



## Labour Market Integration of Immigrants in the EU: Key Trends and Policy Issues

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 PEOPLE

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One of the main challenges of an effective integration policy is that its intersection with a number of other major policy areas, such as protection of human and labour rights, promoting equal opportunities and non-discrimination, employment and labour market policy, regional development, national security, social cohesion, public health, education, and naturalization and citizenship. IOM takes a comprehensive view of integration policy as a set of legal and policy measures that define the parameters of migrants' stay and involvement in the country of destination, which go beyond specific immigration and inter-gation measures, but extend to mainstreaming migration

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considerations into relevant areas of economic and social governance. In particular, it is of paramount importance to move towards improving the knowledge of effective immigrant integration governance in each related policy field, including employment and education, as well as developing mechanisms for inter-policy coordination.

This paper presents an overview of the key trends in the European Union with respect to labour market integration outcomes for immigrants, and the relevant areas for public policy engagement, as well as proposed recommendations. The paper largely draws on several studies carried out by the IOM Independent Network of Labour Migration and Integration Experts (LINET) in 2010-2012 based at the Regional Office of IOM in Brussels and funded by Directorate-General for Employment, Social Affairs and Inclusion of the European Commission.<sup>1</sup>

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<sup>1</sup> Unless cited differently, the findings and data presented in this paper are drawn from the IOM LINET studies. The network covers 27 EU MS, Norway, Turkey and Croatia. The list of publications is presented in the references. The IOM LINET research team includes Anna Platonova (until 2011), Anke Schuster, Maria Vincenza Desiderio, Giuliana Urso and Katharina Buerkin.

## Immigrants in the European Union: Labour Market Inclusion Patterns

The recent economic crisis has not significantly changed the share of third-country nationals (TCNs) residing in the EU among the total population. In 2011, the number of foreign citizens resident in the EU was 33.3 million, or 6.6 per cent of the total population. Nearly two out of three were from a country outside the EU, which represents around 4.1 per cent of the total population. These residents constitute a significant pool of labour force as nearly 80 per cent of TCNs in EU are of working age (15–64 years old). At the same time, only 2.5 per cent of the total population are EU nationals residing in another Member State, constituting 38 per cent of all migrants in the EU. (Eurostat) However, these estimates tend to underestimate the actual extent of intra-EU mobility as a result of freedom of movement regulations and their implications on data collection. Eighty per cent of the adult population of working age EU migrants in 26 Member States (for which data is available, except for Romania), live in Germany, Spain, the United Kingdom, France and Italy.<sup>2</sup> (Benton and Petrovic, 2013)

Immigration has contributed significantly to employment growth in the European Union in the past decade. In 2000-2007, according to EC estimations based on the EU Labour Force Survey (Employment in Europe, 2008; EC, 2009) at the EU level recent<sup>3</sup> third-country migrants accounted for an employment increase of almost 3.7 million and around a quarter of the overall rise in employment.

<sup>2</sup> This paper will focus on the labour market outcomes of the TCNs given the focus of LINET studies and relevance for the Belgian context. Comparisons with the EU nationals will be provided where relevant.

<sup>3</sup> Arrived within the past seven years.

The aggregate figures hide the significant diversity of migration and integration context in each Member State, influenced not least by the differences in the structure of the economy, skill development patterns of the resident population, variety of approaches to labour market regulation, immigrant admission regulations, and links with the specific countries of origin.

### *Labour market segmentation*

In most EU Member States segmentation of the labour market is observed in relation to immigrant employment (in particular in Italy and Belgium) with a high degree of complementarity between the native and immigrant workforce, as foreign workers are filling labour market shortages in sectors where native workers are not willing to work or are not qualified to perform the required task. In other words, evidence suggests that direct competition between migrants and natives is relatively small. However, existing knowledge also points to the possibility of competition between migrants from various countries of origin or with different durations of stay in the host country; and to some extent with the low-skilled native population.

Across the EU, migrants tend to be concentrated in sectors such as agriculture, construction, manufacturing, healthcare, domestic work or hotels and restaurants. Segmentation by gender is relevant both for natives and migrants, but is particularly pronounced in the case of migrant women who tend to be predominantly employed in services and domestic work. As also stated in a recent analysis by FeMiPol (Kontos, 2009), ethnic and gender labour market segmentation leads to female migrants being disproportiona-

tely located in low-paid, low status jobs.

