
MIGRANTS ON THE EUROPEAN LABOUR MARKET

Some results from the European Labour Force Survey ad hoc module 2014

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↳ **Keywords:** labour market – immigrants – migration – Europe – European Labour Force Survey

ABSTRACT

The European Labour Force Survey ad hoc module 2014 was on the topic of the labour market situation of migrants and their immediate descendants. Using the results of the survey, the labour market situation of natives, first generation immigrants, and second generation immigrants is analysed and compared on labour force status (inactive, unemployed, employed), education correlated with employment, contract types, occupations, and over-qualifications.

↳ **Schlüsselwörter:** Arbeitsmarkt – Zuwanderer – Migration – Europa – europäische Arbeitskräfteerhebung

ZUSAMMENFASSUNG

Thema des Ad-hoc-Moduls 2014 der europäischen Arbeitskräfteerhebung war die Arbeitsmarktsituation von Zuwanderern und ihren direkten Nachkommen. Anhand der Erhebungsergebnisse wird die Arbeitsmarktsituation von Einheimischen und von Migranten und Migrantinnen der ersten und zweiten Generation analysiert sowie eine Vergleichsbetrachtung hinsichtlich des Erwerbsstatus (nicht erwerbsaktiv, erwerbslos, erwerbstätig), der Bildung in Zusammenhang mit der Erwerbstätigkeit, der Vertragsarten, Berufe und Überqualifikationen vorgenommen.



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1

Background

This article will present the situation and opportunities on the labour market of first and second generation immigrants in Europe in 2014.

The European Labour Force Survey (LFS) ad hoc module 2014 was on the topic of the labour market situation of migrants and their immediate descendants. It was carried out on persons aged 15 to 64, with more in-depth questions for migrants, in 27 countries in the European Statistical System (25 EU countries, plus Norway and Switzerland). Denmark, Ireland, and the Netherlands did not carry out the survey. Three distinct population groups will be analysed: natives, first generation immigrants, and second generation immigrants. In this article this grouping will be referred to as migration status. A wide range of results are published on the Eurostat data base home page (Eurostat a), of which some will be presented in this article.

Migration status

The derived variable [migrant status](#) is based on country of birth. In this article [first generation immigrant](#) means a person who lives in a country where he or she was not born. [Second generation immigrant](#) means a person who lives in the country where he or she was born, but at least one of his or her parents was/were first generation immigrant(s). [Natives](#) are defined as persons who live in the country where they were born and both of their parents were also born in that country.

Please note that this survey was done only on the resident population living in private households in 2014. This means that [no refugees](#) from the current situation are represented in the data.

Further details on the technical aspects of the survey are available in its Evaluation report (Eurostat b). Full technical descriptions of sampling and variables from the core LFS are accessible at Eurostat c.

All figures in this article come from the European Labour Force Survey 2014, combining data from the core survey and the ad hoc (supplementary) survey, and all of the figures are published in the Eurostat online data base.

2

Migration status groups and their sizes

Figure 1 shows the absolute and the relative size of the group of first generation immigrants in each country. We clearly see that the situation varies substantially across the participating countries: from less than 1% (Romania, Poland, and Bulgaria) to almost 50% (Luxembourg) of the total population in the country. In absolute numbers the first generation immigrant population stretches from 12,400 (Romania) to 8,378,500 (Germany).¹

Five quite distinct groups of countries plus two clear outliers are appearing in the figure. Germany and the United Kingdom, by virtue of having large absolute total populations, also have large absolute immigrant populations, which corresponds to around 15% of the total population for each of them. At least for the population covered by this survey (persons aged 15 to 64, living in private households), close to 40% of the first generation immigrants in Europe live in Germany or the United Kingdom. Italy, France, and Spain, having fewer people in general, also have a lower absolute number of immigrants, but are comparable to Germany and the United Kingdom on the proportion of the population. The next group, consisting of Belgium, Sweden, Austria, Norway, and Cyprus, are also more or less comparable in proportional size, but obviously have a notably lower amount of persons. The following group, Portugal, Greece, Croatia, Malta, Latvia, Slovenia, and Estonia, have about 10% of their population as first generation immigrants, and all are well under 1 million persons. The final group has practically no first generation immigrants, and consists of Poland, Bulgaria, Hungary, Lithuania, the Czech Republic, Finland, Romania, and Slovakia. In addition we see Switzerland as an outlier and Luxembourg as an extreme outlier.

Most countries have shifted downward and to the left in the figure when we look at second generation immi-

1 In figures 1 and 2 the following abbreviations have been used for countries: AT Austria, BE Belgium, BG Bulgaria, CH Switzerland, CY Cyprus, CZ the Czech Republic, DE Germany, EE Estonia, EL Greece, ES Spain, FI Finland, FR France, HR Croatia, HU Hungary, IT Italy, LT Lithuania, LU Luxembourg, LV Latvia, MT Malta, NO Norway, PL Poland, PT Portugal, RO Romania, SE Sweden, SI Slovenia, SK Slovakia, UK United Kingdom.

Migrants on the European labour market

Figure 1
Population size first generation immigrants
 % of total population aged 15 to 64 in the country and millions of persons



Persons aged 15 to 64.

