

Kahanec, Martin; Zaiceva, Anzelica; Zimmermann, Klaus F.

Working Paper

Ethnic minorities in the European Union: An overview

DIW Discussion Papers, No. 1090

Provided in Cooperation with:

German Institute for Economic Research (DIW Berlin)

Suggested Citation: Kahanec, Martin; Zaiceva, Anzelica; Zimmermann, Klaus F. (2010) : Ethnic minorities in the European Union: An overview, DIW Discussion Papers, No. 1090, Deutsches Institut für Wirtschaftsforschung (DIW), Berlin

This Version is available at:

<https://hdl.handle.net/10419/49401>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Discussion Papers

1090

Martin Kahanec • Anzelica Zaiceva •
Klaus F. Zimmermann

Ethnic Minorities in the European Union
An Overview

Berlin, Dezember 2010

Opinions expressed in this paper are those of the author(s) and do not necessarily reflect views of the institute.

IMPRESSUM

© DIW Berlin, 2010

DIW Berlin
German Institute for Economic Research
Mohrenstr. 58
10117 Berlin

Tel. +49 (30) 897 89-0
Fax +49 (30) 897 89-200
<http://www.diw.de>

ISSN print edition 1433-0210
ISSN electronic edition 1619-4535

Papers can be downloaded free of charge from the DIW Berlin website:
<http://www.diw.de/discussionpapers>

Discussion Papers of DIW Berlin are indexed in RePEc and SSRN:
<http://ideas.repec.org/s/diw/diwwpp.html>
<http://www.ssrn.com/link/DIW-Berlin-German-Inst-Econ-Res.html>

Ethnic minorities in the European Union: An overview

Martin Kahanec

Central European University and IZA

Anzelika Zaiceva

University of Bologna and IZA

Klaus F. Zimmermann

IZA, Bonn University and DIW Berlin

ABSTRACT

This paper sheds light on the labor market situation of ethnic minorities in the European Union. Facing a serious measurement challenge and lacking adequate data, we apply several measures of ethnicity and examine various data sources as well as secondary evidence. We find significant gaps between ethnic minority and majority populations in terms of labor market outcomes. In particular, ethnic minorities appear to face disproportional difficulties in finding a job. Although experience in the host country improves the status of immigrant minorities, we do not find any clear assimilation of further immigrant generations. Roma people seem to face particularly grave integration barriers in European labor markets.

JEL Classification: F22, J15, J61, J71

Keywords: ethnicity, ethnic minority, migration, unemployment, labor force participation, labor market

Corresponding author: Martin Kahanec, Nádor u. 9, H-1051 Budapest, Hungary. E-mail: kahanecm@ceu.hu

Social and economic exclusion remains an everyday challenge to millions of members of ethnic minorities living in Europe today. Underlying differences between ethnic minorities and majority populations, as defined by their cultural and ethnic backgrounds, often correlate with gaps in their labor market outcomes. Being a member of an ethnic minority per se often bears a disadvantage in terms of relative labor market outcomes vis-à-vis the majority population. Integration challenges appear in a variety of forms, from unequal access to health care and social services to unemployment, underemployment, and substandard remuneration of individuals belonging to different ethnic minorities. Labor market segmentation is a particularly worrisome issue, since equal labor market opportunities are a cornerstone for achieving not only a high quality of life for minorities themselves but also prosperity and social cohesion for society at large.

This paper aims to shed light upon the labor market situation of ethnic minorities across the EU with respect to the corresponding majority populations. To this end it is necessary to first discuss some methodological issues related to the definition and measurement of ethnic minorities. We then examine the highlights of previous research on this topic and report and interpret some aggregate statistics describing interethnic gaps in labor market outcomes in Europe. Finally, we measure the effects of belonging to an immigrant ethnic minority on labor market outcomes across the EU in an econometric model, discuss the possible explanations of the observed effects, and summarize the results.

On the definition and measurement of ethnic minorities

There is a broad basis of empirical research which points to the labor market disadvantage ethnic minorities in Europe face. However deriving conclusions on ethnic minorities of an individual country is by no means an easy task; nor is the comparative evaluation of the economic conditions across member states which these groups face. The main limitation is the scarcity of quantitative and qualitative data of a high enough quality to allow cross-country comparability. The term 'ethnic minority' is generally understood to be those groups exhibiting cultural preferences different to those of the majority population, or groups with different cultural and societal origins. However in the empirical field, 'ethnic minority' is likely to refer only to a group of individuals who were born in, or are citizens of, another country. It can also be the case that the term refers only to those individuals with a different racial background. Evidently this can lead to discrepancies and the omission of data which correctly capture those who can also be regarded as belonging to an ethnic minority: naturalized immigrants; autochthonous minorities who, although present for hundreds of years, have not assimilated to natives; and second and third generations of immigrants. Matters are further complicated by countries using different empirical definitions of what it means to be an ethnic minority. As a consequence ethnic minorities are often insufficiently covered by empirical research and comparisons of economic conditions at a cross-country level become uninformative and biased.

These empirical issues are especially relevant in some Eastern European countries, where the term ‘nationality’, in Western understanding a synonym of citizenship, has the meaning of ethnicity, or belonging to a national group, as an identity category. The popular understanding of these terms is often blurred, however. On the other hand statistical information from Eastern Europe tends to differentiate between ethnic populations, which is a remnant of the traditional role ethnicity played in defining individual self-identification in the former Soviet bloc. Unfortunately the low availability of socio-economic indicators in the data does little to help evaluate the most disadvantaged minorities in these countries, such as the Roma. Taking Roma as an example reveals additional challenges with the complex matter of self-identification, which can arise from an inadequate coverage of various often non-exclusive categories of identity or multiple identities in survey questionnaires or from Roma identity being rejected in the face of perceived stigma or fear of persecution.

Resolving these deeply rooted measurement problems is well beyond the scope of this book. Its comprehensive nature however suggests an approach that will facilitate the identification of key integration challenges for a broad range of ethnic minorities in the EU at risk of labor market exclusion as well as provide a keystone for the evaluation of available integration policy options. Specifically we adopt a broad and flexible understanding of ethnic minorities that encompasses all categories of the population of foreign origin (including recent migrants and descendants of previous generations of migrants), ethnic minorities, national minorities, linguistic minorities, religious minorities, and stateless people.

A literature review

Evidence from social science research on the situation of ethnic minorities varies according to the country, minority or economic indicator being studied. However research generally provides robust evidence of the presence of labor market disadvantages for ethnic minorities. These often take the form of significantly higher unemployment rates, and, for those with work, lower labor income. Furthermore ethnic minorities face greater barriers to finding work than the majority population; and once they have found work, they are less likely to keep it.¹

We first look at gaps in labor market outcomes of immigrant minorities.² A significant body of literature including Borjas (1990, 1995) focus on mean immigrant-native earnings gaps. Another stream, represented, among others, by Butcher and DiNardo (2002) and Chiswick, Le and Miller (2008), investigate this gap at different deciles of earnings distribution. Adsera and Chiswick (2007) examine the gender and country of origin differences in immigrant labor market outcomes across European destinations. The

¹ Constant and Zimmermann (2008), and Constant, Gataullina and Zimmermann (2009) develop and explore the explanatory power of a new measure of ethnic identity, the ethnosizer, for various types of economic outcomes, such as work participation, earnings and housing decisions. Kahanec (2007) provides a theoretical model that demonstrates the role of belonging to an ethnic group for labor market specialization and outcomes of group members.

² Zimmermann (2005) and Zaiceva and Zimmermann (2008) study migration patterns in Europe. Kahanec, Zaiceva and Zimmermann (2010) and the book edited by Kahanec and Zimmermann (2010) summarize the labor market experience of post-enlargement migrants in an enlarged EU. One of their main findings is that while the post-enlargement migrants perform fairly well in the host labor markets in terms of employment, participation, as well as their educational attainment, their downskilling into jobs inadequate for their educational attainment may be a serious policy issue.

literature generally reports significant earnings gaps, whose magnitudes and determinants vary by gender, year, immigrant cohort and years since migration, as well as across the deciles of the earnings distribution.

Kahanec and Zaiceva (2009) map the roles of foreign origin and citizenship for labor market performance across labor markets in an enlarged EU. They show that being foreign-born or a citizen of a foreign country matters for employment probability and earnings in host labor markets. In particular they document that in the 15 old member states, it is primarily immigrant status that bears employment as well as earnings penalties; whereas citizenship is a relatively more important factor in the new member states. Importantly these results are robust to controlling for a wide range of (observable) social and demographic characteristics, signifying the independent effect of belonging to an immigrant ethnic minority on labor market outcomes.