The extent of labour market integration of migrants can be influenced by immigrant's educational attainment, occupational skills, language competence, ethnic origin and cultural proximity, but also by demand in the host economy, as well as immigration, labour market and social policies in the country of destination. Persisting discrimination and difficulties in recognition of qualifications also have substantial impact on the employment choice of migrants. Employment constitutes an important step in the integration process. However, long-term benefits both for the host society and migrants depend on the extent to which migrants are able to secure employment in line with their educational attainment and skills on equal terms with native workers and in decent working conditions.

### *Overqualification*

Notably, labour market segmentation of immigrant workers does not necessarily reflect the skill composition of this group of population. LINET findings attest that regardless of the level of education, migrants are employed in low-skilled sectors. In addition, segmentation could be traced not only to the sectors of employment, but also to the type of occupation within the same sector. Migrants tend to be concentrated in the lowest part of the occupation ladder within the above-mentioned sectors. Furthermore, high concentration of third country nationals in several highly skilled occupations has also been observed in several Member States, in particular in management, engineering and IT, and healthcare.

In 2011, based on Eurostat estimates nearly 45 per cent of highly skilled TCNs had a job below

their acquired level of education, while around 12 per cent were strongly overqualified<sup>4</sup> for the job performed.<sup>5</sup> Southern countries show the highest difficulties in matching education and job levels: Italy and Greece present overqualification rates above 75 per cent.

Country data from LINET reports further illustrate the extent of the phenomenon. In Italy, underrepresentation of migrants within intellectual and technical occupations and predominant employment in manual labour and low-skilled jobs is not a result of an educational gap between foreign nationals and natives. On the contrary, secondary school graduates are more present among foreign workers than on average among the Italian nationals (43.7% compared to 40.1%), even though the share of university graduates is slightly lower (10.8% versus 12.8%). In Norway, a study<sup>6</sup> in 2009 showed that migrants with a non-Western ethnic background and qualifications acquired abroad have five times higher possibility to be overqualified compared to nationals educated in Norway. In Germany, in 2006, the employment rate of natives with higher education was 87.8 per cent while the rate for migrants was 71.3 per cent, which is even below the rate for natives with a secondary education level (72.4%). In the Czech Republic, GAC research reported in 2007 that 40 per cent of migrants do not even try to have their qualifications recognized, knowing that they will perform low-skilled work.

4 The overqualification rate is constructed counting the percentage of highly skilled (ISCED 5-6) who are employed in medium- and low-skilled jobs (ISCO 4-9). We talk about 'strong overqualification' in relation to the percentage of highly skilled employed in low-skilled jobs (ISCO 9).

5 For a matter of comparison, the percentage for nationals stood at 19 per cent and for the strong overqualification at only 1 per cent.

6 Støren, Liv Anne, Choice of Study and Persistence in Higher Education by Migrant Background, Gender, and Social Background, Report 43/2009 NIFU STEP (2009).

In Sweden, 60 per cent of foreign-born persons with higher education have a qualified job. This compares with about 90 percent of native-born graduates (Jusek 2009). An important reason for the depreciation of human capital is limited language proficiency. A review by Olli Segendorf and Teljosuo (2011) shows that there is insufficient information in Sweden about the valuation and validation of education and work experience. Discrimination may also appear as misconceptions about foreign-born productivity, or insecurities about hiring a person whose credentials cannot be evaluated.

According to Domergue (2012), in France more than three quarters of the newly arrived migrants with a tertiary education level who signed the “welcome and integration contract” in 2009 (and who were not students) did not ask for the recognition of their qualifications and certificates in 2010. Nearly 20 per cent of them who did not apply for recognition did not ask for information about this possibility.

