D 6.4 - Labour market outcomes and integration of recent youth migrants from Central-Eastern and Southern Europe in Germany, Norway and Great Britain

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STYLE-WP6: Mismatch Migration

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i) to ‘advance the knowledge base that underpins the formulation and implementation of relevant policies in Europe with the aim of enhancing the employment of young people and their transition to economic and social independence’, and 

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Executive Summary

Recent youth migrants are at a double-disadvantage in the labour market. They face young peoples’ education to employment transition challenges as well as difficulties of foreign labour market entrants. This paper focuses on three receiving countries, Germany, Norway and the UK, and investigates the labour market integration of recent young EU citizen migrants with a specific focus on the comparison between migrants from Central and Eastern Europe and Southern Europe. We are investigating the degree of integration, the relationship with migrants’ country of origin, also given variation in application of transitional measures across receiving countries and sending country groups and the potential effect of the post-2008 economic crisis.

Using national Labour Force survey data from 2004/2005-2012/2014, the paper finds a relatively high degree of integration in terms of employment for intra-EU migrants – more so in the UK and Norway than in Germany though – particularly compared to third country nationals, contrasted by integration into poor quality jobs, including atypical employment.

A marked stratification by country-of-origin associations exist in terms of qualification-occupation mismatches and wages. In terms of employment quality, youth migrants from Northern and Western Europe show similar outcomes to the respective nationals and thereby fare substantially better than those from CEE (A2 and A8) and EU-South countries and in particular third country nationals.

The three case studies also contain evidence that CEE intra EU migrants fare worse on many employment quality indicators than EU-South intra EU migrants. No substantial differences pre-/post-crisis seem to exist for the UK. For Germany some evidence suggests that transitional arrangements had both quantitative and qualitative impacts on labour market integration. For Norway, the findings suggest a strengthening of labour market segmentation. Finally, young EU migrant citizens have a lower probability of claiming unemployment benefits, which potentially suggest a poor secondary labour market integration and higher vulnerability to employment risks.

Key words:
Employment, working conditions, migration, youth, EU, outsiders, labour force survey data
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1. Introduction

The recent decade was characterised by increased intra-EU cross-border labour mobility shaped both by the EU accession rounds of the 2000s and the economic crisis of 2008. The accession rounds in 2004 (A8 countries) and 2007 (A2 countries) in principle granted nationals from Central and Eastern European countries (CEE) free access to EU labour markets. However, the vast majority of old EU countries made use of so-called transitional measures restricting the free mobility of labour (and in parts services) for up to 7 years.¹ Moreover, economic conditions of “receiving” countries varied markedly in the mid-2000s making some destinations much more attractive than others. Even though some CEE sending countries disposed of relatively high unemployment at the time of accession, a likely more important pull-factor were the large wage differentials between the East and the West. The economic crisis had a diverging impact on both sending and receiving countries. Some previously attractive migration destination countries particularly in the EU-South were hard hit by the crisis; high unemployment, and youth unemployment in particular, put pressure on individuals to leave their countries and search for better job opportunities in the North.

In an intra EU cross-border labour mobility context, recent migrants are often comparatively young and highly qualified (e.g. European Integration Consortium 2009). While there is comprehensive European comparative evidence on general migration trends, we are lacking comparative evidence on primary and secondary labour market integration and particularly the qualitative dimension of labour market integration (working conditions). Moreover, there are few studies that focus explicitly on recent youth migrants. Also, so far only few studies explicitly look at the new wave of migrants from Southern to Northern Europe (e.g. Akgüç and Beblavý 2015, forthcoming).

On this backdrop, our paper focuses on the quantitative and qualitative labour market integration of young migrant workers (20-34 years) from Central and Eastern Europe (CEE)² and Southern Europe³ who have recently (in the previous five years) moved to the following three destinations countries: Germany, Norway and Great Britain.

We attempt to tackle the following research questions: How well are recent youth migrants integrated relative to their peers from the respective destination countries? Does the degree of integration reflect structural differences between the regions of origin, and in particular CEE countries and Southern Europe and macroeconomics changes due to the economic crisis after 2008? Is there evidence that labour market and integration outcomes of recent young EU migrants vary across welfare regime?

All three countries have been and are important destination countries for the migrant groups in question in particular due to their good economic performance (in the pre-crisis, crisis period or both). In the 1960s and 1970s, migration to Germany was characterized by low-skilled workers and their families from Southern European countries, and in particular from Turkey, under the guest worker recruitment framework. From the mid-1980s migration to Germany was characterized by refugees, asylum seekers, quota refugees and ethnic German immigrants. In more recent years seasonal

¹ The UK was one of only 3 countries opening its labour market fully in May 2004 to A8 country nationals. As most other countries, the UK introduced transitions measures for A2 nationals from Romania and Bulgaria in January 2007 and kept them for the full 7 year period. Germany made use of the full 7 year period for transitional measures for both A8 and A2 nationals.
² Except for in the Norwegian case study, we discuss CEE country nationals separately, focusing on nationals from A8 countries (Czech Republic, Hungary, Poland, Slovakia, Slovenia, Estonia, Lithuania and Latvia) which acceded the EU in May 2004 and nationals from Romania and Bulgaria (A2) who joined in January 2007. It was not possible to break down the analysis further looking at specific source country nationals.
³ Southern countries are Greece, Italy, Portugal and Spain, Malta and Cyprus. We also present results for the old EU members states (Belgium, Denmark, Ireland, France, Luxembourg, Netherlands, Austria, Sweden, UK) (+ the EFTA countries) and third country nationals.
labourers from Central and Eastern Europe and to some degree highly skilled specialists under Green Card programmes have been important sources (for details refer to Kogan 2011). In Norway, migration from Sweden has been the most central source of migrant workers for a long period. This migration is cyclical and is important in reducing pressures on wages and prices during booms in Norway, while providing employment opportunities for young Swedes affected by recession in Sweden. A common Nordic labour market has facilitated unrestricted worker mobility within the Nordic countries. However, after the EU enlargement in 2004, migrants from Eastern Europe have become a more dominant labour source in the Norwegian labour market; today Polish migrants are the largest group of migrant workers in Norway. In the UK non-EU migration remains the most important source of migrant labour – in fact a high-level of non-EU migration has existed for a long time, both from high-income countries, particularly transatlantic, and low-income countries from the Commonwealth. In addition the close historical relationship with Ireland, exemplified by the Common Travel Area between the two countries, adds an additional layer of complexity.

A strict focus on intra-EU migration makes sense in so far as the legal conditions that apply to EU workers vary substantially from non-EU migrants. EU citizenship in principle guarantees freedom of movement and non-discrimination. Workers from other EU Member States and those EU citizens who have been legal residents for five years and longer have the same social rights as nationals (Bruzelius & Seeleib-Kaiser 2016).

The three receiving countries did not only follow different strategies in terms of the use of transitional measures regarding A8 nationals – the UK applying a very lax, Germany a very strict and Norway an intermediate approach. In fact, for the direct post-accession period, diversion trends (of young highly educated migrant workers) from the more traditional destination countries to countries that did not apply transitions measures have been identified (e.g. Fihel and Okólski 2009). The countries differ also in terms of economic pull-factors with changes over time. Upon EU enlargement, for the UK and Norway, economic pull factors were strong given low unemployment and many job openings. In the UK, the liberal regulatory regime and the good economic outlook (the UK had witnessed an unprecedented 20-year long economic growth period with historically low unemployment rates, prior to the financial crisis) were coupled with language advantages; Norway was additionally attractive due to comparatively good working conditions and in particular high wages and has remained attractive through the crisis. Pre-crisis economic growth in Germany by comparison was slow, unemployment rates reached the highest levels since the Second World War and the process of unification ‘necessitated’ a large commitment of public finances. On the other hand, long-run traditions of migration from CEE countries such as Poland and Slovenia and therefore the existence of migration networks but also geographic proximity and to some degree language advantages played an important role. Over time, and particularly with the start of the economic crisis, we see shifts in economic attractiveness. Germany, one of the few countries with declining unemployment and increasing employment during the economic crisis, is becoming more attractive for EU cross-border labour migrants. In contrast, given its high dependence on the financial services sector the crisis had a particularly strong economic impact on the UK particularly compared to Germany. The economy has still not yet reached the level of 2008 again. Given increasing unemployment in the crisis period but also a shift in migration policies (transitional measures for workers from Romania and Bulgaria, changes to benefit entitlements) the UK is becoming comparatively less attractive in the crisis period. Norway remains economically attractive throughout both periods; it is in fact by far the most attractive country for CEE migrants in Northern Europe in spite of the fact that Sweden was one of the few countries to open its labour market fully for A8 nationals upon enlargement.

Institutional or welfare state differences (e.g. Hall and Soskice 2001; Hall 2007; Esping-Andersen 1990) not only have implications on general migration trends but likely also for the labour market and welfare integration of migrant workers as compared to their national peers. In spite of their different characterisation in the above welfare state literature as Coordinated and Liberal Market Economies, both Germany’s and the UK’s labour markets can be characterized as segmented. Evidence for segmentation for examples lies in the (unregulated) low-wage sectors in both Great Britain (statutory
minimum wage though with question mark on enforcement for certain groups of workers) and Germany (sectoral minimum wages with a statutory minimum wage currently being phased in) and lax employment protection regulation in general in the UK and contractual flexibility (fixed-term employment, temporary agency work, sub-contracting) in Germany. Both countries have seen trade union density declining substantially over the last decades. In Norway, on the other hand, the collectively agreed (minimum) wages are comparatively high. The same goes for trade union density and general coverage with collective agreements. In addition Norway has, adopted the act of general application of collective agreements to ensure that foreign workers enjoy wages and working conditions equal to those of the Norwegian employees, even when not part of a union. Since 2004, collective agreements have been legally extended in selected sectors with a high share of migrant workers. However, also Norway has experienced increasing fears of segmentation, precarious working conditions and risk of “social dumping” as outcome of increased labour migration (Friberg et al. 2014). This leads us to expect that differences in labour market and welfare outcomes between nationals and migrant workers will be more pronounced in the former two countries than in the latter one.

Another dimension are pathways into employment (e.g. Walther and Pohl 2005, Brzinsky-Fay 2007). The countries differ considerably in their institutional outlook on young peoples’ transitions from education into employment. In all likelihood this should impact on young migrants, too. For example is there a German “expectation” that the migrant is ‘high-skilled’ against the background of a strong vocational training tradition as opposed to a British notion of “learning on the job”? In fact, strongly institutionalised vocational education with the respective occupational segmentation can provide an additional entry barrier for migrant employment. And therefore, does this attract/provide for different labour market outcomes?

When assessing labour market outcomes an important factor is also the sectoral distribution of migrant labour not least due to the fact that trade union organization varies between different sectors of the economy; particularly the services sector is prone to low organizing degrees. The UK has long been dominated by the tertiary sector, which particularly in its low-skill segment might provide easy labour market access for migrants, almost irrespective of their skill set. Some evidence from recent studies on the over-qualification of migrants in the UK might corroborate this fact (Altorjai, 2013). However, it is also well known that high percentages of employees in the financial services industries and Britain’s elite universities have an (EU) migrant background. Hence, one might hypothesize a reinforcement of the dual labour market structure to be an outcome of increased migration. In Germany migrant workers are over-represented in certain mostly low-skilled services occupations such as hospitality but also in construction and the agricultural sector (role of seasonal work). The latter phenomenon is probably not true in the same magnitude for the UK; however there are regions in which migrant labour is dominated by seasonal agricultural workers at least given anecdotal evidence. In Norway migrant labour from EU countries often takes place in construction and manufacturing. Across all three countries there are also differences in sectoral distribution across different migration groups which points to the impact of transitional measures but also migration networks as recruitment source and the role of labour market intermediaries (see STYLE deliverable 6.2 on intermediaries in Norway and Austria).

All this contrasts recently, with both more hostile public opinion and debate, and legislative changes which have meant that the situation even of EU migrant citizens has become more restrictive; for example since 2014 EU migrants are excluded from income-based jobseekers allowance during the first three months of residence in the UK (Chase and Seeleib-Kaiser, 2014). In Norway, the debates have been focusing on the fear of “social dumping”, but also on how the flow of migrant workers may undermine the power of trade unions. There are recent debates arguing for limiting access to welfare for migrant workers out of fear of “welfare tourism” (Friberg 2016). Germany has seen some public and political debates, which however were much more muted (BMI and BMAS 2014).
1.1 Data and methodology

We use national labour force survey (LFS) data (The German micro-census data, the UK labour force survey and the Norwegian labour force survey) which from a comparative perspective carry several advantages over other data including registers. First, comparability across countries can be ensured because for the most relevant variables common definitions are used applying international standard classifications (e.g. unemployment, employment, skills, sectors, etc.). Second, the labour force survey data contains comprehensive measures for identifying migrant workers in a multifaceted way including nationality, place of birth and year of immigration. The latter is in particular important given our focus on recent migrants (having moved to the respective receiving country in the previous 5 years). LFS data contains comprehensive information on labour market integration, social benefit receipt and working conditions. Third, the labour force survey data is available in a relatively timely manner (a time-lag of approximately 2 years for Germany, and only one quarter for the UK). Case numbers for migrant workers are comparatively low; we thus pool data across several waves to increase the scope of analysis and the reliability of our results (for details see the respective case studies). A clear downside is that panel possibilities are very limited (at best 6 consecutive quarters of data per person). Our analysis will therefore take a cross-sectional perspective. In order to capture the push- and pull factors and their dynamics over time our descriptive comparison will focus on different time points before and during the economic crisis (for details see country sections).

According to the labour force survey definition persons having worked at least one hour in the reference week are counted as employed and are thus asked all the questions relating to their employment status. In our analysis we do not explicitly exclude students or those in vocational training.

The LFS though being very comprehensive has been known to underestimate migrant populations (Longhi and Rokicka, 2012). In some instances the LFS data will thus be complemented with other national data such as administrative records, census data and dedicated data of the labour offices and national statistical offices. For details on the national labour force surveys refer to the country sections below.

As the asset and novelty of this paper is the comparative perspective both at the level of sending and receiving countries, our analysis will be of a descriptive nature. For the most part, we show simple proportions and means across the different migration groups and not controlling for additional characteristics such as skills level as this reflects the public debates. In particular we will investigate the aggregate differences between youth nationals and recent EU migrant population in Germany, the UK and Norway with a focus on the pre-crisis and crisis period. Given the particular policy context (e.g. differences in application of transitional measures) and varying impact of the crisis but also in parts differences in concepts due to varying underlying data, we present our findings by country. To achieve the highest possible comparability, the case studies follow a common structure with a brief introduction explaining the context, a short literature review, a section on data and concepts and finally a section presenting the findings focussing on recent migration trends, labour market integration, benefit receipt and working conditions including working time, contract type and wages of recent EU youth migrants vis-à-vis their national peers. We also assess skills-occupation mismatch with a specific focus on over-education (for definition see country sections).

To increase comparability we use common definitions where possible (e.g. recent migrants, ILO unemployment, ISCED qualification levels). Given differences in data, case numbers, etc., we have to apply different definitions in some instances (see country case studies and discussion). The outcomes of the three country studies, including commonalities and differences, are discussed in a unifying comparative section which precedes the general conclusion and outlook.
2. Labour market integration and working conditions of EU migrants in Germany

2.1 Introduction

In the 1960s and 1970s, migration to Germany was characterized by low-skilled migrants and their families from Southern European countries and in particular Turkey under the guest worker recruitment programmes. From the mid-1980s migration to Germany was characterized by refugees, asylum seekers, quota refugees and ethnic German immigrants. In more recent years, seasonal laborers from Central and Eastern Europe were important sources and to some degree also highly skilled specialists under Green Card programmes (for details refer to Kogan 2011).

