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Does Migration Motive Matter for Migrants' Employment Outcomes? The Case of Belgium

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ABSTRACT

Does Migration Motive Matter for Migrants' Employment Outcomes? The Case of Belgium

Despite being one of the most prolific spenders on active labour market policies, and investing heavily in civic integration programmes, family policies and career and diversity plans, the native-migrant employment gap in Belgium is still one of the largest among EU and OECD countries. Past research has shown that even after controlling for human capital and other socio-demographic factors a large unexplained gap (often called ethnic gap or penalty) remains. This paper investigates how the motive for migrating to Belgium contributes to the native-migrant employment gap. Based on data from the 2014 Belgian LFS Ad Hoc Module on the labour market situation of migrants and their immediate descendants, we compare the employment outcomes of labour migrants (with and without a job prior to migration), family reunion migrants, student migrants and refugees with those of the native-born. In line with previous studies, we establish that refugees and family reunion migrants' employment likelihood is lower when compared to labour migrants and natives. Refugees who do work tend to do so in temporary jobs and in jobs that are below their skill levels. However, temporary employment is also prevalent among labour migrants without a job prior to migration and over qualification is a specific challenge for male student migrants.

JEL Classification: F22, J15, J61

Keywords: immigration, reason for migration, employment outcomes

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1. Introduction

When it comes to the labour market integration of migrants, Belgium finds itself confronted with a striking paradox. The country ranks amongst the most prolific spenders on active labour market policies, with the brunt of that spending going to subsidized employment schemes (OECD 2015). Additionally, both the regions and the federal level invested heavily in civic integration programmes, family policies and career and diversity plans (MIPEX 2015). However, the labour market integration of migrants is poor. In international comparison, the employment rate of migrants in Belgium is among the lowest, lagging the native-born by one of the widest gaps (see Figure 1). This said, there are very important differences by region or country of origin. While the employment status of migrants from EU origin is broadly comparable with that of natives, the labour market performance of non-EU migrants is much worse, with high unemployment and among women very low participation levels (Corluy and Verbist 2014). Poorer educational attainment goes some way to explain the weak labour market integration of migrants. Compared to other EU countries, Belgium has a high proportion of low educated migrants (Eurostat 2011). Additionally, migrants born outside the EU missed the general upward trend in education levels in Belgium which was recorded for natives and EU citizens over the past two decades, and their comparative disadvantage has therefore increased (Corluy and Verbist 2014; Pina, Corluy and Verbist 2015). Nonetheless, education accounts for only a limited part (less than 20%) of the large employment rate differences between natives and non-EU migrants, and even after controlling for other socio-demographic factors (such as region of residence) a large unexplained gap remains – often called the ethnic gap or penalty (Corluy and Verbist 2014).

Among migrants there can still be large heterogeneities which are not accounted for by the standard human capital and socio-demographic characteristics, and these can have important implications for their labour market integration. One such aspect of heterogeneity is

related to the migration motive of migrants. In broad terms, migrants can migrate for economic (work-based or study), familial (family reunification), or humanitarian reasons (refugee). Non-economic migrants like refugees and family reunion migrants base their decision to migrate, in part, on a different set of intentions and are therefore less positively selected for labour market inclusion (Aydemir 2011; Chiswick 1999). One would thus expect labour migrants to be more easily integrated into host country labour markets. Indeed, previous studies conducted in other European countries indicate that labour migrants have better labour market outcomes than refugees and family reunion migrants (Akgüç 2013; Bevelander 2016; Constant and Zimmerman 2005; Luik, Emilson and Bevelander 2016; Isastorza and Bevelander 2017, Rodriguez-Planas and Vegas 2011).

In this chapter we add to the limited literature on the employment outcomes of migrants with different migration motives by presenting the Belgian case. The overall aim of this article is to examine the employment outcomes of labour migrants, family reunion migrants, student migrants and refugees, and contrast them with the outcomes of the native-born. The data for the analysis are taken from the ad hoc module on the labour market situation of migrants and their immediate descendants, within the framework of the Belgian Labour Force Survey in 2014. The rest of this chapter is organised as follows: after a brief review of the literature on the labour market integration of migrants by migration motive, we sketch the Belgian context and the latest developments of migration policies in Belgium. The data are then described in detail. A further section presents the results, and these results are then discussed and summarized.

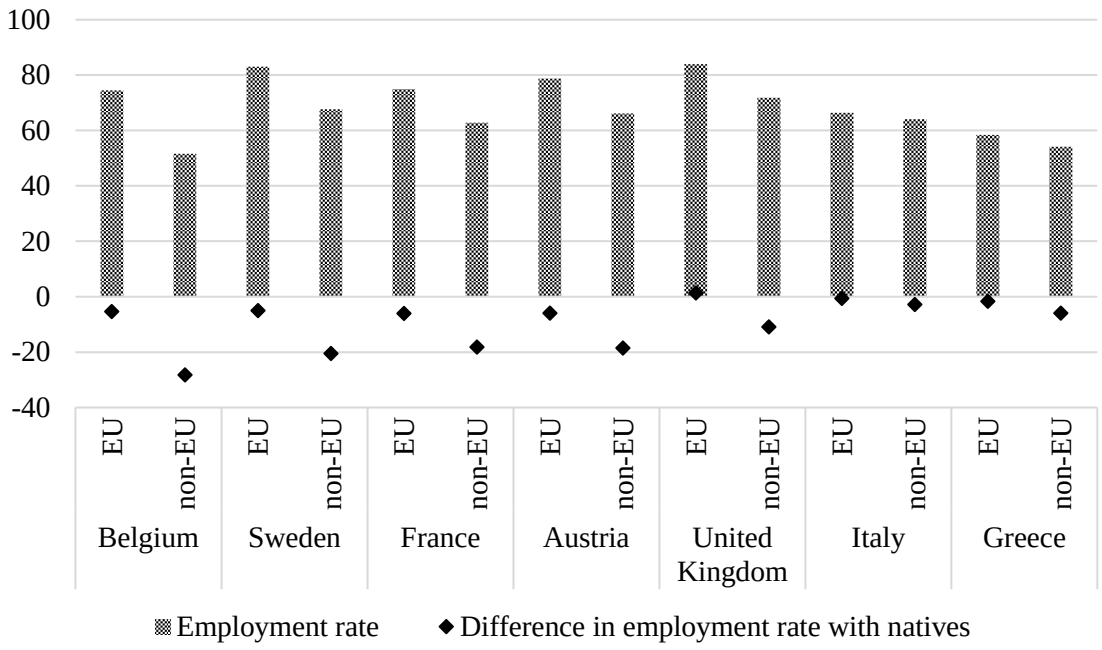

Figure 1. Employment rates of EU27 and non-EU27 migrants in Belgium and selected EU-countries, 20-59 years (excl. students), 2nd quarter 2014
Source: Labour Force Survey, ad hoc module 2014

2. Earlier research

While there has been considerable research done on labour market outcomes for migrants in general, very few countries have analysed labour market integration by migration motive, which would allow distinction between groups such as labour migrants, family reunion migrants and refugees. An important reason for this literature gap is data limitations, since detailed statistical information on migration motive is not always easily accessible (Bevelander 2016). The first studies to take into account the migration motive when analysing migrant outcomes mainly originate from countries with a longer tradition of migration, such as Canada, Australia and the United States (Aydemir 2013).