### *Employment and unemployment*

Immigrants, especially those coming from outside of the EU belong to the most vulnerable groups in the EU labour market. The economic downturn generally lowered the demand for all labour and for labour migrant workforce in particular. Some of the sectors that employ more migrants – such as construction, manufacture and agriculture – were the most affected, causing job losses particularly for migrant men. On the contrary, somewhat better employment outcomes of female migrants during the crisis are linked to the persisting demand for caregivers and domestic workers. Greece and Italy are exceptions in this trend, as the unprecedented economic crisis started to have an impact even on domestic care

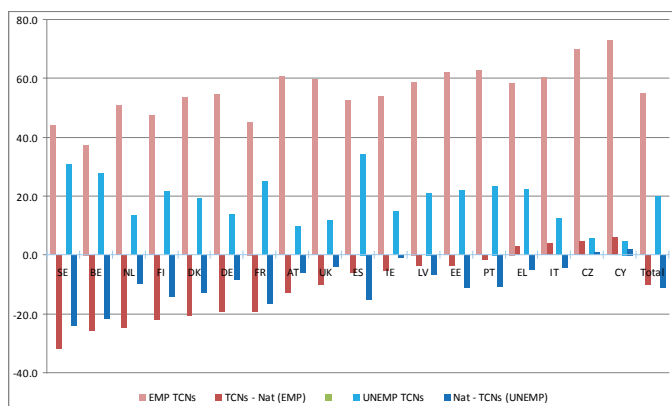
demand.

Self-employment seems to be an option for some migrants to continue economic activity or to remain legally in the country in case of unemployment (Czech Republic, Norway, Portugal, Germany). In some cases, the numbers of self-employed among migrants has been linked to the EU enlargement and the transitional arrangements regime (Austria, Belgium), or in other cases to discrimination or other obstacles to gain regular employment.

Labour market integration of third-country nationals does not indicate any substantial improvement since 2008. The employment rate of third-country nationals in the EU27 fell from 59.3 per cent in 2008 to 54.9 per cent in 2011, while the unemployment rate increased from 14.4 per cent to 20.1 per cent. However, the national and regional context differs significantly across the EU Member States. In 2011, the employment rate of non-EU migrants, for example, ranged from 37.4 per cent (Belgium) to 73.1 per cent (Cyprus).<sup>7</sup>

Figure 1: Employment and unemployment rates for TCNs (%), and comparative disadvantage with nationals (percentage points), 2011

<sup>7</sup> This is also influenced by data collection methodologies and the provisions of residence permits for various categories of migrants. Labour migrants on a temporary permit are expected to leave the country in many EU Member States, and thus do not appear in unemployment statistics.



Source: LINET elaboration on EU Labour Force Survey.

Figure 1 shows the comparative disadvantage of third-country nationals in the labour market in various Member States. Particular challenges in the integration of third-country nationals in 2011 were registered in Sweden and Belgium, with the worst outcomes for immigrants in terms of employment and unemployment rates, and the widest gaps compared to the native population.

### Wages

The abovementioned patterns of sectoral and occupational segmentation, as well as conditions of employment continue to have negative impact on the remuneration of foreign workers compared to the salaries of the nationals. In Belgium a recent study undertaken by Corluy and Verbist (2010) highlighted that the annual average salary of TCNs (EUR 12,240) and of the foreign-born Belgians (EUR 14,340) were far below those of the general population (EUR 18,270). The poverty risk rate was also extremely higher for TCNs (48%) and for foreign-born Belgians (35%) in contrast with the national average of 14 per cent. In Italy, recent estimates by Fondazione Leone Moressa (2010) based on data from ISTAT

for QIII 2009 attest that migrant workers earn an average 23 per cent less than Italian workers. These differences increase with educational level: for workers with only a primary school diploma or no primary education the difference is 5 per cent, but it increases to 16.4 per cent for secondary school graduates and up to 28.5 per cent for university graduates. In Sweden, recent research suggests that even after 30 to 35 years in Sweden migrant wages lag behind those of natives. The path of wage adjustment is very different, though, for economic and non-economic migrants. Economic migrants residing in Sweden on a short-term basis fare very well on average in terms of wages and employment, while particularly for refugees there are large wage and employment gaps in comparison with natives (Lundborg, 2007).

Discrepancies in earnings point to the different positions in the labour market occupied by natives and migrants even in the same sectors, but could also indicate discrimination in employment. In Slovenia, interviews with migrants attest that migrants are often paid less for performing the same work. In Portugal, according to recent findings (Carneiro et al., 2007), migrant workers earn hourly wages which are approximately 11.5 percent lower than those earned by similar native workers.

