

The integration of migrants across regions: Labour market outcomes

Unemployment rates tend to be higher among the foreign-born than among the native-born population, although this gap tends to be smaller in capital regions.

Labour market conditions are at the core of well-being and are a crucial aspect of the integration process of migrants. The unemployment rate of foreign-born people was on average 14% in 2015 across OECD regions, 4.6 percentage points higher than for the native-born (Figure 3.23). In three quarters of the regions, the unemployment rate is higher for foreign- than for native-born persons. Only in Canada, Italy, the United States, Greece, Australia, Portugal, Czech Republic, and Spain, do some regions display better outcomes for migrants than for the native-born.

The challenges faced by migrants in the labour market include the risk to be over-qualified for the job they actually have. The over-qualification rate, calculated as the share of people with tertiary education working in a low- or medium-skilled job, is a recurring issue for migrants, which can be due to the difficulties highly educated migrants face in obtaining official recognition for their academic qualifications. As shown in Figure 3.23, over-qualification rates tend to be higher for the foreign-born than for the native-born population in most countries. On average, such a difference amounted to 3.5 percentage points in 2015. Only in the United States, and Spain, more than three-quarters

of their regions present better outcomes for the foreign-born compared to the native-born population. In Europe and Australia, over-qualification rates of migrants are around 4 percentage points higher than those of the population born in the country.

In regions where natives are facing high levels of unemployment, migrants also have relatively high unemployment rates. However, the gap in the unemployment rate between migrants and natives can vary within the country depending on the level of agglomeration of the region. For example, in 15 out of the 21 countries covered, the foreign-born, relative to the native-born, have lower unemployment rates when they are located in the capital region – the unemployment gap between migrants and natives is on average 20% narrower in capital regions than in the rest of the country (Figure 3.24).

Source

OECD (2018), *OECD Regional Statistics* (database), <http://dx.doi.org/10.1787/region-data-en>.

See Annex B for data sources and country-related metadata.

Reference years and territorial level

2015; 2014-2015 (two-year average) for European countries and US; TL2.

Further information

Territorial grids and regional typology (Annex A)

Diaz Ramirez, M., et al. (2018), “The integration of migrants in OECD regions: A first assessment”, *OECD Regional Development Working Papers*, No. 2018/01, OECD Publishing, Paris, <http://dx.doi.org/10.1787/fb089d9a-en>.

Figure notes

3.23: Unemployment rate for the 15-64 year old population. Over-qualification rate of the employed 15-64 year old population.

Definition

The terms “foreign-born” and “migrants” are used interchangeably. Migrants are defined by place of birth. The foreign-born or migrant population is defined as the population born in a country different from the one of residence. Unlike citizenship, this criterion does not change over time, it is not subject to country differences in legislation and it is thus adequate for international comparisons.

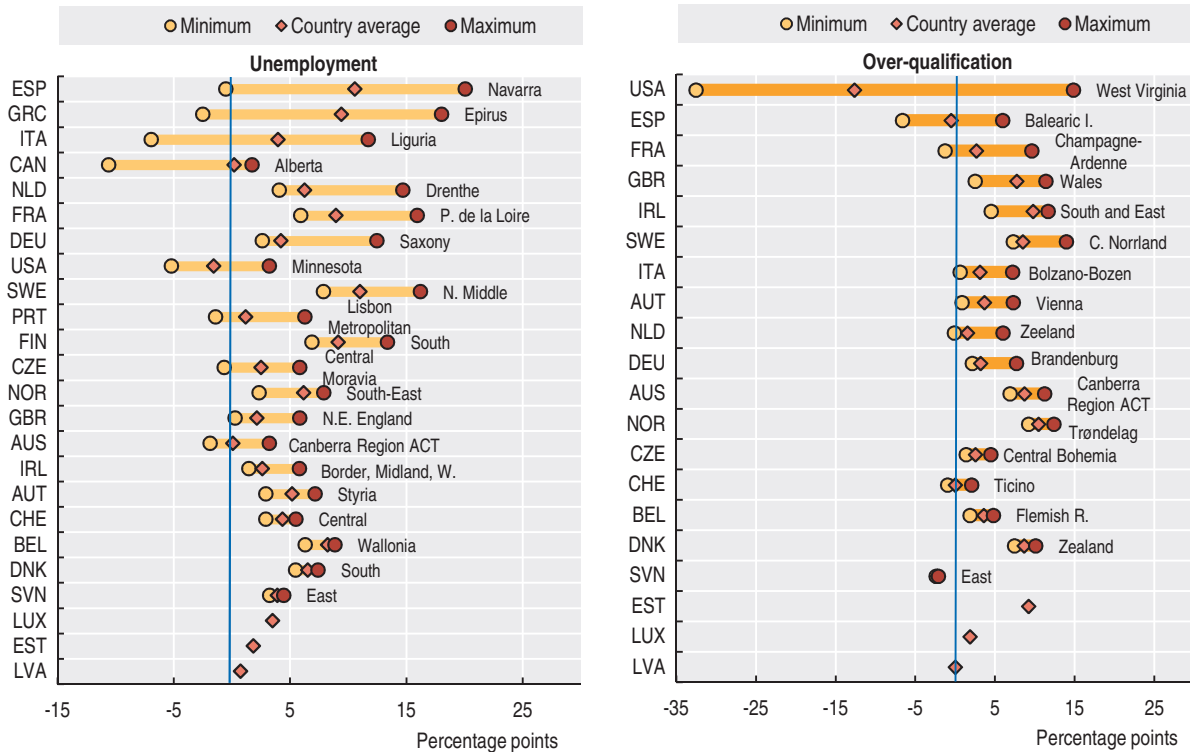
Over-qualification refers to those with a “high” level of education and in low- or medium-skilled jobs (only employed population).

