



THE INFLUENCE OF THE IMMIGRATION PROCESS ON THE LABOR RELATIONS - THE CASE OF ISRAEL

Dinner Dan Pinchasⁱ

Ministry of Education, Israel

PhD Student,

Institute of International Relations of Moldova (IRIM),

Moldova

Abstract:

Integration of migrants into the labor market of the target country is considered one of the main indicators of successful absorption. The research literature distinguishes between several indicators of integration in the labor market that may examine the socio-economic achievements of immigrants in the receiving country: participation rates in the labor force, type of occupation, scope of employment and income from work. The indicators are affected mainly by the human capital that the immigrant brings to the new country (education as an indicator of skills and skills, type of profession and conversion ability, control of the language of the target country and experience in the labor market. This article will attempt to analyze the impact of immigration on countries around the world, with an emphasis on the State of Israel. This article is part of a doctoral thesis on the impact of immigration on labor relations in Israel.

Keywords: immigration, employers, immigration, mobility

1. Introduction

The phenomenon of globalization has led to a significant expansion of world trade and migration to labor. The standard of living and wages in the developed countries are significantly higher than in developing countries, and attract the first residents to seek employment, however temporary, in the latter. The threshold wage in the developing countries is significantly smaller than the minimum wage in the target countries for the work of potential migrants, and often their qualifications are higher than those of local workers with similar skills. Hence, there is great concern in the target countries of the repression of local workers from the labor market, and of a decline in the entire salary scale - with negative effects on the extent of income inequality and the increase in public expenditure on the subject [1].

ⁱ Correspondence: email danid@ulpanakp.org

The basic economic analysis shows that the entry of low-skilled non-local workers affects the welfare of local workers in a number of ways. On the one hand, they are substitutes for unskilled domestic workers, thereby impairing their income and employment possibilities. On the other hand, because of the complementary relationship between unskilled workers and skilled workers, they improve the situation of the latter in the labor market. The result of this situation is the deepening of the polarization in the distribution of income in the economy, alongside the change in the composition of production in favor of labor-intensive industries and the slow pace of capital investment in the sectors in which migrant workers are concentrated [7]. On the positive side, the prices of goods and services in the economy fall to the general public. Since wages in workers' countries are significantly lower than in the target countries, their labor supply is particularly high (for a small economy - almost completely flexible). The idea is that in cases of equality of preferences between a local and a foreign worker, employers will prefer the migrant worker completely: it is often possible to employ the migrant worker for long hours (in which the locals are not accustomed or willing to pay).

The labor supply of local workers is not completely rigid: it is clear that there is a positive benefit from leisure and in combination with a public support mechanism (income support and unemployment benefits), this supply has a lower limit. Local employees have a threshold wage, which is affected both by the generosity of the system of government allowances and by the minimum wage in the economy [4]. The existing theoretical models focus on the impact of the entry of temporary low-skill migrant workers on the wages and employment levels of locally skilled workers. Some of these models examine the possibilities of the welfare system to benefit unskilled workers. Others try to examine the effect of the entry of migrant workers on the general welfare of the economy and examine situations in which unskilled workers will be willing to approve labor migration. However, these theoretical models ignore the fact that migrant workers do not tend to leave their wages in the economy, thus reducing the total resources available to the local welfare system.

Human immigration is defined as a change in permanent or almost permanent residence by people and families. The permanent or almost permanent nature of this movement distinguishes between immigration and tourism. Most methods of collecting data on international migration are largely unable to distinguish between those movements that are considered temporary and those that are intended to be permanent, at least. More simply, migration can be defined as a spatial change living in such a way that the new place is far enough away to reach the previous workplace on a daily basis under normal conditions. Immigration, as a social phenomenon, affects all aspects of life in determining the size of the population to understand problems and social changes in any community or country [9]. Immigration has an impact on both society in general and the immigrants themselves. International migration is linked to political and religious changes, and this is also the case the need to get used to a different cultural environment. In recent years, the differences between the different types of immigration have changed less clear and distinct than the phenomena of immigration

fifty years ago. In developed countries where the rate of population growth is almost negligible, migration is the source (US cities that have grown rapidly following migration like Phoenix and Tucson or Mexico City in Mexico). Although migration has helped, in some countries, to solve problems of lack employment on the one hand, and economic growth in developed countries, there are additional results for international migration. Migration from developing countries created a shortage of skilled workers, especially in the professional field, and in the range the long term creates problems in the future economic development of some countries, such as: There are countries that absorb immigration for the purposes of employing a short-term workforce(in Pakistan & West Germany), countries that receive immigration for reasons that are not necessarily economic but religious (such Israel), states Which constitute a haven for refugees (Pakistan and Nigeria) and economically developed countries, which migration has for some years been a part of their development, such as Ireland and Italy.

