the rights of asylum seekers to work, the principle of proportionality must be taken into account. The only lawful purpose for restricting the asylum seekers' right to work is to give priority to EU citizens and documented third country nationals in the labour market, whilst the restriction of asylum seekers to the farming and agriculture sector is clearly intended to discourage prospective applicants; it does not serve any legitimate purpose.
5. Forcing asylum seekers to work under conditions that no other unskilled Cypriot worker would accept violates the labour law principle of equal treatment. The report recommends the immediate review of the decision permitting the employment of asylum seekers only in farming and agriculture.

Despite the above decision, restrictions remain:¹¹² during the first six months from the date of submission of the asylum application, asylum seekers are not entitled to work; only after the 6-months period, the employment of the asylum seekers is allowed in the following sectors of economic activity:

109 United States Department of State, 2007 Report on International Religious Freedom - Cyprus, 14 September 2007, online UNHCR Refworld, available at: <http://www.unhcr.org/cgi-bin/texis/vtx/refworld/rwmain?docid=46ee678150> [accessed 16 October 2007].

¹¹⁰ Dated 21.12.2007.

¹¹¹ Article 6 of the preamble to Council Directive 2003/9/EC. The International Covenant on Economic Social and Cultural Rights also recognises the right of foreigners to work (article 6) and prohibits discrimination (article 2.2).

¹¹² The information is derived from the Labour Office Website at (accessed 25.01.2010) http://www.mlsi.gov.cy/mlsi/dl.nsf/dmlemploymentasylum_en/dmlemploymentasylum_en?OpenDocument

S/N	Industry fields	Occupation
1	Agriculture	~Agriculture Laborers
	Animal Husbandry	~Animal Husbandry Laborers
	Fishery	~Fishery Laborers
2	Manufacture	~Forage Production Laborers
3	Waste Management	~Drainage and Waste Processing Laborers
		~Garbage and Trash Collection & Processing Laborers
		~Recycling Laborers
		~Offal Processing Laborers
4	Wholesale Trade-Repairs	~Gas Station and Car Wash Laborers
		~Freight Handlers of Wholesale Trade
5	Other Fields	~Building and Outdoors Cleaners
		~Distributors of Advertising and Informative Material
		~Food Delivery

There are also restriction for the Employment of Persons with Subsidiary Protection Status: A person provided with the status of subsidiary protection, is entitled to engage in employment in accordance with the regulations and terms generally applicable to the profession and to the public administration, regarding the recognition of degrees and the salary immediately following his/her recognition with subsidiary protection status. For the period of 12 months from the day of the granting of subsidiary protection status, the person entitled with this protection status has the right to be employed in restricted sectors.¹¹³

After the first year, subsidiary protection holders acquire the same working rights as recognized refugees, which means that they receive equal treatment as the citizens of the Republic as regards wage-earning employment. In other words, they have the same rights as Cypriot citizens to employment, hence they are not restricted to any sector, and there is no need for the Labour Department to approve and stamp a contract of employment between an employer and a subsidiary protection holder, when 12 months passes since he gained this status.¹¹⁴ Refugees have full employment have the same rights as Cypriot citizens to employment, (i.e. there are no restrictions to any particular sector and there is no need for the Labour Department to approve and stamp a contract of employment between an employer and a recognized refugee).¹¹⁵ Based on the relevant EU directive, another category of migrants who are entitled to work are TCN students, but under certain conditions¹¹⁶ and for certain

¹¹³ These include: Agriculture – Animal Husbandry – Fishery: Workers at Agriculture, Animal Husbandry and Fishery; Manufacture: Laborers at bakeries, animal food, recycling, wooden furniture polishers; Construction: Ironmongers, pattern makers, construction workers; Trade and Repairs: Straighters and painters of cars, gas station workers / workers at car washing machines, freight handlers of wholesale Trade; Other activities: Cleaners of buildings, sanitation workers, garbage collectors.

