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# SEMINAR ON MEASURING POPULATION MOVEMENT AND INTEGRATION IN A GLOBALIZED WORLD

## SESSION II: MIGRATION AND LABOUR MARKETS

THE LABOUR MARKET SITUATION OF NON-NATIONALS AND FOREIGN BORN IN SELECTED EU MEMBER STATES

Note by Statistics Austria[1]

## I. INTRODUCTION

1. Migration has always been a key political issue in Europe; however, the patterns of migration have changed over the years. Many Member States of the European Union (EU) have evolved from net emigration to net immigration countries. In this article, we try to shed more light on the labour market situation of immigrants and distinguish for this purpose migration originating inside and outside the EU in current borders. We use micro data from the comprehensive European Union Labour Force Survey (EU LFS) database, which was made available recently with up-to-date data. To limit the complexity and workload in favour of more detailed analysis on specific topics, a reduced set of countries was selected instead of presenting

[1] This paper has been prepared at the invitation of the secretariat.

data for all 27 EU countries.[2] These six countries are Austria, Czech Republic, Denmark, France, Spain and the United Kingdom. We believe that this selection covers up for large parts of the diversity within the EU on the given topic, while acknowledging the possibility of untapped patterns of migration. Geographical region, size as well as the date of EU accession were the main selection criteria.

2. The EU LFS is a tailor-made survey for labour market statistics. To focus on the most relevant groups we restrict analysis to the population aged 15 to 64 – the main working age. The labour market status in the LFS follows the definitions of the International Labour Organisation (ILO).[3] Rather than providing conclusive answers to the topic, we intend to pin down some issues which may encourage further research. A similar study of the labour market situation in the 15 EU Member States for non-nationals was carried out by Kiehl and Werner (1999) with EU LFS data from 1995. We deliver information for the years 1996 to 2006 with extended analysis for 2006. A special focus of this paper will be the educational context of labour market success for migrants and native born citizens.

## II. MIGRATION AND LABOUR MARKET PERFORMANCE

### A. Conceptual issues in the measurement of immigrants

3. First of all, the EU LFS dataset made available by Eurostat has one major disadvantage that is the lack of specific country codes. For data protection reasons country of birth and citizenship are coded in three categories: national, EU and non-EU. The consequence is that a bias of results through the EU enlargement from 15 to 25 Member States in 2004 can not be fully ruled out, since we can only describe the EU in current borders. However, if 2004 appears to mark a relevant break-point in the time-series, we may assume some connection to this event.

4. The concept behind the term ‘immigrant’ is widely discussed in the literature. However, empirical studies mostly revolve around the two competing approaches of measuring migration: the European concept of nationality (ius sanguini) and the U.S. concept of place of birth (ius soli). Authors like Münz/Fassmann (2004) argue that the common use of the concept of nationality leads to systematic underestimation of the migrant population, for example in Austria the gap between both definitions accounts for 35% in the year 2006 (on the basis of own calculations using EU LFS). Measuring residents with foreign place of birth takes into account the group of people who have been naturalised since their arrival in the host country. Foreign citizenship will capture a group with shorter duration of residence than foreign place of birth, and therefore, the analysis will promote different conclusions on social-demographic or economic characteristics and integration in general. On the other hand, this might be favourable when assessing integration policies for recently immigrated people.

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[2] The database was compiled by Eurostat on the basis of bilateral agreements, therefore only 20 countries are participating and a microdata based analysis was not feasible for all EU Member States.

[3] Being employed means having worked for money at least 1 hour in the reference week of the interview. Unemployed persons are defined as workless people, available and actively seeking a job. Further details and definitions are available on the Eurostat homepage: http://epp.eurostat.ec.europa.eu

5. In this paper we apply the place of birth concept, but with a slight amendment. We will define a broad definition with persons, who are either born in a foreign country or hold a foreign citizenship. The term "person with immigrant background" is more accurate than "immigrant" in this case.[4]

**Table1: Migrants by concept in 2006 (in 1.000)**

| | AT | CZ | DK | ES | FR | UK |
|---|---|---|---|---|---|---|
| | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| **EU national** | 231 | 33 | 53 | 617 | 1.182 | 1.261 |
| **EU born** | 378 | 136 | 86 | 755 | 1.715 | 1.658 |
| **EU immigrant background** | 410 | 138 | 97 | 855 | 1.951 | 1.769 |
| foreign born/ foreign citizen | 205 | 31 | 43 | 595 | 981 | 1.204 |
| foreign born/ citizen | 179 | 104 | 44 | 238 | 769 | 508 |
| native born/ foreign citizen | 26 | 2 | 8 | 22 | 83 | 54 |
| **Non-EU national** | 562 | 39 | 145 | 3.350 | 1.928 | 2.149 |
| **Non-EU born** | 775 | 61 | 222 | 3.959 | 4.188 | 4.112 |
| **Non-EU immigrant background** | 875 | 63 | 259 | 3.934 | 4.452 | 4.165 |
| foreign born/ foreigen citizen | 451 | 38 | 106 | 3.293 | 1.614 | 2.008 |
| foreign born/ citizen | 313 | 24 | 113 | 584 | 2.524 | 2.016 |
| native born/ foreign citizen | 111 | 1 | 33 | 57 | 135 | 141 |

*Source:* EU-LFS 1996-2006, own calculations

6. Table 1 illustrates the differences between the concepts, revealing deviating patterns among the given countries. Nationality leads to underestimation for all countries, particularly severe for non-EU born in France and Czech Republic which means that naturalisation of immigrants is widespread in these countries. The "immigrant background" concept as described earlier augments a few more persons to the place of birth concept, however, it comprises different compositions among the given countries. While the share of non-citizen and foreign born is dominant for countries like Spain, Austria and United Kingdom (EU citizens), foreign born with domestic citizenship outweigh in France, Czech Republic (EU born) and Denmark (foreign born). The domestic born persons, holding foreign citizenship appear to be a relevant group in Austria and Denmark. The text will continue describing "persons with immigrant background" either from EU or non-EU, but for matters of linguistic convenience, we will refer to them as "immigrants" being aware that this term is incomplete in some ways.

