

Chapter 7

Job characteristics

For job holders, several aspects of the job need to be considered in order to examine whether differences exist between foreign and native-born populations. Key aspects include job stability, number of hours worked, the match between qualifications and skills and the job held, pay, the prevalence of self-employment and of employment in the public sector. It is also important to examine the extent to which the recent economic crisis affected the differences in job characteristics between the two groups.

Integration in the labour market, both in terms of job access and job quality and stability, is a process that occurs over time. Migrants' duration of residence is therefore a key determinant of job characteristics, along with migrants' socio-demographic characteristics, such as age and education level. Age also serves as a proxy for professional experience and is hence important both for job stability and quality. Likewise, educational attainment is obviously an important determinant in accessing higher skilled, better paid jobs. For those who obtained their highest diploma abroad, having their formal qualifications recognised in the host country can provide a positive signal to employers and contribute to reducing overqualification.

In this chapter, job stability is measured in terms of contractual situation – temporary versus permanent employment (Indicator 7.1). The degree to which migrant labour is used in the labour market is first roughly approximated by the number of hours worked (Indicator 7.2). Second, matching between job level and individual qualification (Indicators 7.4) is introduced by a presentation of job skills (Indicators 7.3). The share of self-employment (Indicator 7.5) and that of employment in the public sector (Indicator 7.6) are examined. For a discussion on these indicators, refer to the section “Measurement” at the end of this chapter.

7.1. Temporary work

Outcomes and trends

Background information

A high incidence of fixed-term employment among specific groups (immigrants, young workers, etc.) can be interpreted as a sign of labour market dualism with some workers able to find stable career and well-paid jobs and others failing to do so. Temporary jobs tend to pay less than permanent jobs and offer less access to paid vacations, sick leave, unemployment insurance and other benefits (including training) and limited career prospects. Temporary employment often entails a different set of legal obligations on behalf of employers as stipulated by employment protection legislation. Temporary employment is usually a source of insecurity for workers.

In European countries, temporary employment comprises work under a fixed-term contract, in contrast to permanent work where there is no end-date. In Australia, temporary work is defined as work without leave entitlements. In all cases, the definition excludes the self-employed. The United States Current Population Survey and the New Zealand Labour Force Survey do not include comparable information and therefore those two countries are not included in this analysis.

On average across OECD countries, almost 15% of immigrants in employment have a temporary contract, compared with less than 10% for the native-born (Table 7.1). In all countries and for both genders, the incidence of temporary employment is higher among immigrants than among the native-born. This is, however, not the case for female immigrants in Turkey and small differences are noted between the natives and foreign-born in Australia and Canada. In Austria, Denmark, Ireland, Luxembourg, Norway, Switzerland and the United Kingdom, less than ten per cent of immigrants are in temporary employment, whereas in Portugal and Spain, about one out of three employed migrants are.

In these two countries, temporary employment is common even among the native-born, although the incidence is only about half as large for the native-born as for immigrants. This may be linked to some extent to the fact that these two countries have experienced large labour migration flows in recent years and these recent migrants may be more likely to take up temporary jobs in their first years after arrival. Finally, the incidence of temporary employment is higher among immigrant men than immigrant women in Portugal and Spain while the reverse is generally true in other countries.

Recently arrived migrants are more likely to be in temporary employment, which is often a way of entering the labour market. On average across OECD countries, more than one out of five employed immigrants who arrived within the last ten years has a temporary contract. The figure is twice as high as the overall rate in Portugal, Spain and Slovenia (Figure 7.1).

In most countries, the incidence of temporary employment has not changed substantially since 2003-04 (Table 7.1). Notable exception is Spain, where most of the migrants arrived during the first half of the decade and where half of employed immigrants were under fixed-term contract in 2003-04. The percentage of fixed-term contracts decreased to 39% in 2009-10. However, 2011 figures are likely to show some substantial changes in the incidence of temporary work as the result of the effects of the economic crisis.