As one of the earliest studies, De Silva (1997) analyses the earnings of three migrants groups (independents, assisted relatives, and refugees) arriving to Canada between 1981 and 1984, based on the Longitudinal Immigration Data Base. He finds that, while independently selected migrants are the highest foreign-born income earners compared to other migrant

categories, they also experience the smallest earnings growth after arrival. In contrast, refugees report the most rapid increase in earnings. By a decomposition analysis of the earnings differentials, De Silva further shows that endowment differentials account for only a small portion of the gap in earnings. Devoretz, Pivnenko and Beiser (2004) use the Longitudinal Immigration Data Base to assess outcomes for refugees and family reunion migrants who arrived to Canada between 1980 and 2001. The authors find that refugees tend to perform on the same level as family reunion migrants in terms of earnings, up to seven years after arrival. However, refugees run greater risk of depending on welfare and unemployment benefits compared to other migrant categories. Aydemir (2011), based on the Longitudinal Survey of Migrants to Canada, confirms that earnings of refugees and family reunion migrants are about the same two years after arrival, but states that refugees have lower participation rates. Human capital characteristics only account for a small part of the differences in participation outcomes.

Based on the Longitudinal Survey of Migrants to Australia, Cobb-Clark (2000) finds that, six months after arrival, humanitarian and family reunion migrants are significantly less likely to be employed than migrants selected on the bases of labour market skills. Over time, the skill-based migrants' head start in finding employment dissipates to some extent, although the relative gaps in employment remain large even 18 months after arrival. Much of the difference in employment levels of migrants in different entry categories remains after controlling for the effects of important characteristics, such as human capital and English language ability. Cortes (2004) tracks both labour migrants and refugees from the 1975-1980 arrival cohorts across two censuses in the US - 1980 and 1990 - and finds that refugees lag behind labour migrants in terms of earnings and working hours in 1980, but that they eventually perform better than labour migrants in 1990. The higher rates of human capital accumulation for refugees contribute to these findings.

European studies on labour market outcomes of different migrant categories are more recent and have mostly focused on a limited number of countries (Bevelander 2016). In Constant and Zimmerman's (2005) comparison of the labour market integration of different migrants categories in Germany and Denmark, they find that, former refugees and those that arrive through family reunification are less likely to work full time and have lower earnings, compared to those who came through the employment channel in Germany. In the Danish context, however, they find that the legal status at entry does not play any significant role.

Research for Sweden, spearheaded by Bevelander (2011), shows that family reunion migrants have higher employment chances than asylum seekers which in turn have a better employment integration than resettled refugees. Controlling for a set of personal and migrant intake characteristics as well as contextual factors, a significant gap remains. Bevelander and Pendakur (2014) expand this analysis, looking at employment and earnings differentials between resettled refugees and family reunion migrants in both Sweden and Canada. In Canada, refugees have better employment chances than family reunion migrants, while in Sweden differences across categories are relatively small. Additionally, earnings for refugee women are higher than earnings for family reunion women in Canada, while differences are minimal in Sweden. Also for Sweden, Luik, Emilson and Bevelander (2016) find that the employment gap with natives is lowest for labour migrants, and substantially larger for family and humanitarian migrants. After controlling for human capital, demographic and contextual factors, large unexplained employment gaps still persists between migrants and natives and between migrant categories.

Rodriguez-Planas and Vegas (2011) look at the labour market performance of Moroccan migrants in Spain who arrived either as a family or as a labour migrant, using the National Immigration Survey of 2007. The authors show that family reunion migrants are less likely to be employed compared to labour migrants. After correcting for selection into employment, they

further analyze the wage assimilation of migrants, and show that there is no wage differential between both migrant categories. Finally, based on a household survey conducted between 2008 and 2009, Akgüç (2013) looks at labour market outcomes of family reunion migrants, labour migrants, refugees, and students in France. The study is one of the first to include so many different visa categories in a European country context. The estimation results suggest that labour and student migrants are more likely to participate in the labour force and be employed than family reunion migrants and refugees. In terms of earnings, labour migrants and international students earn significantly more than family reunion migrants and refugees, but convergence in wages between these groups occurs, although at a relatively slow pace. Finally, the study does not find any significant differences of refugees from family reunion migrants in terms of participation, employment and earnings.

3. The Belgian setting

Before proceeding to the empirical analysis of the labour market performance of migrants in Belgium by their migration motives, we first provide a brief historical background on the migration policy evolution.

Until the mid-seventies, Belgian immigration policy actively recruited low-skilled labour migrants from Italy (until the fifties), and Morocco and Turkey (in the sixties and seventies) to work in the heavy industry sectors, such as coal mining and the steel industry. As was the case with several Western European countries, the past two decades saw family formation and reunion as well as migration on humanitarian grounds take over from labour migration as the most important entry channels in Belgium.[1] These latter streams are far less labour-market oriented and their education profiles do not necessarily match with those

[1] For a more detailed overview of Belgium's migration history, see Martiniello (2013)

demanded by the Belgian labour market. Still, these observations apply to other western European countries as well (see Figure 2).

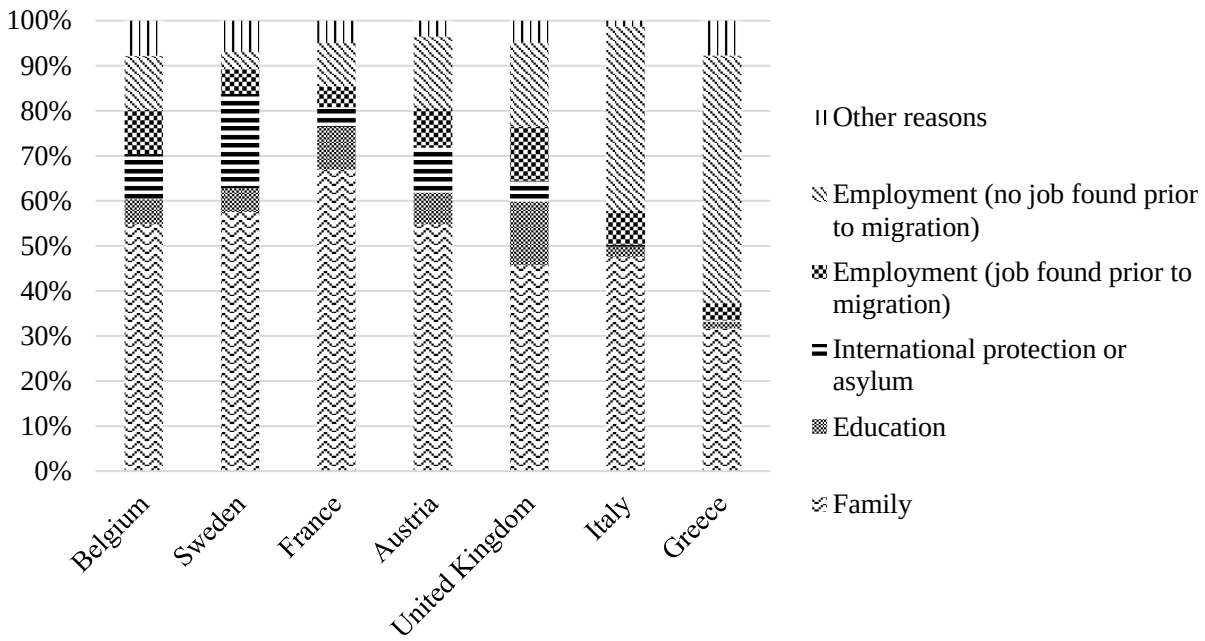

Figure 2. Breakdown of first-generation migrants according to the self-reported reason for migration in Belgium and selected EU-countries[2], in 2014.
Source: Labour Force Survey, ad hoc module 2014

However, as stated before, Belgium stands out as the employment rate gap between migrants and natives is among the widest in the EU. General labour market settings often reduce the employment prospects of migrants. It is worth pointing out that while unemployment in Belgium is just below EU average, there is significant long-term unemployment, especially among the less skilled (OECD 2016). Belgium has just about the highest rate of household joblessness in the EU (Corluy and Vandenbroucke 2015). More generally, the employment deficit among the less skilled (relative to the better skilled) is larger than in most other countries. Young people leaving school with no or few formal qualifications face dismal job prospects (OECD 2016). There are also vast regional and local differences in employment outcomes. No

[2] Countries are selected on the basis of their employment rates among migrants. The United Kingdom, Italy and Greece post higher levels (or smaller gaps with natives), while Sweden, France, Germany and Austria record the lowest rates (or the widest gaps).