Regarding intra-EU labour mobility, Germany is an attractive destination for nationals from less affluent EU countries and EU countries under economic pressure. In spite of transitional measures which were in place for the full possible period of 7 years. Germany saw important immigrant movements from A8 and A2 countries from the mid 2000 onwards going beyond the earlier seasonal work programmes. More recently many migrants from the peripheral EU-South which was hard hit by the economic crisis were moving to Germany; some of them supported by bilateral initiatives supporting in particular job mobility of young people. Germany’s geographic location, networks of already established migrants from earlier guest worker or other specific recruitment programmes, partly also language proximity and post 2008 the economic situation compared to other potential destination countries all constitute important pull factors to Germany (e.g. Mau and Verwiebe 2010).

In parts, the economic crisis had a diverging impact on intra-European migration flows. Germany, one of the few countries showing resilience in terms of labour market outcomes, became more attractive than particularly the UK which earlier benefitted from both better economic outcomes and an open labour market for A8 nationals and had been able to attract in particular young and high skilled migrants (e.g. Fihel and Okόlski 2009).

Figure 1 shows the trends in immigration to Germany by broad regional group. It is based on administrative data provided by the local population registers – and not on micro-census data as the rest of the analysis – and takes account of all immigrants, neither distinguishing by age or lengths of stay. It highlights that A8 countries, of which Poland is by far the largest sending country, became with the 2004-accession the most important source of migrant workers. The second most important sending region are third countries which prior to 2004 used to be the most important source region. Immigration from A2 nationals, two thirds of who are Romanians, increased steeply with the accession of Romania and Bulgaria in 2007 in spite of transitional measures. Immigration from EU-South countries which were characterized by skyrocketing unemployment from 2008 onwards saw a hike during the economic crisis while this was not the case for the rest of the EU. The flows of migrants from Spain and Greece to Germany have for example increased four-fold since the onset of the crisis in 2007 (Statistisches Bundesamt 2012b). Figure 1 gives an indication of the complex interplay between free movement of labour regulations and respective transitions measures including

\[\text{Bilateral initiatives between the German and Spanish, Portuguese and Italian Ministries of Labour have been agreed upon. Since 2013 there is also a special programme by the federal ministry of employment and the Federal Employment Agency which supports young people from Europe to find a vocational training position in Germany (http://www.thejobofmylife.de/en/home.html).}\]
some easing of access, the role of the economic situation in both sending and receiving countries and the possibility of choosing other (more open or more prosperous) destinations within Europe. The latter trends are particular evident in the developments in immigration from EU8 countries.

**Figure 1: Immigrants to Germany by country of origin (EU8, EU2, EU-South, EU-Rest) vs. non-EU Europe and third countries; non-Germans**

*preliminary results

Note: Data are based on administrative data provided by the local population registers. They are calculated according to the national definition of migration and therefore not comparable to statistics published by Eurostat or other statistical institutes using other definitions.

EU-Rest: EU15 countries excluding Southern member states. Non EU Europe: includes for example Russia, Croatia and EFTA countries.


Germany is an interesting comparative case for assessing the quantitative and qualitative integration of migrant workers. It has relatively high entry barriers for “outsiders” including migrant workers given its dual education system and thereby the focus on recognized professional qualifications and segmentation along professional lines (e.g. Kogan 2011). Moreover, it experienced substantial labour market segmentation over the last decade. This includes the use of marginal and part-time employment, temporary agency work and fixed-term contracts; segmentation is also reflected in a strong rise in low-wage employment particularly in services. The absence of a statutory minimum wage until very recently and a strong decline in both union membership and collective bargaining coverage are contributing factors here. We assume that migrant workers will be especially prone to atypical employment with EU migrants likely being better off than third country migrants not least due to their (relatively) free access to receiving country labour markets and non-discrimination provisions as part of EU citizenship.

In the following we focus exclusively on recent youth migrant workers using the German micro census data for the pre-crisis and crisis period. Our main focus lies on comparing the outcomes of CEE country migrants and migrant workers from the EU-South with a focus particularly on qualitative labour market outcomes as well as secondary labour market integration.
2.2 Literature with focus on Germany

Regarding immigration from EU countries the Federal Statistical Office and the Federal Employment Office report regularly on flows and quantitative labour market outcomes (Statistisches Bundesamt 2012a; BA April 2012, 2013, May 2015; IAB several years). Only a limited number of studies address qualitative labour market outcomes such as type of contract, working time, occupational status and wages. They use the German micro census data for the most part (Engels et al. 2012; Höhne and Schulze Buschoff 2015; Brenke et al. 2011. Steinhardt 2011; Brenke and Zimmermann 2007; Fleischmann and Höhne 2013; Kogan 2011). Only Brenke and Zimmermann (2007) also briefly address recent migrant workers from Central and Eastern Europe. The bulk of work focuses on A8 and A2 workers, only Höhne & Schulze-Buschoff also separately look at outcomes for migrant workers from Southern Europe. None of the above studies explicitly focuses on youth.

Overall, few papers assess the social benefit receipt of migrant workers (e.g. OECD 2013; Eurofound 2015 – both comparative; Dustmann and Trattini (2012) for the UK; BMI and BMAS 2014 on Germany from a political perspective). The studies usually conclude contrary to the popular debates that EU migrant workers do not have a higher dependence on social benefits than their national peers and that they often have a positive fiscal contribution to the budget of the receiving member state. OECD (2013) points out that unemployed migrants relative to native born unemployed are more likely to receive social assistance, and less likely to receive more generous unemployment benefits – this also implies potential disadvantages in access to active labour market policies.

2.3 Data and definitions

Studies looking at working conditions of migrant workers in Germany for the most part are based on micro-census data, for population flows and stocks register data (Ausländerzentralregister) is commonly used. The micro census data derives from a representative population sample containing structural population and labour market information from 1 percent of all households in Germany. All persons who have right of residence in Germany, living in private or collective households, at their main and secondary residence are sampled. The micro census data contains comprehensive information on current employment (e.g. contract type, working time and reasons for part-time and fixed-term contracts) and extensive information on migration background including information on second generation migrants, dual citizenship, naturalization and year of immigration. It is the German input to the European Labour Force Survey and makes use of international definitions and classifications. The micro census does contain some information on benefit receipt though for more extensive analysis on passive and particularly active labour market policies, the Integrated Employment Biographies (IEBS) are more appropriate. Given the focus on recent migrants’ labour market outcomes and the comparative nature of our study the German micro census data is deemed the most appropriate choice.

Recent migrants are defined as persons who moved to Germany in the 5 years prior to the survey. We use Stata routines available at GESIS to create the International Standard Classification of

5 The IEBS register data which combines information from the unemployment benefit office and the employers’ registers, is not as comprehensive on working conditions and is also less detailed on migration background information. Recently, the first wave of the IAB-SOEP migration sample was released (Brücker et al. 2014). In the future this will be an interesting source of data for capturing both quantitative and qualitative outcomes of migrant workers; the relatively small sample size of the SOEP still puts limits to the value of this data set for analysis on subpopulations such as recent young EU migrant workers.

6 In contrast to the Socio-Economic Panel data (SOEP) the case numbers of the micro census are sufficiently high to focus on subpopulations such as EU migrant workers.
Education (ISCED) (Schroedter et al. 2006)\(^7\), the International Socio-Economic Index on Occupational Classifications (ISEI)\(^8\) and the occupation classification by Blossfeld (Schimpl-Neimanns 2003)\(^9\). The latter two measures are used to assess the occupation-skills mismatch. Net hourly wages are created from net monthly wages which refer to the month previous to the survey and are available only in earnings classes.\(^10\) We use the ILO unemployment concept and the ILO criteria on employment.\(^11\)

In the following analysis our main focus is on youth (20-34 years) migrant workers who have arrived in Germany during the previous 5 years, our definition of recent migrants. We are particularly interested in outcomes for A8 migrants from Central and Eastern European member states who joined in May 2004\(^12\) and A2 migrants from Romania and Bulgaria who joined in 2007 (when we address these groups together we also speak of CEE migrants) as compared to outcomes of migrant workers from the Southern periphery\(^13\), countries which have seen important outward migration to Germany particularly since the economic crisis. We use German nationals as comparators. We also report figures for migrants from the EU–Rest/EFTA countries\(^14\) and for third country nationals. In line with the migrant concept of the micro census we use information on the nationality rather than country of birth. We do not include persons who have both a foreign and German citizenship.

Our focus on recent youth migrant workers and distinction by different (EU) source regions makes it necessary to pool data over several waves in order to get high enough case numbers for more detailed analysis on working conditions. We use 2005 to 2008 data to capture the pre-crisis period and 2009 to 2012 data to capture the crisis period. In comparison to the vast majority of European countries – including the UK in our comparative framework – Germany was doing relatively well in terms of labour market outcomes during the crisis period. In fact, the overall labour market situation was better in the latter period as delimited here. We would thus expect to find more pronounced crisis-driven differences between the two periods in the UK than in Germany. Interpretation of results is rendered more complex by the fact that the earlier period is characterized by A2 nationals joining the EU in January 2007, with transitional measures applying to them with some simplifications for high qualified workers, and the latter period by the end of the transitional measures for A8 nationals in May 2011.

Migrant workers are a difficult population to survey. The micro census questionnaire is for example only available in German which implies that we are not capturing migrant workers who have insufficient language skills to participate in the survey. Similarly, we are not capturing commuter migration and are unlikely to capture short-term migration such as seasonal work in agriculture which is relatively common in Germany.

\(^7\) http://www.gesis.org/missy/studie/klassifikationen/amtliche-klassifikationen/bildungsskala-isced-1997/

\(^8\) Based on Ganzeboom et al. Conversion tools available at:
http://www.gesis.org/missy/fileadmin/missy/klassifikationen/ISEI/ISEI_STA/

\(^9\) This is based on ISCO 3 digit occupations which are too detailed for analysis of subgroups such as migrant workers:
http://www.gesis.org/missy/studie/klassifikationen/sozialwissenschaftliche-klassifikationen/berufsklassifikationen-nach-blossfeld/#c12748

\(^10\) Jutta Höhne has kindly provided me with her syntax: the mean of the respective wage class (ef436) is divided by the normal working hours (per week*0.25). We also follow her strategy to calculate earnings only for persons whose main source of income are wages from work as the information in the micro census not only contains wages from work but also for example child benefits, income from renting and the like (for details see Engels et al. 2012, pp. 198ff).

\(^11\) The share of jobless (those who worked less than one hour a week but were searching actively) in the economically active population. Employment is defined as any economic activity of at least 1 hour in the reference week.

\(^12\) Poland, Hungary, Czech Republic, Slovakia, Slovenia, Estonia, Latvia and Lithuania.

\(^13\) Italy, Spain, Portugal and Greece. We also include Malta and Cyprus here but the number of migrants from these two countries are negligible.

\(^14\) The EU–Rest/EFTA countries are EU15 countries excluding the Southern European countries (Belgium, Denmark, Ireland, France, Luxembourg, Netherlands, Austria, Sweden, UK) and the EFTA countries Iceland, Liechtenstein, Norway, Switzerland. We include the latter four countries as the same free movement rules apply to their nationals. Their labour market and social welfare structure resembles those of the EU15 (minus South) countries.
For the most part we show simple proportions and means across the different migration groups not controlling for additional characteristics such as skills level as this reflects the public debates. Our focus in this paper is thus not on a migration effect net of other explanations but rather the situation of a specific demographic group. We use the standard weights available in the micro-census data; they account for non-response and adjust for demographic factors, namely age and nationality in broad groups both separately for men and women.\textsuperscript{15} Given the relatively small case numbers in some categories of migrant workers in spite of pooling over 4 years (see table 1A. appendix Germany), we provide confidence intervals when showing proportions.

\section*{2.4 Results: Trends in recent youth migration from CEE and Southern Europe}

In the following we will first briefly describe the trends in youth migration to Germany including labour market integration of recent migrants (maximum 5 years in Germany). We will also briefly address unemployment benefit receipt as an indicator of secondary labour market integration. The focus of our analysis is the qualitative integration of recent youth migrant workers including contract type, working time, wages and occupation-skills mismatch. Our main interest lays in the outcomes of migrant workers from Central Eastern Europe (A8 and A2) and Southern Europe vis-à-vis their German peers. In order to contextualize the results we will also intermittently report results on migrants from the EU-Rest (which also includes EFTA countries as they are part of the free movement of labour agreement) and from third countries.

Of the recent youth migrants we identify in the micro census data the majority comes from third countries though their share in overall migration is declining markedly between the two periods (table 1A. appendix Germany) in favor of EU migrants. While non-EU migrants made up 70\% of young recent migrants to Germany in 2005, their share in overall youth migration had declined to 52\% in 2012. A8 and A2 shares, respectively, rose from 12\% to 18\% and 5\% to 10\% and migration from Southern Europe increased by 2 percentage points to 7\% in 2012 (not shown). Among EU migrants Polish nationals are by far the largest group with around 27\% in the latest period; the second largest group is Romanians with 11\% of the overall recent EU migrants. Among EU-South migrants, Italians are the largest group (table 2A, appendix Germany). By far the steepest growth in extrapolated absolute numbers is evident for Bulgaria and Romania which joined the EU in 2007. With few exceptions the number of EU migrants from all sending regions increased markedly between the two periods reflecting the positive labour market development in Germany during a time when the vast majority of EU economies suffered from the economic crisis (not shown)\textsuperscript{16}. Both pull factors (in particular labour market opportunities in Germany) and push factors (deteriorating situation in previous popular migration destinations such as Spain and Ireland) were at work here (e.g. Galgóczy & Leschke 2015).

Figure 2 shows that in the pre-crisis period with the exception of migrants from the EU-Rest countries of which only above half of recent migrants are young, around 2/3 or more from all other sending regions are between 20 and 34 years. In the pre-crisis period A2 migrants had the largest share of youth migrants. A substantial number of those were students who compared to other A2 nationals could relatively easily move to and reside in Germany before the 2007 accession of Romania and Bulgaria to the EU. The share of youth in all recent migrants declined markedly in the crisis period and particularly so for A8 and A2 migrants, not least because the share of student migration from these destinations, and particularly A2, fell markedly between the two periods (Figure 3).

\textsuperscript{15} For details refer to: http://www.gesis.org/missy/studie/klassifikationen/konzepte-und-definitionen/definitionskatalog/hochrechnung/.
\textsuperscript{16} Figures based on micro-census data and which are not shown in the paper can be provided on request.
The share of women in overall recent youth migration is higher in the most recent period for A8 nationals and third country nationals, for A2 migrants it’s equal that of men and for Southern and EU-Rest countries it’s somewhat lower (Figure 4). The crisis period saw the share of women in all
migrants decline markedly for A8 and particularly A2 nationals. This is likely due to a complex interaction of gradual opening of sectoral labour markets for A2 migrants under transitional measures, running out of transitional measures for A8 migrants, replacement of student population (see above) by labour migrants with EU accession and not least the crisis impact on specific sectors.

**Figure 4: Share of women in youth migrants (Pre-/Post-2009)**

![Chart showing share of women in youth migrants](image)

**Data:** Pooled German micro census data, 2005-2012; weighted estimates.
**Youth migrants:** 20-34 years old, non-nationals, arrived within last 5 years.

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### 2.5 Labour market integration and social benefits of recent youth migrants

Figure 5 shows the employment status of recent migrant youth workers compared to their German counterparts. Using the ILO concept on employment status, with just one hour of employment in the reference week being sufficient to count as employed (see Gauckler and Körner 2011), in the crisis period, employment rates of EU8 and EU2 recent young migrants are 7 and, respectively, 10 percentage points lower than those of young German nationals, those of Southern nationals are around 14 percentage points lower. Recent young migrants from third countries have by far the lowest employment rates while EU-Rest nationals come closest to German nationals. CEE youth migrants saw a substantial rise in employment rates between the two time periods while EU-South migrants whose presence on the German labour market increased markedly, saw their employment rates declining. Again, the underlying factors for these developments are complex consisting of an interaction between gradual opening of labour markets for CEE nationals, crisis effects on certain sectors in the light of sectoral segregation as well as overall economic improvements in Germany over time. At the same time the profiles of the different migrant groups are likely to also have changed given the crisis effects on sending country labour markets.

