Labour market outcomes and trajectories of TCNs in Belgium: how important is the reason for migration?

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Structure of my talk

- Motivation
- Research questions
- Data & methods RQ1
- Results RQ1
- Data & methods RQ2
- Results RQ2
- Conclusions

- Limited evidence on the labour market outcomes of migrants with different reasons for migration in Belgium

- An important reason is data limitations, since detailed statistical information on migration motive is not always easily accessible

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Why we can expect differences

- Non-economic migrants are thought to be less positively selected in terms of human capital and motivation

- Migrants differ in the resources and networks available to them right after arrival

- Migrants may also differ in their evaluation of what makes a successful migration experience, which can in turn affect their reservation wage

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Research questions

1) How does the reason for migration affect migrant participation in the labour market and their access to jobs commensurate to their skills?

=> cross-sectional perspective

2) How does the reason for migration affect migrants' labour market trajectories in the first years after arrival?

=> longitudinal perspective

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Research questions

1) How does the reason for migration affect migrant participation in the labour market and their access to jobs commensurate to their skills?

Data & methods

RQ1

- ## Labour Force Survey
  - Large-scale harmonized survey of European countries
  - Limitation: does not reach irregular migrants

- ## Ad hoc module 2014
  - Topic: labour market integration of migrants & their descendants
  - Contains a question on the main reason for migration

- ## Analytical sample
  - First-generation migrants who were born outside of the EU, aged 20 to 59, who have been in Belgium for longer than two years (return migration, right to stay & work)

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- ## Measures of labour market integration
  - Active on the labour market
  - Employed in a skilled occupation (managers, professionals, technicians and associate professionals)
  - Employed in a "bad job" (involuntary PT, involuntary temporary contract)
  - Employed in an overqualified job

- ## Reference category: natives
  - Controls: age, married, children below age 15, highest obtained qualification & region of residence

- ## Migrant categories
  - Economic with contract, economic without contract, family, study, protection (& other)

- ## Estimation strategy
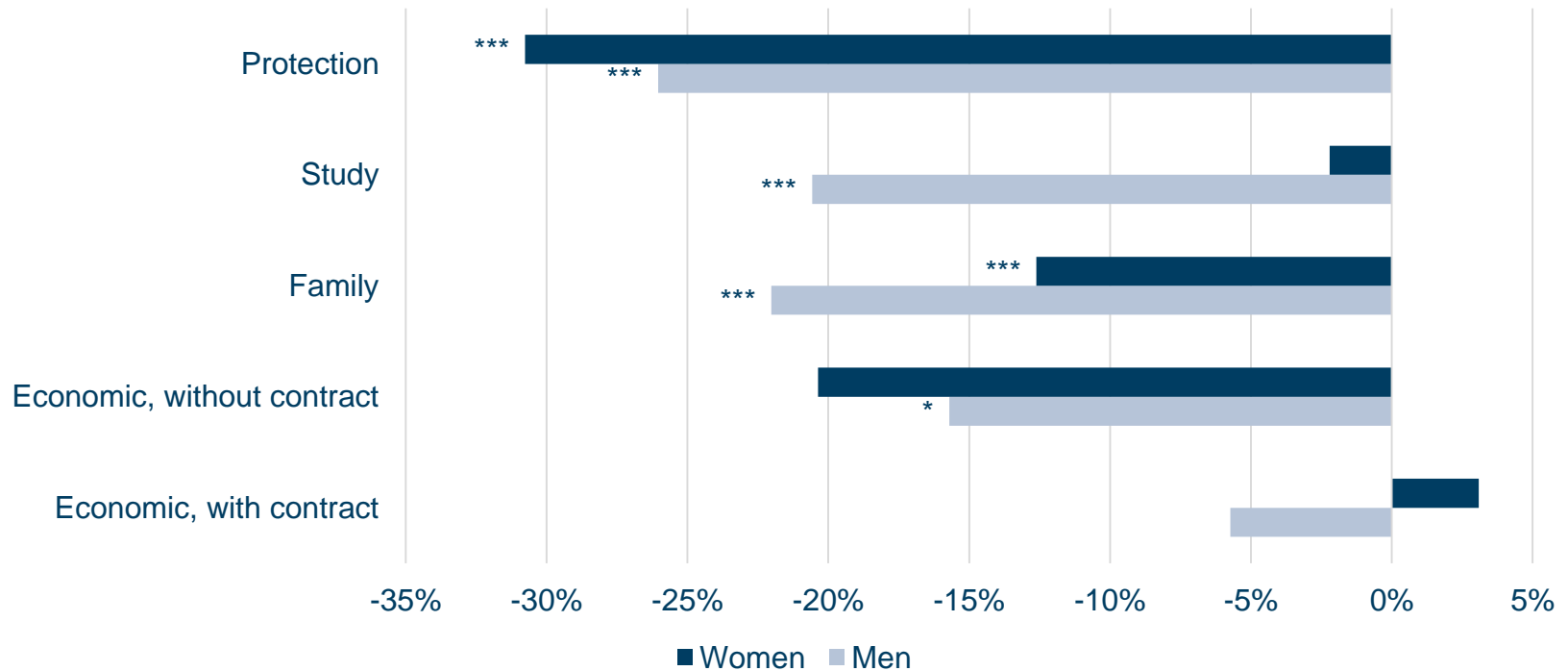 - Logistic regressions, separately for males & females
  - Report marginal effects