European country has such diverse labour market outcomes within such a confined geographical scale (OECD 2005). The main differences is between the Flemish- and the French-speaking parts of the country, but even within regions the differences are considerable. The less skilled in general do not fare well in Belgium and so it is not surprising that migrants with low educational attainment do badly as well, even more so. That said, even higher skilled migrants do not fare well in Belgium (Feld et al. 2006).

Labour market rigidities are also widely thought to play an important role. International studies tend to categorize Belgium as having a comparatively regulated labour market, resulting in significant segmentation and insider/outsider issues (OECD 2013). Belgium has among the most compressed wage distributions in the developed world. Less than 6% of Belgium's workers earn less than 67% of median earnings, compared to rates of around or over 20% in comparative economies like Germany and the Netherlands (Marx et al. 2012; OECD 2016). Many jobs come with strictly defined educational requirements. As a consequence, low-skilled work is both relatively expensive and heavily regulated in terms of hiring, employment and dismissal. This means that there are few employment opportunities in the regular labour market with those with few skills, or educational qualifications that are not recognized. However, many survive in Belgium's sizable underground economy (Rezaei et al. 2013).

The exceptional employment rate gap between migrants and natives in Belgium stands in stark contrast with what policy is trying to achieve. A range of measures have been developed to improve the labour market position of migrants, including civic integration programmes, active labour market policies, family policies and career and diversity plans.

3.1. Civic integration programmes

The Flemish Region – Belgium's largest - has had compulsory civic integration programs since 2003. In the Walloon Region there was no compulsory civic integration until February 2014.

There were local and sub-regional initiatives in place but these were not strongly coordinated. In Brussels Capital Region there are two competent institutions, with each a different policy similar to the main two regions. The Civic Integration Programme ("Inburgeringsprogramma"), which new migrants are either invited or obliged to follow, basically consists of two trajectories (De Cuyper & González Garibay 2013). In the first trajectory, the adult migrant is offered 1) an orientation course labelled 'civic integration' (maatschappelijke oriëntatie, MO), 2) a basic course in Dutch (Nederlands als tweede taal, NT2) and 3) labour market orientation (loopbaanoriëntatie, LO) or educational orientation.

For a subgroup of "newcomers" the civic integration program is compulsory. Family reunion migrants from outside the EU[3], recognized asylum seekers and persons under subsidiary protection (refugees, asylum seekers with a stay longer than 4 months, victims to slave trade, etc.) belong to the target group. At the start of the first trajectory, a contract of 'inburgering' (civic integration) is signed between the newcomer and the municipality. On condition of sufficient attendance a certificate of 'inburgering' is granted at the end of the first trajectory. Note that attendance is the criterium and not the passing of tests. Noncompliance can result in administrative fines. The first trajectory can be completed within one year. The course on 'civic integration' (MO) takes about 60 up to 90 hours and usually is spread over 3 months. The course 'Dutch as a second language' (NT2) is differentiated by the participant's education level, and may last between 90 and 240 hours. The professional orientation pillar is organised together with the Flemish (VDAB) or Brussels (Actiris) public employment services. No fees are charged.[4] The second trajectory is organised within the regular services in the fields of education at all levels, placement and training (VDAB) or entrepreneurial training (Syntra Vlaanderen).

[3] Except for family reunion migrants born in Iceland, The Principality of Liechtenstein, Norway or Switzerland.
[4] However, fees are charged for Dutch textbooks, as well as for Dutch teaching courses above the level of 2.2 (which is still a very basic level). The fee of the Dutch teaching course is also charged to those who don't sign the civic integration contract with the government.

3.2. Recognition of qualifications

In Belgium, the Communities are responsible for recognizing the equivalence of foreign study certificates. The equivalence of diplomas is essential when a person wants to exercise regulated professions or work in the Belgian public sector. Private employers are free to ask for a certificate of equivalence when they employ someone with a foreign diploma. In Flanders, NARIC "National Academic (and professional) Recognition and Information Centre" is responsible for recognising the equivalence of foreign study certificates. A foreign certificate is equivalent to a corresponding Flemish certificate unless there is a substantial difference in the application of one or several of the following criteria: a) content or learning outcomes; b) level; c) student workload; d) the duration of studies of the course; e) the quality of the course, including the assessment method, the quality of the awarding institution, possibly guaranteed by an external quality assurance body. A fee (90/180 euros) is normally charged but is waived for asylum seekers, recognized refugees or subsidiary protected. The criteria are such that getting a foreign degree recognized is not easy.

Despite some improvement on delays in degree recognition, the process remains burdensome, which discourages many migrants from even attempting it (De Keyser et al 2012). By way of example, NARIC received 482 applications in 2015 from asylum seekers, recognized refugees or subsidiary protected, 59% concerning higher degree recognition applications (NARIC-Flanders, annual report 2015). Clearly, this is a very small share of the potential number of applications. And in a small-scale study, Caritas International (2014) questioned 54 refugees and found out that, while 37 of them held a secondary or higher education diploma, only nine of them had applied for equivalence. The most important barriers cited were the cost of the application, the long waiting period before receiving an answer, and not having the original diploma and the inability to request a copy in the country of origin owing to the geographical instability.

As regards validation of skills acquired abroad, professional certificates granting access to specific occupations ("Ervaringsbewijzen") can be obtained upon successfully passing tests organised by recognized validation centres. This procedure started in the mid-2000s and applies to high, medium and low-skilled occupations. Research shows that, taking into account the target group of the measure, non-EU migrants make limited use of the measure: the share has even fallen in recent years from 22% in 2010 to 15% in 2014 (De Klerck et al. 2016).

4. Data

For the empirical application we use data from the 2014 Labour Force Survey (LFS) Ad Hoc Module on the Labour market situation of migrants and their immediate descendants. The Belgian LFS is a representative sample from the National Register and provides, in addition to demographic characteristics, both general and more detailed data on the employment situation of migrants (defined as those born abroad whatever their nationality), such as the quality of employment and characteristics of the workplace. In the Belgian LFS it is in principle not possible to identify the migration motive of migrants. Exceptions are the data from the ad hoc modules of the second quarter of the Belgian LFS 2008[5] and 2014, containing information on the main migration motive of migrants.

In contrast with most of the literature that uses information on visa categories, this chapter builds on the self-declared reason for coming to Belgium. The variable has six answer categories: (1) Employment, job found before migrating; (2) Employment, no job found before migrating; (3) Family reasons; (4) Study; (5) International protection or asylum; and (6) Other. People who self-declared that they came to Belgium to seek international protection may have obtained or not a formal refugee status (according to the 1951 refugee Convention status or temporary/subsidiary protection). Given that the survey anonymises data, it is reasonable to

[5] This variable was also collected in 2008, but it had a more restrictive entry filter, and some differences in answer items.

assume respondents answered honestly what their main reason for migrating was. For the sake of simplicity, in this chapter, all people who have declared migrating for 'international protection purposes' are referred to as 'refugees'.[6] Migrants with missing information on their migration motive are excluded from the analysis.[7] So are migrants who migrated for 'other reasons', since this category is not very informative.[8]

The empirical analyses will be performed on a sample that is limited to the group between 20 and 59 years. Because this chapter has its focus on employment, individuals who are in education at the moment of the survey are excluded from the sample.[9] Finally, we chose to exclude migrants with less than two years of residence[10], since the large majority of new migrants are following introduction programs or other forms of education such as language training and hence have a low likelihood of being in employment (De Cuyper and Wets 2007). Our final sample includes 10,003 natives and 1,902 first generation migrants. Migrants represent sixteen per cent of the sample, of which 58.5% are family reunion migrants, 25.3% are labour migrants, 11.5% are refugees and 4.7% moved to Belgium as students.

