Mapping Discriminatory Landscapes In Cyprus: Ethnic Discrimination In The Labour Market

Nicos Trimikliniotis and Panayiotis Pantelides

Abstract

In this report we map the discriminatory landscapes of Cyprus, focusing on ethnic discrimination in the labour market. In spite of the various policy declarations, legal provisions and legislation affirming equal treatment for all irrespective of ethnic, 'racial' or other background, there is significant evidence that suggests that in both these fields, as well as in other areas, there are significant variations in the treatment of groups of migrants and of persons from specific ethnic backgrounds. It must be stated that few studies of discrimination as such exist for Cyprus; however, from the little evidence that does exist (official reports and independent research) discriminatory practices are abundant. What emerges is a strong case for investigating further the underlying discourses and structural forces at play, that give rise to discrimination.

As things stand today in Cyprus, following the de facto division of the island since 1974, the main recipients of racial abuse, violence and discrimination, in other words the victims of racism, are what we call 'subaltern migrants' (i.e. migrant workers from south east Asia, the middle east and eastern Europe). Additionally, the Turkish-Cypriots residing in the territory controlled by the Republic of Cyprus (i.e. Greek-Cypriot controlled) as well as the Greek-Cypriots residing in the occupied north of the island (i.e. Turkish-Cypriot controlled) are discriminated against, even though they are all Cypriots. For the purposes of this study, we will concentrate on the territory controlled by the Republic of Cyprus, as there is little access to the north and hence difficulty in collecting the relevant data.

Before focusing on the labour market, which constitutes the focus of this paper, we provide a short historical background of immigration to Cyprus and a longer section on the institutional and legal framework of immigration policy relating to the employment of migrant workers.
Migration of labour to Cyprus is a relatively recent phenomenon by international 
standards. Cyprus, during the 1960s and early 1970s was a net source of migrant 
labour, mostly to the UK and to a lesser extent to other destinations. After the events 
of 1974 emigration from Cyprus continued and it was only during the 1980s and 
mostly during the 1990s that significant flows of migrant labour to Cyprus gathered 
pace. The recent increase in the movement of migrant workers to Cyprus is 
associated with the economic development and economic restructuring that took 
place in Cyprus during recent years creating conditions for additional labour demand 
in the productive spheres of the economy and for the provision of services such as 
the case of domestic workers. An important factor which contributed to the inflow of 
migrant workers to Cyprus was the breakdown of the economies and societies of 
Central and Eastern Europe and particularly the Balkans in the early 1990s thus 
creating conditions of abundant labour supply. Therefore, during the 1990s there 
was a steady increase in the number of migrant workers in Cyprus, working on a 
temporary basis through fixed period work permits. During this period there was also 
an increase in the number of migrant workers not holding the required permit ("illegal 
workers"). 

During the 1990s there was also an inflow of migrant workers from the Black Sea 
area of Russia with Greek origin: the Pontians. This category of migrant workers is 
different from the temporary workers mentioned above since there is no requirement 
for a work permit in their case. They are Greek citizens and are thus entitled to 
permanent residence and employment permit through a bilateral agreement with the 
government of Greece. A third category of migrants in Cyprus, which is numerically 
less significant, refers to self-employed workers. An even smaller number of 
migrants in Cyprus are those who have acquired the Cypriot citizenship mostly 
through marriage. 

We analyse these categories of migrant workers in Cyprus statistically and we 
also describe the institutional context of the employment policy for migrant workers. 
We also critically discuss this institutional context to bring forward inherent 
discriminatory features of the current system. A brief reference will also be made to 
the divergence of the existing rules and regulations in Cyprus in relation to the 
evolving EU framework for the employment of third country nationals. 

Cyprus is a small country with a small population (less than a million) and with 
significant political problems, arising mainly due to the ethnic relations and the 
division of the island since 1974. Nevertheless, Cyprus has achieved significant 
economic growth in recent years and has also gone through the EU harmonisation 
process successfully so that its accession to the EU was easily ratified at the
European Council in Athens on 16th April 2003. The recent economic development does not imply that economic and social imbalances do not exist: for instance, in the economic field Cyprus has exhibited an undue reliance on the services sector and especially tourism thus creating a vulnerable and unstable framework of future economic growth. The issue of migrant workers in Cyprus has both economic and social aspects and is an area to which Cyprus has had to adapt within a very short period of time due to the rapid increase in the number of migrant workers in recent years. In this report we examine the institutional and legal framework as regards the inclusion and treatment of migrant workers in the labour market and educational system.

First, we set out some basic statistical information regarding the migrant population in Cyprus. This information is provided in Table 1 where a broad outline of basic statistical information is given. Note that the total migrant population given refers to the workers possessing work permits. Additional categories of migrant workers will be analysed and discussed in a separate section.

Table 1: Statistical Data: An Overview

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population (thousands)</td>
<td>748.8</td>
<td>753.2</td>
<td>757.0</td>
<td>762.3</td>
</tr>
<tr>
<td>Potential working population (thousands)</td>
<td>431.5</td>
<td>436.6</td>
<td>442.2</td>
<td>447.5</td>
</tr>
<tr>
<td>GDP per capita (constant prices/euro)</td>
<td>12,300</td>
<td>13,100</td>
<td>14,300</td>
<td>15,100</td>
</tr>
<tr>
<td>Migrant workers (possessing work permits)</td>
<td>19,000</td>
<td>21,368</td>
<td>23,701</td>
<td>29,730</td>
</tr>
</tbody>
</table>

From the above table it can be seen that the total number of migrant workers in possession of work permits is close to thirty thousand or 6.7% of the potential working population. However, there are additional categories of migrant workers that are not included in the above figures. A more detailed analysis of the migrant workers possessing work permits will be attempted in the labour market section below. In order to substantiate the submission above, that labour migration in Cyprus is a recent phenomenon, the challenges of which have not been responded to by the social and political forces in Cyprus, we can briefly consider the change in the total number of migrant workers during the past decade.