Source: Eurostat online data base table "Population by sex, age, migration status and citizenship" (lfsa_14pciti), European Labour Force Survey ad hoc module 2014

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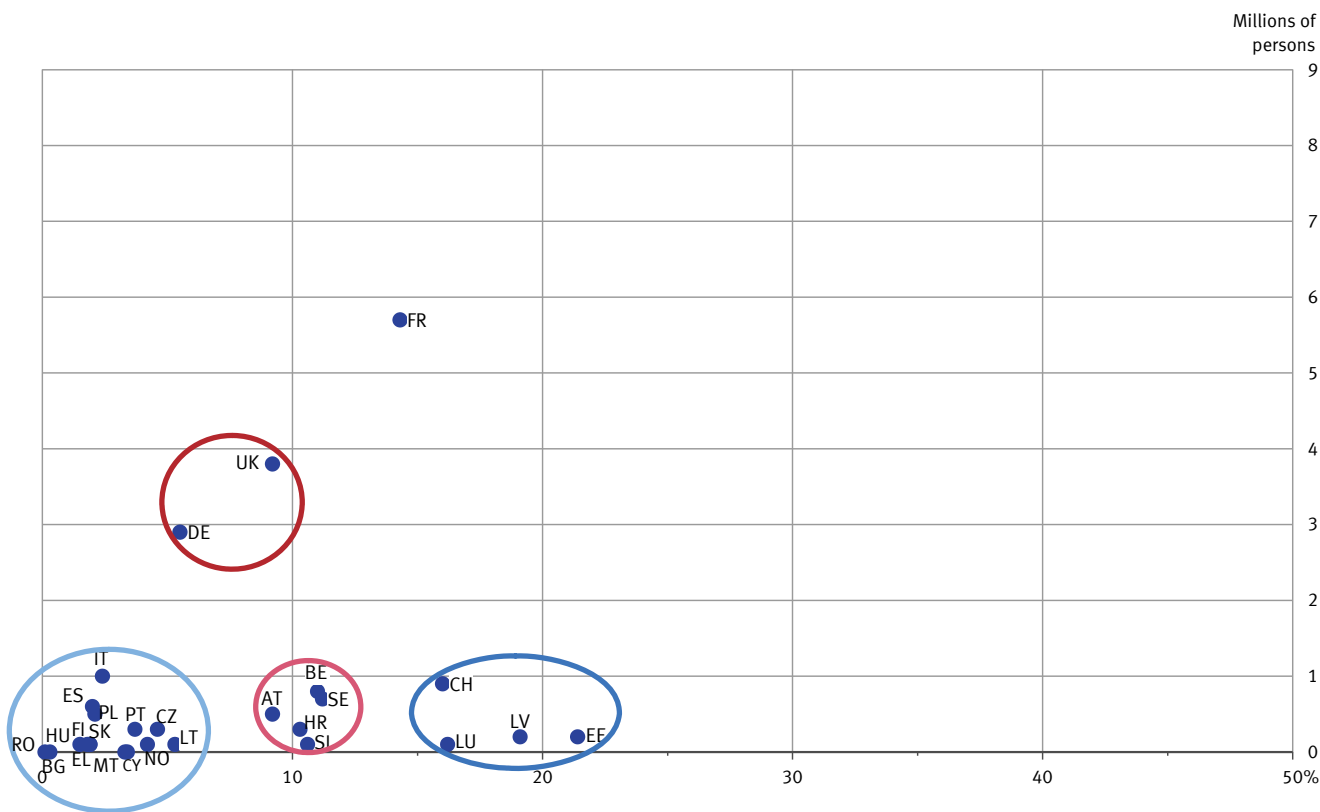
grants (figure 2), compared to first generation immigrants in figure 1. That is, the size of the second generation immigrant population is in most cases smaller than the first generation immigrant population. Some of the decrease could be an effect of the age filter of the survey.

We have four quite clear groups of countries, plus France as an outlier, with the top group from figure 1 disappearing, and the outliers on the right hand side of the former figure also gone. Germany and the United Kingdom are still grouped together, near the top, but now overtaken by a clear margin by France on both measurements. Latvia and Estonia have moved upwards, and in contrast Luxembourg and Switzerland have a noticeable downward movement, now grouping these four together in the high teens or low twenties. We find one further

group at around 10 % and additionally one major cluster at around 5 % or lower. [↪ Figure 2](#)

Comparing the two figures we find that in 19 of the 27 countries, the second generation immigrant population is equal to or smaller than the first generation immigrant population. In the remaining eight countries the proportion increases, but only in four of them (Estonia, Latvia, France, and Croatia) are the sizes of the second generation immigrant population such that they have an impact on the labour market. For instance, in Poland the increase is seven fold, but still only up to 2.1 %, so not really important for the labour market at large.

Figure 2
Population size second generation immigrants
 % of total population aged 15 to 64 and millions of persons



Persons aged 15 to 64.

Source: Eurostat online data base table "Population by sex, age, migration status and citizenship" (lfsa_14pciti), European Labour Force Survey ad hoc module 2014