Concerning socio-demographics (see Table A2 in appendix), we see that labour, refugee and student migrants are predominantly male, while family reunion migrants are predominantly female. Unsurprisingly, marriage is most common among family reunion migrants (64%) and least common among student migrants (57%). In terms of geographical spread we observe a large overrepresentation of migrants in the Brussels region, compared to the native-born. This is especially true for labour migrants (both with and without a job prior to migration). Finally,

[6] Data may include some asylum seekers (i.e. persons who have not yet completed the recognition process) but as these are more likely to be hosted in collective accommodations, which are usually not covered by the LFS, this case should be marginal. Data may also include some people who have been denied the status of refugees and may be staying in the country irregularly. Again, the probability that these people will be captured by the survey and identify themselves as 'refugees' is limited.
[7] N=949.
[8] N=228.
[9] N=408.
[10] N=171.

the average age of the natives and migrants in the sample is 42 years old, with no significant differences between migrant categories.

5. Results

5.1. Human capital

Before we look at employment outcomes, we turn to the human capital characteristics measured by highest level of education and language proficiency. Figure 3 shows that there exists considerable variation in terms of education. Both male and female student migrants have the highest level of educational attainment (close to 70% is high educated), followed by male and female labour migrants with a job prior to migration (62% of the males is high educated and 48% of the females). Among refugees, family reunion migrants and labour migrants without a job prior to migration, there is a clear overrepresentation of low educated individuals. Interestingly enough, male labour migrants without a job prior to migration have an education profile that is slightly weaker than that of male refugees, while among females, refugees clearly are the most vulnerable group (54% is low educated).

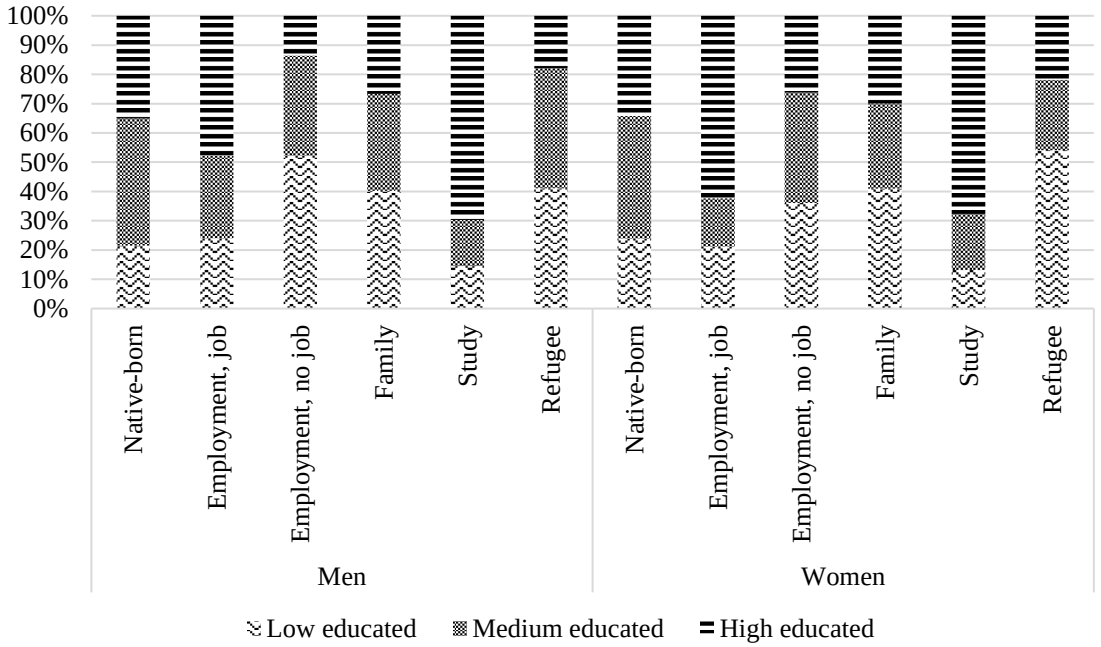

Figure 1. Education level of migrants in Belgium, by migration motive and gender, 2014

Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence.

Looking at language differences in Figure 4, we see that for both genders, student and family reunion migrants have the highest language proficiency, with close to seven out of ten migrants indicating that they master well the language(s) of the host country (sum of the mother tongue and advanced options). This share is similar for female labour migrants with a job prior to migration, but considerably lower for their male counterparts (60%). Refugees and labour migrants clearly display the weakest language proficiency, with a minority (40%) indicating that they master well the host country language, both among males and females.

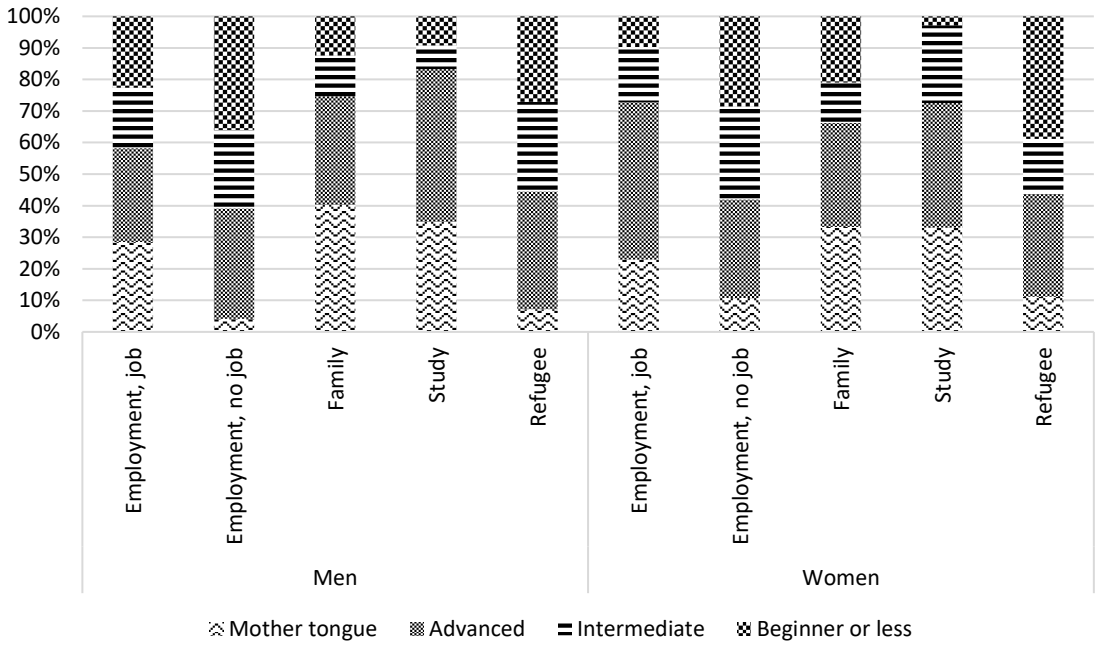

Figure 2. Skills in host country language of migrants in Belgium, by migration motive and gender, 2014
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence

Overall, the human capital characteristics of migrants display interesting variation. In particular, we find that labour migrants with a job prior to migration and student migrants are positively selected in terms of their education (there education profile is stronger than that of the native-born), while family reunion migrants and student migrants and female labour

migrants with a job prior to migration have the highest host country language proficiency. Refugees and labour migrants without a job prior to migration face a double disadvantage, as they have both relatively low educational qualifications and limited language proficiency.

5.2. Employment likelihood

Section 2 discussed the literature on the economic integration of migrants showing that their reasons for migration influence employment opportunities. A general finding is that labour migrants are found to have better employment opportunities and outcomes than refugees and family reunion migrants. Figure 5 clearly confirms this pattern. The employment rate of male family reunion migrants is 25 percentage points lower than that of male labour migrants with a job prior to migration and 17 percentage points lower than natives. Male refugees perform even worse, with an employment rate that lags 24 percentage points behind labour migrants with a job prior to migration and 32 percentage points behind the native-born. Women show a similar pattern, however, the differences with the employment rates of labour migrants and natives are even larger.