In 1990 the total number of migrant workers (excluding domestic workers) was 545. By 1996, this number had increased to 10,370 and by 2002 to 30,225. In other words, within the last eight years there has been a threefold increase in the total number of migrant workers employed legally and in full possession of all the necessary papers. However, the total number of migrants in Cyprus is significantly
more than those possessing a work permit.

Recent estimates given by the Immigrant Support Action Group\(^1\) indicate that the total number of migrants in Cyprus is around 72,000 which corresponds to around 16% of the potential working population in Cyprus. Table 2 provides an estimated breakdown of the total number of migrants in Cyprus into different constituent categories:

**Table 2: Categories of Migrant Workers in Cyprus**

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Migrant workers possessing work permits</td>
<td>30,000</td>
</tr>
<tr>
<td>Migrant workers of Russian-Greek origin (Pontians)</td>
<td>10,000-12,000 (approx.)</td>
</tr>
<tr>
<td>Greek citizens</td>
<td>10,000</td>
</tr>
<tr>
<td>Migrant workers employed in offshore companies</td>
<td>5,000</td>
</tr>
<tr>
<td>Refugees and asylum seekers</td>
<td>2,000</td>
</tr>
<tr>
<td>Migrant workers without papers</td>
<td>5,000-15,000 (estimated)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62,000-74,000 (estimated)</strong></td>
</tr>
</tbody>
</table>

[Source: Dept. of Labour and Dept. of Statistics, Republic of Cyprus]

As shown in the above table, migrants in Cyprus consist of different categories. Regarding the geographical spread of migrant workers in Cyprus, unfortunately there is no available data. Obviously, there are some regional concentrations such as the Russian-Greek migrants, who are mostly living and working in the Paphos area. Also, many workers in offshore companies live in Limassol. Further work on this subject will be carried out at some future stage through local studies.

With regard to the country of origin of migrant workers, as already mentioned above, there are two groups who are holders of Greek passports: migrant workers from mainland Greece and Russian-Greeks (or Pontians) who have immigrated to Cyprus from the Black Sea area. Through a bilateral agreement with the Greek government, Greek citizens have permanent residence rights as well as the right of employment in Cyprus. In the offshore business sector, the majority of non-Cypriot employees of offshore companies originate from Central and Eastern Europe and especially Russia and the former Yugoslav Republics.

Certain observations can be made regarding the countries of origin of the largest category of migrant workers in possession of a work permit, connected to the sector in which they are employed. Most domestic workers originate from Asia and especially the Philippines and Sri Lanka. Other main sector categories in which
migrant workers are employed, are: agriculture, manufacturing, construction, hotels, restaurants and trade. In the last three of these sectors, the majority of migrant workers originate from Central and Eastern Europe and particularly the Balkans. In the first three of the sectors mentioned, which are low skill and hard working environments a significant number of Asian migrant workers are being employed.

From the above broad statistical overview of migrant workers in Cyprus we can discern some significant features. First, there has been a large increase in the total number of migrant workers in the last ten to twelve years. Secondly, the majority of these workers are being employed in low skill/low wage sectors and their countries of origin are mainly Central and Eastern Europe and in certain cases from Asia.

**Immigration Policy and Institutional/Legal Framework for the Employment of Migrant Workers**

In this section we present a brief summary of the existing legal and institutional framework regarding the entry into Cyprus and employment conditions of migrant workers and we discuss some of the main problems and challenges relating to the discriminatory effects of the existing system. The objective of this section is to highlight those elements of the institutional structure having adverse consequences on the terms of employment of migrant workers. In fact, as presented below, the Government immigration policy is not only self-contradictory and ineffective, but it also distorts the labour market by producing and reproducing inherently discriminated categories in the labour market, hence the more extensive treatment of the subject attempted here.

The legal framework as regards immigration is fragmentary and has developed very rapidly over the past decade, following the change of policy that allowed the entry of migrant labour in Cyprus, after years of a highly restrictive policy on migration. At the same time, the Government policy on migration included a set of measures to curtail and repress what they termed as 'illegal immigrants'. The net result was the failure to control the flow of migration and the facilitation of the super exploitation of migrant workers by their employers as a result of the purge of clandestine migrants. The flows and inconsistencies of this policy become evident in the government's efforts on the one hand to curtail immigration by being tough on overstayers and on 'illegal' immigrants and on the other hand to 'protect' migrant and Cypriots alike from any attempt to use the vulnerable position of migrants to undercut wages and exploit them. This was partly reflected on judicial decisions on migration cases.