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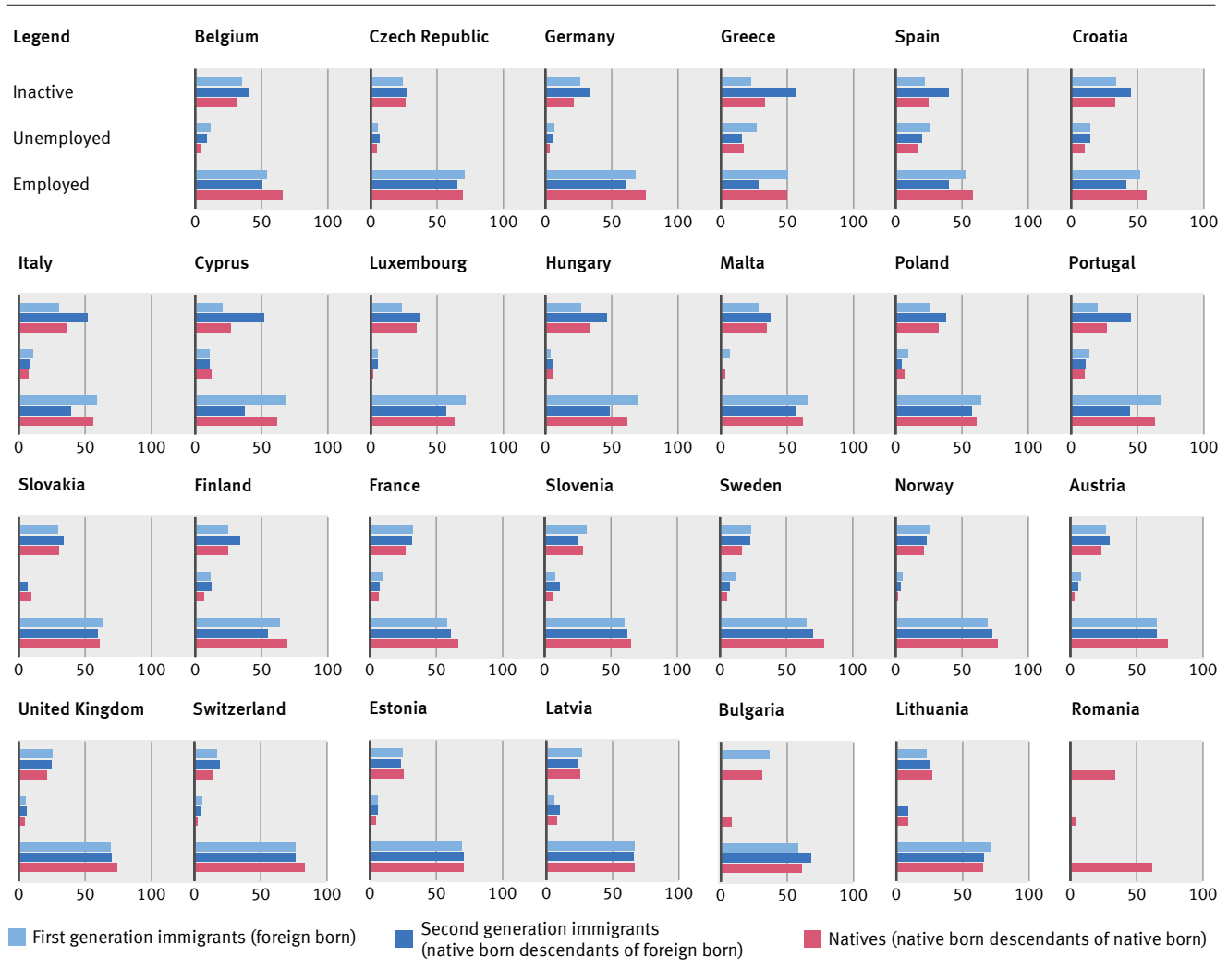
Labour force status

The first step in looking at labour market outcomes for migrants is done in [figure 3](#). This figure compares the labour force status (inactive, unemployed, employed), one of the cornerstone concepts for labour market statistics, across all countries and the three migration statuses (first generation immigrant, second generation immigrant, native). We see that there are four main groups of countries (and an additional three countries which do not look like anyone else). The clearly largest group (Belgium through Finland) is larger than all the other groups together, and is therefore the dominant situation. This will therefore be commented on more thoroughly than

the other cases. For this group, looking at the distribution of employed persons across their migrant status, we find that second generation immigrants are less likely to be employed than both first generation immigrants and natives (with graph bar shape forming something like a horizontal H for these countries). There are of course differences in degrees of this tendency, with Greece and Cyprus on one end of the spectrum, and Slovakia on the other end, but the situation is clearly observable for all of these countries: regarding the chance to have a job, children of immigrants are worse off than their parents in a majority of the EU countries. The other main finding for this group is that the probability of being employed is almost equal for natives and first generation immigrants, with some countries even showing higher rates of being in employment for first generation immigrants than for natives.

Migrants on the European labour market

Figure 3
Labour force status by migration status
in %



Proportion of the migration status group. Persons aged 15 to 64.

Source: Eurostat online data base table "Labour status distribution of the population by sex, age, migration status and educational attainment level" (lfso_14le), European Labour Force Survey ad hoc module 2014

2016 - 01 - 0573

The second largest group, consisting of France, Slovenia, Sweden, and Norway, shows a cascade pattern for the employed, that is, natives are more likely than second generation immigrants to have a job, and the first generation immigrants are the least likely to have a job. This would perhaps be the situation one intuitively would expect to be the most usual, but in fact it is not.

The second smallest group (Austria, the United Kingdom, and Switzerland) shows no difference in employment between first and second generation immigrants, but they are somewhat lower than for the natives.

Finally, the group of Estonia and Latvia shows an equal employment situation between all the three population groups.