### Working conditions

Migrants workers also tend to accept less advantageous working conditions than nationals, which at the same time may make them more attractive for employers, especially during the economic crisis. The flexibility trap experienced by migrants is observed by LINET studies as the tendency of being flexible in the choice of the work, the adequate use of the skills and the wor-

king conditions.

Some of the most common violations of working conditions reported in the LINET countries are related to working hours (longer hours to receive the same salary as nationals, and working hours during weekends) (Czech Republic, Latvia, Luxembourg, Romania); failure/delays in the paying of salaries; lack of social protection (Turkey). In addition, migrant inclusion in the labour market is limited as migrants are employed with flexible contracts more often than nationals (Cyprus, Norway, Portugal), or work in temporary jobs (France, Estonia, Luxembourg, Spain).

In Finland foreign workers do not always enjoy such benefits as overtime and weekend work bonuses or holiday compensation, and there are shortcomings in industrial safety and housing conditions. Most of the problems arise at workplaces where the workers are temporarily in Finland and the work is distributed through subcontracting chains. Many of them also have to pay agency fees when seeking work in Finland, even though such fees are illegal (SAK, 2011). In the Czech Republic, many foreigners work longer hours than Czechs to earn these salaries – while Czechs work on average 44 hours per week, Vietnamese work 54, and Ukrainians 52 hours (Opinion Research Centre, CVVM, 2012). In Italy, part-time employment is much more a constraint for foreigners than a voluntary choice. In fact the share of underemployed, that is the share of workers that would like to work more hours if they had the possibility, is twice as high among foreigners as among Italians (Istat, 2012b).

#### *Discriminatory practices*

Despite the advances in the transposition of the EU anti-discrimination legislation, developments in terms of legal assistance and protection of migrants' rights, discrimination remains a fundamental barrier to the access to the labour market and to a successful economic integration. This is reinforced by the enforcement and monitoring deficiencies.

Cases of discrimination in the labour market have been even more widespread during the economic downturn (France, Ireland, Luxembourg, Sweden). One of the typical examples of discrimination in the labour market concerns foreign-named applicants, who were treated unfavourably during the selection process (Finland, Germany). Depreciation of the skill set of migrants can also be linked to employer sensibility. Employers might perceive that the productivity of migrants is lower than in reality or apply unconscious discrimination - which is understood as all actions that harm the position of migrants without an open intention (such as different assessment techniques).

In Finland, a recent policy study on ethnic discrimination (Ministry of Employment and the Economy, 2012) shows that in 2011 Russian-named job seekers had to send twice as many applications as the Finnish-named in order to receive an invitation to a job interview. In Germany, Kaas and Manger (2010) found that an applicant with a German name raised the average probability of a callback for a job interview by about 14 per cent.

A survey of migrants and natives in spring 2011 conducted in Austria (GfK 2011) indicated that 37 per cent of migrants feel that they are discriminated against because of being immigrants, while only 27.3 per cent of natives believe that migrants are disadvantaged and discriminated. According to the integration barometer (Statistics

Austria 2011), in 2011 the proportion of migrants who feel that they are discriminated against is highest for unskilled and poor persons and above all for Turkish migrants (54% of Turkish migrants versus 29% of migrants from former Yugoslavia). In Portugal qualitative research as well as the field work of associations like SOS Racism tends to suggest the existence of discrimination especially for some groups of migrants (citizens of the lusophone African countries) in employment, as well as in housing and healthcare provision (Lages et al. 2006; Santos et al. 2009).

### *Irregular stay and employment*

Considerations of irregular stay and employment of possibly significant numbers of particularly vulnerable migrants, especially in domestic work, agriculture and construction should be added to the analysis, although reliable data is hard to capture. The last available data from Frontex (2011) indicates a sharp decreasing trend already in 2009, which has further stabilized in 2010. According to the HWWI estimation (2009), in 2008 the number of irregular migrants in the EU27 ranged from 1.9 to 3.8 million, corresponding to 7-13 per cent of the foreign population.