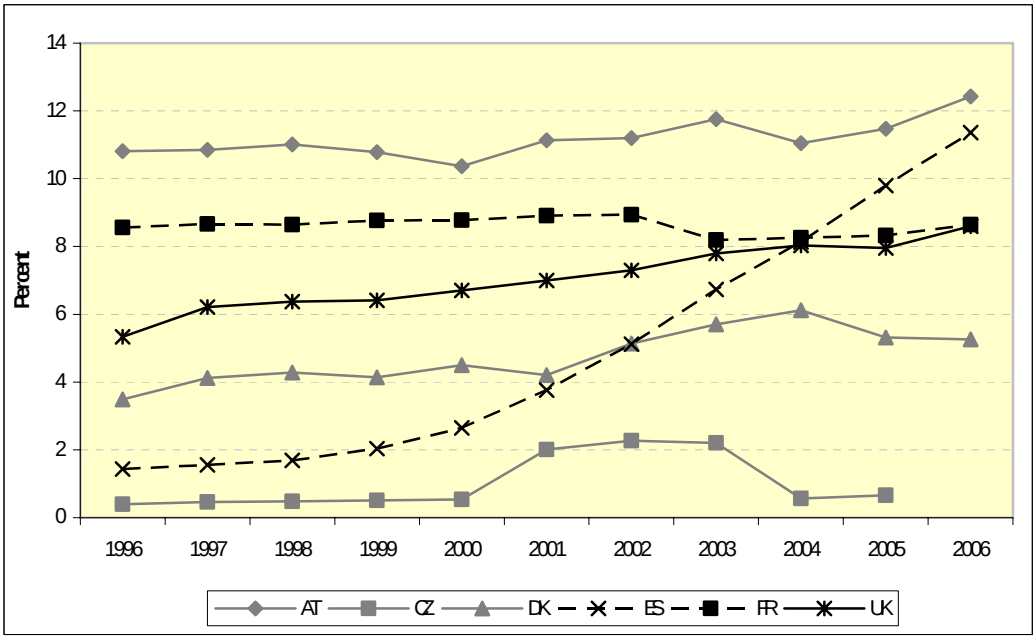
## B. Trends for recent years: improved integration into labour markets?

7. This section will shed light on time trends in migration, based on stocks, in the selected countries. First of all, we take a look at shares of immigrants with foreign background on total

[4] For most of the cases, both conditions will be satisfied and identification is unambiguous. Foreign born persons with citizenship of the host country are predominantly naturalised immigrants, but a small sub-group will also be included that are born with the resident citizenship and are therefore not immigrants in the common perception. Some of these persons will have bi-national parents, these cases fit to the idea of immigrant background. On the other side there are persons who hold foreign citizenship but are born in the host country. These people are likely to be second generation immigrants. Unfortunately in France and United Kingdom, where ius soli is current law, it is hardly possible to observe the second generation, since they become citizens by birthright.

population (see Figure 1).

**Figure 1: Share of non-EU immigrants in selected EU Member States (1996-2006)**



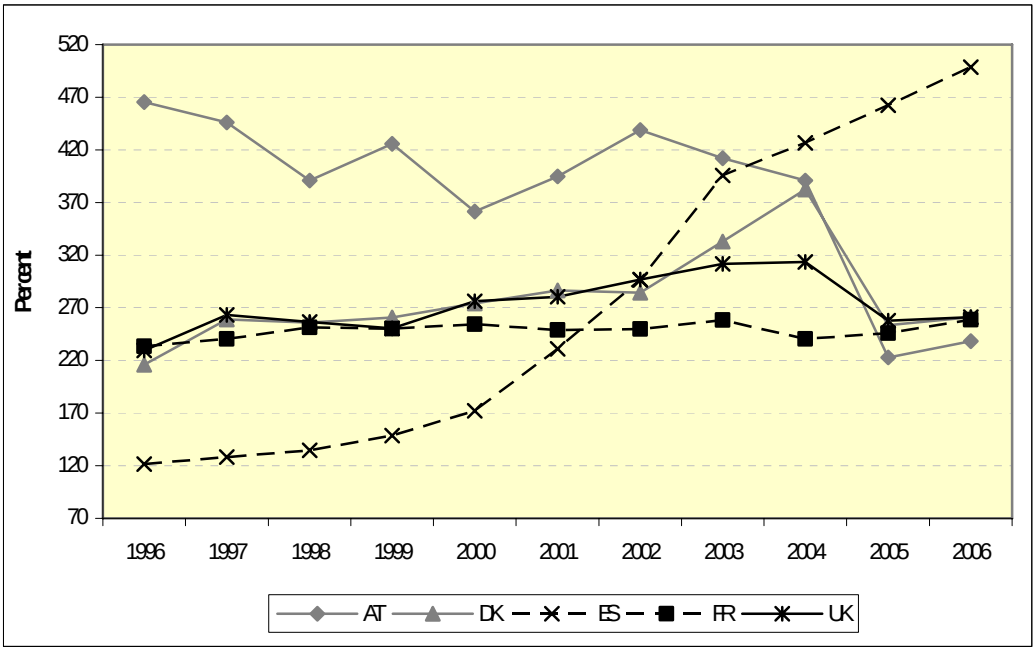

*Source:* EU-LFS 1996-2006, Justus Henke's calculations. From 1996-2003 'EU' refers to EU-15, from 2004 onwards EU-27.