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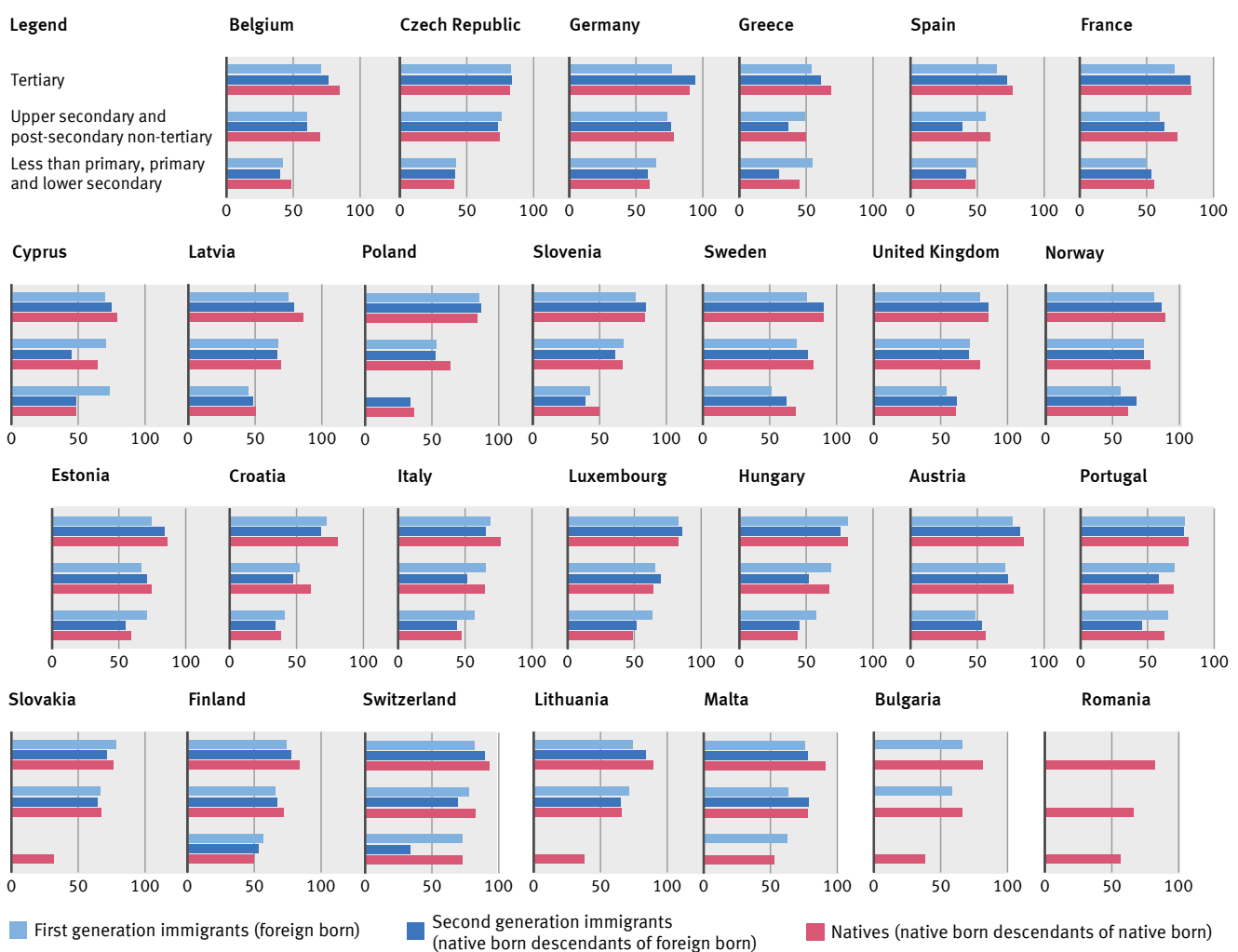
Education and employment

Figure 4 shows to what extent education influences the employment rate, or in less abstract terms, in what way a person’s level of education increases or decreases his or her chances of having a job. The major finding, quite clearly, is that increased education increases employment rate, for all migration status groups and all

countries. However, we are also interested in looking at if increased education influences the relative chances of the migrants: does education level influence the employment rate gap between the migrant status groups?

Please note that since the standard in Eurostat for analysis of employment rates is on persons aged 20 to 64, the age group in the subsequent figures has changed, compared to figures 1 through 3.

Figure 4
Employment rate by migration and education
in %



Persons aged 20 to 64.

Source: Eurostat online data base table "Employment rate by sex, age, migration status and educational attainment level" (lfsa_14lemp), European Labour Force Survey ad hoc module 2014

2016 - 01 - 0574

Regarding the second generation immigrants, we find two major groups of countries when grouped to look for this trait. The first and largest group in figure 4, Belgium through Norway, shows a relative improvement on the labour market for second generation immigrants with increasing education. Slovenia is where this effect is most easily seen: from being the most disadvantaged group on the labour market for both the low and the middle educational level group (by having the lowest employment rate), highly educated second generation immigrants have the highest employment rate of all. We also see the same outcome, if not the same starting point, in for instance Germany, with the second generation immigrants being the top group for the employment rate when they have high education.

The second group, Estonia through Switzerland, has the general trait of less or no relative improvement with increased education; although the employment rate increases with increased education, the relation between the migration status groups is less affected. We see this clearly in for instance Croatia and Italy, where the horizontal H pattern (meaning that the second generation immigrants always come out last) stays, no matter the education level. This is also visible, but to a smaller degree, for Portugal and Slovakia. Austria shows a different general pattern (rather a cascade than an H), but the main point remains: the pattern is similar across all education levels. Luxembourg is the odd case out here, also with a constant pattern over two educational levels, but with the second generation immigrants remarkably on the top of both of them. The group of Lithuania and Malta shows a falling relative equality for the second generation immigrants with increased education. Bulgaria and Romania do not have good enough data for any meaningful analysis.

For the first generation immigrants, we see that their employment rate, relative to the other groups, either shifts downwards with increased education, or stays the same. This is partially an effect of the rather low employment rate of natives with low education.

