

IMMIGRANTS LIVING IN THE EU15 COUNTRIES AND THEIR CONDITIONS OF INTEGRATION IN THE LABOUR MARKET

Anna Di Bartolomeo, Salvatore Strozza

1. Introduction

The integration of labour migrants and their descendants in the labour market is today a main challenge of European host societies. It has significant and positive implications not only on individuals and their personal autonomy but also on the society as a whole, in terms of social cohesion (OECD, 2009). More integrated migrants are likely to be more productive and, in turn, better accepted by receiving societies. Given the constant need of migrants in today's European labour markets (Fargues, 2011), investing resources on the integration of migrants and social cohesion would thus represent a valid tool in allowing policymakers for designing rationale admission policies, accepted by European civil societies.

This paper aims at depicting the conditions of migrants in the labour market of EU15 countries (EU15) and comparing their situation with that of non-migrants. Different categories of migrants (units of analysis) were built according to the intersection of the following variables: country of birth, country of citizenship, sex and country of destination. Special emphasis is put on the conditions of migrants residing in the EU15 Mediterranean countries, namely France, Greece, Italy and Spain.

2. Labour market indicators and population categories

Integration is an equal and fair participation of migrants in the host societies and, as such, can be empirically defined as a process of convergence between migrants and non-migrants' outcomes, according to a number of dimensions, namely labour market, education, civic and political participation, etc.

Consequently, when approaching integration studies from a quantitative viewpoint, two preliminary issues need to be addressed. First, one should clearly indicate both the dimension of interest and the list of indicators used to measure it. Second, being integration a "convergence" process, two populations should be clearly defined: a) the population who aims at being integrated (migrant population) and b) the population towards which such convergence would occur.

In this paragraph, these issues are discussed while the dimension of integration analysed, its indicators and the population categories here adopted are presented.

In order to identify the dimension to be analysed and its indicators, the Declaration of Zaragoza¹ was used as a benchmark. Among several dimensions (EU, 2010, p.13), this work focuses on the integration of migrants in the labour market given the importance of economic migration in EU Mediterranean countries: today – and despite the on-going global economic recession – these states are still the main receivers of labour migration flows within the EU². Regarding the choice of indicators, we added to the Zaragoza core indicators – employment, unemployment and activity rates (EU, 2010, p.15) – two additional ones: the over-qualification and the self-employment rate³. Finally, the distribution of employed migrants by sector (NACE) and by level of occupation (ISCO) were also taken into account.

To define the migrant population, for the sake of comparability, neither the country of citizenship nor the country of birth criterion alone were employed. Indeed, using the foreign population to proxy migrants would have been challenged by very different laws on acquisitions of citizenship between EU Member States⁴. Similarly, considering the foreign born population would have included a portion of people who are not a direct consequence of foreign immigration *stricto sensu*. This applies to those countries which have been recently evolved from emigration to immigration countries (Greece or Italy) or in such States with a long colonial history, such as France. Here, the foreign born population also includes emigrants or expatriates' descendants who return to their parents' country of origin or – in the case of France – the so-called repatriates from former colonies (*repatriés*), i.e. categories who are not a direct consequence of immigration but of emigration (Strozza, 2010).

Facing these issues, we decided to classify the population of interest according to the intersection of these two criteria: 1) population holding the citizenship of the country of residence and born in the country of residence (NATNAT), group which corresponds to the non-migrant population and that is used as reference category; 2) population holding the citizenship of the country of residence and born abroad (NATABR), group which include various categories, among which naturalized persons, repatriates from former colonies, children of emigrants; 3) foreign population

¹ The “Zaragoza Declaration”, developed within the 4th European Ministerial Conference on Integration (Zaragoza, 15-16 April, 2010) is – at the time of writing – the reference document concerning the key aspects on immigrants' integration in the EU.

² Of 3.2 million first residence permits for work reasons granted by EU Member States in the period 2008-2012, more than a half (1.6 millions) were granted by Mediterranean countries (Italy, 1.1 million; Spain, 438 thousand; France, 95 thousand; and Greece, 48 thousand).

³ The over-qualification rate is defined as the “share of persons with tertiary education working in a low- or medium-skilled job among employed persons having achieved tertiary education” (Eurostat, 2011), while the self-employment rate as the “share of self-employed persons among all employed”.