Turning to European country-level evidence, Constant and Massey (2003) document significant immigrant-native gaps in labor market outcomes for Germany. Ethnic minorities who have recently arrived in Spain have a lower chance of being employed than comparable natives (Amuedo-Dorantes and de la Rica, 2007). Furthermore the difference is not constant between the genders: the gap for men is 15 per cent; for women 4 per cent. African immigrants fare worse. Their likelihood of being employed is 8 percentage points lower than that of comparable natives. Immigrant ethnic minorities in the Netherlands generally face lower labor market returns in comparison to natives with the same characteristics. Van Ours and Veenman (2005) report wage gaps of 2 per cent

for Turks, 13 per cent for Surinamese, 19 per cent for Antilleans and 22 per cent for Moroccans. Once more these wage differentials are with respect to comparable natives and cannot be explained by observable characteristics. Black African minorities in France cannot only expect considerably lower wages than the French majority, but this difference increases with each generation of this immigrant minority (Aeberhardt et al., 2009; Constant, 2005).

A number of studies report the disadvantages faced by Pakistani, Bangladeshi, Caribbeans, Black Africans and other immigrant groups in the UK in terms of remuneration, employment and other labor market outcomes (Simpson et al., 2006; Wheatley Price, 2001; Dustmann et al., 2003). Kahanec and Mendola (2009) provide evidence on a positive role of social ties with co-ethnics for self-employment and of social relationships across ethnic boundaries for wage employment of ethnic minorities in Britain.

Studies conducted on the Danish labor market reveal that there is little immigrant integration, and this is all the more true for those from non-Western countries. Pedersen (2005, 2006) draws attention to the fact that immigrants have much higher population shares with relatively low incomes compared to natives as a possible explanation. However others find that although immigrant women face as much gender discrimination as natives, there is little evidence that there is additional ethnic wage discrimination (Nielsen et al., 2004). This is most likely because of the large extent of unionization to be found in the Danish labor market.

A study of the Roma population in Hungary reports that representatives of the Roma minority are more likely to lose their jobs than non-Roma (Kertési, 2004). Kertési and Kézdi (2009) map Roma employment during Hungary's economic, political and social transformation, attributing more than one-third of the observed employment gaps to substandard education of the Roma population. The 2006 country report on human rights practices from the Bureau of Democracy, Human Rights, and Labor finds that 'Roma were significantly less educated and had below average income and life expectancy. The unemployment rate for Roma was estimated at 70 percent, more than 10 times the national average, and most Roma live in extreme poverty.'³ The Roma fare no better in Slovakia, where Vašečka (2001) reports them to have a persistently higher ratio of long-term unemployment compared to native Slovaks. Moreover unofficial reports from 1999 estimate the number of unemployed Roma to be 80 500 out of a total population of 400 000; and of those unemployed 83 per cent do not have an educational degree or diploma.

Hazans (2007) examines differences in earnings in Latvia and finds an ethnic wage gap of 9.6 per cent for 2005. Another study (Hazans, Dmitrijeva and Trapeznikova, 2007), which analyses differences in unemployment duration between natives and the non-Latvian (mainly Russian-speaking) minority from 2002 to 2005, obtains that the median duration of the period of unemployment was three months longer. They also observe a negative effect of non-titular ethnicity on the probability to exit registered unemployment.

³ For further details see <http://www.state.gov/g/drl/rls/hrrpt/2006/78816.htm>.

Among the key reasons why such differences exist in the labor markets of EU countries is the low education level of minorities. Hartog and Zorlu (2009) examine data on refugees in the Netherlands and find that 13 per cent have received no education; 55 per cent have no more than extended basic education; and only 15 per cent have completed higher education. A similar story can be found in France: Aeberhardt et al. (2009) find that among French workers with parents of African origin 34.0 per cent have a low educational attainment and do not possess any diploma, while the corresponding figure for French workers with French parents is 25.3 per cent.

The low educational attainment of the Roma in Hungary is documented by Kertési (2004) and Kertési and Kézdi (2009); and the 'Împreună' Agency for Community Development and Romani CRISS (2006) documents this for Romania. Roma experts believe that it is this low educational attainment which is the main reason for exclusion in Romania, where only a little more than a half of all Roma have only primary level education or none; and only 1 per cent have achieved post high school or university education (OSF, 2007).

However it must be said that higher education does not guarantee ethnic minorities better labor market placement. Higher education in the country of origin does not yield an advantage for immigrants in the initial years in the Dutch labor market (Hartog and Zorlu, 2009). Although this finding can be explained with language requirements for higher level jobs and the non-transferability of skills, it is likely that discrimination is also a factor. Nevertheless the inexplicable gaps found in the labor market outcomes

compared to natives are often interpreted as signs of discrimination, or selection effects, differences in social or ethnic capital or in other unobserved characteristics (Kertési, 2004; Hartog and Zorlu, 2009). On a more positive note, Caille (2005) finds that immigrant children in France who entered sixth grade in 1995 have the same probability of completing high school as non-immigrant students.

Empirical findings

Immigrant ethnic minorities in the EU labor market

The meta-analysis of the available EU-wide harmonized microdata sets, such as the European Social Survey (ESS), Eurobarometer, EU Labour Force Survey (EU LFS), EU Survey of Income and Living Conditions (EU SILC) or the European Community Household Panel (ECHP), reveals the lack of data disaggregated by ethnicity: such data is either not available at all or not available due to anonymity, or the number of observations is too small to be meaningful and representative. For example there is a question in the ESS dataset whether respondents belong to the ‘ethnic minority’ group in their country. This question would be very useful for our analysis; however the number of observations for the working-age individuals belonging to an ethnic minority group with relevant information on their labor force participation status is too low in any member state.

We therefore start our exposition by examining the situation of immigrant ethnic minorities, that is, those defined by foreign origin or citizenship, across European

destinations. For this purpose we use the annual data from the 2007 wave of the EU LFS. This enables us to study the situation of ethnic minorities with immigrant background in the period not yet affected by the economic turmoil brought about by the financial crisis that began in 2008. Although the data is anonymous and aggregated, it is possible to distinguish between natives and those born outside the EU, and between nationals and citizens of non-EU countries.⁴ We focus on two measures of labor market outcomes, the labor force participation rate and the unemployment rate, and interpret the differentials in these rates vis-à-vis natives and nationals, respectively, as our measures of integration.⁵ In what follows we restrict our sample to working-age population, aged 15 to 64, and we exclude those in compulsory military service or regular education. Labor force participation rate is defined as the proportion of the total working-age population which belongs to the labor force (that is, are employed or unemployed) in a given year. The unemployment rate is the proportion of individuals who are unemployed in the labor force.

Table 1.1 presents the tabulations for labor force participation for these minorities with foreign background ('foreigners'), non-EU nationals and foreign-born, and the native-born population and nationals of the respective country ('natives'), respectively, by gender for EU member states. Be it for the nationals or native-born, the lowest

⁴ It is also possible to distinguish those born in another EU country and citizens of another EU country, but intra-EU immigrant groups are outside the focus of this book.

⁵ Differentials between natives and foreigners in terms of earnings closely mimic those for unemployment rates (see for example Kahanec and Zaiceva, 2009).

participation rates are observed in Hungary and the highest in Sweden. The labor force participation rate for women is lower than for men in all member states.

Table 1.1

It is also apparent in Table 1.1 that foreigner-native gaps in participation rates prevail across the EU. Several interesting facts are illustrated in Figure 1.1 that visualizes these gaps. First, in several countries, mainly from Southern Europe or the group of new member states, the proportion of non-EU foreign-born or non-EU nationals participating in the labor force is higher than the figure for the corresponding native groups. Second, similarly to natives, among foreigners the participation rate of women in the labor force is lower than for men. However in several Eastern as well as Southern European member states the proportion of foreign women is higher than the proportion of native women participating in the labor force. Third, an interesting assimilation pattern arises in Table 1.1 when we compare Non-EU foreign-born with fewer than five and more than five years of residence in the host country. In most countries experience in the host society implies catching up in terms of labor market attachment, although there are notable exceptions, including the UK.

Figure 1.1

Table 1.2 reports unemployment rates by country, foreigner status and gender in 2007. We find the highest native unemployment rate in Slovakia and Poland and the lowest in

the Netherlands. For natives, unemployment rates of women are usually higher than those of men, with the exception of Estonia, Ireland, Latvia, Lithuania Romania, Sweden (only for nationals), and the UK.