All 'aliens', i.e. non-natives of the Republic, are subject to immigration control.
There is a wide margin of discretion afforded to Immigration Officers regarding the entry into Cyprus of ‘aliens’ that may well lead to arbitrary decisions. Such discretion, combined with the lack of proper guidelines and training may result in discrimination:

“Concern is also expressed at reports of discriminatory checks on the part of immigration officers of non-whites coming to Cyprus. Again, ECRI feels that further training aimed at preventing the occurrence of discrimination and discriminatory attitudes should be provided to immigration officers.” *(ECRI Report)*

In brief, the system currently functions in the following way: the Ministry of Interior issues work permits, temporary or permanent. Permanent permits are issued to persons wishing to reside in Cyprus as self-employed professionals or to persons with long-term employment contracts. Temporary work permits are issued for a certain period (up to four years with a possibility for extension up to six, according to a recent Ministerial decision) and for specific positions/jobs in sectors where labour shortages are observed and no suitable Cypriots are available. The procedure is that an employer applies for a permit to employ a foreign worker for a specific job prior to the worker’s entry into Cyprus. If there is a change of job or of the employer, a fresh application must be filed. The Ministry of Labour and Social Insurance examines the applications by employers and makes appropriate recommendations according to the labour market situation. The terms of temporary employment of foreign workers (with the exception of domestic workers) was agreed by the social partners in the early 1990s and they have not been altered since that date.

The analysis appearing below is based largely on the research work done in the context of the study for the review of the employment policy for migrant workers in Cyprus (see Pantelides and Trimikliniotis, forthcoming). The main objectives of the criteria agreed were set as follows:

Firstly, the need to ascertain that work permits would only be granted in cases where it was clearly demonstrated that no suitable Cypriot workers were available for a given job vacancy.

Secondly, migrant workers would enjoy equivalent terms and conditions as Cypriot workers.

Thirdly, work permits would only be granted on a short-term basis, for one year in the first instance and renewable, by following the necessary procedures, on an annual basis for a maximum of four years.
Even though the policy assumption for the employment of migrant workers formulated in the 1990s was that their stay was to be short-term, temporary and restricted to specific sectors, the developments of the past decade changed this scenario. In other words, if the original objective was that of granting work permits for a limited period in order to meet temporary labour market needs, which in time would be eliminated so that Cyprus would return to zero labour migration, the picture which emerges twelve years after the policy was initiated is completely different. In 1990 the total number of migrant workers in Cyprus was about 500 while in April 2002 the total rose to more than 30,000, not counting the non-registered ‘illegal’ workers whose number cannot be ascertained but may range between 5,000 and 15,000 (Intercollege Report, 2002).

Most European countries have benefited significantly from the employment of migrant workers during the post-war period and have created the setting for cultural interaction and social cohesiveness between communities. In Cyprus, where this phenomenon appeared fairly recently, the institutional structures are completely inappropriate and in certain respects anachronistic. The main shortcomings of the existing model of employment of migrant workers in Cyprus are the following:

(a) The fallacy of short-term and temporary basis employment of migrant workers;
(b) The condition that migrant workers must be attached to a specific employer; and
(c) The criteria and institutional aspects for the provision of work permits and terms of employment of migrant workers.

**The Fallacy of Short-term and Temporary Basis Employment of Migrant Workers**

As already indicated work permits are granted on an annual basis for a maximum of four years (six years in the case of domestic workers) and only after demonstrating the non-availability of Cypriot workers for the specific labour market position. If the rationale for this policy is that labour needs in Cyprus are only temporary and labour migration would eventually be eliminated, it has demonstrably failed. Also the maximum ceiling for the provision of work permits has the intention of prohibiting migrant workers from working legally in Cyprus for the statutorily required period in order to be eligible for permanent residence and eventually citizenship. However, the outcome is not different in terms of the presence of migrant workers in Cyprus. If out of the current migrant labour a certain proportion are long term residents rather than holders of short-term work permits, this does not affect the total number of migrant workers present in Cyprus at any particular point in time. If it is assumed that upon the expiry of the work permit period most of these migrant workers would return to their countries and by following a restrictive policy
on new work permit applications the total number of migrant workers would be reduced, experience has so far proved that such assumptions do not materialise. From studies carried out as early as 1993 it was apparent that migrant workers are likely to be a permanent feature of Cypriot society (Matsis and Charalambous, 1993). It must be accepted that the labour market in Cyprus has been permanently transformed, as has been the case in most European countries and the first and most basic precondition for adjusting to this phenomenon is to evaluate and appreciate its benefits. Only then will it be possible to create the preconditions for improving the institutional and social structure to the advantage of both economic efficiency and social and cultural diversity and enrichment.

In recent years there has been an increase in the total number of migrant workers in Cyprus, both 'legal' and 'illegal', despite the imposition of a 'moratorium' regarding the granting of work permits with exceptions for certain cases. Therefore, we can reach the preliminary conclusion that a restrictive policy for controlling and excluding migrant workers from Cyprus does not have the effect of diminishing their numbers, deriving from reasons of demand and supply: employers find it preferable to employ migrant rather than local workers and Cyprus is an attractive destination for migrant workers.

It has to be stressed that migration flow to Cyprus has been beneficial to the economy and society: migrant workers contribute to economic growth, as they carry out tasks undesirable to Cypriots, they bring into the economy new skills and they contribute to the cultural diversity of the island. The real issue is whether the institutional framework and the policy regime, which determine the composition, the terms of employment of migrant workers and their level of social integration in Cyprus follows the most preferred course of action.

The policy of limiting the duration of work permits issued to migrant workers has not only failed to control their number but it has changed the composition of migrant labour in a very undesirable manner, as it has led to a proportionate increase in the numbers of 'illegal' workers. The creation of this illegal pool of migrant workers in Cyprus is overwhelmingly due to the violation of the short-term work permit system rather than due to illegal entry, which is minimal as a consequence of the physical barriers of an island. If this policy regime continues into the future, the proportion of the so-called 'illegal' migrants will keep increasing with very undesirable consequences for the economy and social fabric of Cyprus, when in fact these persons are as a rule mere 'over-stayers' (i.e. persons who entered legally and have remained once the visa has expired).