¹¹⁴ A company/employer willing to recruit an asylum seeker must be authorized to employ foreigners and a contract of employment must be stamped by the district Labour Office.

¹¹⁵ Section 21B of the Cyprus Refugee Law provides that the person who is recognized as a refugee receives equal treatment as the citizens of the Republic as regards wage-earning employment.

¹¹⁶ Students should first get a student permit from the Immigration Authorities. They should then sign a contract of employment, with an employer, and submit it to a District Employment Office for approval. The Employment Office will check the main conditions and if satisfied will approve the contract. The main documents necessary for those wishing to work – and for their employers – are the following: (a) a valid residence permit (with a date of at least six months); (b) an employment contract, signed by the two parties and (c) a time-table of studies – which should not coincide with the working hours. See http://www.mlsi.gov.cy/mlsi/dl/dl.nsf/dmlemployment_en/dmlemployment_en?OpenDocument

kinds of work. They must be treated equally with Cypriot workers.¹¹⁷ It is required that all minimum labour standards should be observed and the Ministry has prepared a standard contract of employment for use in this case. Occupations and economic activities covered are shown in detail in the Order issued by the Minister.¹¹⁸ Typical occupations included are the following:

- petrol-station attendants and car-wash attendants
- care givers in homes for old people
- workers in agriculture/farming, fishing and bakeries
- fast-food delivery drivers

5 Comment on Statistical data and Conclusions

5.1 Comments on data

There are no data which are useful directly or indirectly (proxy data) in understanding the situation of these groups in employment. The overall situation based on key findings from official and non-official data, reports or other information does not show any significant changes since October 2007.

A study of by the Research Unit in Behaviour and Social Issues (RUBSI) of the University of Nicosia in 2007 titled “Policy and Practice - Issues of Ethnicity and Race in Contemporary Cyprus” illustrates that there is a large number of migrant workers face everyday and institutional racism against migrant workers and their income is insufficient for their needs. The study provides illuminating information based on focus groups and interviews. The research is based on a qualitative survey of some three hundred non-locals interviewed.¹¹⁹ The research was funded by the Cyprus Research Foundation and lasted from 1.1.2006 – 31.12.2007. The methodology of the study was based on a combination of Focus Groups and Personal Interviews: it included 5 Focus Groups and 300 personal interviews based on questionnaires based on sample selection, non-probability sampling, snowball sampling and quota sampling. The findings revealed that 63 per cent of those asked reported suffering from discrimination and prejudice on a daily basis, whilst 47% also reported having encountered institutional discrimination. In particular on the question of income and employment the findings show the following:

- Ninety per cent of the participants said that their income was insufficient for their needs.
- Twenty seven per cent said they could send money “back home”.

¹¹⁷ The Order or Decree of the Minister of Labour and Social Insurance that makes this possible was published in the Official Gazette last week (11 April). Students of recognised universities or university programmes are allowed to work up to 20 hours per week, in specific occupations and specified sectors of economic activity. They must be full-time students of recognised universities or colleges (or of some additional registered colleges) and they must have spent at least six months of full-time study in Cyprus.

¹¹⁸ See the Aliens and Immigration (Amendment) Law No. 184(I) of 2007 and the Order published on 18 December 2009, by the Minister of Labour and Social Insurance.

¹¹⁹ The research findings were presented on 19.12.2007 at the University of Nicosia. The research team included Professor John Solomos, Department of Sociology, City University, United Kingdom, Dr Liza Schuster, Department of Sociology, City University, United Kingdom from abroad and Research Team (Cyprus): Nicos Peristianis, President of the Council, Univ. of Nicosia, Dr Mike Hadjimichael (University of Nicosia), Dr Constantinos Phellas (RUBSI), Dr Tao Papaioannou (University of Nicosia), Dr David Officer (University of Nicosia). It was coordinated in Cyprus by Dr. Mike Hajimike.

- Fifty-one per cent actually accept money from friends and family “back home” (43 per cent), or from Cyprus (4 per cent) or elsewhere within the EU.

