



REPORT FROM THE RESEARCH PROJECT

**The participation of immigrants in civil society and labour market
in the economic recession**

Anna Wojtynska

Unnur Dís Skaptadóttir

Helga Ólafs



HÁSKÓLI ÍSLANDS

Faculty of Social and Human Sciences

University of Iceland

December 2011

This project was supported by the Directorate-Generale for Employment, Social Affairs and Equal Opportunities of the European Commission.

Its funding is provided for under the European Community Programme for Employment and Social Solidarity (2007-2013). This programme was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.

The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.

PROGRESS mission is to strengthen the EU contribution in support of Member States' commitments and efforts to create more and better jobs and to build a more cohesive society. To that effect, PROGRESS will be instrumental in:

- providing analysis and policy advice on PROGRESS policy areas;
- monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas;
- promoting policy transfer, learning and support among Member States on EU objectives and priorities; and
- relaying the views of the stakeholders and society at large.

For more information see: <http://ec.europa.eu/social/main.jsp?catId=327&langId=en>

The information contained in this report does not necessarily reflect the position or opinion of the European Commission.

<p>We would like to thank all participants in the research who shared with us information and opinions as well to all those who helped us and contributed to project.</p>

Table of Contents

1. Introduction	5
Research methods.....	5
2. Immigrants, labour market and unemployment	7
2.1 Immigrants in Iceland: Overview	7
2.2 Immigrants’ access to the labour market.....	10
2.3 Unemployment benefits.....	12
2.4 Service provision for unemployed immigrants	13
2.5 Immigrants’ perspectives.....	16
3. Survey among unemployed foreign citizens	20
Methodology	20
Participation	21
3.1 Characteristics of the participants.....	21
Nationality	21
Age	23
Length of residency.....	23
Marital status	24
Education.....	24
Language skills.....	25
3.2 Work experience in Iceland.....	26
Length of work experience and workload.....	27
Occupation	27
3.3 Unemployment	28
Reason for loss of employment.....	28
Registration	29
Length of unemployment	29
Benefits.....	30
Work.....	31
Monthly confirmations	32
3.4 Services of the Icelandic Directorate of Labour and courses for unemployed.....	32
3.5. Plans and current position on the labour market	38
3.6 Summary.....	44

4. Media coverage about immigrants before and after the economic crisis in the Icelandic mass media 2006 –2010	45
Development of media coverage	45
Content analysis about immigrant issues	48
Media coverage evaluated	50
Participants in the coverage of immigration issues	51
Printed newspapers	52
Broadcast media	56
5. Conclusion.....	58
References	61

1. Introduction

From the year 2008 unemployment, which was almost non-existent in Iceland in recent years, rose dramatically and in particular among recently arrived migrants. Consequently the economic and social circumstances have deteriorated for immigrants. Unemployment is higher among foreign citizens than Icelandic citizens, there have been cuts in services for immigrants and media attention on immigrant issues has diminished and changed focus. Thus, the objective of the research project “The participation of immigrants in civil society and labour market in the economic recession” was to examine the position of immigrants and their participation in Icelandic society following the crisis of 2008.

The following report presents the main results from this research project. It addresses the immigrant population facing difficulties as a result of unemployment and the current economic situation. It provides a picture of integration in a time of unemployment among immigrants, evaluates how past measures to support integration process have worked, and where there is a need to improve the accessibility and opportunities for active participation of recent immigrants in society. Because of the economic recession and high unemployment among immigrants, discrimination has taken a new form and thus measures taken against discrimination have to be redefined. As such, the examination of the media coverage of immigrants in Iceland is an important factor. The ways in which immigrants are framed in the media plays an influential role in the shaping of public attitudes toward them, affecting as well immigration policies and importantly integration of immigrants. The research project sheds light on the integration among immigrants in the times of transition and uncertainty.

In the report, the term ‘immigrant’ is used in general terms to refer to persons who are born abroad and have parents born abroad and moved to Iceland, thus it also includes people who already received Icelandic citizenship. However, the survey part of the project focuses mostly on foreign citizens as will be explained later. Moreover, the media analysis is based on multiple keywords, such as foreigner, immigrant, foreign labourer and newcomer (*nýbúi*), all which are commonly utilised in the media coverage about immigrants in Icelandic society.

Research methods

The primary data collection methods used for this research included a survey, interviews and media analysis. A survey was conducted among unemployed foreign citizens who were registered with the Directorate of Labour and thus received unemployment benefits. The

purpose of the survey was to gather more detailed information from unemployed immigrants. An internet survey was sent out with the assistance of the Directorate of Labour. The aim was to reach 500 respondents from different groups of immigrants. This goal was surpassed as 600 respondents took part in the survey. The survey consisted of 67 questions in six sections and was produced in Icelandic, English, Polish and Lithuanian (described in more detail below). The selections of languages were based on recommendations made by the Directorate of Labour. The dataset was then prepared in allowance for quantitative analysis.

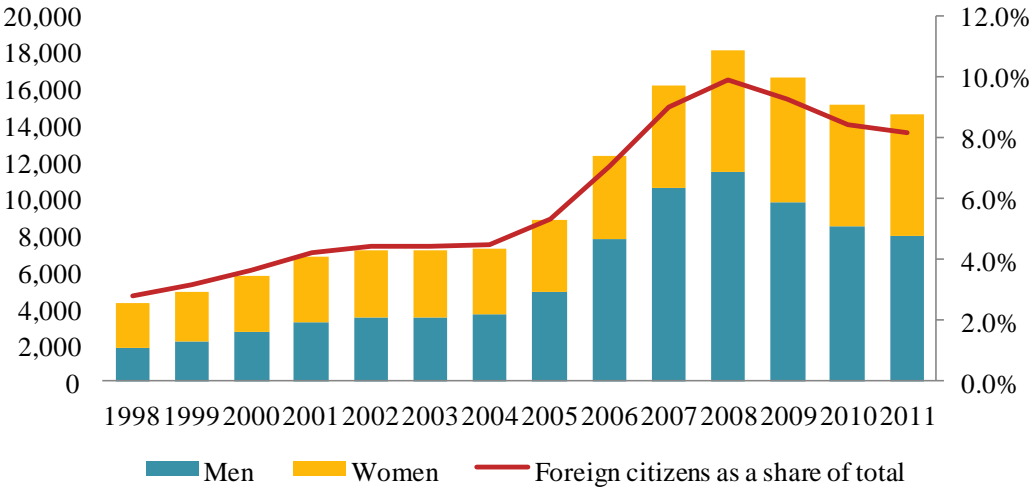
Various groups of people were interviewed individually, such as service providers in the public sector working primarily on immigrant issues; people representing the labour unions, language schools, executives within media companies, public administrations (police office, tax revenue office) and people from various NGOs and charity organizations. The individual interviews with various service providers helped the researchers map the available services, the rights of foreign citizens on the labour market in general, and in specific to unemployment benefits as well as the courses available for the unemployed. A number of unemployed individuals were also interviewed both individually and in focus groups. Two of the focus groups consisted of unemployed people from Poland, and one focus group with people who were able to speak English with participants from mostly Lithuania. More men than women participated in the focus groups reflecting a greater unemployment rate among them.

Finally a media analysis was conducted in order to explore questions regarding how the economic recession has affected the media coverage concerning immigrants. The media research in this study consisted of content analysis of the Icelandic mass media from 2006 to 2010, thus following the changing patterns in media discussion about immigrants and their issues before and after the recession. It covered main news reportage in the radio, television, and newspapers. Five newspapers were covered, two main television channels and three radio stations. Data for the media content analysis was gathered and analysed by the Media Watch. They monitor the coverage of the mass media, analyse the content and evaluate it as positive, neutral and negative news by time periods and media outputs. The analysis is based on the general rule made by the analyst on how certain news or article is seen as likely to affect the reader or the viewer as presumed. Some key themes included a focus on what topics related to immigration and immigrants were the most visible in the media, how these topics developed, and the prominence of immigrants and immigrant issues in the media.

2. Immigrants, labour market and unemployment

2.1 Immigrants in Iceland: Overview

In the last decade Iceland experienced an unprecedented inflow of foreign citizens. The population of immigrants increased from 8,425 in 2000 to 28,644 at its peak in January 2009, or from 3% to 9% of total population of the country (Statistics Iceland, 2011a). Significantly, the inflow of foreign nationals increased abruptly between the years 2004-2008, with annual growth climbing to 86% in the first two years of this period (Statistics Iceland, 2011b). The reason for this was fast economic expansion accompanied by construction boom, which created a significant labour shortage. The main factor attracting labour migration to Iceland was the booming economy and the subsequent great demand for labour, especially in the construction and service sectors. The migration was mostly work-related, with very few refugees accepted to the country. As a result, the number of foreigners in the Icelandic labour market tripled between 2000 and 2008 (see Picture 2.1).



Picture 2. 1. Number of foreign workers in Iceland (left axis) and as a share of the total workforce (right axis) (source: Icelandic Directorate of Labour)

In the year 2000 foreign citizens were mostly employed in fish-processing (20% of all foreigners were employed in this sector), other manufacturing (16%) and low skilled maintenance in services, such as in health care sector (14%), hotels and restaurants (9%), and retail (7%) (Statistics Iceland, 2011c). After 2006, the demand for labour was mostly driven

by the construction industry and consequently up to 36% of all foreign workers were employed in this sector in 2007 and 2008 (Karl Sigurðsson & Valur Arnarsson, 2011).

Of this fast growing population of foreigners, the vast majority were of European origin or 84% in 2011. Poles constituted the largest group, accounting to 43% of all foreign citizens in the country, followed by Lithuanians (8%), Germans (5%), Danes (4%), Filipinos (3%), Latvians (3%), British (3%) and Thai (2%).

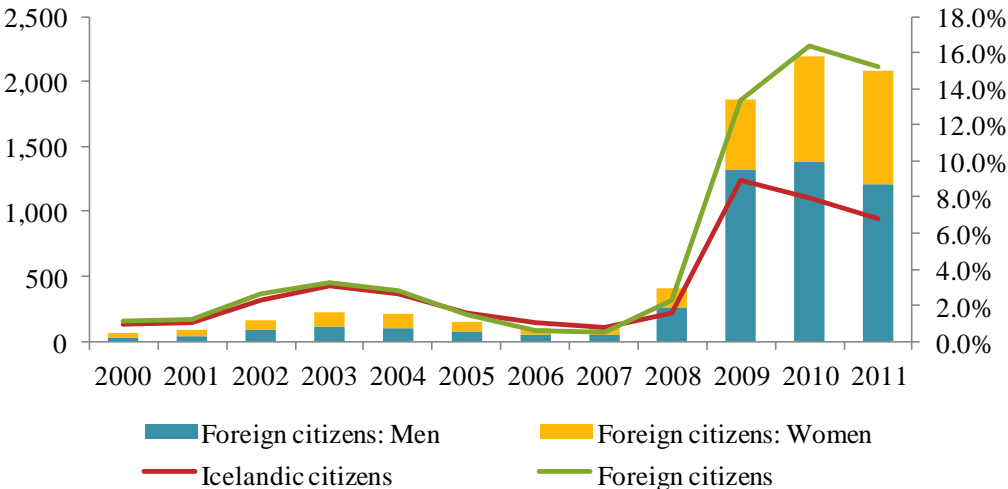
The financial crisis that hit Iceland in the latter part of 2008 marked a new period of migration history to the country. Net migration became negative, both for Icelandic and foreign citizens, with foreigners becoming the majority of those leaving the country in the years 2008 (64%) and 2009 (54%) (Ólöf Garðarsdóttir & Þóroddur Bjarnason, 2010). The net migration was already negative for Icelanders, but now it became negative for foreign citizens. Consequently the share of foreigners in the population in Iceland diminished from 7.6% in 1 January 2009 to 6.6% in 2011. Moreover, men significantly predominated in the outflow of foreign nationals comprising 78% in 2008, 70% in 2009, 62% in 2010 and 59% in 2011 (Statistics Iceland, 2011b).

The recession that began in 2008 also had an important impact on the position of the immigrants in the Icelandic labour market. While in the years prior to the economic recession the labour force participation of foreign citizens was very high, higher than among native population and unemployment very low, this situation reversed after the crisis (see Picture 2). Foreign citizens comprised 16% of all jobless registered as seeking work at the Icelandic Directorate of Labour. Importantly, the unemployment rate among foreigners in 2010 was twice as high as among native population – 14.5% among foreign nationals compared with 7.5% among Icelandic citizens (Karl Sigurðsson & Valur Arnarsson, 2011). The main explanation for this difference is that the financial crisis hit hardest the industries that had high shares of immigrant workers, predominantly the construction industry, which experienced the largest job-losses. In the booming years, it has been estimated that almost 40% of all workers in construction were of foreign origin. Accordingly, 42% of unemployed foreign citizens in January 2009 had their last position in the construction industry (Directorate of Labour, February 2009).

As male workers are clearly overrepresented in the building industry, men therefore accounted for a significant majority of unemployed foreigners in the first years following the collapse. However, with the recession gradually affecting other industries, the gender gap has

been slowly changing towards more equal ratio. In December of 2008, 73% of the unemployed were men and 27% women, while in November 2011, the gender ratio was 55% men and 45% women (Directorate of Labour, n.d.a). The gender difference among unemployed Icelandic citizens was never this sharp.

Importantly, while the unemployment rate among Icelandic citizens has already diminished in 2010, for foreign citizens it only started to decrease one year later. This may indicate that immigrants have greater difficulties coming back into the labour market.



Picture 2.2 Number of unemployed foreign citizens (left axis) and unemployment rate among foreign and Icelandic citizens (right axis) (source: Directorate of Labour)

As Polish citizens predominated among the foreign labour force they also constituted the majority among unemployed, or 59% in November 2011 (Directorate of Labour, n.d.b). The next largest nationalities are Lithuanians (11%), Latvians (4%), British (2%) and Portuguese (2%) (see Table 2.1).

Table 2.1. Unemployed immigrants according to country of citizenship in November 2011
(source: Directorate of Labour)

	Number	Share
Poland	1186	59%
Lithuania	216	11%
Latvia	84	4%
Great Britain	49	2%
Portugal	40	2%
Denmark	36	2%
Germany	35	2%
Philippines	29	1%
Thailand	27	1%
USA	20	1%
Other	299	15%
Total	2021	100%

There are some differences with regard to regions within Iceland when it pertains to the number of unemployed in general and among immigrants according to area of residence. In November 2011, 73% of all unemployed were concentrated in the Reykjavik metropolitan area of Iceland and followed by a region close by, Suðurnes, where 14% of all unemployed foreign citizens resided (Directorate of Labour, n.d.b).

2.2 Immigrants' access to the labour market

The access of foreign workers into the labour market is governed by different sets of rules depending on whether they are EEA citizens or if they come from outside of the EEA area. The former group falls under the agreement on the European Economic Area (EEA) which combines the labour markets of the three EFTA-countries (Iceland, Norway and Liechtenstein) and the countries of the European Union. The agreement confers direct rights on EEA citizens to look for and take up paid employment in Iceland.