Table 1.2

Figure 1.2 depicts the differences in unemployment rates between non-EU immigrants and non-EU nationals and the corresponding native groups. In spite of a few exceptions, being a foreigner results in a higher unemployment likelihood; however, as seen from Table 1.2, experience in the host country seems to improve the ability of foreigners finding a job. Although in several cases, including Denmark, the unemployment rate of female foreigners is lower than that of corresponding males, generally speaking female foreigners suffer from higher unemployment rates more than their male counterparts.

Figure 1.2

The differences in labor market outcomes between natives and foreigners described above may be due to various factors, including differences in demographic and economic individual characteristics, such as age and human capital; however it may also be due to discrimination. Therefore the raw tabulations presented above are not entirely informative, and a more formal econometric regression analysis is needed in order to disentangle the underlying causes.

In order to control for differences in observable characteristics across groups, we estimate a simple probabilistic model of the probit type to explain the probability of participating in the labor force and the probability of employment. The effects of being a foreigner is picked up by a dummy variable that attains the value of one for foreigners and zero otherwise.⁶ The estimated coefficient for this variable is attributable to the compound effect of unobserved differences in social and ethnic capital, discrimination, but also any other omitted variables or selection.⁷

We restrict our sample to individuals with non-missing information on the key variables used in the regressions. For the labor force participation, the standard set of controls in the regressions includes whether there is a spouse or not, age and education dummies, dummies for children 0 to 4, 5 to 9 and 10 to 14 years old in the household, and region fixed effects. Since household income, wages and non-labor income, which importantly affect the participation decision (particularly for women), are not always available in the

⁶ One can in fact distinguish four groups of foreigners based on place of birth and nationality: foreign-born foreign nationals, native-born foreign nationals, foreign-born nationals, and native-born nationals. As we are here interested in the situation of immigrant ethnic minorities as defined by two common definitions, one based on place of birth and the other on nationality, we provide results from separate regressions in which the effects of belonging to an immigrant ethnic minority correspond to these two definitions. For a detailed analysis of the independent effects and interactions of foreign origin and foreign nationality in the EU see Kahanec and Zaiceva (2009).

⁷ One of the most prominent factors emphasized in the literature that may contribute to the unexplained part is self-selection into migration (especially among men) and into the labor force (especially among women). In particular the aptitude of the average migrant and female migrant may differ from that of the average native counterpart, since the migration decision is affected by the expected benefits from migration. Since these benefits depend on the economic aptitude of the potential migrant, which one can never fully capture, more able individuals are more likely to migrate, all things being equal. In effect, migrants often have on average a higher (unobservable) propensity to participate in the labor force and be employed. This possibility needs to be taken into account when interpreting the results.

dataset due to data protection issues, we indirectly account for them by controlling for both the respondent's and partner's age and education in participation regressions for married individuals, which we report separately. For foreign-born we also control for years since migration as an important determinant of assimilation into the host society.

Table 1.3

Table 1.3 reports the marginal effects of being a foreigner (c.f. 'intercepts') on labor force participation and unemployment. There are several important facts regarding labor force participation gaps that are immediately apparent. First, marginal effects estimates suggest that, all things being equal, the effect of being a foreigner on labor force participation is by and large negative both for men and women. For example, the labor market participation probability for a married, foreign-born man in Austria is 29.1 percentage points lower than that of the corresponding native. The few positive exceptions are to be found in Southern Europe or the new member states. The marginal effects of being a foreigner for unemployment probability are once more mainly positive or insignificant across the EU, with the exception of some Southern European states.

These findings unequivocally point at a vulnerable position of immigrant ethnic minorities in the EU. Do immigrant ethnic minorities catch up with time spent in the host society, as indicated in Tables 1.1 and 1.2?⁸ When we look at the role of years since migration in Table 1.3 (c.f. 'slopes'), the general picture is that years since migration in

⁸ See Borjas (1994) and Kahanec and Zimmermann (2008) for a review of the literature on immigrant adjustment.

many cases improve the labor market prospects of the non-EU foreign-born both in terms of participation and employment. In fact this partly, but not fully, mitigates the depressing picture provided by Table 1.3 (c.f. ‘intercepts’). That we control for years since migration also implies that the marginal effects of being non-EU foreign-born reported in Table 1.3 should be interpreted as those pertaining to an ‘unassimilated’ foreigner. With years since migration, the labor market status of the foreign-born generally improves.⁹

We further document the disadvantaged position of various generations of ethnic minorities in the French labor market. Official statistics in France capture differences between several generations of ethnic minorities based on both the individual’s and parents’ country of birth. An immigrant is defined as being older than ten upon arrival in France. As Table 1.4 shows, they are almost twice as likely to be unemployed compared to natives. The same is true for those who are younger than ten, named ‘generation 1.5.’ Not only do second generation men whose parents were born outside of France fare worse in the labor market than natives, they fare the worst when compared to any ethnic minority of other generations. The same is not true for second generation women, who, with the exception of Moroccan women, tend to be more economically active and experience lower unemployment than other female immigrants or ‘generation 1.5’ women. Members of ethnic minority groups who have a parent born in France are defined as mixed second generation. They are in a better situation than other co-ethnics and although they are marginally less active in the labor market, they have much lower

⁹ One should note however that besides the assimilation hypothesis another possibility is a changing (deteriorating) quality of immigrant cohorts over time. See Borjas (1995).

unemployment rates compared to other ethnic minorities of foreign origin. For example the unemployment rate for French male residents with French and Algerian parents (i.e. a mixed second generation) is just slightly higher than a half of that of male immigrant Algerians from the first or second generation.

Table 1.4

Self-identified ethnic minorities

As mentioned above, gathering adequate data for ethnic minorities in the EU is a formidable task. We go a step beyond the convenient but quite limiting definition based on foreign origin or citizenship in this section and report statistics describing those who self-identify into an ethnic minority group for three European countries where such data are available. Specifically, Table 1.5 reports a comparison between the labor market statistics of the largest ethnic minorities and their native counterparts in Hungary, Romania and the UK. The recorded data demonstrate a substantial ethnic disadvantage in the UK. Overall, ethnic minorities in the UK have lower attachments to the labor market and higher unemployment rates than the white majority. In agreement with Simpson et al. (2006), we also find that of the ethnic minorities studied in England, individuals from Bangladesh and Pakistan were the most disadvantaged, followed by Black Africans. On average Bangladeshis are five times more likely to be unemployed and 40 per cent less likely to participate in the labor market than the white majority.

It is interesting to note that in labor markets in Hungary and Romania, non-Roma ethnic minorities fare at least as well as natives do. The unemployment rate in Hungary is marginally higher only for African minorities; for immigrants from China, Croatia, Poland, Armenia and Arab countries it is substantially lower than for natives. Furthermore the labor participation rate in Hungary is higher for all ethnic minorities. Table 1.5 also reveals that Hungarians are marginally less active in the Romanian labor market than natives, although there is very little difference in labor market outcomes in Romania for either Hungarians, Ukrainians or native Romanians.

Table 1.5

While adjustment of ethnic minorities with a migration background is an important part of the picture, EU member states have some indigenous minorities, such as Roma, who are at an extreme disadvantage although having been living in the host country for many generations. Roma have lived in European countries for hundreds of years, unlike the immigrant ethnic minority groups listed in the previous tables. However as Table 1.6 shows, they are still poorly integrated and are considered to be a minority at high risk of exclusion in almost every country they are present.¹⁰

Table 1.6

¹⁰ See Zimmermann et al. (2008).

The labor market situation Roma experience in Hungary and Romania is wholly unsatisfactory: the activity rate for Roma is half of that for natives in either country; and the unemployment rate is also much higher. The unemployment rate for economically active Roma in Hungary is five times higher than for natives. The plight of Roma is mirrored in other Eastern European countries. According to a recent World Bank study, the unemployment rate of Roma in Bulgaria, at 77 per cent, is three times higher than the rate for non-Roma Bulgarians (Kolev, 2005). Alarming, the Roma unemployment rate in some Slovakian settlements has reached 100 per cent (Džambazovic and Vašecka, 2000).

Roma fare better in Spain, where a local initiative reported a less dramatic disparity between Roma and non-Roma (EUMAP, 2002) than is found in Central and Eastern European countries. Although Roma exhibited even higher participation rates than non-Roma Spaniards, the report did find strong evidence of the disadvantages Roma face with regards to employment stability, employment duration and occupation.