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Results

RQ1

Marginal effects on probability of being employed in skilled occupation
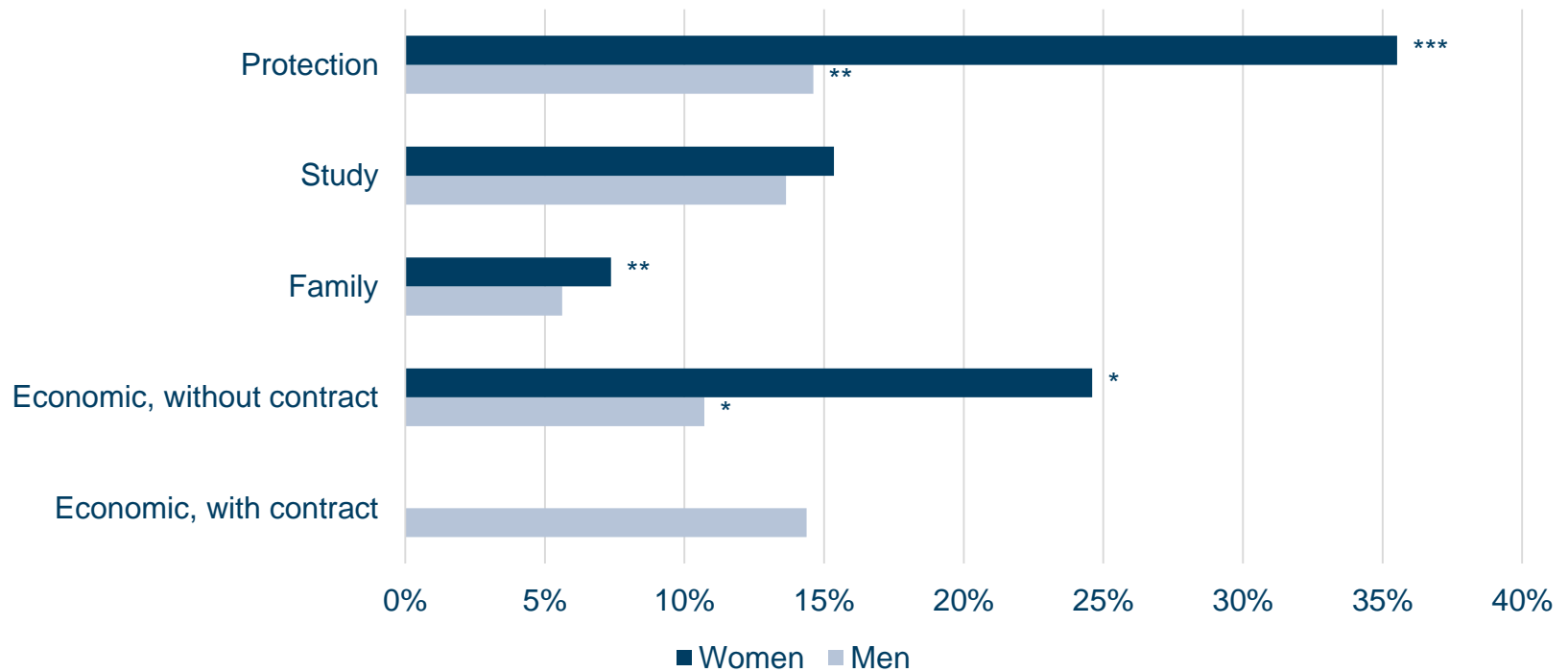