There are additional adverse consequences of the short-term/temporary element of the current employment policy for migrant workers. It discourages
investment in training by the employers as there is every risk that such investment will be recuperated, since it is known that each specific employee will only remain in Cyprus (‘legally’ at least) for a limited amount of time. This policy discourages skilled and professional workers from coming to Cyprus since they cannot expect a secure and long-term career structure. Finally, this policy regime creates serious social consequences since it does not provide migrant workers with the time, space and means for their social integration. It is a policy that constantly gives the wrong signals to the migrant workers, who are made to feel basically unwelcome but essential for economic reasons. It is a policy of social exclusion, which prohibits the development of a feeling of belonging to the economic and social structure of Cyprus and from which potentially there would flow a series of positive consequences.

(b) The Condition that Migrant Workers Must be Attached to a Specific Employer

The requirement that migrant workers cannot change employer or be employed for a different task during their work permit period is particularly problematic, as it can lead to abuse, contract violation and super-exploitation of migrant workers. The problems regarding contract enforcement are already quite severe and the relevant authorities declare their inability to make the necessary checks and ensure that the terms agreed between the government, trade unions and employers are adhered to (Pantelides and Trimikliniotis forthcoming). The inability to change employer creates serious inefficiencies in the labour market and is against the notion of flexibility and competitive behaviour, which are declared objectives of the European Union. This policy has more serious adverse consequences for those segments of migrant workers who are in a particularly vulnerable position such as the "entertainers/artists" and domestic workers.

Migrant workers are left with no alternative but to accept the terms imposed by the employer. If a migrant worker files a complaint with the Complaints Commission, then deportation becomes a real possibility. The migrant workers under this system have no real possibilities for an alternative course of action. This aspect of the employment policy reinforces the previous arguments regarding the shortcomings of the short-term/temporary model for the employment of migrant workers.

All these consequences are directly at odds with declared EU policies, as indicated in the Joint Assessment of Employment Priorities in Cyprus compiled by the Ministry of Labour and the EU Commissioner for Employment and Social Affairs:

"It seems certain that Cyprus will continue to have a relatively large foreign workforce in the future. The pattern to date has been one mainly of temporary employment of
foreign workers. Even so, continued inflows of foreign workers over a long period inevitably involves an increase in the number of such workers with a deeper attachment to the Cypriot labour market. Parallel developments in other European countries are giving rise to widespread review of policies on foreign workers. A similar review would provide a useful basis for the formulation of future policy in Cyprus."

The need to question the current model for the temporary employment of migrant workers is being highlighted by EU officials.

for the link between employer-migrant worker, this has been criticised by the ECRI Report (2001) and the Ombudsman (2001) and NGOs have advocated the de-linking of migrant workers from particular employees (e.g. the Immigrants Support Action Group). The Second ECRI report notes:

"In line with the approach strongly linking immigration with employment, one of the main immigration issues faced by the Cypriot authorities has been the need to ensure that migrant workers and their families enjoy equal treatment with that offered to nationals in matters of employment. However, the practical application of this principle appears not to have been uniform."

(c) The Criteria and Institutional Aspects for the Provision of Work Permits and Terms of Employment of Migrant Workers

There are provisions in the criteria for the employment of 'foreign' workers, such as one stipulating that in case of redundancies, migrant workers would be the first to be dismissed, which constitutes direct discrimination against migrant workers and is incompatible with EU regulations. Also elements such as the structures of dependency on the employer, whereby the requirement that accommodation and food be provided by the employer, operates as an additional pressure on migrant workers in cases where the employer violates the contract terms.

Specific Categories of Migrant Workers: 'Illegal Immigrants', Entertainers, Domestic Workers

'Illegal Immigrants'

The issue of 'illegal immigrants' represents one of the most difficult and controversial areas in which very little research has been conducted in Cyprus. The employment of Illegal workers is highly beneficial to employers since they do not have to adhere to any officially agreed terms of employment and they do not have to pay social security contributions or indeed a salary. It imparts on the economy the characteristics of a "cheap-labour" model and perpetuates a 'primitive' approach as to how the economy ought to be organised, creating the basis for an informal/black market.
Domestic Workers

Domestic workers are amongst the most vulnerable groups as they are not unionised and generally reside with the employer. Among their many disadvantages is the fact that until this year they have not had any increase in their stipulated salary as agreed between the government, trade unions and employers for the past eleven years (see 'The Labour Market' section below).

Entertainers

‘Entertainment workers’ (cabaret dancers) drawn from poorer eastern European countries, are the victims of the sex industry without any action being taken against the implicated parties. If cabaret dancers are granted work permits in the first place, they ought to be treated as legitimate workers, but they are not. Many of them are brought to Cyprus upon false pretences and without their knowledge that they will be working in the sex industry. This sector forms an illegal network that requires special attention and strict regulation. Cabaret dancers are not officially allowed to engage in prostitution, but this does happen on a routine basis. There is hesitation in legalising such practices as prostitution in cabarets due to social conservatism, however the failure to do so results in the non-implementation and the inability to monitor compliance of the law. The net result is that many of these women are caught in the margins of illegality and their dependence on their employer-pimp increases.