There might well be an impact of the size of the student/trainee population among the respective nationals on overall employment rates even though students will often count among the employed in the labour force survey. The share of student and trainee increased among Southern European
recent migrants but decreased for CEE migrants and particularly A2 migrants. The shares are considerably lower for the latter in the later period while the student shares of Southern European recent migrants surpass that of German nationals (Figure 3).

In the latest period, in a European perspective all groups of recent youth migrants in Germany had relatively moderate unemployment rates (figure 5). The differences between the regional groups are rather small with A2 nationals doing worst with unemployment rates around 3 percentage points higher than their German counterparts and EU-Rest nationals doing best. Germans, A8 nationals and third country nationals saw marked improvements between the two periods. The findings on unemployment rates have to be put in perspective using inactivity rates (figure 5). In the crisis period, every fifth German youth is inactive whereas this is true for every fourth recent CEE migrant, every third Southern European migrant and half of the third country nationals. Important shifts between the two periods can only be observed for CEE migrants with marked improvements in line with rising employment and Southern European migrants with increasing inactivity rates.

Figure 5: Labour market status, youth migrants (Pre-/Post-2009)

Social benefit receipt is an important indicator of secondary labour market integration. Benefit receipt of EU migrant workers has recently been controversial in many EU member states, Germany included. This is evident for example in the work of a high level committee within the German government which was dealing with judicial questions and challenges regarding the take up of social benefits of persons with EU citizenship (BMI and BMAS 2014).

In the following we briefly look at unemployment insurance benefit (ALGI) and means-tested basic benefit receipt (ALGII) for unemployed persons (ILO definition). We only use data for the 2009-2012 period as we cannot distinguish between ALGI and ALGII in micro census data prior to 2007.
Due to eligibility criteria which favour permanent employment and longer tenure, youth have in the vast majority of countries comparatively low access to unemployment benefits (Leschke and Finn 2016). According to the micro census data, about one quarter of ILO unemployed German youth has access to unemployment insurance (ALGI) benefits (not controlling for length of unemployment). The coverage rates are considerably smaller for A8 and A2 nationals as well as third country nationals. The coverage rates also seem to be noticeably lower for recent youth migrants from EU-South and EU-Rest countries. The confidence intervals for these estimates are very large particularly for the latter two groups (Figure 6).

**Figure 6: ALG1 receipt, unemployed youth migrants (Post-2009)**

[Diagram showing ALG1 receipt for different groups of youth migrants with data and youth migrants details]

**Means-tested ALGII** receipt is higher than ALGI receipt for all groups (Figure 7). Calculating ALGII as share of ILO unemployed, German youth have the highest coverage rate with recent youth migrants from third countries and EU-South countries coming close (though with substantial uncertainty in the estimates for the latter group given large confidence intervals). Unemployed recent migrants from CEE countries have considerably lower average coverage rates; EU-Rest nationals have by far the lowest coverage rates. Due to means-testing, variations in access to ALGII are impacted not only by differences in take-up rates (information about rights to benefits, stigma) but also by differences in household composition and savings.
The findings on the main source of subsistence seem to support these results, with youth migrants from A8, A2 and in particular the EU-Rest countries relying less on unemployment and social benefits as main source of subsistence than German nationals (the confidence intervals for EU-South and third country nationals overlapping those of Germans) (Table 3A, appendix Germany). Overall, unemployment and social benefits are seldom mentioned as main source of subsistence. Youth migrant workers more often than German nationals are mentioning support by parents or partners as main source of subsistence, the share being highest by far among third country nationals pointing again to different rationales for entering Germany.

2.6 Working conditions

Atypical employment

In the pre-crisis period, with around one quarter in overall employment, A8 youth in Germany display much higher shares of self-employment, the large bulk of which is solo self-employment – then in particular German youth but also other nationals (Figure 8). This outcome can be explained by the possibility to circumvent transitional restrictions of the free movement of labour by free services mobility. The shares are only slightly lower in the crisis period which in our definition includes the second half of 2011 and 2012 where transitional measures are no longer in place for A8 youth. None of the other groups have nearly as high solo self-employment shares. A2 youth who face similar labour market restrictions as A8 nationals with a delay of two and a half years have very low shares in

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17 As the only countries, Germany and Austria had restrictions on free mobility of services regarding certain sectors. In Germany this was the case for construction, interior works and commercial cleaning.
solo self-employment in the pre-crisis period, in the post-accession and crisis period the share is considerably higher showing clearly the circumvention strategy already observed for A8 nationals. (Solo) self-employment in Germany is very heterogeneous, taking place both at the high and low end of the labour market (Ortlieb and Weiss 2015). It is likely that some of the solo self-employed will be bogus self-employed, a situation in which a person is officially self-employed but in reality is dependent on one contractor only. Self-employed workers in Germany have to carry the full cost of social insurance, otherwise funded in equal parts by employers and employees. Particularly solo self-employed with comparatively low earnings are likely to face insufficient social insurance coverage (Schulze Buschoff Protsch 2008).

Figure 8: Solo self-employed youth migrants (Pre-/Post-2009)

In both periods A8 youth but even more pronounced A2 youth in Germany have considerably higher shares of fixed-term employment than German youth and youth from EU-Rest countries (Figure 9). On this indicator CEE youth resemble youth from third countries. Youth from Southern Europe resemble German nationals in their fixed-term shares in the pre-crisis period; they show however a steep increase and display somewhat higher shares than A8 nationals in the crisis period. Youth from CEE countries and third country nationals have on average shorter fixed-term contracts than German nationals, EU-South nationals and youth from the EU-Rest countries. Of all groups, German nationals have the longest contract duration (not shown). Looking only at the most recent period, German nationals also have by far the highest shares who state as main reason for fixed-term work that they are in education which is likely due to apprentices. Probation periods are most frequently mentioned by CEE nationals; in terms of involuntary fixed-term employment, CEE nationals and EU-South nationals more often than other migrant groups and in particular Germans state that they could not find a permanent job (Table 4A, appendix Germany).\(^{18}\)

\(^{18}\) Confidence intervals are relatively large on this indicator for EU migrants, on the relevant items they do not overlap values for German youth (not shown).
Again, in terms of part-time employment German youth and youth from the EU-Rest countries resemble each other with relatively moderate male part-time shares and female part-time shares around 30% of overall employment (Figure 10a and 10b). Male part-time is highest for third country nationals and was also very high for A2 nationals in the pre-crisis period which again has to be seen in a context of high pre-accession student shares in this group. Female part-time shares are considerably higher for CEE youth, third country migrants and also – though less pronounced – for youth from Southern Europe. Male and female migrant workers from CEE and Southern European countries saw pronounced declines in part-time employment between the pre-crisis and crisis period. The rates of the other groups remained relatively stable. In addition to the link with the size of the student population, differences in part-time shares across groups of migrants and gender are also driven by the sectoral distribution that varies strongly across the regional group (see figure 14A, appendix Germany) with some sectors such as (elementary) services being much more prone to part-time work than others (see e.g. Eichhorst and Marx 2015).

While around 1/3rd of German youth state that they are working part-time due to personal and family reasons these shares are considerably lower for the migrant workers groups. In the most recent period, the share of EU-South and A2 migrants working part-time due to education are about 5 percentage points higher than those of German nationals while those of A8 nationals are around 10 percentage points lower. All migrant groups except for EU-Rest have higher shares in reporting involuntary part-time work (couldn’t find a full-time job) with the largest share on this item for A2 nationals with around 30% (Table 4A, appendix Germany).19

19 Confidence intervals are relatively large; on involuntary part-time they overlap the results for German nationals only for EU-South migrants.
Marginal employment, particularly the so-called *mini-jobs* have been booming in Germany after the Hartz reforms. Until 2013 when the maximum earnings were raised by 50 Euro, they paid at maximum 400 Euro monthly; they only give limited access to social security rights. Mini-jobs are obviously less problematic if they are exercised as a side job while having a regular job or studying. There is however a substantial share of mini-jobbers who exclusively have this job (Voss & Weinkopf 2012). Often mini-jobbers are claiming means-tested basic benefits from the employment office on top of their earnings to make ends meet (Bruckmeier et al. 2015). Youth from CEE countries and
Southern Europe have somewhat higher shares in mini-jobs than German nationals. Nationals from the EU-Rest countries have the lowest, third country nationals by far the highest shares (Figure 11).

**Figure 11: Share of mini-jobs, youth migrants (Post-2009)**

In the above section we are referring to atypical employment forms as if they were exclusive. It is well known, however, that atypical forms of employment tend to overlap and often also go hand in hand with low wages (e.g. Ortlieb and Weiss 2015, Leschke 2015).

**Hours and earnings**

In the crisis period, with around 32-33 hours the average **actual hours worked per week** (including over time) were very similar among Germans, Rest-EU nationals and A8 nationals. The hours were somewhat higher for EU-South nationals, somewhat lower for A2 nationals and considerably lower for third country nationals (Figure 12). EU-South and CEE migrants and among them particularly (male) A2 migrants (e.g. change in student population and sectoral distribution) see marked increases in average hours between the two periods while German nationals (and the other migrant groups) on average worked around one hour less. Gender differences in average hours are of course large across all groups.

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20 We only have information on the current period. The measure for the pre-crisis period is not comparable as it additionally includes information on short-term employment which is often seasonal and so-called one Euro jobs which are an employment integration measures under the subsidiary welfare scheme.
Given the inaccuracy of the micro census earnings measure (see section on data and definitions above) we do not show average earnings here but instead calculate a simple linear regression controlling for gender, age, skills and part-time employment and conditioning on labour earnings being the main source of income (Table 5A, appendix Germany). Using German youth as the reference, the results for both periods indicate lower earnings for recent young CEE migrants (and non-nationals), higher earnings for EU-Rest migrants and no statistical significant difference between net earnings of Germans and EU-South nationals.

**Figure 12: Average actual hours of youth migrants (Pre-/Post-2009)**

Not surprisingly, the **skills profile** of migrant workers is quite different from the one of German nationals who often have medium skills levels due to the importance of the vocational education system (Figure 13A, appendix Germany).\(^{21}\) Young A8 nationals resemble German nationals most in their skills profile. All recent young migrants but particularly those from EU-Rest and EU-South countries, with recent improvements for the latter, have a higher share of high qualified than German nationals. The skills profile of A2 nationals saw most pronounced changes between the two periods with the share of migrants with tertiary education declining in favour of those with at most lower secondary education.\(^{22}\) The skills profile of non-EU nationals is the most polarized with both disproportionate shares of high and low qualified.

Looking at the **sectoral distribution** of recent young migrant workers in the most recent period the following picture emerges (Figure 14A, appendix Germany). Recent young CEE migrants are much

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\(^{21}\) We use the International Standard Classification on Education here, referring to low (ISCED 0-2- (pre)primary and lower secondary education), medium (ISCED 3-4 – upper- and post-secondary education) and high (ISCED 5-6 – tertiary education) skills levels.

\(^{22}\) There is a complex interaction of transitional measures in place for A2 workers with partial lifting of restrictions for certain occupations and transitional measures for A8 which were fully lifted in 2011 leading to new dynamics in terms of job take up from A8 nationals and partial replacement by A2 nationals (see Hanganu et al. 2014, sections 2.2.1, 3.4 and IAB 2013).
more likely than German nationals and other EU migrant groups to work in elementary services and elementary manual occupations. Of all the migrant groups they have the highest share of youth in elementary occupations with A2 migrants doing somewhat worse than A8 migrants. To give an example, as much as one in three of the recent youth A2 migrants work in elementary services occupations, the respective share for A8 migrants is one in four. For German nationals it’s only one in ten. EU-South migrants (and even more so EU-Rest migrants) have a much more favourable sectoral profile. They have substantially higher shares of engineers and professionals in the youth group than German nationals; however at the same time they also have considerably higher shares of persons working in elementary services occupations than German nationals. Overall, the share of agricultural workers among CEE nationals is lower than one could have expected highlighting the limitations of the micro census data in picking up seasonal work for example.

Several studies highlight the **skills-occupation mismatch** of A8 migrant workers (see e.g. European Integration Consortium 2009; Bettin 2012; Engels et al. 2012). We use the Socio-Economic Index of Occupational Status (ISEI) (Ganzeboom/Treiman 2003) to assess this phenomenon (for a critical account of the ISEI measure see Schimpl-Neimanns 2004).

Looking at the ISEI measure for the 2009-2012 periods and in line with the sectoral distribution it is evident that recent young A8 and A2 workers on average have jobs with considerably lower occupational status than young German nationals. Their outcomes are very similar to those of non-EU migrants. EU South workers are doing better than German nationals with regard to the group of high skilled workers (ISCED 5-6) (Figure 15a) but worse with regard to medium (ISCED 3-4) (Figure 15b) and low skilled (ISCED 0-2) workers (Figure 15c). EU-Rest migrant workers seem to have a better skills-occupation match than German nationals independent on their skills level. Migrant workers from A8 and A2 workers with medium skills have particular problems in terms of using their skills; this is in line with findings by Engels et al. (2012) on the general migrant population. The authors additionally point to the fact that over-education is a particular problem for recent migrants (here defined as having been in Germany less than 11 years). The results are similar when using the pre-crisis data.

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23 We only focus on the most recent time period here. The earlier period has considerably higher shares of occupations that cannot be clearly attributed to any of the groups and this goes in particular for A2 migrants. Differences between the two periods are most evident for CEE migrants with the share in elementary manual occupations having increased substantially whereas qualified commercial and administrative activities having seen the strongest absolute decline (figure not shown).
Figure 15a: Occupation-skills mismatch (high skilled) youth migrants (Pre-/Post-2009)

Figure 15b: Occupation-skills mismatch (medium skilled) youth migrants (Pre-/Post-2009)
Labour market outcomes and integration of recent youth migrants from Central Eastern and Southern Europe in Germany, Norway and Great Britain

2.7 Summary

Given the substantial share of youth migration in overall recent migration and the trend towards higher shares of intra EU migrants in Germany over time, it is timely to look at this issue. Given that the most important groups of EU migrants to Germany come from Poland, Romania, Bulgaria and Italy, a specific focus on migrant workers from CEE (A8 and A2, separately) and EU-South countries is pertinent. According to our analysis the two time periods are quite distinct with substantial difference in outcome across several indicators. This is not only due to a general improvement in the German labour market (inverse to most other European economies) but our findings also point to a situation where the profile of the various migration groups has changed over time not least due to the crisis (push factor), EU accession (A2 countries) and application of transitional measures (CEE countries) with marked shifts in the share of students for example but also sectoral shifts.

Migration from almost all EU source countries increased between the two time periods, reflecting the positive labour market development in Germany during a time when the vast majority of EU economies, including some previously popular destination countries, suffered from the economic crisis.

In terms of labour market integration, all groups of recent migrants have poorer outcomes than German nationals with EU-Rest migrants – as on most other indicators – being most similar to German nationals and third country nationals displaying the worst outcomes. Over-time improvements are most evident for CEE migrants whereas employment rates of EU-South migrants have decreased and inactivity has risen. These findings have to be squared with developments in the foreign student population which rose for Southern nationals while it declined for CEE nationals and in particular for A2 migrants. When it comes to unemployment benefits, German nationals have the best coverage. Both regarding ALGI and ALGII, counter to the “benefit misuse debates”, recent
unemployed CEE youth migrants in particular have lower coverage rates than young German nationals. And at least for unemployment insurance benefits (ALGI) this also seems to be the case for EU-South migrants.

Turning to working conditions, recent youth migrant workers, with the exception of persons from EU-Rest countries, seem to be strongly over-represented in forms of atypical employment. This is true with few exceptions for fixed-term employment, part-time, marginal employment and solo self-employment. Also, these employment forms are more often than for German nationals, exercised involuntarily or are of particular precariousness (short fixed-term contracts). Particularly interesting findings are the comparatively low shares of male A8 nationals in part-time employment which likely has to do with the specific sectoral profile of this group, and the disproportionate shares of A8 and A2 migrants in solo self-employment which is a clear indication of the working of transitional measures and strategies of circumvention that might not only have resulted in tax losses but also in a more precarious situation of migrant workers as many of the social benefits in Germany are linked to dependent employment, or are at least substantially more affordable for dependent employed due to the equal funding by employers and employees.