Source: Labour Force Survey, ad hoc module 2014

Notes: * p<0.05, **p<0.01, ***p<0.001

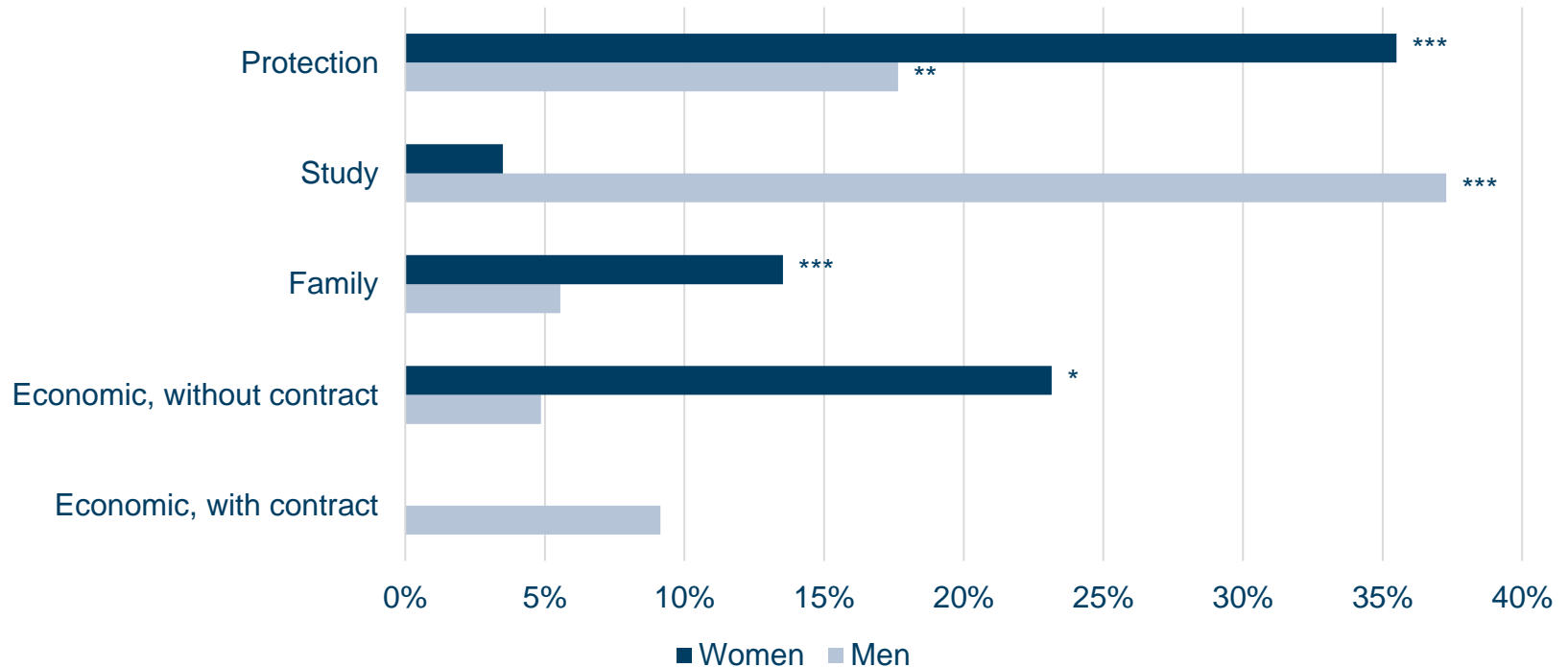# Marginal effects on probability of being employed in "bad job"