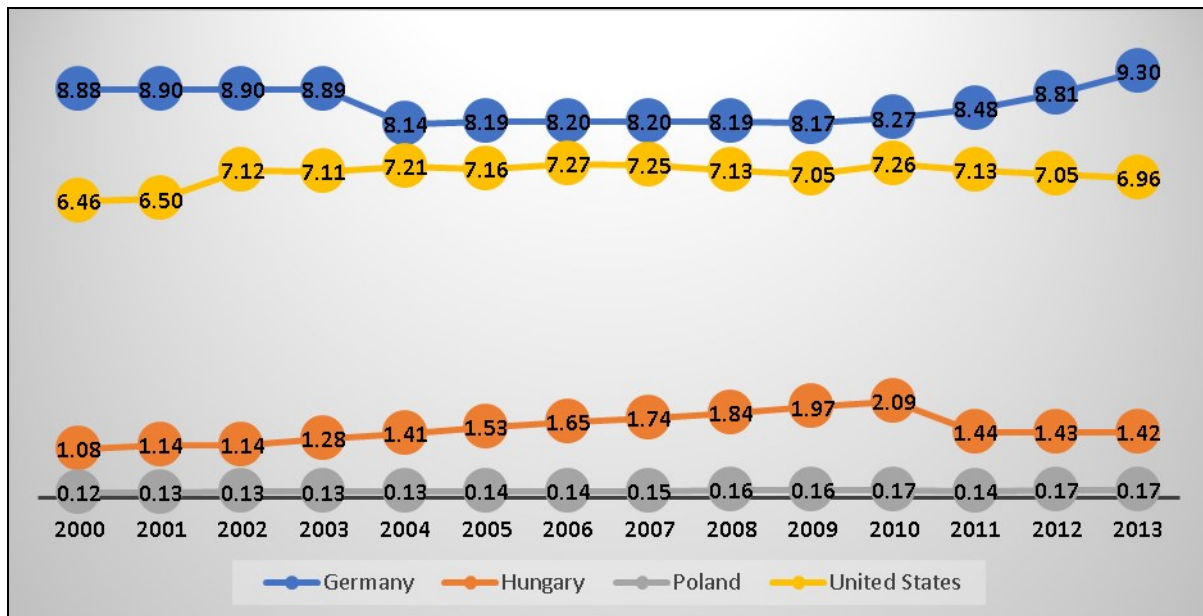


Figure 1: the Foreign population (Total, % of population, 2000 – 2013)

Source: Made by the Author from OECD – data [12].

2. Types of immigration [3]

It is customary to classify immigration movements into two types:

1. External Migration, International Migration - Migrants cross state borders and move from one country, country of origin, to another country, destination country.
2. Internal Migration - Immigrants move from place of origin to place of destination within the borders of a particular country in internal migration, it is possible to distinguish between migration from one village to another, ie, migration in which there is a change in the type of locality, and migration from one area to another in that country, and migration within a given locality.

There are those who sort out the migrations for temporary emigration [seasonal agriculture, studies, etc.] as opposed to permanent and permanent migration. Or direct migration versus stage migration.

Migration - a major and important change in the life of the immigrant. The main changes that take place in the lives of immigrants are:

- Replacement of residence
- Replacing a workplace
- Replacement of physical environment: landscape, climate and more
- Social and cultural change: society and acquaintances, language, form of residence, style of clothing, eating habits, recreation forms, customs, customary manners, laws and more

2.1 The migration distances

In general, the larger the distance, the smaller the number of immigrants, and vice versa - the number of immigrants migrating to a smaller distance. That is, if the target point is close to the starting point, many migrants will emigrate. Such as immigrants from Mexico to the south of the United States, or Turks and Yugoslavs to Western Europe. It is important to remember that distance not only influences the choice of destination but also the familiarity of language and customs. For example, England has a very large Indian community despite the distance that the English ruled India and many Indians speak English. So are Moroccans in France.