The employment rights of workers from countries outside of the EEA area are governed by the Foreign Nationals' Right to Work Act No. 97/2002, which regulates the conditions for the issue of work-permits. The Directorate of Labour is responsible for the administration of this Act. The Act on Foreigners No. 96/2002 governs the issue of residence permits for both groups of workers (Directorate of Immigration n.d.c). The EEA citizens do not need work permits. They moreover have the right to reside in Iceland and to have their family join them.

The rights of EEA citizens are regulated in the Act respecting the right of workers for Employment and Residence within the European Economic Area, No. 47/1993.

Foreign nationals who are not citizens of Member States of the European Economic Area (EEA), and who come to Iceland for the purpose of engaging in employment are required to hold work permits. Work permits are normally only issued in those occupational sectors in which there is a shortage of labour and it is not considered likely that domestic labour will be found to fill the positions. An employer wishing to employ nationals outside of the EEA has to assure the Directorate of Labour that no suitable resident labour is available for the vacancy in order to obtain a work permit. Once admitted into the labour market, equal treatment applies in labour law and taxation (Icelandic Confederation of Labour, 2010). Foreign spouses of Icelandic citizens, and their children aged up to 18, are exempt from requirements regarding work permits.

There are three primary kinds of work permits for people from outside of EU – EEA:

1. A temporary work permit granted to an employer, allowing the employer to employ a foreign national, usually for a period of 12 months.
2. Specialist work permit, which is a temporary permit granted to a foreign national in connection with specialized tasks.
3. Permanent work permit with no time restriction, granted to a foreign national and allowing him or her to work in Iceland. The permanent work permit can be applied after three years of legal residency in Iceland.

According to Icelandic law, wages and other terms of employment as negotiated by the social partners shall be minimum wages irrespective of gender, nationality or employment period for all employees in the relevant field of work in the area covered by the agreement. This also applies to all employees of employers who are outside of the organizations of employers or have not themselves entered into collective agreements with trade unions. The agreements of individual employees and employers that are on worse terms of employment than stated in the collective agreements are thus rendered invalid and not binding for the employee. Additionally, the rules on maximum work time and minimum rest should be abided by. The law stipulates the employees' right to pay in sick or accident situations and to accident insurance (Icelandic Confederation of Labour, 2008).

2.3 Unemployment benefits

Citizens of EEA countries who have legal residency in Iceland and citizens of Nordic countries, similar as Icelandic nationals, are entitled to benefits based on their employment ratio during the past 12 months of work. To be able to receive full unemployment benefits one has to have been active in full time employment for 12 months when registering as unemployed. For the minimum benefits entitlement one has to work for at least 3 months in at least 25% position. With E-301 form, which is a statement of work periods in one of the EEA countries, there is a possibility to transfer unemployment rights.

Significantly, citizens of the EEA countries, other than Nordic countries, need to show means of support in order to receive legal residency in Iceland. This, in practice, equals with receiving a job. Since citizens of the Nordic countries are not subjected to this requirement, they therefore, may move their unemployment rights directly from the home country and be eligible to unemployment benefits without work experience in Iceland.

Unemployment benefits are earnings-related for a maximum of three months during each benefit period. The calculation is based on 70% of the total average wages during a period of six months ending two months prior to the application date. Maximum benefits are ISK 263,548 (December, 2012) with full unemployment insurance. Basic unemployment benefits are paid after three months of earnings-related payments. Minimum benefit entitlements are based on at least 25% of full-time work during three months. Minimum entitlement to unemployment insurance provides the right to receive $\frac{1}{4}$ part of full basic unemployment benefits (Directorate of Labour, 2011).

To be able to receive unemployment benefits one has to have been a member of a union. The employers enter into agreements with the labour unions pay a certain percentage of an individual's wages to the unemployment fund on behalf of each unionized worker. Thus only people in the formal labour market can claim benefits. Those who have been active in the informal labour market or have worked for employers who have not paid to the union from their salary on their behalf cannot claim unemployment benefits. They have to seek help from the municipality and the state.

Since the immigrants in Iceland came for the most part to work in formal employment, they were members of labour unions from the beginning of their work in Iceland.

People from countries outside of the EEA and who hold only a temporary work permit do not have the right to unemployment. Most of the unemployed foreign citizens in Iceland are in fact from European countries.

Unemployed individuals are expected to actively search for a job. They should be ready to accept any job offer from the Directorate of Labour. In case they reject an offered job, they may lose their entitlement for 40 days. This applies also to job-search plans and measures, such as various courses offered by Directorate of Labour.

2.4 Service provision for unemployed immigrants

The unemployed are offered meetings – individual or in group – with a counsellor at the Directorate of Labour in order to find out what kind of courses or solutions would benefit them. The language spoken in these meetings is Icelandic, and occasionally English, which makes it difficult for those not fluent in these languages to follow the topics of discussion. However, this is also a difficult situation for the staff who want to convey the information to the job seeker. As there are limited possibilities for interpretations they sometimes are forced to use the website Google translate or other means in order to assist them in conveying the information. Also, forms that people have to fill out for various purposes are generally only in Icelandic. For this reason, many foreign citizens – as indicated by Directorate of Labour employees – only partly fill out the forms as they do not understand the content in its entirety. Therefore, the Directorate of Labour in some instances have incomplete information about the education, skills and experiences of unemployed foreign citizens. Consequently, as the staff members claim, they often have difficulties finding out what the needs of the immigrants are and what could be the best solutions for them.

The Directorate of Labour arranges courses for the unemployed. One of the tasks of the Directorate of Labour is to provide solutions for unemployed individuals. The solutions are typically various courses and trainings organized either at the Directorate of Labour or by other educational institutions. Along job/occupational/vocational related courses, there are also offered classes how to seek a job, or to help people to find their areas of interest (Directorate of Labour, June 2009; Dröfn Haraldsdóttir et al., 2011). The purpose of these courses is to maintain or acquire new competence, qualifications and skills, as well as to help unemployed individuals stay socially active in order to prevent social isolation due to long

term unemployment. When seeking work the unemployed are required to take courses offered to improve their possibilities of getting a job.

Unemployed foreign citizens can choose any from all the variety of courses offered. However, most of the courses are meant for Icelandic speakers. Thus, foreign citizens who have not learned the language are more or less directed to take special courses for unemployed foreign citizens. Those were initially almost only language courses, but since then they have been often modified, adding for example more practical knowledge and skills, such as instructions how to write a CV, job-search methods, information about Icelandic society, computer training and elements of the labour market activation programmes.

The courses for unemployed immigrants are organized in such a way that the various schools and different organizations (including NGOs) write proposals for programs and offer them to the Directorate of Labour. They are often responding to demand and sometimes the Directorate of Labour seeks particular kinds of courses that they are aware there is a need for after talking with immigrants. The proposed courses are accepted for a limited period which means that each time schools need to renew their “contracts” with Directorate of Labour. As a result, the market for courses is constantly developing and changing; some courses are modified, others discontinued and new ones created.

Since the Poles are the largest group of unemployed foreign citizens, they are commonly together in groups in the courses, whereas other groups are smaller and are commonly mixed groups with people with very different language backgrounds. It can be difficult for teachers to manage such multi-language groups. Moreover, it was mentioned in interviews with people from the Directorate of Labour and course organizers, that it was difficult to find teachers who speak the diverse languages of the students, and this considerably diminishes the variety of courses on offer to unemployed immigrants. Still, according to a staff member at the Directorate of Labour, there are sufficient courses offered to meet existing demand and they are fully paid for by the government through the Directorate of Labour. This is a new experience for many immigrants since they formerly had to pay for the courses in Icelandic while they were employed, although they might receive partial refunds through their labour unions. Unemployment benefit recipients have rights to unlimited amounts of Icelandic courses and they can take them until they are fluent enough to take courses that require knowledge of Icelandic. These courses that are intended for Icelandic speakers are more work related and practical.

Besides the solutions provided by the Directorate of Labour, there are a number of programmes provided by other organizations. For instance, there are courses organized by the trade unions for their unemployed members, including special courses for unemployed foreign citizens. Moreover, the unemployed could participate in various classes at the Icelandic Red Cross at the time of the study. These were usually lectures or short courses held by volunteers who offered their help to the Red Cross. Most lectures were in Icelandic, but some were taught in English. Although not intended especially for the unemployed, the majority of participants were unemployed. Moreover the Red Cross provided a meeting place for the unemployed to meet at any time and participate in diverse activities. Occasionally, some NGOs organize projects that specifically target unemployed foreigners such as the program “Tattu hatt” (*Be active*) for unemployed Polish men coordinated by W.O.M.E.N. (Women of Multicultural ethnicity Network - Women in Iceland).

Unemployed people are also given the possibility to choose classes most suitable for them from the general courses offered on the market by different educational institutions. In order to have them reimbursed – completely or partially – one needs to apply for a special grant from the Directorate of Labour and explain how the knowledge acquired by participating may contribute to enhancing one’s position on the labour market.

There is little advice given at the Directorate of Labour on how to find a job and almost no assistance in finding a job. According to an interview with a staff member at the Directorate of Labour, the division of the Directorate of Labour that manages the job-applications of the unemployed sends applications to the employers matching their demand for workers. However, the staff member said that there are very few offers that are suitable for immigrants due to increased expectations of employers and emphasises on the language skills of their workers. One of the subjects raised in the interviews with service providers is that the demand knowing Icelandic is now more a norm, than an exception, as a prerequisite in order to get a job than it was the case in 2008. Almost all job ads are currently only in Icelandic and usually state that knowledge of Icelandic is required, even for jobs such as cleaning. This is thus an important aspect in inclusion and allowing for the participation of immigrants. Before 2008 such strict language requirements did not exist. At that time of great labour shortage many foreign citizens were employed who did not know any Icelandic or English. Moreover, when people had already been employed, they often did not have the time or money to attend courses in Icelandic, especially since this is not a requirement for people coming from the EEA in order to get work and resident permit. Consequently, the poor language skills were

considered as a significant obstacle in finding job. The limited language skills are also – in the opinion of the service providers – one of the reasons why many immigrants have poor knowledge about their rights on the labour market.

NGOs play a large role in providing services to unemployed immigrants. Some unemployed immigrants who cannot make ends meet on unemployment benefits seek help from charities, where people in need can get food and inexpensive clothes. One charity organization provides meals for those in need. In this study representatives from the three major charity organizations giving food and/or clothes were interviewed. They all maintained that they experience more foreigners seeking help from them than before. In two of them, the charities' concerns were expressed about the growing number of foreign single men coming to get help. Both of these organizations had thus decided that whereas others could come weekly, single foreign men only had right to get food monthly. The main argument was that single men who might be sharing a house could survive on unemployment benefits and could get warm meals in another organization. In general the NGOs seem to gear their help more towards women than men. Women were more commonly talked about as single mothers needing help to feed their children or as foreign wives in a weak positions, whereas men should be able to take care of themselves without assistance.

Moreover, in the course of the interviews, social services personnel alerted to what they feel is increasing evidence of immigrants seeking for financial assistance of municipality. They also made a notice of growing number of people who have serious problems with alcohol abuse and of new phenomena of homelessness among immigrants. Even if these issues require more investigation, they may indicate emerging negative social consequences of unemployment among immigrants.

Many of the service providers interviewed complained that there was not enough cooperation between different institutions and NGOs that are involved with immigrant issues, such as the Directorate of Labour, the Tax office, The Directorate of Immigration and the Red Cross. Thus immigrants have to seek information in many different places.

2.5 Immigrants' perspectives

As already mentioned, three focus group interviews were conducted; two with Poles in Polish and one with English speaking people. The English speaking group consisted of two persons

from United Kingdom and six persons from Lithuania and Latvia. Three themes were the main topics of discussion in these focus groups: a) the participants' views regarding their rights and their experiences of the Directorate of Labour, b) participation in courses offered to job seekers, and c) views towards the position on the labour market and the possibilities of getting a job.

Knowledge of rights and possibilities

It was clear from the interviews that many of the participants did not have a clear idea what their rights were as unemployed and that they felt uninformed about changes in rules regarding unemployment. They complained about the information about changes only being in Icelandic on the homepage of Directorate of Labour, and thus inaccessible to them. One man said the rules about additional jobs had been changed without him knowing it until afterwards when he had risked his benefit being stopped. The participants saw the fact that most of the information in the homepage of The Directorate of Labour as a big hindrance. They needed help to fill out the forms to claim unemployment. There was also confusion expressed about how the courses are allocated. Some people were wondering why they and not others had to wait to get a language course or some other course. One of the women asked us, the researchers, what to do to be able to get to participate in a course organized by the Directorate of Labour. Also it is not clear to the unemployed people we interviewed whether courses are obligatory or only recommended. Not all of them knew they could choose courses openly available on the market and have them reimbursed by Directorate of Labour.

Although some people voiced good experiences dealing with the Directorate of Labour, complaints were more dominant in the discussions in the focus groups. There seemed to be a lack of confidence and even suspicion toward the institute among the participants. They were afraid to do or say something that might affect their rights to benefits. Some people used expressions such as 'hostile attitude' and said they were made to feel not welcome. For instance, some people experienced not being able to ask questions or be answered in English at the Directorate of Labour as a negative attitude towards them.

Many of the participants were surprised that the Directorate of Labour could not help them find a new job. They claimed that the jobs available were reserved for Icelanders or Icelandic speakers. One man for example said as an explanation of this that he saw a job advertisement on the home page, but when he arrived at the office of the Directorate of Labour he was told

there was no such job available. There was a certain amount of expectation among the participants that The Directorate of Labour should be more active in finding jobs for them. One participant for example said that he thought it would be good if the Directorate of Labour would arrange jobs for them similar to those they had before the economic crisis, for example with a group of Polish workers preferably with someone who speaks English or Icelandic and could communicate with the manager on behalf of the group. These kinds of comments clearly indicate some degree of helplessness among some of the foreign citizens. They were recruited to certain jobs during the economic expansion, and then were left without work. When they found themselves without a job, they found that they lacked local knowledge (and social networks) of how to search for work in Iceland. This was also reflected in the interviews with teachers, who commonly experience that foreign participants do not know how to present their work experiences to prospective employers, for example omitting to tell them of their work experiences before arriving in Iceland.

Views towards the courses

There were many contradictory opinions expressed in the focus groups about the courses offered to the unemployed. Some of the participants said that they appreciated the courses and would like to take more courses. They saw unemployment as an opportunity for them to eventually acquire some competence in the language – both because while being unemployed they had access to courses free of charge as well as time for learning. They believed that learning Icelandic would help them find a better job and hoped they would be eventually able to receive a job according to their qualifications. Others saw the courses primarily as a burden and as an obstacle in their lives. A few claimed that having to participate in a course was a hindrance to attending to their informal job. Others just found learning the language to be useless since their stay in Iceland was only temporary. One young man for example said that as his future was going to be in some other European country it would be much more beneficial for him if courses were offered in English.