The above outcomes are also matched by lower wages for CEE migrants (and third country migrants) while EU-Rest migrants seem to be better off than Germans and no statistically significant differences can be found for Southern migrants. Recent CEE youth migrants also perform relatively weak in their skills use. This is evident both from the occupational profile of CEE migrants that is considerably poorer than that of EU-Rest but also EU-South migrants with a disproportionate share of workers in elementary manual and elementary services occupations. This does not reflect their skills profile. Similarly, our measure on occupation-skills mismatch points to very poor outcomes of CEE migrants. EU-South migrants perform considerably better on this indicator and even shown better outcomes than German nationals for high skilled workers. One explanation here is likely the much larger wage differential for CEE migrants as compared to Southern and particularly EU-Rest migrants but also differences in the reservation wage, rendering them more likely to pick up any kind of job irrespective of the occupation-skills match.

Overall, in the German context EU-Rest migrants seem to be least disadvantaged. In many indicators (atypical employment for example) they resemble German nationals, on some indicators (occupational profile, skills-occupation mismatch) they even do better than German nationals. Third country migrants show the poorest profile on most indicators. CEE migrants and EU-South migrants are between these groups with EU-South migrants seemingly having better outcomes than CEE migrants on several indicators.

The analysis also revealed a number of data challenges, including the insufficient coverage of certain labour market groups (i.e. seasonal workers) but also the necessity to group migrant workers by region rather than showing separate outcomes for the various groups and the need to pool data over several waves. The latter is a challenge in particular in so far as the EU-accession of A2 migrants, as well as the running out of transitional measures for A8 migrants overlap these periods which renders interpretation of results which are already complicated by the complex impact of the crisis on EU labour markets even more difficult.
3. Labour market integration among young recent EU migrants to Norway

3.1 Introduction

Norway has during the last decade become a major destination country for labour migration in the OECD, with inflows of labour migrants – mostly workers from the EEA – exceeding all OECD countries except Switzerland, as a share of its population (OECD, 2014). In 2014 the common Nordic labour market celebrated its 60th anniversary. The common Nordic labour market has for more than six decades facilitated unrestricted worker mobility within the Nordic countries. The Nordic migration flows are cyclical and are found to reduce pressures on wages and prices during booms in the receiving country while providing employment opportunities in other countries for those affected by recessions at home (Bratsberg et al., 2014: 173). 40 years after the establishment of the common Nordic labour market, the Norwegian labour market was opened for other countries in Western Europe through the establishment of the European Economic Area (EEA) and then later with Eastern and Central European countries in 2004 and 2007. EU enlargement in 2004 was followed by large-scale labour migration from Central and Eastern Europe to the Nordic countries. Unlike Sweden, which opened its labour market immediately, Norway, Denmark and Iceland introduced transitional restrictions on the movement of workers from the new member states; but these were removed by 2009. Related to the EU enlargement labour immigration surpassed family reunion as the most important reason for migrating to Norway in 2006 (Østby and Henriksen, 2013).

Figure 16: Immigration to Norway by source region (based on nationality), in absolute numbers.

Source: Statistics Norway.

In the beginning of 2014, 55 percent of all immigrants to Norway had a European country of origin (347 200 persons). Table 6A (in appendix Norway) shows the 15 largest immigrant groups in the population per 1.1.2014. The largest group is from Poland. This group constitutes 13 percent of all
immigrants (84,004 persons). The second and third largest groups are from Sweden and Lithuania, which contribute 6 and 5 percent respectively (35,369 and 32,917 persons). This pattern has changed dramatically during the last decade. Figure 16 illustrates this by describing immigration to Norway by source region in the period 2003-2014. Until 2005, Nordic countries of which Sweden was the most important sending country were the main sources of migration. Countries within EU, except EU 8, EU 2 and southern European countries, was the second most important source. In the wake of the EU-enlargement, this changed. After 2006, EU 8 countries with Poland and Lithuania as the main sending countries has become the main source of migration to Norway. With exception of a short drop in 2008, the migration flow from EU 8 countries has been increasing throughout the period from 2004 to 2011. In the last three years, the migration flow has been continuously decreasing. EU South and EU 2 nationals have so far been only minor source for migration to Norway, but the migration from these countries has been increasing the last years.

The migration inflow from the Eastern European countries has been positive for the Norwegian economy, offering productive, flexible and willing labour in areas of acute labour shortage (Friberg 2016). The enlargement and the new groups of migrants have also brought new challenges. Whereas the common Nordic labour market as well as the EEA prior to 2004 represented open borders between countries with relatively similar wage levels and welfare structures, the EU expansion meant that the common market now includes countries with large wage differentials and differences in welfare-rights. Consequently, the increased migration from Eastern Europe has had a negative effect on wages and employment among native unskilled workers and previously arrived migrants (Ibid.).

The Nordic welfare states have been characterized by universalism. This universalism is however limited with a clear divide between the insiders and the outsiders. Newly arrived job-applicants have, unlike unemployed migrants with a job-history in Norway, no rights to social security from the Norwegian welfare system. With the EEC agreement and the adherence to the European inner market in 1994, the Norwegian labour market transformed formally from a national and Nordic labour market to a European. However, in practice, it was not until the EU-enlargements in 2004 and 2007 – and with the financial crisis from 2008, that the transnational labour market became a reality. Social policy and labour regimes are still however nationally limited with a principle of equal treatment securing the inclusion of EEC migrants through the acquisition of similar social rights (Friberg et al., 2013a).

### 3.2 Literature with a focus on Norway

Because of the fact that Norway introduced an immigration stop in the middle of the 1970’s, migrant flows mainly involved family reunions and humanitarian refugees. However, prior to the EU-enlargements in 2004 it became clear that the potential for mobility from EU was growing significantly and that this mobility could have a big impact on the regulations and relationships in Norwegian labour market. This initiated a greater interest for research on migrant workers in Norway, and in a newly published report, Friberg (2016) has summarized the main results from this research.

In the years following 2004, the main theme in research on migrant workers was the possibilities for low wages, social dumping and the challenges for the Norwegian regulation regime (Dølvik and Eldring 2006, 2008; Dølvik et.al. 2006). There were also researchers that examined how this migration influenced the organization of the farming industry (Rye 2007; Rye and Andrzejewska 2010), and after some time, the housing question became more urgent and topical (Søholt et.al. 2012a, 2012b; Sandle and Seeberg 2013). In recent years, researchers have been more interested in studying the economic stimulus and consequences of the labour migration (Bratsberg et.al. 2014; Røed and Schøne 2012; Bratsberg and Raam 2012, 2013). Since free movement of labour and services within the EU is embedded in supranational EU/EEC laws, it has become more important to develop legal knowledge to understand the consequences and response to the new migration (Evju 2014). These studies have mainly focused on migrant workers from Eastern Europe, and none have
examined migrant workers from Southern Europe. Youth has not been an explicit focus for any of this research (with the exception of Sundt (Sundt, 2012)).

So far, the research shows that migrant workers have been overrepresented in the lower segments of the labour market, in insecure and low wage positions and with limited income mobility over time (Friberg 2016). Migrant workers from Eastern Europe have a relatively large risk of unemployment and temporary unemployment benefit receipt, but there are no signs of permanent exclusion and dependence of social benefits (Bratsberg et.al. 2014; Friberg 2015).

In the aftermath of the financial crisis in Europe, researchers have observed changes in the patterns of migration to Norway in general. Whereas the labour migration from East- and central Europe in the years following the EU-enlargement in 2004 for a large part was driven by active recruitment and a large demand for cheap and flexible labour in segments of the Norwegian labour market, there are now indications of a more supply-driven migration (Friberg et al., 2013a). Following this shift, the group of migrating job-applicants has become more heterogeneous regarding skills and sending country. For a period, there was a large focus in Norway on the so-called “euro-refugees”, mainly southern European migrants looking for work. The authorities observed a large increase in the number of southern European migrants applying for work permit (d-numbers). This increase in the number of migrants from EU South after the financial crisis is also visible in figure 1. From 2010 to 2011 the immigration from Italy, Spain, Greece and Portugal increased by 33 percent (Sandlie and Seeberg 2013). Statistics from the Norwegian Labour and welfare services (NAV) underpin this picture: Twice as many persons from Spain and Greece applied for a tax card in 2012 than in 2011, and, for the first time, more persons from Southern Europe participated in the information courses for new labour immigrants than persons from Eastern Europe (except Poland).

Despite a significant increase in the proportion of migrants from Southern Europe, in absolute numbers the immigration from Southern Europe has been limited. In 2012, merely 4,231 persons from Greece, Spain, Portugal and Italy received a tax card. In other words, the so-called euro-refugees to Norway from Southern Europe never gained a foothold in the Norwegian labour market. What happened to the big wave of ‘Euro-refugees’? Recent research hint at greater difficulties in the Norwegian labour market for migrants from Southern European than for other European migrants, including the EU8 and EU2 migrants. They have other reasons for migrating, they enter through different channels and their meeting with the Norwegian labour market is very different from that of the Eastern European immigrants (Friberg et al., 2013b). First, eastern European workers are often recruited in their country of origin and migrate knowing that a job is waiting for them in Norway, whereas immigrants from Spain for example more often migrate on their own initiative. Second, migrant workers meet a segmented labour market in Norway and social networks are important in recruitment strategies. Whereas construction and manufacturing industries in Norway have found labour in Eastern Europe, the service industry is hiring Swedes. This has had a self-reinforcing effect on formation of both networks and recruitment strategies. The Southern Europeans have not yet established their own “niches” in the labour market or their own infrastructure for recruitment etc. Thus, most of the migrants from Southern Europe return without getting a position in the Norwegian labour market. The jobs available for them are mainly short termed, low status and poorly paid.

The low number of migrant workers from Southern Europe who actually get a foothold in the labour market also affect the knowledge we have about their integration in the labour market. Qualitative research into the rationale for migration shows however that this migration cannot be reduced to a desperate flight from unemployment and economic problems in the South, but also includes disillusiones with politics and society (Bygnes 2015).
3.3 Data and definitions

For the analyses in this paper we apply data from the Norwegian Labour Force Survey (LFS). The main source for the LFS is quarterly, representative sample surveys based on interview by telephone. Inhabitants in all municipalities are randomly selected, on the basis of a register of family units. The sample consists of about 12,000 family units (24,000 persons) each quarter. Each family member aged 15-74 participates in the survey, answering questions about their situation during a specified reference week. As from 1996 each family participates in the survey 8 times during a period of 8 quarters (Håland and Bø, 2015).

The main problem using the Norwegian LFS for statistics on immigrants is the size of the sample and the statistical uncertainty. A key challenge is thus the precision of estimates, as youth migrants comprises a small proportion of the overall number of respondents (Villund, 2012). In addition comparisons across time and groups make the cell sizes small for simple year-on-year comparisons. In the following analyses we pool data from the LFS for two periods. We have also had to make relatively crude categorizations of groups of immigrants based on sending country.

The group of Norwegian nationals is compared to two groups of EU migrants; migrants from EU 15 and Eastern and Central Eastern European countries (CEE). Applying this strategy we explore labour market integration for recent young migrants from sending regions with a long and a short history of migration to Norway. We also contrast the experiences of young recent migrants from these sending regions with the integration of migrants from outside of the EU. The selection of EU South migrants in the Labour force survey (LFS) is too small for separate analysis. However, the few labour migrants from EU South that do show up in the LFS are relatively highly qualified, working in the oil sector and related engineering businesses, where the working language often is English.

The comparisons focus on two time periods: the years between 2004-2009 and 2010-2012. The theoretical justification for these two groups is found in the economic crisis following the 2008 collapse of several international banks. The effects of this crisis would have a lagged effect thus a cut-off at 2009 rather than 2008 is used. In the figures the pooled information from the later period, period 2 (2010 – 2012) is labelled with the P2 extension.

We treat migrants as recent migrants if they have moved to Norway in the 5 years prior to the LFS survey. In order to be included in the Norwegian LFS sample you need to be resident, thus non-resident working migrants are not included in the sample. This means that the migrant sample in the LFS is not representative of labour migrants to Norway in general as a relatively large share of, at least CEE migrants move back and forth between Norway and their home country during the first period of migration (Friberg 2016). In addition, we have to be careful in drawing to strong conclusions based on these data as there is a skewed attrition related to employment and unemployment for the migrant group in particular (SSB 2015).

For the analyses in this country case study we apply simple descriptive statistics showing proportions and means across the different migration groups, not controlling for additional characteristics such as skills level as this, like in the German and UK case reflects the public debates. Given the relatively small case numbers in the categories of migrant workers (see table 7a, appendix Norway) we provide confidence intervals when showing proportions and the standard error of the mean when showing means.

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24 Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom

25 Eight eastern and Central Eastern European countries: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia from the 2004 enlargement and two eastern European countries from the 2007 enlargement: Bulgaria and Romania.
First we will briefly describe the composition of recent migrant youth to Norway. Second we will turn to labour market integration using measures of labour force participation, employment and unemployment. Following this we will address working conditions for those migrant workers who are active in the labour market, comparing their conditions with the conditions of their Norwegian peers and finally we will conclude with some analyses of skills-occupation mismatch for young recent migrants to Norway.

### 3.4 Trends in recent youth migration to Norway

Recent youth migration to Norway from Central Eastern European countries in EU and the rest of EU. In a period with a rapid increase in migrants to Norway, the composition of the migrant population is radically altered after the EU-enlargement. The proportion of EU migrants have increased compared to non-EU migrants in the period. In particular, this increase is driven by the inflow of labour migrants from the CEE countries (cf. figure 17).

Over the two periods investigated, pre and post-crisis, European Union migrants have increased their share amongst all recent migrants to Norway. The numbers are significant and they also increase their share of the proportion of the overall population in the age group in question. The largest increase is found among immigrants from the Central Eastern and Eastern European countries (CEE).

**Figure 17. Recent migrants* (last 5 years) region of origin (pre-/ post 2009)**

The proportion of recent migrants among the migrant population to Norway is substantial among migrants from sending countries in Eastern Europe due to the relative recent opening of the borders and the phasing out of transitional measures for A8 and A2 countries. The proportion of recent migrants is substantially higher for CEE migrants than for other migrants from the EU and also than for third migrants. Over the period of observation, the share of recent migrants is increasing among all EU migrants.
Looking at the proportion of young recent migrants we see from figure 18 that the migrants from CEE countries are younger than migrants from the rest of the EU. In addition we observe a decline in the proportion of young migrants from the pre- to the post-crisis period, in particular for the Eastern European countries (Figure 19).

The composition of young recent migrants to Norway is thus altered throughout the period of observation, from pre- to post crisis and through the opening of the borders to CEE migrants and phasing out of transitional measures in two stages. Young EU migrants constitute a substantially higher proportion of the total young recent migrant population in the latter period. The increase is largely explained by the inflow of migrants from Eastern European countries.
Figure 20: Proportion of females among recent migrant youth (pre-/post crisis)

Prior to the financial crisis, females were overrepresented among the young recent migrants from Eastern European countries (Figure 20). We observe however a decline from pre- to post financial crisis. There is also a marked decline in the share of female migrants from the other EU countries over the period.

Figure. 21 Skill level among young recent migrants to Norway (pre-/ post-crisis)

The composition of skill level among young recent migrants to Norway is also altered over the period from the period prior to 2009 to the period after (Figure 21). A smaller proportion of the migrants from countries in CEE are medium skilled, and we observe higher shares of low- and high skilled workers.
3.5 Labour market integration

Figure 22 shows employment of recent migrant youth workers compared to their Norwegian peers. We apply the ILO definition and concept to measure employment. One hour of employment in the reference week is sufficient to count as employed.