The conclusion is that improved education improves the employment rate, but only in half of the countries does it contribute to closing the relative employment rate gap between second generation immigrants and natives. For first generation immigrants the situation is the opposite: in half of the countries improved education has little or

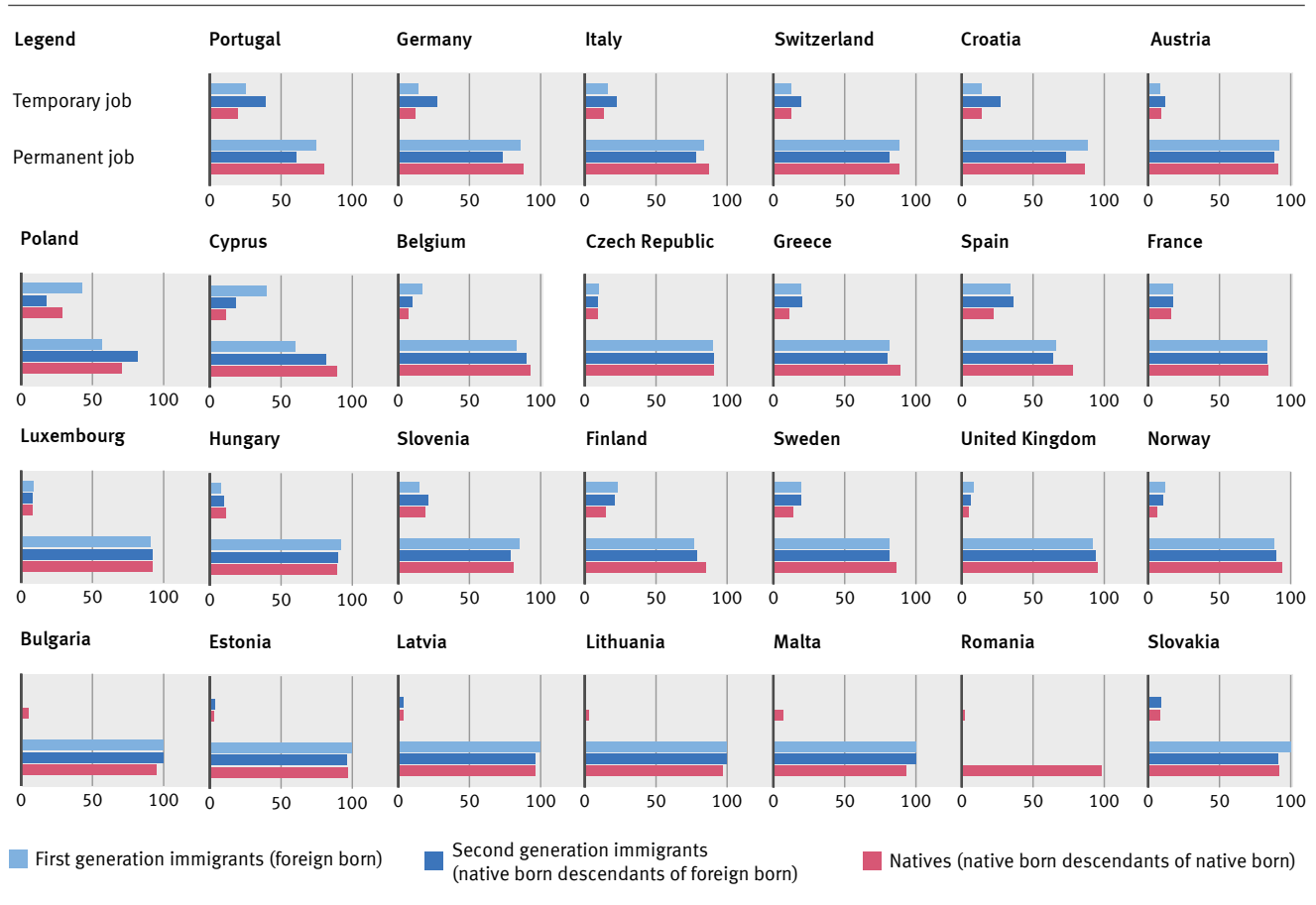
no effect on the relative gap, and in the other half of the countries the gap grows with increased education.

5

Contract types

Another aspect of work integration is the permanency of the job. Regarding temporary or permanent jobs, the situation is more egalitarian than one perhaps would think. In [figure 5](#) on page 62 we see that there are four groups of countries (one of which is “not publishable results for all breakdowns”). The largest group, the eleven countries of Czech Republic through Norway, shows no meaningful difference between the population groups, which means that having a temporary contract is not correlated with being a migrant. In nine countries we do however find another situation; in three of these (Poland, Cyprus, and Belgium) the first generation immigrants are more exposed to temporary contracts, and in the remaining six (Portugal to Austria), it is the second generation immigrants who are most likely to not have permanent jobs. In the remaining countries we do not have enough data to make any conclusions. In conclusion, there is no single pattern regarding migration status and contract types.

Figure 5
Contract types by migration status 2014
 in %



Employees, Persons aged 20 to 64.

Source: Eurostat online data base table "Employment by migration status, professional status, type of contract and full/part time" (ifso_14lemp), European Labour Force Survey ad hoc module 2014

