

OECD/EU INDICATORS OF IMMIGRANT INTEGRATION: Findings and reflections



Meiji University, Tokyo
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Thomas Liebig
International Migration Division



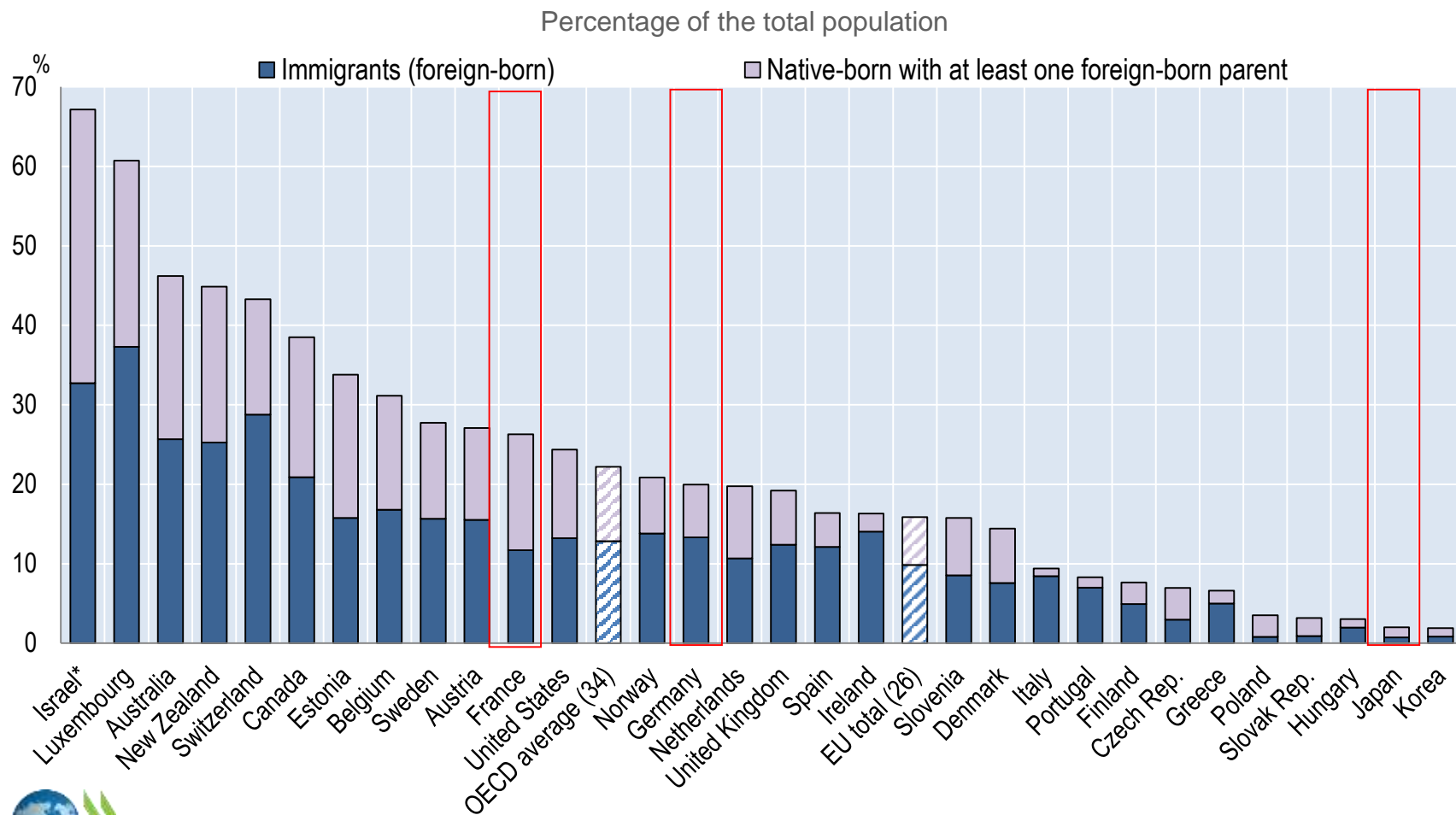
Overview on the integration indicators

- Joint work by the European Commission and the OECD
- First broad international comparison across all EU and OECD countries of the outcomes for immigrants and their children
- 34 key indicators on the integration of immigrants and their children, including:
 - Extensive contextual information on the demographic characteristics of immigrants and their children
 - Five main areas of integration: Employment, education and skills, social inclusion, civic engagement and social cohesion
- 2 special chapters:
 - Third-country nationals in the EU (“Zaragoza indicators”)
 - Youth with a migration background
- Peer groups of countries which have a similar relative size and composition of the immigrant population



In the OECD, one person in five has a migration background – but only one in 50 in Japan

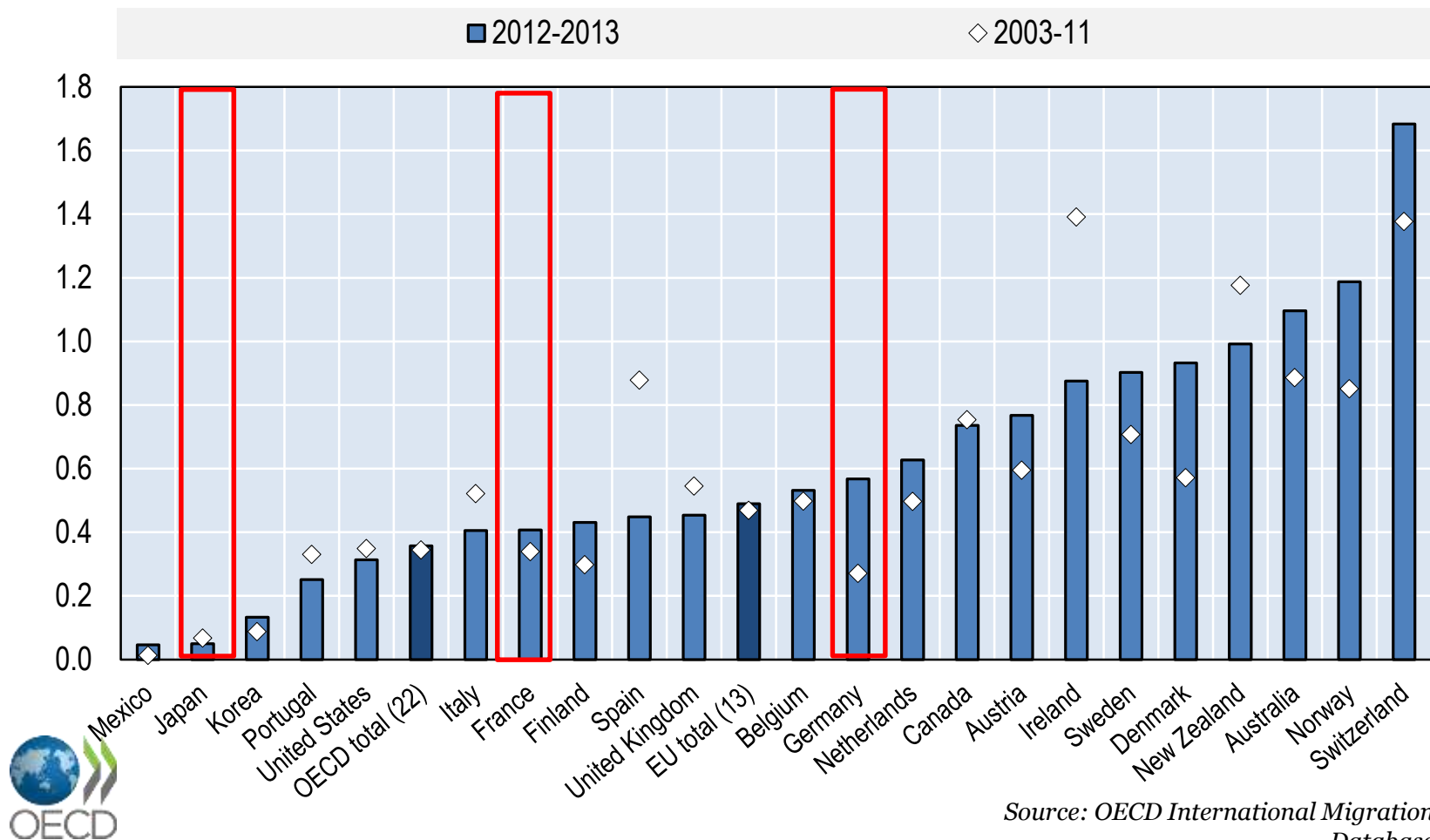
Population share of immigrants and of native-born offspring of immigrants, around 2013





There is large diversity in the magnitude of immigration flows...