People talked in the interviews about learning to make a CV in the language course. However, some were a little reluctant to use these CVs because they said it might give the employers a wrong idea about their ability to speak Icelandic. One man for example pointed out that he once received a phone call from an employer who hung up on him when he realized that his Icelandic was not good.

Views about the situation in the labour market and prospects

Many of the participants in the focus group interviews were negative about their future prospects of getting a job in Iceland. They generally voiced a concern about negative views towards foreigners as the most important reason for this. Some people talked about growing racism, especially towards Poles, and that this was more often expressed in public than before the economic recession. One Polish man said that because of this reason he took his name out of the phone book; he had received phone calls from people telling him in Icelandic to go home. The researcher conducting the focus group interviews was asked by other participants in one of the Polish speaking focus group for advice about how best to respond to such experiences. Other participants claimed that the few jobs that might be available to them were low paid and without the extra hours they used to have which raised their wages before the economic crisis. Therefore, the wages were not much higher than the unemployment benefits. Then there were additional transportation costs to consider as well. A woman who complained about not getting a job also maintained at the same time that the unemployment benefits were very good. She thought that giving such beneficial benefits prolonged the period of unemployment among some people and did not give them an incentive to go back to work.

There were contradictory opinions about immigrants' participation in the informal sector jobs. Some claimed that this was not common whereas others said that just like Icelanders they were also working in informal jobs besides receiving unemployment benefits. Some said that employers did not want to hire people informally because of increased control and inspections by the authorities. Others said that getting an informal job was very easy and even promoted by the employers, and one man said that often employers refer to this kind of work as "helping with this and that", such as painting a house or repairing something, rather than calling it a proper work. Few of those interviewed claimed that they were in fact working in such a job as well as claiming benefits as they could not survive on the benefits alone.

3. Survey among unemployed foreign citizens

The financial crisis, as discussed above, significantly affected foreign workers in Iceland. As never before, they constituted a significant part of all unemployed in Iceland. This new situation poses challenges for the Icelandic authorities and institutions that now have to address the needs of foreign citizens in their policies and programs. The process often requires very rapid adjustments. The key question is whether these adjustments are sufficient. This part of the report presents the results of the survey conducted among unemployed immigrants. The purpose of the survey was to gather detailed information about unemployed immigrants, their current situations and plans, as well as to learn their opinion about services offered.

Methodology

The survey was launched on the Internet at the very beginning of September 2011 and was opened on-line until the end of October the same year. The sample was based on the registry at the Icelandic Directorate of Labour, the institution which manages the country's Unemployment Benefit Fund. There were 1,865 foreign citizens registered as unemployed at the end of August in Iceland.¹

The questionnaire was available in four languages: Icelandic, English, Polish and Lithuanian. Polish and Lithuanian were chosen, since those were the largest groups; Poles accounted for 59% and Lithuanians 10% respectively of all foreign citizens registered as unemployed at the Icelandic Directorate of Labour. Remaining registered foreign unemployed represented diverse nationalities (and thus languages), however they were not that numerous (see Table 3.2 below).

An invitation to participate in the survey was sent out by the Directorate of Labour. Altogether 1,197 registered unemployed foreign citizens received an e-mail with a link to on-line survey, thereof 622 were sent to Polish citizens, 149 Lithuanians, and 426 of other nationalities. A reminder was sent a week before the survey's closing deadline. Polish citizens and Lithuanians received a link in their respective languages, whereas all others received both the Icelandic and English versions of the survey. It was clearly stated in the e-mail invitation that the study was not conducted by the Directorate of Labour but by researchers at the

¹ The registry of the Icelandic Directorate of Labour is based on citizenship, which means that immigrants who already received Icelandic citizenship at the time of this study are included together with native Icelandic citizens.

University of Iceland. In addition to the e-mail, the announcement about the research with the link to the survey was published on the Polish news website *www.informacje.is* and on the Facebook profile of the Lithuanian Association in Iceland. The questionnaire consisted of 67 questions divided into six sections: 1) work experience in Iceland, 2) unemployment, 3) courses for unemployed, 4) social help and information, 5) job-searching and 6) personal information.

Participation

The participation was quite high – 600 people answered the survey. However, since many of the responses were only partial, eventually 516 cases were included in the dataset (completed or mostly completed). Thereof 323 answered in Polish, 99 answered in English, 65 answered in Lithuanian and 29 in Icelandic.

Table 3.1. Survey overview

Time of the survey	1 September – 30 October 2011
Method	Internet survey
Total number of answers	516
Thereof in:	
Polish	323 (63%)
English	99 (19%)
Lithuanian	65 (13%)
Icelandic	29 (6%)

3.1 Characteristics of the participants

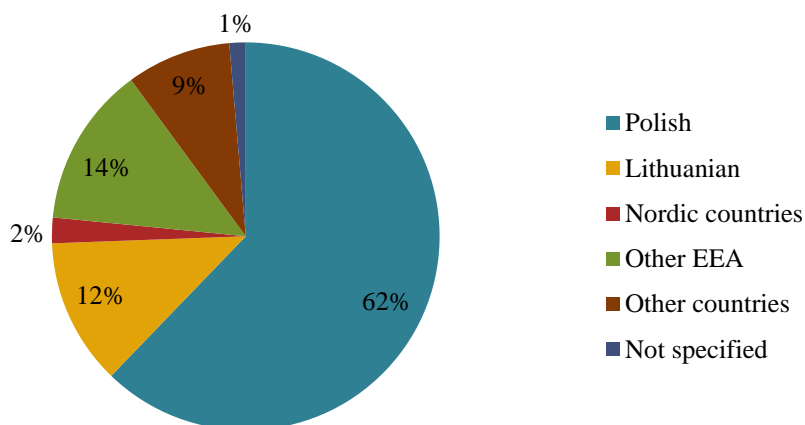
Nationality

The participants represented altogether 51 countries. The majority were Polish (62.2%), followed by Lithuanians (12.2%), Latvians (3.3%), British (2.7%), Danes (1.6%), Slovaks (1.6%), and Portuguese (1.2%). This corresponds to a large extent with register data (see Table 3.2). However, some discrepancies, like overrepresentation of English native speakers or underrepresentation of Portuguese, can be attributed to the languages in which the survey was available.

Table 3.2. Participation according to country of origin

Country	Total in register*	Share	Total of answers	Share	Answer rate
Poland	1099	59%	321	62%	29%
Lithuania	180	10%	63	12%	35%
Other EEA countries	327	18%	80	16%	24%
Thereof:					
<i>Latvia</i>	84	5%	17	3%	20%
<i>UK</i>	43	2%	14	3%	33%
<i>Slovakia</i>	19	1%	8	2%	42%
<i>Nordic countries</i>	42	2%	11	2%	26%
<i>Portugal</i>	41	2%	6	1%	15%
<i>Germany</i>	25	1%	6	1%	24%
<i>Other</i>	73	4%	10	2%	14%
Other countries outside EEA	259	14%	45	9%	17%
<i>Thereof European countries</i>	58	3%	10	2%	17%
Not specified	11	1%	7	1%	64%
Total	1865	100%	516	100%	28%

* Number of unemployed at the Directorate of Labour register at the end of August 2011



Picture 3.1. Nationality of the participants

Only 15 (or 3%) of the respondents had Icelandic citizenship. This is explained by the fact that the Directorate of Labour holds the registry of unemployed by citizenship. Thus, people of foreign origin who are already Icelandic nationals are included together with Icelandic citizens. Consequently, as mentioned above, the e-mail about the survey was sent only to

foreign citizens, excluding foreign born persons with Icelandic citizenship. It is then most likely that those who had Icelandic citizenship accessed the survey from an open announcement.

In the report the data presented is divided into such nationality groups: Poles and Lithuanians (as they are the largest and survey was launched in these languages), other EEA nations and other countries. This reflects different unemployment rights according to country of citizenship (compare 2.2 section of the report). Although citizens of Nordic countries hold the most extensive rights, it was decided to include them together with EEA citizens, since there were only 11 such cases. Moreover, seven persons did not reveal their nationality. Their answers are included in the total number, while the specific distribution is not shown.

Age

Roughly one third of the participants (35%) were below 30 years old, 40% between 30 and 39 years old and one forth – 40 years old or more as shown in Table 3.3. Poles and Lithuanians had the highest share of young unemployed (39% and 41% respectively).

Table 3.3. Age of the participants

	Total number of answers (N*)	17-29	30-39	40 +
Poland	229	39%	40%	21%
Lithuania	59	41%	29%	31%
Other EEA	74	27%	42%	31%
Other countries	36	17%	47%	36%
Total	470	35%	40%	25%

*thereupon N = total number of answers

Length of residency

More than two thirds of the respondents (or 71%) came to Iceland within the last six years. The majority (66%) of them came between 2006 and 2008, which are the years of economic boom and when there was a great labour demand. A minority of them, or only 5%, came after the crisis. Interestingly, Polish citizens predominantly came during this time (73%), while participants from outside EU tend to have been longer in Iceland.

Table 3.4. Length of residency in Iceland by nationality

	N	1970s	1980s	1990s	2000-2005	2006-2008	2009-2011
Poland	317	1%	2%	7%	12%	74%	4%
Lithuania	62	2%	2%	2%	23%	68%	5%
Other EEA	80	1%	3%	3%	33%	54%	8%
Other countries	45	2%	4%	7%	47%	31%	9%
Total	511	1%	2%	5%	20%	66%	5%

Marital status

More than half of the participants were in a relationship, either married (46%) or in registered cohabitation (12%), while less than one third were single (29%) as shown in Table 3.5. The remaining 12% were divorced. The highest share of married (71%) was among respondents from other than EEA countries. Polish and Lithuanian participants tended to be in a relationship with a person of the same nationality – 94% of them said that they are married to Polish/Lithuanian spouse, while those coming from outside EU countries were most commonly in a relationship with Icelandic citizens (76%). Moreover, of those who were married or cohabiting, 94% had their partner living in Iceland.

Table 3.5. Marital status among participants by nationality

	N	Single	Cohabiting	Married	Divorced	Widowed
Poland	321	28%	11%	48%	13%	1%
Lithuania	63	33%	17%	35%	14%	0%
Other EEA	80	38%	20%	29%	14%	0%
Other countries	45	20%	4%	71%	4%	0%
Total	513	29%	12%	46%	12%	0%

Education

Regarding education, almost half of the participants had secondary education (47%), followed by vocational training (20%) as shown in Table 3.6. Of the respondents 22% held a university degree, either Bachelor (12%) or Masters (9%) and 1% held PhD. Only 11% had primary

education. Lithuanians had the highest share of participants with higher education (35%). They also had the highest share of people with PhD degrees.

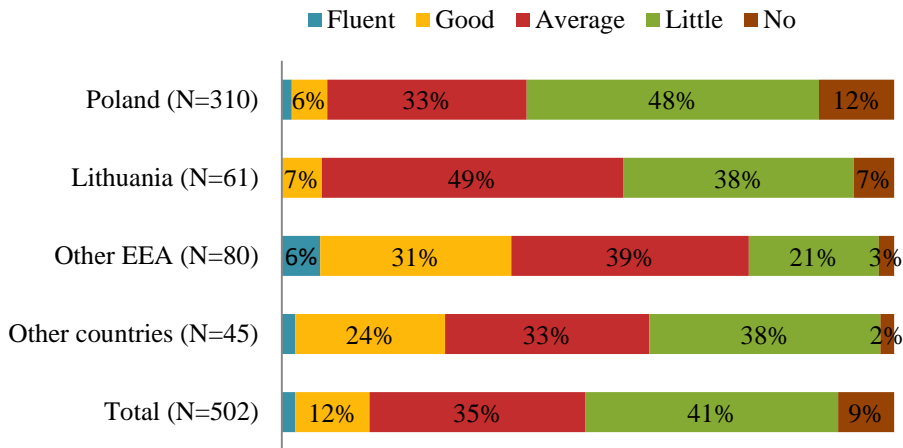
Table 3.6. Education by nationality

	N	Primary	Vocational	Secondary	B.A/B.S	M.A/M.S	PhD or more
Poland	311	9%	22%	52%	8%	9%	1%
Lithuania	59	17%	22%	25%	24%	8%	3%
Other EEA	78	13%	9%	53%	13%	13%	0%
Other countries	43	19%	14%	37%	23%	7%	0%
Total	496	11%	20%	47%	12%	9%	1%

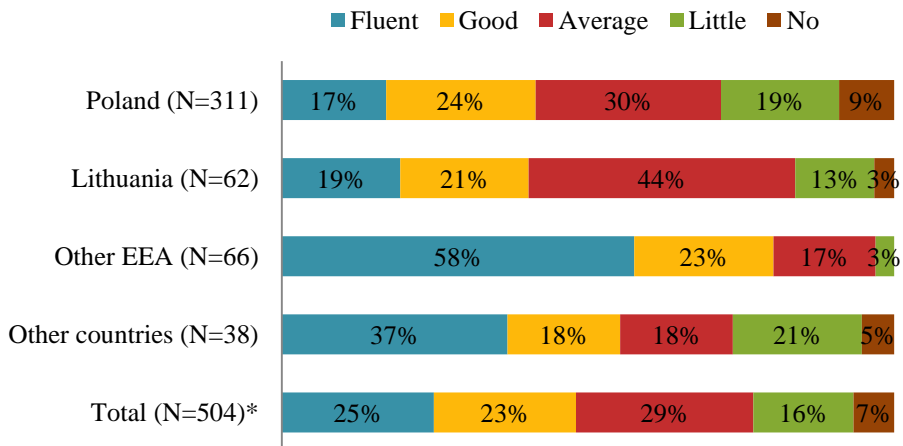
Language skills

Respondents were asked to evaluate their language skills using a five-level scale (see Picture 3.2. and 3.3.). The knowledge of Icelandic and English among Poles and Lithuanians on average was worse than among other nationalities. However, better fluency in English or Icelandic among other nationalities has to be partly explained that they could answer the survey only if they could understand either English or Icelandic, thus excluding from participation all that spoke neither of these languages.

Half of the participants reported not knowing or knowing only little Icelandic. As high as 60% of Poles and 45% of Lithuanians did not know or had limited skills in Icelandic. Citizens of the other EEA countries were best skilled in Icelandic with 37% being either fluent or good in this language, and 39% describing their skills as average. In general, participants’ skills in English were better than in Icelandic – half knew English fluently or well, and 23% little or not at all.



Picture 3.2. Icelandic skills among participants by nationality



Picture 3.3. English skills among participants by nationality (*excluding English native speakers)

3.2 Work experience in Iceland

As presented in the section 2.2, the rights to unemployment benefits are based on the number of years worked in Iceland and kind of employment – either full-time or part-time. Therefore, one section of the questionnaire addressed issues related to work.

Length of work experience and workload

The vast majority of participants have worked in Iceland for at least two years (95%). No respondents had less than half of a year of work experience in Iceland (Table 3.7). The majority, or 85%, worked full-time or full-time with overtime in their last primary position. Only 1% worked less than 50% and nobody less than 25% (Table 3.8).

