Accessing Household Benefits across Europe

Is Migration Neutrality reached over time?

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Literature of Reference

Economics of Migrations
Welfare magnet, fiscal impact and use of welfare
(Nyman & Ahlskog 2018; Huber & Oberdabernig 2016; Zimmerman et al. 2012)

Comparative Welfare Studies
Survey data to analyse beneficiaries
Poverty-reducing capacity of welfare regimes
(Van Oorschot 2013; Eugster 2018; Hooijer & Picot 2015)

Migration Neutrality
(Recchi 2016)
Research questions

Is migration neutrality reached over time?

Is migration neutrality more likely found in more generous welfare states?

Intra-EU mobility as a case of study (Social Security Coordination System)
The Research Hypotheses

H1) Migration neutrality is more likely for *Long-term Migrants* (≥ 5 years) compared to the *Newly Arrived* (< 5 years)

H2) Migration neutrality is more likely for *Second Generation Migrants* compared to the *First Generation (Long-term Migrants)*

H3) Migration neutrality is more likely for *Nordic Countries*, intermediate for *Continental and Liberal Countries* while lower for *Southern Countries*
Methodology

Dependent variable: household benefits (either family or housing)

Independent variable:
- Native households
- Newly arrived (< 5 years)
- Long-term (> 5 years)
- 2nd generation migrants

Control variables: age, gender, education, employment status, household structure (no children; single parent; 1-2 children; 3+children)

Welfare regimes: Continental (AT, BL, FR, NH, CH), Nordic (FI, NO, SW), Liberal (IR, UK) and Southern European (IT, ES)

Data: EU-SILC 2011 wave
Migration Neutrality over Time: 1) Odds ratios

Prob. \( \hat{y} \) (Household Benefit) = \( \beta_1 \) Migrant Status

- Gradual increase of access with length of residence
- No difference between 2° generation and long-term migrants
- Migration neutrality for the newly arrived

1= Migration Neutrality between migrants and natives; >1= migrants have higher access to benefits than natives; <1= migrants have lower access to benefits than natives. EU-SILC 2011 sample, all the 12 countries together, with filter for age 18-65. Odds ratios of logit regression on household benefits (dummy dependent variable) for the 3 migrant groups (independent variable). Reference category: natives in 12 countries. Confident Intervals are set at 95% significance level.
2) Probability controlled for socio-economic characteristics

\[
\text{Prob. } \hat{y} \ (\text{Household Benefit}) = \beta_1 \text{Migrant Status} + \beta_2 \text{Gender} + \beta_3 \text{Education} + \\
\beta_4 \text{Age} + \beta_5 \text{Employment Status} + \beta_6 \text{Household Structure} + \beta_7 \text{Welfare Regime} + \varepsilon
\]

- 2° generation and long-term migrants have the same probability of natives
- Newly arrived migrants have lower access compared to the other groups
- Reduced access in Southern Europe

EU-SILC 2011 sample integrated with ad hoc module on Generations. 12 countries selected, with filter for age 18-65. Predicted probabilities from binary logit regression on household benefits (dummy dependent variable equal to 1 when the household receives either family benefits or social housing) for natives and 3 migrant household groups (2\textsuperscript{nd} generation, 1\textsuperscript{st} generation long term and newly arrived). Control variables: gender, age, level of education and employment status referred to the head of the household, plus the household structure and the welfare regime. Confident intervals are set at 95% significance level. The full regression is shown in the Annex.
Discussion

✓ H1) Migration neutrality is more likely for Long-term Migrants (>= 5 years) compared to the Newly Arrived (< 5 years); CONFIRMED once controlled for compositional factors, migration neutrality reached after 5 years (lower benefit access before 5 years)

✗ H2) Migration neutrality is more likely for Second Generation Migrants compared to the First Generation, Long-term Migrants; NOT CONFIRMED no significant difference between the first generation (>= 5 years) and the second generation

✗ H3) Migration neutrality is more likely for Nordic Countries, intermediate for Continental and Liberal Countries while lower for Southern Countries. NOT CONFIRMED because of the same distance between the 3 groups of migrants and natives cross-country
Conclusion

Once controlled for socio-demographic characteristics, migration neutrality is reached after 5 years.

Welfare *generosity does not mean inclusiveness* for migrants, thus need for adjusted typologies and criteria as suggested by Eugster (2018) and Hooijer and Picot (2015).

In **Southern EU** both migrants and natives present a lower access to benefits compared to the other welfare regimes. A familistic model of welfare goes along with a higher reliance on family resources rather than household benefits.
Policy implications

The access to welfare in Europe is **not migration neutral!**


Even in case that migrants are attracted by social benefits (**welfare magnet hypothesis**) they are less likely to access them during the first five years
Main references


Nyman P. and Ahlskog R. (2018), *Fiscal Effects of Intra-EEA Migration*, Uppsala University, REMINDER Project WP March 18


Zimmermann K. et al. (2012), *Study on Active Inclusion of Migrants: Final report*, Economic and Social Research Institute, IZA Research Report n. 43
7° Eurostat User Conference, 26 March 2021

Thank for your attention

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### Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>All Natives</th>
<th>1+EU2gen</th>
<th>1+EU&gt;=5</th>
<th>1+EU&lt;5</th>
<th>Total</th>
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<td>1,516</td>
<td>526</td>
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<td><strong>Liberal</strong></td>
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<td>1,420</td>
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<td><strong>Nordic</strong></td>
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<td>482</td>
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<td>655</td>
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<table>
<thead>
<tr>
<th></th>
<th>% Female</th>
<th>% Average Age</th>
<th>% Up to Lower Secondary</th>
<th>% High School Diploma</th>
<th>% Tertiary Degree</th>
<th>% Working</th>
<th>% Unemployed/Inactive</th>
<th>% Retired</th>
<th>% No children</th>
<th>% Single parent</th>
<th>% 2 parents, 1 or 2 children</th>
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