In the United Kingdom, a recent analysis (Gordon et al., 2009b) estimates that there were between 417,000 and 863,000 irregular migrants in the UK in 2007. Various findings from the United Kingdom suggest that the level of employment of irregular migrants in the informal labour market is thought to be high as most irregular migrants do not have access to benefits and are very likely to work in order to survive. Regularization campaigns provide additional insight on the situation of irregular migrants. For example, over 1.5 million irregular migrants regularized

their status in six regularization programmes in Italy, while in Portugal the number of regularized migrants almost reached the mark of 94,000 in five regularization programmes. In Germany, the range of estimates of the total number of irregular migrants, most of whom can be assumed to have entered Germany for employment purposes ranges from 100,000 up to 1 million persons thus comprising approximately 0.25 to 2.5 per cent of the national labour force. (LINET 2010)

### **Key Public Policy Issues and Recommendations**

- **Improve the link between immigration policy and the labour market needs and ensure that regulations for admission, residence and employment promote integration**

National policies for admission and employment of migrants play a key role in successful labour market entry and are a starting point for the integration process. In many countries the process of admission of migrants for employment is time-consuming, complex and costly, which further pushes employers and migrants towards irregular channels. Demand for migrants in certain mid- and low-skilled occupations will continue to persist (also as indicated by national labour shortage lists), but many admission frameworks offer limited or no possibilities for even short-term legal employment of third-country nationals in these jobs.

The way in which labour migration policy is designed and implemented may affect in various respects the patterns of access to and use of labour market information for employment matching



through migration, notably in the case of foreign recruitment. Inadequacy of the legal labour migration channels to reflect and respond to the labour needs of the employers may contribute to distort labour market information practices involved in migrants' recruitment.

Uncertainties on the labour migration process, both in terms of the annual planning of flows and of the length of time required to obtain a work permit for a migrant worker, represent a major constraint – particularly for SMEs – and one which was found to limit the recourse to migrant recruitment in response to labour shortages and to have an impact on patterns of access to labour market information for employers and migrants. Consistently across the countries studied it was observed that cumbersome and lengthy immigration procedures are among the main factors which discourage employers to lawfully recruit from abroad in response to their labour needs, particularly if such needs are temporary. This calls for the introduction of clear and time-bound labour migration procedures.

Facilitating independent access to the labour market for all categories of migrants, including in case of family reunification is essential in order to improve levels of integration, especially of female migrants. Family migrants often face restrictions in their access to employment, in many cases having to reside in the host country for a certain period of time before being allowed to work. Such provisions hamper their future chances of successful integration, facilitate brain waste, and increase their dependency on the sponsor migrant. On a positive note, in recent years some countries have amended their legislation to grant immediate access to the labour market to migrants entering on family reunification.

Granting migrants staying on temporary resi-

dence permits possibilities to change employers and occupations within a shorter timeframe could ensure a better match with labour market needs, increase spatial and occupational mobility in the labour market, and contribute to protection of migrant worker rights.

Moreover, security of residence and employment as supported by measures which include availability of long-term work permits and the possibility for an unemployed migrant to remain in the country and seek a job legally, promotes a regular nature for migrant employment. In Italy, the interruption of working relations does not imply revocation of a residence permit, neither for the worker nor for the migrant's family members. The worker may register in the unemployment lists for the residual validity period of the permit, but at the end of this period, if still unemployed, will not be allowed to renew the residence permit.

Citizenship is found to bear premium on labour market integration outcomes, and although the exact interrelations in each country would need to be further analyzed, naturalization should be considered as an important tool in the labour market integration policy.

- **Tackle employer and migrant labour market information needs, including through assistance to SMEs and pre-arrival support to migrants**

On the demand side, difficulties in accessing information on the functioning of the procedures to recruit from abroad and on the availability of migration candidates with the appropriate skills may hinder the capacity of employers – and of SMEs in particular – to fully tackle the potential of migration to address their labour needs. Such information barriers, and the costs related to them, largely account for the limited recourse

of SMEs to foreign recruitment and explain the frequency of informal network-based recruitment practices among those SMEs which hire from abroad. Using personal networks and referrals however, may not represent the most efficient information strategy in terms of job-skills matching and productivity outcomes.

Against this background, policy makers in the EU Member States should support the establishment and territorial diffusion - both inside the country and in the main countries of origin of migrant flows - of non-for-profit initiatives, run in partnership with local NGOs, aimed at connecting employers faced with difficult-to-fill job-vacancies with labour migration candidates. Good practices with this respect can be drawn from Canada, where a plethora of immigrant serving organizations – often funded at least in part by the federal or local authorities – do a notable job in facilitating the employment match between employers and migrants. Efforts would also be needed in raising awareness of such initiatives among SMEs.

