

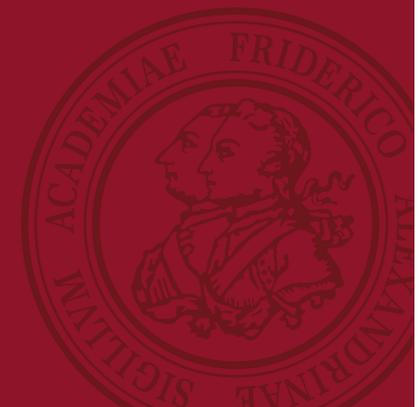
Immigrants' Labour Market Disadvantages in Western European Countries

Does the Context of Reception Matter?

Sabine Ebersperger

Andreas Damelang, Felix Stumpf

Analytische Soziologie:
Theorie und empirische Anwendungen
San Servolo
November 21, 2017



State of Research: Immigrants' Labour Market Disadvantages

Cross-country comparative research

- **Studies suggest that:**
 - Immigrants' labour market (LM) disadvantages vary across European receiving countries
 - Individual characteristics of immigrants account for part of cross-country variation
>> Effect of the composition of immigrants
 - Cross-country variation persists after controlling for individual characteristics
>> Effect of the context of reception
 - They trace variation back to institutional differences between receiving countries

(Ballarino & Panichella 2015, Büchel & Frick 2005)

State of Research: Immigrants' Labour Market Disadvantages

Effects of institutional characteristics

- **Significant differences between country clusters:**
 - Compared to conservative welfare states lower LM disadvantages
 - In liberal welfare states
 - In southern welfare states
- **Single institutional characteristics:**
 - Size of low-skilled sector
 - Strictness of employment protection
 - Integration policies
 - Vocational specificity

>> No or diverging results for single institutional characteristics

(Kogan 2006, 2007; Lancee 2016)

State of Research: Immigrants' Labour Market Disadvantages

Shortcomings of comparative research

- **Focus on selective groups of immigrants:
recent, non-Western, male, young immigrants**
>> Difficult to generalize results
- **Information on individual human capital limited**
>> Difficult to decide between effects of immigrant composition and
context of reception
- **Focus mainly on unemployment risk**
>> Only insights into one aspect of immigrant integration

Research Question

Does the context of reception matter for immigrants' labour market disadvantages in Western European countries?

Our contribution

- Comparison of immigrants' labour market disadvantages in Western Europe
 - Regarding employment chances and socioeconomic status
 - >> Allows to examine labour market entrance and positioning
 - Focus on all immigrants in countries (not a specific group)
 - >> Allows broader understanding of immigrants' LM disadvantages
- Harmonized data
 - From 9 Western European receiving countries
 - With information on skills, motivation to learn and language usage
 - >> Allows to effectively model immigrant composition

Data and Method

- **Data from the Survey of Adult Skills (PIAAC)**
 - Focus on Western European first round countries
 - Focus on adults between 25 and 65
- **Estimation of pooled models for men and women**
- **Dependent variables**
 - Employment (1 = employed; 0 = not employed)
 - Socioeconomic status (ISEI 08)
- **LM Disadvantages**
 - Migration dummy
(1 = first generation immigrant; 0 = non first generation immigrant)

Data and Method

- **Context of reception**

- Variable for country cluster that differentiates between
 - Middle & Northern European countries: Belgium, Denmark, France, Germany, the Netherlands, Norway
 - United Kingdom
 - Southern European countries: Italy, Spain

- **Composition variables**

- Human capital measures: Highest formal qualification (ISCED level), Proficiency in numeracy (10 plausible values), Native home language, Readiness to learn (Index), Years since migration (0-9 / 10+)
- Further controls: Age, Living with spouse, Children, Full-time work