2.2 The influence of the immigration in Israel

Integration of migrants into the labor market of the target country is considered one of the main indicators of successful absorption. The research literature distinguishes between several indicators of integration in the labor market that may examine the socio-economic achievements of immigrants in the receiving country: participation rates in the labor force, type of occupation, scope of employment and income from work. The indicators are influenced mainly by the human capital that the immigrant brings to the new country (education as an indicator of skills and skills, type of profession and its ability to convert, control of the language of the target country and experience in the labor market) and to a certain extent determine the immigrant's potential to integrate into the local labor market [10].

Upon to Ben-David [2] immigration literature shows that new immigrants who join the labor market of the target country often pay a heavy price, because they find it difficult to employ occupations that suit their qualifications. However, as time passes, their status in the labor market improves, as they accumulate time and experience, improve their language skills, acquire knowledge about the local labor market and buy access to social networks and opportunities. As a result, the immigrants undergo a process of social and economic mobility, and the economic gaps between them and the natives tend to diminish. Alongside this general picture, studies point to differences between ethnic and gender groups in patterns of integration and economic achievements in the labor market.

The effects of immigration on the world of work and society in the country are very significant. We find that demographic changes will lead to an accelerated process of economic deterioration, and a decline in economic and employment productivity in the economy and in the economy as a whole. The State of Israel is a state of immigrants (as shown in the thesis), and throughout the years has experienced the immigration of new Israelis arriving in the country. On the other hand, the state also feels that there is a brain drain from it, both by families with learning abilities, and by researchers and leading people in the economy [11]. According to the neoclassical economic model, the new workers are identical to the immigrants, there is no rigidity in the labor market, and in the short term the supply of capital assets in the economy is constant, the effects of the wave of immigration are as follows:

- In the short term: the number of workers in the economy has increased due to a wave of immigration, GDP has increased, wages are falling due to an increase in labor supply, and consequently the return on capital is increasing, and the economic viability of investments increases.
- In the long term: the increase in investments leads to an increase in capital stock in the economy. As a result, demand for workers has increased and wages have risen and returned to their original levels. The number of employees has increased and the product has also increased.

In practice, the assumption that there is no rigidity in the labor market does not meet the test of reality, and therefore the wages of veteran workers do not fall in the short term in full. In this situation, the effects of the rise in the short-term lead to a smaller decline in wages, the product and the number of workers increases, but the unemployment rate rises. In the long term, after the immigrants learned the language and accumulated 22 experiences in the local labor market, the wage is expected to rise, the product and the number of employed persons will increase, and unemployment will decrease. In the years 2001-2010, 111,116 jobs were added to Israeli workers. The explanation for the increase in the number of employment places is 24 employing new immigrants and 111,461 veteran jobs. That large-scale immigration absorption requires, in its early stages, investment in residential construction, which requires a large number of workers. At the same time, the entry of immigrants into the labor market is not immediate, since a period of adaptation and adjustment is needed for the purpose of learning the language, and so the growing demand in the labor market reduces unemployment among the veteran population.

2.3 Engineers

In 1999, before the wave of immigration, there were about 46,111 engineers and architects in Israel. The wave of immigration brought more than 31,111. In 2009, there were 87,000 engineers and architects in Israel, an increase of about 37%, engineers and architects [11].

2.4 Doctors

In 1999, on the eve of the Aliya, there were approximately 15,000 physicians under the age of 65. In Israel at the end of 2000, there were 23,688 in Israel, a 58% increase in the number of physicians under the age of 65. During the decade, some 13,000 new licenses were issued for medical practice, of which some 8,000 were for former Soviet immigrants. Between 1990 and 2005, the rate of physicians per 1,000 persons who immigrated to Israel after 1990 increased. 38% of all physicians employed in 2010 in the population rose from 3.1 to 3.7, higher than in developed countries. Immigration of doctors from the former Soviet Union changed the age distribution Doctors in Israel [11].

2.5 Software engineers

The high-tech sector is characterized by highly educated workers; In 2000, the percentage of employees who studied over 13 years of schooling was over 46%. The rapid development of the high-tech industries began in 2000 and now stands at 61%. With immigrants occupying more than 11% of employment. In this case, the software engineers brought with them a new standard of work that includes a culture of commitment and communication with engineers in other languages. The data from the Central Bureau of Statistics indicate that in 2010, 9.4 million workers were employed in the economy, including 547,187 immigrants, who constituted 18.6% of all workers in the economy[10].