3. POPULATION DYNAMICS AND INCLUSIVENESS IN REGIONS

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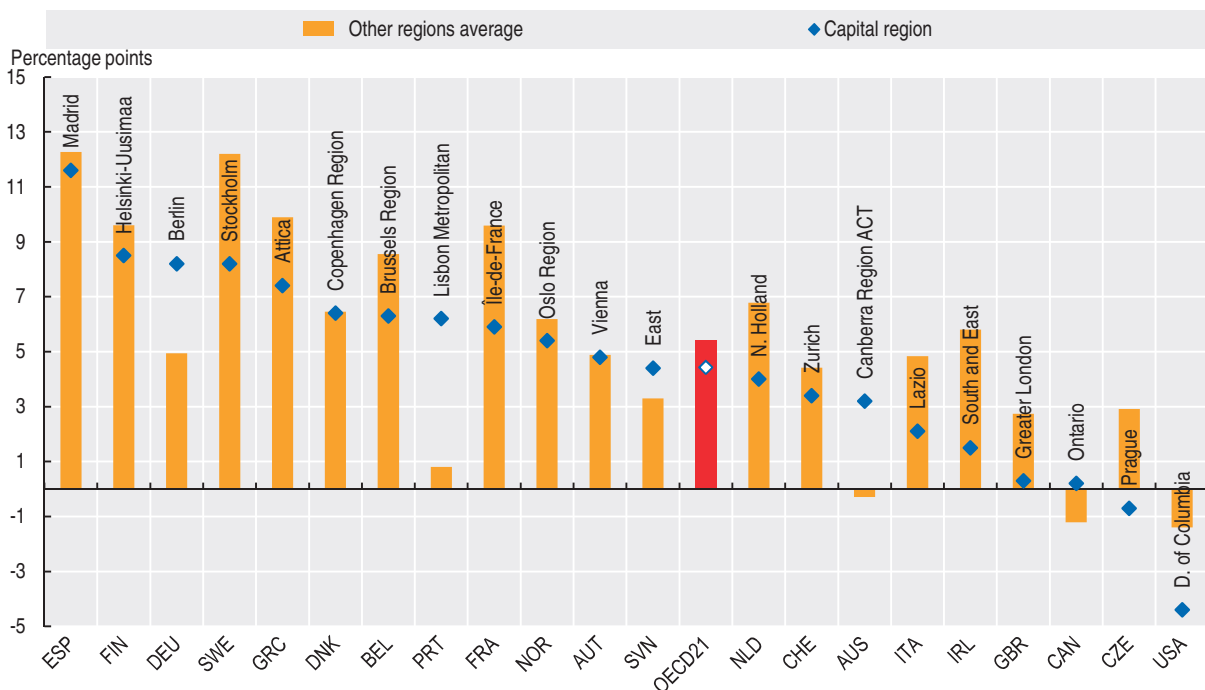
3.23. Unemployment and over-qualification rates of the foreign-born, relative to the native-born

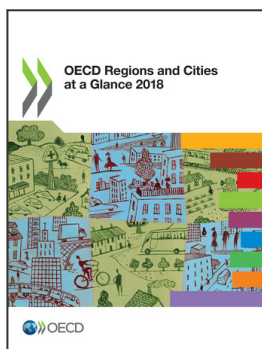
Difference between foreign-born and native-born outcomes, TL2, 2014-15



3.24. Unemployment rates of the foreign-born, relative to the native-born, in capital regions

Difference between foreign-born and native-born outcomes, 2014-15





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