- **Interaction between migration dummy and variable for context of reception**

- Reveals different LM disadvantages between country clusters

Multivariate Results: Employment

DV: Employment	Men		Women	
	No controls	Controls	No controls	Controls
Immigrant (<i>Effect for Middle & Northern Europe</i>)	-0.385 *** (-5.51)	-0.602 *** (-3.65)	-0.620 *** (-10.41)	-0.762 *** (-6.20)
<i>Interaction Effects</i>				
Immigrant * UK	0.419 * (2.05)	0.210 (0.89)	0.303 * (2.03)	-0.0658 (-0.38)
Immigrant * Southern Europe	0.261 + (1.71)	-0.0734 (-0.41)	0.791 *** (6.23)	0.606 *** (3.98)
<i>Country cluster (Effect for Natives)</i>				
UK	-0.0712 (-1.03)	0.0436 (0.56)	-0.239 *** (-4.31)	-0.160 ** (-2.60)
Southern Europe	-0.589 *** (-12.01)	-0.339 *** (-5.78)	-0.981 *** (-22.99)	-0.725 *** (-14.57)

t statistics in parentheses, weighted results

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Multivariate Results: ISEI

DV: ISEI	Men		Women	
	No controls	Controls	No controls	Controls
Immigrant (<i>Effect for Middle & Northern Europe</i>)	-7.567 *** (-10.27)	-5.161 *** (-4.67)	-8.522 *** (-10.47)	-7.863 *** (-6.99)
<i>Interaction Effects</i>				
Immigrant * UK	3.492 + (1.65)	-0.702 (-0.41)	4.502 * (2.38)	-1.579 (-1.03)
Immigrant * Southern Europe	-0.990 (-0.63)	-0.150 (-0.11)	-6.372 *** (-3.92)	-2.769 * (-2.03)
<i>Country cluster (Effect for Natives)</i>				
UK	-1.972 ** (-2.90)	-1.156 * (-2.12)	-3.298 *** (-5.33)	-1.811 *** (-3.50)
Southern Europe	-6.793 *** (-14.01)	-0.909 * (-2.28)	-4.527 *** (-8.20)	-1.015 * (-2.42)

t statistics in parentheses, weighted results

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Conclusion

Does the context of reception matter?

- Lower disadvantages regarding employment chances and occupational status in UK fully explained by immigrant composition
 - >> Immigrants in UK seem to be more qualified and skilled compared to other countries
 - >> Immigrants do not fare better in flexible / liberal labour markets per se
 - >> Indirect effect of the context of reception
- Lower disadvantages regarding employment chances and higher disadvantages regarding occupational status for women in Southern European countries not fully explained by immigrant composition
 - >> Employment in low-skilled sector leading to persisting disadvantages regarding status for female immigrants in Southern Europe

Thank you for your attention!

Contact:

Sabine Ebensperger

Chair of Sociology and Empirical Research Methods

Friedrich-Alexander University Erlangen-Nürnberg

Sabine.Ebensperger@fau.de

Appendix

Immigrant composition and context of reception in sampled countries

	Context of reception		
	Immigrant composition	LM Flexibility	Demand for low-skilled labour
Middle & Northern Europe	-	-	-
UK	+	+	-
Southern Europe	-	-/+	+

Middle & Northern Europe:

Belgium, Denmark, France, Germany, Netherlands, Norway

Southern Europe:

Italy, Spain

Appendix

Immigrant composition

Variable	UK	Middle and Northern Europe	Southern Europe
Tertiary education (in %)	54.6	34.8	17.2
Numeracy skills	236.1	234.9	227.7
Readyness to learn	2.2	1.9	2.2
Native home language (in %)	59.9	53.1	61.5
Years since migration	16.3	19.6	11.8