Conclusion

This paper has shown that the data and definition issues cannot hide the worrisome reality of ethnic minorities in Europe. Although in several countries ethnic minorities exhibit relatively high participation rates, they appear to face significant difficulties in finding a job and securing adequate earnings and occupational status. This generality hides complexities. In terms of labor market participation, immigrant minorities tend to do

rather well, which may reflect positive self-selection in the migration process. While we find a positive role of years since migration, analysis has not indicated any clear assimilation of further immigrant generations. This underlines the importance of tackling the issue of the integration of ethnic minorities into the whole social fabric. Although Roma have and continue to experience grave labor market hardship in Central and Eastern Europe, Spain offers a somewhat less pessimistic outlook. Let us also not forget the role gender plays in labor market outcomes. It is another important variable that interacts with ethnicity and may drive some of the interethnic labor market gaps.

References

- Adsera, A. and B.R. Chiswick (2007), 'Are there gender and country of origin differences in immigrant labor market outcomes across European destinations?', *Journal of Population Economics*, **20** (3), 495–526.
- Aeberhardt, R., D. Fougère, J. Pouget and R. Rathelot (2009), 'Wages and employment of French workers with African origin', *Journal of Population Economics*, online edition.
- Amuedo-Dorantes, C. and S. de la Rica (2007), 'Labour market assimilation of recent immigrants in Spain', *British Journal of Industrial Relations*, **45** (2), 257–284.
- Borjas, G.J. (1990), *Friends or Strangers: The impact of immigrants on the US economy*, New York: Basic Books.

- Borjas, G.J. (1994), 'The economics of immigration', *Journal of Economic Literature*, **32** (4), 1667–1717.
- Borjas, G.J. (1995), 'Assimilation and changes in cohort quality revisited: What happened to immigrant earnings during the 1980s?', *Journal of Labor Economics*, **13** (2), 201–245.
- Bureau of Democracy, Human Rights, and Labor (2006). *Hungary: Country reports on human rights practices – 2005*, US Department of State, <http://www.state.gov/g/drl/rls/hrrpt/2005/61652.htm>.
- Butcher, K. and J. DiNardo (2002), 'The immigrant and native-born wage distributions: Evidence from United States censuses', *Industrial and Labor Relations Review*, **56** (1), 97–121.
- Caille, J-P. (2005), Les projets d'avenir des enfants d'immigrés, ['Projections on the future of immigrant children'], *Les Immigrés en France, Edition 2005*, Paris: INSEE, pp. 11–22.
- Chiswick, B.R., A. Le and P. Miller (2008), 'How immigrants fare across the earnings distribution in Australia and the United States', *Industrial and Labor Relations Review*, **61** (3), 351–373.
- Constant, A. (2005), 'Immigrant adjustment in France and impacts on natives,' in K.F. Zimmermann (ed.), *European Migration: What do we know?*, Oxford: Oxford University Press, pp. 263–302.
- Constant, A. and D.S. Massey (2003), 'Self-selection, earnings, and out-migration: A longitudinal study of immigrants to Germany', *Journal of Population Economics*, **16** (4), 631–653.

- Constant, A. and K.F. Zimmermann (2008), 'Measuring ethnic identity and its impact on economic behavior', *Journal of the European Economic Association*, **6** (2-3), 424–433.
- Constant, A., L. Gataullina and K.F. Zimmermann (2009), 'Ethnosizing immigrants', *Journal of Economic Behavior and Organization*, **69** (3), 274–287.
- Dustmann, C., F. Fabbri, I. Preston and J. Wadsworth (2003), *Labour Market Performance of Immigrants in the UK Labour Market*, Home Office Online Report 05/03, London: Crown.
- Džambazovic, R. and M. Vašecka (2000), 'Sociálno-ekonomická situácia Rómov na Slovensku ako potenciálnych migrantov a žiadateľov o azyl v krajinách EÚ' [Socio-economic situation of the Roma in Slovakia as potential asylum seekers in EU member states'], *Sociálna a ekonomická situácia potenciálnych žiadateľov o azyl zo Slovenskej republiky* [Social and Economic Situation of Potential Asylum Seekers from the Slovak Republic], Bratislava: IOM Slovakia.
- EUMAP (2002), 'The situation of Roma in Spain', *Monitoring the EU Accession Process: Minority protection*, Open Society Institute, Budapest: Central European University Press.
- FSGG (2002), *Evaluation of Educational Normalization of Romani Children*, Madrid: Fundación Secretariado General Gitano.
- Hartog, J. and A. Zorlu (2009), 'How important is homeland education for refugees' economic position in the Netherlands?', *Journal of Population Economics*, **22** (1), 219–246.
- Hazans, M. (2007), 'Coping with growth and emigration: Latvian labor market before and after EU accession', available at SSRN: ssrn.com/abstract=971198.

Hazans, M., J. Dmitrijeva and I. Trapeznikova (2007), 'Determinants of unemployment duration in Latvia', Research report to the Ministry of Welfare prepared for the project *Reasons and Duration of Unemployment and Social Exclusion* of the National Programme of Labour Market Studies.

'Împreună' Agency for Community Development and Romani CRISS (2006). *Overview of the Roma Situation in Romania*, Bucharest: Romani CRISS.

INS (2003), *Recensământul populației și locuințelor din 18 martie 2002. Vol. I. Populație - Structura demografică; Vol. II. Populație - Structura socio-economică (Population and housing census of 18 March 2002. Vol. I. Population - Demographic structure; Vol. II. Population - Socio-economic structure)*, Bucharest: Institutul Național de Statistică.

Kahanec, M. (2007), 'Ethnic competition and specialization', *IZA Discussion Paper No 3167*, Bonn: IZA.

Kahanec, M and K.F. Zimmermann (2008), 'Migration, the Quality of the Labour Force and Economic Inequality', *IZA Discussion Paper No 3560*, Bonn: IZA.

Kahanec, M. and M. Mendola (2009), 'Social determinants of labor market status of ethnic minorities in Britain', in A. Constant, K. Tatsiramos and K.F. Zimmermann (eds), *Ethnicity and Labor Market Outcomes, Research in Labor Economics*, **29**, Bingley: Emerald Group Publishing, pp. 167–195.

Kahanec, M. and A. Zaiceva (2009), 'Labor market outcomes of immigrants and non-citizens in the EU: An East-West comparison', *International Journal of Manpower*, **30** (1/2), 97–115.

Kahanec, M. and K. F. Zimmermann (eds), (2010) *EU Labor Markets After Post-Enlargement Migration*, Berlin: Springer Verlag.

Kahanec, M., A. Zaiceva and K.F. Zimmermann (2010), 'Lessons from migration after EU enlargement', in M. Kahanec and K. F. Zimmermann (eds), *EU Labor Markets After Post-Enlargement Migration*, Berlin: Springer Verlag, pp. 3–46.

Kertési, G. (2004), 'The employment of the Roma: Evidence from Hungary', *Budapest Working Papers No 2004/1*, Budapest: Institute of Economics, Hungarian Academy of Sciences.

Kertési, G. and G. Kézdi (2009), *Roma Employment in Hungary after the Post-Communist Transition*, mimeo.

Kolev, A. (2005), 'Unemployment, job quality and poverty: A case study of Bulgaria', *International Labour Review*, **144** (1), 85–114.

Meurs, D., A. Pailhé and P. Simon (2008), 'Discrimination despite integration: Immigrants and the second generation in education and the labour market in France', in C. Bonifazi, M Okólski, J. Schoorl and P. Simon (eds), *International Migration in Europe: New trends and new methods of analysis*, Amsterdam: Amsterdam University Press, pp. 247–272.

Nielsen, H.S., M. Rosholm, N. Smith and L. Husted (2004), 'Qualifications, discrimination, or assimilation? An extended framework for analysing immigrant wage gaps', *Empirical Economics*, **29** (4), 855–883.

OSF (2007), *Roma Inclusion Barometer*, Bucharest: Open Society Foundation.