The dilemma for policy-makers is that as they attempt to make regulation and control 'tighter' (through reducing their stay; more scrutiny upon entry; repressive measures by police etc.) the cabaret dancers' position becomes ever more marginal and their dependence on their employer increases. The laws on prostitution must be applied to all irrespective of ethnic origin, including of course the tight control on those who muster wealth from immoral earnings. There are currently no social policies to encourage and support women who are willing to exit the sex industry, neither are there any policies which attempt to improve the working conditions of women wishing to continue without the exploitation, violence and humiliation by their employers.

The Labour Market

The Economy of Cyprus: A Brief Overview

The economy of Cyprus has experienced significant economic growth in recent years and has managed to achieve a GDP per capita higher than the EU average. Also, a very satisfactory feature of the economy of Cyprus, in contrast with the European experience, has been the consistently low levels of unemployment.
The economic indicators show that Cyprus has a thriving economy and with the discipline to be imposed by EU accession the appropriate framework has been set for future economic and social development. However, this is far from the whole picture and although some positive steps have been taken for economic and social advancement, serious structural imbalances can potentially hamper the prospects for future growth. The high degree of dependence of the economy on the tourist industry, a highly variable and vulnerable form of economic activity, does not provide the appropriate incentives for the development of the productive sectors of the economy through agricultural and industrial development. Thus, in recent years both the primary and secondary sectors of the economy have been in relative decline. This tendency of faltering competitiveness has also given rise to additional problems such as high import penetration and stagnant exports. In general, the unsatisfactory performance of the agricultural and industrial sectors of the economy have created a framework where the economy depends more and more on low skill, low productivity and low wage labour, in particular migrant labour.

Migrant Workers in Cyprus: Labour Market Issues

The above characteristics of the economy have created a framework where low wage migrant workers can be utilised, rather than high skill, professional workers. These features can be seen from the distribution of migrant workers in various sectors of the economy of Cyprus. The decomposition of total migrant workers in Cyprus possessing work permits is shown in Table 4 and it is obvious that there is a concentration in low wage – low skill sectors such as the tourist sector (hotels and restaurants), construction, agriculture and manufacturing. It is also very notable that about one third of ‘legal’ migrant workers are occupied as domestic workers.
Table 4: Distribution of Migrant Workers in Sectors of the Economy

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>2903</td>
<td>1557</td>
<td>1607</td>
<td>1862</td>
<td>2088</td>
<td>2520</td>
<td>2901</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2153</td>
<td>1975</td>
<td>2078</td>
<td>2252</td>
<td>2146</td>
<td>2524</td>
<td>2735</td>
</tr>
<tr>
<td>Construction</td>
<td>1226</td>
<td>1383</td>
<td>1531</td>
<td>1694</td>
<td>1484</td>
<td>2137</td>
<td>2535</td>
</tr>
<tr>
<td>Tourism</td>
<td>2909</td>
<td>3149</td>
<td>3917</td>
<td>3518</td>
<td>5337</td>
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<tr>
<td>Trade</td>
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<tr>
<td>Transport</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Banking</td>
<td>157</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Services</td>
<td>908</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Domestics</td>
<td>n.a</td>
<td>5594</td>
<td>6179</td>
<td>6745</td>
<td>8243</td>
<td>9716</td>
<td>10164</td>
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<tr>
<td>Entertainment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1493</td>
<td>-</td>
<td>-</td>
<td>1212</td>
</tr>
<tr>
<td>Other</td>
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<td>2263</td>
<td>2346</td>
<td>2774</td>
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<td>3384</td>
</tr>
<tr>
<td>Total</td>
<td>10370</td>
<td>17024</td>
<td>19000</td>
<td>21368</td>
<td>23701</td>
<td>29730</td>
<td>30225</td>
</tr>
</tbody>
</table>

The 'illegal' migrant workers are employed in sectors of the economy with extremely hard working conditions such as construction, agriculture, manufacturing and the "entertainment" business. Obviously, such workers are paid minimal wages, far below the official minimum wage, endure long working hours, unhealthy working conditions, and it is not uncommon that they are harassed, not to mention the common practise of employers to simply withhold their wages, particularly in the case of seasonal workers. Migrant workers without papers are considered 'criminals' and the authorities have adopted a policy of persecution. However, even this approach is hesitantly pursued since 'illegal' migrant workers represent a valuable source of 'cheap labour' to employers. Further research in this area is required preferably in a comparative context with other Mediterranean countries.

As regards the other categories of migrant workers (apart from those possessing official work permit papers), the Greek-Russian (Pontians) migrant workers constitute another group which is highly exploited often under similar circumstances to those migrant workers without papers. They have no trade union protection and their terms of employment are not prescribed by any regulations. Also, this group contains high levels of unemployment or irregular work patterns. Even though in principle racial relations for this group should be smoother because of the Greek origin connection, in practice the opposite is the case with frequent incidents of violence being reported (often in a misleading way by the Cypriot media).
In contrast to migrant workers of Greek-Russian origin, mainland Greek citizens working in Cyprus do not suffer serious cases of discrimination. They are, on the whole, skilled or well educated and they come to Cyprus due to the high rate of unemployment in Greece. Also, professional workers in offshore companies are a distinct case drawing favourable treatment since the government has a declared policy of attracting offshore companies to Cyprus.

Regarding the case of migrant workers who have official work permits, more can be said about their terms of employment and the potential grounds for discrimination since their employment is supposed to be accompanied by certain rules and regulations. Their terms of employment and the criteria which allows them to be employed in the first place have been agreed between the government, trade unions and employers' organisations since the early 1990s, and have remained in existence ever since without any alterations at all despite the criticisms and the problems which have arisen. In this section we concentrate on issues relating directly to the labour market.