**Figure 22 Employed young recent migrant youth (pre-/ post 2009) compared to Norwegian nationals**

Whereas migrants from CEE and EU15 countries show similar employment rates as their Norwegian peers, non-EU migrants have significantly lower employment rates. This is, for a large part, due to different reasons for migration to Norway. In contrast to the EU15 and CEE migrants who come primarily looking for work in Norway, a large share of the non-EU migrants are refugees, on family reunion etc. For all the migrant groups, including the non-EU migrants, we observe a slight increase in the proportions employed from the pre- to the post-crisis period. This is in contrast to the young Norwegians, who have a slightly lower employment rate in the second period.

**Figure 23 Proportion unemployed recent migrant youth (pre-/ post crisis)**
Unemployment levels in Norway are relatively low in a European context, also among the young (Figure 23). However, the youth unemployment levels in Norway are significantly higher than for the adult population suggesting structural barriers for new entrants to the labour market (Hyggen 2013). In the periods of observation, unemployment levels are higher among all recent migrants than for young Norwegian nationals, in particular for migrants from other regions than EU. The unemployment levels among CEE migrants have increased from the pre- to the post crisis period.

Figure 24 Proportion inactive recent migrant youth (pre-/ post crisis)

The available Norwegian LFS data do not allow analyses of social security benefit receipt (unemployment benefits) or social assistance for young recent migrants. Social assistance is the basic security in Norway, available for all residents. From Norwegian register data we know that 1.6 percent of the working age population received social assistance in 2014. The share of immigrants receiving social assistance was 4 percent compared to the native born populations share of 1 percent. When looking at immigrants from different sending regions it is found that the share of Eastern European recipients from EU is lower than other groups of immigrants, and even lower than Norwegian nationals. Their periods of recipiency are also shorter. One explanation for this is the higher labour force participation of the Eastern European migrants and a high demand for their skills in the Norwegian labour market (Dokken 2015).

Access to social security and labour market measures from the Norwegian Labour and Welfare administration (NAV) are given based on labour market participation. The main requirements for being eligible is to have had a minimum income from paid work higher than 135 000 NOK during the previous year, actively seeking a job and living or staying in Norway. Figure 25 shows the share of recent migrants in the working age population receiving benefits or assistance. We observe that a larger share of recent migrants from the EU-South and EEC receives some sort of benefits or assistance from NAV than immigrants from the rest of EU.
Figure 25. Share of recent migrants (shorter than 4 years) receiving support (financial or measures) by source region 2015.

Following a drop coinciding with the crisis we observe a rise in the share of recent migrants from EU-South and the CEE countries, receiving support from the Norwegian Labour and Welfare administration (NAV). For recent migrants from the rest of EU we observe a similar rise following the crisis before they level out on the same level as Norwegian nationals.

3.6 Working conditions

Below we take a closer look at the working conditions among recent young migrants to Norway and compare them to their Norwegian peers.

Figure 26 Proportion of recent migrant youth working in fixed term contracts (pre-/ post crisis)
The proportion of recent young migrants working on fixed term contracts was higher among the CEE migrants than Norwegian nationals prior to the crisis (Figure 26). The proportion however is declining over the period. This is also true for migrants from the other EU countries.

The share of females working part time is considerably higher than the share of males working part time in Norway in general (Figure 27 and 28). This has traditionally been explained by the relatively gender-segregated labour market in Norway – with females and males working in different industries (Reizel & Teigen 2014). The proportion of young Norwegian males working part time is higher in the post-crisis period. The proportion of young male migrants working part time is considerably lower, in particular for the young recent CEE migrants. This stands in sharp contrast to the non-EU male migrants who have higher shares working part time. There is a trend for all recent migrants with declining proportions working part time from pre- to post crisis.

**Figure 27 Proportion of recent male migrant youth working part-time (pre-/ post crisis)**

![Figure 27](image)

From figure 28 we can see that the decreasing trend for working part-time is also observed for the young recent female migrants to Norway.

**Figure 28 Proportion of recent female youth working part-time (pre-/ post crisis)**

![Figure 28](image)
Working part-time is of course no single indicator of poor labour market integration. It may be a way of earning money and gaining work experience during studies, or a way of balancing work and family when there are small children present in the household. Part time work is widespread among young people in the Nordic countries (Hyggen 2013). The reasons given for working part time vary however between the groups of young migrants and the Norwegian nationals. A significantly higher proportion of the Norwegian nationals are working part time in parallel to undergoing school, education or training than migrants from EU, and in particular than migrants from the CEE. There are also more EU and CEE migrants reporting the reason for working part time as not being able to find a full time job, meaning there are more migrants working involuntary part-time than Norwegian nationals.

**Figure 29. Average working hours of employed recent youth migrants. Pre- post crisis.**

A normal full time working week is regulated to 37.5 hours. Reflecting the decrease in youth working part-time, we observe a slight increase in the number of average hours worked in a week among recent young migrants (Figure 29). This is also reflected in the share of young workers wanting to work more hours (figure 30).

**Figure 30. Proportion of young recent migrants wanting to work more hours (pre-/post crisis)**
The available Norwegian LFS data do not allow analyses comparing wage or income levels between young recent migrants from different sending countries and their Norwegian counterparts. Findings from studies on Norwegian registers of taxes and income reveal however that there is a significant wage gap between the Norwegian population and labour migrants from Eastern and Central Eastern Europe. The wage gap persists, even with a long period of residence in Norway. For Polish workers with a seven years residence in Norway, the median income was only 85 percent of that of the rest of the population. For immigrants from EU15, the opposite is often true (Epland & Kirkeberg 2014). As Poland has been the most important sending country for labour migrants to Norway, several analyses of the wages and working conditions for Polish workers have been undertaken. These reveal, among other things, that the wage level of Polish workers in the construction sector in Norway is significantly lower than what is normal in this sector (Friberg & Eldring 2011). In addition it has been revealed that workers from EEC working in the oil industry were given minimum wages for unskilled workers, independent of their skill level (Alsos & Ødegård 2007).

### 3.7 Skills mismatch

Several recent studies have highlighted the skills-occupation mismatch of CEE migrants. For this analysis we apply the Socio-Economic Index of Occupational Status (ISEI) in order to see if there is a mismatch between formal skills and the occupational status of the occupation of the migrant. For the mismatch analysis we expand the selection to include all recent migrants, due to small sample sizes among the migrants in the Norwegian LFS.

**Figure 31. Occupation-skills mismatch for low, medium and high skilled recent young migrants status by skill level for recent migrants to Norway (pre-/ post crisis)**
The ISEI measure reveals an overall lower work status among recent CEE migrants compared to Norwegian nationals as well as compared to other EU migrants. This is particularly evident for the high-skilled (ISCED 5 and 6). In a period from pre- to post-crisis where we observe a slight increase in status for the recent migrants from EU15, there is a decline in ISEI status for medium and high-skilled migrants from the CEE. Over the period there has been a growing demand for high-skilled labour in Norway, in particular in IT and the oil industry. These are relatively international industries with English as working language and thus employment possibilities for high-skilled foreign workers. CEE migrants are more often employed in low skilled occupations in construction (Friberg 2016). Analyses on Norwegian register data for the working population confirm these findings by revealing higher levels of overskilling among immigrants than among the Norwegian population. In the general population, the share of overskilled were calculated to 11 percent, whereas it reaches 34 percent for EU migrants and 43 percent for migrants from outside of EU. Through longitudinal panel analyses it is found that the share of overskilled decrease with time since leaving education and with time in the country, but the differences between the Norwegian population and migrants from different sending regions do not decrease (Villund 2014).

3.8 Summary and discussion

Following the EU enlargement, Norway has experienced a marked increase in the number of labour migrants, in particular from sending countries in Eastern Europe. Poland remains the single most important sending country. The increased inflow has had effects on the composition of the migrant population.

Young migrants constitute a substantial share of the labour migrants to Norway. This is particularly true for labour migrants from Eastern European EU countries. Nearly 60 percent of the labour migrants to Norway from CEE countries in the EU are below the age of 34, a substantially higher share than the migrants from EU15. Potentially they face a double challenge, both related to being relative newcomers to the labour market and being newly arrived immigrants. The share of young recent female migrants from EU have decreased over the period.

Regarding labour market integration, young recent migrants fare relatively well when compared to their Norwegian peers, and substantially better than migrants from outside of EU. Employment levels remain high throughout the period, both for migrants from EU15 and CEE. Unemployment levels are however higher for young recent EU migrants in general than for young Norwegians. The crisis has not had any visible effects on the unemployment level of young migrants from EU15, but we observe rising unemployment levels among CEE migrants.

Our analyses do not reveal any strong negative effects of the crisis on young recent migrants’ working conditions in Norway. We observe a decrease in the share of migrants in fixed term contracts and the share working part time. This finding may partly be understood in the light of the introduction and gradual increase use of the general application of collective agreements as a tool to combat social dumping. Other research from Norway has however revealed that, independent of sector, labour immigrants from CEE countries receive lower wages than Norwegian nationals. We have also here presented indications of a higher skills mismatch among the recent young migrants from the CEE countries. The mismatch has increased over the observation period. Labour migrants from EU15 countries however have similar status in their occupation as their Norwegian peers and, especially for the medium and high skilled, this has increased from pre- to post crisis. This leads us to believe that, even if the financial crisis has not had detrimental effects on the labour market integration of EU migrants to Norway, it may have contributed to a strengthening of the segmentation of the Norwegian labour market.

Due to data limitations we have to be careful in drawing to strong conclusions in the Norwegian case. The country report from Norway reveals substantial challenges related to comparative research on
labour market integration of young recent migrants based on the Norwegian Labour Force data. One is the sample size and the other is lack of information. The latter could in some cases be solved by better integration with Norwegian register data, but access is limited by costs and availability.
4. Dimensions of labour market integration among young EU migrant citizens in the UK

4.1 Introduction

In light of youth unemployment rates exceeding 50% in Spain and Greece as well as high youth unemployment rates in many other Member States (Eurostat 2014), the European Union (EU) initiated a number of employment programs targeted specifically at young people (e.g. Youth Employment Initiative - European Council 2013). Irrespective of these initiatives, the right to freedom of movement within the EU offers EU citizens, including jobseekers, the opportunity to migrate to other Member States. However, increasing migration of European citizens within the EU has not only become politically controversial but also poses questions regarding the ability of EU migrant citizens to integrate in the labour market of the destination country. In light of increasing youth labour market outsiders across Europe, political debates on the right to freedom of movement within the EU, and the aftermath of the 2008 economic crisis, we see it as important to investigate the extent to which European youth migrants integrate into the UK labour market and how this might have been affected by the economic crisis.

Youth migrants face the risks and challenges with regard to labour market integration faced by young people in general as well as those specific to migrants. Labour market outsiders – inactivity, unemployment, low-income and low employment protection – is increasingly a problem of young people across Europe (Seeleib-Kaiser & Spreckelsen 2016) leading to a “new generation with higher exposure to systematic labour market risks” (Chung et al. 2012, p.301). This particular vulnerability to labour market outsiders is due in part to the transition from education to employment, that is youth’s labour market entry in face of no or very limited work experience (Brzinsky-Fay 2007; Schmelzer 2008). These challenges are of particular importance in light of potential life-long scaring effects from lack of labour market integration at the beginning of a working-lift (Schmillen & Umkehrer 2013).

Theoretically, migrants’ challenges to labour market integration potentially result from their (in-)ability to and lack of opportunity for ‘assimilation’ or from discrimination (Nielsen et al. 2004). In addition, the dualization literature (Emmenegger et al. 2012) has highlighted the risks of migrants becoming labour market outsiders, exposed to precarious employment and low wages, whilst insiders are protected through legislation and favourable collective bargaining arrangements. Challenges to labour market integration in terms of income, employment, overqualification and occupational status are well documented for recent immigrants (Altorjai 2013; Demireva 2011; Clark & Lindley 2009; Andrews et al. 2007; Kogan 2006) and even children of immigrants (Heath et al. 2008)26. Explanations point to effects from human capital specificity in the country of destination (Chiswick 1978), with migrants unable to transport skills (Chiswick & Miller 2009) and employers unwilling to invest into migrants’ skills (Dustmann 1999), and selection effects increasing the number of low-skill migrants (Borjas 1987).

26 However note also empirical literature on the “assimilation hypothesis” finding improvements of migrants labour market situation over time (e.g. Chiswick et al. 2005; Gagliardi & Lemos 2015).
Migrant youth are faced with a double challenge of youth labour market entry and problems associated with assimilation and discrimination. In Hoijer’s and Picot’s (2015) words “migrants are by definition labour market entrants” (p. 5 also see Kogan 2006). Building on the dualization literature (Emmenegger et al. 2012), however, we should also take into account protection against labour market risks. It has long been shown that unemployment benefits raise reservation wages and are thus essential for the ability to search for good quality jobs (Kogan et al. 2011). This should also extend income-supplementing benefits like tax-credits. To this extend an analysis of young EU citizens’ labour market integration needs to account for the access to employment related benefits.

This section analyses the differences in youth labour market outsidersness between UK youth, young EU migrant citizens and non-European youth migrants. More specifically, we ask: How well are youth migrants integrated into the UK labour market in comparison to their UK peers? Does the degree of integration reflect structural differences between the regions of origin and macroeconomics changes due to the economic crisis after 2008? Overall, this section will contribute to the discussion on the effects of intra-EU migration and the labour market challenges for young people.

4.2  Contextual factors of youth migration: the UK, EU-origins and the recession

The above challenges for youth migrants are general in nature. However, youth migrants’ labour market integration will be affected by their specific country of origin and country of destination (van Tubergen et al. 2004). Research has identified the UK labour market to offer comparatively easy access to employment (Algan et al. 2010), which, however, is more likely to be atypical (Ballarino & Panichella 2015). This is often attributed to the more flexible UK labour market (Kogan 2006; Kogan 2007) and the overall characterization of the UK as a liberal market economy (Guzi et al. 2015). Particularly relevant in the context of youth is in addition the focus of the economy on general skills (Gangl 2003; Brzinsky-Fay 2007), which is said to be beneficial for migrants, and should benefit youth migrants in particular. Overall, the UK seems to attract labour migrants mainly into either high-skill/high-pay or low-skill/low-pay jobs (Reyneri & Fullin 2011). However, post-2009 recession increases of unemployment in the UK were particularly concentrated on youth (Bell & Blanchflower 2010), thus potentially adding and additional burden on young EU migrant citizen post-2009.

We focus on young EU migrant citizens in the UK, as they constitute a ‘homogenous’ analytical category from a legal perspective. The status of EU migrant citizens differs from those migrants coming from other countries, as Member States cannot limit their number, require certain (minimum) skills or discriminate against EU workers with regards to social rights. After five years of residence all EU citizens have the same social rights as British nationals. Nevertheless, EU migrant citizens are coming from very different countries of origin. Empirical research suggests country of origin effects can be more important to labour market integration than the nature and characteristics of the destination labour market (Fleischmann & Dronkers 2010). For instance, in the EU job seekers can ‘export’ their unemployment benefits from the Member State of origin for a minimum duration of three months. In other words the generosity of the unemployment insurance system of the country of origin can have an impact on the reservation wage in the destination country. Due to the low level of unemployment insurance entitlement among young people, especially from southern European countries, and low benefit levels for jobseekers from CEE countries, the reservation wage for these workers is very likely to be extremely low with the consequence of economic pressure to take almost any job opportunity irrespective of conditions and pay. In addition, the European focus will allow us to shed light on the potential effects of the large-scale economic shifts following the post-2008 economic crisis.