Permanent inflows to OECD and EU countries, 2003-11 and 2012-13
Annual averages in percentage of the total population



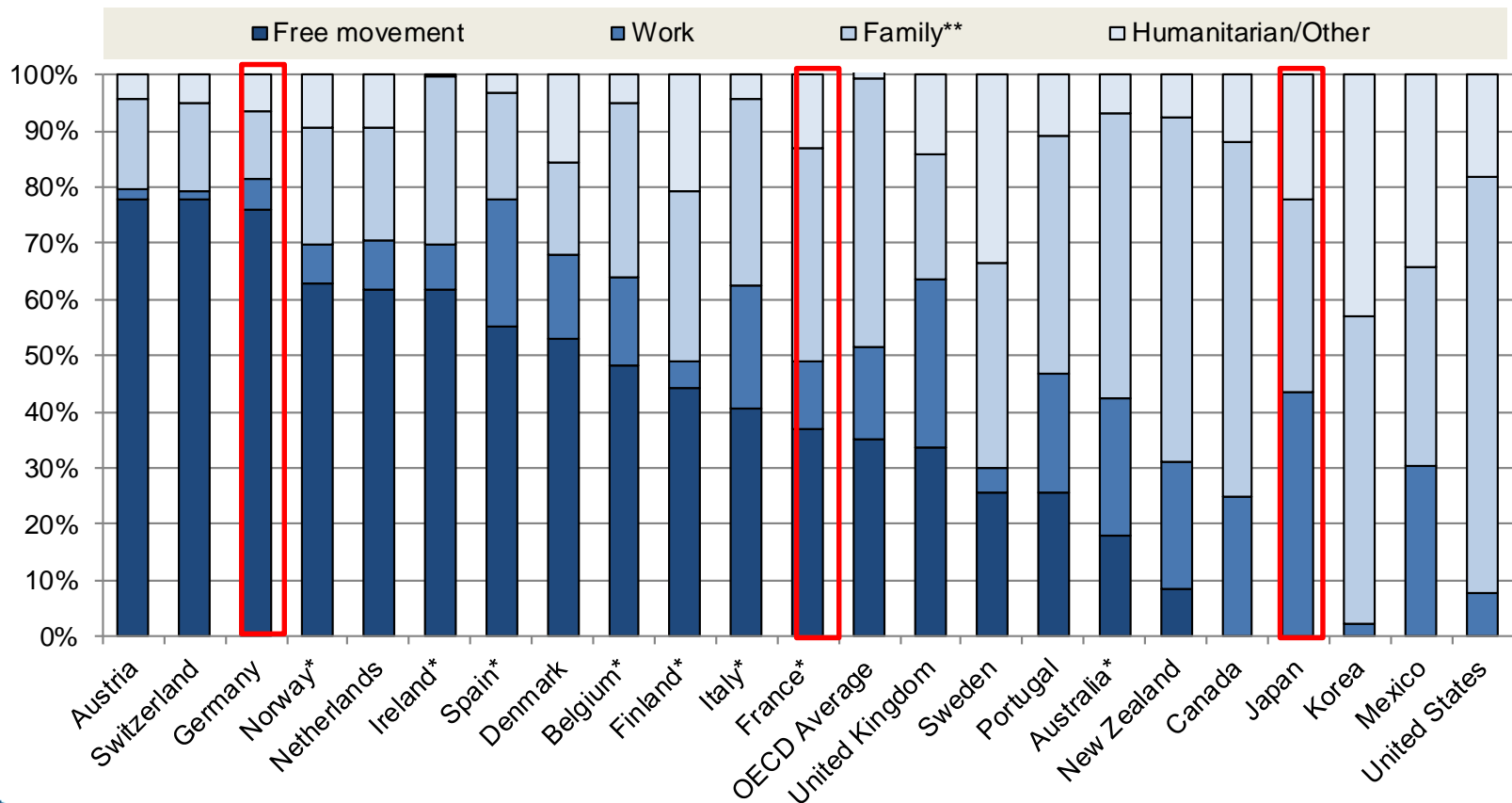
Source: OECD International Migration Database



... and in the composition of new migration

Composition of permanent migration, by category (2012/13)

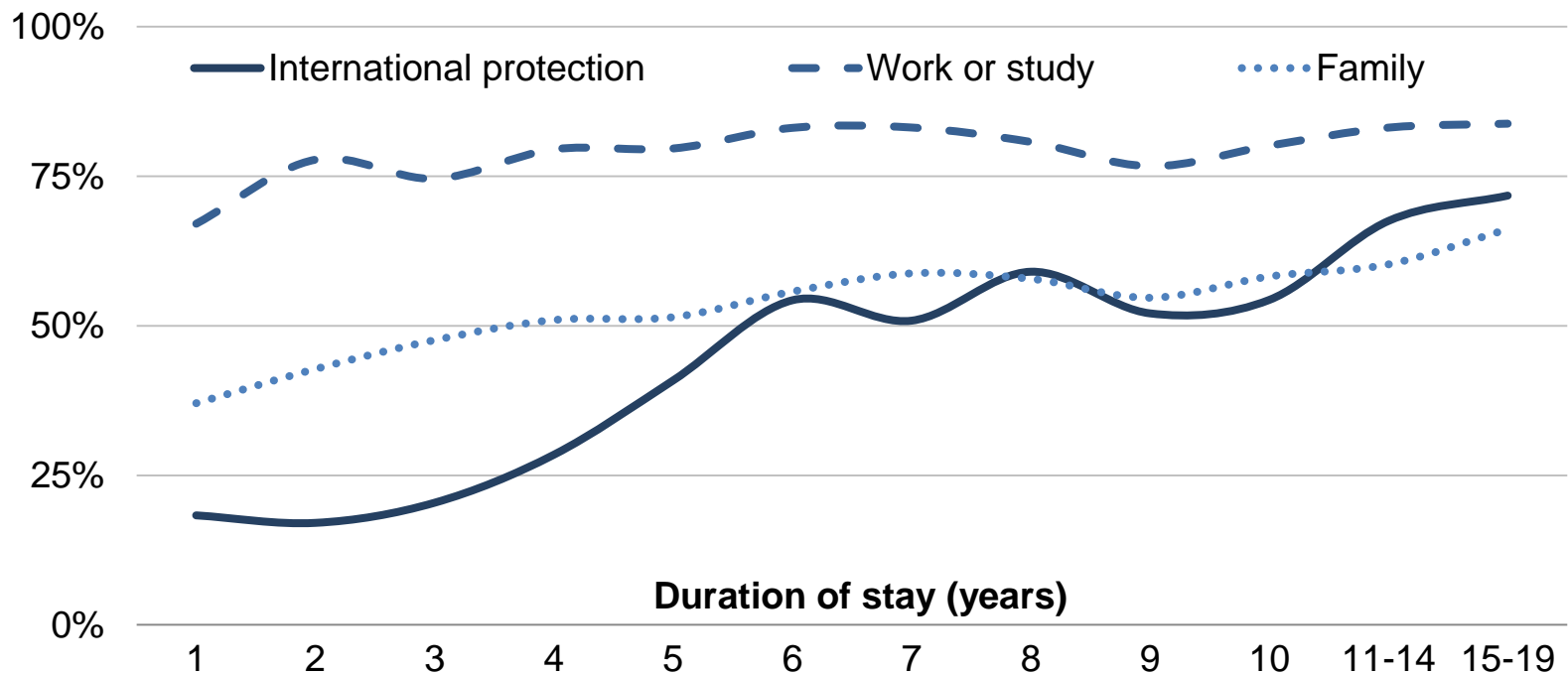
Total = 100





Migrants' category of entry is the most important determinant of outcomes for new arrivals, *but there is some convergence over time*

Employment rate by immigrant category and duration of stay in European OECD countries, 2008