The report confirms the findings other research and reports on the subject.

5.2 Findings by the Cypriot Equality body

An important development is the decision of the Equality Authority on the restrictions in the right of asylum seekers to work, which essentially forces asylum seekers to work under conditions that no other unskilled Cypriot worker would accept, thus violating the principle of equal treatment. The Equality Authority recommends the immediate review of the policy which restricts the employment of asylum seekers to the farming and agriculture sector. Finally, the Ministry of Employment and Social Insurance issued a circular for a salary increase of 10% on their net salary of domestic workers in compliance to the recommendation of the Equality authority decision taken in 2005. It should be noted that the salary of migrant domestic workers continues to be the lowest in the labour market (CYP265 or Euros 280 per month net) and far below the minimum wages fixed for other sectors. Moreover, on 21.12.2007 the Equality Authority, one of the two bodies comprising the national equality body, issued its report in response to 22 complaints regarding the restrictions in the right of asylum seekers to work. Four of these complaints originated from NGOs and 18 from asylum seekers themselves. The findings of the report are as follows:

Until 2004¹²⁰ there were no special restrictions in the right of asylum seekers to work; the rules applicable until then were the same as for all third country nationals, i.e. the non-satisfaction of the needs of an employer with local labour force. On 31.03.2005 the Ministerial Committee introduced a regulation whereby asylum seekers would only be employed *exclusively* in the farming and agriculture sector and if they refused then they would lose their entitlement to state benefit. Four months later, on 04.07.2005 the Ministerial Committee modified this decision to the effect that asylum seekers would not be entitled to work at all during the first six months after filing their asylum application and thereafter they would have the right to work in farming and agriculture *as a matter of priority*; therefore once this sector is saturated their right to work in other sectors of the economy would be examined. In practice, however, the government’s labour offices continued to refer asylum seekers *exclusively* to the farming and agriculture sector and refused to refer them to other sectors even when there were no vacancies in farming and agriculture or when there were other serious reasons warranting a different approach. In 2007 a decision of the Labour Minister which took the form of subsidiary legislation established that asylum seekers would only be able to work after the expiration of six months from filing their asylum application and *exclusively* in the sector of farming and agriculture.

The decision to restrict the asylum seekers’ right to work in agriculture is connected with the sharp rise in the number of asylum applications. It is not only a measure to discourage prospective applicants from filing asylum applications, but it was also public presented as such by the government. The Third ECRI report on Cyprus¹²¹ states that the rise in the number of asylum seekers in no case justifies the adoption of measures to discourage asylum

¹²⁰ It should be noted that until 2002 Cyprus did not have an asylum regime and did not process asylum applications. In 2002 asylum applications started to be received but the numbers of asylum seekers rose sharply in 2004.

¹²¹ ECRI (2006), Third Report on Cyprus, Adopted on 16 December 2005, Strasbourg 16.05.2006

applications and regrets the fact that the restriction of asylum seekers' right to work in the farming and agriculture sector is and was presented as such a measure. The selection of this particular sector of the economy is not accidental because it is the sector with one of the worse working conditions and the lowest salaries, which fall well below the minimum salary fixed by the Council of Ministers for sectors not regulated by collective agreements. In particular the gross monthly salary paid in this sector is CYP220 and the net salary CYP195 (Euros 376 and 332 respectively), whilst the minimum salary was CYP362 (Euros 618.60) in 2005, CYP384 (Euros 656) in 2006 and CYP409 (Euros 699) in 2007. The salaries of migrant workings as stipulated in the collective agreement regulating this sector was so greatly reduced that it raises serious issues of violation of the principle of equal pay between Cypriot and foreign workers. Furthermore, the working conditions in this sector (accommodation, hours of work, quality of food) are exceptionally bad.

Although Council Directive 2003/9/EC permits states to introduce minimum restrictive conditions in the rights of asylum seekers to work, member states are also bound by obligations under international law which prohibit discrimination, according to article 6 of the preamble to Council Directive 2003/9/EC. The International Covenant on Economic Social and Cultural Rights also recognises the right of foreigners to work (article 6) and prohibits discrimination (article 2.2).