Source: Labour Force Survey, ad hoc module 2014

Notes: * p<0.05, **p<0.01, ***p<0.001

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Marginal effects on probability of feeling overqualified

Source: Labour Force Survey, ad hoc module 2014

Notes: * p<0.05, **p<0.01, ***p<0.001

2) Examine how the reason for migration affects migrants' labour market trajectories in the first years after arrival

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Data & methods

RQ2

- Labour Force Survey (2010-2012)

- Datawarehouse LM & SP (2003-2012)
    - First issued residence permit (different from self-reported reason for migration!)
    - Longitudinal information on socio-economic position
    - Track migrants' trajectories based on their self-reported year of arrival

- Analytical sample
    - First-generation migrants who were born outside of the EU, aged 18 to 55 on arrival
    - Entry cohort 2003-2009

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- ## Measures of labour market trajectories
  - The hazard of **entering** the first employment
  - The hazard of **exiting** the first employment

- ## Controls
  - Sex, age at arrival, highest obtained qualification & region of residence

- ## Migrant categories
  - Economic, family & protection

- ## Estimation strategy
  - Discrete-time hazard models
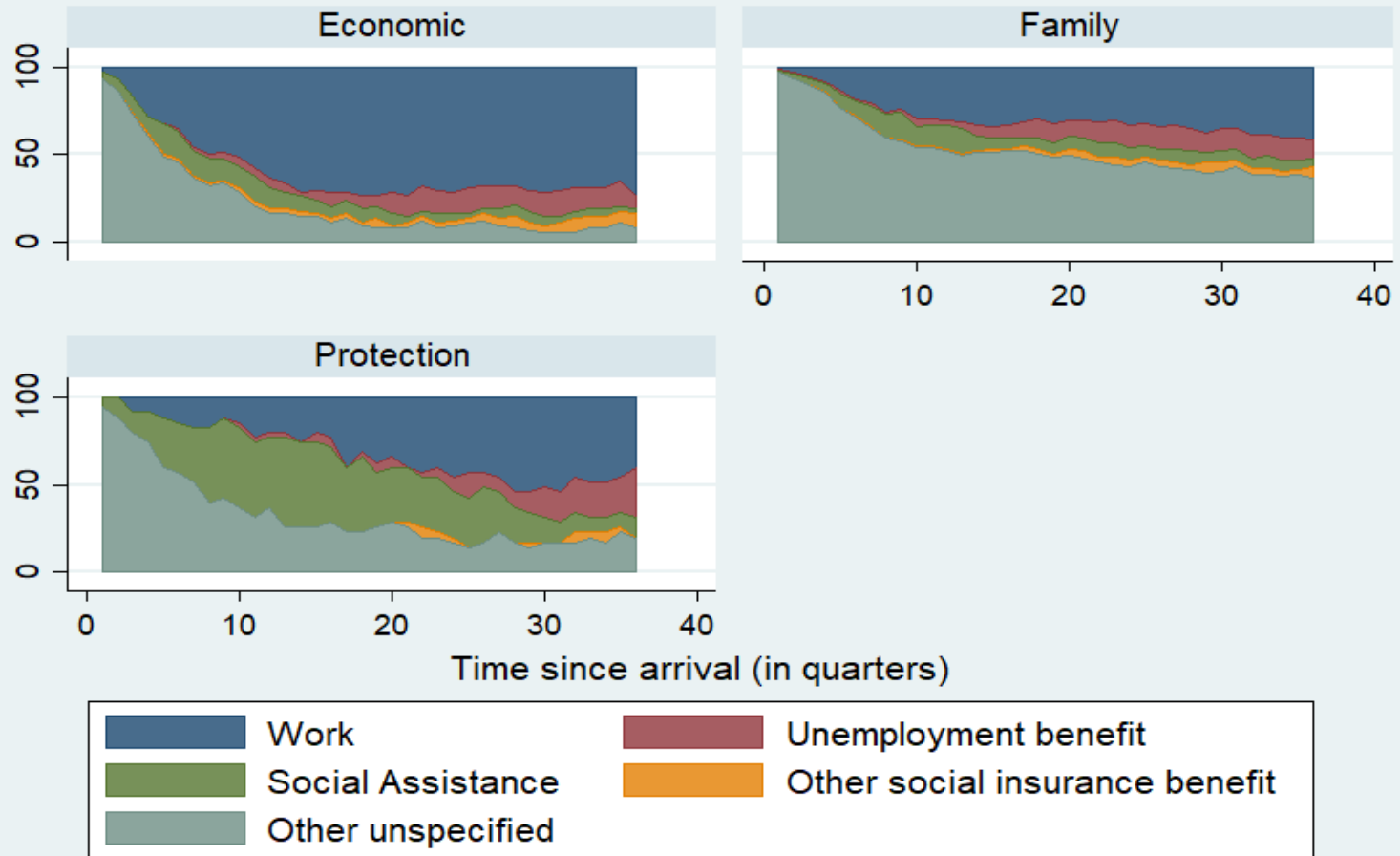 - Report odds ratios (>1 positive effect, <1 negative effect)