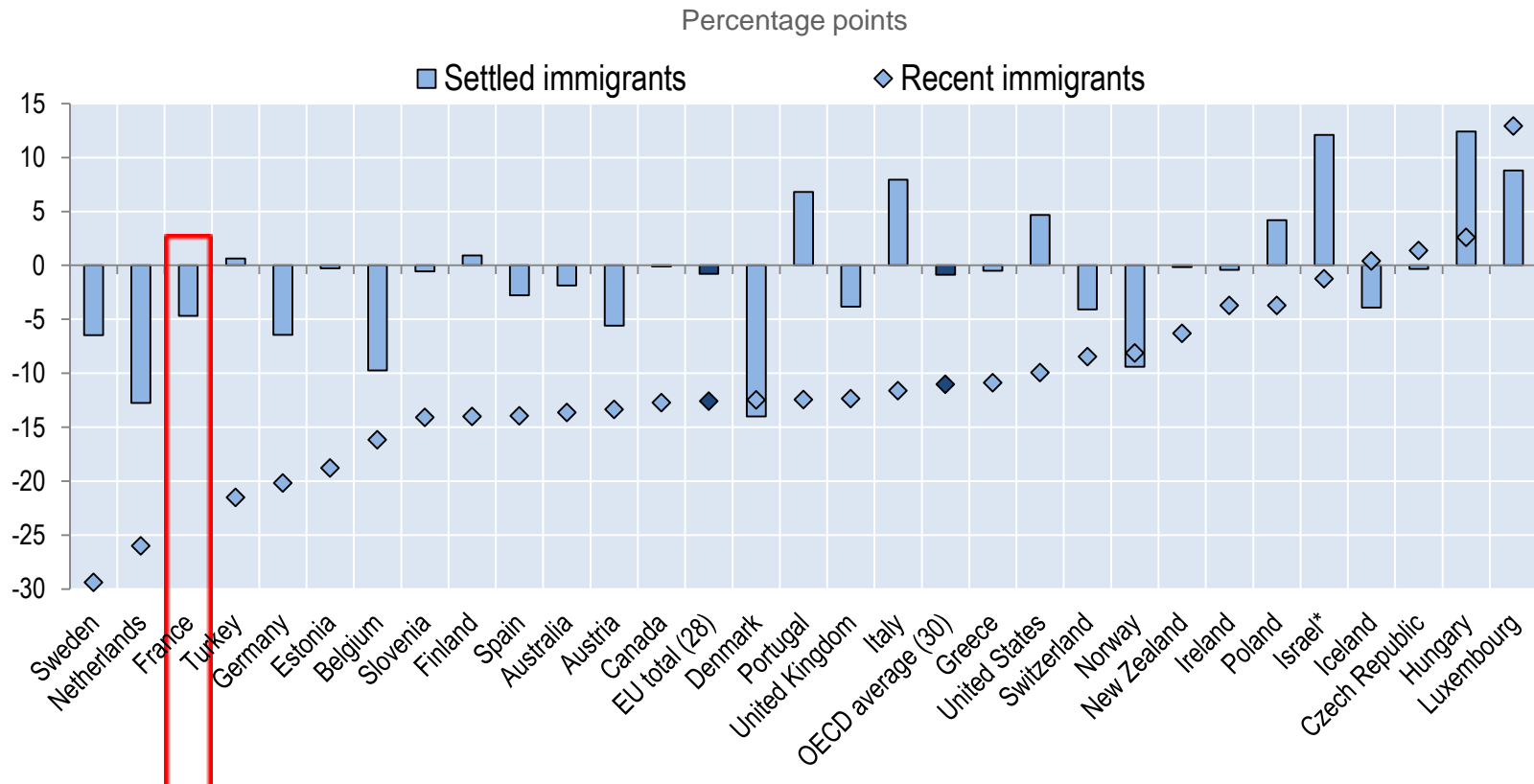


The average duration of 5-6 years can be shorter if the economic climate is favourable and integration policy well-designed



Recent arrivals have problems to integrate in virtually all countries

Differences in employment rates of recent (<10 years of residence) and settled (>=10 years) immigrants compared to those of native-born, persons aged 15-64 years old, 2012-13



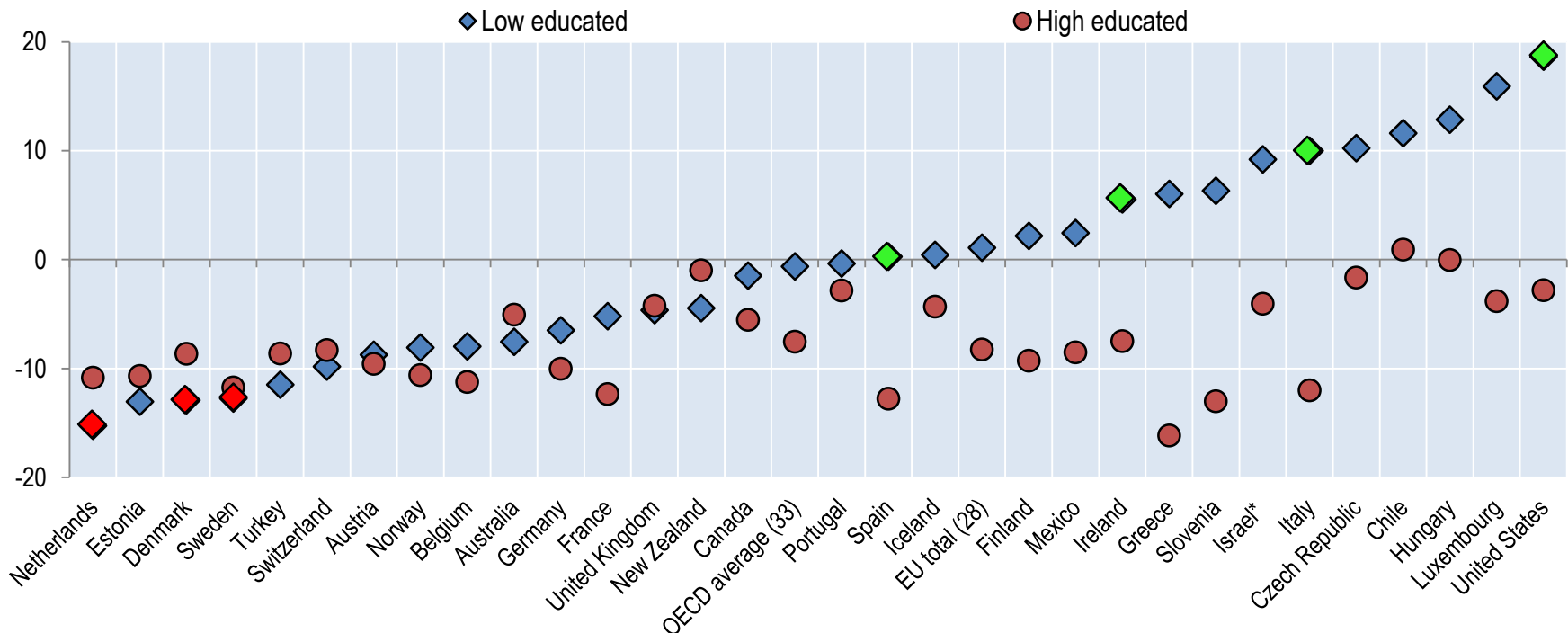
Differences in the outcomes of recent arrivals across countries largely reflect differences in the composition of the immigrant intake by migration category



Differences in employment rates compared with native-born are often large for the high-educated, but less so for the low-educated

Employment rates of foreign-born population aged 15-64 and not in education, by education level, 2012-13