8. Positive trends in the share of immigrants are observable for Austria, United Kingdom, Denmark, but to an extra-ordinary extent for Spain, where growth rates increase over time. This is mainly due to sharply increased issuance of residence permits and, in turn, for the first time formerly illegal immigrants were then taken (official) notice of. Nevertheless, these issuances might as well have contributed to additional immigration flows to Spain. The figure also reveals very low shares for Czech Republic creating difficulties for a more detailed analysis.[5] Austria remains the country with the highest rates of non-EU immigrants in the population, predominantly arriving from the Balkan area and Turkey.

9. Figure 2. illustrates the ratio of non-EU immigrants over EU immigrants in order to display distribution of both types.[6] It is apparent, that migration flows within EU borders are still relatively low, for countries like Denmark, France and United Kingdom non-EU immigrants' share in total population is around 270% higher compared to EU immigrants. Strong movements can be observed for Spain and Austria. While in Spain the vast inflow of non-EU immigrants dominated, leading to increasing ratios, Austria experienced the reverse development, with increasing immigration of EU Member State citizens and consequently decreasing ratios.

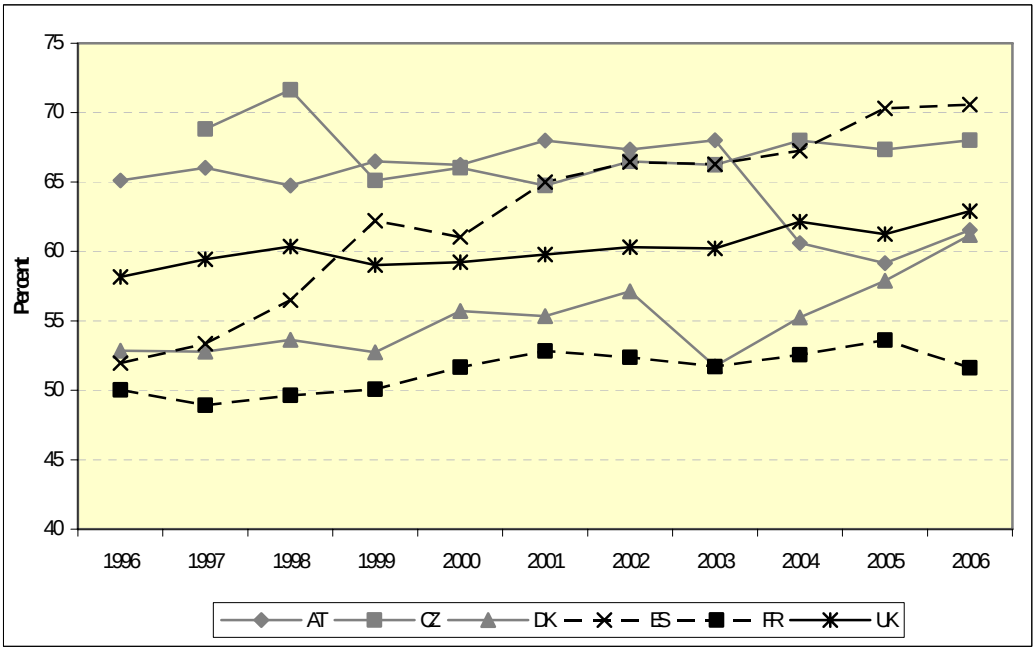
[5] This statement also applies to the other East European EU Member States, where immigration plays a minor role in the structure of society.
[6] We removed Czech Republic from this graphic, because very few observations of EU immigrants led to extreme movements across time.

**Figure 2: Ratio of shares of non-EU over EU Member State immigrants (1996-2006)**




*Source:* EU-LFS 1996-2006, Justus Henke's calculations. From 1996-2003 'EU' refers to EU-15, from 2004 onwards EU-27.

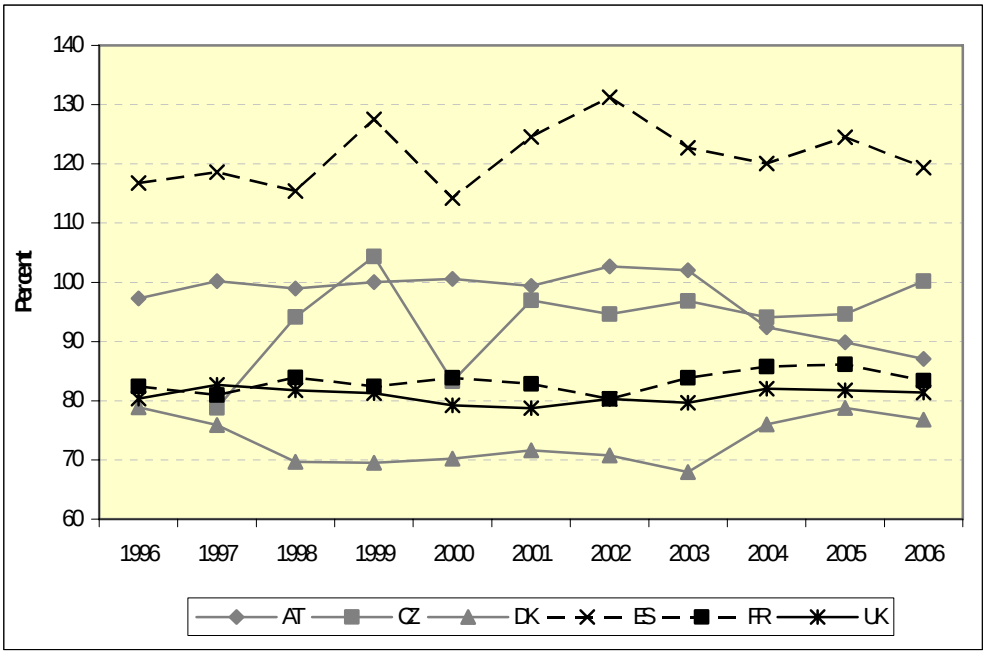
**Figure 3: Employment rate of non-EU immigrants (1996-2006)**