Table 7.1. **Incidence of temporary work among foreign-born employees aged 15 to 64, not in education, 2003-04 and 2009-10**

Percentage of total employment

	Incidence of temporary work among foreign-born employees (%)		Difference (+/-) with native-born +: Higher than native-born -: Lower than native-born	
	2003-04	2009-10	2003-04	2009-10
Australia	..	24.0		-1.0
Austria	7.8	6.3	-0.2	2.1
Belgium	10.8	12.0	2.1	5.6
Canada	..	10.8	..	-0.9
Czech Republic	..	11.5	..	4.3
Denmark	17.9	8.0	8.5	3.2
Finland	26.0	16.3	8.3	5.1
France	14.7	15.1	-0.5	3.1
Germany	13.5	12.1	1.0	3.4
Greece	22.0	21.1	9.2	11.1
Ireland	6.5	8.6	1.6	1.8
Italy	12.4	14.5	2.6	2.8
Luxembourg	3.8	6.3	0.0	1.0
Netherlands	22.5	19.2	9.6	7.0
Norway	..	10.3	..	2.9
Portugal	32.1	32.3	13.1	11.7
Slovenia	11.2	12.9	-1.9	1.3
Spain	47.6	39.1	16.2	18.2
Sweden	21.4	16.8	7.2	5.6
Switzerland	11.3	7.7	-0.6	2.2
Turkey	..	10.5	..	-0.5
United Kingdom	12.1	7.5	6.0	3.1
OECD average	17.3	15.1	4.8	5.2


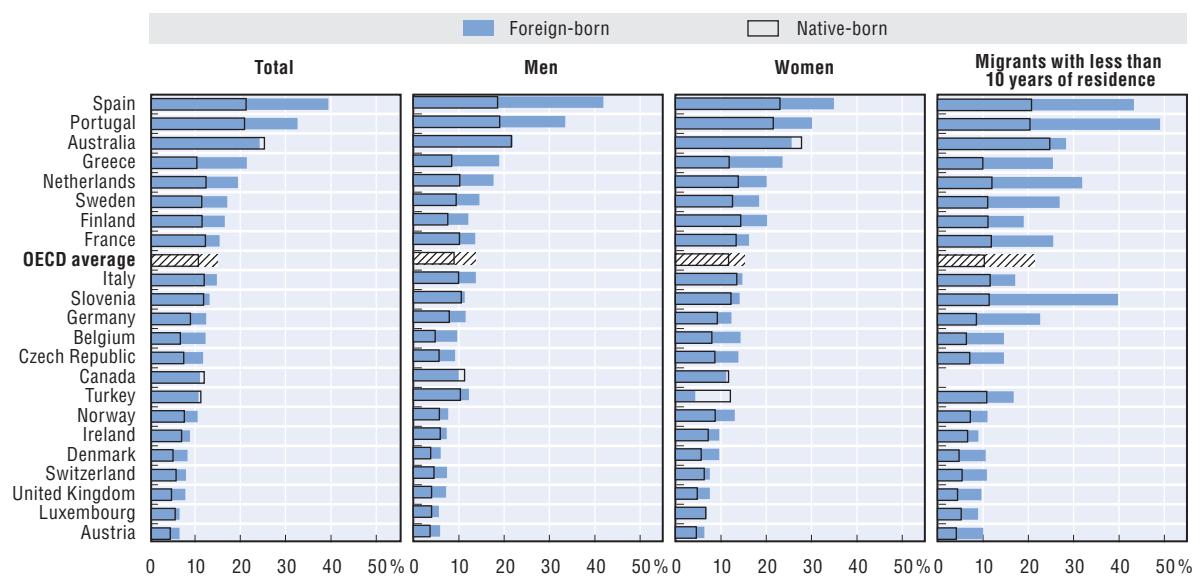
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Figure 7.1. **Incidence of temporary work of foreign- and native-born employees aged 15 to 64 not in education, by various characteristics, 2009-10**

Percentage of total employment



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Notes and sources are at the end of the chapter.

7.1. Temporary work

Native-born offspring of immigrants' outcomes

Background information

A high incidence of fixed-term employment among specific groups (immigrants, young workers, etc.) can be interpreted as a sign of labour market dualism with some workers able to find stable career and well-paid jobs and others failing to do so. Temporary jobs tend to pay less than permanent jobs and offer less access to paid vacations, sick leave, unemployment insurance and other benefits (including training) and limited career prospects. Temporary employment often entails a different set of legal obligations on behalf of employers, as stipulated by employment protection legislation. Temporary employment is usually a source of insecurity for workers.