Results

RQ2

Labour market trajectories after arrival

Entry into first employment

	Odds ratios of entry	Odds ratios of entry
Comparison groups (Economic = rc)		
Family	0,32***	0,24***
Protection	0,26***	0,09***
Family*time		1,04***
Protection*time		1,13***
Controls		
Sex	X	X
Age at arrival	X	X
Highest obtained qualfication	X	X
Region of residence	X	X

Source: Labour Force Survey 2010-2012 & Datawarehouse
Notes:time since arrival (exposure), year of entry and survey year are controlled for; * p<0.05, **p<0.01, ***p<0.001

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Exit out of first employment

	Odds ratios of exit	(1) Odds ratios of exit to unemployment	(2) Odds ratios of exit to social assistance	(3) Odds ratios of exit to other
Comparison groups (Economic = rc)				
Family	1,52***	1,36	0,81	1,73***
Protection	2,14***	2,98***	6,34***	0,88
Controls				
Sex	X	X	X	X
Age at arrival	X	X	X	X
Highest obtained qualification	X	X	X	X
Region of residence	X	X	X	X

Source: Labour Force Survey 2010-2012 & Datawarehouse
Notes:time in first employment (exposure), year of entry and survey year are controlled for; * $p < 0.05$, **$p < 0.01$, ***$p < 0.001$

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Conclusions

- Non-economic migrants take significantly longer to enter their first employment as compared to economic migrants
  - Over time, they catch up to some extent but the employment gap remains substantial

- Non-economic migrants run a relatively greater risk of exiting their first employment
  - It is not clear why this happens. One possible explanation is that they get discouraged in the types of jobs that they are able to acquire, as these jobs are often insecure and unattractive

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Conclusions

- The objective of providing fast labour market access to TCNs is high on the agenda in Belgium

- However, our results provide arguments in favour of policies that support sustainable labour market integration instead of just promoting quick access to the labour market

- Additional targeted educational and labour market measures are needed to promote durable integration of TCNs into the Belgian labour market

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Thank you for your attention!

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