On the supply side, prospective labour migrants often lack knowledge on legal migration channels and on the specific labour market requirements in destination countries. This might also be related to language barriers and to shortcomings in the systems of recognition of foreign qualifications and competences. In addition, limited access to networks, diversity-related issues in hiring practices and discrimination may also result in information barriers hampering the possibilities for migration candidates with appropriate skills to come to the EU to fill unmet labour shortages.

Furthermore, highly-skilled migration candidates have more personal resources – notably in terms of language knowledge, IT literacy and general education – and social and professional networks that they can use to get information on

the immigration procedures as well as for getting in contact with the employers abroad, compared with their less skilled counterparts. These different capacities resulting from dissimilar levels of education, together with the specific characteristics of the occupations in which employment is sought, concur to shape the respective labour market information patterns of highly, medium, and low-skilled migrants.

Low-skilled migration candidates have fewer information tools at their disposal compared with their more skilled counterparts. Thus, they may lack digital literacy or other skills to use the digital media to connect with prospective employers abroad. On the other hand, they are generally less sought after by big firms, compared with the highly-skilled, and their networks are not as broad as those of more qualified migrants. As a general rule, low-skilled migrants mostly rely on personal and social co-ethnic networks to find employment abroad. If, on the one hand, the use of informal, ethnic networks has the advantage of offsetting the comparative information and language deficiencies of the low skilled, generally without involving fees, on the other hand this practice entails high risks of creating and reproducing ethnic segmentation of the labour market. The use of ethnic networks for international employment match generally has the effect of clustering workers from each migrant group in specific occupations in their country of destination, regardless of their actual skills and competences, thus hampering the possibilities of professional mobility for those migrants also as a result of the slower acquisition of country-specific skills.

Pre-departure training and accreditation measures in migrants' countries of origin represent an interesting tool for facilitating employment matching in specialized and technical occupations – both regulated and non-regulated - and should

be promoted. Pre-departure information and training programs are often implemented in the context of bilateral agreements between the funding country and the country of origin of migrant inflows. In consideration of their high potential for jobs-skills matching through migration, those programmes should be promoted. Importantly, strong links between pre- and post-arrival integration support measures are necessary to support positive outcomes.

- **Implement simple, transparent and time-efficient procedures for the recognition of foreign qualifications, also at the pre-departure stage**

Qualifications and competences acquired abroad by resident migrants involve an information risk for the employer, who may not be familiar with foreign qualifications and working practices and may doubt of the effective aptitude of migrants holding such qualifications and experience to perform the duties required by the job offered. As compared with multinationals and big firms regularly recruiting foreign workers, SMEs hiring only in the domestic labour market are generally less familiar with foreign qualifications. Uncertainty about the value of foreign qualifications results in information asymmetries involving a clear disadvantage for resident migrants with foreign diplomas compared with natives (and with immigrants having studied in their host country) in the recruitment process.

Furthermore, when the recognition of the qualifications acquired abroad is formally required for the practice of a given profession – as in the case of regulated professions –, recruiting a migrant who holds foreign qualifications may imply additional costs for the employer as compared with recruitment of another candidate holding natio-

nal qualifications. Those additional costs result from the length of time needed for the migrant to obtain accreditation. Cumbersome recognition and accreditation procedures for employment in regulated professions largely account for the difficulties of recruiting foreign-born professionals in occupations such as doctors and nurses, for example, despite growing, unmet labour demand.

On the supply side, the complexity of the procedure for the recognition of foreign qualifications may discourage migrants to apply for it, thus leading to their insertion in their host country's labour market at a lower occupational level than the one corresponding to their formal educational attainment.

In order both to facilitate jobs-skills matching through migration and to improve labour market outcomes or resident immigrants (notably with respect to overqualification issues) the EU Member States should implement streamlined, transparent and time-efficient systems for the recognition and accreditation of foreign qualifications and competences. In addition, in an effort to reduce to the maximum extent possible informational asymmetries between migrants holding foreign qualifications and other groups of workers and jobseekers, those systems should allow for initiating the recognition procedure at the pre-departure stage. A good practice in this respect can be drawn from Germany, where the new Federal Law on Recognition of Foreign Qualifications entered into force in April 2012 provides for the possibility for prospective labour migrants to have their foreign qualifications assessed before their arrival in the country.