*Source:* EU-LFS 1996-2006, Justus Henke's calculations. From 1996-2003 'EU' refers to EU-15, from 2004 onwards EU-27.

10. We will focus now on core labour market topics, starting with employment rates (see Figure 3). For non-EU immigrants these evolve differently among selected countries though – except for Austria – a positive trend is apparent. France stands out with the lowest employment rates around 51% and a slight increase over time. Two other countries – Spain and Denmark – started off with low rates in 1996, but have improved significantly, in the case of Spain by nearly +20% up to 71% in 2006. Austria's rate has decreased by 5% the last three years before 2006, but seems to turn back to a positive trend.[7] Further analysis revealed nearly identical employment rates for natives and EU immigrants among all countries.

**Figure 4: Ratio of female participation rates among non-EU immigrants over native born citizens (1996-2006)**



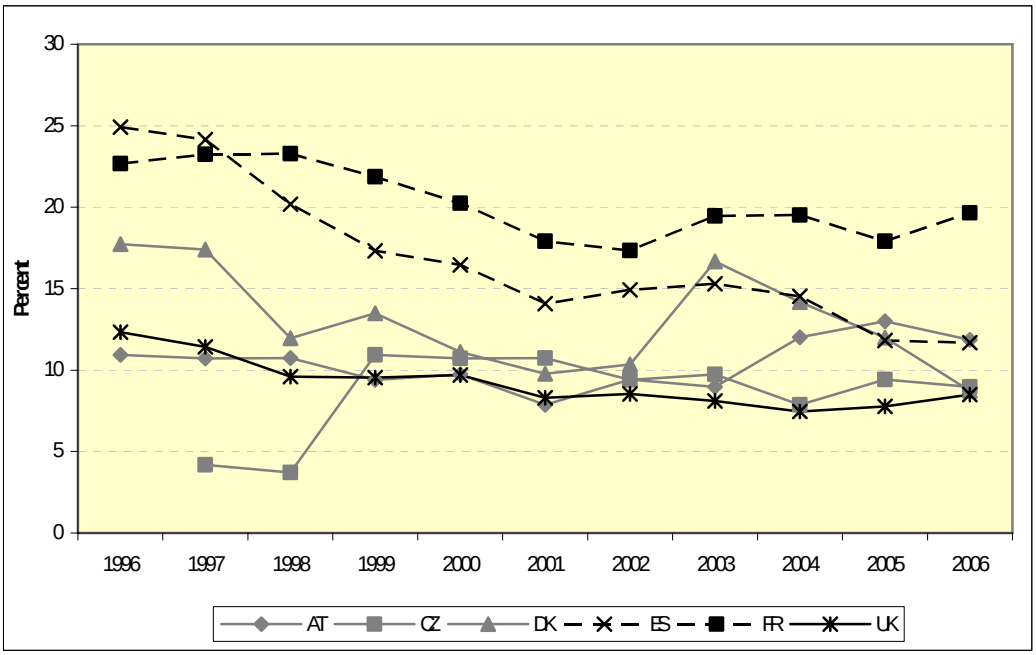

*Source:* EU-LFS 1996-2006, Justus Henke's calculations.

11. The participation rate of women is particularly interesting because of its implications on social inclusion, work-life balance and gender equality. The female rate is less by 5% (Denmark, United Kingdom) to 15% (Spain) compared to the total rate – with an average rate of 60% for non-EU immigrants and 67% for native born citizens. Figure 4 shows the ratio of non-EU immigrant's female employment rate over native female participation rate. In addition to the generally lower participation rates of women, values for female immigrants in most EU Member States fall even below these rates, with only Spain having higher rates. The largest spread between native born and non-EU women is accounted for Denmark, where the participation rate comprises only around 73% of the level of native born women. Slightly higher values appear for France and United Kingdom. Austria is close to 100% level until 2004 when it experienced a

[7] The slump in 2004 is partially due to a major methodological change in survey design causing a break in the time-series.

significant decrease down to 87%. Spain outperforms in this comparison, with levels constantly over 100% with peaks up to 130%. For EU immigrants (not displayed) rates do not differ that distinctively, but still in Spain ratio values reach around 121% of native born citizens' level. Austria, as second highest, falls behind with average level of 97%, while revealing a downward trend since 2004.

**Figure 5: Unemployment rates for non-EU immigrants (1996-2006)**




*Source:* EU-LFS 1996-2006, Justus Henke's calculations.