27 This question falls into a broader research agenda on connectedness of lifecourse events and migration (cf. Kogan et al. 2011, p.75).
Past research on the UK has found lower wages amongst migrants from Central and Eastern Europe (CEE A8) compared to their European counterparts (Longhi & Rokicka 2012), concurring with particularly large occupation-skill mismatches (Drinkwater et al. 2009; Clark et al. 2014), but advantages in finding and staying in employment prior to 2008 (Demireva & Kesler 2011). With regard to the effects of the economic crisis following 2008 some research indicated a reduction in new migrants from A8 countries by 2011 (McCollum & Findlay 2011) as well as substantial changes in migrants’ wages in the UK (Clark et al. 2014). Little research to date looks at the labour market integration across youth migrants from CEE, Southern Europe, Bulgaria and Romania, and the rest of the EU. – Past research has often focused on single groups of origin, the contrast with non-EU migrants (Demireva 2011), or specific ethnic groups (e.g. Dustmann et al. 2005).

Given past research and contextual factors, we expect to observe two broad patterns:

- A decrease in labour market integration of youth migrants from southern Europe following the 2008 economic crisis.
- Lower wages and lower quality jobs among youth migrants from CEE countries in contrast to youth migrants from the rest of the EU, due to a lower reservation wage.

Overall our expectation is to find a clear stratification of labour market integration by EU citizen migrant’s region of origin.

4.3 Methods

Definitions and measurement

This article analyses youth migrants and their labour market integration. Youth in this context are defined as young people aged 20-34. Migrants are identified by having a different country of birth than the UK, no UK citizenship, being resident in the UK for one year or more and having arrived in the last 5 years. The focus on recent migrants provides a better opportunity to investigate region-of-origin effects, as these would be less relevant for established migrants who potentially already experienced a catch-up or assimilation with their UK peers.

The research focuses on six different groups of young people in the UK. Recent youth migrants from: central and eastern Europe (CEE, A8 excluding Croatia: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia.), Bulgaria and Romania, Southern European countries (Cyprus, Greece, Italy, Malta, Portugal, Spain), remaining European Union countries (Austria, Benelux, Denmark, Finland, France, Germany, Ireland, Sweden), and finally migrants from the rest of the world (third countries). These country groupings are theoretically driven: the CEE (A8) countries as well as Bulgaria and Romania (A2) have long been seen as the European migration countries of origin, whilst this has recently also been publically asserted for Southern Europe.
Moreover, the “EU-South” can be identified as a distinct country group in terms of its labour market, economy and welfare system (Ferrera 1996; Ferragina et al. 2015). These migrant groups are compared with UK youth (aged 20-34).

Our comparisons focus on two time periods: the years between 2004-2009 and 2010-2014. The reasons for this are first the need to achieve a sufficiently large number of observations through pool data; and second more importantly unemployment in the EU significantly increased since the second half of 2008, surpassing the level of 2004, the initial year citizens of CEE countries were granted the freedom of movement to the UK, in 2010 (Eurostat 2015). Thus EU citizen migration in the period post-2009 occurred in a considerably different economic and legal context.

For the purpose of this study labour market integration is defined through a number of indicators. First labour market status according to the ILO definition in terms of employment, unemployment and inactivity; second in terms of average time worked per week; third average gross hourly wages; fourth whether an employee has a permanent contract and works part- or full-time, and finally the degree of skills-occupation mismatch. As the receipt of welfare benefits among recent EU migrant citizens has been politicized and as social benefits can have a significant effect on the reservation wage, we also assess the uptake of employment-related benefits, such as unemployment benefits and income support. During the first five years of residence EU citizens have only limited access to unemployment or social assistance benefits in the destination Member State.

The “Average migrant”
In the following section we present average proportions or numbers for average young EU migrant citizens. We do not adjust these numbers for differences in demographic make-up or educational attainment. We deliberately analyse young EU migrant citizens and their UK peers in this way as it reflects the political and public debate, which does distinguish by country of origin, but not by demographic characteristics. More theoretically, this paper is not interested in a migration effect net of other explanations, but rather the situation of a specific demographic group in UK society.

For robustness regarding findings on levels of part-time employment but also wages, we investigate gender differences within and across EU migrant citizen groups. Thereby we take account of the well-known gender differences in these labour market characteristics (for example Machin & Puhani 2003). Given the smaller sample sizes these analyses should be treated with caution.

Data and statistical analyses
The following analyses use data from the United Kingdom Quarterly Labour Force Survey (QLFS) (Office for National Statistics. Social Survey Division and Northern Ireland Statistics and Research Agency. Central Survey Unit 2015). The QLFS is the largest social survey in the UK, each quarter all adult members from 41,000 randomly selected private households are interviewed in a rotating design. Each household stays in the survey for 5 consecutive quarters. The resulting large samples allow for an analyses of recent youth migrants in a robust and representative way (but note Martí & Ródenas 2007) and is the best dataset available to analyse recent migrants’ labour market situation.

wave of migrants in search of jobs”. Systematic assessments of these claims have to the authors’ knowledge not been undertaken.

According to this definition employed is anyone employed, self-employed, family worker or on a government scheme. Unemployed is anyone not employed who is looking for work and available to work. Anyone over the age of 16 not in these categories is classified as inactive cf. (Office for National Statistics 2012).

Note, since 2010 there is random selection of households in multiple occupancy, i.e. addresses with several households present, this results in a lower sampling probability of such households which is addressed through a change in survey weighting (cf. Office for National Statistics 2011, p.17). Readers should keep this in mind since it might affect the sampling of migrant households and result in underreporting.

Alternatively the Annual Population Survey provides even large sample size, however, with less detail on the respondents characteristics (cf. Ker et al. 2009).
A key challenge is the precision of estimates, as youth migrants are a small proportion of the overall number of respondents. In addition comparison across time and groups make the cell sizes small for simple year-on-year comparisons. Therefore the pre-/post-crisis period data for the years 2004-2009 and 2010-2014 are pooled (Appendix UK, Table 8a). The data are analysed accounting for sample design (one-stage cluster sample with households as primary sampling units) and weighting. In the subsequent analyses the confidence intervals give an indication of the sampling variability.

The occupation-qualification mismatch is measured by the percentage of youth with university or college qualifications in low-skill occupations. The majority of analyses are estimations of proportions for the respective comparison groups. For comparison of the hourly wages these are reported as change from a base (UK youth between 2004-2009) and estimated as log-hourly wages (cf. with approach taken by Chiswick et al. 2005), adjusted for inflation using CPI (Office for National Statistics 2015). Usual hours worked per week are estimated using a zero-inflated poisson regression accounting for absence from work and illness (Clegg 2012). Finally, probabilities for claiming employment related benefits are estimated using a logit model controlling for respondents (ILO-defined) employment status.

The data was analyzed in Stata 14.0 (StataCorp, College Station, TX, USA) using the survey analysis suite (svy), subpopulation estimates were calculated following West et al. (2008).

4.4 Results

Over the two periods investigated, 2004-2009 and 2010-2014, EU migrant citizens have increased their share amongst all recent migrants, with as expected relative increases amongst migrant citizens from A8 and A2 countries (Figure 32). Notably and despite the economic crisis no relative increase can be observed for migrant citizens from Southern Europe compared to the pre-crisis period. To express the uncertainty of the estimates, particularly given the small sample sizes of young migrant subgroups, all results are presented with confidence intervals.
Youth migrants dominate amongst recent migrants irrespective of region of origin. On average about 60% of all migrants who arrived in the last 5 years and have lived at least 1 year in the UK are in the age-range of 20-34 years. Notably, in the pre-crisis years this proportion was about 70% amongst recent migrants from CEE, and has dropped in the crisis years after 2009. The overall proportion stands in contrast to UK youth in the same age bracket. They make up about 15.6% of the UK population between 16-75 years, down from 18.7% prior to 2009, see Figure 33 below.
The gender composition of young EU citizen migrants appears to be similar or statistically indistinguishable from their UK peers. One exception pose youth from CEE, who prior to the 2010 were proportionally more male, whilst post-2010 the ratio has reversed and there appear to be more female youth from CEE (see Table 10).

In the following figures the vertical line expresses the confidence intervals for UK youth, for easier comparison. The line-width corresponds to the width of the respective confidence interval. In terms of employment status no significant differences can be found between young people born in the UK and youth migrants from southern European countries as well as Bulgaria and Romania (see Figure 34). This contrasts strongly with the situation of migrants from CEE countries, who have on average, higher levels of employment and lower levels of both inactivity and unemployment than their UK peers. By contrast their global peers have lower employment and higher inactivity levels. In addition, there seems to be a clear change of these levels in the years after 2009; the differences to UK youth have become more pronounced. Young people from the rest of Europe have statistically significantly higher levels of inactivity with simultaneously lower levels of unemployment than UK youth. Given the ILO classification of employment status this might be attributed to a high number of University students amongst this group.

Table 10: Proportions of female and male youth amongst recent EU citizen migrants.

<table>
<thead>
<tr>
<th>Region of Origin</th>
<th>2004-2009 Male % (95% CI)</th>
<th>Female % (95% CI)</th>
<th>2010-2014 Male % (95% CI)</th>
<th>Female % (95% CI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK incl. Canal Islands</td>
<td>50.5 (50.2-50.8)</td>
<td>49.5 (49.2-49.8)</td>
<td>51.4 (51-51.8)</td>
<td>48.6 (48.2-48.9)</td>
</tr>
<tr>
<td>CEE (A8)</td>
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<td>46.2 (44.5-47.9)</td>
<td>48.7 (46.6-50.8)</td>
<td>51.3 (49.2-53.4)</td>
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<td>48.9 (42.8-55.1)</td>
<td>51.1 (44.9-57.2)</td>
</tr>
<tr>
<td>Bulgaria &amp; Romania (A2)</td>
<td>46.6 (40.2-53.2)</td>
<td>53.4 (46.8-59.8)</td>
<td>56 (50.7-61.1)</td>
<td>44 (38.9-49.3)</td>
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<tr>
<td>Rest EU</td>
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<td>Rest of the world</td>
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<td>49.4 (48.1-50.7)</td>
<td>49.7 (47.5-51.8)</td>
<td>50.3 (48.2-52.5)</td>
</tr>
</tbody>
</table>

Youth migrants: 20-34 years old, country of birth not UK and no UK citizenship.
* arrived within last 5 years.

Figure 33: Proportion of youth amongst recent migrants (Pre-/Post-2009)
These crude indicators seem to suggest that young EU migrant citizens in Britain are similarly integrated into the labour market as their UK peers, with CEE migrants showing much higher employment rates.

A striking finding is that young EU migrant from CEE and the EU-Rest work usually on average significantly longer than their UK peers or migrants from the rest of the world (Figure 35). By contrast youth migrants from the rest of the world work significantly fewer hours than their UK peers. These findings sit against the background of in general fewer hours worked in the period after 2009 for UK youth. These numbers pertain to employed youth only and are thus in their magnitude not affected by the different levels of employment in the respective groups.

---

44 The confidence intervals for all EU migrant groups overlap both across them and over time.
When we compare gross hourly wages for young migrants in the UK (Figure 36) stark differences by region of origin are immediately obvious. Young migrant citizens from A8 (CEE) as well as Bulgaria and Romania have on average lower gross hourly wages than their UK peers (about 20% less). We find the opposite for citizens from the rest of Europe, whilst migrant citizens from the EU-South and migrants from third countries have an hourly pay comparable to UK youths. Adjusted for inflation hourly pay for UK youths has increased in the post-2009 period; however, a similar trend for the respective migrants cannot be observed.45

45 We could also not find significant difference in the changes between the youth groups as separate interaction effects were not significant, see Appendix Table 10a.
When looking at the gross hourly wages by gender (Table 12), we find the expected gender pay gaps. The notable and clear exceptions are youth from Bulgaria and Romania, who seem not to exhibit changer differentials in their (low) wages. Strictly speaking the same applies for youth from the rest of the world, albeit in a much less clear-cut way. The results for Bulgarian and Romania youth appear also correct given the lower (legal) income bound set by the UK’s minimum wage.

Table 12: Gross hourly pay differences amongst young EU citizen migrants by gender.

The following analyses examine whether a job is permanent. Amongst youth in employment (Figure 37) shows significantly higher levels of temporary contracts among all migrant groups, except for A2 migrants, compared to UK youth.
Figure 37 – Youth employees on non-permanent contracts

As expected female youth are employed proportionally more on part-time than full-time contracts (Table 13). Interestingly this gender gap is statistically no longer distinguishable amongst southern European, EU-Rest and third country youth, in the post-crisis period. We do find the same regional stratification of these employment patterns as for the overall results replicated in both gender groups, with for example both male and female CEE youth working less often part-time than their UK male and female peers.

Table 13: Part-time employment amongst young EU citizen migrants by gender

In keeping with the number of hours worked, EU migrant citizens from CEE, Southern Europe as well as the rest of the EU have lower rates of part-time work than their UK counterparts. This same conclusion for migrants from Bulgaria and Romania is only warranted for the post-2009 cohort. Again, migrants from the rest of the world defied the overall pattern and experience higher levels of part-time work (Figure 38).
Figure 38: Proportions of youth working part-time.

The following analyses regarding qualification are rather rough due to the lack of detailed data for the respective occupation-qualification-migrant-subgroups. Data is only available from the fourth quarter 2009, and the analyses presented here focus on post-2009 years. Figure 39 shows the proportions of youth migrants who work in a low-skill occupation whilst having a university or college qualification. Based on these results there seems to be a qualification-occupation mismatch for youth migrants from CEE and Bulgaria/Romania, not however for those the EU-South. In line with the expectation of a stratification by region of origin, there is some evidence for EU-rest migrants to having obtain better occupations than expected given their qualification.

Some of these differences could be attributed to the sectoral distribution of recent young migrant workers (Figure 38A, appendix UK). Recent young CEE migrants are much more likely than UK nationals to work in manufacturing, whilst young EU migrant citizens from A2 countries are more likely to work in construction, than any other group. Interesting in this context is the large proportion of A2 nationals who work in the financial industry. This suggests a u-shaped distribution of this EU migrant citizen group over high- and low-pay sectors, which might indicate an effect of the UK transition regime making self-employed (construction workers) and high-skill EU migrant citizen from A2 countries to come to the UK.

---

46 This measure is problematic in many ways, as it does not account for qualitative differences in university and college qualifications and does not reflect actual skills. Following Demireva (2011), we could have used ISCED97 educational qualifications however, the UK LFS currently does not provide a more detailed measure of foreign qualifications (see Office for National Statistics 2009, p.251f.) and a majority of recent migrants by our definition only holds a foreign qualification.
The following section briefly investigates unemployment benefit receipt. Figure 40 depicts the unemployment benefit uptake of unemployed youth. There appears to be a substantially higher probability for claiming unemployment benefits amongst UK youth compared to migrant youth particularly pre-2009 and from A8 countries, with levels similar to UK youth post-2009 for EU-South and Rest-EU. Strikingly, this probability is lower for migrants from the rest of the world.

**Figure 40: Probability of unemployed youth migrant claiming unemployment benefit.**

Youth migrants: 20-34 years old, country of birth not UK and no UK citizenship, arrived within last 5 years.
*Estimates based on TPBEN3/9 variable
**Line width represents 95% confidence intervals for UK youth
4.5 Discussion

Summary

Our data show a shift in the composition of migration from the 'rest of the world' towards relative more EU migrant citizens in the UK. Sixty per cent of these recent migrants are between 20 and 34 years old. Young EU migrant citizens appear well integrated in terms of employment, with migrants from CEE/Rest of Europe having higher employment rates than their UK peers. However, youth migrant workers – on average – have longer hours than their UK peers and are less likely to work in permanent contracts, with CEE/Rest of Europe also being less likely to have part-time contracts. These variables suggest that migrants are less well integrated into employment in terms of job security and quality. This seems to be a general pattern for EU migrant citizens, in line with past research (Reyneri & Fullin 2011).

By contrast, there seems to be a clear country of origin stratification when it comes to the match of qualifications and occupations as well as pay equality. EU migrant citizens from the Rest of the EU are paid more than their UK peers, and tend to have a better occupation to qualification fit. The opposite appears to be the case for youth migrant citizens from CEE and A2 countries. Interestingly, only a small difference and no qualifications-occupation mismatch seem to exist for Southern Europeans. Much against popular perceptions this group has also not changed its relative size amongst EU migrant citizens to the UK.