2016 - 01 - 0574

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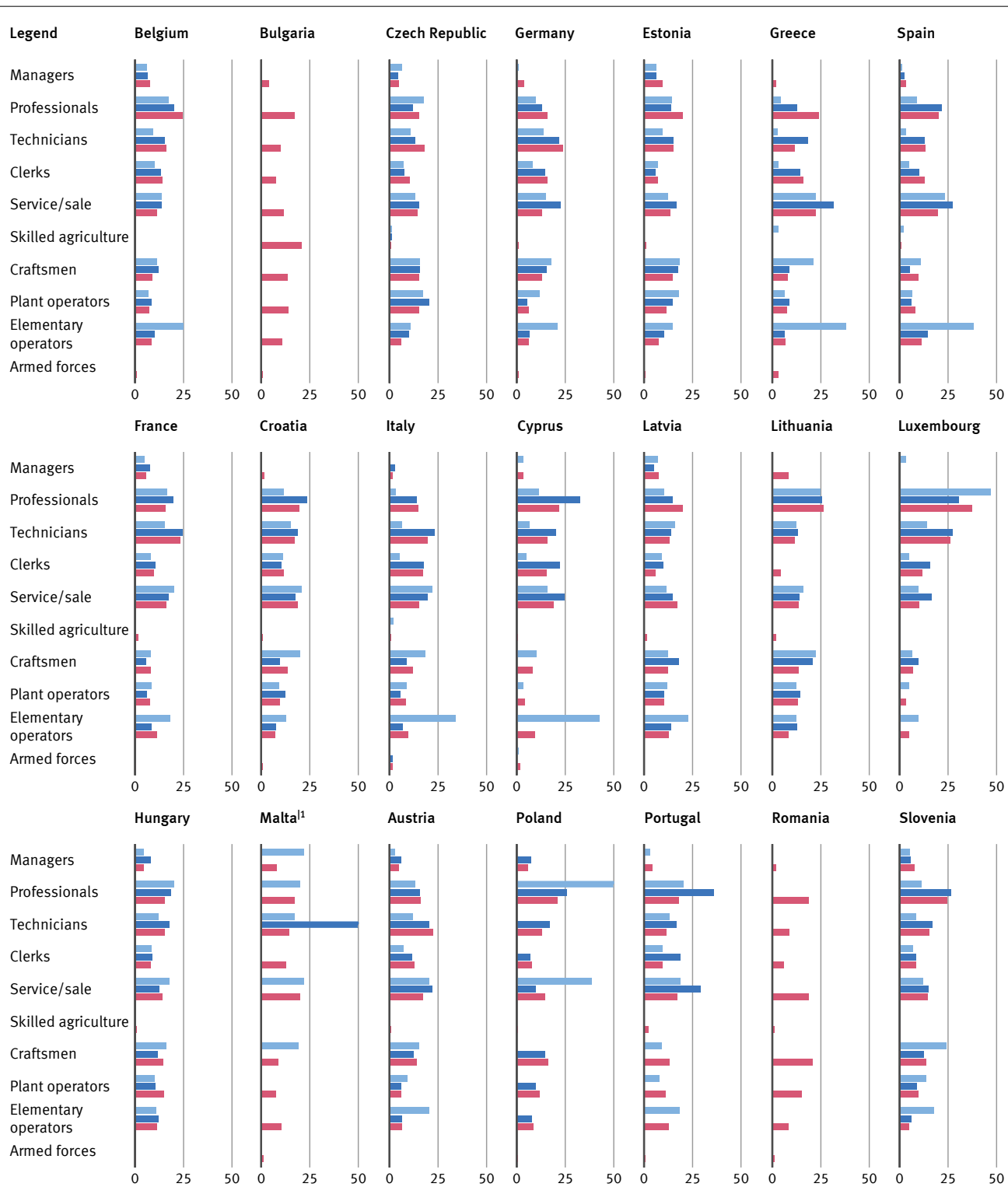
Occupations

Yet another aspect of labour market integration is what kind of occupations migrants end up in. An equal chance of finding a job (that is, similar employment rates) would have been a start, but if second generation immigrants predominantly end up in elementary occupations and the natives as professionals this would be a clear indication of an underlying inequality of some sort. [↪ Figure 6](#) presents the occupation structure, split on migration status, for each country. Please note that the figure only contains employees, that is, self-employed

and family workers are not included. In contrast to the former figures, the countries are not sorted by any one pattern in the data, but rather on the EU protocol order. This is because individual countries belong to more than one group, due to the detailed breakdown of ten occupation groups by three migration status groups, and we will analyse more than one data pattern in this chapter. Please note that due to small immigrant population sizes in some countries, a full breakdown for all occupation codes is not possible for all countries (denoted as missing bars). All countries are included in the figure, in order to illustrate the population size issue, but for instance Bulgaria and Romania will not be commented on further here, because the data do not allow drawing any conclusions on their immigrant populations' occupations.

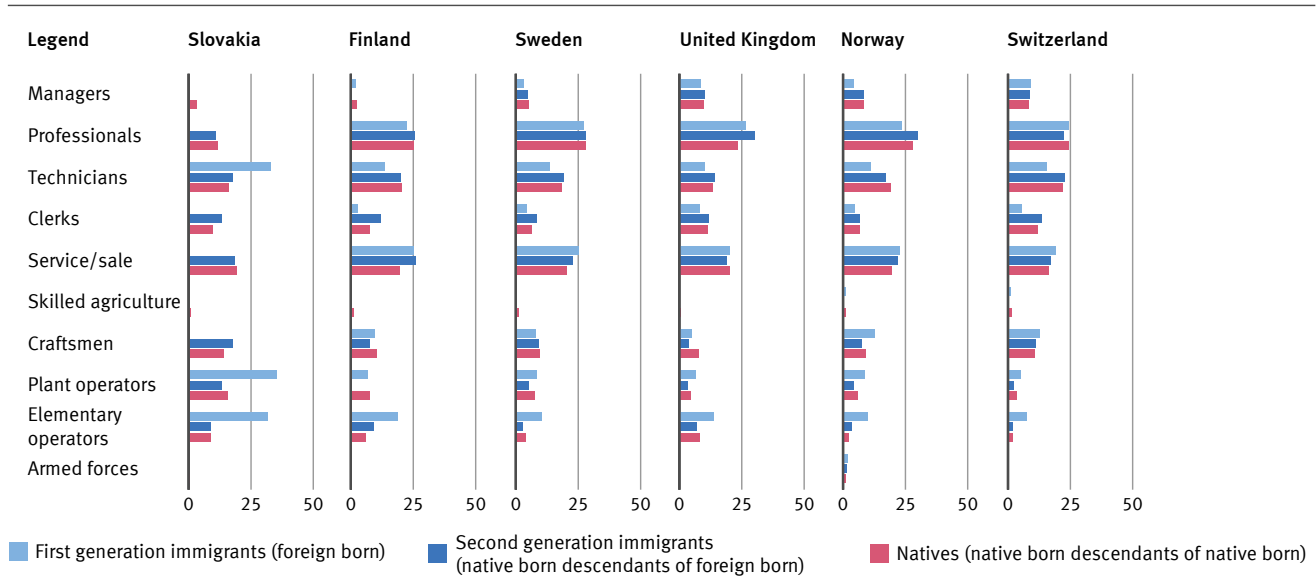
Migrants on the European labour market

Figure 6
Occupations by migration status 2014
in %



2016 - 01 - 0575

Figure 6 (continued)
Occupations by migration status 2014
in %



Employees aged 20 to 64.

