

2. Executive summary

The Local Diagnosis Report has been conducted within the framework of Project "REALISE: Making the Most of our Human Capital by 2020" (<http://realise2020.wordpress.com/>) funded under the European Fund for Integration of third-country nationals (European Integration Fund INTI). The REALISE Project seeks to contribute towards achieving the EU 2020 objectives of a dynamic and competitive Europe through maximization of human capital, targeting qualified third-country nationals, particularly women and youths, who are disproportionately overqualified for their jobs.

OVER-QUALIFICATION

The term refers to the mismatch between skills / qualifications of an employee and the level of skill or education necessary for the job that person is doing. An alternative definition focusing more on the disparity between skill level and wages is also used in some of the literature.

THIRD COUNTRY NATIONALS

Any person who is not a citizen of the European Union within the meaning of Article 20(1) of the Treaty on the Functioning of the European Union and who is not a person enjoying the Union right to freedom of movement, as defined in Article 2(5) of the Schengen Borders Code (European Migration Network). For the purpose of present report the term describes immigrants in Greece, originated from non EU countries, holding a valid residence permit.

Existing studies in EU level shows that the phenomenon of overqualified immigrants exists and its dimensions differ from place to place, depending on factors like local labour market conditions as well as the history and characteristics of migration in each country.

Therefore, in the context of REALISE Project Heraklion Development Agency has conducted a local diagnostic report on the severity, extend and multiple-causes concerning overqualified third country nationals, focusing on the example of Greece and more specific in Regional Unit of Heraklion (Region of Crete).

The economic activity in Crete was based mainly on agriculture and livestock farming (primary sector) until the '70s. Nowadays, tourism in Crete is the most dynamic developing sector of the local economy, with relevant activities to be located in the majority of coastal district and less in urban centres, where all the administrative, educational, financing and figurative services (tertiary sector) of the Island are gathered. Secondary sector concerns mainly the food industry, closely related with rural products from the area but also the sectors of structural materials and plastic. All three sectors of local economy are directly connected and inter-dependent.



The rapid increase of migrants in the area during the 1990's originated from the need of covering an important lack of labour force in primary economic sector and in other "downgraded" job areas with low labour supply (for example builders, craftsmen, domestic workers). In many cases their wages remain very low, without any consolidation and insurance. Informal occupation has become synonym of economic immigrants, who usually select the path of unofficial employment in order to ensure a higher income. On the other hand, the increased bureaucratic procedures make extremely difficult, even impossible, for a migrant to get legal recognition of his/her formal qualifications. A significant percentage of immigrants holds higher professional, scientific or artistic qualifications from their country of origin, which they no longer exercise in Greece. Women seem to be more overqualified than men.

The most recent official statistics (Eurostat; 2011) for Greece refers to 8.3 percent of non-nationals in the population in 2009 (954,784 non nationals), which is higher than the average European rate (6.4%). According to the official records from the Migration Department (Region of Crete; 2003-2007) there are 29,664 legal migrants living in Crete, about 4.7 percent of the entire migrant population in the country and the largest group is located in Heraklion (36.4% which refers to 10,795 individuals).

At this stage there are indigenous and extraneous factors that have negative affects for the local labour market and widely the local economy, exerting "tight" pressure to households and SMEs. Increasing unemployment is an existing problem also at local level, while at the same time the number of long term unemployed, that are unable to reintegrate into the labor market, expands. Youngsters, women and vulnerable groups of people are those most affected by the current situation. Immigrants are more possible to be affected by economic crises than locals. In most cases, they will be the first to loose theirs jobs and they present higher percentages of unemployment.

Due to economic crisis in the country there seems to be an incising number of overqualified professionals who lose their job and faces difficulties in re-entering into the labour market. Up to now newcomer with lack of skills and experience had to confront labour isolation and unemployment. However, the situation inside the local market has been completely reversed, and at present overqualified persons have become the "weaken link".



On the other hand, the carrying capacity within the area and the contemporary social needs contribute to the redefinition of local development. The potentials in Regional unit of Heraklion may be, under conditions, the new driving force of local economy, with promising perspectives for a way out of economic crisis and job creation.

Due to the above, the objective of the Local diagnosis is not to undertake an academic level of research, but to follow a pragmatic approach in order to give sufficiently accurate answers to the main questions: what is the degree of the problem? (Severity) and why are third-country nationals over-qualified in the locality? (Cause).

The presentation of finding follows the context and general guidance provided within REALISE project. More specific the report follows three levels of analysis: a) the general labour market situation, b) the profile of third country nationals, focusing on the issue of over qualification and c) conclusions and recommendations for further exploitation in both transnational and local level. Local key Stakeholders Panels (PLS) in Heraklion, which is created within REALISE Project framework are the key info providers for the undertaking local diagnosis and they will continue to actively participate in developing pilot local interventions and long-term strategies to scale-up pilot interventions to policy.