Our results also clearly show the importance of discerning between labour migrants with and without a job prior to migration. While the former have an employment level slightly above that of natives, the opposite is true for the latter. Among labour migrants without a job prior to migration, females still have relatively high employment levels (72%), but males have relatively low levels of employment (62%). The employment rate of student migrants is very close to the that of natives, with 80% of males and 78% of females in employment. Note that the gender gap in employment between men and women is minor for natives, labour migrants, and student migrants, while it is more pronounced among family reunion migrants and refugees, for whom the gender gap amounts to 13-14 percentage points.

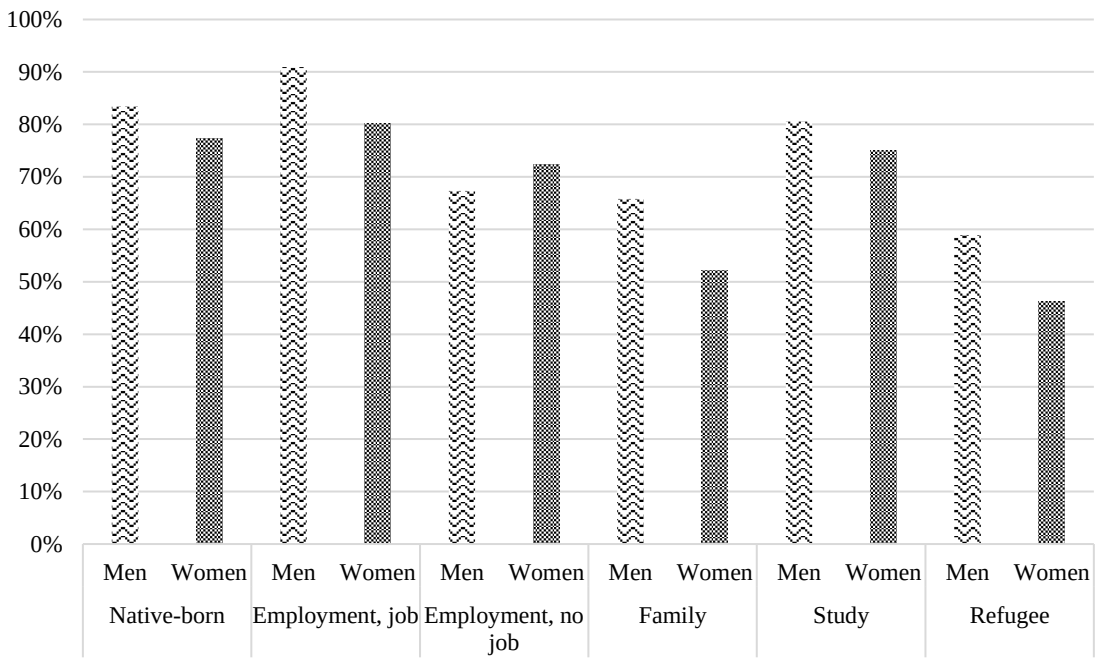

Figure 3. Employment rates of migrants in Belgium, by migration motive and gender, 2014
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence.

The rather negative picture for refugees and family reunion migrants presented in Figure 5 improves if we classify them by years since migration. According to the assimilation theory, migrants' employment and earnings tend to converge with those of natives as they accumulate country-specific human capital over time (Chiswick et al. 2005). Figure 6 shows the employment rates of refugees and family reunion migrants by years since migration, and this convergence is clearly visible. Especially among refugees, for whom the employment rate increases to 76% after 20 years of residence. Still, even after twenty years of residence refugees do not catch up with the native-born, and family reunion migrants even less so.

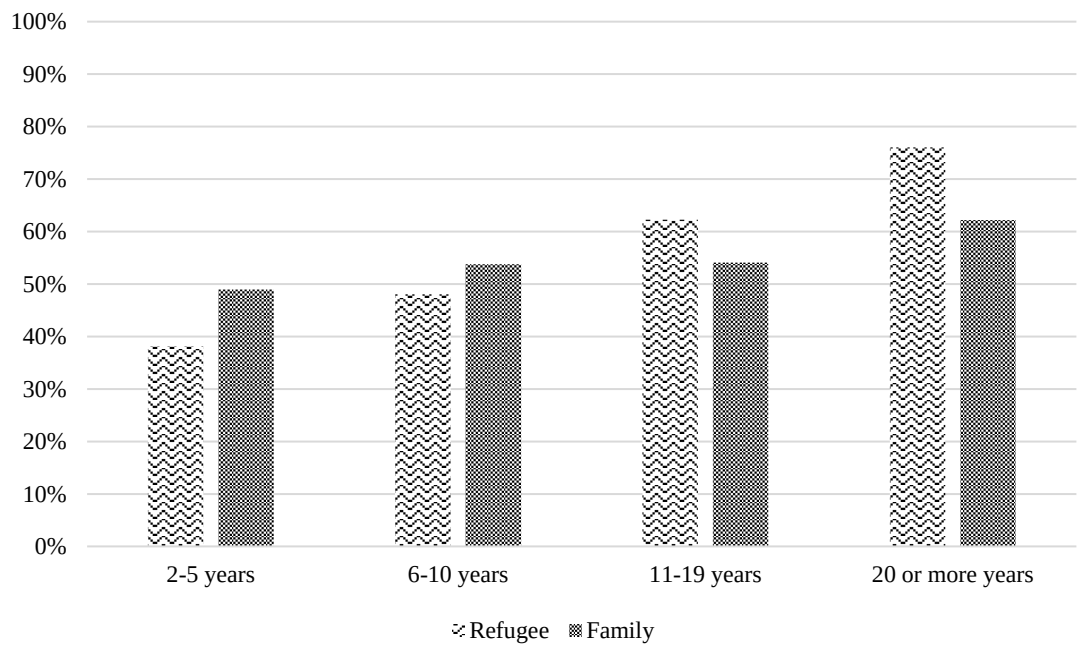

Figure 4. Employment rates of refugees and family reunion migrants, by years since migration, 2014
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence.

In light of the considerations expressed in section 5.1., we now seek to determine whether the advantage of labour and student migrants over refugees and family reunion migrants is still significant after controlling for socio-demographic and human capital characteristics. Therefore, we plot[11] the coefficients obtained for migrants – by migration motive – relative to natives from a series of probit regressions on factors predicting employment outcomes. The dependent variables in the analysis are, in turn, employment[12] (0/1), employment in a temporary job (0/1), and self-perceived over qualification[13] (0/1). We use the following equation:

$$P(Y_i = 1|X_i) = \Phi(X_i\beta), \qquad (1)$$

[11] Full regression tables are available from the authors upon request.
[12] Our definition of employment is based on the ILO-definition: an individual is employed if (s)he has had paid employment in the last seven days. This definition does not depend on the existence of an employment contract and therefore may also include people in irregular employment.
[13] The 2014 LFS Ad Hoc Module contains a variable on the respondent's self-perceived over qualification for the current main job, based on a comparison of his/her qualifications and skills with the tasks of the job.

where Y_i is an indicator of the employment outcome variable of individual i; Φ is the standard normal cumulative distribution function; and X_i is a set of dummy variables for the independent variables in our model. The main independent variable is migration motive. As controls[14] we include age, age squared, marital status and children below the age of twenty. Since the Belgian regions differ considerably in terms of economic situation and thus in employment prospects for individuals, geographical spread of migrants may provide an additional explanation for differences in employment. Hence, we include two regional dummies. Additionally, we expect that (lack of) human capital is a very important determinant of individual employment outcomes. Therefore, we include the highest level of education and a host country language ability indicator.[15] Lastly, we include years since migration to measure the effect of length of stay. We always run separate analyses for men and women since there are large differences in observed characteristics by gender and this way we allow for another dimension of heterogeneity across migrants.