Table 3.7. Number of months worked in Iceland by nationality

	N	7-12 months	13-24 months	More than 25 months
Poland	271	0%	3%	97%
Lithuania	67	1%	3%	96%
Other EEA	57	2%	5%	93%
Other countries	37	0%	11%	89%
Total	432	1%	4%	95%

Table 3.8. Workload in the last primary job by nationality

	N	More than 100%	100%	75-99%	50-74%	25-49%	Less than 25%	Don't know
Poland	297	75%	18%	4%	2%	1%	0%	0%
Lithuania	61	57%	26%	3%	8%	5%	0%	0%
Other EEA	79	59%	29%	3%	8%	1%	0%	0%
Other countries	43	44%	35%	12%	7%	0%	0%	2%
Total	487	67%	22%	5%	4%	1%	0%	0%

Occupation

In the survey a question was posed as to the last position held prior to their status as unemployed. The answers included 18 categories based on job type and sector of employment. The final category – ‘other’ – was an open question which gave the opportunity for respondents to include positions not covered in the list. Finally, the initial categories were simplified and combined into five categories (see Table 3.9).

Less than one third of the participants held their final position prior to unemployment in the manufacturing sector, including food processing; thereof 6% worked in the fish processing plants. Slightly more than one fifth worked in cleaning or other low-skilled service sector positions. Another fifth worked in construction. Finally, a comparable figure (14%) worked in

restaurants, shop assistance or as specialists or workers in the service sector before losing their job.

Table 3.9. Occupation by participants by nationality

	N	Physical worker in manufacturing	Constr. industry	Cleaning and other low-skilled services	Restaurants and shop assistance	Specialists and workers in service sector
Nationality	488	30%	20%	22%	14%	14%
Poland	299	32%	21%	24%	13%	9%
Lithuania	61	20%	33%	16%	23%	8%
Other EEA	79	24%	10%	18%	14%	34%
Other countries	42	38%	7%	26%	12%	17%
Education	470	30%	20%	21%	15%	14%
Primary	50	24%	16%	28%	24%	8%
Vocational training	90	29%	32%	19%	13%	7%
Secondary	223	38%	18%	21%	13%	10%
Tertiary	107	18%	16%	21%	15%	31%

3.3 Unemployment

Reason for loss of employment

Clearly the recent financial crisis was a significant factor – directly or indirectly – leading to unemployment. Almost four of every ten participants said they lost their jobs due to the financial crisis and nine of every ten lost their job because the company went into bankruptcy following the crisis (see table 3.10). Moreover, the negative influence of the recession was indicated in the open answers. Some participants pointed to the worsening of working conditions after crisis as, for example, they were offered the same job but with lower salaries. Some complained about increasing prejudice among Icelandic employers against foreign workers in the wake of the crisis. Other reasons mentioned in the open answers included sickness, childbirth, and plans of returning home.

Table 3.10. Reasons why participants lost their job by nationality

	N	Reduction due to financial crisis	Reduction due to other reasons	Company went out of business	Position was made redundant	End of contract	Resigned oneself	Other reasons
Poland	293	40%	13%	8%	4%	10%	10%	15%
Lithuania	59	32%	8%	20%	7%	5%	7%	20%
Other EEA	76	33%	8%	4%	1%	16%	18%	20%
Other countries	42	36%	14%	5%	0%	5%	12%	29%
Total	477	38%	12%	9%	4%	10%	11%	18%

Registration

Understandably, because of how the data was gathered, the majority of the respondents (or 95%) were registered as unemployed at Icelandic Directorate of Labour. Twenty seven individuals who reported not being registered were then asked to provide the reason. Among 19 persons who answered, the most often mentioned explanation was the lack of will for registration (7 answers), followed by finding a job (4 answers). Other reasons mentioned included: lack of rights (2), and end of the unemployment period (2). One person claimed to have been removed from the registry, one was on maternity leave, one was on the sick leave and one did not provide information as to why.

Length of unemployment

Slightly less than one third of participants were registered as unemployed at the Directorate of Labour for six months or less, 16% for a period between seven months and one year, 26% for one year up until two years, and the remaining 29% were registered for more than two years. The highest share of those who were long unemployed (more than one year) was among Poles (almost 59%) as shown in Table 3.11.

Table 3.11. Length of registration as unemployed at Directorate of Labour

	N	6 months or less	7-12 months	13-24 months	25 months and more
Poland	267	25%	15%	26%	33%
Lithuania	53	40%	11%	23%	26%
Other EEA	70	29%	20%	27%	24%
Other countries	36	36%	17%	28%	19%
Total	432	29%	16%	26%	29%

Benefits

Almost two third of respondents (65%) were receiving full benefits, followed by 13% with an entitlement between 75 and 99%. Those reporting not receiving any benefits were merely 4% of the respondents, while the highest proportion of respondents without benefits was among citizens of other than EEA countries. Of those who answered the question 8% were receiving benefits but did not know the exact proportion or percentage (see Table 3.12).

Table 3.12. Benefit entitlement level among participants by nationality

	N	Full benefits	75- 99%	74- 50%	25- 49%	Less than 25%	Don't know %	No benefits
Poland	295	74%	12%	5%	2%	0%	5%	3%
Lithuania	60	53%	13%	10%	5%	0%	13%	5%
Other EEA	75	55%	19%	7%	3%	1%	8%	8%
Other countries	43	47%	14%	12%	5%	0%	14%	9%
Total	480	65%	13%	6%	3%	0%	8%	4%

One fourth of those who did not receive full benefits were combining work with unemployment as shown in Table 3.13. Therefore, work may be one of the reasons why benefits were lowered. Another possible reason, though perhaps less significant, could be holding a part-time employment (13% of participants). Length of work experience should not be a factor here, since the vast majority (99%) had been working in Iceland for at least one year. Interestingly, 9% of those who were receiving full benefits admitted combining it with work. However, it does not have to mean that it was informal job, since unemployment benefit recipients are allowed to work up to 59.000 krónur while maintaining full benefits.

Table 3.13. Combining work with unemployment

	N	Yes	No
Nationality	453	15%	85%
Poland	274	14%	86%
Lithuania	59	10%	90%
Other EEA	72	21%	79%
Other countries	42	19%	81%
Total	453	15%	85%
Benefits	446	15%	85%
Full benefits	295	9%	91%
75-99%	54	13%	87%
50-74%	30	47%	53%
25-49%	14	71%	29%
Less than 25%	1	100%	0%
Don't know %	33	9%	91%
No	19	11%	89%

Work

The unemployment rules allow for combining unemployment benefits with work. Therefore, respondents were asked whether they have any part time or additional jobs while collecting benefits. Only 13% admitted working while being unemployed (Table 3.14). These respondents were asked also if they had a signed contract in this position. Only 64 persons answered this question: 69% said they had signed contract, 28% did not have contract and 3% did not know.

Table 3.14. Do you currently hold any part-time or additional jobs?

	N	Yes	No
Poland	319	13%	87%
Lithuania	63	11%	89%
Other EEA	77	18%	82%
Other countries	44	7%	93%
Total	509	13%	87%

Monthly confirmations

Persons registered as unemployed are obligated to confirm their status every month to the Directorate of Labour. It can be done either through the internet or by telephone or at the office of Directorate of Labour. The majority, or 83% of respondents, completed their confirmation through the internet, either themselves (73%) or with help of a friend (10%). Sixteen percent of the respondents made their confirmation at the Directorate of Labour with help of an administrative employee (see Table 3.15). However, taking into account that the survey was conducted through the internet, the share of those using the internet to complete monthly registration may be a bit higher than in the total population of unemployed immigrants in Iceland.

Table 3.15. How participants confirmed their registration last month at the Directorate of Labour by nationality

	N	Internet	With help of friend	With help of DL staff	Called DL	Didn't confirm
Poland	299	70%	10%	19%	0%	0%
Lithuania	57	77%	5%	12%	0%	5%
Other EEA	77	87%	8%	1%	1%	3%
Other countries	43	58%	16%	19%	5%	2%
Total	482	73%	10%	16%	1%	1%

3.4 Services of the Icelandic Directorate of Labour and courses for unemployed

The Icelandic Directorate of Labour facilitates meetings between employment counsellors and job seekers (as mentioned earlier in the report). The purpose of such meetings is to recognize what kind of “solutions” could be suitable for specific unemployed individuals, which also considers their interests in determining course options. Three of every four participants, or 75%, indicated that they had such meetings at the Office (Table 3.16). Thereof 70% had obligatory meetings, 15% said they requested a meeting, and 15% had both obligatory and requested meetings.

Table 3.16. Did you have a meeting with a counsellor from Directorate of Labour?

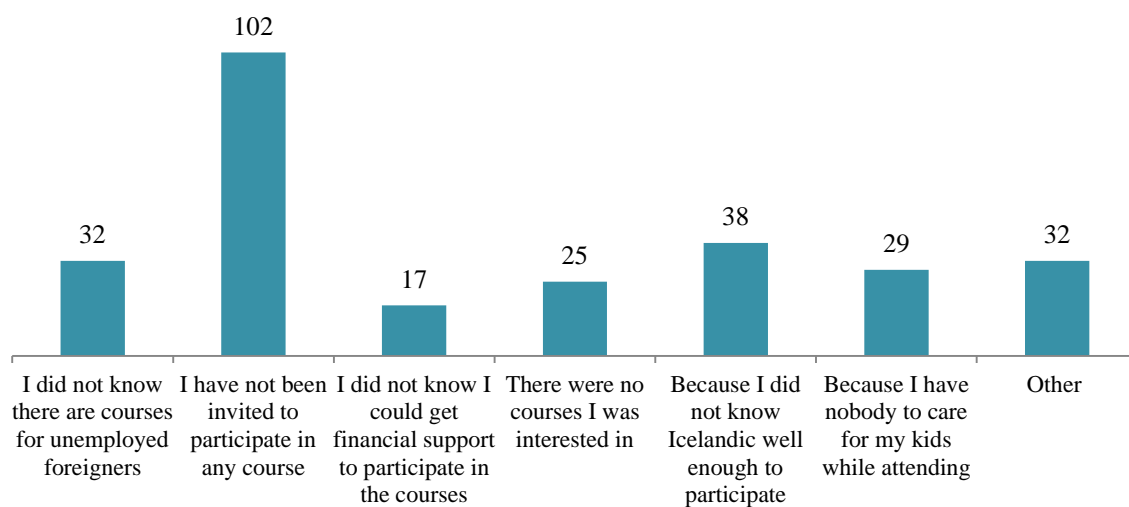
	N	Yes	No
Poland	293	70%	30%
Lithuania	58	81%	19%
Other EEA	75	85%	15%
Other countries	43	77%	23%
Total	475	75%	25%

The unemployed are offered various courses free of charge and can participate in all courses on offer. However, as many of them are taught in Icelandic, they are virtually inaccessible for foreigners (as shown previously only 14% respondents reported being fluent or good in Icelandic). Consequently, foreign citizens are generally directed to language courses or special courses for foreign citizens, which contain language training. Almost two thirds, or 64%, of the survey respondents participated in some kind of the courses for the unemployed. Expectedly, the share of those who completed at least one course for the unemployed is growing with the length of unemployment (see Table 3.17).

Table 3.17. Participation in the courses for the unemployed

	N	Yes	No
Nationality	514	64%	36%
Poland	320	65%	35%
Lithuania	63	57%	43%
Other EEA	80	71%	29%
Other countries	44	45%	55%
Total			
Age	469	64%	36%
17 - 29 years old	165	68%	32%
30 - 39 years old	186	54%	46%
40 or more	118	72%	28%
Length of unemployment	432	64%	36%
0-6 months	125	31%	69%
7-12 months	68	63%	37%
13-24 months	113	80%	20%
25 or more	126	84%	16%

As shown in Picture 3.4, the most commonly mentioned reason for not participating in the courses was that of not being invited to participate in any (mentioned 102 times). The next two commonly cited reasons were the lack of knowledge in Icelandic (38 times) and lack of information about the courses (32 times). Those who used the possibility of writing in the open answers most frequently indicated that they were about to start a course (six times) or just recently became unemployed (six times) as the reasons for not participating.

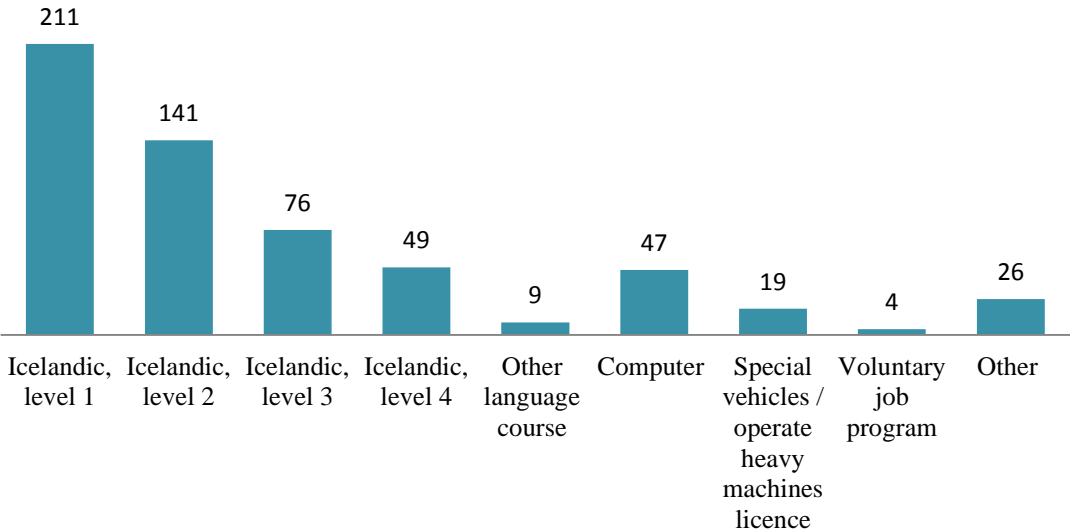


Picture 3.4. Main reasons participants haven't participated in courses for unemployed (number of answers)

Unemployed persons can participate either in special courses organized for the unemployed or choose any course available on the market and apply to be reimbursed by the Directorate of Labour. The special courses for the unemployed are usually organized on behalf of the Directorate of Labour by different schools. Moreover, the Icelandic Red Cross and various trade unions organize courses for the unemployed. Thus, those who said they have participated in courses for the unemployed were then asked what kind of courses they took part in. An overwhelming majority, or 96% (314 individuals), participated in courses organized on behalf of the Directorate of Labour. Only 16 individual reported taking courses organized by trade unions and even less (six individuals) participated in courses organized by the Icelandic Red Cross. Moreover, all of them but one person took these courses along with courses at the Directorate of Labour.

Of those who took courses offered by the Directorate of Labour, slightly more than half (52%) attended only one course, 21% two courses, 17% three courses and the remaining 10% four courses or more. Most commonly, respondents participated in one of the Icelandic language courses – 89% took at least one of the language courses: 67% completed Icelandic at level 1; 45% Icelandic at level 2; 24% Icelandic at the level 3; and 16% Icelandic at level 4. The next frequently named was a computer course, with 15% of respondents indicating that they have attended such a course. Picture 3.5 presents how many respondents reported participating in each course.