In European countries, temporary employment comprises work under a fixed-term contract, in contrast to permanent work where there is no end-date. In Australia, temporary work is defined as work without leave entitlements. In all cases, the definition excludes the self-employed. The United States Current Population Survey and the New Zealand Labour Force Survey do not include comparable information and hence these two countries are not included in this analysis.

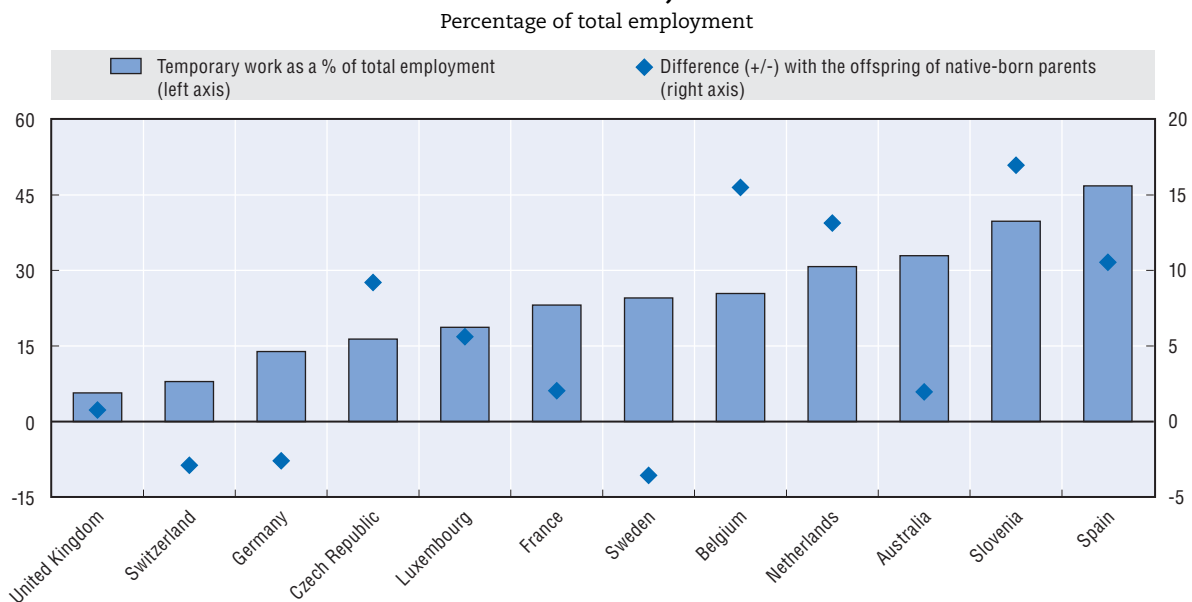
The native-born offspring of immigrants are defined as persons born in the country of residence both of whose parents are foreign-born. The reference population "Offspring of native-born parents" consists of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and not in education.

In 2008, across the 12 OECD countries for which data are available, about one in four native-born offspring of immigrants had a temporary work contract. The share of temporary work of the native-born offspring of immigrants is highest in Spain, where nearly half of the employed native-born offspring of immigrants hold temporary work contracts, followed by Slovenia (40%), Australia (33%), the Netherlands (31%), Belgium and Sweden (each about 25%) (Figure 7.2).

In most OECD countries, offspring of native-born parents are less exposed to temporary work contracts than their counterparts with foreign-born parents (six percentage point difference). The largest gaps are observed in Belgium, the Netherlands, Slovenia and Spain (Figure 7.2). In three OECD countries, Germany, Sweden and Switzerland, the opposite pattern emerges and the native-born offspring of immigrants is less likely to be in temporary employment than their counterparts with native-born parents. This is driven by a lower share of temporary contracts among female native-born offspring of immigrant employees than among offspring of native-born (Figure 7.3).