⁴ For an overview on EU Member States' citizenship laws, see the “EUDO Observatory of CITIZENSHIP” at <http://eudo-citizenship.eu/>.

born in the country of residence (FORNAT), category which includes second generation migrants (but only those who have not acquired the citizenship of the host country at birth or subsequently); 4) foreign population born abroad (FORABR), i.e. first generation migrants. Having very different personal backgrounds and social, economic and cultural resources, these population categories are expected to follow very heterogeneous integration trajectories. Moreover, due to the very different integration approaches and migration histories (together with selective admission mechanisms towards first generation migrants) of EU15 countries, the same category is expected to perform differently between countries. The construction of this classification is thus justified by the expected high degree of variability – in terms of integration outcomes – both between and within countries.

3. Data and methods

Data were taken from the 2011 European Union Labour Force Survey (EU-LFS), through which the indicators of integration in the labour market were built for the 4 above-mentioned categories. Such indicators were constructed separately for men and women aged 25-54. This age group was chosen as it allows for minimizing the effect of migration related to non-economic reasons, as e.g. study and retirement; as well as the effect of the very different age structures of the national/native-born and the foreign/foreign-born populations. As a matter of fact, it represents a more homogeneous population group, useful for comparison purposes (Eurostat, 2011).

In order to describe the conditions of migrant and non-migrant groups in the labour market in the 14 countries of interest⁵, the following raw indicators distributed by sex and population categories were built (for a total of 112 statistical units): employment rate, unemployment rate, activity rate, over-qualification rate, self-employment rate, the distribution of the employed population by sector (NACE) and by occupational level (ISCO).

Concerning the methodology, we adopted a multivariate approach including a principal component and a cluster analysis, the latter implemented on the factorial loadings of statistical units as resulted from the extracted components. These explorative analyses, which are a significant step towards measuring integration levels, were implemented with the aim of identifying similarities and differences between population categories and EU15 States.

⁵ Finland is not included in the analysis, because of data unavailability.

4. The profile of migrants in the labour market

The principal component analysis, performed on 112 statistical units *per* 14 indicators, allows us for retaining 4 components with eigenvalues greater than one, that explain almost 75% of the total variance (table 1).

The first component portrays performances – in terms of employment and unemployment rate – and used competencies in the labour market: categories with high employment rates and employed in highly skilled occupations are opposed to categories characterized by high rates of unemployment and over-qualification who are mainly employed in low skilled jobs, household services, accommodation and food service activities. The second component synthetizes labour market participation and employment sectors: categories with high shares of people employed in agriculture, manufacturing and construction activities are opposed to categories who are mainly employed in the tertiary sector, e.g. education, health, public administration, etc. The third and fourth component – of more difficult interpretation – are positively correlated with high percentages of people employed in medium skilled jobs and agriculture, respectively.

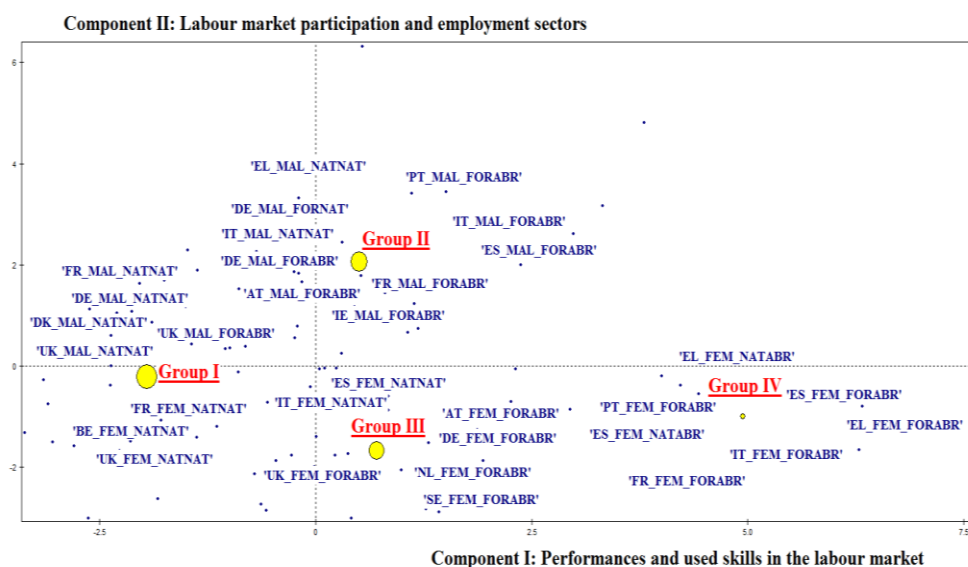
Table 1 – Correlation (factorial loadings) between raw indicators of labour market and the first 4 factors of the Principal Component Analysis.