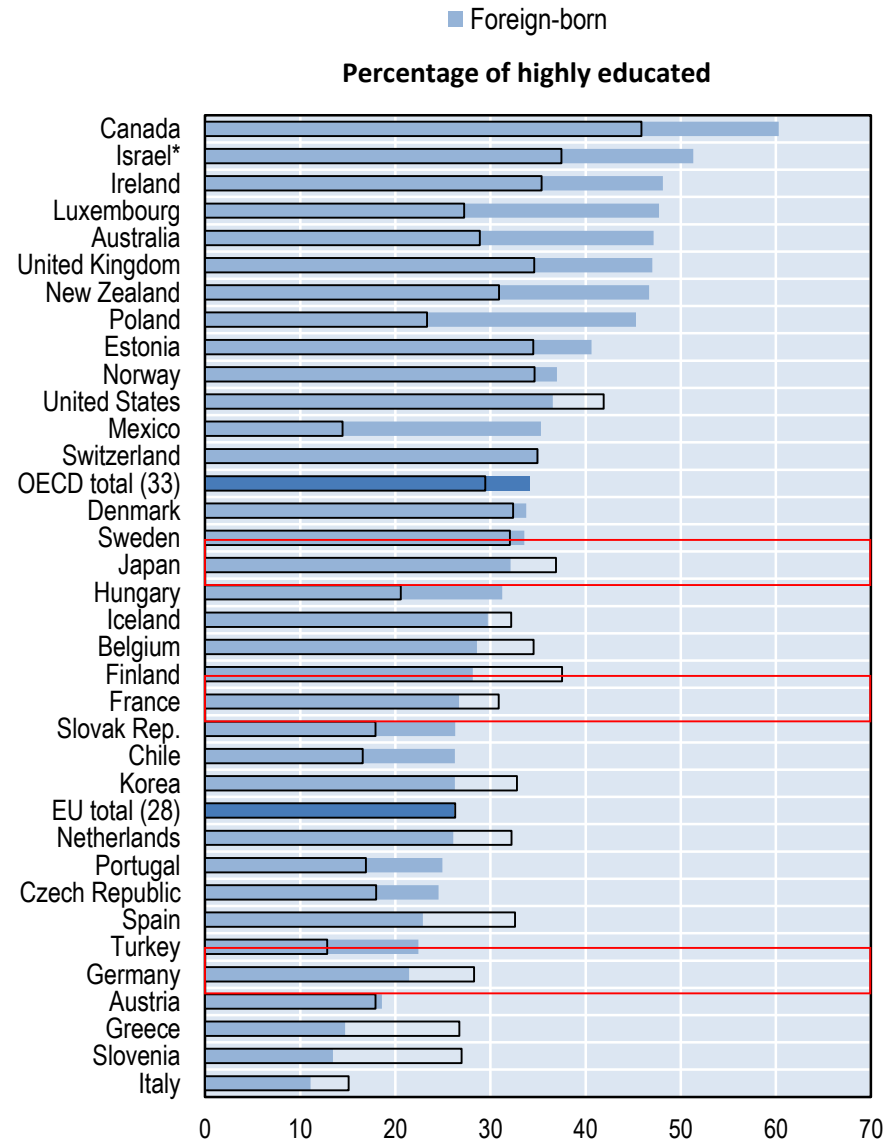
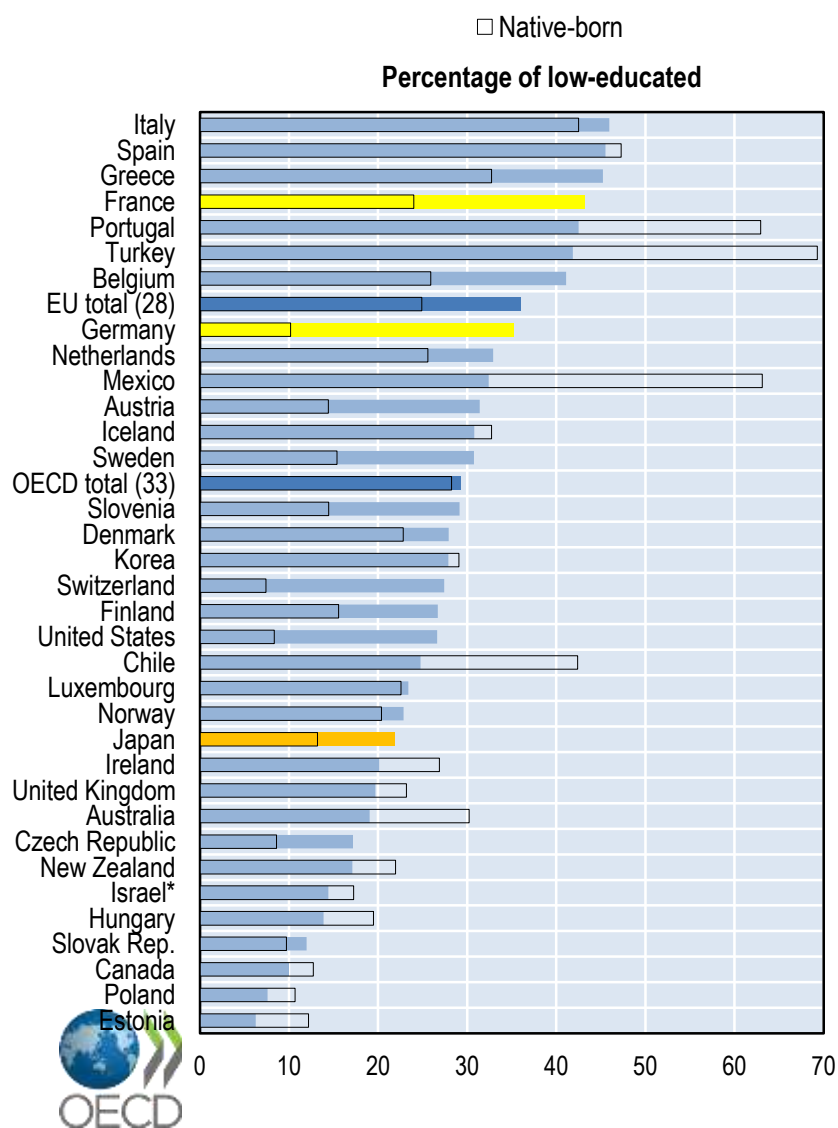
Differences with native-born, in percentage points



Cross-country differences for the low-educated are largely driven by differences in the composition by migration category (labour, family, humanitarian)



Migrants are often overrepresented at both ends of the educational spectrum





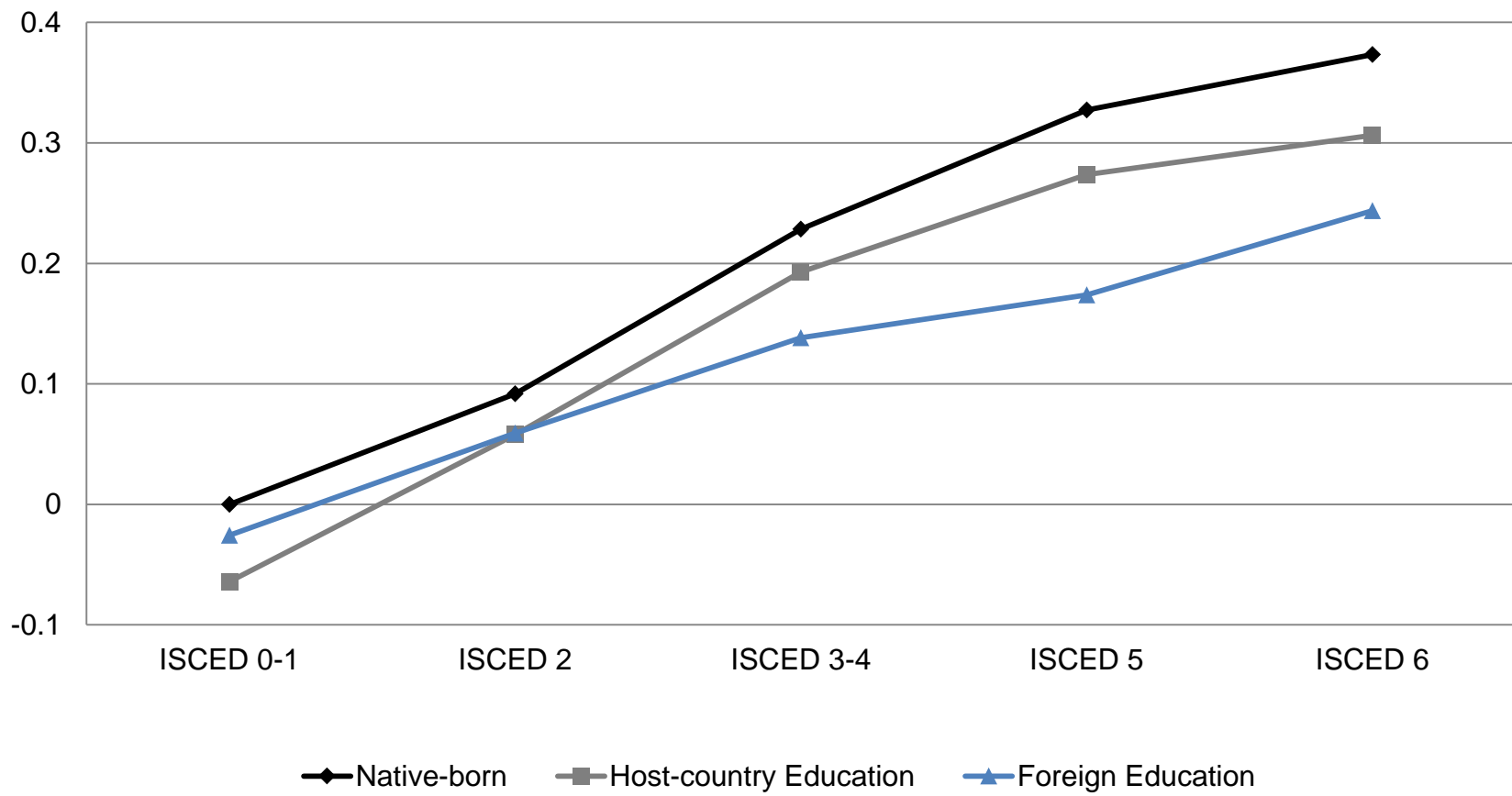
Possible explanations for immigrants' lower labour market outcomes

- I. Issues related to the transferability of qualifications and skills acquired abroad
- II. Language skills
- III. Networks and knowledge about labour market functioning
- IV. Employers' attitudes and discrimination



The returns to foreign qualifications in terms of ***employment*** are lower than those to host-country education...