About three of every four (74%) Poles attended courses organized by the Directorate of Labour, 67% Lithuanians, 52% citizens of other EEA countries and 47% citizens of other countries took classes in Icelandic at level 1.

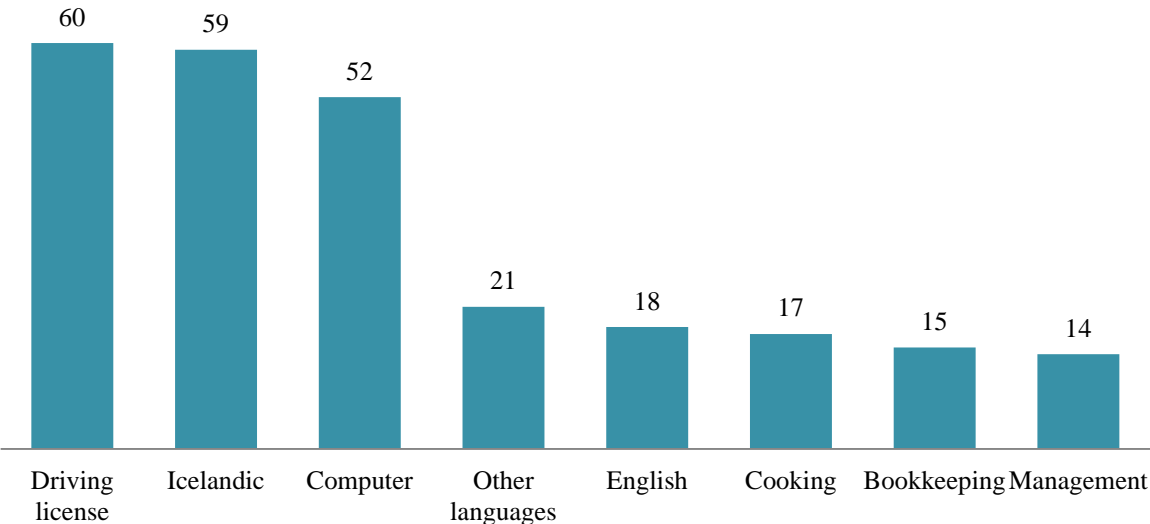


Picture 3.5. Courses organized by Directorate of Labour that participants attended

Respondents were then asked to evaluate the courses organized by the Directorate of Labour. From 112 respondents who answered as to whether courses were useful, 72% agreed and 6% disagreed, while 22% neither agreed nor disagreed. No Polish citizen answered the evaluation question. Most satisfied were citizens of other than EEA countries – 89% said the courses were useful.

Nearly half (49%) of the participants admitted that there were courses for unemployed they were interested in, but could not attend because they did not speak and understand Icelandic well enough. However, it was only 44% of Poles and as many as 76% citizens of other than EEA countries that were of such opinion.

In the open question, participants had the possibility to indicate what courses they would be interested to participate in (Picture 3.6). Among roughly 300 participants, the most commonly mentioned courses were courses for special driving licences and for operating machines – 20% respondents were interested to take such courses. Next frequently mentioned were Icelandic courses (19%), computer, including more specialised courses, like computer design or programming (17%) and other language courses (13%). Most popular languages, beside Icelandic, were English and Norwegian. Moreover, 6% wished to take cooking classes, 5% to learn bookkeeping, 5% study management, including courses offering instruction on how to establish a company in Iceland, 5% wanted to learn to become hairdresser or beautician, 4% were interested in handwork or some kind of artistic courses (for example photography), and 3% in acquiring some craft skills (electrician, carpenter, plumber). Eight persons said they would be interested to take any course that would help them to get a job. Other courses mentioned included: tourist guide, sewing, design, pedagogy, massage and physiotherapy.



Picture 3.6. Other courses that respondents were interested to take

The Directorate of Labour also provides information to the unemployed about possible job offers and available courses. Unemployed foreigners were asked whether they receive such information or not. The majority, or 74%, of participants reported receiving such information, including 15% that were receiving only information about job offers and 30% who were receiving only information about courses (see Table 3.18).

Table 3.18. Do you receive information from the Directorate of Labour?

	N	Only about jobs	Only about courses	Both	No
Poland	298	17%	28%	28%	27%
Lithuania	60	13%	45%	32%	10%
Other EEA	76	12%	30%	32%	26%
Other countries	42	12%	17%	36%	36%
Total	482	15%	30%	29%	26%

Overall, respondents were rather satisfied with the services of the Directorate of Labour as shown in Table 3.19. Slightly more than half (55%) agreed, while 17% disagreed, with the statement “I am satisfied with the services from the Directorate of Labour”. Most satisfied were representatives of countries outside of the EEA, however they had also the highest share of those dissatisfied. Roughly, one third of Lithuanians did not have an opinion about the services of Directorate of Labour.

Table 3.19. Response to the statement: “I am satisfied with the services from the Directorate of Labour”

	N	Agree	Neither agree nor disagree	Disagree
Poland	299	54%	28%	17%
Lithuania	60	57%	33%	10%
Other EEA	78	55%	27%	18%
Other countries	38	63%	16%	21%
Total	481	55%	28%	17%

3.5. Plans and current position on the labour market

In order to recognize their current position on the labour market, unemployed immigrants were asked about issues relating to job-search, evaluation of the probability of finding job and future plans regarding their stay in Iceland.

Generally, respondents seem to plan their future in Iceland. As shown in Table 3.20 more than six of every ten (63%) answered that they would definitely or rather not move away from Iceland. Nearly three of every ten (28%) planned to move away, but were not decided when. Only 9% had more specific plans to leave this year (3%) or within next three years (6%).

Table 3.20. Do you plan to move away from Iceland?

	N	This year	Within three years	Yes, but don't know when	Rather not	Definitely not
Poland	319	3%	6%	30%	45%	15%
Lithuania	61	3%	10%	28%	44%	15%
Other EEA	80	4%	4%	26%	36%	30%
Other countries	44	0%	9%	11%	27%	52%
Total	510	3%	6%	28%	42%	21%

The clear majority of respondents (87%) admitted actively searching for work (Table 3.21). Further, the participants were asked to indicate how many times in the last six months they applied for job (Table 3.22). Only 14% did not apply for any job, while 86% applied at least for one job within the last six months, with 37% who applied for two to five jobs. Interestingly, as high as one third of Lithuanians (34%) said they were not searching for work in this period.

Table 3.21. Are you now actively looking for a job?

	N	Yes	No
Poland	320	84%	16%
Lithuania	62	84%	16%
Other EEA	79	94%	6%
Other countries	45	93%	7%
Total	513	87%	13%

Table 3.22. Number of jobs applied for in the last six months

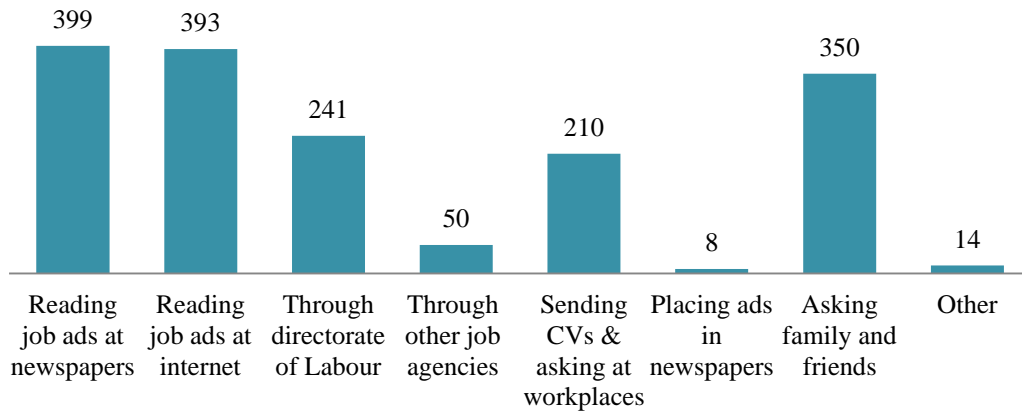
	N	1	2-4	5-10	More than 10	None
Poland	304	23%	41%	11%	13%	12%
Lithuania	58	10%	33%	14%	9%	34%
Other EEA	78	5%	31%	22%	32%	10%
Other countries	43	19%	26%	12%	33%	12%
Total	488	18%	37%	13%	18%	14%

Asked about the country where respondents were primarily looking for job, 91% named Iceland, while 4% mentioned Scandinavia and only 2% a home country (see Table 3.24). None of the Lithuanians were searching for work in their home country, but they also had the highest share of those who primarily were interested to find job in one of the Scandinavian countries. Almost all citizens of the other than EEA countries (98%) wanted to get job in Iceland.

Table 3.24. Country of primary job search

	N	Iceland	Home country	Scandinavia	Other
Poland	312	92%	2%	4%	2%
Lithuania	62	85%	0%	8%	6%
Other EEA	79	91%	3%	5%	1%
Other countries	43	98%	2%	0%	0%
Total	503	91%	2%	4%	3%

In terms of the job searching methods, the most often mentioned way were reading job announcements in the newspapers (79%) and reading job announcements on the internet (78%), followed by asking family and friends (70%), through the Directorate of Labour (48%) and sending CVs and asking at workplaces (42%). Picture 3.7 below represents these findings.



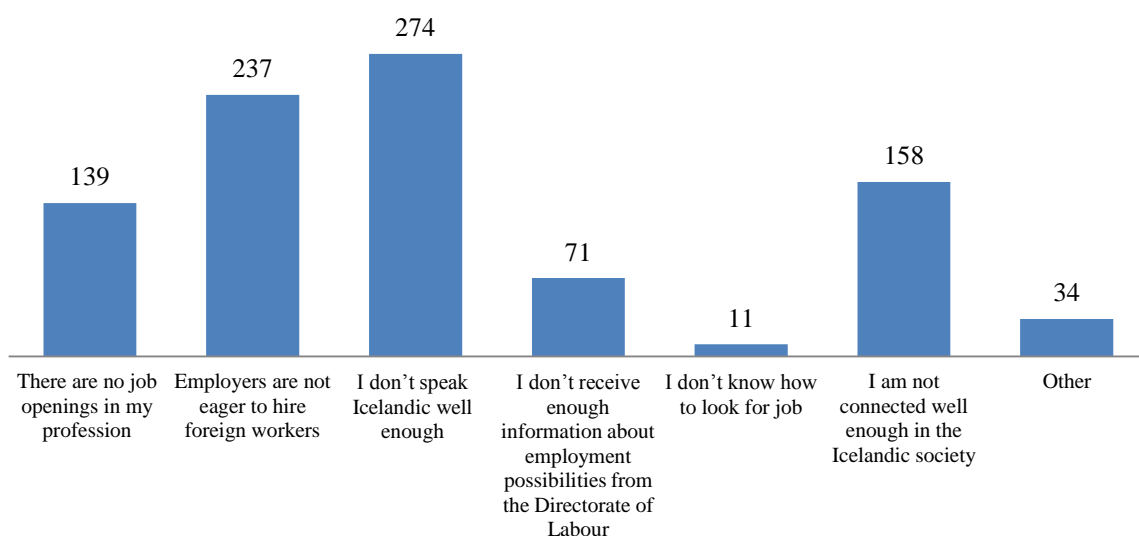
Picture 3.7. Methods used to search for job

In general, respondents were sceptical about finding a new job in Iceland at this moment. As many as 75% believed it would be very or rather difficult and only meagre (3%) thought it would be rather or very easy. The most doubtful were citizens of the other than EEA countries (Table 3.24).

Table 3.24. How easy or difficult do you think it would be for you to find a job in Iceland at this time?

	N	Very difficult	Rather difficult	Neither nor	Rather easy	Very easy	Don't know
Poland	321	35%	42%	17%	2%	1%	4%
Lithuania	62	19%	50%	24%	2%	2%	3%
Other EEA	79	28%	46%	14%	1%	1%	10%
Other countries	44	41%	41%	5%	7%	2%	5%
Total	513	32%	43%	16%	2%	1%	5%

Those of the respondents that believed it would be difficult or rather difficult to find a job, were then asked why they thought like this (Picture 3.8). Seven of every ten among the respondents (71%) named lack of fluency in Icelandic as the reason. About six of every ten (62%) respondents assumed that employers were not eager to hire foreign workers, while four of every ten (41%) indicated that they felt they were not well connected within Icelandic society.



Picture 3.8. Reasons why respondents found it very or rather difficult to currently find a job

Moreover, more than two thirds agreed with the statement that since the onset of the financial crisis, Icelandic employers preferred to hire Icelanders rather than foreigners (Table 3.25).

Table 3.25. Response to the statement: “Since the onset of the financial crisis, Icelandic employers prefer to hire Icelanders rather than foreigners”

	N	Agree	Neither agree nor disagree	Disagree
Poland	305	74%	18%	7%
Lithuania	60	63%	27%	10%
Other EEA	77	64%	26%	10%
Other countries	40	83%	15%	3%
Total	488	72%	20%	8%

Regarding irregular work, the opinions of participants were quite divided: 23% agreed, while 22% disagreed, with the statement that since the onset of the financial crisis, Icelandic employers prefer to hire without contract. More than half did not have an opinion about this issue (Table 3.26). At the same time, only meagre number of respondents (4%) was ready to undertake irregular work (Table 3.27).

Table 3.26. Response to the statement: “Since the onset of the financial crisis, Icelandic employers prefer to hire without contract”

	N	Agree	Neither agree nor disagree	Disagree
Poland	304	23%	59%	18%
Lithuania	60	25%	47%	28%
Other EEA	76	16%	53%	32%
Other countries	38	34%	45%	21%
Total	484	23%	55%	22%

Table 3.27. Response to the statement: “I would rather have a “black” job than a job with a contract”

	N	Agree	Neither agree nor disagree	Disagree
Poland	303	5%	14%	82%
Lithuania	59	5%	10%	85%
Other EEA	78	4%	9%	87%
Other countries	39	0%	5%	95%
Total	485	4%	12%	84%

More than half of respondents felt that the attitudes toward immigrants have changed after the economic recession, as 53% agreed with a statement that since the onset of the financial crisis Icelanders are more hostile towards foreigners (Table 3.28).

Table 3.28. Response to the statement: “Since the onset of the financial crisis Icelanders are more hostile towards foreigners?”

	N	Agree	Neither agree nor disagree	Disagree
Poland	303	67%	19%	14%
Lithuania	59	2%	17%	81%
Other EEA	76	43%	24%	33%
Other countries	38	42%	32%	26%
Total	482	53%	21%	26%

Less than half of the respondents felt well informed about what is happening in Icelandic society, while 21% felt they lacked the information.

Table 3.29. Response to the statement: “I feel well informed about what is happening in Icelandic society”

	N	Agree	Neither agree nor disagree	Disagree
Poland	302	43%	31%	26%
Lithuania	60	27%	47%	27%
Other EEA	77	49%	31%	19%
Other countries	39	62%	18%	21%
Total	484	43%	32%	25%

Moreover, participants mostly kept friendships mostly within ethnic communities. Almost six of every ten (59%) indicated they had friends among people of the same nationality; only 9% had Icelanders as their majority of friends (see Table 3.30). Additionally, as many as 21% said they did not have any friends among Icelanders (see Table 3.31).