- In the adoption of measures restricting the rights of asylum seekers to work, the principle of proportionality must be taken into account. According to this, there must be a reasonable relation between the legitimate purpose which the restriction of a right aims at and the intensity, extent and duration of the restriction. The relation is not reasonable when the restriction exceeds what is necessary for the achievement of the purpose and is disproportionate in relation to the reasons that caused it and the intended result. The only lawful purpose for restricting the asylum seekers' right to work is to give priority to EU citizens and documented third country nationals in the labour market. The restriction of asylum seekers to the farming and agriculture sector is intended to discourage prospective applicants and does not serve any legitimate purpose; also, forcing asylum seekers to work under conditions that no other unskilled Cypriot worker would accept violates the labour law principle of equal treatment.
- The report recommends the immediate review of the decision permitting the employment of asylum seekers only in farming and agriculture.

5.3 Changes in law and policy

Some changes in law and policy can be reported:

- The EU directive allowing foreign students from third countries¹²² was transposed in Cyprus with an amendment¹²³ to the Aliens and Immigration law that entitles students from third countries to work on a part-time basis, up to 20 hours during the term and 40 hours during their holidays.

¹²² COUNCIL DIRECTIVE 2004/114/EC of 13 December 2004 on the conditions of admission of third-country nationals for the purposes of studies, pupil exchange, unremunerated training or voluntary service.

¹²³ Law 184(I) of 2007.

- Although the visas of cabaret dancers¹²⁴ was abolished in November 2008 after the embarrassment that the Republic Cyprus faced by the reference by international human rights reports, NGOs and bad press in the EU and the USA, which depicted Cyprus as hub for sex trafficking of women. The Government introduced the same procedure as with domestic and other third country migrant workers in Cyprus, who are under the jurisdiction of the Ministry of Labour rather than the Ministry of Interior (the immigration department).
- The recommendation of the Equality body of three in 2005 that female migrant domestic workers face direct discrimination on the ground of race or ethnic origin and indirect discrimination manifested in the low salaries paid to them and that they should receive a pay rise has finally met with at least partial compliance.¹²⁵ In a circular by the Ministry of Employment and Social Insurance there has been a salary increase by 10% on their net salary from 150 to 165 Cyprus pounds for domestic workers.¹²⁶

5.4 Trade unions and migrant workers

There have not been any trade unions as such set up by immigrants, although a small number of organisations or associations of immigrants are gradually beginning to emerge. One of these organisations was set up by and consists of migrant workers from Bulgaria, whose intention is to focus on labour issues, including conditions of employment. Another organisation is in the process to be set up, made up of recognised refugees; they also intend to focus, inter alia but not exclusively, on labour issues. Immigrants are allowed and encouraged to join the mainstream trade unions. It is argued that trade unions have not been very successful in taking action to support or demonstrate their solidarity to migrant workers (Trimikliniotis, 1999). In spite of the ideological differences and the varying degrees of emphasis between the trade unions in Cyprus,¹²⁷ there is a consensus¹²⁸ in their reluctance to accept the presence of migrant workers in Cyprus, who are regularly blamed for rising unemployment.¹²⁹ During the 1990s, trade unions adopted a defensive approach towards migrant workers, and made regular xenophobic remarks. It was common for trade unionists, particularly those on the right of the political spectrum, to claim that “*they* [‘migrant workers’] *are stealing our*

¹²⁴ They are known as ‘καλλιτέχνιδες’ or ‘αρτίστες’.

¹²⁵ In the Ombudsman Report their income is calculated at CYP 0.82 per hour, contrasted with CYP 4-5 per hour for Cypriots carrying out the same work (Cyprus Ombudsman Report File No. A.K.I 2/2005, dated 4.11.2005, page 4). For more details see National Data Collection Report 2006, 27.