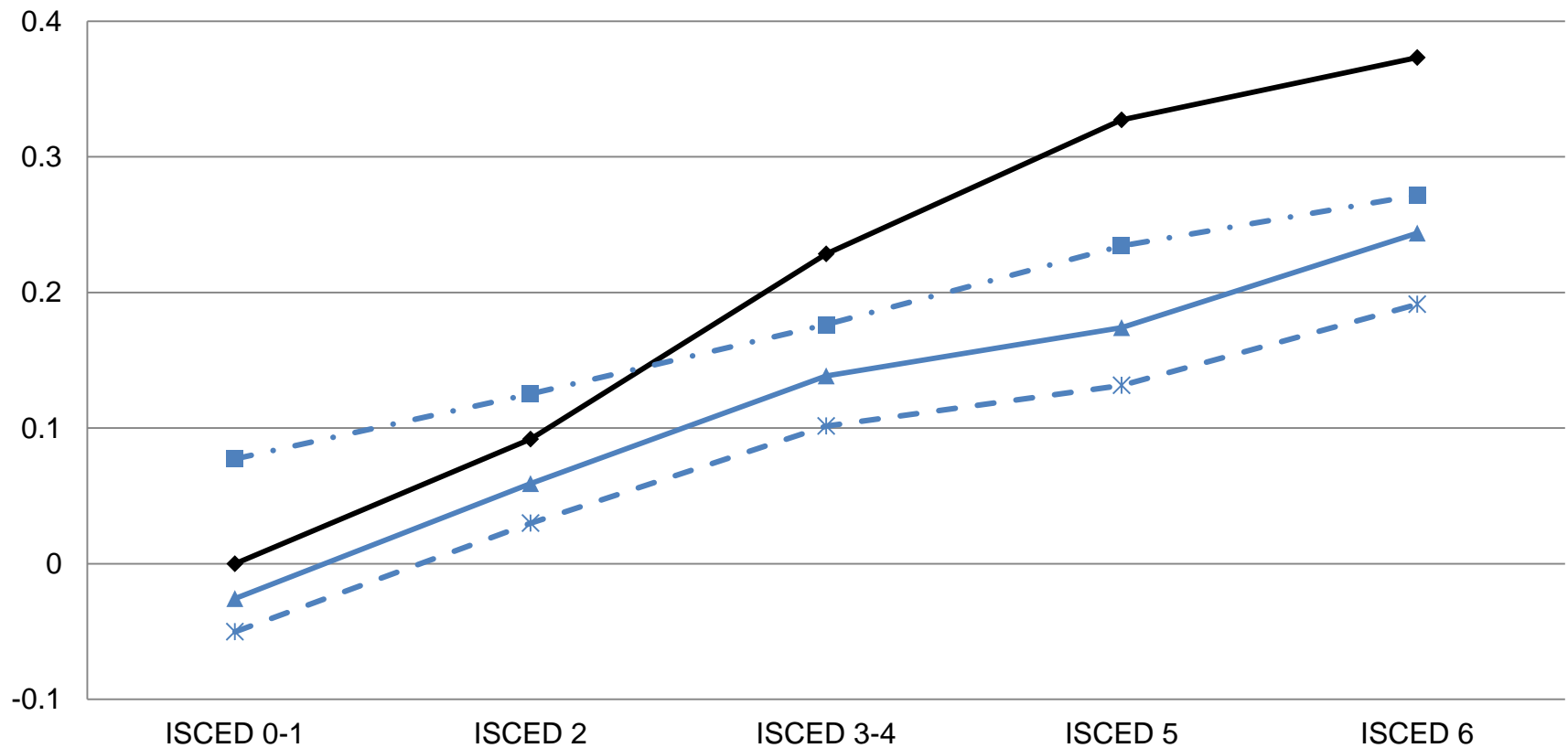
Employment rate by education level in *Europe*





...and those to ***non-EU qualifications*** are lower than those to ***EU qualifications*** at all levels of education

Employment rate by education level in *Europe*





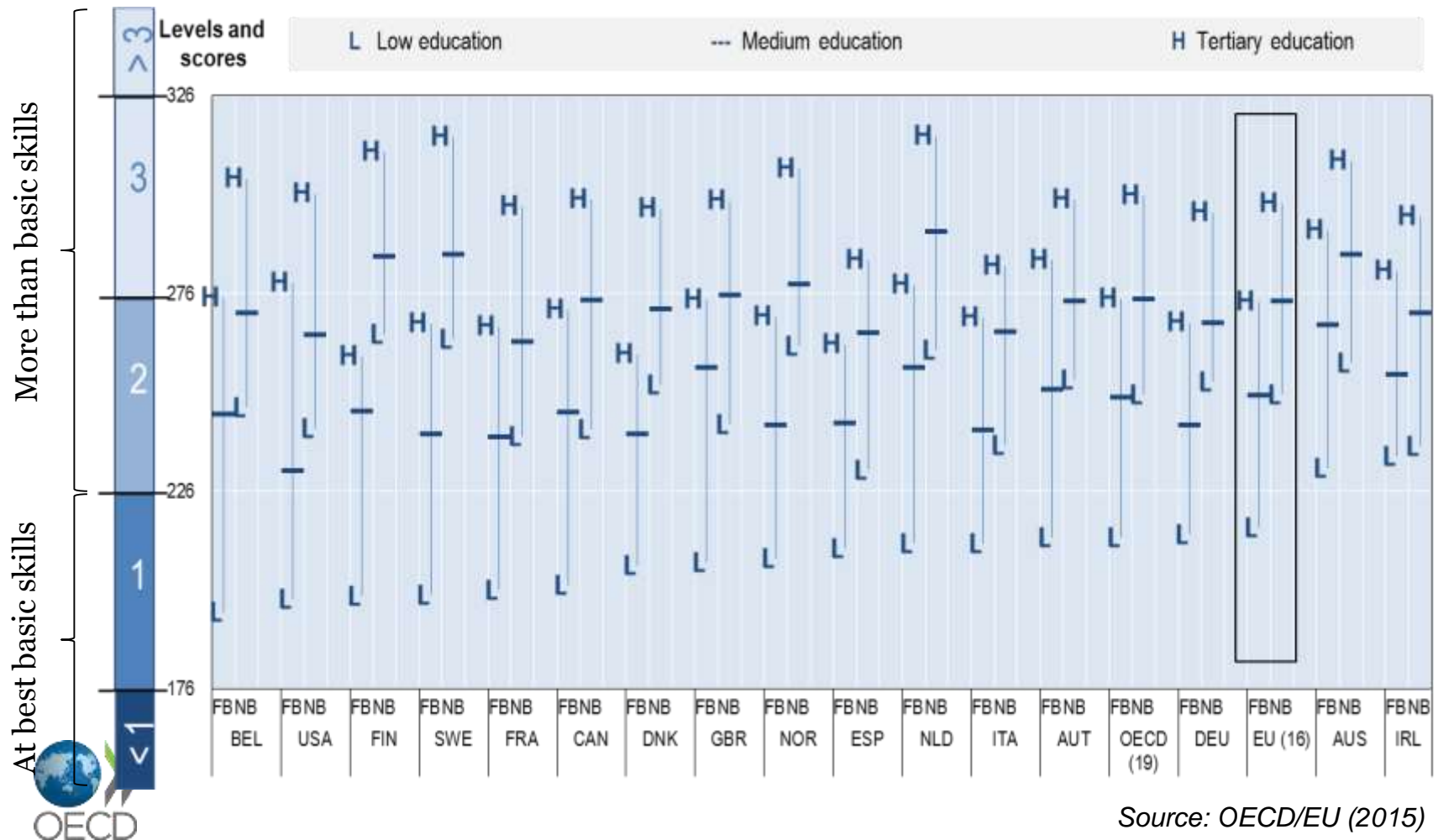
Host-country language proficiency is an important determinant of outcomes

- The foreign-born who lack host-country language proficiency are a group with cumulative disadvantages (lower education levels, more likely to have foreign education and to be humanitarian migrants, etc.).
- But even after accounting for these, they face a 14%-point lower **employment rate** than other immigrants...
...and an **over-qualification rate** that is on average 17%-points higher.
- For labour migrants without language problems, one observes no longer a higher incidence of overqualification.



Part of the difficulties migrants face are associated with lower language and literacy skills

Mean literacy scores of 16-34 immigrant and native-born persons by level of education, 2012



Source: OECD/EU (2015)



Qualification is not a guarantee of success for immigrants

- The share of high-educated among the immigrant population has grown by four percentage points since 2006-07
- High-educated immigrants face more difficulties in getting a job than their native-born peers...
- ...and when in employment, those with foreign education face a much higher incidence of overqualification
 - 41% vs. 29% for those with host-country qualification
 - Almost two-thirds immigrants have foreign qualifications
- As a result, tertiary qualifications do not necessarily protect from poor living conditions
 - 11% face in-work poverty (5% for their native-born peers)