This section considers the extent to which migrant workers (in possession of official papers) are discriminated against in terms of wages, working conditions, opportunities of employment and career advancement. The problem of data availability is also relevant in this case but we will attempt to draw some conclusions from the inherent imbalances of the regulations of employment of migrant workers, from qualitative analysis including interviews with migrant workers, from a study performed by the University of Cyprus on the impact of migrant workers on the labour market (Christophides and Pashiardis, 2001) and from other sources.

**Specific Aspects of Discrimination: Gendered and Racialised Labour Markets and the Racialisation of Domestic Workers**

The different categories of migrant workers (according to the sector in which they are employed) obviously do not face the same problems and are not subjected to the same forms of discrimination; accordingly, the appropriate policy responses have to differ. There are some principles and lines of action, which are common to all migrant workers, but we have to distinguish between the common elements and the peculiarities of the different migrant groups.

Domestic workers have been employed in Cyprus since the early 1990s and currently form the largest group within the category of migrant workers in possession of work permits. The total number of domestic workers exceeds 10,000, which is over a third of the total. These migrant workers mostly originate from countries in S.E. Asia and are almost exclusively women.
The demand for the services of domestic workers is associated with the rising standard of living of some of the Cypriot families. In some cases domestic workers are employed by old or sick people, reflecting the fact that social services for the elderly and the disabled in Cyprus are undeveloped. Also in some cases, the employment of domestic workers provides the opportunity for Cypriot women to enter the labour market but there is no evidence regarding relative proportions. In general, domestic workers are provided accommodation within the household in which they are employed which creates a high degree of dependence with their employer and provides the opportunity for pressurising them to work at irregular and long hours. There is a lot of evidence of contract violation and even abuse of these workers but very few cases are being reported from fear of expulsion or even deportation. The wages of migrant domestic workers are below the national minimum wage applicable for Cypriots and have not increased at all since the initial terms of employment were agreed in the early 1990s. The wages of migrant domestic workers are roughly one quarter of the wages of Cypriot women undertaking similar types of work. The level and forms of discrimination in this case are quite obvious and so is the unwillingness of the authorities and the trade unions to respond accordingly.

Some research has been undertaken on the working conditions of domestic workers, who suffer from such treatment and the ECRI Report referred to them as the most vulnerable group:

"As noted by ECRI in its first report, a particularly vulnerable group appears to be constituted by domestic workers, who comprise almost one third of all legal immigrants working in Cyprus. There have been reports that the terms of contract of these workers are often breached by employers, who may for instance force the women to work much longer hours or during their days off, assign them to duties not provided for by the contract, or dismiss them in an unjustified manner. There have also been reports of inhuman treatment and sexual harassment of these women."

A study involving 71 interviews of Asian female workers in the island's capital (Lefkosia) revealed that these workers' rights and terms of contract are routinely violated: only a small fraction of those interviewed worked the required eight hours per day, whilst the rest were forced to work unpaid overtime, some up to sixteen hours a day. Almost half of them are not entitled to rest time, whilst more than half had a 'curfew' imposed on them, had no paid vacation and the vast majority had paid agents, some of them extortionate amounts, to secure a job and a work permit for them in Cyprus (Kadir, 2001).

Asian women have become the stereotype of domestic workers/servants and seen as a 'necessity' for every household that can afford them. In fact the term *Asian woman* (in Greek: Ασιάτισσα) is used in many instances interchangeably with
Filipino woman (in Greek: Φιλιππινέζα) or Sri Lankan woman (in Greek: Σριλανκέζα). A common phrase used in popular discourse is: "What do you think I am? Your Asian/Filipino woman?" The expression "I work like a 'black'" (in Greek: μαύρος), with its racist connotation, was used before the wave of new migration, but has now reached wider application in popular discourse and found in casual talk among Cypriots. It is also used as a term of abuse against migrant workers.³

Colour is only one of the signifiers of racism, not exclusively or necessarily the most important. It has been suggested that darker people are more likely to be the target of racism. Regarding Cyprus one may crudely suggest that people from different geographical areas are concentrated in different occupations, with 'whites' (northern/central Europeans/Americans) concentrated in more office type work, with a very large number as managers. 'Black' people (northern Africa/Arabs, and south east Asians, with the exception of Lebanese and Jordanians), on the other hand, are more likely to be concentrated in manual jobs. However this is a crude and at times misleading picture: there is an anomaly with east Europeans who, depending on their class position of course, generally occupy jobs at the lower end of the market. This is also the case for the Lebanese and, to a lesser extent, Jordanian migrants. Therefore, we can argue that racism cannot be reduced to a phenotypic prejudice solely based on colour, without wanting in any way to underestimate the historical and systematic racism faced by black people (Gilroy, 1987; Miles, 1989; Anthias and Yuval-Davis, 1992, pp. 132-140).

As for the gender dimension, there is a gender division of labour based on racial background: eastern European (white) women are the first preference for the sex industry (prostitution and 'artists'/dancers'), by and large replacing the traditional stereotypes of the 'exotic' Asian women working in cabarets, as was the case before the collapse of eastern European regimes. Asian women are preferred for home care and 'caring jobs', perhaps linked to some stereotype notion of the 'black (or dark) maid'. The cultural basis for the position of the Asian maid was found in the category the "kori" (κόρι) in traditional society, where the woman, daughter and wife, 'served' the man. This operated together with class, as lower class women were the cleaners and maids in the houses of the rich (αρχοντικά). One must consider the connection between gender and 'race', and racism and sexism, if one is to understand the position of migrant women labour and the kind of racialisation they face. We are reminded that "racialised and ethnic minority women are concentrated in the most arduous and poorly paid work" (Anthias and Yuval-Davis 1992, p. 117) and the experience in Cyprus clearly shows this, if one looks at domestic workers and the way the media portrays them.⁴
A general characteristic of the remaining groups within the category of migrant worker in possession of work permits is the fact that they are being employed in low wage - low productivity - low skill jobs often under difficult working conditions. Even though the terms of employment stipulate that migrant workers shall have the same rights and contract terms as Cypriot workers, contract violation is a common phenomenon even though very few cases are being reported (PEO, 2002). The level of unionisation of migrant workers is very low and the authorities do not carry out the appropriate checks on employers as a matter of conscious decision and also by using the excuse of staff shortage.