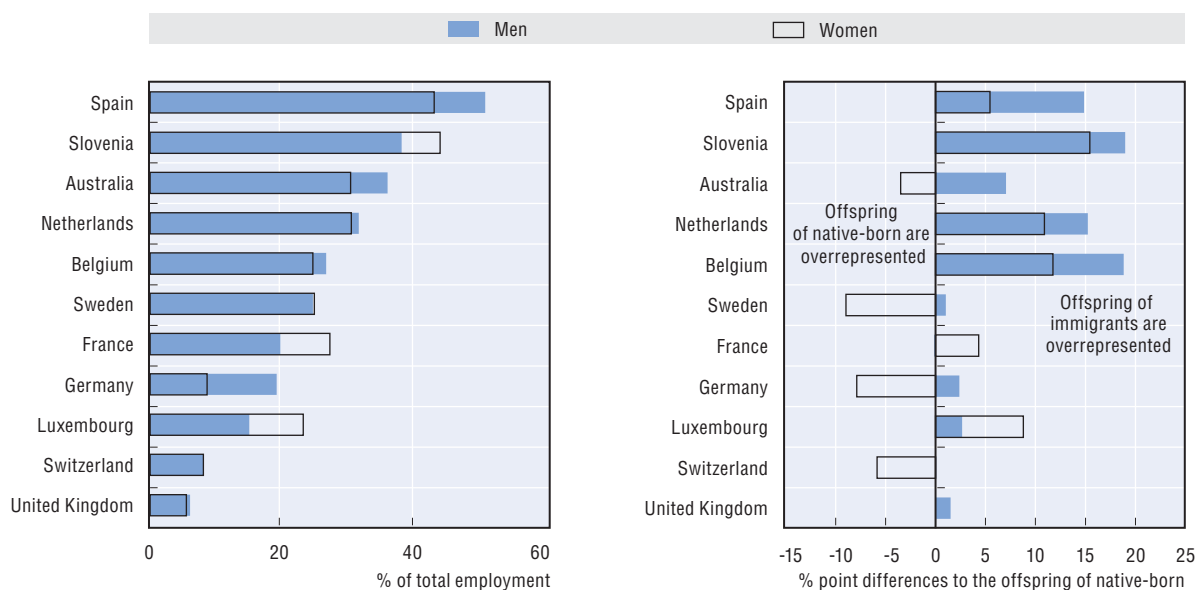
Gender differences among the native-born offspring of immigrants are largest in Germany and in Spain, where men have a higher incidence of temporary work, as well as in France, Luxembourg and Slovenia where women are more affected (Figure 7.3).

Figure 7.2. **Incidence of temporary work of the native-born offspring of immigrants aged 15 to 34 not in education, 2008**



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Figure 7.3. **Incidence of temporary work of the native-born offspring of immigrants, by gender, persons aged 15 to 34 not in education, 2008**



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Notes and sources are at the end of the chapter.

7.2. Part-time work

Background information

In terms of integration, the number of hours worked is a useful indicator as it gives an indication of the degree of labour utilisation in the labour market. By definition, part-time employment suggests that only part of the work potential is being used. It is generally associated with lower wages, less training, fewer opportunities for career advancement and less job security than full-time employment. However, working part-time may sometimes be a choice and therefore should not systematically be associated with a limited integration in the labour market. Further information, notably on job satisfaction, household income and social integration would be needed to identify such situations.

There is no universally accepted definition of part-time work/employment. A definition proposed by the ILO defines part-time work as “regular employment in which working time is substantially less than normal”. The threshold between part-time and “normal” – that is, full-time – employment varies from country to country. Below, part-time employment is defined as working less than 30 hours per week. This definition does not distinguish between persons working only very few hours and those close to full-time employment. This is the definition used in the following section.

