

## **The Labour Market Integration of New Immigrants in Europe: Analysis and Policy Evaluation**

International Labour Office (ILO) and Migration Policy Institute (MPI)

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### **Overview and motivation**

The first few years after arrival are particularly important to immigrants' long-term prospects. Integration takes place over several decades, but the failure of new immigrants to enter the labour market early, in occupations consistent with their skills, and in sectors that offer opportunities for upward job mobility, can have a "scarring effect" that persists throughout a worker's career. Unfortunately, newly arrived immigrants often face protracted periods of unemployment or inactivity followed by difficulties progressing into well-paying, stable jobs. As a result, investments to support timely labour-market entry and put immigrants on a path toward upward occupational mobility bring long-term benefits.

The labour-market trajectories of newly arrived immigrants depend on a host of factors. These include their ability to overcome a complex set of barriers from limited language proficiency, unfamiliarity with local labour market institutions and practices, and weak or nonexistence contacts with potential employers, to the difficulties local employers face in evaluating work experience and qualifications gained abroad.

In addition, a range of important institutional factors drives immigrants' incorporation into the labour market: the pace of economic growth during the first few years at destination; local labour market regulations and institutions (such as employment services and worker organizations) that create or remove barriers to immigrant employment; the extent to which employers commit to ongoing training and fair employment practices as a matter of course; the prevalence of labour market discrimination; and the extent to which the sectors and occupations that immigrants enter provide navigable "career ladders" into better-paying work as well as the ease with which newly arrived immigrants without host-country education or experience can gain a foothold on these ladders.



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Finally, new arrivals' outcomes are shaped by integration policies, most notably immigrants' access to support (through national and/or sub-national governments, social partners, and voluntary organizations) for the assessment of skills and experience, the acquisition of language proficiency, access to locally relevant training, and labour market information. Since integration policies comprise only part of the institutional and policy landscape that shapes immigrants' outcomes, however, it is also important to consider the extent to which policies targeted at immigrants are both integrated with and consistent with the country's broader, non-targeted services and institutions (such as employment services and vocational training systems).

While the debate on matching immigrants' skills to the needs of the labour market often focuses on labour migration, most legal migrants to the European Union are not selected on the basis of their skills. Instead, they gain legal status under family unification provisions, as humanitarian migrants, or through various forms of regularizations. The majority of these individuals lack tertiary qualifications, even if they arrive with significant work experience or training. As a result, a central policy goal in the integration of non-selected immigrants and their families is access to middle-skilled jobs — putting immigrants on a pathway towards well-paying jobs that do not require high-level academic qualifications but that reward on-the-job experience and/or vocational training.

The proposed research project will provide new empirical evidence on the labour-market integration trajectories of newly arrived immigrants into middle-skilled jobs. Relying on a combination of data analysis, qualitative research, and interviews with policymakers and social partners, the project will assess the opportunities for upward occupational mobility among new arrivals in the sectors in which they are concentrated and examine concrete steps that governments can take to ensure that immigrant-integration policies and the broader system of workforce-development, training, and employment programs support new arrivals' access to well-paying, stable jobs.

### Research plan

The project will follow a three-phase analytical approach, combining quantitative and qualitative analysis with expert consultations to provide an integrated picture of the role of policies in facilitating newly arrived immigrants' access to the labour market and to middle-skilled jobs. The core of the research will comprise detailed case studies of both labour-market integration trajectories and labour-market integration policy systems in six EU countries.

The quantitative work will examine, among other things, how newly arrived immigrant cohorts' employment rates evolve over time; and what share of new arrivals are able to graduate out of the least skilled occupations and/or unemployment, into more skilled work within the first few years after migration. The qualitative work will assess three core policy categories that shape immigrants' entry into the labour market and their ability to gain locally relevant skills and put their existing skills to good use: 1) employment services; 2) work-relevant language learning; and 3) vocational training. In the third phase of the project, ILO and MPI will conduct targeted consultations with social partners, relevant EC and Member State policymakers, officials responsible for implementing policies (such as public employment services), and academic experts in workforce development and immigrant integration, in order to fill remaining knowledge gaps and interpret research findings.

The findings from each project phase will be presented in an overview report to be published in late 2014.



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