Detailed empirical evidence on this issue is not available; however some inferences pointing towards this outcome can be deduced from the study by Pashiardis and Christophidis of the University of Cyprus (Christophidis and Pashiardis, 2001). In the study on the labour market in Cyprus, the authors set out to examine the impact of the presence of migrant workers in Cyprus on the wages and chances of employment of Cypriot workers. Note that the authors do not examine whether there is discrimination against migrant workers, but concentrate on whether or not the employment of migrant workers has a ‘negative’ impact on native workers. Regarding the issue of employment opportunities the authors conclude that the employment of migrant workers does not create unemployment for the locals since migrant workers take up jobs that Cypriots are not prepared to accept. In general, migrant workers in Cyprus do not face the problem of unemployment, since the right of entry to Cyprus is conditional upon a secure job offer. In case a work contract is terminated, migrant workers face the possibility of deportation. The only category of migrant workers where a small level of unemployment is observed is that of the Russian-Greek migrant workers, since their right of entry and residence in Cyprus does not require prior arrangements regarding their employment.

Studies in other countries, such as in Greece (Sarris and Zagrafakis, 1999) and other European countries (Simon, 1989; Harris, 1995, 1999; Dale, 1999a, 1999b) generally show that immigrants do not compete directly with native workers; there are several cases illustrating that employers on some occasions may well make use of a strategic recruitment of migrant labour as a deliberate means to undermine labour combativity (Senseng-Dabbous, 1999; Petrillo, 1999; Dale, 1999c). One response, of course, is the tightening of immigration and repression of illegal immigration. As correctly pointed out by Dale:

"...labour organisations themselves become wedded to the divisive logic of racism"
(Dale, 1999, p. 12).
What many policy-makers and those who are not well acquainted with the issues may find paradoxical is that, in the case of 'illegal' migrants, as the repressive measures increase, so do the numbers of 'illegal' immigrants. The tighter and more regulated the immigration policy is, the greater the numbers of clandestine labour. As Gubbay (1999, p. 59) points out:

"Other things being equal, restrictions on legal migration lead to an increase in illegal migration".

In a prosperous country like Cyprus where it is possible for everyone, both Cypriots and migrants alike, to have a job and lead a secure life of employment, the generation of new jobs in the economy is greatly connected to overall economic policy and planning: the extent to which employment is a policy priority is a matter of political choice.

Regarding the issue of the impact of the employment of migrant workers on the wages of Cypriot workers, the authors (Christophidis and Pashiardis, 2001) through econometric estimations conclude that there is a negative influence in some sectors. From this it can be deduced that there is wage discrimination against migrant workers, which acts as a downward influence on the wages and salaries of Cypriot workers. The trade unions acknowledge that discrimination against migrant workers has a negative impact on the terms of employment of Cypriot workers. However, even though they protest against such discrimination of migrant workers they argue that the government should adopt a more restrictive approach towards the granting of work permits for migrant workers. The employers' associations on the other hand, support a liberal policy towards the employment of migrant workers as long as their cost remains low.

On the whole, trade unions have failed to take action to support or demonstrate their solidarity to migrant workers (see Trimikliniotis, 1999). In spite of the ideological differences and the differences in emphasis between the trade unions; there is a consensus in their opposition to the presence of migrant workers, who are regularly blamed for rising unemployment. There has even been common action by trade unions taken against migrant workers in the hotel industry in Paphos.

In the 1990s trade unions adopted a defensive approach towards migrant workers, and made regular xenophobic remarks. It was common for trade unionists, particularly those on the right of the political spectrum, to claim that "they ['migrant workers] are stealing our bread". There are allegations that migrant workers 'contaminate our culture,' or are to be blamed for rising criminality and other 'social problems'. Interestingly, even the super-exploitation and human rights violations of migrant workers have been invoked as justification for their deportation. The trade
unions of the Left are more cautious and adopt a more sympathetic approach towards migrants reflecting the internationalist traditions of the Left, but they have done little to organise migrant workers in their ranks. Recently, there was a shift towards a generally more sympathetic approach towards migrant workers, even criticising their own previously ‘defensive’ stance (see Pantelides and Trimikliniotis, forthcoming), yet it is not clear whether this is the result of a more ‘enlightened approach’ or a pragmatic recognition that migrant workers are here to stay.

Recently, there has been a change of policy, with PEO arguing that there is no such thing as an ‘illegal worker’, only ‘illegal employers’, showing the shifting away of the blame from the migrant workers towards employers (PEO Theses on the employment of migrant workers 16 September, 2002). PEO has recently strongly advocated the need to take measures to combat the widespread discrimination against migrant workers, especially in sectors where collective agreements are not in existence (Pantelides and Trimikliniotis, forthcoming). It has suggested that a major overhaul of the institutional structure for the employment of migrant workers is required as well as a more determined effort to identify cases of contract violation.