- **Promote early job placement of labour market newcomers**

The EU Member States predominantly practice employer-led labour immigration regimes, which eliminated the challenge of initial labour market insertion for economic migrants. Other categories of migrants, in particular those from humanitarian and family streams, but also children of immigrants often face high barriers to labour market entry beyond the legal provisions. School-to-work transition for the children of low-skilled immigrants remains a significant challenge. At the same time, early market entry is an important determinant of long-term labour market integration outcomes (OECD, Jobs for Immigrants reviews).

Obstacles in access to information on available job opportunities (for migrants) and/or suitable candidates (for employers) as well as information deficiencies related to shortcomings in the procedure of recognition of foreign qualifications or attributable to perceptions and behavioural factors also exist for the recruitment of resident immigrants. At the same time, public employment services in Europe, with the exception of Germany, seem to play a marginal role for matching employers with labour migrants, both in the case of foreign recruitment and in the recruitment of resident migrants. More than the availability of tailored services, it seems that a general issue of lack of trust between employers and the public employment service, on the one hand, and, between migrants and the public employment service on the other, is responsible for this pattern.

Many countries run various types of introduction programmes for migrants that combine elements of language and vocational training and civil education. The range of programmes, their structure (funding, level of obligation, penalties

and incentives) and content varies from country to country. Language training, however, remains the key component for boosting opportunities for integration in the welcoming society. Some of these programmes were criticized for having low relevance to the integration needs of migrants and prospective employers, which in some cases led to the gradual change in their content or modalities of service provision.

OECD confirms that work experience measures tend to be especially effective in getting immigrants into the first jobs, when provided in combination with language and other types of work-relevant training and personalized counselling. Promoting immigrant employment in the public service is one possible direction for action. (Jobs for Immigrants series). LINET confirms that subsidized employment programmes could facilitate the recruitment of migrants holding foreign qualifications as in this case the costs of hiring the migrant is partly borne by the State and, as a consequence, the information-related risks are shared between the private employer and the public authorities. While subsidized employment programs might be useful to reduce employers' reluctance to hire migrant workers in labour markets with comparatively high levels of employment protection, the cost-effectiveness of such programs in terms of optimal employment matching is less clear-cut.

It is worth mentioning here that higher risks perceived by the employers in recruiting migrants as compared to natives are also partly attributable to the fact that the former have generally less access to personal networks connecting with the employer compared with natives. Although not always granting the more efficient employment matching in terms of productivity outcomes, hiring through personal referrals is

often perceived as reassuring by employers. To reduce the relative disadvantage represented for resident migrants by lack or limited access to networks in the labour market of their country of destination, mentoring programmes have been implemented, with success, in many EU Member States and non-EU settlement countries. In Canada, the Toronto regional Employment Council (TRIEC) runs the Mentoring Partnership initiative, aimed at facilitating access to labour market information for newcomers lacking professional networks in the country, equipping them with the ability to find job opportunities in their field of education. This is done through pairing immigrants or “mentees” with a “mentor” who is an established professional in their field. Mentors commit to twenty-four hours of meetings with their mentee over four months, and develop a program tailored to the individual mentee’s labour market needs, including referrals to other services and information interviews. An evaluation of the program has shown that almost 70 per cent of the participants found employment in their field within three months, and nearly 80 per cent found employment overall.

- **Tackle discrimination and cultural-diversity related issues in the hiring and employment process**

Lack of intercultural knowledge by employers may also lead to a relative disadvantage for migrants compared with natives in the hiring process. Due to their resources restrictions and to limited experience of recruitment from abroad, SMEs in particular seem to lack the capacity (both in terms of dedicated counselling and training) to deal with cultural diversity issues in the recruitment process. A given behaviour or way of dressing during the job interview, for example, may be perceived as non professional as not completely

conform to the standard practices in the country. In addition, cultural attitudes or preferences of the migration candidate may be perceived as a potential risk for the good interrelation with the potential future colleagues and the cohesion of the working team. As a consequence, even when explicit discrimination against migrants is not observed, implicit stereotypes and intercultural barriers may bias the recruitment process, contributing to less positive hiring outcomes for migrants as compared to natives with the same levels of qualifications and competences.