Raw indicators	Factor 1	Factor 2	Factor 3	Factor 4
Employment rate	-0.74	0.38	-0.39	-0.21
Unemployment rate	0.66	0.14	-0.08	0.33
Activity rate	-0.51	0.58	-0.52	-0.08
Over-qualification rate	0.76	0.08	-0.24	0.13
Self-employment rate	-0.13	0.62	0.27	0.47
% employed in agriculture (NACE A)	0.29	0.43	-0.05	0.67
% employed in mining and quarrying, manufacturing and others (NACE B, C, D, E, G)	-0.07	0.78	0.28	-0.17
% employed in construction (NACE F)	-0.10	0.78	-0.27	-0.07
% employed in accommodation and food service activities (NACE I)	0.63	-0.04	-0.20	-0.38
% employed in household services (NACE T)	0.68	-0.19	-0.24	0.04
% employed in public administration, education and other tertiary activities (NACE H, J-S)	-0.43	-0.85	0.14	0.15
% employed in high-skilled jobs ^(a)	-0.85	-0.26	-0.19	0.27
% employed in medium-skilled jobs ^(b)	0.36	0.45	0.67	-0.29
% employed in low-skilled jobs ^(c)	0.78	-0.10	-0.42	-0.07
% explained variance	31.77	23.74	10.66	8.61

Note: (a) High-skilled jobs include: legislators, senior officials and managers, professionals, technicians and associate professionals. (b) Medium-skilled jobs include: plant and machine operators and assemblers, craft and related workers, skill agricultural and fishery workers, service workers and shop and market sales workers, clerks. (c) Low-skilled jobs include elementary occupations.

The cluster analysis was then performed through hierarchical aggregating methods by using, as variables, the loadings of the 112 statistical units observed in the 4 retained components. Such analysis identified 4 groups, clustering categories with similar conditions in labour market insertion dynamics (figure 1).

Figure 1 – Factorial plans: Cluster Analysis results



Group I includes the “most and best inserted” categories (for a total of 40 categories), being characterized by high labour market participation (high rates of activity) and good performances (high employment and low unemployment rates). It is also distinguished by low over-qualification rates, high shares of people employed in highly skilled jobs in the tertiary sector and, meanwhile, low shares of individuals employed in medium-low skilled jobs in the household services, accommodation and food service activities. Concerning categories, group I is mainly composed of males and females of non-migrant groups (NATNAT) residing in all countries except of three Mediterranean states (Greece, Italy and Spain) together with Portugal and Ireland, i.e. all EU15 countries with a recent immigration history. The most significant trait of this group seems the “non-migrant origin”, though there are some migrant categories, too. For instance, it includes second generation migrants (FORNAT) born in Denmark, Luxembourg and Sweden as well as French, Dutch, UK male nationals born abroad (NATABR), who are likely to be the result of their colonial past and, finally, Portuguese people born abroad, resulting from return migration patterns of emigrants’ children. In addition to these “selected” categories, it is worth noting as this group also includes

some categories of foreigners born abroad (FORABR). This is the case of male foreigners born abroad and residing in the UK, who certainly result from the highly selective admission policies put in place by UK governments in the last 25 years (Di Bartolomeo and Fargues, 2014).

Group II includes categories with “high participation but difficult insertion in the labour market” (33 categories). It is indeed characterized by high activity rates and high levels of unemployment denoting such groups that are characterized by a large availability of labour supply for whom, however, the insertion in the market is difficult and burdensome. These categories are mainly employed in low qualified jobs in the agricultural, manufacturing and construction sectors. Last but not least, the rate of self-employment is high. This cluster is strongly gender characterised: almost all categories are composed of males⁶. Regarding their origin, group II includes all categories of foreigners born abroad (FORABR) with some few exceptions⁷ as well as some second generation migrants (FORNAT) residing in Western (Austria, Belgium and Germany) and Southern (Greece, Italy, Spain and Portugal) EU countries. Again, it is worth noting as some non-migrant groups (NATNAT) belong to group II, namely those residing in Mediterranean countries (with the exception of France) and in Ireland shedding light on how labour market conditions are still (and perhaps even more following the on-going global economic recession) difficult here for both migrant and non-migrant populations.