The coefficients in Figure 7 plot the average marginal effects on the probability of employment of migrants broken down by migration motive and gender versus natives. It is based on the total population of male and female natives and migrants. Zero represents the reference group (in this case natives), and coefficients are the differential percentage points of each migrant group relative to natives after controlling for differences in age, marital status, children, region and education. The coefficients confirm the descriptive statistics presented above: the highest likelihood of employment is recorded among labour migrants with a job prior to migration, whereas refugees and family reunion migrants are characterized by the lowest employment likelihood (resulting in the largest employment gaps with natives), other things being equal. Note that there is almost no difference in the likelihood of employment between

[14] See Table A1 in appendix for an overview.
[15] Because Belgium has multiple official languages, the variable refers to the host country language the respondent has the best command of.

male and female refugees, while a more evident gender gap is found among family reunion migrants. Students migrants and male labour migrants without a job prior to migration also have a lower likelihood of employment compared to natives. However, only for the latter group is the employment gap significant.

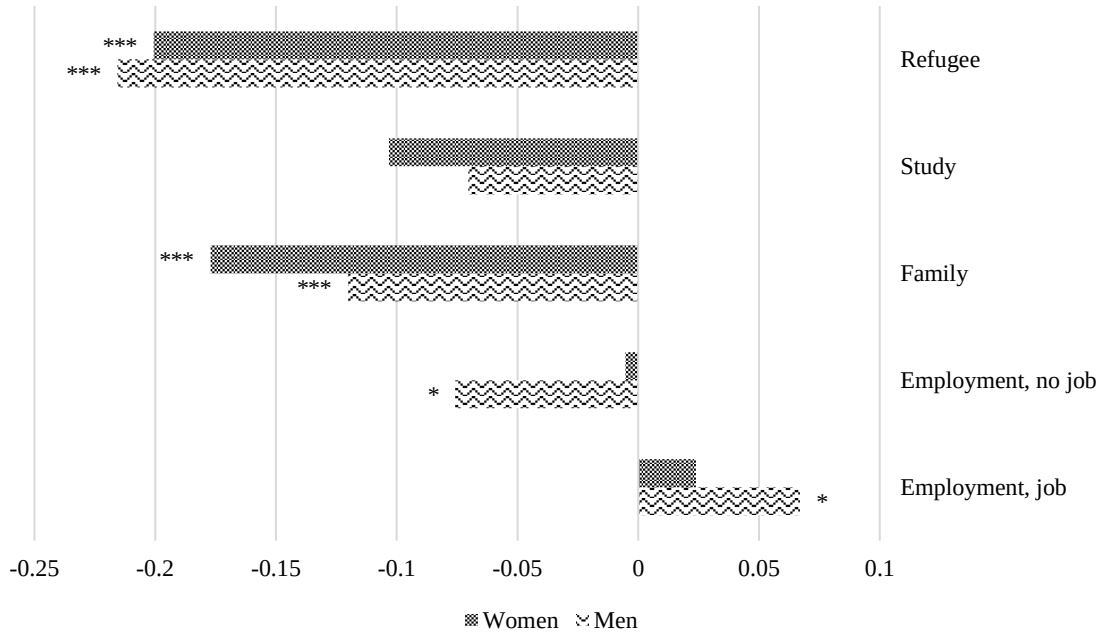

Figure 5. Marginal effects on probability of employment, by migration motive and gender, relative to natives.
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence. p<0.05 **p<0.01 ***p<0.001*

Figure 8 is built on almost identical regressions but run only on the foreign-born population, using labour migrants with a job prior to migration as the reference group and adding both years since migration and language proficiency as extra control variables. Again refugees and family reunion migrants have the lowest employment rates, resulting in the widest employment gaps with labour migrants with a job prior to migration. Note that, after controlling for length of residence and language skills, the employment gap between family reunion migrants and labour migrants with a job prior to migration becomes even more pronounced (for males from 19 to 25 percentage points and for females from 20 to 26 percentage points). This means that family

reunion migrants are not able to substantiate their human capital potential (in terms of language proficiency) when it comes to employment to the same degree as labour migrants with a job prior to migration.

We do not observe the same trend for refugees (the gap with labour migrants remains stable among females and decreases among males). As a result, we now see that family reunion migrants and refugees have similar employment gaps with labour migrants who have a job prior to migration. Lastly, the effects of student migrants and labour migrants without a job prior to migration remain largely the same.

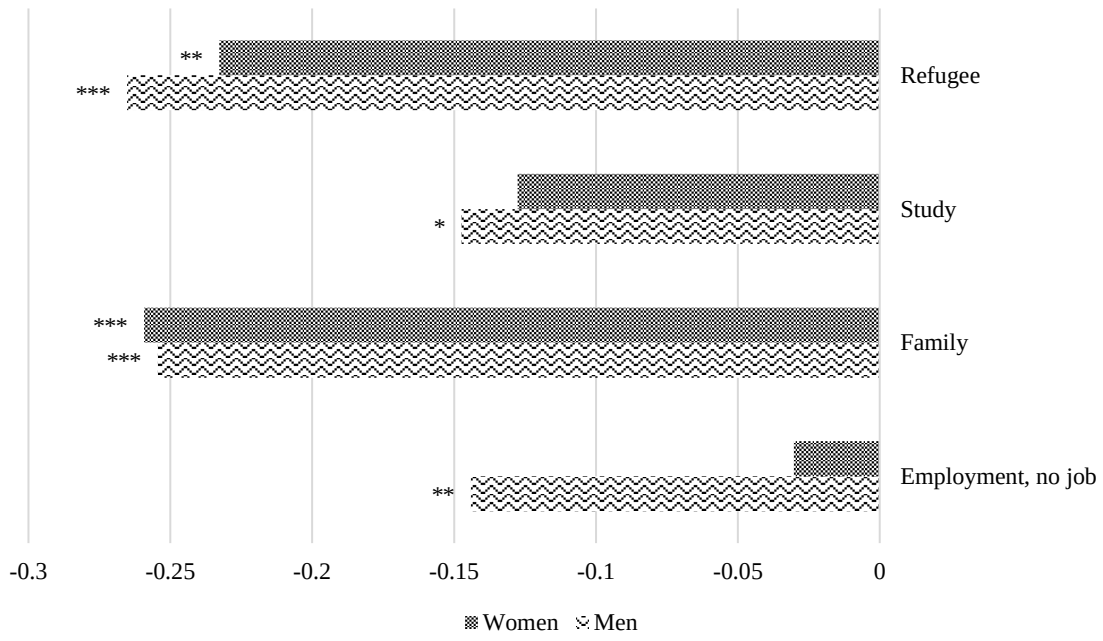

Figure 6. Marginal effects on probability of employment, by migration motive and gender, relative to labour migrants with a job prior to migration.
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence. p<0.05 **p<0.01 ***p<0.001*

5.3. Quality of employment

Securing employment is however not the sole measure of successful integration into the labour market. Migrants who find work but become stuck in low-paid, insecure jobs remain at risk of marginalization and exclusion. It is therefore also important to ask whether migrants are able

to make their way into more secure, higher skilled jobs after several years in the labour market. A first important aspect of job quality is job security, measured here by type of contract. A permanent contract provides greater protection against dismissal than a temporary contract.

Figure 9 displays the average marginal effects of the different migrant categories, estimated on the probability of being employed in a temporary contract, with the native-born as the reference category. Results show that temporary employment is especially prevalent among female labour migrants without a job prior to migration and female refugees: the gap with female natives amounts to 22-23 percentage points. Male student migrants, labour migrants without a job prior to migration and refugees also have a significantly higher likelihood of being employed in a temporary job compared to natives. Surprisingly, differences with natives are less pronounced for male and female family reunion migrants. Note that among refugees, family reunion migrants and labour migrants without a job prior to migration, we record a higher likelihood of temporary employment for females, while the opposite trend is recorded for student migrants and labour migrants with a job prior to migration.