Anonymous job applications can be practically implemented without excessive costs, and they can lead to equal opportunities for minority groups of applicants – at least in the initial stage of the recruitment process. However, in the more advanced stages of the hiring process – and, namely, in the job interview – implicit discrimination and stereotyping (Rooth, 2007) and cultural diversity considerations may still result in a relative disadvantage for applicants with migrant background compared with natives.

In this context, counselling and support measures would be needed – especially for SMEs – to provide managers and human resources personnel with the capacity to correctly deal with cultural-diversity related issues in the hiring process, thus avoiding biased recruitment outcomes and contributing to improve firms’ productivity as well as the labour market integration of immigrants. Since discrimination and cultural-diversity related issues may also have a negative impact on earning outcomes and job-mobility of employees with migrant background, anti-discrimination counselling and support should be provided not only for the recruitment process but through all the human resources management cycle.

- **Mainstreaming migrant needs in the general labour market support**

## **instruments: proceed with caution**

Equal access of migrants to national labour market support mechanisms and activation measures is a positive feature of a number of national labour market institutions in the EU. However, as migrants across the EU represent a vulnerable group in terms of labour market outcomes irrespective of skill level, labour market support measures aimed at specific migrant groups could still be relevant, including those for recent arrivals, female and young migrants. Countries, such as Austria and Belgium have combined the general and targeted approaches by establishing a list of vulnerable groups that have priority in access to various labour market measures. Migrants tend to represent one of the most vulnerable groups on the labour market and, therefore are often included in these priority lists.

Often no disaggregate data on participation of migrants in national labour market support mechanisms and activation measures is available, which hinders the evaluation of the inclusion of this population group in the policy measures and monitoring policy efficiency.

- **Ensure a strong link between the national and local levels in integration policy development and implementation**

The local level is increasingly important in terms of design and provision of integration services across the EU. In some countries this has been a result of the national debate and decision-making on the division of responsibilities between various levels of governance. In others the efforts at the local level in reality try to compensate for the lack of national measures, or for their vague relevance to the local reality of integration and society cohesion.

The role of the local dimension in integration policies varies according to the institutional framework and the degree of administrative centralization / decentralization that sets up the relative competences and autonomy of each level. However, irrespective of their administrative structure and division of competences, there is a scope in most States to enhance communication and cooperation among different levels of governance in migration policy.

There is solid evidence of the crucial role the local governance level can play in ensuring coordination between various state agencies on the ground, and between other integration stakeholders, and in particular in developing links with the local employers. In general, given proximity to the reality of policy implementation, local actors are in a better position to foster innovation in approach to integration and to experiment with new practices. Their experience and data are also crucial for the evaluation of various integration initiatives.

On the other hand, the bottom-up integration policy and service development could lead to a high number of actors, a proliferation of isolated service providers. Measures on the local level are often short-term and project-based with external funding, which hinders sustainability of integration efforts on the ground and presents difficulties in ensuring accountability of various actors.

Furthermore, on the national level such diversity of approaches and available services results not only in confusing information for migrants and employers, but could lead to inequality in individuals' rights due to differences in access to integration support, institutional capacity, varied policy priorities across municipalities that are not coordinated with the national policies in areas relevant to integration.

Stronger link between the national and local

levels should be ensured to set the general legislative and institutional framework on overarching issues such as anti-discrimination or recognition of qualifications and determine principles of the national approach to integration, its objectives and broader policy guidelines. The national framework on integration should be flexible enough to adapt to the local integration conditions. The national level could also lead on the policy evaluation based on the local experiences, provide with the framework for benchmarking, peer review and exchange of best practices among various governance levels that would further feed into the policy process.

Finally, employment is the cornerstone of integration, in terms of promoting self-dependency, personal empowerment and contacts with the native population. However, labour market integration does not guarantee social integration, which is a major step in ensuring both acceptance of immigration by the host country population and the long-term sustainability of migration policy. In this regard, labour market integration measures should be part of a wider local, national or regional vision on managing immigration to ensure its positive contribution both to the economic growth and supporting social cohesion.

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