Although this needs further scrutiny, the labour market stratification of EU migrant citizens is very likely the outcome of institutional arrangements within the EU. As Member States can exclude migrant EU jobseekers from the receipt of means-tested social assistance during the first three months of residence and the jobseekers can export unemployment benefits from the country of origin for a minimum duration of three months, the reservation wage of EU migrant jobseekers will differ based on the generosity of the unemployment insurance systems and the wage level in the country of origin. Based on the much lower wage levels and less generous unemployment schemes in CEE countries, and also to some extent in Southern European countries, young migrant job seekers from these countries can only export an unemployment benefit, which is very likely to provide them with a reservation wage below the subsistence level in the three countries under scrutiny. Subsequently, this extremely low reservation wage very likely forces jobseekers arriving from CEE countries without a job offer to take the next best job irrespective of conditions and pay in order to survive, if they cannot rely on other support (Bruzelius et al. 2015, Bruzelius & Seeleib-Kaiser 2016).

Our brief analyses with regard to receipt of employment-related benefits seems to suggest that, unemployed youth migrants, more or less irrespective of their region of origin within the EU or globally, have a lower probability of claiming unemployment benefits than UK nationals. This is very much in line with our expectations based on the restrictiveness of benefit entitlement for EU migrant citizens in a 'host' Member State during their first five years of residence.

Finally, across our analyses there seems to be little change other than the compositional change, between the pre-/post- crisis labour market integration of youth migrants.

Limitations

There are three key limitations in the present study: A) The sample sizes of the migrant groups studied, a problem that has perpetually hampered research on migrants in the UK (cf. Martí & Ródenas 2007). B) There is likely to be some bias from migrant specific non-response patterns, which will impact on the comparison between migrants and natives. C) Our measure of occupation-qualification mismatch is rather imprecise and crucially does not map skill-mismatches, which arguably are more relevant.

However, the pooling of data has provided us with a reasonably large number of observations even in subpopulations of the respective migrant groups. Furthermore to date little research exists to the
author's knowledge investigating migrants' response patterns, and providing alternative weights for non-response. Finally, compared to existing literature our qualifications-mismatch measure has the advantage to be readily applicable and more precise for recent immigrants than measures of qualifications and skills obtained in the UK, moreover the findings are consistent with previous literature (Altorjai 2013).

Analytically the study is limited in two ways; on the one hand the pooling of years has led to a loss of overtime changes. On the other hand the study is predominately univariate and descriptive of the average migrants. Whilst the former is a practical necessity, with a theoretical reason for the year cut-off, the latter has the advantage to reflect the actual demographic group in the UK, rather than narrowly, for example, investigating a “migration effect”.

4.6 Conclusion

We set out to investigate the extent to which young EU citizen migrants are integrated into the UK labour market. In short, they are well integrated in terms of employment, but not in terms of job quality job and even less in terms to social protection in case of unemployment. Furthermore, we wanted to assess whether youth labour market integration was related to the macro-economic changes following the post-2008 crisis and migrants’ country of origin. We did not find compelling evidence for a crisis effect. However, the country of origin, and therefore possibly different welfare regimes with varying degrees of effective ‘exportability’ of unemployment benefits, home labour markets and economic situation in home countries, seem to be related to the quality of jobs EU youth migrant citizens take or are able to find. We do find a stratification of young EU citizen migrants’ labour market outcomes by region of origin.

The analyses open up at least two questions: First, how do EU migrant citizen deal with the lack of labour market integration or spells of unemployment. A second more cross-national comparative question relates to the country hierarchies in terms of labour market outcomes which we found replicated in the labour market outcomes of young EU citizen migrants in the UK. This raises the question; to what extent short-term effects of EU migration can attenuate economic and labour market differences across the European economic area. In a European Union with persistent labour market, welfare-provision, and economic differences, this will a central question for a more connected Europe.
5. Discussion across three receiving countries with a focus on intra-EU migration

Quantitative and qualitative labour market integration

Employment rates of recent EU youth migrants to the UK are very high and indeed at a par with UK nationals. A8 migrants perform even better than nationals. The situation in Norway is similar; employment rates among young recent migrants from EU are in line with their Norwegian peers. In Germany there is a considerable difference in employment rates between national youth and recent youth migrant workers. Among the EU workers, EU-Rest migrants perform best. In the most recent period both A2 and A8 migrants are doing somewhat better than Southern European migrants in terms of employment.

Our findings suggest that young intra-EU migrant citizens’ labour market integration is particularly problematic in terms of the quality of jobs obtained. Both the UK and German case studies point to poorer outcomes in terms of qualitative labour market integration for CEE migrant workers as compared to Southern European migrants and particularly EU-Rest migrants who are doing best and on many indicators are close to nationals.

Due to data deficiencies and low case numbers the Norwegian case study does not provide separate findings for EU-South migrants, nor can it distinguish between A2 and A8 migrants. CEE and EU15 country migrants show similar employment rates as their Norwegian peers but higher unemployment. In terms of working conditions EU migrants are on most indicators doing poorer than their national counter-parts though with similar outcomes for CEE and EU15 migrants except for the occupation-skills mismatch where CEE migrants are doing poorer and particularly the high qualified.

All three countries show by far the worst outcomes for third country nationals on both primary labour market integration (low employment rates and high inactivity) and working conditions where they are over-represented in atypical employment. This emphasises the privileged situation of intra-EU migrants regarding their (relatively) unrestricted access to other EU labour markets and non-discrimination regarding their social rights (though with some recent changes). Given free labour mobility, their migration channels also differ substantially from those of third country migrants who often come as asylum seekers or as part of family reunification.

An interesting finding is that the UK and Norway seemingly achieve a better primary labour market integration of EU migrants (particularly CEE) than Germany. The situation in Norway can likely be explained with the overall good performance with high labour demand and direct migrant recruitment in the source country. The stark improvements in primary labour market integration visible in the German case in the second observation period where Germany’s economy was picking up significantly would support this labour demand argument. The difference between the UK and Germany can be explained by an economy based on general rather than specific skills which facilitate the integration of youth migrants in particular. Previous research has also identified UK labour markets to be comparatively open in terms of access to employment which however tends to be more atypical.

Having said this, Germany and even Norway also show disproportionate shares of migrant workers in atypical employment. For Norway however, this is only the case for CEE workers in the first period.
and non-EU migrants. Given the high degree of dualisation of the German labour market with flexibility needs carried out at the margins this is not surprising. Recent developments in the Norwegian labour market, with increasing penetration grades of temp-agency work and migrants working in sectors with a demand for flexible help explain the Norwegian results. Examples are (involuntary) fixed-term employment where CEE and Southern European migrant workers are over-represented; and for Germany also solo self-employment (particularly for CEE migrants under transition measures) and mini-jobs. The findings on part-time work are more inconclusive with both the UK and Norway having fewer migrant workers in part-time work whereas migrant workers have much higher part-time shares in Germany with the sole exception of A8 (CEE) male migrant workers. With regard to this indicator it is not unlikely that the sectoral segregation of migrant workers has an impact.

Our findings on wages and occupation-skills mismatch are particularly interesting from the viewpoint of differences across intra-EU migration source regions. Both the UK and German case study find lower wages for young recent CEE migrants as compared to their national peers, higher wages for EU-Rest migrants and no significant wage differences between nationals and EU-South migrants (no data for Norway). Similarly, CEE migrants show pronounced occupation-skills mismatches in all three countries whereas EU-Rest migrants seem to perform better than nationals on this indicator. EU-South migrants seem to take an intermediate position with no skills-occupation mismatch identified for the UK and better outcomes than German nationals for the group of high skilled workers but worse for those with medium and low skills (no separate information on EU-South migrants for Norway).

The intra-EU differences in qualitative outcomes in particular can be explained by source-host country wage differentials and differences in reservation wages due to much lower (portable) unemployment benefits rendering migrants from CEE countries (and to a lower degree EU-South migrants) more willing than EU-Rest migrants to work under precarious conditions, for low wages and below their skills level.

Regarding secondary labour market integration in terms of access to social benefits, studies on this issue usually conclude contrary to the popular debates that EU migrant workers do not have a higher dependence on social benefits than their national peers. Moreover migrants have often been found to make a positive fiscal contribution to the budget of the receiving member state. Our findings support this for recent youth migrants who seem to have less access to employment related benefits than their national peers. Reasons can relate to both more difficulties to fulfil eligibility requirements due to larger presence in fixed-term employment and employment with shorter tenure. Furthermore, lower benefit take-up can also be due to a lack in information on procedures and possibilities (language difficulties, etc.).

Context factors of migration
Our case studies point to different types of migrant mobility but do not clearly distinguish between them. Looking at young recent migrants we are inevitably capturing both temporary and permanent migrant workers and given in particular the transition measures in place for some of the EU groups of citizens, we also capture free movement of labour and free movement of services mobility, the latter though only to a limited degree. The latter point is especially evident with regard to the findings on Germany where CEE migrants with restricted labour market access display considerably higher shares than all other groups in solo self-employment. We also have mobile students (some of whom are working, others not) in our data.

We are dealing with a complex interaction of political and economic phenomena and trends which render it difficult to explain changes over time in terms of both quantitative and qualitative labour market integration of the different migrant groups. Among the most important issues here are the gradual opening of sectoral labour markets for A8 and A2 migrants under transition measures, the replacement of student population by labour migrants with the EU accession of new countries, and not least the crisis impact on specific sectors in both sending and receiving countries.
Our case studies show that these contextual trends had a clear impact on migration movements with EU-migrants becoming much more important over time in all three countries and this being in particular true for CEE migrants. We did not detect large increases of EU-South migrants that have been prominently discussed in the media. However in particular the German data shows increasing trends and adding the most recent data would surely give a different picture at least for Germany. It is also evident that the skills and sectoral profiles of CEE and Southern European migrants look different between the two periods pointing both to the impact of the application and running out of transition measures as well as the crisis impact on particular sectors of receiving countries and more generally on sending countries (EU-South in particular) increasing the pressure on young workers to leave and take up any kind of employment.

**Data issues**

Given the data we are using we likely under-survey in particular seasonal employment. Secondly, in spite of the expectation that the labour market integration of migrant workers might improve over time given acquisition of language skills, acquaintance with working culture norms and building and deepening of networks, we can only assess labour market outcomes of recent youth migrant workers at two static points in time as the labour force survey data only has very limited panel possibilities. Third, we have to pool data over several years to get high enough case numbers for more detailed analysis particularly on working conditions, the pooling of data interferes with transition periods particularly in Germany and Norway, but for A2 nationals also in the UK which makes the interpretation of results more complex.

**Shortcomings**

Closely related to the data issues outlined above, we are likely picking up a ‘better integrated’ group of recent migrants. We capture only those who had sufficiently good language skills to participate in the survey. Also, LFS data captures only residents and will thus under-represent seasonal workers and not capture commuters or recent migrants from relatively close or well-connected destinations, traveling back and forth between the home and the “host” country.

Another important point is the question how much we can deduct on a comparative level from case studies based on only partly harmonized data. This concerns for example variations in some of the definitions (migrant workers identification by country of birth vs. nationality, grouping of migrants (e.g. EU15 for Norway vs. EU-Rest for the UK and Germany) and different cut-off point for the pooled data for Germany vis-à-vis the UK and Norway. Most of these issues are data driven but in some instances they are also due to country-specific circumstances.

**Outlook**

There is scope for improvement in measurement of certain concepts and with additional waves and better data becoming available also for more uniformity in the analysis across the three countries (e.g. uniform cut-off points, more uniform groups of origin).

Our case studies focus on a very specific group of migrants, namely young, recent migrants. Future research should investigate to what extent and how **region of origin effects** are due to migrants demographic characteristics and how these effects are and can be mitigated. This amounts to investigating more a migration-driven dualisation of labour markets into native insiders and EU migrant citizen as outsiders. In particular, it would be interesting to understand whether the process pushing and keeping EU migrant citizens from CEE into outsider jobs are similar to those for native labour market outsiders.
6. Conclusions

The analyses in this report are novel in three ways, their comparative perspective, and the focus on youth as well as the specific set of regions of origin.

The analyses investigate three very different receiving countries for EU migrant citizens, with open general skill labour markets (UK) and more closed specific skills focused labour markets (Norway, Germany). In addition the three countries had considerably different economic trajectories through the post-2008 economic crisis, with the UK experiencing (relative) higher levels of unemployment, than Norway and Germany. Finally, each country had, and in the case of the EFTA country Norway has, a different transition regime concerning the freedom of workers following the 2004 and 2007 EU enlargements. The UKs initial openness to Central and Eastern European citizens compared to Germany’s restrictiveness and Norway’s gradual opening of its labour market provide a good test case for investigate the importance of region-of-origin and economic crisis effects.

Most past research assess the labour market situation of all migrants, thereby ignoring the potential double-disadvantage of young migrants as both being migrants and in the transition from education into the labour market. This focus is the more important in light of the youth unemployment crisis of, particularly the southern European countries.

Consequently the third and crucial novelty of this study is to investigate the distinct stratification of EU youth migrants’ labour market integration in relation to their region-of-origin. Routinely, EU citizen migrants’ labour market situation is assessed, by comparing the EU-15 with the EU-8 and EU-2 countries of Central and Eastern Europe. Welfare-regimes literature has long acknowledged the considerable institutional difference of the Southern EU countries, and the recent economic- and debt crisis have made these even more pronounced particularly for young people.

Corresponding to the analytical dimensions there are four key findings:

First, there is a surprising similarity in the labour market integration of young EU migrant citizen across Germany, Norway, and the UK. In particular, and irrespective of transition regimes or EU or EFTA membership, recent EU youth migrants labour market outcomes are stratified by their region of origin, with CEE (A8), Bulgarian and Romanian (A2) youth doing worst, EU-South youth taking a middle position, and youth from the remaining EU countries doing better than their native peers. Notably this stratification can be observed for these migrant groups without investigating their more detailed demographic characteristics.

Two positive findings of the study are that young EU migrant citizens are rather well integrated in the respective labour markets when it comes to employment, albeit with the exception of the third country youth group. The second positive observation is that the economic crisis seems not negatively relate to young EU migrant citizens’ labour market integration. In the German case the post-2008 period even saw an improvement of the situation for youth from Central and Eastern Europe in some of the indicators.

Finally, and of methodological importance, is that the stratification of young EU migrant citizen labour market integration, is three-dimensional with a distinct EU-South category as opposed to a mere binary between CEE (plus A2) countries and the EU-15 countries.

A number of broad directions for future research derive from the above findings. The stratification of labour market integration outcomes by region-of-origin points to the question which roles the transportability of benefits and the migration from a mature welfare state (EU-Rest) play in
determining EU migrant citizens’ reservation wages and support options, and through those their labour market position in the receiving countries.

More general the question arises whether on a micro-level migration does provide young EU citizen with an opportunity to improve their relative labour market position. Here the time dimension is crucial, a factor we cannot test for with our cross-sectional data. The corresponding question on the macro EU-wide level is whether and in what way young EU citizens’ migration can contribute to an economically closer European Union as often propagated by the European Commission.

The study leads to a number of policy recommendations:

• Future European Union policies concerning the freedom of movement for workers should focus on promoting access to employment under better working conditions, particularly for young EU citizen from Central and Eastern Europe.

• The European Commission has long been sceptical about the application of transition measures; the potential downsides on both workers and the economy have to be put even more into focus as the results on some indicators, and in particular, solo self-employment emphasize for Germany.

• Our results on social benefit receipt of EU citizens are contrary to the current popular and political debates and serve as a reminder for necessity to have a more objective debate on the role of benefits in intra-EU migration.

• A European Minimum Income Scheme for EU workers could be part of a solution for those workers who cannot effectively export their benefits to other countries. This would increase their reservation wage and would at least reduce to some degree the probability of precarious and exploitative working conditions.