1 Malta population size and dissemination thresholds means that the result for 2nd generation is artificially high.

Source: Eurostat online data base table "Employees by migration status, educational attainment level, occupation and working time" (lfsa_14leeow), European Labour Force Survey ad hoc module 2014

2016 - 01 - 0575

We will start by comparing the countries on the distribution of their elementary occupations. The International Labour Organization (ILO) lists cleaning, delivering goods, hand-assembling of components, and packing by hand as concrete examples of what occupations this group contains (International Labour Organization, 2004). The first generation immigrants are, as expected, over-represented in elementary occupations in most of the 27 countries. Hungary and Lithuania are exceptions. The degree of the over-representation varies (compare for instance the Czech Republic to Cyprus), and the importance of the elementary occupations in the country vary (for instance Latvia versus Switzerland), but the overall pattern is quite clear.

When looking at second generation immigrants in elementary occupations, the picture is however different: they are actually the smallest group in nine countries (Greece, France, Italy, Austria, Poland, Slovakia, Sweden, United Kingdom, and Switzerland), and within 25% of the natives in another seven (Belgium, Germany, Spain, Croatia, Latvia, Hungary, and Slovenia). That means that there is no dominant situation here for them.

For the occupational group service/sale, which means for instance restaurant services workers, personal care workers, and shop salespersons, we find that the second generation immigrants are the largest group in eleven countries, the smallest group in five countries, but mostly with rather small differences between the migration status groups.

For the professionals we only find the cascade pattern (natives outnumbering second generation immigrants, and second generation immigrants outnumbering first generation immigrants) in four countries, those being Belgium, Germany, Greece, and Latvia. In fact, we find that equality between natives and second generation immigrants is more prevalent (Spain, Italy, Austria, Slovakia, Finland, and Sweden) than an unfavourable position for them. One of the most surprising findings is that the second generation immigrants are disproportionately highly represented among the professionals in 11 of the 27 countries (Spain, France, Croatia, Cyprus, Lithuania, Portugal, Slovenia, Finland, Sweden, United Kingdom, Norway), and furthermore that they don't fall markedly behind (horizontal H pattern) anywhere. Only three countries show them to lag a little bit behind, and

two of these three countries (Luxembourg and Switzerland) have a very large and unusually highly skilled first generation immigrant population, which distorts the measurement.

Overall, the first generation immigrants are working in lower level occupations, whereas the second generation immigrants who have a job are somewhat over represented in the higher level occupations.

7

Self-perceived over qualification

The survey also included a subjective measurement of how over qualified the respondents felt to be in the current job. Such questions are more susceptible to cultural differences between countries than for instance counting persons in occupational groups, and should therefore be interpreted with more care, especially when comparing countries to each other, but it gives some information about the sentiment in the migrant groups. This is presented in [figure 7](#) on page 66, as slope charts for some selected countries. The charts compare natives to first generation immigrants and natives to second generation immigrants, controlled for education. On the left hand side is the rate of self-perceived over qualification of natives, with one data point each for the three education level groups. On the right hand side we find the corresponding number for the migrants, split on the two migrant groups, giving six data points. The lines between the points show the relationship: if the line rises towards the right hand side, the migrants feel more over qualified than the natives. If the lines fall towards the right hand side, the natives are less satisfied than the migrants. The degree of the line shows the strength of the effect: the steeper the line, the larger the difference. Missing lines mean not publishable data.

