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Immigrants' Labour Market Integration in Europe and the Effect of the Education System

It is well known that immigrants often are less well integrated into the labour markets than natives and that these inequalities vary considerably between European societies.

In general, cross-national differences in labour market integration can be ascribed, to a certain degree, to institutional characteristics of education systems. In this paper, I hypothesize that the integration of immigrants is linked to these institutional settings. Due to the different extent of stratification and vocational specificity of national education systems, varying school-to-work linkages exist, leading to country specific hiring practices and career opportunities in the labour markets. It can be argued that the differing strength of the connection between education and employment systems has specific consequences for immigrants compared with natives. Hence, as the main research question I ask in how far the labour market returns to education of different migration statuses – referring to the chances of entering the labour market and to access skilled occupations – are shaped by the institutional arrangement of national education systems.

Therefore I differentiate between natives and two groups of immigrants: those with host-country educational certificates and those with (only) foreign certificates. In this way, it is possible to find out whether the person's origin or the education's origin contribute to lower returns on the labour market. When comparing the three migration statuses I assume that natives are most often employed and have at an average the highest employment positions – due to the larger extent of available host-country specific resources – whereas immigrants without host-country certificates should perform worst on the labour market.

Regarding the influence of education systems, it can be expected that *immigrants with host-country educational certificates* are more integrated into the labour market the more stratified and / or vocationally specific the institutional setting of the host country is. In such an institutional context with a strong link between school and work they should profit in a similar way from their qualifications as natives, whereas in contexts with a comprehensive school system (low grade of stratification and specificity) employers have to rely more on subjective hiring criteria, possibly to the disadvantage of immigrants.

Immigrants with foreign educational certificates should have more problems on the labour market in a country with a strong relation between school and work than in a country with a comprehensive school system. Foreign educational certificates ought to be devalued in contexts in which certificates are rather important.

Multilevel analyses were estimated for 18 western European countries (AT, BE, CH, CY, DE, DK, EL, ES, FI, FR, IE, IS, IT, LU, NL, PT, SE, UK) based on the European Union Labour Force Survey from the years 2009 to 2013.

They show that there are no systematic differences between the three migration statuses when it comes to being employed and not non-employed. Concerning employment positions, immigrants with foreign certificates have lower positions than the other two groups in most of the countries, indicating that the education's origin is more important than the person's origin. Successfully integrated immigrants require host-country credentials or resources. As expected, these disadvantages for immigrants lacking host-country certificates are smaller in countries with a high grade of stratification. Contrary to my hypothesis, vocational specific settings are not additionally detrimental to this group of immigrants. This could result from a generally beneficial labour market situation, rather flexible labour markets and favourable integration policies in these countries.