12. For the unemployment rate of non-EU immigrants (see Figure 5) different trends arise. France and Spain start off with relatively high rates around 25%; however, they improve over time, particularly Spain where unemployment decreases down to 12%. For the United Kingdom there is also an improvement in the rates starting at a lower level, from 12% down to 9% in 2006. Czech Republic and Austria report an increasing trend, while in Denmark unemployment seems to be highly cyclical though with an overall downward trend. Values for EU immigrants (not displayed) revolve around 6% for all selected countries across time; only Spain has a somewhat higher rate of around 9%, after catching up rapidly from uniquely high 23% in 1996.

13. Overall, we observe a trend to improving labour market success of persons with immigrant background. Yet, unemployment in France remains strikingly high; together with Austria and Denmark it comprises the group of countries with more than double the rate of native born citizens. For Austria this ratio has become even worse after 2004.

## C. Qualification and job quality: Does origin matter?

14. This section will explore some patterns of employment of persons with immigrant background for the year 2006. First of all, table 2 shows distribution over industry by Statistical Classification of Economic Activities (NACE) sections.

**Table 2: Employment of immigrants by NACE sections in 2006 (in %)**

| | AT | | CZ | | DK | | ES | | FR | | UK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | EU | non-EU | EU | non-EU | EU | non-EU | EU | non-EU | EU | non-EU | EU | non-EU |
| | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| **A Agriculture, hunting and forestry** | 2,1 | 0,9 | 3,5 | 3,1 | 3,9 | 1,7 | 2,9 | 5,8 | 2,6 | 1,0 | 0,6 | 0,4 |
| **C Mining, quarrying** | 0,0 | 0,2 | 1,8 | 3,1 | 0,0 | 0,9 | 0,2 | 0,4 | 0,1 | 0,2 | 0,0 | 0,3 |
| **D Manufacturing** | 17,9 | 23,3 | 33,3 | 18,8 | 13,7 | 17,4 | 15,5 | 11,9 | 16,2 | 10,0 | 14,1 | 10,2 |
| **F Construction** | 8,2 | 11,3 | 7,0 | 12,5 | 3,9 | 3,5 | 13,2 | 21,9 | 13,1 | 9,7 | 7,9 | 4,0 |
| **G Wholesale and retail trade** | 12,3 | 14,6 | 10,5 | 25,0 | 13,7 | 15,7 | 14,3 | 11,4 | 14,0 | 14,5 | 11,8 | 13,7 |
| **H Hotels and restaurants** | 8,7 | 13,4 | 5,3 | 9,4 | 3,9 | 8,7 | 10,8 | 14,6 | 3,8 | 7,8 | 9,3 | 8,3 |
| **I Transport, communication** | 6,2 | 6,4 | 7,0 | 6,3 | 7,8 | 8,7 | 6,1 | 4,2 | 3,1 | 6,8 | 6,5 | 8,2 |
| **J Financial intermediation** | 2,1 | 0,7 | 3,5 | 0,0 | 2,0 | 0,9 | 0,7 | 0,4 | 2,4 | 2,6 | 3,2 | 4,3 |
| **K Real estate, renting** | 11,8 | 12,2 | 7,0 | 9,4 | 15,7 | 10,4 | 14,1 | 6,1 | 12,2 | 16,2 | 14,1 | 14,2 |
| **L Public administration** | 3,1 | 1,6 | 5,3 | 0,0 | 3,9 | 3,5 | 1,8 | 0,7 | 4,4 | 6,5 | 4,1 | 5,3 |
| **M Education** | 5,6 | 2,4 | 5,3 | 3,1 | 9,8 | 7,0 | 10,8 | 1,5 | 6,2 | 5,0 | 8,8 | 7,7 |
| **N Health and social work** | 13,8 | 7,3 | 5,3 | 3,1 | 15,7 | 17,4 | 2,7 | 2,9 | 7,8 | 10,8 | 12,5 | 17,3 |
| **O Services** | 6,7 | 4,5 | 3,5 | 6,3 | 5,9 | 4,3 | 4,5 | 3,2 | 3,4 | 4,7 | 5,0 | 4,6 |
| **P Private households** | 0,5 | 0,5 | 0,0 | 0,0 | 0,0 | 0,0 | 2,5 | 14,2 | 9,9 | 3,4 | 1,4 | 0,6 |
| **Q Extra-territorial organisations** | 1,0 | 0,7 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,2 | 0,3 | 0,3 | 0,6 |

15. For Austria above the average positions compared to the other countries are at hand in section N (Health and Services) and Q (Extra-territorial organisations) for EU immigrants, while for non-EU immigrants section D (Manufacturing) and H (Hotels and Restaurants) have higher shares. In Czech Republic EU immigrants are more often than average employed in section A (Agriculture), Manufacturing, section L (Public Administration) and J (Finance). Non-EU immigrants are overrepresented mainly in the G (Wholesale and Retail Trade) section. Health, section M (Education) and Agriculture represent the outliers for EU immigrants in Denmark, non-EU immigrants are also more often than average working in Health and I (Transport). In Spain section F (Construction) and Education show comparatively high shares of EU immigrants, however, non-EU immigrants concentrate in Health and Transport. In France, Construction and Private Households account for a larger than average share for EU immigrants, while non-EU immigrants do so in Finance, section K (Real Estate) and Public Administration. Moreover, EU immigrants in the United Kingdom appear to specialise in Finance and Education. Here, non-EU immigrants have larger shares in section Finance, Public Administration and Health. Interestingly, for the latter, manufacturing only plays a minor role in contrast to countries like Austria, Czech Republic and Denmark. These patterns reflect the different strategies of specialisation of immigrants in their host countries. Vice versa, the host countries seem to have their own specific niches or demand for workers with foreign origin.