There are sectors of the labour market that have traditionally been trade union strongholds (e.g. the construction industry), where migrant workers are also employed. In such sectors trade unions have eventually started to recruit migrant workers as members; however in sectors which have not been unionised, such as the agricultural workers (predominantly made up by migrant workers), trade unions have failed to unionise them, partly due to employers’ hostility and partly to the difficulty of unionising seasonal labour, but also due to an absence of a sense of priority by the unions. The second ECRI report notes:

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

In any case, it is apparent that there are structural barriers to the proper representation, organising and articulating the case for migrant workers by the trade unions.

No research has been carried out as to the characteristics of the working conditions of migrant workers in Cyprus, with the exceptions of specific studies: one on the process of racialisation of migrant workers (Trimikliniotis, 1999), another on the policy framework governing migrant workers (Intercollege, 2002) and one on domestic workers (Kadir, 2001). As for the institutional framework, it was noted by the Planning Bureau of Cyprus since 1989 that "there are no effective mechanisms
to monitor" the agreed policy framework for the employment of migrant workers (Planning Bureau, 1989) and there was reported "administrative laxity’ on the part of the administrators. However, very little research has taken place on the issue of enforcement of the agreement in controlling employment and protecting wages (Matsis and Charalambous, 1993). In fact this raises questions as to whether the state bureaucracy, prone to clientelist tendencies and to arbitrary discretion in the enforcement of rules, is enforcing an unofficial policy, as alleged in the case of Greece. In that case it is argued that there is a specific informal or unofficial policy of flexibilisation of working conditions, informal jobs and the black economy, which is only possible via "the toleration by the state of the violation of labour and social legislation (Karamesini, 1999). These are structural issues that are certain to produce discriminatory effects on the labour market, but no study so far has been carried out.

**Conclusion [and Further Research]**

Research in the area of discrimination against migrant workers in Cyprus is rather limited and at a very early stage. A first attempt in this direction was made through the study for the employment policy of migrant workers at Intercollege (2002), which documents inherent discriminatory features in the institutional structure for the employment of migrant workers. The study by Christophides and Pashiardis (2001) does not directly address the issue of discrimination against migrant workers but it considers instead the possible negative impact from the presence of migrant workers on the wages and employment opportunities of native workers. This reflects the current prevailing attitude, which assumes that the presence of migrant workers is problematic and detrimental to Cypriot society, assumptions, which are yet to be demonstrated empirically. Qualitative evidence regarding the discrimination of migrant workers in its various forms is provided both by the trade union movement and the NGO Immigrants Support Action Group.

Further research is necessary in order to document empirically the extent and various forms of labour market discrimination of migrant workers in Cyprus. There is currently no study on the role of employers or trade unions in the processes of negotiations on the working conditions and pay of migrant workers, in order to locate the source of structural discrimination in the institutional processes. Statistical evidence ought to be complemented by qualitative evidence through focus groups, from the views of non-governmental organisations and the trade unions.
Notes

1. Cyprus based NGO set up in 1997 to support rights of migrant workers.

2. Cap 105 and the relevant regulations.

3. An extract from a letter to a Cypriot newspaper written by a migrant reads: "I have been in Cyprus for one and a half years and what has happened is too much for a person like me, when I cannot sit on my own balcony without getting verbal abuse from Cypriot people, who call me "mavro" or shout other bad words...". Lanitis, in the same paper the following week suggests that he has received many letters by migrant workers complaining about their plight (The Cyprus Weekly, 7-13 October 1997).

4. As Anthias and Yuval-Davies illustrate, the discourses of racism and sexism can be separated, even though there is close interconnection between the two discourses, in practice "as experienced by the groups of subjects [they] are intermeshed" (1992, p. 131).

5. In the case of Greece, migrant workers occupy the lower skilled jobs and Greeks have moved upwards, as the study by Sarris and Zagrafakis (1999) shows. The same is now happening in Cyprus as Cypriots, though education and training, have improved massively in terms of their skills and are thus moving upwards in the hierarchy.

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

7. See the reports in the daily newspapers Haravyi, 12 December 1996 and O Phi/ele ftheros, 13 December 1996.

8. SEK spokesman is quoted stating in O Phileleftheros, 2 December 1997 (Trimikliniotis, 1999).

9. Interview with Assistant General Secretary of SEK, Demetris Kittenis, Ergatiki Foni, 30 October 1996).

10. AKEL, at its 18th Congress, pledges that it "will work so that foreign workers employed in Cyprus get the same treatment as their Cypriot colleagues and will decisively fight against possible phenomena of racism and xenophobia" (AKEL, 1995, p. 40). This clearly sets AKEL against racism; however the reference to "possible phenomena" and not "actual phenomena" implies that racism and xenophobia are something to guard against in some distant future. Also AKEL does not refer to the ways in which it will fight racism and little initiative has been taken by the Party to support migrant workers. Furthermore, "illegal foreign workers" are referred to as a problem and AKEL calls upon the Government to take "drastic measures to put an end to the illegal employment of foreign workers" (AKEL, 1995m, p. 40). The phrase "drastic measures" may well mean in practice violation of the fundamental human rights of
undocumented workers, as well as other migrant workers, who may come under any heavy handed Police action. However, initiatives by some of AKEL’s MPs, such as those in the Human Rights Parliamentary Commission (House of Representatives, 1997b) illustrate that AKEL is taking up the issue of racism more seriously and that the debates over racism in Europe are beginning to influence AKEL policy makers.

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