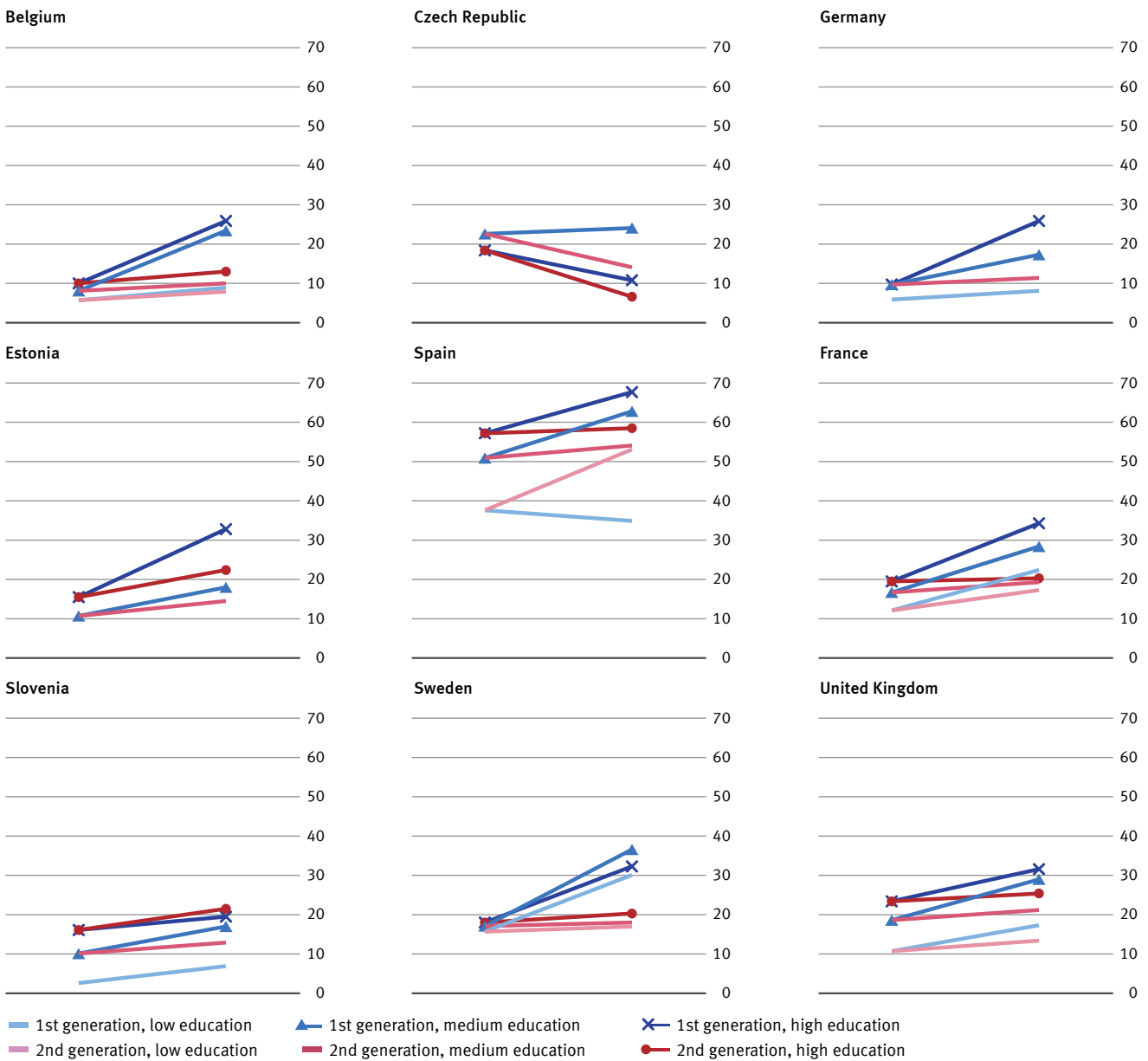
The first and most obvious finding is that everyone in Spain feels more over qualified than anyone anywhere else, as all of the data points and consequently all of the lines are much higher up in the plot than for any other country. This is not easy to interpret, and underlines the previous point of careful use of subjective variables. The second major feature is that almost all lines rise towards the right hand side, that is, natives are feeling less over

qualified than immigrants. The exception is the Czech Republic, where the opposite is true.

When looking at the education level, it is quite clear that the highly educated first generation immigrants (the line with the x symbol on it) are those who are least content with their current work situation. On the place following there is a majority of first generation immigrants with medium education (the triangle). Second generation immigrants, nevertheless while feeling more over qualified than natives, are clearly more content with their jobs than the first generation immigrants, no matter their educational level. For those of them with low education, we find that their over qualification rate, relative to all the other five groups, is low. Most of the lines for the medium education second generation immigrants are quite flat, which means that they do not differ much from the natives with the same educational level. For the highly educated second generation immigrants (line with circle), there is no clear trend: the line goes up in Belgium, Estonia, Slovenia, and Sweden, down in Czech Republic, and it stays mostly flat in France, Spain, and the United Kingdom. Germany does not have publishable data for this group.

In conclusion, first generation immigrants feel more over qualified for their job than the natives. This is also true for the second generation immigrants, but to a smaller degree. Second generation immigrants with a medium level education rank close to the natives on this measurement, whereas second generation immigrants with a high level education show no clear trend.

Figure 7
Over qualification by migration status and education
in %



Persons aged 20 to 64.


Source: Eurostat online data base table "Self-declared over-qualified employees as percentage of the total employees by sex, age, migration status and educational attainment level" (lfs0_14loq), European Labour Force Survey ad hoc module 2014

2016 - 01 - 0577

8

Future data sources

The European Labour Force Survey (LFS) is under revision, and will be somewhat changed as part of the new framework regulation for the production of European statistics on persons and households, also referred to as the integrated European social statistics, or its abbreviation, IESS (Eurostat d). This is planned to be operational from 2019. Some of its content is as of yet not decided, but it is reasonably safe to say that the new core LFS will include the variables needed to construct the migration status composite variable each year, instead of only when there is an ad hoc module on migrants on the labour market, as it has been up until now. This means that figures 1 through 5 in this paper could be created each year, not only every eight years, as in the current system. The further new and/or retained and/or revised content on variables dedicated to migrants on the labour market is still under discussion, but it is clear that there will be an in-depth module on this topic every eighth year in the future as well.

- › There is no single pattern regarding migration status and permanency of the job.
- › First generation immigrants are working in lower level occupations.
- › Second generation immigrants are slightly over represented in higher level occupations.
- › Second generation immigrants with a medium level education rank close to the natives on self-perceived over qualification in their jobs, whereas second generation immigrants with a high level education show no clear trend. 

9

Sum-up of the main findings

- › In a majority of the countries the first generation immigrants count for less than 10% of the population.
- › 4 out of 10 first generation immigrants in Europe live either in Germany or the United Kingdom.
- › In 19 of the 27 countries in the survey, the second generation immigrant population is equal to or smaller than the first generation immigrant population.
- › Regarding the chance to have a job, second generation immigrants are worse off than first generation immigrants in a majority of the EU countries.
- › The probability of being employed is almost equal for natives and first generation immigrants.
- › Improved education improves chances on the labour market, but only in half of the countries does it contribute to closing employment rate gap between second generation immigrants and natives.

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