¹²⁶ Circular 1/108 dated 21.1.2008 refers to the Council of Ministers’ decision 24.10.2007.

¹²⁷ One must distinguish between the Left-wing and the Right-wing trade unions, as there are differences in emphasis and ideological leanings. PEO has to be seen in conjunction with the left wing party AKEL and the broad Left. SEK (Confederation of Labour of Cyprus) is ideologically and organically tied to the Right-wing party DESY (Democratic Rally).

¹²⁸ In December 1996, there was even common action by trade unions taken against migrant workers in the hotel industry in Paphos: See reports in *Haravyi*, 12.12.1996 and *Phileleftheros*, 13.12.1996. Today, SEK and the third largest trade union DEOK continue to oppose the presence of migrant workers in Cyprus (see Lambraki, A. (2005) “Thymata Ekmetalleftsis peftoun stin Kypro Polonoι Ergates” in *Phileleftheros* (28.06.2005).

¹²⁹ In addition to SEK and DEOK, the argument that unemployment is linked with immigration is still maintained today by the Cyprus Ministry of Labour, but disputed by the employers’ union OEB who argue that more permits for the employment of migrant workers must be issued if the targeted rate of growth is to be achieved (see reports: “OEB: Oi allodapoi den epirezoun tin anergia” in *Phileleftheros* (28.09.05); “I apaxolisi allodapon den epirazei tin anergia” in *Phileleftheros* (09.10.2005)). In a recent press conference, the Minister of Labour referred to a study made by his Ministry which attributes the recent rise in unemployment primarily to immigration (Christophorou, C. (2005) “Xenoi afxisan tin anergia” in *Phileleftheros* (10.08.2005), however when we asked the Ministry for a copy of this study we did not receive any response.

bread".¹³⁰ Interestingly, even the super-exploitation and human rights violations of migrant workers have been invoked as justification for their deportation.¹³¹ The trade unions of the Left are more cautious and adopt a more sympathetic approach towards migrants but they have not done very much to organise migrant workers in their ranks. Over the last ten years, the Left-wing trade union PEO has shifted towards a generally more sympathetic approach towards migrant workers and a number of initiatives were taken to support them, including the setting up of the Migrant Workers' Bureau in 2003 to address exclusively the problems of migrant workers, the employment of a number of migrant workers as trade unionists/liaisons with the migrant communities and a large conference in 2004 for the rights of migrant workers which was widely attended by migrant workers themselves. PEO has advocated for the need to take measures to combat the widespread discrimination against migrant workers, especially in sectors where collective agreements are not in existence.

There are sectors of the labour market that have traditionally been trade union strongholds, such as the construction industry, where approximately 50% of the workforce is made up of migrant workers; in such sectors trade unions have eventually started to recruit migrant workers as members and they advocate for their rights. However in sectors which have not been unionised, such as the agricultural and farming sector which is predominantly made up by migrant workers, trade unions have failed to unionise them, partly due to employers' hostility and partly to the difficulty of unionising seasonal labour, but also due to an absence of a sense of priority by the unions. The second ECRI report notes:

“While there are sectors, notably in unionised and construction industry, where foreign workers appear to enjoy in practice the same conditions as their Cypriot counterparts, in others the practical application of the principle of equality of treatment of migrant workers in respect of their terms and conditions of employment has been less successful.”

In any case, it is apparent that there are structural barriers to the proper representation, organising and articulating the case for migrant workers by the trade unions. The migrant workers more actively involved in the trade unions are the Greek nationals of Pontiac origin and the Bulgarian nationals; this may be attributed partly to the fact that their countries of origin have a history of unionisation, when compared to other migrants in Cyprus, but primarily to the fact that their residence status in Cyprus is more secure than that of other migrants and are less likely to face deportations if they lose their jobs.

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¹³⁰ SEK spokesman in *Phileleftheros*, (02.12.1997).

¹³¹ Interview with Assistant General Secretary of SEK, Demetris Kittenis, *Ergatiki Foni*, (30.10.1996).

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