- Ours, J.C. van and J. Veenman (2005), 'The Netherlands: Old emigrants - young immigrant country', in K.F. Zimmermann (ed.), *European Migration: What do we know?*, Oxford: Oxford University Press, pp. 196–219.
- Pedersen, P.J. (2005), 'Unemployment traps - marginal groups in the Danish labour market', in *European Economy Special Report No 2/2005*, Brussels: European Commission, pp. 83–95.
- Pedersen, P.J. (2006), 'Indkomstmobilitet eller fastlåsnig i lavindkomst', ['Income mobility or locked-in low incomes?'], in T. Tranæs (ed.), *Skat, Arbejde og Lighed: En undersøgelse af det danske skatte- og velfærdssystem*, [Taxes, Work and Equality: A study of the Danish tax and welfare system], Rockwool Foundation Research Unit, Copenhagen: Gyldendal.
- Simpson, L., K. Purdam, A. Tajar, E. Fieldhouse, V. Gavalas, M. Tranmer, J. Pritchard and D. Dorling (2006), 'Ethnic minority populations and the labour market: An analysis of the 1991 and 2001 census', *DWP Research Report No 333*, London: Department for Work and Pensions.
- Vašečka, M. (2001), 'Vzťah majoritnej populácie k Rómom', ['Relationship of the majority population to the Roma'], in O. Gyarfášová, V. Krivý and M. Velšic (eds), *Krajina v pohybe: Správa o politických názoroch a hodnotách ľudí na Slovensku*, [Land on the Move: Report on political opinions and values of people in Slovakia], Bratislava: Institute for Public Affairs.
- Wheatley Price, S. (2001), 'The employment adjustment of male immigrants in England', *Journal of Population Economics*, **14** (1), 193–220.
- Zaiceva, A. and K.F. Zimmermann (2008), 'Scale, diversity, and determinants of labour migration in Europe', *Oxford Review of Economic Policy*, **24** (3), 427–451.

Zimmermann, K.F. (ed.) (2005), *European Migration: What do we know?*, Oxford: Oxford University Press.

Zimmermann, K.F., M. Kahanec, A. Constant, D. De Voretz, L. Gataullina and A. Zaiceva (2008), 'Study on the social and labour market integration of ethnic minorities', *IZA Research Report No 16*, Bonn: IZA.

Table 1.1 Participation rates in EU member states, by citizenship and immigration status

Country	Nationality		Country of birth			
	Nationals	Non-EU nationals	Native-born	Non-EU foreign-born		
				Total	Reside >5 years	Reside ≤5 years
Austria	78.96	69.33	79.35	72.45	74.96	59.43
Men	86.00	81.51	86.13	83.83	84.6	79.30
Women	72.17	57.18	72.70	61.78	65.57	44.20
N	106 468	7 363	99 918	11 771	9 868	1 903
Belgium	73.45	58.21	74.03	62.84	63.92	58.47
Men	80.13	77.95	80.46	78.39	78.10	79.67
Women	66.92	40.04	67.61	49.00	50.95	41.65
N	61 929	2 120	59 884	4 806	3 850	956
Bulgaria	70.93	75.25	70.92	76.32	80.34	16.67
Men	76.07	78.72	76.06	80.77	88.41	<i>n.a.</i>
Women	65.92	72.22	65.91	73.21	75.23	<i>n.a.</i>
N	78 626	101	78 522	190	178	12
Cyprus	78.27	85.50	78.14	83.69	80.95	86.36
Men	88.72	87.20	88.62	90.16	91.94	87.77
Women	68.24	84.83	67.78	80.28	73.62	85.78
N	19 674	1 510	18 728	2 507	1 239	1 268
Czech Rep.	75.11	82.76	75.20	80.21	79.88	81.55
Men	84.08	93.95	84.17	92.91	93.04	92.41
Women	66.49	71.38	66.58	69.28	68.65	71.91
N	153 134	557	151 329	854	686	168
Denmark	85.27	68.01	85.52	73.84	73.87	73.55
Men	87.84	76.57	88.10	78.72	78.55	80.35
Women	82.94	60.44	83.19	69.39	69.53	68.30
N	61 575	1 866	58 979	3 746	3 349	397
Estonia	82.43	82.09	82.71	80.18	80.36	<i>n.a.</i>
Men	86.57	88.68	87.22	84.69	84.76	<i>n.a.</i>
Women	78.55	74.42	78.21	76.54	76.79	<i>n.a.</i>
N	11 363	1 954	11 482	1 786	1 772	14
Finland	75.26	63.97	75.25	66.72	66.88	64.29
Men	76.85	72.97	76.83	73.05	72.76	<i>n.a.</i>
Women	73.64	56.50	73.63	62.08	62.46	57.14
N	36 656	408	36 137	667	625	42
France	78.25	63.43	78.73	68.95	70.41	61.22
Men	83.41	79.96	83.68	81.14	81.21	80.75
Women	73.29	47.59	73.94	57.22	59.92	43.30
N	38 352	1 947	35 574	4 228	3 555	673
Germany	82.80	68.17	83.21	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>

Men	88.76	83.48	88.89	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Women	76.91	53.70	77.57	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
N	25 396	1 395	23 424	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Greece	71.45	79.09	71.42	77.81	78.99	72.40
Men	84.77	96.21	84.69	95.01	94.60	96.99
Women	58.65	58.98	58.59	59.29	61.93	47.73
N	157 564	8 298	154 841	10 357	8 502	1 855
Hungary	65.58	73.72	65.57	69.06	68.39	75.00
Men	73.49	82.98	73.47	80.36	79.67	85.29
Women	58.01	65.13	57.99	60.93	60.56	64.71
N	177 632	293	176 032	669	601	68
Ireland	76.61	<i>n.a.</i>	76.56	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Men	87.32	<i>n.a.</i>	87.22	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Women	66.07	<i>n.a.</i>	65.98	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
N	43 104	<i>n.a.</i>	41 160	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Italy	66.03	75.49	65.93	74.61	77.30	65.61
Men	79.04	93.30	78.84	92.28	92.78	90.24
Women	53.35	57.56	53.24	58.46	61.87	48.85
N	356 988	13 438	347 604	19 139	14 737	4 402
Latvia	78.12	69.48	78.02	78.72	78.70	80.00
Men	83.46	76.53	83.25	85.11	84.90	<i>n.a.</i>
Women	73.39	63.48	73.26	73.89	74.03	<i>n.a.</i>
N	21 124	213	18 538	2 528	2 483	45
Lithuania	76.36	75.82	76.30	77.41	77.59	69.70
Men	79.97	85.05	79.86	82.95	83.19	71.43
Women	73.08	62.67	73.05	72.41	72.51	68.42
N	35 509	182	34 151	1 470	1 437	33
Luxembourg	67.76	66.86	68.18	70.47	72.12	63.56
Men	78.48	87.69	78.90	87.80	88.32	85.00
Women	57.10	54.03	57.56	58.22	59.79	52.56
N	7 875	341	7 737	613	495	118
Netherlands	79.90	57.31	80.56	68.02	68.67	55.60
Men	87.42	76.17	87.86	79.60	79.60	79.71
Women	72.47	42.12	73.25	58.38	59.27	45.40
N	61 944	1 054	57 827	4 650	4 418	232
Poland	68.74	68.91	68.91	37.13	35.76	50.00
Men	76.55	82.98	76.71	51.88	50.00	<i>n.a.</i>
Women	61.38	59.72	61.57	27.36	25.84	<i>n.a.</i>
N	115 581	119	115 187	334	302	32
Portugal	76.48	86.87	76.22	85.07	85.22	84.33
Men	83.38	92.59	83.21	90.30	89.90	92.52
Women	69.95	81.39	69.59	80.32	80.82	78.11
N	97 015	2 369	93 819	4 902	4 066	836
Romania	69.33	72.44	69.34	77.00	76.29	<i>n.a.</i>

Men	76.99	80.27	76.98	<i>87.69</i>	<i>87.1</i>	<i>n.a.</i>
Women	61.93	63.97	61.94	<i>57.14</i>	<i>57.14</i>	<i>n.a.</i>
N	150 095	283	150 270	100	97	3
Slovakia	73.93	<i>n.a.</i>	73.95	<i>77.92</i>	<i>76.71</i>	<i>n.a.</i>
Men	83.23	<i>n.a.</i>	83.25	<i>87.80</i>	<i>86.49</i>	<i>n.a.</i>
Women	64.86	<i>n.a.</i>	64.87	<i>66.67</i>	<i>66.67</i>	<i>n.a.</i>
N	66 848	17	66 518	77	73	4
Slovenia	75.75	72.61	76.21	71.85	71.93	68.42
Men	80.76	88.20	81.22	77.34	77.08	93.10
Women	70.60	50.40	71.04	66.19	66.55	53.19
N	39 984	303	36 544	3 535	3 459	76
Spain	73.68	80.68	73.49	81.06	82.79	77.20
Men	84.99	90.46	84.83	90.60	91.45	88.44
Women	62.62	72.22	62.35	72.75	74.69	68.86
N	59 925	2 350	58 475	3 405	2 348	1 057
Sweden	88.44	75.64	89.26	78.85	79.91	71.03
Men	90.54	83.27	91.05	84.38	84.18	85.82
Women	86.31	67.20	87.41	73.45	75.77	55.98
N	163 040	2 890	148 863	13 097	11 530	1 567
UK	78.61	73.12	78.91	72.31	71.56	74.84
Men	86.25	88.88	86.28	86.61	84.89	92.44
Women	71.51	59.47	72.04	59.74	59.86	59.33
N	61 145	2 325	58 056	4 954	3 825	1 129

Notes: Labor market status variable is generated by Eurostat. Labor force participation equals 1 if employed or unemployed; 0 if inactive. Unemployment equals 1 if unemployed, 0 if employed, missing if inactive. Observations between 15 and 64 years of age. They are excluded if in military service, full-time student or apprentice in regular education. Citizens/immigrants from other EU27 countries are excluded. The number of observations for a group fewer than 100 is in italics, or not available (*n.a.*) if fewer than 10. Non-EU refers to non-EU27.