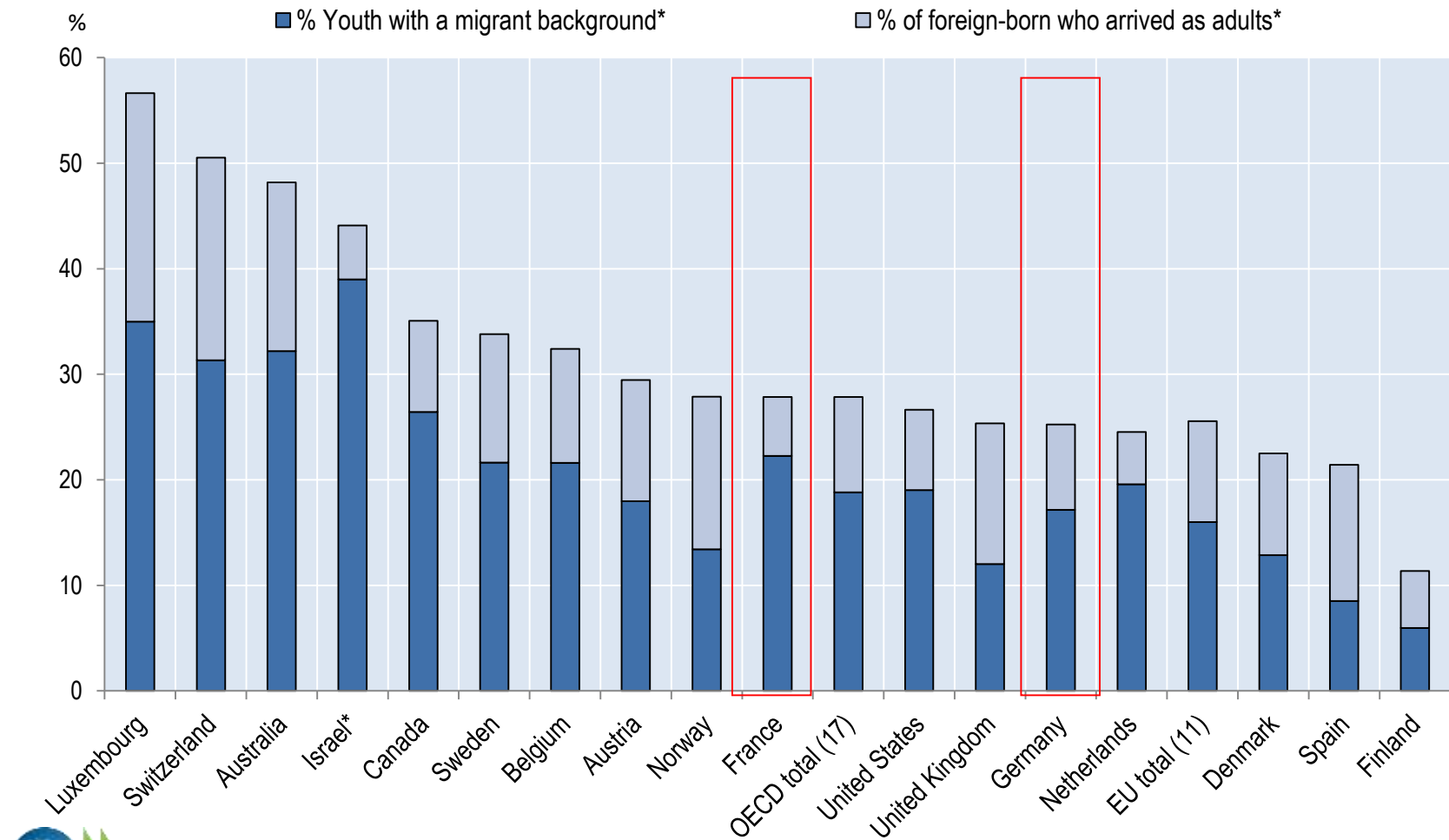


Low-educated are relatively often employed, but their integration outcomes in other domains tend to be unfavourable

- High employment rates come often at the price of low job quality
- The result is a high incidence of in-work poverty (37% vs. 17% for low-educated native-born) and overcrowded housing conditions (29% vs. 11%)
- Many lack basic skills
 - 32% of immigrants have only basic skills (native-born: 13%)
 - Only half of those employed participate in job-related training, compared with two thirds for their native-born peers
 - This raises the question of employability



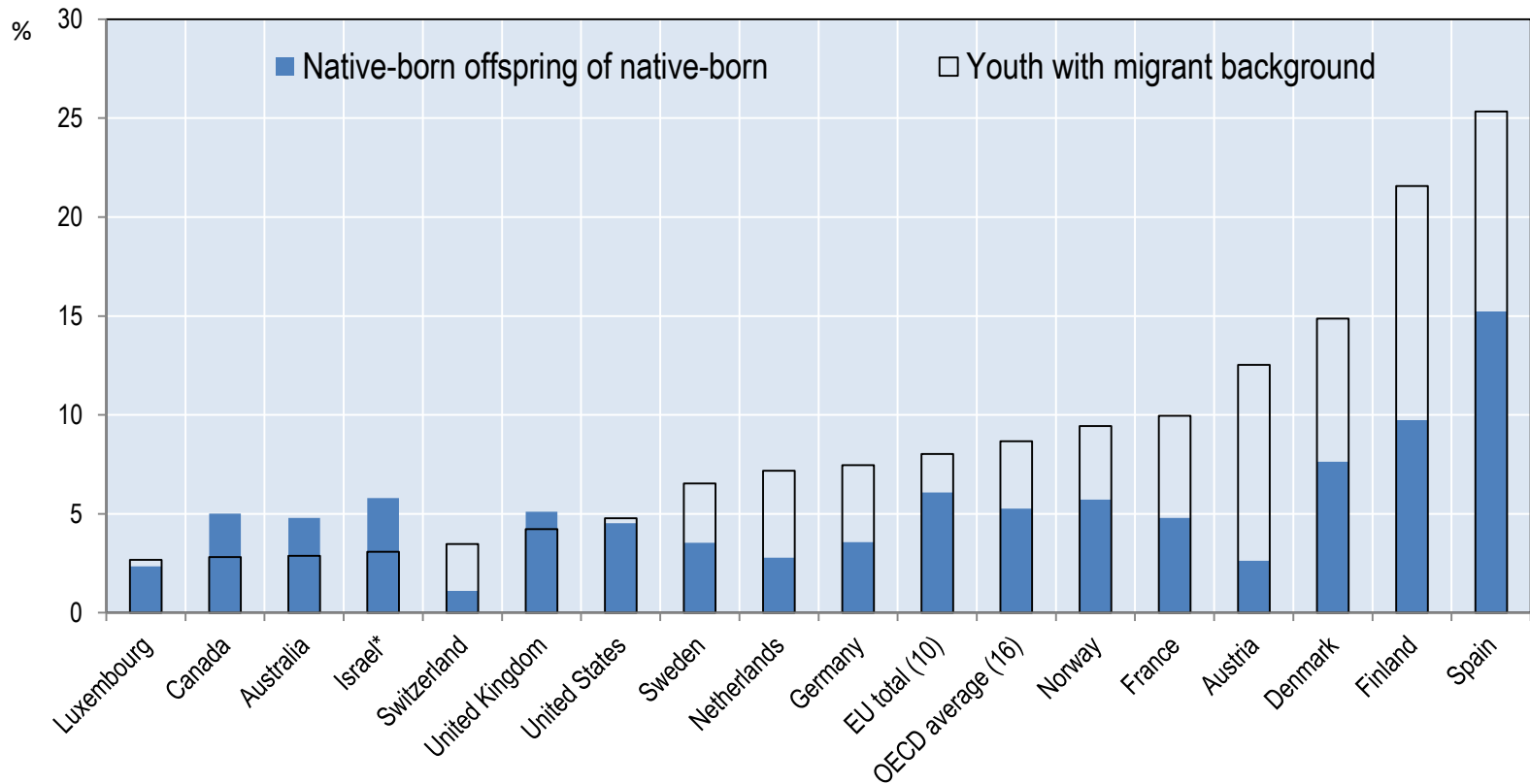
Those with a migrant background account for a large and growing proportion of youth





In Europe, offspring of immigrants are twice as often among the most marginalised

Youth (15-34) who are both low-educated and not in employment, education and training (NEET), by origin of parents, around 2013