16. The distribution of industries among immigrants may give interesting insights on job distribution; however, it cannot deliver a full picture of the job quality and the recognition of immigrants' skills. To address this issue we take a closer look at education and occupational level, two characteristics that can be combined to assess educational match, that is the adequacy of occupation and educational attainment. This approach has also been pursued by authors like Sicherman (1991) and Hersh (1999). There is a range of other approaches measuring job quality, for this article nonetheless, we pursue education as the key quality indicator. There has been a lot

of academic discussion on the method of implementation; we are bound to make some pragmatic compromises. Education is defined in this case by International Standard Classification of Education-97 (ISCED-97) and aggregated into four groups. These groups comply with the definition of "skills" for 1-digit International Standard Classification of Occupations (ISCO) occupations by the ILO (1990), summarized in the following table:

| **ISCO-1d** | **Skill Level** | **ISCED** | **Description** |
|---|---|---|---|
| 9 | 1 | 1 | Primary education |
| 4-8 | 2 | 2 & 3 | Lower secondary / Upper secondary education |
| 3 | 3 | 4 & 5B | First stage of tertiary education (short term) |
| 2 | 4 | 5A & 6 | Second stage of tertiary education, First stage of tertiary education (1st degree, medium term) |
| 1 | 3 + 4 | 4–6 | ISCO subgroup 14 corresponds to skill 3, all others skill 4 |

17. This taxonomy facilitates a mapping of ISCED and ISCO positions in order to assess educational mismatch. Mismatch takes place when the skill level of the current job does not match the highest educational level. In the case of a skill level above education level we speak of underqualification and vice versa, if skill is below educational level, of overqualification. Underqualification is a phenomenon that often takes place when job experience outweighs educational attainment and people are promoted to better positions within one firm or move to better occupations in other firms. Overqualification is a bit more ambiguous. There will be a share of entrants in the job market who accept lower positions with the expectation of being promoted in the future, which is called "career mobility" by Sicherman (1991:103). But it can also be that the job matching process was ineffective, which in turn could be rooted in discrimination on age, sex, race or simply due to legal restrictions. Altogether, it appears to be a less socially desirable situation.

18. Table 3 presents the results for education, job occupation and qualification match. We start by taking a look at ISCED and ISCO shares. Concerning ISCED level, by first sight cross-country differences are immediately apparent. Austria and Czech Republic did not report ISCED level 1 values, therefore regarding skills one and two as an aggregate will facilitate comparison with the other countries. Highly skilled workers with university degree have high shares for EU immigrants in Denmark and Spain. For non-EU immigrants Denmark also leads, closely followed by the United Kingdom. In France, the United Kingdom and Czech Republic the share of highly skilled among non-EU immigrants is even higher than among EU immigrants. Furthermore, Austria's comparatively low share for this group and skill level is noticeable. The same is true for EU immigrants in France. While in skill level 3 shares are low throughout all countries, the majority of migrants concentrate in skill levels 2 and 1 (as it is for natives too).

**Table 3: Quality of employment for immigrants in 2006 (in %)**

| | AT | | CZ | | DK | | ES | | FR | | UK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | EU | non-EU | EU | non-EU | EU | non-EU | EU | non-EU | EU | non-EU | EU | non-EU |
| ISCED LEVEL | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| **Skill 4: ISCED 5A & 6** | 26,7 | 10,1 | 19,6 | 25,8 | 41,2 | 29,6 | 34,5 | 16,4 | 15,2 | 20,8 | 22,7 | 28,6 |
| **Skill 3: ISCED 4 & 5B** | 17,9 | 10,4 | 1,8 | 3,2 | 9,8 | 6,1 | 12,1 | 7,4 | 6,8 | 8,0 | 7,1 | 8,5 |
| **Skill 2: ISCED 2-3** | 55,4 | 79,5 | 78,6 | 71,0 | 47,1 | 54,8 | 48,2 | 56,2 | 47,4 | 50,8 | 70,1 | 62,2 |
| **Skill 1: ISCED 1** | 0,0 | 0,0 | 0,0 | 0,0 | 2,0 | 9,6 | 5,2 | 20,0 | 30,6 | 20,4 | 0,1 | 0,7 |
| ISCO OCCUPATION 1-digit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| **1 Legislator, sen. Official, Manager** | 8,2 | 4,0 | 8,9 | 12,1 | 9,8 | 5,3 | 11,2 | 3,9 | 8,0 | 9,7 | 13,0 | 16,1 |
| **2 Professional** | 18,0 | 5,2 | 14,3 | 9,1 | 23,5 | 15,0 | 19,1 | 4,3 | 12,5 | 13,0 | 16,4 | 19,5 |
| **3 Technician** | 20,6 | 9,4 | 14,3 | 9,1 | 23,5 | 14,2 | 12,1 | 4,4 | 12,1 | 12,3 | 11,3 | 13,5 |
| **4 Clerk** | 9,8 | 4,5 | 3,6 | 6,1 | 9,8 | 4,4 | 6,7 | | 6,6 | 9,2 | 9,1 | 9,9 |
| **5 Service worker** | 14,4 | 15,6 | 10,7 | 21,2 | 11,8 | 18,6 | 12,6 | 20,3 | 11,4 | 13,1 | 16,7 | 18,5 |
| **6 Farmer/ Agricultural Worker** | 1,0 | 0,7 | 1,8 | 3,0 | 2,0 | 0,0 | 1,6 | 1,5 | 2,4 | 1,0 | 0,4 | 0,3 |
| **7 Craft Worker** | 12,4 | 18,6 | 16,1 | 12,1 | 5,9 | 8,8 | 16,4 | 19,4 | 18,9 | 13,9 | 7,6 | 4,7 |
| **8 Assembler** | 4,6 | 11,8 | 21,4 | 15,2 | 5,9 | 9,7 | 9,0 | 6,7 | 9,2 | 8,6 | 7,5 | 6,8 |
| **9 Elementary Occupation** | 10,8 | 30,2 | 8,9 | 12,1 | 7,8 | 23,9 | 11,2 | 35,7 | 18,9 | 19,2 | 18,0 | 10,7 |
| QUALIFICATION MATCH | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| **Overqualification** | 17,0 | 9,4 | 17,9 | 13,3 | 19,6 | 14,7 | 16,8 | 14,2 | 35,2 | 27,8 | 20,5 | 23,5 |
| **Underqualification** | 24,2 | 39,3 | 14,3 | 26,7 | 25,5 | 33,6 | 29,6 | 39,2 | 13,0 | 21,4 | 27,0 | 22,3 |
| **Matching qualification** | 58,8 | 51,3 | 67,9 | 60,0 | 54,9 | 51,7 | 53,6 | 46,6 | 51,8 | 50,8 | 52,6 | 54,3 |