Group III comprehends those categories with “low labour market participation and strong concentration in the tertiary sector” (31 categories), being positively correlated with people employed in education, Public Administration, services, etc. and negatively with the activity rate, the employment rate and the share of people employed in manufacturing and construction sectors. The gender component is fundamental here as well: almost all groups are composed of females. As with the origin, this group includes foreigners born abroad (FORABR) residing in Northern and Western EU countries. In addition, like their male counterparts, female non-migrant populations (NATNAT) of two Mediterranean countries – Italy and Spain – are not found in the “most and best inserted” group (group I) but here, i.e. the group which comprehends the majority of female migrants (group III).

Group IV includes categories with “low participation and difficult insertion in the labour market, mainly concentrated in household private services” (8 categories). It is not only characterized by low activity rates and high unemployment levels, but also by high share of people employed in household services, accommodation and food service activities. However, the fact that these sectors are characterized by a high presence of informal activities suggests that a so low attitude to enter the labour

⁶ Exceptions are non-migrant females (NATNAT) in Greece and Portugal and female foreigners born in Italy and Portugal (FORNAT).

⁷ With the exception of those residing in Luxembourg, Sweden and UK.

market may hide some unobservable dynamics. Moreover, this cluster is composed of categories mainly employed in low skilled jobs with high levels of over-qualification. It seems thus to identify the most disadvantaged group, which stay at the borders of the labour market or, at least, of the informal one. In this group, again, only females are found and specifically, female foreigners born abroad (FORABR) and residing in Mediterranean countries of more ancient (France) and recent (Greece, Italy and Spain) immigration together with Portugal.

5. Conclusions and further direction of the research

Our analysis finds that labour market insertion's modalities largely differ according to migrant categories, as defined by the intersection of country of birth, country of citizenship, sex and country of residence. In particular, the variable sex is determinant in creating two separate groups within the migrant population. In addition, creating migrant categories according to the combination of the criteria of country of citizenship and country of birth has been a correct strategy. Indeed, while foreigners born abroad (FORABR) and people holding the citizenship and born in the country of residence (NATNAT) are two defined and separated categories, the population holding the citizenship of the country of residence and born abroad (NATABR) as well as the foreign population born in the country of residence (FORNAT) perform very differently. Moreover, it is worth noting as even some non-migrant groups do belong to different clusters suggesting as the non-migrant population residing in Mediterranean countries perform worse than their counterpart living in other EU15 countries. The latter is indeed entirely found in the "best performing" cluster (group I), while the former is found in two other clusters, where migrant groups are overrepresented: males belong to the cluster characterized by "high participation but difficult insertion in the labour market" (group II) while females to the group with "low labour market participation and strong concentration in the tertiary sector" (group III).

Eventually, these differential outcomes suggest that in order to measure integration trajectories, it is necessary to consider the relative rather than the absolute position of migrants with respect to non-migrant groups. So, regarding the future directions of the research, once selected the most adequate indicators (e.g. employment and unemployment rates, over-qualification and self-employment rate) – which, if necessary will be reoriented so that the higher the value of indicators, the higher the level of integration – they will be relativized with respect to the average situation of non-migrant populations of each country (the majority group), so that the different conditions of national labour markets are taken into account. The synthesis through a unique composite index will allow us for ranking different migrant categories by labour market integration and for further evaluating the correlation with migration and integration policies put in place by each country of analysis.

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SUMMARY

This note aims at depicting the conditions of migrants in the labour market of EU15 countries and comparing their situation with that of non-migrants. By adopting a multivariate approach, our analysis finds that labour market insertion’s modalities largely differ according to migrant categories, as defined by the intersection of country of birth, country of citizenship, sex and country of residence.

Anna DI BARTOLOMEO, Migration Policy Centre of EUI, anna.dibartolomeo@eui.eu
Salvatore STROZZA, University of Naples Federico II, strozza@unina.it