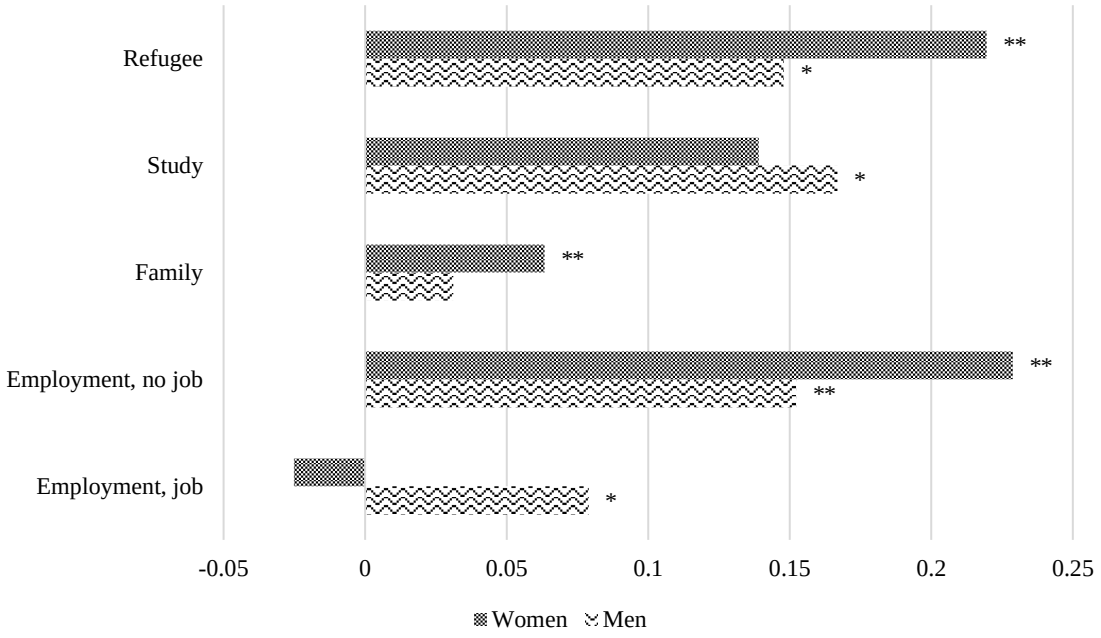

Figure 7. Marginal effects on probability of temporary employment, by migration motive and gender, relative to natives.
Source: Labour Force Survey, ad hoc module 2014

Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence. p<0.05 **p<0.01 ***p<0.001*

Figure 10 plots the coefficients from a similar regression run exclusively on the foreign-born. Again, both years since migration and language proficiency are added as controls. Results remain largely the same, in that female refugees and female labour migrants without a job prior to migration are still the most vulnerable groups with regard to temporary employment.

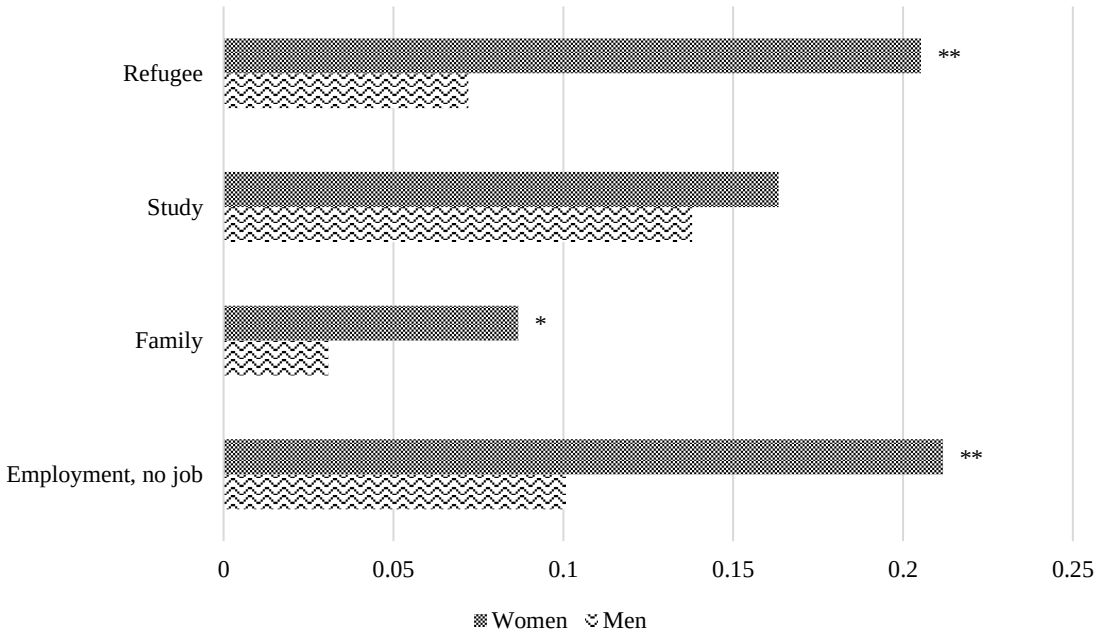

Figure 8. Marginal effects on probability of temporary employment, by migration motive and gender, relative to labour migrants with a job prior to migration.
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence. p<0.05 **p<0.01 ***p<0.001*

Another factor in job quality is over qualification, where migrants are indeed employed, but at a lower job level than can be expected according to a comparison of his/her qualifications and skills with the tasks of the job. This is an indication of an underutilization of their human capital. In this chapter, we use the respondent's self-perceived over qualification for the current main job. Figure 11 shows that over qualification is clearly most prevalent among female refugees and male student migrants. The gap with their native-born counterparts amounts to 34 percentage points and 29 percentage points respectively. Male refugees, female labour migrants

without a job prior to migration and family reunion migrants also have a significantly higher likelihood of feeling over qualified for their main job. Labour migrants with a job prior to migration and male labour migrants without a job prior to migration do not have a significantly higher likelihood of working under a temporary contract compared to the native-born.

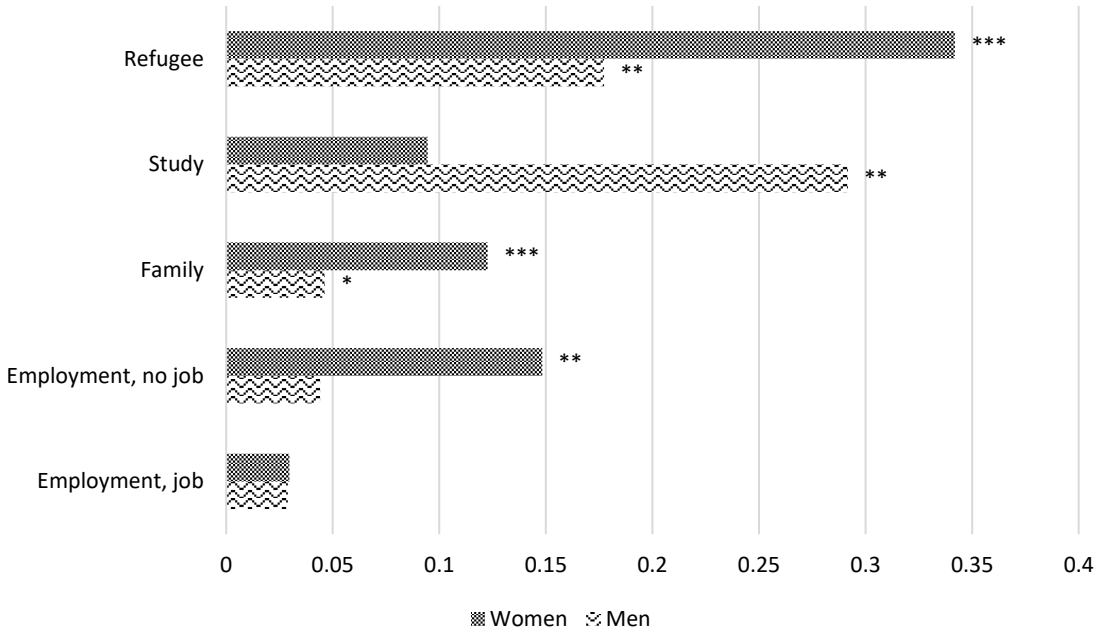

Figure 9. Marginal effects on probability of over qualification, by migration motive and gender, relative to natives.
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence. p<0.05 **p<0.01 ***p<0.001*

Like before, we now estimate a regression on the foreign-born population only, with labour migrants with a job prior to migration as the reference category. From Figure 12, it is apparent that the gap between male student migrants and male labour migrants becomes more pronounced when we control for language proficiency and length of residence (it increases from 26 to 32 percentage points). This comes from the fact that, on average, student migrants have a longer length of residence and stronger language skills compared to labour migrants with a job prior to migration, so that we would expect them to experience less over qualification.