Approximately 65% of the immigrants were employed in four industries, as detailed below [11]:

- Approximately 118,000 immigrants were employed in Manufacturing – 21.6 % of all immigrants, compared with 14.3 % of all employed persons.
- Approximately 89,000 immigrants were employed in the business services industry, about 16.2 % of all immigrants.
- Approximately 83,000 immigrants were employed in the health, welfare and social work services sector, about 15.1 % of all immigrants.
- Approximately 66,000 immigrants were employed in Wholesale Trade, Retail and Repairs, approximately 12.1 % of all immigrants.

The rest, 35 % of all immigrants, were employed in other industries, mainly in education (5.7 % of all immigrants), in services for households (6.1%), and in transport, storage and communication (5%). The share of immigrants in the household services sector was the largest, with 21.8 % of all workers in the industry, followed by manufacturing (28 %), health services, welfare and social work (26.9 %), and business services (20.5 %), agriculture (8.3 %), and education (8.4 %) was the smallest in the principal industries.

References

- [1] Abrams, K. Immigration Law and Regulation of Marriage. Publish by the Minnesota Law Review 91. 2007 (p; 1625, 1637–1638).
- [2] Ben-David, D. Soaring Minds: The Flight of Israel's Economists. Tel Aviv University, Israel, and the Centre for Economic Policy Research, London, 2008 (p; 161 – 170) .
- [3] Bystrov, E. Soffer, A. Israel: Demography and Density 2007– 2020. Haifa: University of Haifa. 2008 (p; 42 -97).
- [4] Chang, H. F. The Economic Impact of International Labor Migration: Recent Estimates and Policy Implications, Temple Political and Civil Rights Law Review 16(2). 2009 (p; 32 – 66).
- [5] Cohen, Y. The Demographic Success of Zionism [In Hebrew]. Press by the Israeli Sociology 8, no. 2: 2010 (p; 151–158).
- [6] Karre, M. Heads and Tails: both sides of the coin: an analysis of hybrid organization in the policy. Cambridge, New-York: Cambridge University Press. 2011 (p; 155 – 179).
- [7] Meyers, E. Theories of International Immigration Policy-A Comparative Analysis. The International Migration Review Vol. 34, No. 4. 2000 (p; 1245-1282).
- [8] Pergola, D. et al. Contemporary Jewish Diaspora in Global Context: Human Development Correlates of Population Trends. Press by Israel Studies 10, No. 1. 2011. (p; 61–95).
- [9] Ratha, D. Workers' Remittances: An Important and Stable Source of External Development Finance. In World - bank, ed. Global Development Finance. Striving for Stability in Development Finance. Washington DC: World Bank, 2013 (p; 157–175).
- [10] The Israeli Central Bureau of Statistics – (visited in 12.4.2018): <http://www.cbs.gov.il/reader>
- [11] The Ministry of Immigration – (visited in 10.4.2018): <http://www.moia.gov.il/Hebrew/Pages/default.aspx>
- [12] The OECD – data – (visited in 14.4.2018): <https://stats.oecd.org/Index.aspx?DataSetCode=MIG>.

Creative Commons licensing terms

Author(s) will retain the copyright of their published articles agreeing that a Creative Commons Attribution 4.0 International License (CC BY 4.0) terms will be applied to their work. Under the terms of this license, no permission is required from the author(s) or publisher for members of the community to copy, distribute, transmit or adapt the article content, providing a proper, prominent and unambiguous attribution to the authors in a manner that makes clear that the materials are being reused under permission of a Creative Commons License. Views, opinions and conclusions expressed in this research article are views, opinions and conclusions of the author(s). Open Access Publishing Group and European Journal of Social Sciences Studies shall not be responsible or answerable for any loss, damage or liability caused in relation to/arising out of conflicts of interest, copyright violations and inappropriate or inaccurate use of any kind content related or integrated into the research work. All the published works are meeting the Open Access Publishing requirements and can be freely accessed, shared, modified, distributed and used in educational, commercial and non-commercial purposes under a [Creative Commons Attribution 4.0 International License \(CC BY 4.0\)](https://creativecommons.org/licenses/by/4.0/).