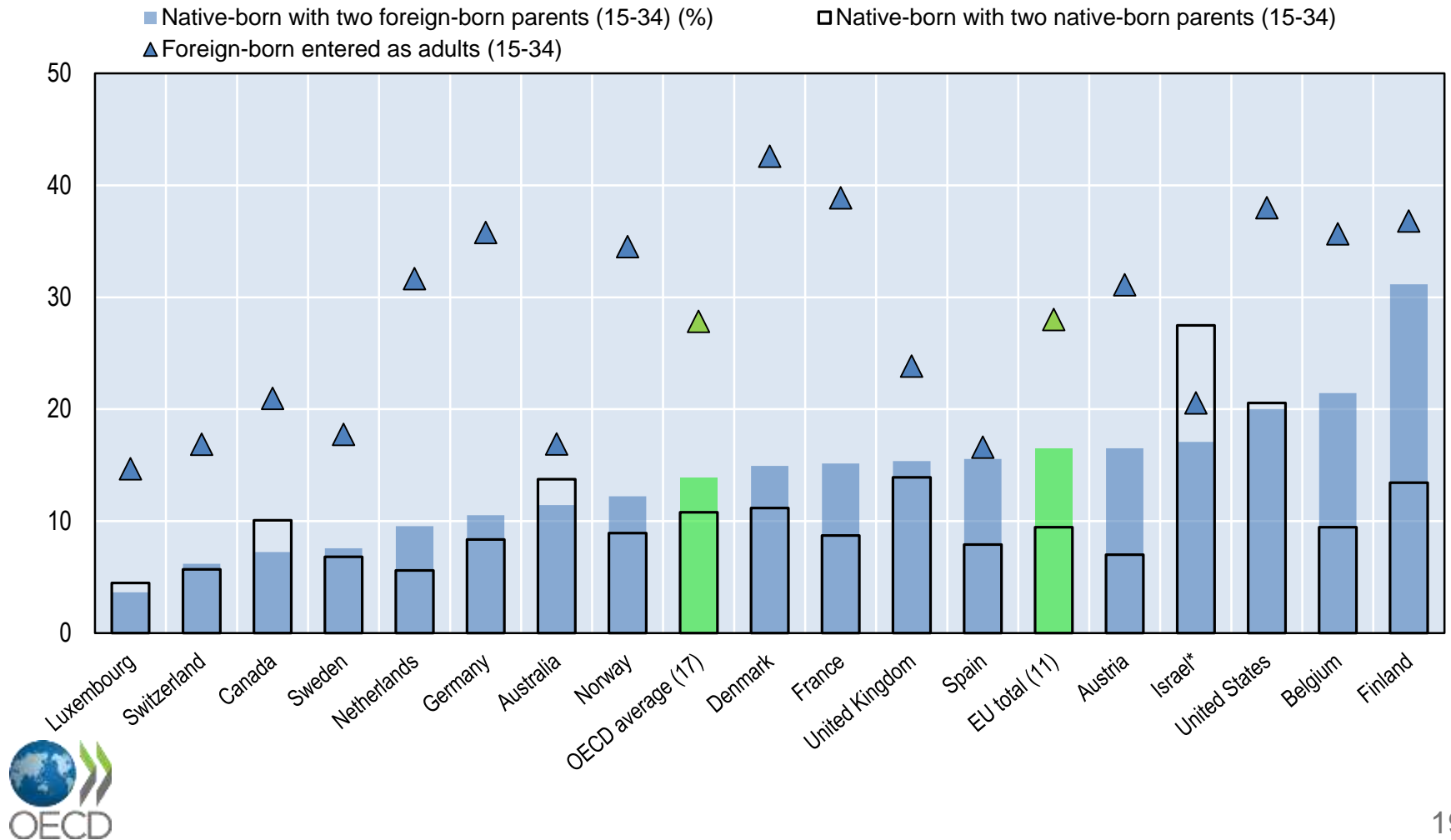


Youth with a migrant background have suffered disproportionately from the crisis



That notwithstanding, native-born offspring of immigrants tend to fare better than their foreign-born peers - but gaps remain

Inactivity rate among women, by migration background, persons not in education, 2012-13





- Possible explanations for lower labour market outcomes of immigrants **and their children**

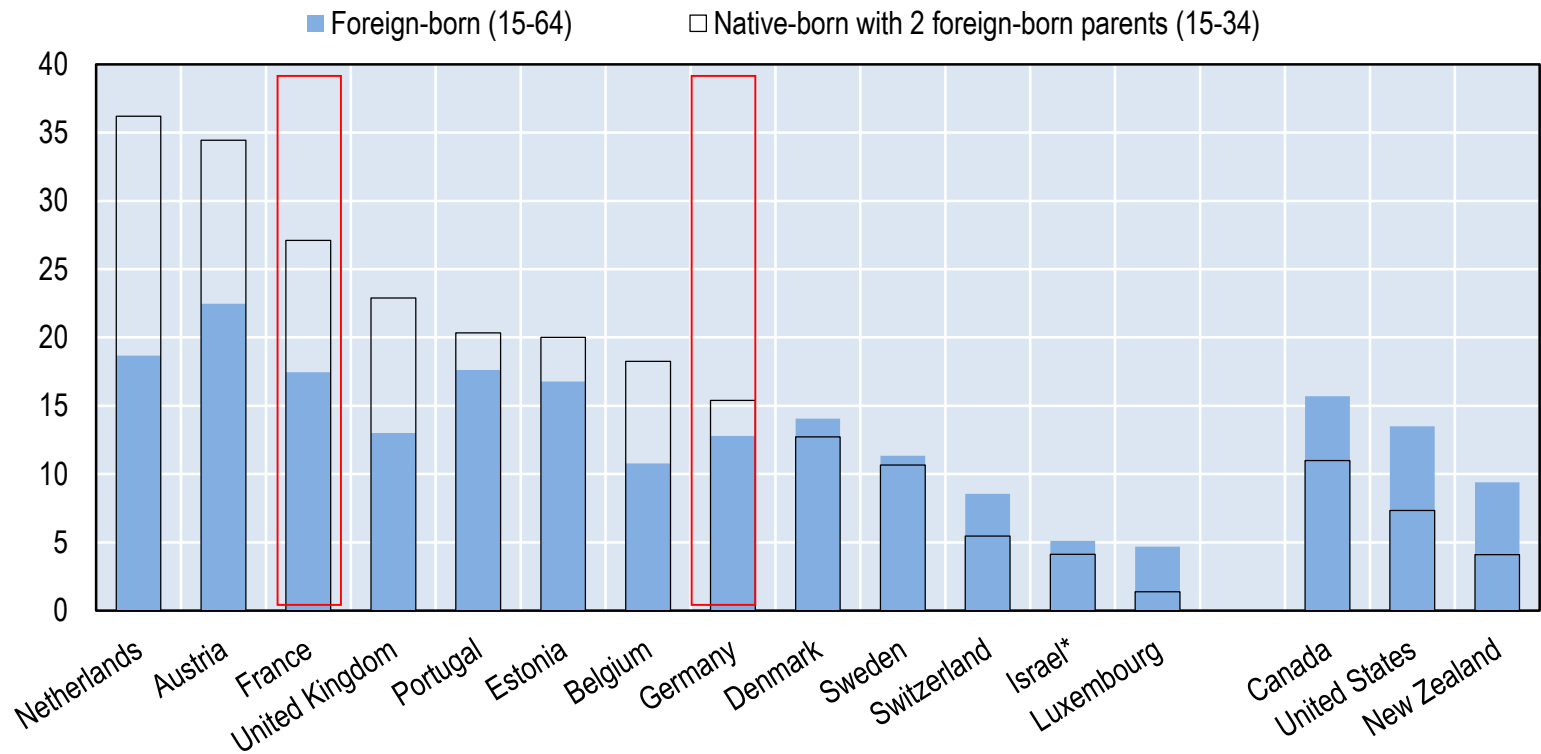
- I. Issues related to the transferability of qualifications and skills acquired abroad
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There is a high sentiment of discrimination among immigrant offspring in Europe

Persons who consider themselves members of a group that is or has been discriminated against on the ground of ethnicity, nationality or race, selected OECD countries, 2002-12

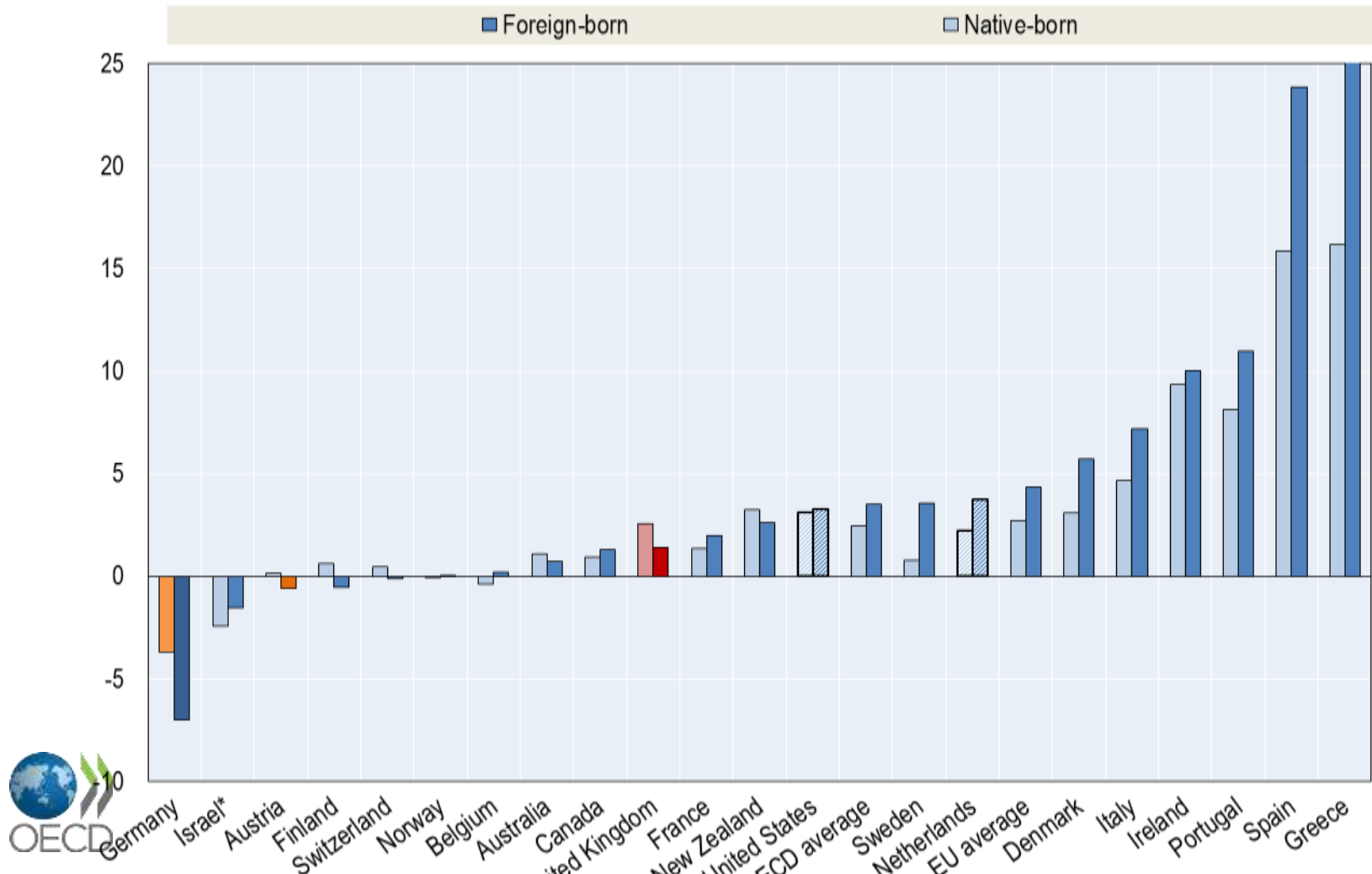
As a percentage of all foreign-born/native-born with two foreign-born parents, persons aged 15-64 and 15-34