Table 3.30. Nationality of majority of friends

	N	Same nationality	Other foreigners	Icelanders	Mixed	Total
Poland	302	77%	3%	5%	16%	100%
Lithuania	59	53%	2%	15%	31%	100%
Other EEA countries	77	13%	12%	18%	57%	100%
Other countries	43	26%	9%	12%	53%	100%
Total	487	59%	5%	9%	27%	100%

Table 3.31. Number of friends among Icelanders

	N	One	Few	Many	No	Total
Poland	307	7%	54%	19%	19%	100%
Lithuania	61	10%	51%	7%	33%	100%
Other EEA countries	80	6%	50%	25%	19%	100%
Other countries	43	12%	42%	28%	19%	100%
Total	497	8%	52%	19%	21%	100%

3.6 Summary

The survey results clearly show that financial crisis had important impact on the situation of foreign citizens in Iceland. Many lost jobs because of the recession. Moreover, many recognize the new situation as less favourable than it was during the times of economic expansion. Respondents indicate that attitudes towards immigrants have changed in Iceland and there are more difficulties in finding employment. Finding job can be hindered by the fact that immigrants do not feel well informed and they do not feel well enough connected within Icelandic society. Another obstacle that significantly influences the immigrants' position in the labour market is relatively poor language skills. Thus, many were satisfied with emphasises given to the language training as one of the solutions offered to them from the Directorate of Labour. At the same time, however, some indicated that they would like to have more practical courses, including learning the ways Icelandic labour market functions. Although immigrants are sceptical about finding new job in Iceland, they rather prefer to stay in the country.

4. Media coverage about immigrants before and after the economic crisis in the Icelandic mass media 2006 –2010

This part of the research is based on an analysis of media coverage of immigrants before and after the economic recession in printed newspapers and broadcast media carried out by Media Watch (Creditinfo). The analysis is based on reportage on the main news in the broadcast media and newspaper articles in print media, a total of 4.501 news and articles: 3.175 in newspapers and 1.326 in the broadcast media. This analysis does not cover online news articles.

The analysis of the discourse about immigrants is based on the following newspapers, news-hours and stations within the broadcast media (this analysis does not cover material from the Internet media).

- ✓ Newspapers: Morgunblaðið², Fréttablaðið³, Blaðið/24 stundir⁴ (stopped publication in 2008), DV⁵ and Viðskiptablaðið.⁶
- ✓ News in The Icelandic radio National Broadcasting Service RÚV⁷ (hereafter named RÚV radio (Rás 1&2)) at news hours at 8.00, 12.00, 12.20, 16.00 and 18.00.
- ✓ News in The Icelandic television National Broadcasting Service RÚV (hereafter named RÚV TV (Sjónvarpið)) at 19.00 and 22.00.
- ✓ News in Channel 2 at 12.00 and 18.30 (within 365 media⁸; hereafter named 365 TV (Stöð 2)).
- ✓ News in Bylgjan (within 365 media; hereafter named 365 radio) at 8.00 and kl. 12.00

Development of media coverage

Media Watch (Creditinfo Iceland) analysed for the first time coverage about immigrants and foreign labour in the Icelandic mass media in 2006 and the following year, with support from the Ministry of Welfare. In that analysis, Media Watch divided the coverage between

² Morgunblaðið is a subscription newspaper published six times a week.

³ Fréttablaðið is distributed for free and published six times a week.

⁴ Blaðið/24 stundir was distributed for free and published six times a week.

⁵ DV is a subscription newspaper published three times a week.

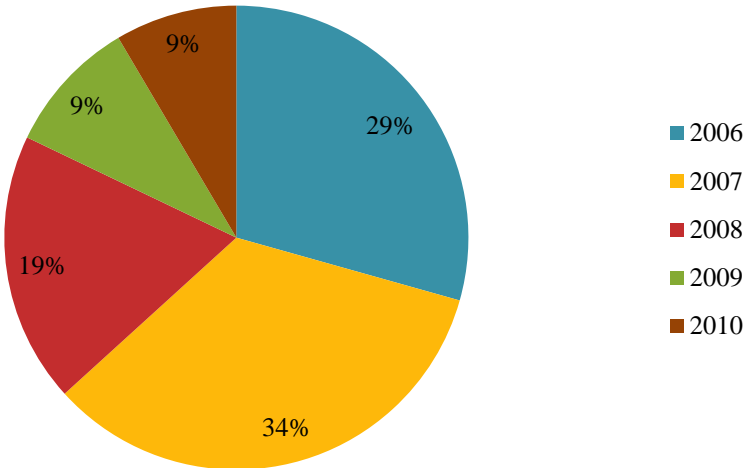
⁶ Viðskiptablaðið was published four times a week until November 2008. From that time it has been published weekly.

⁷ Ríkisútvarpið RUV - The Icelandic National Broadcasting Service - is an independent public service broadcaster, formally owned by the Icelandic state. RUV operates one television channel and two radio channels that cover the whole of Iceland as well as the website ruv.is.

⁸ 365 Media is a media corporation which provides entertainment and informative service to the Icelandic nation 365 days of the year. 365 Media operates on all levels of media: television, radio, print and online.

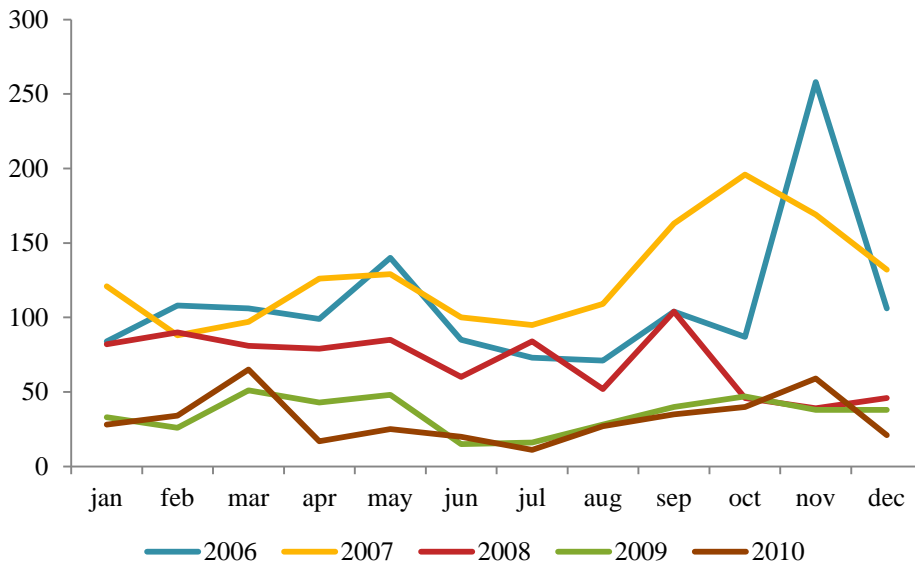
immigrants and foreign labour, immigrants being those that lived in Iceland for a period of time, and foreign labour those who resided in Iceland only temporarily for employment reasons. In order to compare the coverage about immigrants and foreign labour before and after the economic recession, Media Watch was appointed to collect the data from 2008-2010. In this report the categories immigrants and foreign labour are compounded in one category: immigrants.

The following analysis is based on news reporting on the main news in the broadcast media and printed newspapers from 2006-2010, in addition to the first eight months of 2011 regarding newspapers. The analysis is based on the frequency of news about immigration matters, amount of news/articles per month and content. Additionally Media Watch assessed the coverage in positive, neutral or negative.



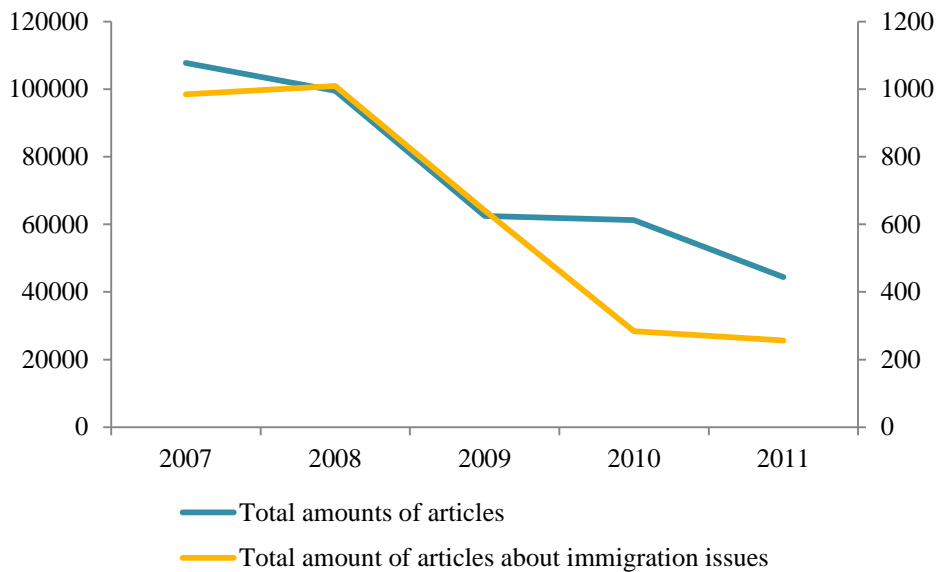
Picture 4.1. Total coverage about immigration issues by years

The total coverage of immigration issues in the Icelandic mass media has reduced substantially for the past years, as shown in Picture 4.1. The total news coverage in 2007 accounts for one third of the coverage over this five year period under analysis. Since 2007, the media coverage has diminished substantially, with 848 total news/articles covering these matters published in 2008 and which was reduced to 423 news/articles in 2009. In 2010 the total number was further reduced to 382 – a reduction of 43% from 2007 to 2010.



Picture 4.2. Total media coverage about immigrants issues in the mass media by months 2006-2010

As Picture 4.2 shows the number of news occurrences increased rapidly from October 2006 and peaked in November of the same year. The reason is first and foremost due to a controversial discussion emanating from the Liberal Party about immigrants in relation to the European Economic Area. There is a certain pattern in increased coverage, besides by every year, during the last months of the year, especially in 2006 and 2007, except in 2008 due to the onset of the financial crisis in October 2008. At that time media discussions about immigrants collapsed, so to speak, and became much less common than before the crisis, and the amount of coverage has been much the same following the recession.



Picture 4.3. Are fewer articles about immigration issues due to newspapers shrinking?

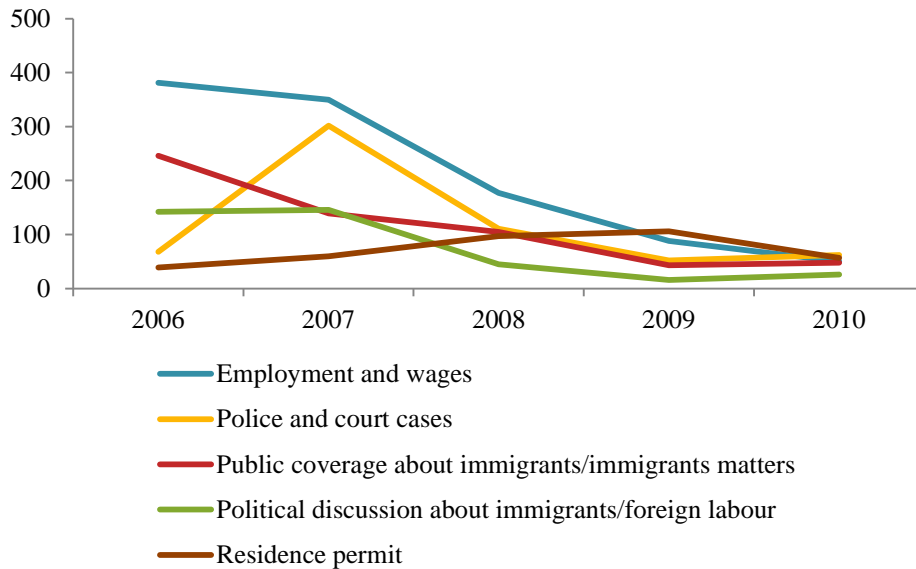
One possible explanation is that the decrease in the discussion of immigration issues is due to the shrinkage of newspapers following the financial crisis. However, the number of articles about immigrants decreased considerably more than the page number of the newspapers as Picture 4.3 illustrates. The decrease in the number of articles about immigrants was steady since the onset of the financial crisis but reached a balance during the middle of 2010. Since then the frequency has slowly decreased.

The reduction of frequency of immigrants in newspapers is therefore not due to fewer pages within newspapers being produced. In the period 2007-2009, the frequency of coverage about immigrants was almost the same as the total amount of pages in the newspapers. However in 2010 the total amount of newspaper articles decreased only about 2% compared to a 56% decrease in the total amount of articles about immigrants, or from 631 to 284 articles. According to the analysis of the first eight months of 2011, the gap is less pronounced, but the gap in the proportional coverage of immigrants is increasing, as can be seen in picture 4.3.

Content analysis about immigrant issues

Media coverage of employment and wages were by far the most prominent issue, following a public coverage about immigrants and immigration issues, police and court cases, and political coverage about immigrants. Considerable amount of coverage focuses on issues of

residence permits and education among immigrants. Other less prominent issues are integration, racial prejudice, cultural and religious issues and housing affairs.



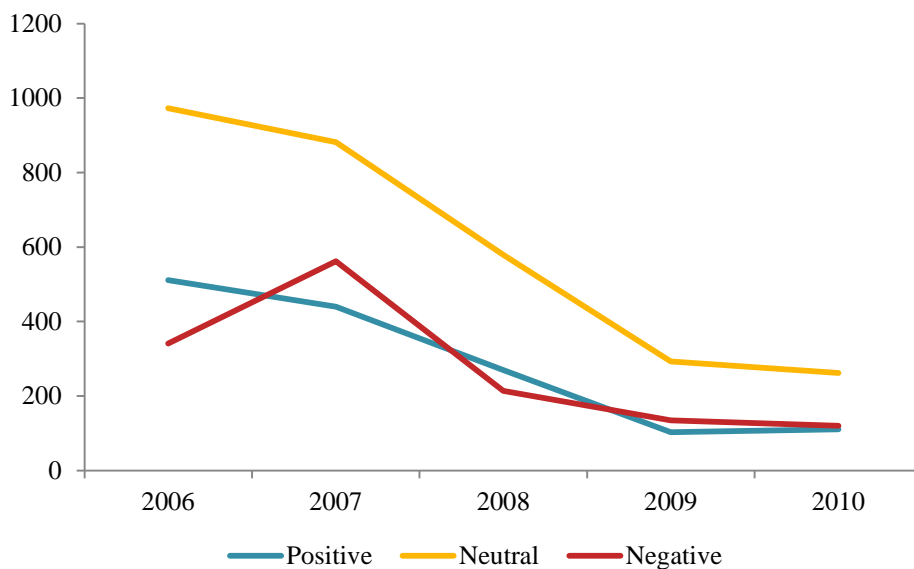
Picture 4.4. Development of the five most common subjects about immigrants in the Icelandic mass media from 2006-2010

The most common subjects regarding immigrants from 2006-2010 were about political matters, common discussions about immigration matters and education, and least about racial prejudice. The most profound shift in the coverage is in relation to police and court cases as shown in Picture 4.4. The coverage of police and court cases increased significantly from 2006 to 2007 and rose to 27% in 2007, but decreased substantially in 2008 and has since been slowly increasing again from 2009.