Source: Own calculations based on the EU Labour Force Survey 2007.

Table 1.2 Unemployment rates in EU member states by citizenship and immigration status

Country	Nationality		Country of birth			
	Nationals	Non-EU Nationals	Native-born	Non-EU foreign-born		
				Total	Reside >5 years	Reside ≤5 years
Austria	3.44	10.09	3.23	9.13	8.27	14.77
Men	2.91	10.04	2.68	9.19	8.30	14.81
Women	4.05	10.16	3.86	9.06	8.24	14.71
N	84 065	5 105	79 281	8 528	7 397	1 131
Belgium	6.65	30.47	6.32	22.68	20.76	31.13
Men	5.72	28.03	5.47	21.08	19.42	28.19
Women	7.73	34.84	7.33	24.96	22.66	35.59
N	45 488	1 234	44 332	3 020	2 461	559
Bulgaria	7.15	5.26	7.15	6.21	5.59	<i>n.a.</i>
Men	6.73	5.41	6.73	7.94	6.56	<i>n.a.</i>
Women	7.62	5.13	7.62	4.88	4.88	<i>n.a.</i>
N	55 767	76	55 687	145	143	2
Cyprus	3.64	2.56	3.53	4.48	6.08	3.01
Men	3.06	5.16	3.03	5.91	5.48	6.50
Women	4.35	1.52	4.17	3.64	6.58	1.55
N	15 399	1 291	14 634	2 098	1 003	1 095
Czech Rep.	5.54	9.54	5.46	9.34	10.22	5.84
Men	4.43	7.20	4.34	6.27	7.82	<i>n.a.</i>
Women	6.90	12.69	6.82	12.89	12.99	12.50
N	115 013	461	113 800	685	548	137
Denmark	3.76	11.74	3.62	9.76	9.74	9.93
Men	3.38	12.99	3.22	10.24	10.02	12.23
Women	4.13	10.35	4.01	9.26	9.44	7.84
N	52 505	1 269	50 441	2 766	2 474	292
Estonia	4.31	7.67	4.68	5.80	5.69	<i>n.a.</i>
Men	4.98	7.19	5.20	6.52	6.54	<i>n.a.</i>
Women	3.62	8.33	4.09	5.15	4.93	<i>n.a.</i>
N	9 366	1 604	9 497	1 432	1 424	8
Finland	5.13	19.54	5.03	17.08	16.75	22.22
Men	4.83	17.78	4.76	16.02	15.38	<i>n.a.</i>
Women	5.44	21.43	5.32	17.99	17.94	<i>n.a.</i>
N	27 588	261	27 192	445	418	27
France	8.77	21.78	8.46	17.36	14.90	32.28
Men	8.16	17.72	7.94	14.57	12.87	23.85
Women	9.45	28.33	9.02	21.17	17.58	46.71
N	30 012	1 235	28 006	2 915	2 503	412
Germany	8.13	19.24	7.76	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Men	7.74	19.26	7.30	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>

Women	8.56	19.22	8.28	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
N	21 028	951	19 492	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Greece	8.13	7.48	8.01	8.90	8.84	9.16
Men	5.02	3.71	4.93	4.96	4.90	5.22
Women	12.46	14.71	12.32	15.69	15.43	17.19
N	112 585	6 563	110 590	8 059	6 716	1 343
Hungary	8.33	9.26	8.36	6.71	6.57	7.84
Men	8.18	5.98	8.21	4.89	5.61	<i>n.a.</i>
Women	8.51	13.13	8.53	8.44	7.44	18.18
N	116 498	216	115 431	462	411	51
Ireland	4.36	<i>n.a.</i>	4.32	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Men	4.71	<i>n.a.</i>	4.68	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Women	3.91	<i>n.a.</i>	3.84	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
N	33 024	<i>n.a.</i>	31 511	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Italy	5.89	8.88	5.85	8.05	7.20	11.39
Men	4.86	5.47	4.85	5.11	4.66	7.03
Women	7.38	14.46	7.32	12.28	10.99	16.88
N	235 719	10 145	229 186	14 279	11 391	2 888
Latvia	5.81	5.41	5.75	5.93	5.99	2.78
Men	6.61	5.33	6.64	6.05	6.08	<i>n.a.</i>
Women	4.99	5.48	4.81	5.83	5.91	<i>n.a.</i>
N	16 503	148	14 464	1 990	1 954	36
Lithuania	4.32	5.07	4.27	6.15	6.10	8.70
Men	4.35	5.49	4.37	4.66	4.75	<i>n.a.</i>
Women	4.29	4.26	4.16	7.69	7.51	<i>n.a.</i>
N	27 115	138	26 057	1 138	1 115	23
Luxembourg	3.39	13.60	3.55	12.27	10.36	21.33
Men	2.73	12.28	2.73	11.21	11.11	11.76
Women	4.30	14.91	4.65	13.40	9.52	29.27
N	5 336	228	5 275	432	357	75
Netherlands	2.68	9.93	2.44	7.43	7.35	9.30
Men	2.36	9.22	2.16	6.66	6.64	7.27
Women	3.07	10.98	2.79	8.31	8.17	10.81
N	49 492	604	46 585	3 163	3 034	129
Poland	9.63	8.54	9.63	12.10	11.11	<i>n.a.</i>
Men	9.17	12.82	9.18	13.04	11.29	<i>n.a.</i>
Women	10.17	4.65	10.16	10.91	10.87	<i>n.a.</i>
N	79 447	82	79 378	124	108	16
Portugal	7.76	11.76	7.75	9.71	9.41	11.21
Men	6.65	8.94	6.66	7.84	7.85	7.78
Women	9.00	14.84	8.99	11.62	11.04	14.29
N	74 193	2 058	71 507	4 170	3 465	705
Romania	6.25	2.44	6.24	1.30	1.35	<i>n.a.</i>
Men	7.10	2.54	7.10	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>

Women	5.22	<i>2.30</i>	5.22	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
N	104 065	205	104 191	77	74	3
Slovakia	11.30	<i>n.a.</i>	11.32	<i>18.33</i>	<i>19.64</i>	<i>n.a.</i>
Men	9.93	<i>n.a.</i>	9.94	<i>11.11</i>	<i>12.50</i>	<i>n.a.</i>
Women	13.01	<i>n.a.</i>	13.04	<i>29.17</i>	<i>29.17</i>	<i>n.a.</i>
N	49 422	<i>17</i>	49 190	<i>60</i>	<i>56</i>	<i>4</i>
Slovenia	4.85	11.36	4.80	6.22	6.03	<i>15.38</i>
Men	4.19	5.10	4.16	4.82	4.92	<i>n.a.</i>
Women	5.63	<i>26.98</i>	5.55	7.91	7.37	<i>n.a.</i>
N	30 287	220	27 850	2 540	2 488	52
Spain	7.25	11.45	7.23	10.29	9.72	11.64
Men	5.19	9.43	5.16	8.36	7.71	10.05
Women	9.99	13.63	10.01	12.39	12.03	13.16
N	44 152	1 896	42 976	2 760	1 944	816
Sweden	4.16	14.04	3.72	11.74	11.00	17.79
Men	4.15	15.43	3.74	11.63	11.04	15.78
Women	4.16	12.15	3.70	11.86	10.97	20.92
N	144 190	2 186	132 871	10 327	9 214	1 113
UK	4.42	7.00	4.33	7.06	6.72	8.17
Men	4.79	6.57	4.74	6.63	6.66	6.54
Women	3.99	7.56	3.88	7.61	6.80	10.39
N	48 065	1 700	45 814	3 582	2 737	845

Notes: Labor market status variable is generated by Eurostat. Labor force participation equals 1 if employed or unemployed; 0 if inactive. Unemployment equals 1 if unemployed, 0 if employed, missing if inactive. Observations between 15 and 64 years of age. They are excluded if in military service, full-time student or apprentice in regular education. Citizens/immigrants from other EU27 countries are excluded. The number of observations for a group fewer than 100 is in italics, or not available (*n.a.*) if fewer than 10. Non-EU refers to non-EU27.