Integration outcomes of immigrants are more cyclical than those of native-born

Change in unemployment rates of the 15-64 persons by place of birth
between 2006-07 and 2012-13





Focus on Germany and France

- Both countries are longstanding immigration countries, with significant low-educated migration in the past
- Outcomes of children of immigrants are unfavourable in both countries
- But significant improvement in integration outcomes in Germany (in absolute terms and relative to France) over the past ten years, driven by a mix of
 - good economic conditions,
 - higher-educated new arrivals (largely from the EU),
 - policy attention to the issue,
 - and a relatively balanced public discourse...at least until recently



Overview: comparisons across peer groups – *how do immigrant vs. native differences compare with those in other countries?*

		Settlement countries				Longstanding countries of immigration										Destinations with significant recent and humanitarian migration			
		Australia	New Zealand	Israel	Canada	many recent and high-educated immigrants					longstanding lower-educated immigrants					Sweden	Norway	Denmark	Finland
						Luxembourg	Switzerland	United States	United Kingdom		Austria	Belgium	Germany	France	Netherlands				
Employment	current																		
	trend																		
Overqualification	current																		
	trend																		
Poverty	current																		
	trend																		
Overcrowding	current																		
	trend																		
Health	current																		
	trend																		
Youth: PISA scores	current																		
	trend																		
Youth: NEET rate	current																		



Overview (cont.)

		New destinations with many recent labour migrants						Countries with immigrant population shaped by border changes					
		Low-educated				High educated		Estonia	Slovenia	Czech Republic	Hungary	Slovak Republic	Poland
		Spain	Italy	Portugal	Greece	Ireland	Iceland						
Employment	current												
	trend												
Overqualification	current												
	trend												
Poverty	current												
	trend												
Overcrowding	current												
	trend												
Health	current												
	trend												
Youth: Education (PISA)	current												
	trend												
Youth: NEET	current												



New challenges

- Increasing heterogeneity of immigration flows - both in terms of category (labour, family, free mobility, humanitarian) and skills levels within these categories - requires more tailor-made approaches
- For immigrants lacking basic skills, significant and long-term investment must be made without immediate pay-off
- In Southern Europe, many low-skilled labour migrants arrived just prior to the crisis, raising issues of long-term employability and appropriate target groups (i.e. who is likely to stay?)
- Family migrants who do not depend on benefits are often neglected in integration measures, although they are a key group – and the impact extends on their children



New challenges (cont.)

- Children of immigrants are entering the labour market in growing numbers, and their outcomes are often unfavourable
- Large inflows of humanitarian migrants, many of whom traumatized by the experience of war, and their settlement in countries with little experience in dealing with such flows



Conclusions on the indicators

- For most indicators, immigrant-native differences in any given country are much smaller than the differences between the native-born in the top and worst performing countries
- Although there is no single champion, immigrants in European OECD countries tend to fare less well than immigrants in the OECD settlement countries (Australia, Canada and New Zealand)...which also have much higher migrant shares
- The high proportion of (highly-educated) labour migrants is a main reason why the OECD countries that have been settled by migration fare relatively well on most indicators
- Indeed, the composition of past migration in terms of category (labour, family, humanitarian) explains most immigrant/native-born differences across countries



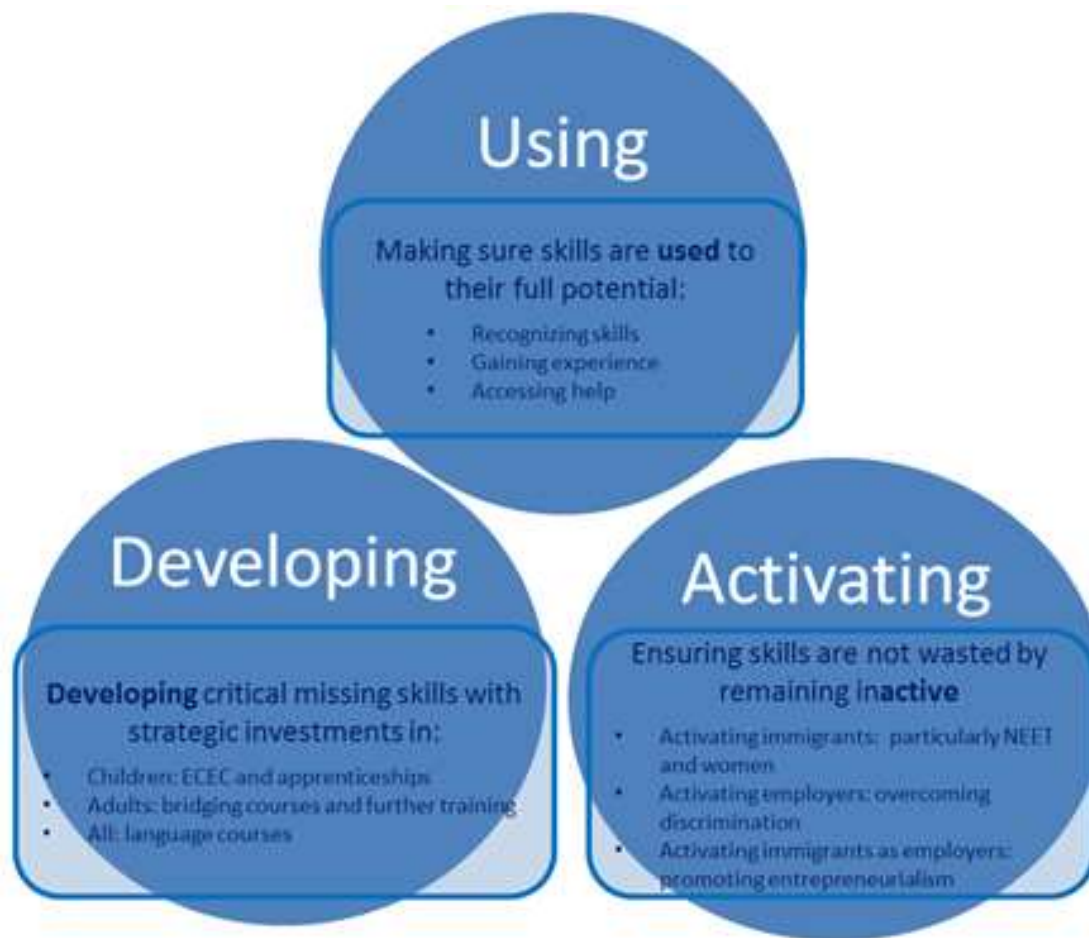
Conclusions on the indicators (*cont.*)

- Having a high educational attainment is, by itself, no guarantee for good integration outcomes for immigrants themselves, but it is strongly associated with good outcomes for their children
- The unfavourable outcomes of the native-born offspring of immigrants in most European OECD countries are linked with the low educational attainment of the generation of their parents

➡ *Achieving good outcomes for the offspring of low-educated immigrants probably represents the single most important integration challenge facing OECD-countries.*



Integrating immigrants: a framework for policy options





Conclusion:

Integration as an investment

- The vast majority of the foreign-born and their offspring are in employment...
- ...But much potential remains unused
- There is no silver bullet and no one-size in integration policy
- Effective policies do not necessarily come along with high costs to the public purse...
- ...But some do – and here integration must be viewed as an investment
 - Early intervention (for new arrivals and for children)
 - Pursue policies where the pay-off is not immediate (unemployed or inactive; women with children)
 - Access to integration offers should depend on settlement prospects and needs



For further information:



EU-OECD Indicators of Immigrant Integration:

<https://www.compareyourcountry.org/indicators-of-immigrant-integration>

Contact:

[**Thomas.Liebig@oecd.org**](mailto:Thomas.Liebig@oecd.org)