A significant decrease in coverage about the subjects of employment, public coverage and political discussions about immigrants and their issues occurred between 2007 and 2009. Coverage about residence permits is more balanced during the period compared to the other subjects. As Picture 4.4 shows the coverage about the most common subjects has reached more balance from 2009.

Media coverage evaluated

Media Watch evaluated the media coverage about immigrant issues from 2006-2010 in positive, neutral and negative terms. The assessment of the coverage is measured by the five point scale (very/rather positive, neutral, rather/very negative). The coverage is considered positive if the researcher believes it creates a positive attitude among the user, and whether the article/news is likely to evoke a positive image about the subject among the consumer. Article/news is considered neutral if it is likely that it neither evokes positive nor negative attitude towards the subject, and negative if it is likely it will create a negative attitude towards the subject or invoke negative images of the subject among the consumer.



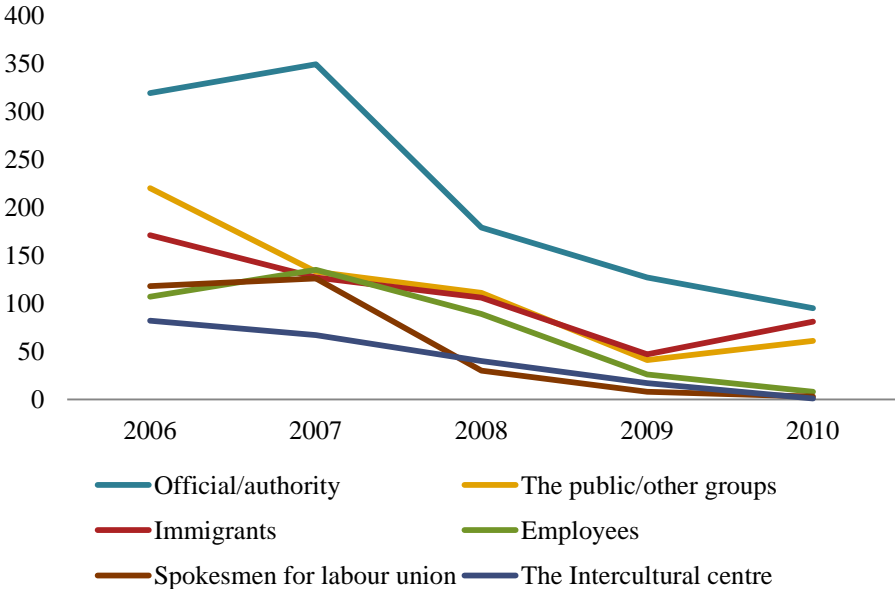
Picture 4.5. Media coverage about immigration issues from 2006-2010 evaluated positive, neutral or negative

As shown in Picture 4.5, the coverage about immigration issues is considered mostly neutral, especially in 2006, but in 2007 the proportion of neutral coverage decreases. At the same time there is an increase in negative coverage, which peaks in the middle of 2007. Negative coverage increases gradually from 2006 – mostly in relation to political discussion evoked by the Liberal Party (*Frjálslyndi flokkurinn*), a centre-right conservative liberal political party, but their main criticism was about the free flow of migrant workers and their wishes to tighten immigration laws. Negative coverage was met with a positive discussion – mostly from within interest groups and unions outside of the political arena. As with subjects of

immigration issues, the coverage has reached a greater balance from 2009 in relation to whether it is evaluated positive, neutral or negative.

Participants in the coverage of immigration issues

According to the analysis of participation about immigration issues in the Icelandic mass media, a certain pattern appears. Following the economic recession, the participation decreases among all groups involved but from 2009 participation among public and other groups on the one hand, and immigrants on the other, increases. Participation among other groups continues to decrease as Picture 4.6 demonstrates.



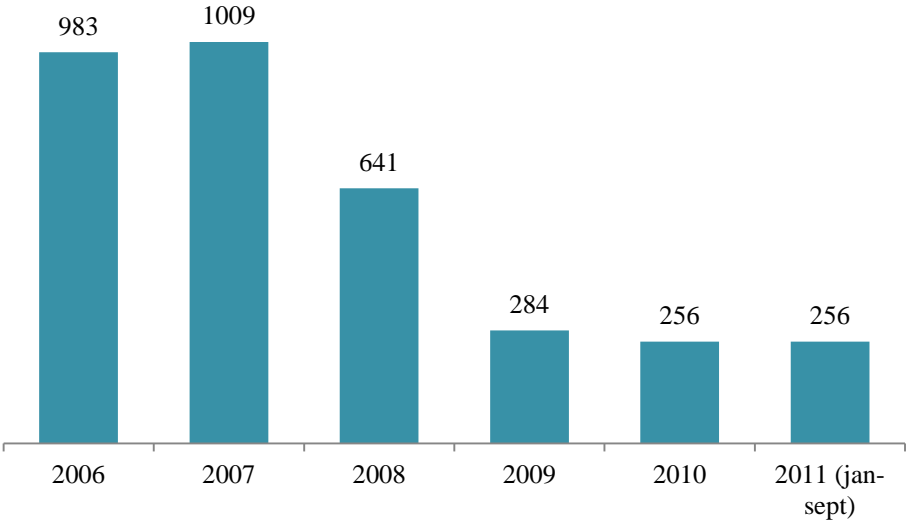
Picture 4.6. Participants in the coverage about immigration issues in the Icelandic mass media 2006-2010

The most frequent participants in the discussion about immigration issues in the Icelandic mass media are officials and governmental authorities, especially in the latter half of 2007, as Picture 4.6 shows. As discussed earlier, the discussion mostly concerned political issues in relation to the take produced by the Liberal party. Following the economic recession, the participation by officials and governmental authorities has diminished substantially, and is similar in frequency as among the public/other groups and immigrants themselves. The above mentioned groups are the second frequent participants engaged in producing discourses about

immigration issues, but like the case with governmental officials, their participation has decreased from 2007 until 2009. However, since this time both groups have become more visible in the mass media concerning such discussion. The participation among spokesmen within labour unions follows similar patterns as officials and governmental authorities. Their voice has almost disappeared in 2010, like employees themselves.

Printed newspapers

The coverage about immigration issues in the Icelandic mass media is considerably more common in printed newspapers than in other Icelandic media outlets (see further discussion below). The coverage, or number of articles, is comparable in quantity in 2007 and 2008 (2006 not included in this analysis) but drops quite substantially in 2009. Likewise, the quantity of number of articles is almost the same in 2009 and 2010.



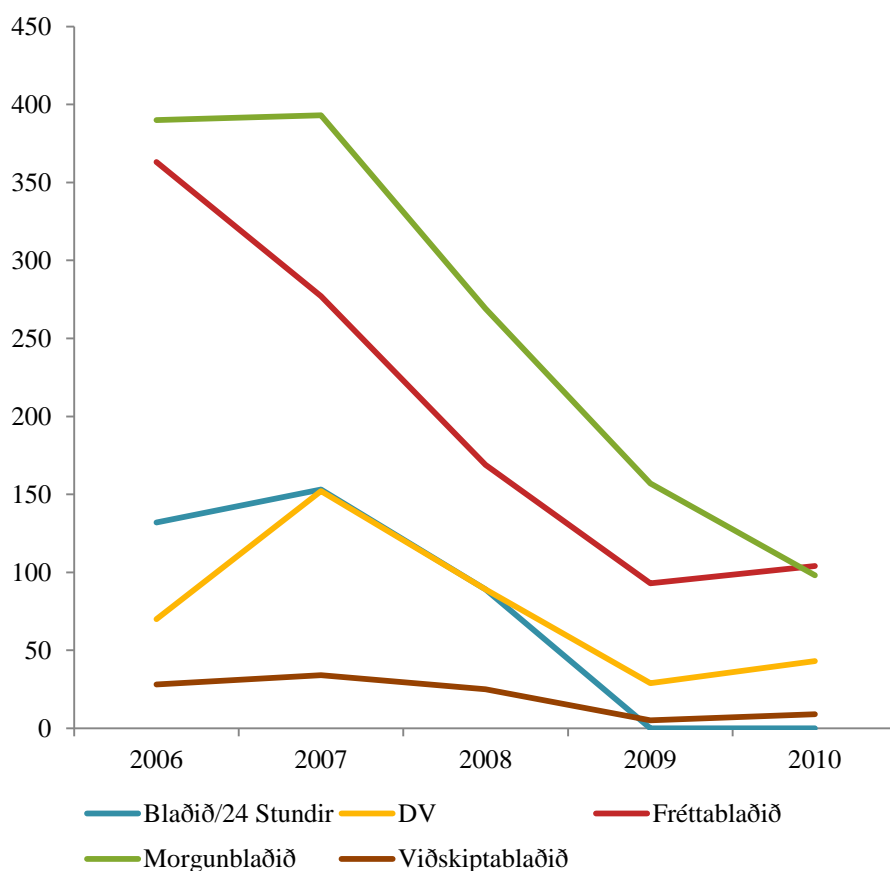
Picture 4.7. Coverage about immigrants in printed newspapers from 2007 – 2011

Picture 4.7 shows how the coverage about immigrants in printed newspapers has developed since 2006 until 2011 (the first eight months). The picture illustrates how the coverage decreased from 2008 and the pattern has held considerably steady since 2009.

Table 4.1. The share of newspapers in coverage about immigrant issues from 2006-2010

Newspapers	Frequency	Proportion
Morgunblaðið	1307	41.2%
Fréttablaðið	1008	31.7%
DV	383	12.1%
Blaðið/24 Stundir	374	11.8%
Viðskiptablaðið	101	3.2%
Total	3175	100%

In comparing the share of coverage about immigrant issues in local newspapers, the proportion is highest in Morgunblaðið, or 41,2%, as shown in Table 4.1. Second is Fréttablaðið with the share of 31,7%. DV and Blaðið/24 Stundir (the publication stopped in October 2008) have both around 12% share, followed by Viðskiptablaðið (the Business newspaper) with around a 3% share.



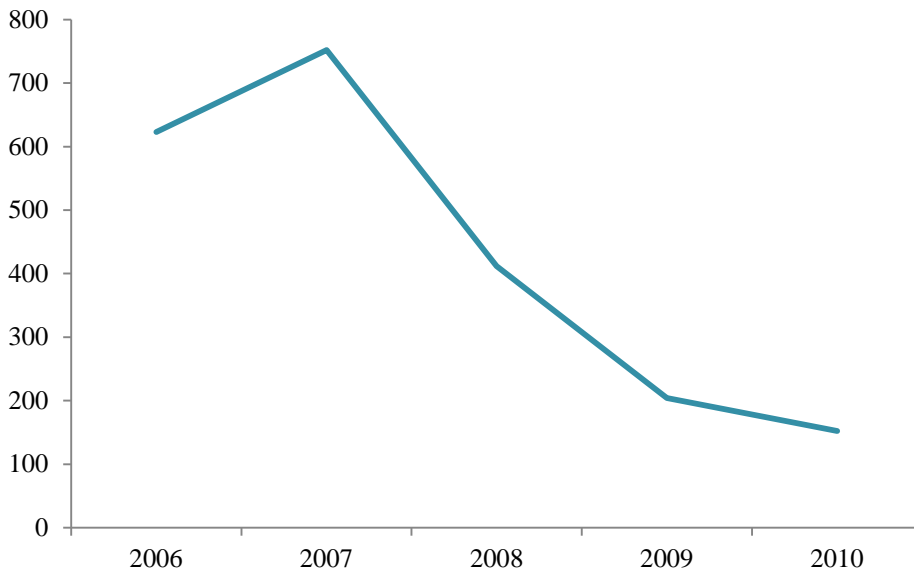
Picture 4.8. The share of newspapers in coverage about immigration issues from 2006-2010. Number of news

Picture 4.8 shows the development of the share of newspapers in coverage about immigrants and foreign labour from 2006-2010. From 2006-2007, both *Blaðið/24 Stundir* and *DV* increased their share, *Morgunblaðið* stayed the same, but *Fréttablaðið* decreased their share in 2006. From 2007 all newspapers decreased their coverage about immigration issues but from 2009 both *Fréttablaðið* and *DV* increased the coverage, although the coverage within *Morgunblaðið* continued to shrink.

The proportion of news is by far the largest category, almost 68%, compared to 14% for the second biggest category, articles sent by readers, as shown in table 4.2. The categories of news material are as follows: columns, commentaries, editorial, interviews and blog, remain within 20% of the proportion of news material.

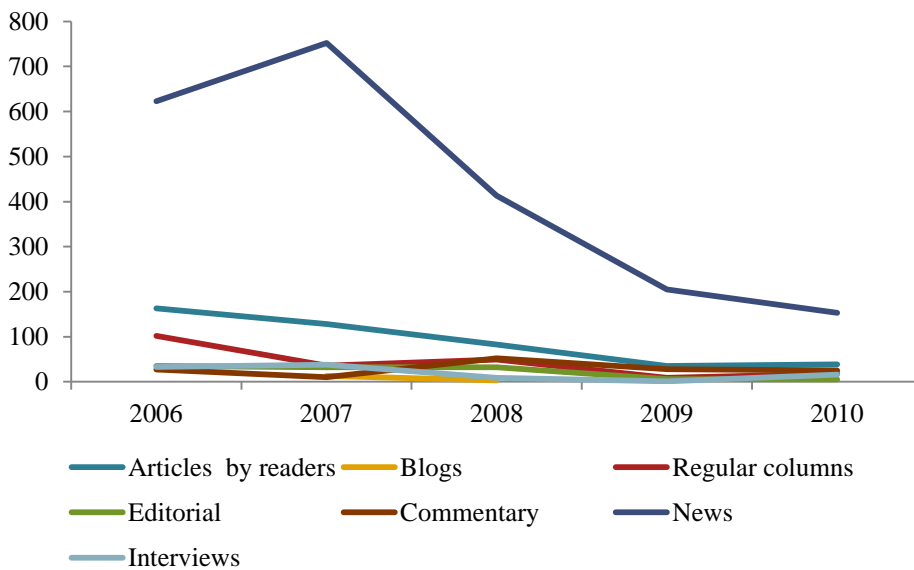
Table 4.2. News material by categories in printed media 2006-2010

Categories	Frequency	Proportion
News	2148	67,70%
Articles sent by readers	448	14,10%
Columns	214	6,70%
Commentary	142	4,50%
Editorial	110	3,50%
Interviews	97	3,10%
Blog	16	1,50%
Total	3175	100%



Picture 4.9. News in printed media about immigration issues 2006-2010

From 2006 until the middle of 2007, there was a steady increase of news about immigration issues as shown in Picture 4.9, but the coverage has decreased ever since. The amount of news has decreased from about 750 occurrences of print reportage in the middle of 2007 to around 150 occurrences in 2010.