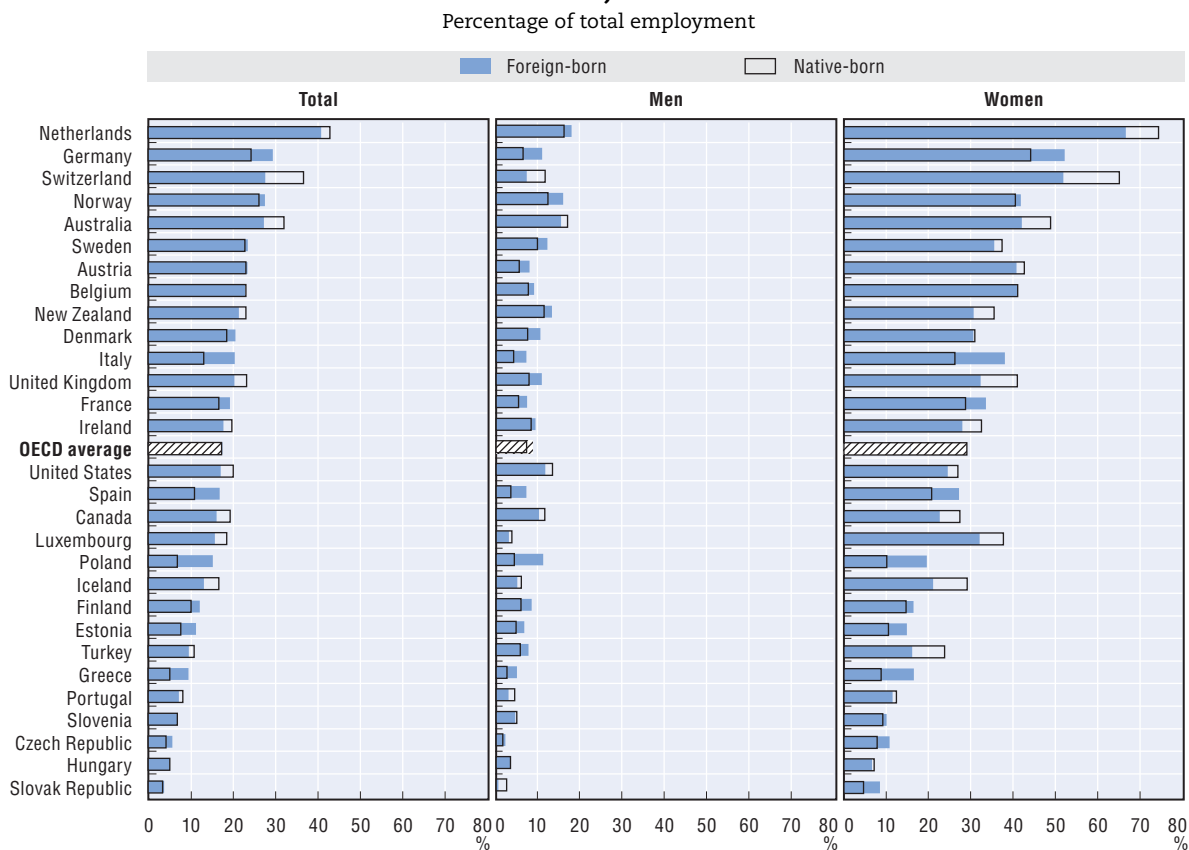
Differences in the incidence of part-time employment between foreign- and native-born populations are overall fairly small. On average across OECD countries, around 17% of both groups are employed in part-time work. There is more variation across countries than within countries between immigrants and the native-born. The share of part-time employment is highest in Australia, Germany, the Netherlands, Norway and Switzerland, both among foreign- and native-born populations and lowest in eastern European countries and Portugal, where the supply of part-time work is more limited.

Part-time work is dominated by women and, in all OECD countries, both for foreign- and native-born populations. On average across OECD countries, 29% of employed immigrant and native-born women work part-time (Figure 7.4). Among men, the share of part-time employment is somewhat higher among immigrants than among the native-born (8.4% *versus* 7.2%), but remains low.

The cross-country variation of part-time employment is lower among immigrant women than among their native-born peers. In the Czech Republic, Estonia, Greece, Poland and the Slovak Republic, where few native-born women work part-time, immigrant women have a higher share of part-time employment than native-born. The reverse is the case in the Netherlands and Switzerland, where the share of native-born female employees working part-time is highest.