Source: Own calculations based on the EU Labour Force Survey 2007.

Table 1.3 Marginal effects of being foreign-born or a foreign national (intercepts and slopes)

Country			Labor force participation				Unemployment	
			All		Married		All	
			Men	Women	Men	Women	Men	Women
AT	Non-EU foreign-born	Intercept	-0.249***	-0.491***	-0.291***	-0.526***	0.081***	0.115***
		Slope	0.013***	0.036***	0.013***	0.042***	-0.001***	-0.004***
	Non-EU national	Intercept	-0.057***	-0.150***	-0.079***	-0.178***	0.042***	0.036***
BE	Non-EU foreign-born	Intercept	-0.150***	-0.353***	-0.239***	-0.445***	0.142***	0.203***
		Slope	0.006***	0.015***	0.009***	0.021***	-0.002*	-0.005***
	Non-EU national	Intercept	-0.108***	-0.289***	-0.149***	-0.402***	0.118***	0.152***
BG	Non-EU foreign-born	Intercept	-0.718***	-0.665***	-0.402	-0.718***	0.304	0.511*
		Slope	0.054***	0.076**	0.023	0.094***	-0.008	-0.019
	Non-EU national	Intercept	-0.177*	-0.088	-0.036	-0.105	0.042	0.000
CY	Non-EU foreign-born	Intercept	-0.022	0.206***	-0.123	-0.308***	0.012	-0.038***
		Slope	0.001	-0.033***	0.008	0.018*	0.001	0.008***
	Non-EU national	Intercept	-0.063**	0.105***	-0.152***	-0.231***	0.004	-0.030***
CZ	Non-EU foreign-born	Intercept	0.046	0.045	0.091***	-0.169	-0.025	0.066
		Slope	-0.003	-0.007	-0.514**	0.009	0.007	0.001
	Non-EU national	Intercept	0.032	-0.022	0.021	-0.092	0.029	0.083***
DE	Non-EU national	Intercept	-0.057***	-0.148***	-0.053***	-0.184***	0.068***	0.076***
DK	Non-EU foreign-born	Intercept	-0.316***	-0.362***	<i>n.a.</i>	<i>n.a.</i>	0.127***	0.059*
		Slope	0.007**	0.013***	<i>n.a.</i>	<i>n.a.</i>	-0.002	-0.001
	Non-EU national	Intercept	-0.193***	-0.247***	<i>n.a.</i>	<i>n.a.</i>	0.081***	0.053***
EE	Non-EU foreign-born	Intercept	-0.157	-0.248	0.009	-0.418*	0.091	0.297*
		Slope	0.010	0.016	-0.002	0.028*	-0.002	-0.008
	Non-EU national	Intercept	0.013	-0.043**	-0.001	-0.040	0.028***	0.049***
ES	Non-EU foreign-born	Intercept	-0.018	-0.032	-0.013	-0.239***	0.047***	0.026
		Slope	0.002	0.008**	0.000	0.026***	-0.001	-0.000
	Non-EU national	Intercept	-0.018	0.022	-0.021	-0.079***	0.050***	0.030***

FI	Non-EU foreign-born	Intercept	-0.233	-0.278*	<i>n.a.</i>	<i>n.a.</i>	0.433***	0.065
		Slope	0.015	0.018	<i>n.a.</i>	<i>n.a.</i>	-0.008	0.005
FR	Non-EU foreign-born	Intercept	-0.273***	-0.444***	-0.199***	-0.472***	0.155***	0.493***
		Slope	0.017***	0.027***	0.014***	0.031***	-0.004**	-0.017***
GR	Non-EU foreign-born	Intercept	-0.075***	-0.233***	-0.029	-0.299***	0.092***	0.170***
		Slope	0.098***	-0.193***	0.028	-0.270***	-0.018	0.002
HU	Non-EU foreign-born	Intercept	0.065***	-0.016	0.044***	-0.047**	-0.014***	0.014
		Slope	0.017	0.033	0.201***	-0.132	0.045	0.169
IT	Non-EU foreign-born	Intercept	0.069	-0.023	0.181**	-0.026	-0.009	0.052
		Slope	0.005	-0.007	-0.066	0.008	-0.007	-0.009
LT	Non-EU foreign-born	Intercept	0.052***	-0.238***	0.026	-0.336***	0.008	0.116***
		Slope	0.000	0.023***	0.003	0.033***	0.000	-0.004***
LU	Non-EU foreign-born	Intercept	0.064***	-0.073***	0.060***	-0.165***	0.017***	0.066***
		Slope	-0.423*	-0.414**	-0.581**	-0.534***	<i>n.a.</i>	0.226
LV	Non-EU foreign-born	Intercept	-0.031	-0.189***	-0.123**	-0.264***	0.021	0.006
		Slope	0.028*	0.029**	0.029***	0.031**	<i>n.a.</i>	-0.006
NL	Non-EU foreign-born	Intercept	-0.255**	-0.385***	-0.134	-0.373***	0.132***	0.337***
		Slope	0.018**	0.035***	0.009	0.033***	-0.000	-0.009***
PL	Non-EU foreign-born	Intercept	-0.055	-0.157***	-0.027	-0.216***	0.113***	0.108***
		Slope	0.062	-0.144	-0.038	-0.058	-0.046	<i>n.a.</i>
NL	Non-EU foreign-born	Intercept	-0.005	0.012	0.005	0.003	0.007	<i>n.a.</i>
		Slope	-0.088	-0.125**	-0.049	-0.048	-0.010	0.022
NL	Non-EU foreign-born	Intercept	-0.425***	-0.593***	-0.423***	-0.686***	0.205***	0.223***
		Slope	0.012***	0.035***	0.011***	0.054***	-0.003***	-0.005***
PL	Non-EU foreign-born	Intercept	-0.217***	-0.382***	-0.243***	-0.414***	0.076***	0.075***
		Slope	-0.159	-0.436***	-0.247**	-0.241	0.290	0.016
		Slope	0.002	0.025*	0.011	0.003	-0.008	0.003

	Non-EU national	Intercept	-0.082	-0.206***	0.057	-0.139	0.129**	-0.021
PT	Non-EU foreign-born	Intercept	0.055**	-0.065**	-0.007	-0.058	-0.011	0.082***
		Slope	-0.004	0.009***	0.002	0.005	0.002	-0.004**
	Non-EU national	Intercept	0.045***	0.017	-0.002	-0.022	0.011	0.059***
RO	Non-EU foreign-born	Intercept	<i>n.a.</i>	-0.545	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
		Slope	<i>n.a.</i>	0.048	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
	Non-EU national	Intercept	-0.010	-0.061	0.013	-0.010	-0.015	-0.010
SE	Non-EU foreign-born	Intercept	-0.138***	-0.466***	<i>n.a.</i>	<i>n.a.</i>	0.184***	0.235***
		Slope	0.002	0.017***	<i>n.a.</i>	<i>n.a.</i>	-0.003***	-0.005***
	Non-EU national	Intercept	-0.104***	-0.179***	<i>n.a.</i>	<i>n.a.</i>	0.113***	0.063***
SI	Non-EU foreign-born	Intercept	-0.296***	-0.551***	-0.435**	-0.678***	-0.035	0.408***
		Slope	0.018**	0.041***	0.025**	0.055**	0.008	-0.012***
	Non-EU national	Intercept	0.013	-0.295***	-0.009	-0.311***	0.018	0.223***
UK	Non-EU foreign-born	Intercept	-0.031	-0.210***	-0.020	-0.259***	0.044***	0.068***
		Slope	-0.001	0.005**	-0.003	0.008***	-0.001	-0.001
	Non-EU national	Intercept	-0.047***	-0.162***	-0.059***	-0.196***	0.027***	0.033***