*Source:* EU-LFS 1996-2006, own calculations. Only employed persons between aged 15 to 64.

19. The ISCO classification is based on a hierarchical system combining skill prerequisites. EU immigrants in Austria, Denmark and partially in Spain and the United Kingdom have good representation in high level occupations, while in Czech Republic and France medium and low skill jobs are above the average. In the United Kingdom non-EU immigrants have very high shares in high skill jobs, but for Austria and Spain these shares are strikingly low. Moreover, we find Austria, Spain and Denmark with about one third share in the lowest occupational group. The Czech Republic has the largest share in Assemblers within the selected countries. These countries seem to experience mainly lower class immigration in contrast to United Kingdom or Denmark who attract highly skilled persons.

20. The qualification match creates a link between the aforementioned education and occupation levels. A recent study by the OECD (2008) suggested that in many OECD countries migrants have on average higher educational levels but are more often overqualified in their current occupation. Our calculations yield mixed results. Overqualification is a relevant phenomenon to all observed countries, for native born citizens rates vary between 19% (Denmark) and 25% (Czech Republic and France). However, a significant gap exists between EU immigrants with rates from 17% (Spain, Austria) to 35% (France) and non-EU immigrants with lower rates (9% in Austria up to 28% in France). Only in the United Kingdom rates do not differ a lot. Particularly low shares are assigned to non-EU immigrants in Austria, which may be explained by the low number of high-skilled persons. In contrast, France and United Kingdom face higher overqualification rates than their native counterparts. We may assume that due to a relatively large share of highly skilled workers competition for matching jobs is more intense, forcing some to accept occupations below their educational level. Moreover, underqualification is widely spread for immigrants of both types. Values for non-EU immigrants range from 21% (France) to 39% (Austria), while EU immigrants are better off with values between 13% (France) to 30% (Spain). These figures exceed the shares of natives substantially (10% in Czech Republic to 23% in Spain). The comparisons illustrate that the selected countries come up with

distinctive patterns of educational (mis-)match. Nonetheless, as a common ground, about half of all immigrant employees have an occupation that matches their educational attainment among all countries and migrant types.

**Table 4: Employment characteristics for natives and migrants in 2006**

| | AT | CZ | DK | ES | FR | UK |
|---|---|---|---|---|---|---|
| ACTUAL WORKING HOURS | | | | | | |
| **Natives** | 34,4 | 38,5 | 29,7 | 35,0 | 31,5 | 31,7 |
| **EU** | 33,0 | 38,8 | 29,9 | 35,1 | 31,3 | 33,3 |
| **non-EU** | 33,1 | 42,7 | 27,8 | 37,1 | 30,9 | 33,3 |
| FIRM SIZE: UP TO 10 EMPLOYEES (SHARE) | | | | | | |
| **Natives** | 32,0 | 27,1 | 22,3 | 35,8 | 29,3 | 20,2 |
| **EU** | 33,3 | 21,3 | 19,6 | 42,0 | 40,0 | 17,6 |
| **non-EU** | 6,0 | 15,0 | 7,1 | 15,8 | 18,6 | 0,6 |
| FIRM SIZE: 50 PERSONS OR MORE (SHARE) | | | | | | |
| **Natives** | 39,8 | 41,4 | 46,7 | 35,5 | 45,4 | 51,4 |
| **EU** | 39,2 | 48,9 | 52,2 | 25,9 | 36,4 | 53,1 |
| **non-EU** | 40,8 | 35,0 | 46,5 | 23,6 | 44,0 | 53,4 |
| UNEMPLOYMENT RATE | | | | | | |
| **Natives** | 5,5 | 7,0 | 4,4 | 7,6 | 11,0 | 5,7 |
| **EU** | 7,0 | 7,4 | 8,0 | 7,3 | 6,5 | 6,3 |
| **non-EU** | 12,3 | 9,1 | 8,8 | 11,6 | 20,4 | 9,1 |
| UNEMPLOYMENT RATE OF HIGHLY SKILLED PERSONS | | | | | | |
| **Natives** | 1,9 | 2,3 | 3,1 | 5,7 | 6,3 | 2,5 |
| **EU** | 4,5 | 0,0 | 3,7 | 8,4 | 9,1 | 2,8 |
| **non-EU** | 8,3 | 10,0 | 7,0 | 10,5 | 14,6 | 4,3 |
| EMPLOYMENT RATE OF YOUNG PEOPLE (15-24) | | | | | | |
| **Natives** | 55,1 | 27,6 | 65,7 | 38,3 | 30,0 | 52,0 |
| **EU** | 51,9 | 42,9 | 50,0 | 54,4 | 30,7 | 61,5 |
| **non-EU** | 47,1 | 16,7 | 51,2 | 48,2 | 18,0 | 37,8 |
| SHARE OF EMPLOYED WITH SECOND JOB | | | | | | |
| **Natives** | 4,5 | 2,2 | 10,2 | 2,5 | 3,5 | 3,8 |
| **EU** | 4,1 | 1,8 | 11,5 | 2,5 | 7,6 | 4,1 |
| **non-EU** | 2,3 | 0,0 | 9,6 | 4,0 | 3,7 | 2,6 |
| SHARE OF EMPLOYED WITH TEMPORARY CONTRACT | | | | | | |
| **Natives** | 9,1 | 7,8 | 8,7 | 29,2 | 13,8 | 4,9 |
| **EU** | 10,2 | 17,0 | 11,1 | 35,7 | 11,0 | 10,1 |
| **non-EU** | 7,8 | 23,5 | 12,3 | 55,5 | 16,8 | 10,3 |
| PART-TIME RATE | | | | | | |
| **Natives** | 21,2 | 4,4 | 22,8 | 11,9 | 16,9 | 25,0 |
| **EU** | 20,2 | 6,5 | 27,8 | 14,4 | 19,4 | 21,7 |
| **non-EU** | 24,7 | 5,3 | 19,6 | 14,6 | 21,1 | 20,5 |