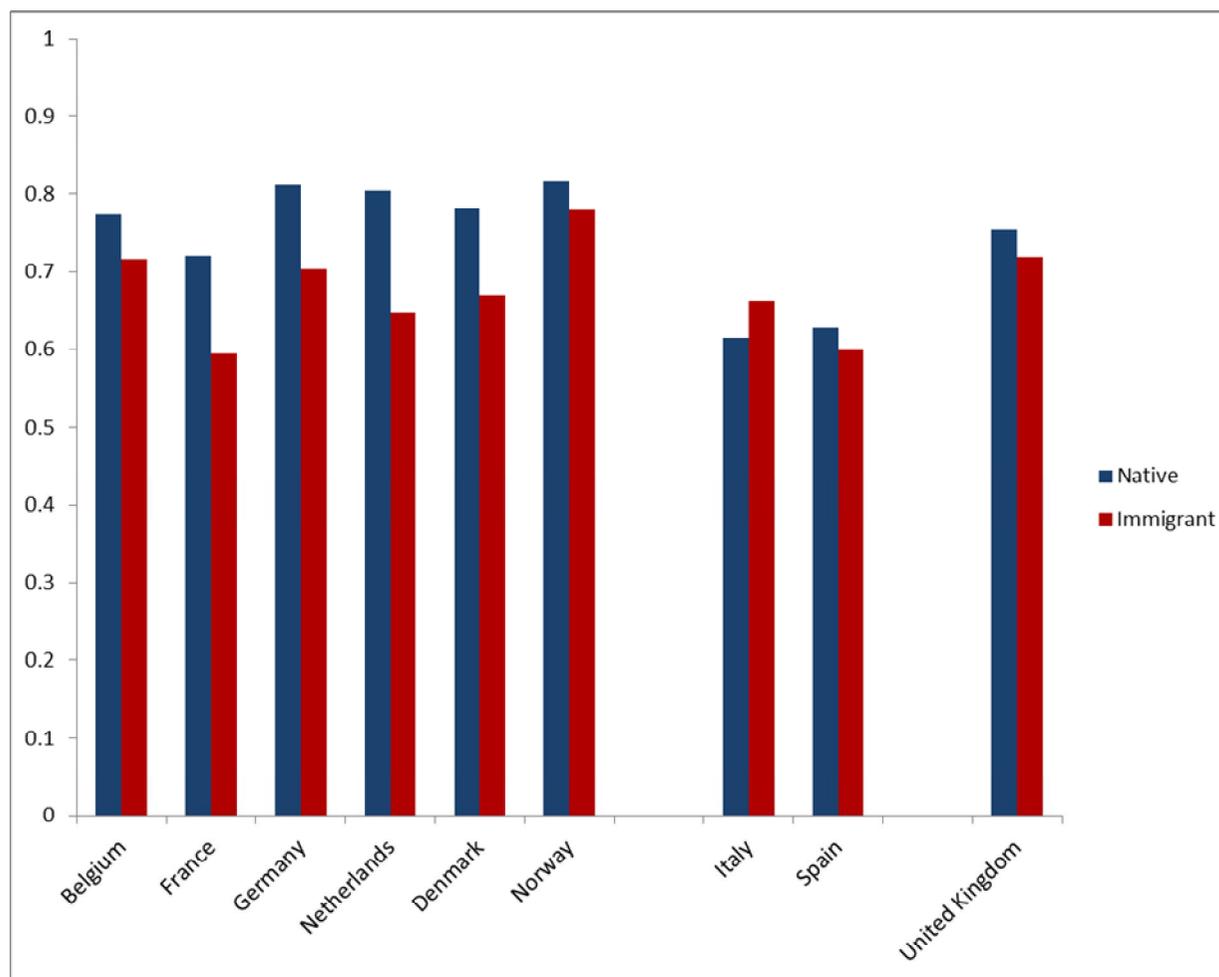
Appendix

Native composition

Variable	Middle and		
	UK	Northern Europe	Southern Europe
Tertiary education (in %)	37.5	37.0	23.4
Numeracy skills	268.2	279.5	248.0
Readyness to learn	2.1	2.0	2.1