Notes: Marginal effects from probit regressions are reported. Intercepts measure the effects of the discrete change in dummy variables ‘Non-EU national’ and ‘Non-EU foreign-born’ from 0 to 1. For non-EU foreign-born, slopes measure the linear effect of a increase in years since migration by one year; the underlying variable ‘years of residence in this member state’ is equal to 0 if a person is native, 0 to 10 for immigrants who have been in this member state for 1 to 10 years, and 11 for those who have been in the country for more than 10 years. Sample includes individuals between 15 and 64 years old, individuals in military service and in regular education or apprenticeships are excluded. Robust standard errors clustered by household are used to calculate the levels of significance indicated by asterisks: * significant at 10%, ** significant at 5%, *** significant at 1%. Additional controls include spouse, age and education dummies, dummies for children 0-4, 5-9, 10-14 years old in the household, and region fixed effects (and a dummy for missing regions in the regressions for Germany and Finland). Partner’s age and education are included in participation regressions for married

individuals. For Cyprus, Estonia, Lithuania, Luxemburg, Latvia and the Netherlands no data disaggregated by smaller regions is available, thus regressions were estimated without regional dummies. For Denmark, Finland and Sweden there are no data on the persons' sequence number or relationship to reference person that were used for generating partner's characteristics, thus no model could be estimated for married and no children dummies could be generated. For several countries the number of observations for non-EU nationals is small, thus the results have to be interpreted with caution (see Table 1.1 for additional sample sizes and notes). In several cases data are not available or insufficient to estimate the effects (*n.a.*). Malta, Ireland, Slovakia and Germany (non-EU foreign-born) are excluded for the same reasons.

Source: Own analysis based on the EU Labour Force Survey 2007.

Table 1.4 Labor market situation of ethnic minorities in France, by gender and generations

Ethnic group	Participation rate		Unemployment rate	
	Men	Women	Men	Women
Native French	86.8	75.6	10.1	15.1
Total immigrants 1st generation	87.2	60.0	19.0	29.7
Algerians	84.6	63.2	30.1	35.8
Moroccans	84.3	52.8	26.1	35.9
Sub-Saharan Africans	77.1	67.1	27.9	36.0
Turks	91.7	36.3	25.3	45.4
South-East Asians	80.5	60.9	14.1	19.8
Total generation 1.5	82.9	69.2	19.7	26.3
Total 2nd generation	80.9	71.2	16.9	20.7
Algerians	85.6	70.0	28.5	30.4
Moroccans	76.0	54.3	27.2	38.7
Total mixed 2nd generation	82.0	71.0	13.4	18.0
French and Algerian parents	81.4	69.7	16.3	21.1
French and Moroccan parents	74.6	65.8	14.5	20.0

Notes: Population aged between 18 and 40.

Source: INSEE, *Enquête Etude de l'Histoire Familiale 1999* as reported in Meurs, Pailhé and Simon (2008).

Table 1.5 Labor market situation of selected ethnic minorities and natives in selected countries

Country	Minority/majority group	Participation rate	Unemployment rate
Hungary			
	Hungarian majority	40.47	9.84
	Africans	48.13	10.00
	Arabs	48.14	5.21
	Croatians	41.37	7.25
	Chinese	65.01	0.68
	Polish	53.07	6.81
	Armenians	51.13	5.68
	Ruthenians	48.27	8.11
	Serbs	40.44	8.17
Ukrainians	47.95	8.39	
Romania			
	Romanian majority	41.60	11.50
	Hungarians	38.00	11.30
	Ukrainians	42.80	11.10
UK			
	White majority population	81.80	3.80
	Indians	80.10	6.40
	Pakistanis	55.20	12.80
	Bangladeshis	48.70	19.40
	Other Asians	75.10	8.30
	Black Caribbeans	81.00	11.00
	Black Africans	77.70	11.80

Source: Institut National de Statistica, 2003, *Population and Housing Census of 18 March 2002. Vol. I. Population – Demographic structure; Vol. II. Population – Socio-economic structure*, Bucharest; Hungarian Census 2001; UK Labour Force Survey 2005 Q1 to 2006 Q4; and the authors' calculations.

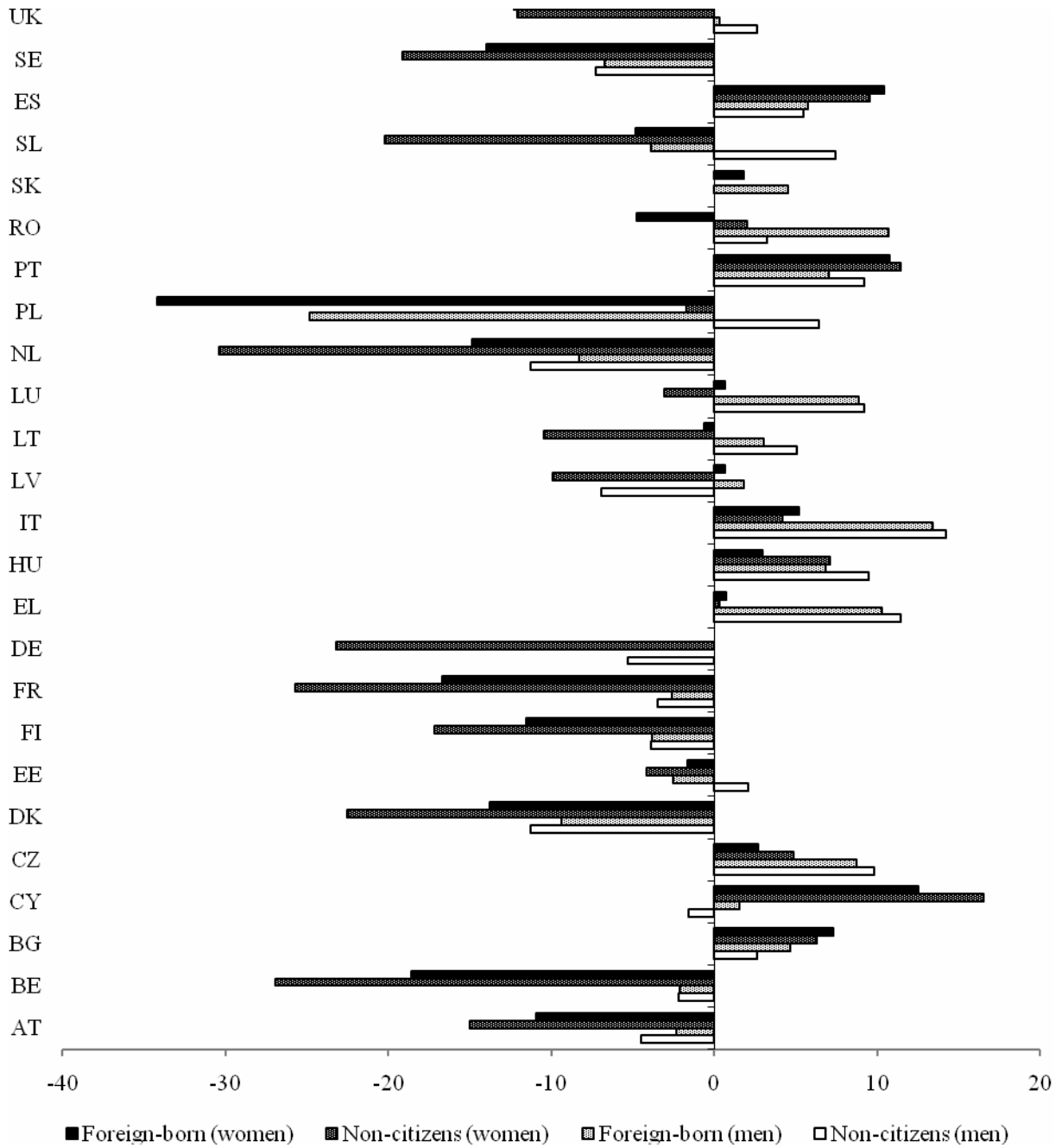
Table 1.6 Labor market situation of Roma and majority populations in Spain, Romania and Hungary

	Activity rate		Unemployment rate	
	Roma	Majority	Roma	Majority
Spain	69.27	56.10 ^a	13.80	10.38 ^a
Romania	22.90	41.60	28.50	11.50
Hungary	21.90	40.47	53.91	9.84

Notes: ^aInformation on Spanish majority is not available, therefore data are substituted by comparable indicators for the total non-Roma population in Spain.

Source: FSGG (2005), INS (2003) and Hungarian Census 2001.

Figure 1.1 Differences in labor force participation rates between non-EU foreigners and natives, by gender



Notes: Differences with respect to nationals and natives, respectively. Sample sizes are small in a number of cases; see also Table 1.1.

Source: EU Labour Force Survey 2007.