*Source:* EU-LFS 1996-2006, own calculations. Only employed persons aged 15 to 64.

21. The statistics in table 4 attempt to cover further aspects of work-life. For a start, concerning working hours (per week), large differences do not emerge among natives and migrants, but rather across countries. Overall average suggests a slightly higher work pensum per week.

22. The next two blocks consider the firm size of employed persons. For small firms EU immigrants achieve high values in Spain and France in contrast to a low figure for United Kingdom and others being close to natives shares in enterprises with ten or less employees. Non-EU immigrants face a completely different situation with significantly lower representation, particularly for Austria and the United Kingdom. These results are striking and encourage further research, which is unfortunately beyond the scope of this article. Large firms' shares do not deviate to the same extent and Spain provides low shares for both types of migrants.

23. Concerning comparison of unemployment rates by migration status, rates for non-EU immigrants are fairly higher compared to natives, yet, for EU immigrants the results are less clear cut. Denmark's rate is twice as high as for natives, while other countries indicate

similarities to natives. In France and Spain they even fall below the rates of natives. Unemployment displays even broader gaps between natives and migrants with high educational attainment. On average non-EU immigrants' unemployment rates are nearly three times higher. Another general observation is that EU immigrants are closer to the natives' rates though being significantly higher. In Spain and France this rule only partially applies, where EU immigrants are on equidistance to natives and non-EU.

24. Employment of young people has raised a lot of attention in recent years. The employment rate of young persons aged between 15 and 24 differs considerably among the examined countries, with apparently low rates in Czech Republic, France and, slightly better, Spain. Except for Spain, young non-EU immigrants face lower employment rates compared to natives which is acutely the case for France with only 18% being employed. Furthermore noticeable are the higher rates for young EU immigrants compared to natives in Czech Republic[8], Spain and the United Kingdom.

25. As regards the second jobs of the employed, there is a tendency for higher shares of people with second job for natives with exception for Spain. In several cases EU immigrants represent the group with the highest shares. Additionally, Denmark stands out with generally very high second job rates compared to the other countries.

26. The incidence of temporary contracts also contributes to national labour market structures. Statistics in table 4 reveal evident differences. Particularly Spain exceeds all other countries by large margin with values ranging from 29% for natives to 51% for non-EU immigrants. In general this group has larger shares than the others.

27. Finally, we take a look at the part-time rate of employees. Here, the structure appears to be distinctively country-specific. Austria, Denmark and the United Kingdom, have high shares followed by France. In Czech Republic part-time seems to be a comparatively small niche in the labour market. In Austria, Spain and France the part-time rates of migrants exceed those of natives, while the opposite is true for Denmark and United Kingdom.

## III. SUMMARY

28. This study has tried to highlight some aspects of labour market success of migrants in selected EU Member States. We used a broad definition of migrants by incorporating citizenship and place of birth. While large parts of the variation are among countries rather than among migration status, we found some distinctive patterns for the work situation of migrants. Some countries have low employment rates (France, Denmark), high unemployment has been particularly apparent in France, Austria and Spain. Moreover, countries like France and the United Kingdom revealed high rates of overqualification, while for other countries this does not apply. In general, for all observed countries, the situation of EU immigrants is roughly comparable with native born citizens. Exceptions to this rule concern the unemployment rates which vary significantly among countries and citizenship. In some countries EU immigrants

[8] For Czech Republic there were only few observations on EU immigrants which rendered analytical problems for displaying sub-populations. We have to be cautious interpreting results for these cases.

have even lower unemployment rates than their native born counterparts (Spain, France).

29. It can be concluded that the longitudinal analysis of this study has given indication of improved integration of persons with immigrant background in the labour market in the last ten years, yet the structure remains highly segmented.

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