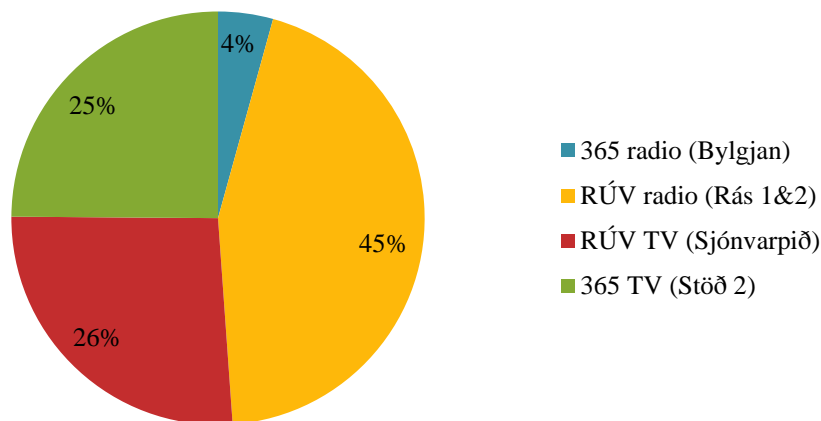


Picture 4.10. News material by categories in printed media 2006-2010

As Picture 4.10 shows, all categories of reportage in the print media concerning immigration issues decreased until the middle of 2009 but slowly increased afterwards, excluding editorials. Another increase can be noted in regular columns and news reports from second half of 2007 until second half of 2008.

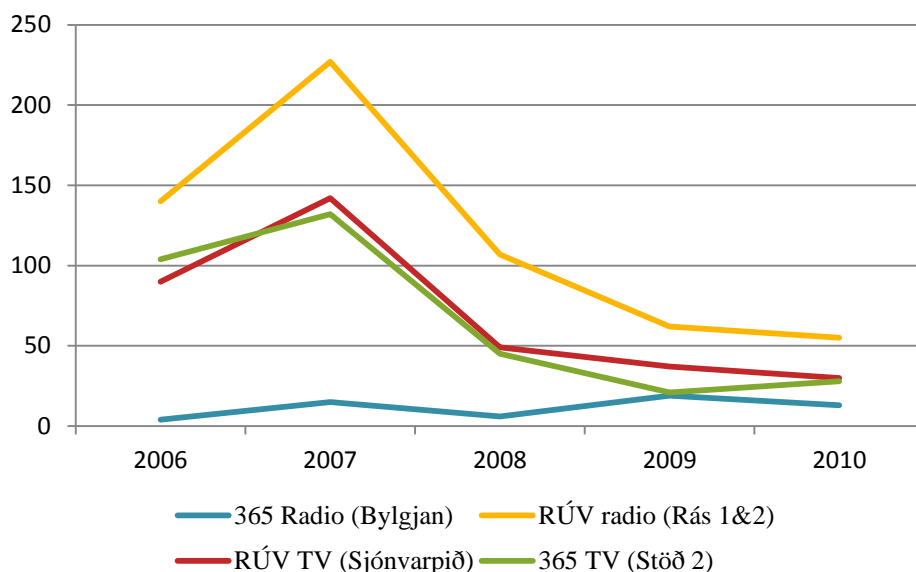
Broadcast media

The amount of coverage of immigration issues is very similar between the television stations involved in the analysis, but there is a considerable difference between the radio stations. The proportion of coverage follows similar pattern during the years analysed, except the coverage is more after the recession within 365 radio (Bylgjan) as shown below.



Picture 4.11. Proportion of coverage about immigration issues in Icelandic broadcast media 2006-2010. Frequency of news

More than 70% of the coverage about immigration issues in the broadcast media occurred within the National broadcasting medium (RÚV TV and radio); almost 45% were produced within the RÚV radio (Rás 1&2) and 26% within RÚV TV, as demonstrated in Picture 4.11. The coverage between the television stations involved is very similar, around 25% of the coverage each. But when comparing the radio stations a notable discrepancy appears when comparing the proportion of coverage between the radio stations involved, but the coverage is nearly 50% within RÚV radio (Rás 1&2) compared to less than 5% within 365 radio (Bylgjan).



Picture 4.12. Proportion of coverage about immigration issues in Icelandic broadcast media 2006-2010. Frequency of news

Picture 4.12 shows how the proportion of coverage has developed from 2006-2010. The coverage increased until the middle of 2007, both within RÚV television and radio, and 365 television. As can be seen in Picture 21, most of the coverage about immigration issues occurred within the national radio stations, or 45% of the coverage, compared to 4% within 365 radio. According to picture 21, most of the coverage about immigration issues was in 2007 and peaked in the middle of the year in both RÚV television and radio, and 365 television in addition to a slight increase within 365 radio as can be noticed in the picture. Since the onset of the economic recession, the overall coverage has diminished substantially except for 365 radio, where the reverse of this trend took place. Based on that the coverage decreases within all stations in question, except within 365 radio where the picture illustrates a steady increase of coverage since the middle of 2008. Although RÚV television has the second most coverage in 2006-2010, it reached the same proportion of coverage as 365 television in the end of 2010.

5. Conclusion

The report examines the effects of economic recession on the position of immigrants in Iceland. The results show that working conditions in the country have generally worsened and the unemployment is higher among foreign citizens than Icelandic citizens. Simultaneously there have been significant changes in the media with a decreasing coverage of immigrant issues. The crisis and unemployment in Iceland in general have resulted in lower labour market participation rates, reduction in working hours, limited over time and part time employment, and lower wages. Immigrants are for example offered the same job as before but with lower salaries. Participants in the study also complain about increasing prejudice among Icelandic employers against foreign workers.

The new situation on the labour market is much less favourable for immigrants compared to the period of the economic expansion. One reason is that the industries which were the main employers of foreign citizens were the most harshly hit by the recession. Moreover, as indicated in the interviews with the service providers, there is shift in demand; foreign labourers are expected to be fluent in Icelandic. Consequently there are much fewer jobs available while simultaneously employers are more selective. At the same time, immigrants may lack social networks within Icelandic society and sufficient knowledge about Icelandic labour market in order to efficiently look for new jobs. The survey showed that the respondents feel relatively little informed what is happening in Iceland, that they have little attachment to Icelandic society and that they have few friends among native born Icelanders.

The Icelandic government relies on existing labour market instruments in response to the crisis but does not address immigrant workers in particular besides offering them courses in Icelandic. Immigrants benefit to some extent but here are only a few measures especially directed at them and their specific needs except for in relation to language teaching. Although this is an important aspect because of the increasing emphasis on fluency in Icelandic as a precondition for getting a job, the more practical knowledge about functioning of Icelandic labour market, ways of finding new jobs and labour market activation programmes could also be profitable.

Our research shows that similar to past crises immigrant workers can be discriminated against on the basis of national origin during such times. They may be subject to selective lay-offs and discriminated against in the hiring process. Over half of the respondents agreed with a statement about Icelanders being more hostile towards foreigners since the onset of the crisis.

And seven of every ten agreed that since the crisis employers prefer to hire Icelanders rather than foreigners. Less than one of every ten disagree with this statement. There has been a growing concern with informal work among immigrants, but our study shows that majority of respondents would rather have a job with a contract.

Although the financial crisis in many ways had similar impacts on the native as on the foreign population, the latter may encounter more difficulties in “dealing” with the problem. Often they lack the social support that the native born Icelanders are more likely to have (as indicated in the survey data). Therefore, immigrants may be more subjected to negative social consequences of unemployment. At the same time, the solutions offered by authorities hardly deal with these social issues, since they are mostly focused on the labour market participation measures.

The news coverage about immigration issues in the Icelandic mass media has reduced substantially over the last few years. Considerable differences of coverage between media outlets is noticeable, but the coverage is far more in newspapers than in the broadcast media. The total newspaper coverage in 2007 accounts for one third of the coverage over this five year period under analysis. But from 2007-2010, news articles in the media about immigration issues decreased by 43%, which is considerably more than the shrinkage of page number following the economic recession. There is a certain pattern in increased coverage, besides by every year, during the last months of the year, especially in 2006 and 2007, except in 2008 due to the onset of the economic recession in October 2008. At that time media discussions about immigration issues collapsed, so to speak, and became much less common than before, and the amount of coverage has been much the same following the recession. The main difference between newspaper outlets is that from 2009 the coverage is slowly increasing at Fréttablaðið and DV, but the coverage continues to shrink within Morgunblaðið. From 2010, the coverage in newspapers has reached more of a balance.

A considerable difference is apparent between the coverage within the media broadcast outlets under analysis – far more within the national broadcasting medium. The coverage within the broadcast media has diminished within the period – starting from 2007 but reaching balance in 2009. The exception is 365 radio (Bylgjan), where there is a steady increase of coverage from the latter half of 2008, although the coverage is small in scale. The amount of coverage among the television stations was parallel in 2006-2007 but since then coverage is more common within the national television station (RÚV).

When looking at the content of the coverage, the media analysis shows that the most common subjects regarding immigrants in 2006 were about political matters. This was mostly due to political discussion evoked by the critical stance of one political party at the time toward immigration and had predominately negative character. However, this was then followed by positive lead, mostly from interest groups outside the political era. In 2007 news about immigration issues increased in the media coverage due to large scale industry hiring foreign labour. During that time there was a great need for foreign workers, and as such coverage about employment and salary were far most prominent. Another prominent issue was in relation to police matters but negative coverage was quite extensive in 2007. The amount of positive and negative coverage reached more balance following the recession.

Immigrants are inconspicuous in the Icelandic mass media and they are depicted increasingly in relation to police matters, already beginning before the crisis. The reduction in covering of immigrant issues was greater than the general reduction in newspapers following the economic recession. This reflects the diminished interest in immigrant issues after the recession in general as was claimed by the various service providers interviewed in this research project.

The research presented here hopefully helps to depict important aspects of the integration process and the level of inclusion of immigrants into society. It is also hoped that this knowledge may influence national polices in combating discrimination and promote equal participation of immigrants in labour market in Icelandic society in general. If it is not tackled with more direct measures towards unemployed immigrants and heightened coverage in the media, there is a risk of increased marginalization and negative effects on immigrant groups in Icelandic society.

References

- Directorate of Labour [Vinnumálastofnun]. (2011). Fjárhæðir atvinnuleysisbóta. [The amount of unemployment benefits]. Retrieved from <http://www.vinnumalastofnun.is/atvinnuleysisbaetur/fjarhaedir-atvinnuleysisbota/>
- Directorate of Labour [Vinnumálastofnun]. (February 2009). *Mánaðarlegar skýrslur um stöðu á vinnumarkaði*. [Monthly reports about the labour market]. Retrieved from http://www.vinnumalastofnun.is/files/jan%C3%BAar09_2011719001.pdf
- Directorate of Labour [Vinnumálastofnun]. (June 2009). Fjöldi einstaklinga sem tóku þátt í vinnumarkaðsúræðum í apríl 2009. [Number of individuals that participated in the labour market programs in April 2009]. Retrieved from: http://www.vinnumalastofnun.is/files/Úrræði-apríl%202009_754834027.pdf
- Directorate of Labour [Vinnumálastofnun]. (n.d. a). Erlent vinnuafli og atvinnuleysi 2000-2011. [Foreign labourers and unemployment 2000-2011]. Excel file retrieved from <http://www.vinnumalastofnun.is/vinnumalastofnun/utgefid-efni-og-talnaefni/skyrslur-og-talnaefni/erlendir-rikisborgarar-talnaefni-og-skyrslur/>
- Directorate of Labour [Vinnumálastofnun]. (n.d. b). Fjöldi atvinnulausra í lok mánaðar eftir ríkisfangi. [Number of unemployed by the end of the month according to citizenship]. Excel file retrieved from <http://www.vinnumalastofnun.is/vinnumalastofnun/utgefid-efni-og-talnaefni/atvinnuleysistolur-i-excelskjolum/>
- Directorate of Labour [Vinnumálastofnun]. (n.d.c). Foreign Nationals' Right to Work. Retrieved from <http://www.vinnumalastofnun.is/vinnumalastofnun/log-reglugerdir-og-urskurdir/malefni-utlendinga-a-islenskum-vinnumarkadi/foreign-nationals-right-to-work/>
- Dröfn Haraldsdóttir, Gerður Gestsdóttir, Hrafnhildur Tómasdóttir & Karl Sigurðsson. (2011). Útlendingar á atvinnuleysissskrá og þátttaka í virkniúræðum. Skýrsla Vinnumálastofnunar. [Registered unemployed foreigners and participation in activation programs]. Retrieved from <http://www.vinnumalastofnun.is/vinnumalastofnun/utgefid-efni-og-talnaefni/skyrslur-og-talnaefni/erlendir-rikisborgarar-talnaefni-og-skyrslur/>
- Icelandic Confederation of Labour. (2008). *Rights and employment terms of foreign workers on the Icelandic Labour market*. Retrieved from [http://asi.is/Portaldatal/1/Resources/frettaefni/Kjarasamn_enska_isl_2008\(l\)_pdf](http://asi.is/Portaldatal/1/Resources/frettaefni/Kjarasamn_enska_isl_2008(l)_pdf)
- Icelandic Confederation of Labour. (2010). *Icelandic labour law. A summary of basic rights and obligations on the private labour market*. Retrieved from http://asi.is/desktopdefault.aspx/tabid-300/408_read-830/

- Karl Sigurðursson & Valur Arnarson. (2011). *Erlendir ríkisborgarar á íslenskum vinnumarkaði árin 2010. Veitt atvinnuleyfi, áætlað vinnuafl og atvinnuleysi*. [Foreign citizens in Icelandic labour market 2010]. Retrieved from <http://www.vinnumalastofnun.is>
- Ólöf Garðarsdóttir & Þóroddur Bjarnason. (2010). Áhrif efnahagsþrenginga á fólksflutninga til og frá landinu. [Impact of the financial crisis on the migrations to and from the country]. In Gunnar Þór Jóhannesson & Helga Björnsdóttir (Eds.), *Rannsóknir í Félagvísindum XI* (pp. 206-216). Retrieved from <http://skemman.is/is/item/view/1946/6774>
- Statistics Iceland. (2011a). Population by origin, sex, age and citizenship 1996-2012. Retrieved from <http://www.statice.is/Statistics/Population/Citizenship-and-country-of-birth>
- Statistics Iceland. (2011b). External migration by sex, countries and citizenship 1986-2011. Retrieved from <http://www.statice.is/Statistics/Population/Migration>
- Statistics Iceland. (2011c). Employed persons by economic activity, nationality, sex and regions 1998-2005. Retrieved from <http://www.statice.is/Statistics/Wages,-income-and-labour-market/Labour-market>