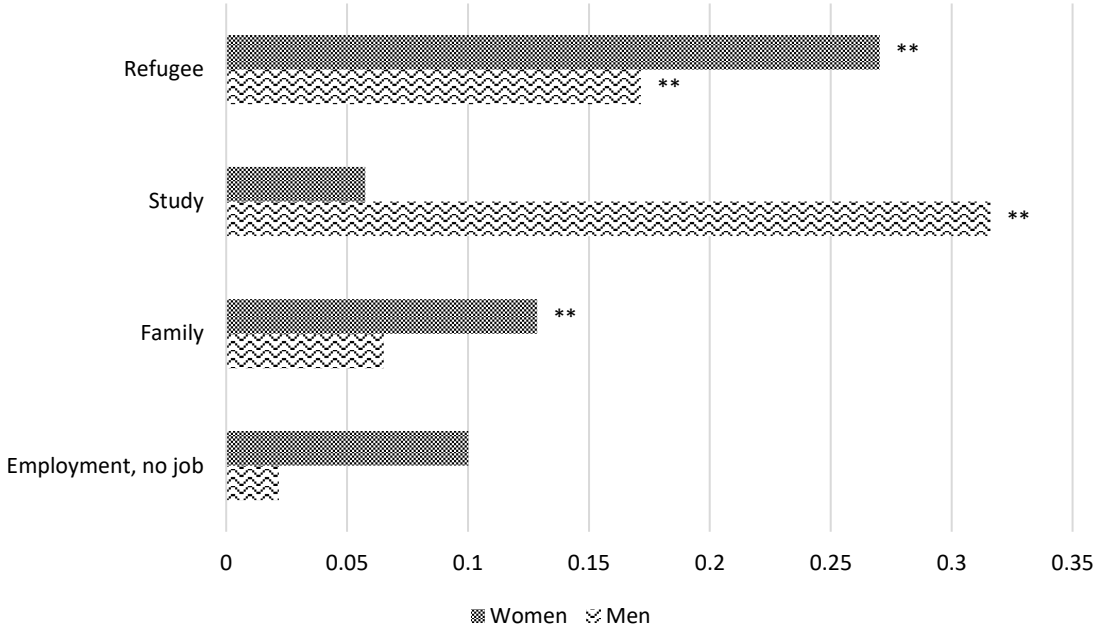

Figure 10. Marginal effects on probability of over qualification, by migration motive and gender, relative to labour migrants with a job prior to migration.
Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence. p<0.05 **p<0.01 ***p<0.001*

6. Conclusion

This chapter, using data from the 2014 Belgian LFS Ad Hoc Module on the labour market situation of migrants and their immediate descendants, provides an empirical analysis of the human capital and employment outcomes of migrants who migrated to Belgium for different motives: work, family, education and international protection or asylum. With regard to human capital, our evidence suggests that labour migrants with a job prior to migration and student migrants have relatively high levels of education, while family reunion migrants and student migrants are characterized by the best host country language skills. Labour migrants without a job prior to migration and refugees face a double disadvantage, as they have both relatively low educational qualifications and weak host country language proficiency.

The variation in terms of human capital (and socio-demographics) is then used to explain employment probabilities by migration motive within a regression analysis. In line with

previous studies, the regression results point to better employment rates of the migrants who migrated to Belgium for work- or education-related reasons compared to those migrating for reasons of family reunification or international protection. Refugees clearly perform the worse, with low employment probabilities for both men and women. Among family reunion migrants there is a more pronounced gender division. Female family reunion migrants tend to perform on the same level as refugees, whereas males do better. Our results also show the importance of differentiating between labour migrants with and without a job prior to migration. The former have employment levels slightly higher than those of the native-born, whereas the latter lag somewhat behind natives, especially among males. Finally, student migrants do not differ significantly from the native-born with regard to their employment chances.

Turning to the quality of the jobs that migrants get into, we see that all migrant categories (with the exception of female labour migrants with a job prior to migration) have a higher likelihood of working in a temporary job, compared to the native-born. Especially female refugees and female labour migrants without a job prior to migration are much more often to be found in temporary contracts. Over qualification on the other hand is a specific challenge for female refugees and male student migrants.

The main limitation of this study is the use of cross-sectional data. As pointed out by Borjas (1985), cross-sectional data is not as suitable as longitudinal data in the study of migrants' labour market integration over time. However, the purpose of this chapter was to give an overview of the employment outcomes of migrants who come to Belgium for different reasons. Here, the 2014 Belgian LFS Ad Hoc Module proves itself a useful source of information as it not only provides data on labour market participation but also on the quality of employment. Still, longitudinal cohort analysis and qualitative studies are needed for a deeper understanding of the role of other factors affecting the labour market integration of different migrant categories in Belgium, such as post-migration experiences and mental health,

the problematic recognition of host country credentials, the importance of gender roles and migrant networks, and the impact of discrimination.

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Appendix

Table A1.
Description of the independent variables in the multivariate analysis

Independent variable	Description
Migration motive	A group of dummy coded variables - Employment, job found prior to migration - Employment, no job found prior to migration - Family reunion migrants - Student - Refugee
Age	In years
Marital status	0: Not married 1: Married
Children below the age of twenty	0: No 1: Yes
Region of residence	A group of dummy coded variables - Flanders - Brussels - Wallonia
Highest level of education	A group of dummy coded variables - Low – schooling below low secondary education (ISCED 0-2) - Medium – upper secondary and post-secondary non-tertiary education (ISCED 3-4) - High – tertiary education (ISCED 5-6)
Years since migration	A group of dummy coded variables - 2-5 years - 6-10 years - 11-19 years - 20 years or more
Knowledge of host country language	A group of dummy coded variables - Mother tongue - Advanced - Intermediate - Beginner or less

Table A2.
Socio-demographic characteristics of migrants by migration motive, Belgium 2014

	Native	Emp. (job)	Emp. (no job)	Family	Study	Refugee
Number of obs.	10,003	220	262	1,112	90	218
Age (mean)	41.9	42.4	41.1	41.7	40.4	41.6
% Male	51.2	67.6	65.5	37.5	54.1	56.4
% Married	47.7	62.0	59.6	63.6	56.8	57.6
% with child (<20)	46.3	50.7	54.4	61.2	63.9	58.9
% residing in Brussels	6.1	48.1	53.4	27.4	44.3	21.9
% residing in Flanders	61.0	31.4	30.0	41.1	24.3	53.4
% residing in Wallonia	32.9	20.5	16.6	31.4	31.5	24.7
% in Belgium for 2-5 years		33.8	39.0	16.7	19.3	21.8
% in Belgium for 6-10 years		28.3	29.1	14.6	21.2	30.9
% in Belgium for 11-19 years		23.4	21.5	18.8	0.33	41.5
% in Belgium for ≥ 20 years		14.6	10.4	49.9	26.5	6.0

Source: Labour Force Survey, ad hoc module 2014
Note: Results are weighted using the available weighting variable in the LFS, which adds weights for gender, age and region of residence.