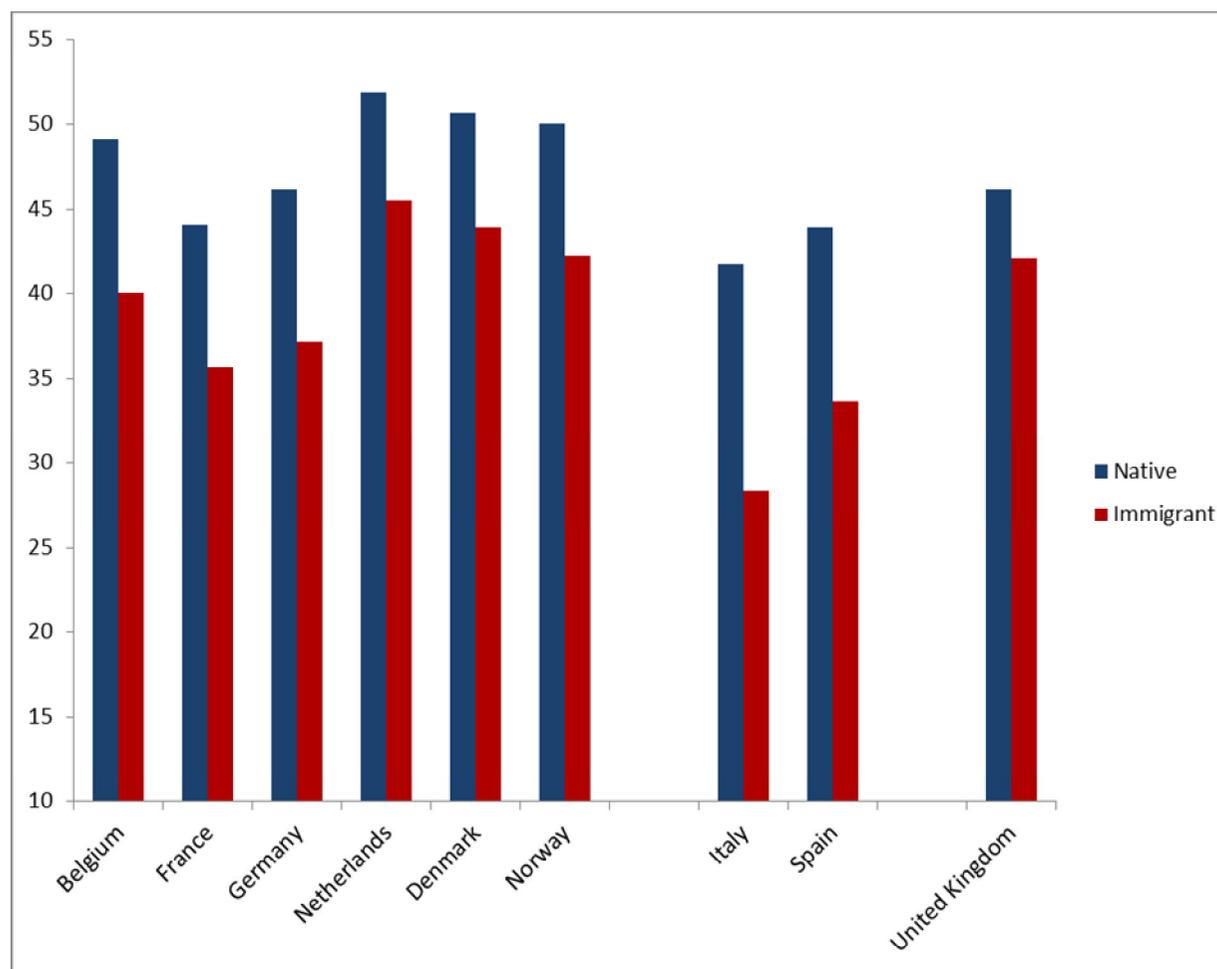
Appendix

Percentage employed of natives and immigrants



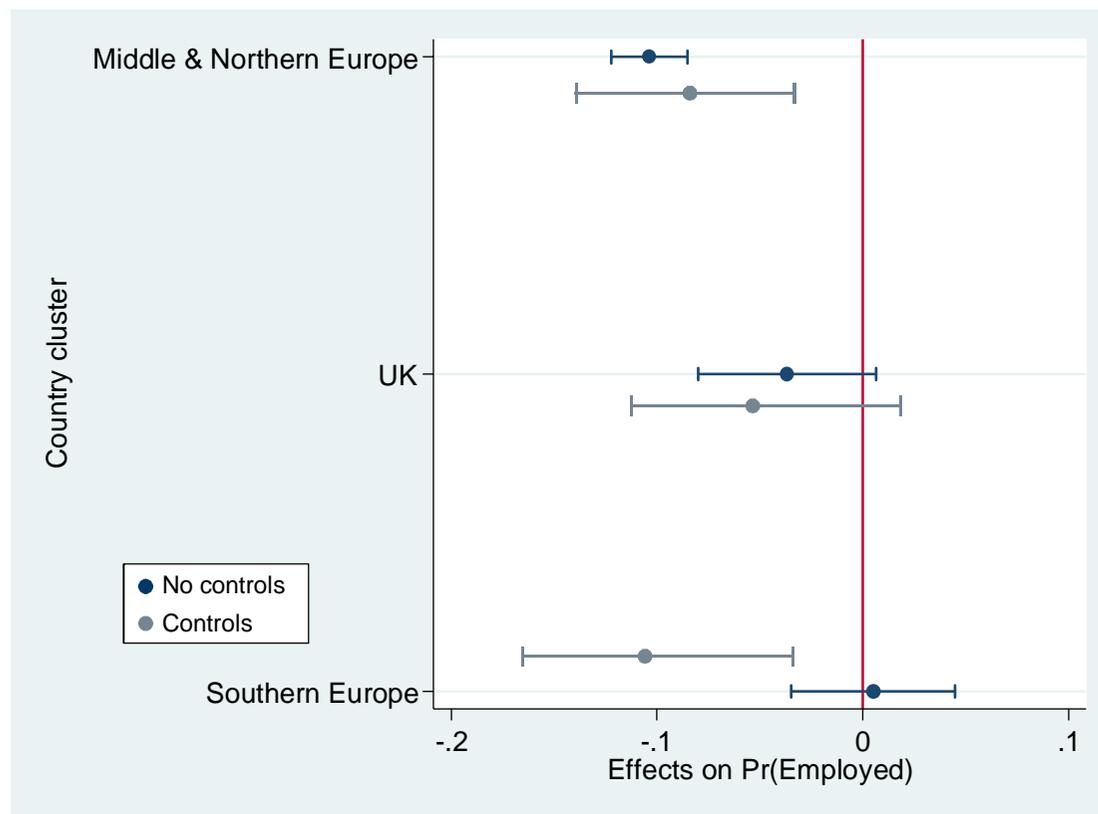
Appendix

Mean ISEI of natives and immigrants



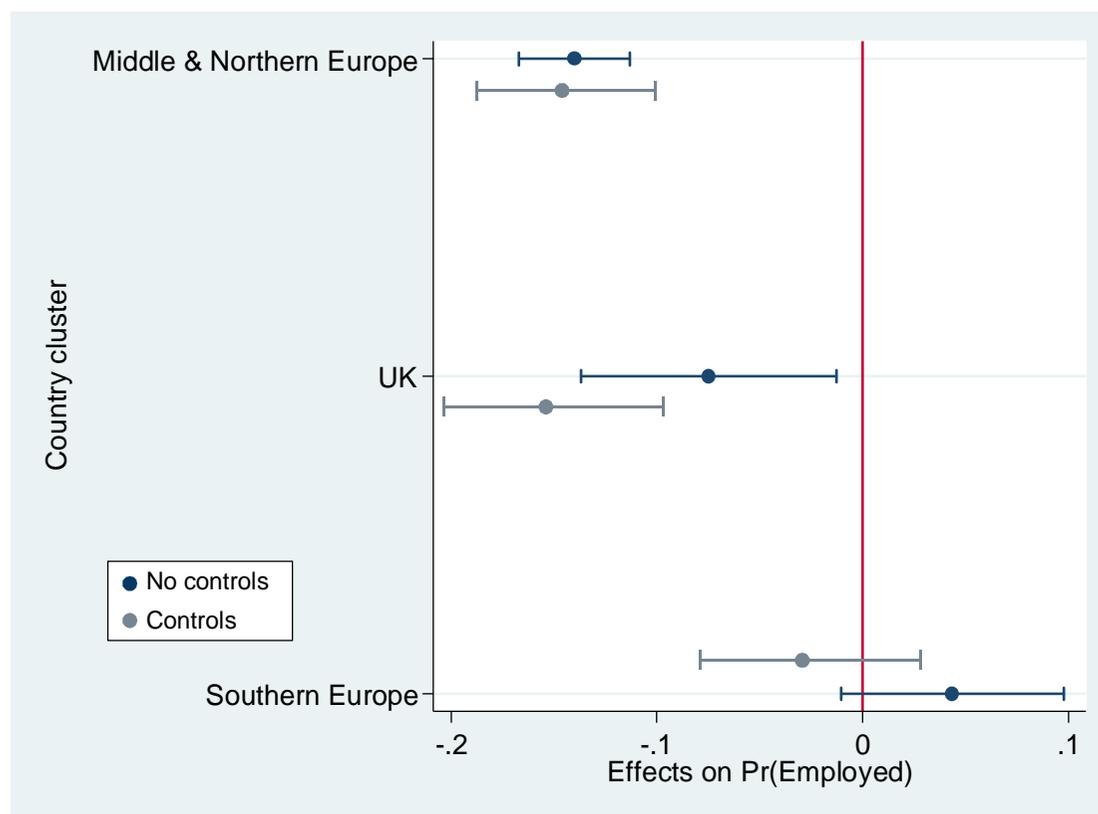