• Particularly in the UK, official statistics should routinely assess the labour market situation of EU migrant citizen distinguished by an additional EU-South category in acknowledgement of the increasingly distinct characteristics of this group, compared to the A8 and A2 and EU-15 group.

http://ukandeu.ac.uk/freedom-of-movement-in-the-eu/
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Appendices – By country case study

Appendix Germany

Table 1A: German youth and recent youth migrants to Germany, observation numbers and share of respective migrant groups in overall migration

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>German national</td>
<td>408643</td>
<td></td>
<td>415723</td>
<td></td>
</tr>
<tr>
<td>EU-Rest/EFTA</td>
<td>1357</td>
<td>9.33</td>
<td>1659</td>
<td>12.23</td>
</tr>
<tr>
<td>EU-South</td>
<td>805</td>
<td>5.41</td>
<td>847</td>
<td>6.28</td>
</tr>
<tr>
<td>A8</td>
<td>2180</td>
<td>13.90</td>
<td>2398</td>
<td>16.99</td>
</tr>
<tr>
<td>A2</td>
<td>720</td>
<td>4.67</td>
<td>1091</td>
<td>7.66</td>
</tr>
<tr>
<td>Third country</td>
<td>10353</td>
<td>66.68</td>
<td>8310</td>
<td>56.84</td>
</tr>
</tbody>
</table>

Source: German micro census, pooled data (2005-2008 and 2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years.

Table 2A: EU recent youth migrants to Germany, share and confidence interval

<table>
<thead>
<tr>
<th>Migrant Group</th>
<th>2005-2008</th>
<th>2009-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>95% Conf. Interval</td>
</tr>
<tr>
<td>EU-Rest &amp; EFTA</td>
<td>28.03</td>
<td>26.69</td>
</tr>
<tr>
<td>Polish</td>
<td>27.91</td>
<td>26.60</td>
</tr>
<tr>
<td>Baltic</td>
<td>3.76</td>
<td>3.21</td>
</tr>
<tr>
<td>CZ. SK. SI. HU</td>
<td>10.09</td>
<td>9.21</td>
</tr>
<tr>
<td>Spanish</td>
<td>4.27</td>
<td>3.68</td>
</tr>
<tr>
<td>Italian</td>
<td>6.38</td>
<td>5.67</td>
</tr>
<tr>
<td>Portuguese</td>
<td>2.27</td>
<td>1.82</td>
</tr>
<tr>
<td>Greek</td>
<td>3.23</td>
<td>2.70</td>
</tr>
<tr>
<td>Bulgarian</td>
<td>5.41</td>
<td>4.72</td>
</tr>
<tr>
<td>Romanian</td>
<td>8.63</td>
<td>7.82</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
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</tr>
</tbody>
</table>

Source: German micro census, pooled data (2005-2008 and 2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years.

Table 3A: Main source of subsistence for German youth and recent youth migrants to Germany, 2009-2012

<table>
<thead>
<tr>
<th>Migrant Group</th>
<th>employment</th>
<th>Unempl. ins/social assistance</th>
<th>support by parents/partner</th>
<th>Bafög/other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>68.46</td>
<td>2.55</td>
<td>17.43</td>
<td>11.56</td>
<td>100.00</td>
</tr>
<tr>
<td>EU-Rest/EFTA</td>
<td>68.00</td>
<td>0.92</td>
<td>20.13</td>
<td>10.95</td>
<td>100.00</td>
</tr>
<tr>
<td>EU-South</td>
<td>56.49</td>
<td>1.98</td>
<td>29.74</td>
<td>11.79</td>
<td>100.00</td>
</tr>
<tr>
<td>A8</td>
<td>62.83</td>
<td>1.51</td>
<td>23.11</td>
<td>12.55</td>
<td>100.00</td>
</tr>
<tr>
<td>A2</td>
<td>60.59</td>
<td>1.55</td>
<td>25.85</td>
<td>12.01</td>
<td>100.00</td>
</tr>
<tr>
<td>Third country</td>
<td>35.04</td>
<td>2.53</td>
<td>40.59</td>
<td>21.85</td>
<td>100.00</td>
</tr>
</tbody>
</table>
Labour market outcomes and integration of recent youth migrants from Central Eastern and Southern Europe in Germany, Norway and Great Britain

Source: German micro census, pooled data (2005-2008 and 2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years. Confidence intervals can be provided at request.

Table 4A: Main reason for fixed-term and part-time job for German youth and recent youth migrants to Germany, 2009-2012

<table>
<thead>
<tr>
<th>Main reason for fixed-term job</th>
<th>education / training</th>
<th>couldn't find permanent job</th>
<th>Probation period</th>
<th>other</th>
<th>Total*</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>42</td>
<td>12</td>
<td>11</td>
<td>33</td>
<td>98</td>
</tr>
<tr>
<td>EU-Rest</td>
<td>16</td>
<td>17</td>
<td>14</td>
<td>48</td>
<td>95</td>
</tr>
<tr>
<td>EU-South</td>
<td>20</td>
<td>20</td>
<td>11</td>
<td>46</td>
<td>97</td>
</tr>
<tr>
<td>A8</td>
<td>14</td>
<td>19</td>
<td>23</td>
<td>40</td>
<td>97</td>
</tr>
<tr>
<td>A2</td>
<td>14</td>
<td>23</td>
<td>21</td>
<td>38</td>
<td>96</td>
</tr>
<tr>
<td>Third country</td>
<td>18</td>
<td>16</td>
<td>14</td>
<td>47</td>
<td>95</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Main reason for part-time job</th>
<th>Education / training</th>
<th>couldn't find full-time job</th>
<th>Personal / family / care</th>
<th>Other**</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>33</td>
<td>18</td>
<td>31</td>
<td>18</td>
<td>100</td>
</tr>
<tr>
<td>EU-Rest</td>
<td>43</td>
<td>13</td>
<td>14</td>
<td>30</td>
<td>100</td>
</tr>
<tr>
<td>EU-South</td>
<td>38</td>
<td>24</td>
<td>14</td>
<td>24</td>
<td>100</td>
</tr>
<tr>
<td>A8</td>
<td>22</td>
<td>26</td>
<td>22</td>
<td>30</td>
<td>100</td>
</tr>
<tr>
<td>A2</td>
<td>38</td>
<td>30</td>
<td>11</td>
<td>21</td>
<td>100</td>
</tr>
<tr>
<td>Third country</td>
<td>41</td>
<td>23</td>
<td>17</td>
<td>20</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: German micro census, pooled data (2005-2008 and 2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years. Confidence intervals can be provided at request.

*not adding up to 100 due to missing values in the categories "didn't want permanent job" and "no reason" for the migrant groups. **including sickness and no reason

Table 5A: Simple linear regression on net earnings, 2005-2008 and 2009-2012

<table>
<thead>
<tr>
<th></th>
<th>2005-2008</th>
<th></th>
<th>[95% Conf. Interval]</th>
<th>2009-2012</th>
<th></th>
<th>[95% Conf. Interval]</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coef.</td>
<td>P&gt;</td>
<td>t</td>
<td></td>
<td></td>
<td>Coef.</td>
</tr>
<tr>
<td>REF German youth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rest-EU</td>
<td>2,114</td>
<td>0,000</td>
<td>1,673 2,555</td>
<td>2,379</td>
<td>0,000</td>
<td>1,841 2,916</td>
</tr>
<tr>
<td>EU-South</td>
<td>-0,017</td>
<td>0,957</td>
<td>-0,622 0,589</td>
<td>0,312</td>
<td>0,454</td>
<td>-0,506 1,131</td>
</tr>
<tr>
<td>A8</td>
<td>-1,118</td>
<td>0,000</td>
<td>-1,544 -0,693</td>
<td>-0,937</td>
<td>0,000</td>
<td>-1,409 -0,466</td>
</tr>
<tr>
<td>A2</td>
<td>-1,751</td>
<td>0,000</td>
<td>-2,466 -1,036</td>
<td>-1,082</td>
<td>0,002</td>
<td>-1,783 -0,381</td>
</tr>
<tr>
<td>third country</td>
<td>-0,959</td>
<td>0,000</td>
<td>-1,198 -0,721</td>
<td>-0,564</td>
<td>0,001</td>
<td>-0,902 -0,226</td>
</tr>
<tr>
<td>Prob &gt; F = 0.0000</td>
<td></td>
<td></td>
<td></td>
<td>Prob &gt; F = 0.0000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R-squared = 0.1245</td>
<td></td>
<td></td>
<td></td>
<td>R-squared = 0.0821</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Controls: gender, age, skills, part-time. Conditioning on labour earnings as main source of income.

Source: German micro census, pooled data (2005-2008 and 2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years.
Figure 13A: Sectoral distribution of German youth and recent migrants to Germany, 2009-2012

Source: German micro census, pooled data (2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years.

Figure 14A: Skills levels, German youth and recent youth migrants

Source: German micro census, pooled data (2005-2008 and 2009-2012).
Note: youth is defined as 20-34 years. Recent migrants are those who moved to Germany during the previous 5 years. Confidence intervals can be provided at request.
Appendix Norway – tables and figures

Table 6A: Immigrants by country of origin. The 15 largest groups in the population per 1.1.2014.

<table>
<thead>
<tr>
<th>Country</th>
<th>Persons</th>
<th>Share of all immigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>84 004</td>
<td>13 %</td>
</tr>
<tr>
<td>Sweden</td>
<td>35 369</td>
<td>6 %</td>
</tr>
<tr>
<td>Lithuania</td>
<td>32 917</td>
<td>5 %</td>
</tr>
<tr>
<td>Somalia</td>
<td>26 162</td>
<td>4 %</td>
</tr>
<tr>
<td>Germany</td>
<td>24 336</td>
<td>4 %</td>
</tr>
<tr>
<td>Iraq</td>
<td>21 963</td>
<td>3 %</td>
</tr>
<tr>
<td>Denmark</td>
<td>19 220</td>
<td>3 %</td>
</tr>
<tr>
<td>Pakistan</td>
<td>18 832</td>
<td>3 %</td>
</tr>
<tr>
<td>Philippines</td>
<td>15 056</td>
<td>3 %</td>
</tr>
<tr>
<td>Russia</td>
<td>16 412</td>
<td>3 %</td>
</tr>
<tr>
<td>Iran</td>
<td>16 294</td>
<td>3 %</td>
</tr>
<tr>
<td>Thailand</td>
<td>15 887</td>
<td>3 %</td>
</tr>
<tr>
<td>UK</td>
<td>13 975</td>
<td>2 %</td>
</tr>
<tr>
<td>Vietnam</td>
<td>13 580</td>
<td>2 %</td>
</tr>
<tr>
<td>Bosnia-Hercegovina</td>
<td>13 315</td>
<td>2 %</td>
</tr>
</tbody>
</table>

Source: The directorate of integration and diversity (IMDi) 2015.

Table 7A: Observation numbers

<table>
<thead>
<tr>
<th></th>
<th>2004 - 2009</th>
<th>2010 - 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Observations</td>
<td>%</td>
</tr>
<tr>
<td>Norwegian</td>
<td>41850</td>
<td>70,4</td>
</tr>
<tr>
<td>EU15</td>
<td>562</td>
<td>0,9</td>
</tr>
<tr>
<td>EEC (A8 + A2)</td>
<td>217</td>
<td>0,4</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>1540</td>
<td>2,6</td>
</tr>
<tr>
<td>Total</td>
<td>44169</td>
<td>74,3</td>
</tr>
</tbody>
</table>
Appendix - UK

Figure 39A – Sector of Employment

Data: Pooled UK quarterly labour force survey, 2010-2014; weighted estimates adjusted for sampling design.
Youth migrants: 20-34 years old, country of birth not UK and no UK citizenship, arrived within last 5 years.
Estimates based on INDSECT/IN0792EM variables.
Appendix (UK) – Tables

Appendix Table 8A

<table>
<thead>
<tr>
<th>Group of recent (last 5 years) youth (20-34) migrants (Country birth &amp; citizenship)</th>
<th>2004-2009</th>
<th>2010-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK incl. Canal Islands</td>
<td>122318</td>
<td>92.8</td>
</tr>
<tr>
<td>CEE (A8)</td>
<td>2210</td>
<td>1.7</td>
</tr>
<tr>
<td>Bulgaria &amp; Romania (A2)</td>
<td>163</td>
<td>0.1</td>
</tr>
<tr>
<td>EU-South</td>
<td>472</td>
<td>0.4</td>
</tr>
<tr>
<td>EU-Rest</td>
<td>575</td>
<td>0.4</td>
</tr>
<tr>
<td>Third Country</td>
<td>5608</td>
<td>4.3</td>
</tr>
<tr>
<td>Missing</td>
<td>402</td>
<td>0.3</td>
</tr>
<tr>
<td>Total:</td>
<td>131748</td>
<td>100</td>
</tr>
</tbody>
</table>

Appendix Table 9A

<table>
<thead>
<tr>
<th>Categorization of occupations according to their graduate proportion amongst UK youth (20-34 years)</th>
<th>% Having a qualification from a University or College.*</th>
<th>% employed in this occupational group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation</td>
<td>Estimate</td>
<td>95% CI</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process, Plant And Machine Operatives</td>
<td>35.1%</td>
<td>32.7-37.5</td>
</tr>
<tr>
<td>Elementary Occupations</td>
<td>43.1%</td>
<td>41.4-44.9</td>
</tr>
<tr>
<td>Skilled Trades Occupations</td>
<td>53.6%</td>
<td>52.0-55.3</td>
</tr>
<tr>
<td>Sales And Customer Service Occupations</td>
<td>54.4%</td>
<td>52.8-56.1</td>
</tr>
<tr>
<td>Total:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative And Secretarial Occupations</td>
<td>61.7%</td>
<td>60.1-63.3</td>
</tr>
<tr>
<td>Caring, Leisure And Other Service Occupations*</td>
<td>63.6%</td>
<td>62.0-65.2</td>
</tr>
<tr>
<td>Managers, Directors* And Senior Officials</td>
<td>67.9%</td>
<td>66.0-69.7</td>
</tr>
<tr>
<td>Associate Professional And Technical Occupations</td>
<td>74.0%</td>
<td>72.8-75.2</td>
</tr>
<tr>
<td>Professional Occupations</td>
<td>90.4%</td>
<td>89.6-91.2</td>
</tr>
<tr>
<td>Total:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Not work-related college.

Appendix Table 10A
## Models for the estimation of the native-migrant wage gap (OLS regression for log-wages).

<table>
<thead>
<tr>
<th></th>
<th>Same changes between pre-/post crisis</th>
<th>Changes pre-/post-crisis varying by group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coeff.</td>
<td>p-value</td>
</tr>
<tr>
<td>Post-2009 dummy</td>
<td>0.047</td>
<td>0.000</td>
</tr>
<tr>
<td>Migrant groups</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CEE (A8)</td>
<td>-0.354</td>
<td>0.000</td>
</tr>
<tr>
<td>Bulgaria &amp; Romania (A2)</td>
<td>-0.274</td>
<td>0.000</td>
</tr>
<tr>
<td>EU-South</td>
<td>-0.087</td>
<td>0.012</td>
</tr>
<tr>
<td>EU-Rest</td>
<td>0.143</td>
<td>0.000</td>
</tr>
<tr>
<td>Third Country</td>
<td>-0.070</td>
<td>0.000</td>
</tr>
<tr>
<td>Year*Migrant group interactions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009#CEE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009#Bulgaria &amp; Romania</td>
<td>-0.015</td>
<td>0.899</td>
</tr>
<tr>
<td>2009#EU-South</td>
<td>0.047</td>
<td>0.508</td>
</tr>
<tr>
<td>2009#EU-Rest</td>
<td>0.147</td>
<td>0.051</td>
</tr>
<tr>
<td>2009#Third Country</td>
<td>0.026</td>
<td>0.403</td>
</tr>
<tr>
<td>Constant</td>
<td>-90.925</td>
<td>0.000</td>
</tr>
<tr>
<td>N (subpopulation)</td>
<td>13395</td>
<td></td>
</tr>
<tr>
<td>R2</td>
<td>0.04</td>
<td></td>
</tr>
</tbody>
</table>
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