Appendix

Multivariate Results: Employment men



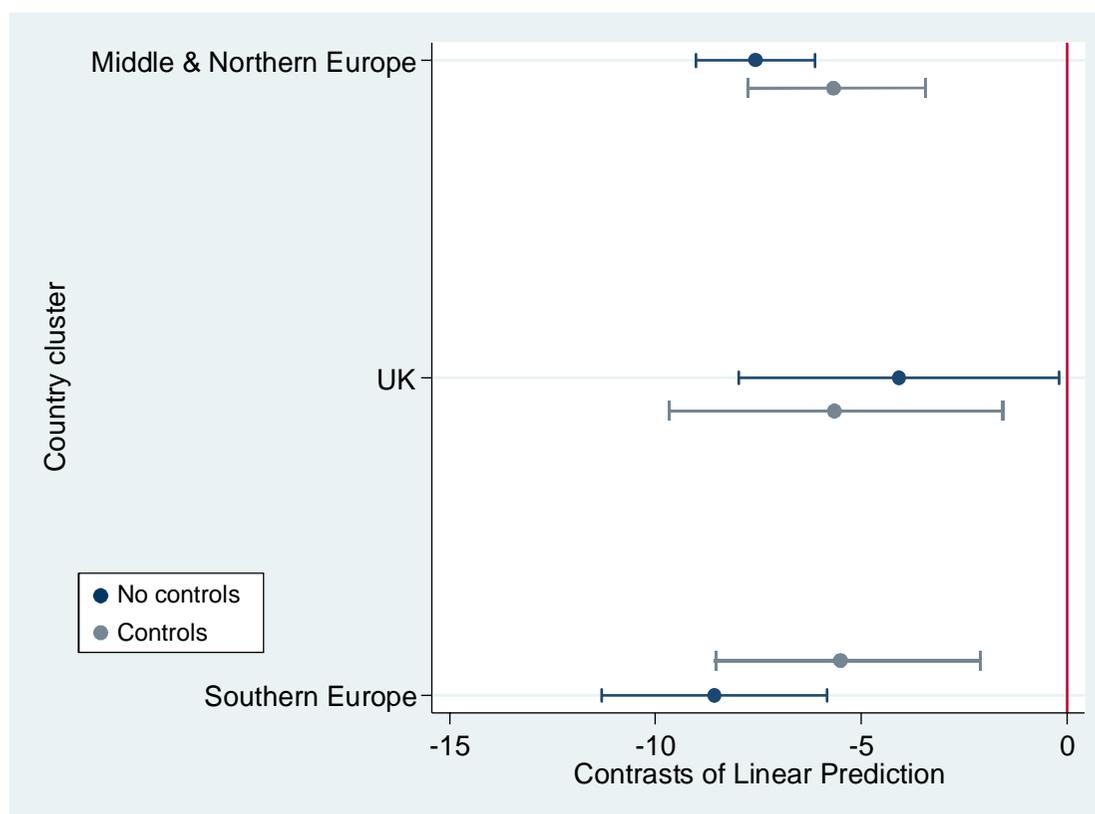
Appendix

Multivariate Results: Employment women



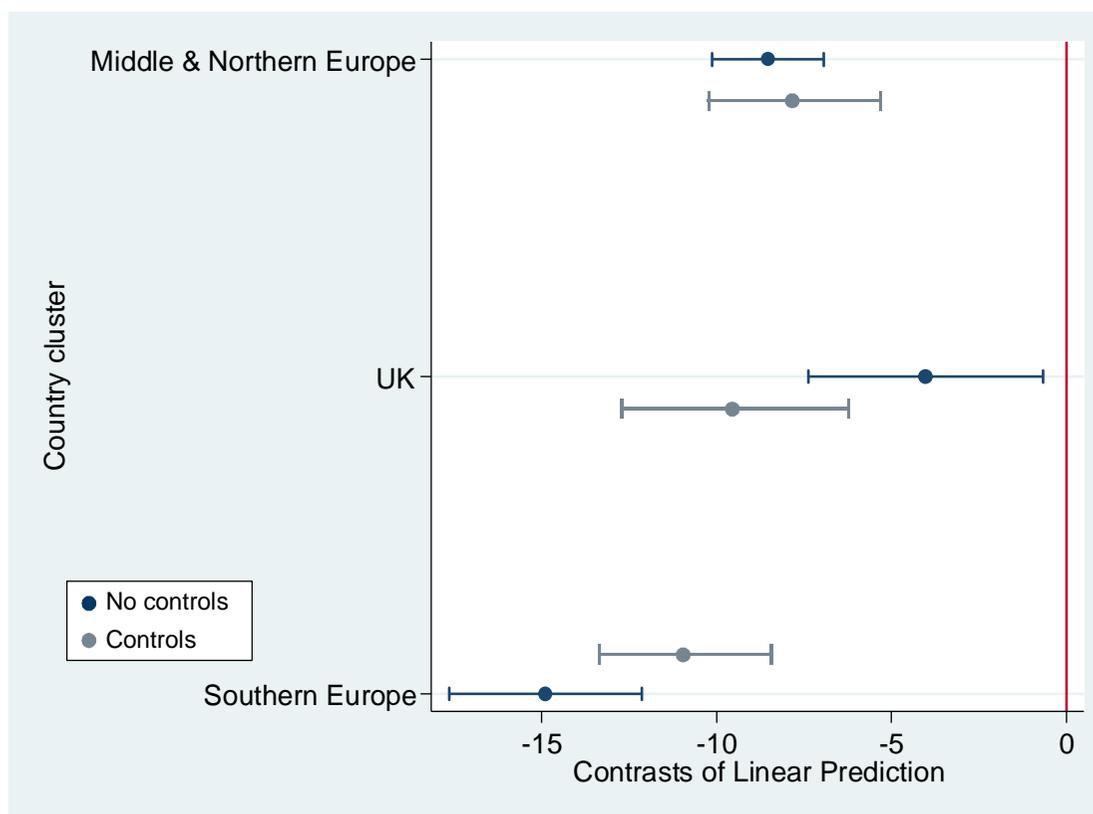
Appendix

Multivariate Results: ISEI men



Appendix

Multivariate Results: ISEI women



Appendix

Assumptions

- Cross-sectional data provide biased estimates for the duration of residence
 - Changes in the quality of immigrant cohorts
 - Changes in economic conditions
 - Selective return migration
- Assumptions
 - Unobserved characteristics of migrants are constant over time
 - Context of reception in country clusters remain constant