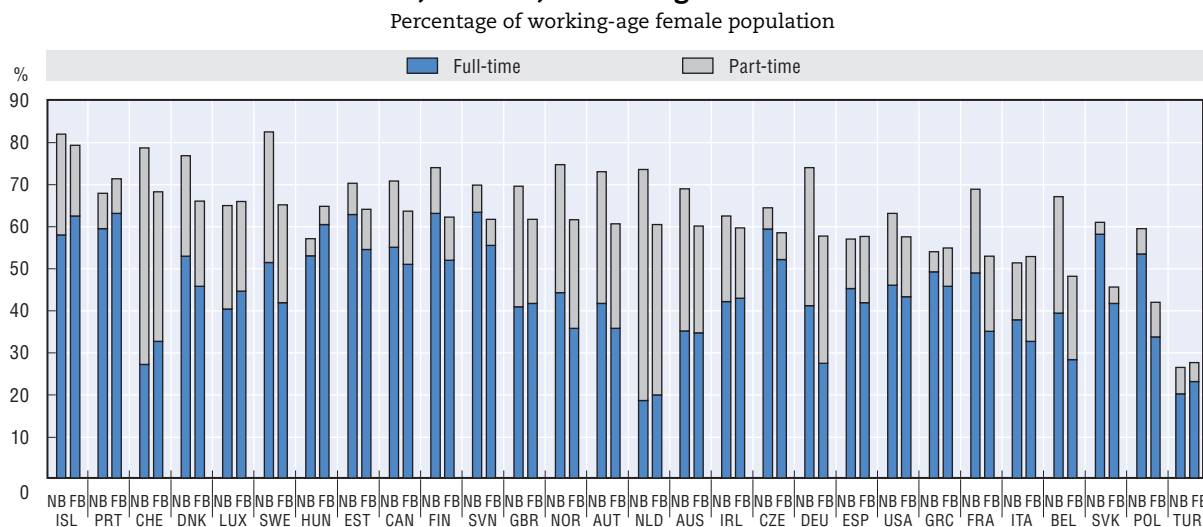
In a limited number of countries where part-time is a common practice among native-born women (the Netherlands, Switzerland and to a lesser extent Australia and the United Kingdom), the difference in employment rates of foreign-born women compared with those of native-born women is mainly driven by the lower incidence of part-time employment among the former group. This may suggest that a substantial share of native-born women have chosen to work part-time but that foreign-born women are less willing to be in such situations, notably for economic reasons or less likely to get such opportunities due to the characteristics of their occupations and sectors of activity.

Figure 7.4. **Foreign- and native-born in part-time work, by gender, persons aged 15 to 64 not in education, 2009-10**



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Figure 7.5. **Disaggregation of female foreign- and native-born employment rates into part and full-time work, 2009-10, women aged 15 to 64 not in education**



Note: FB stands for foreign-born; NB for native-born.

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Notes and sources are at the end of the chapter.

7.3. Skill level of employment

Background information

The skill level of employment is measured in terms of the international standard classification of occupations (ISCO) provided by the ILO, which groups jobs according to the tasks and duties undertaken. The ISCO distinguishes about 400 individual occupations that are grouped into job families.

Three main skill levels of jobs can be distinguished. Managers, professionals, technicians and associate professionals (ISCO 1-3) are defined as highly skilled jobs. Elementary occupations (ISCO 9) are defined as low-skilled jobs. All other occupations (ISCO 4-8) are defined as medium-skilled jobs.

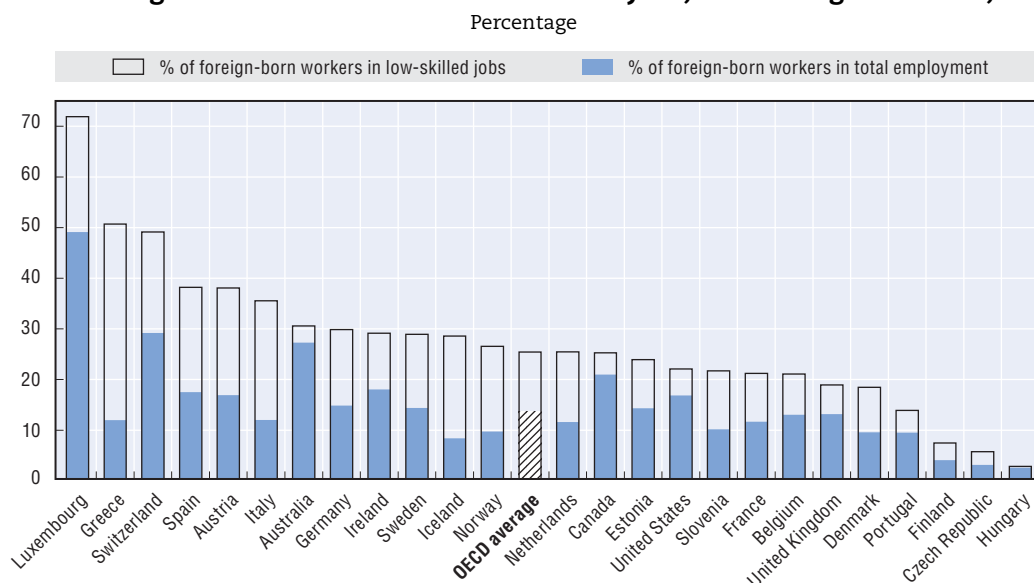
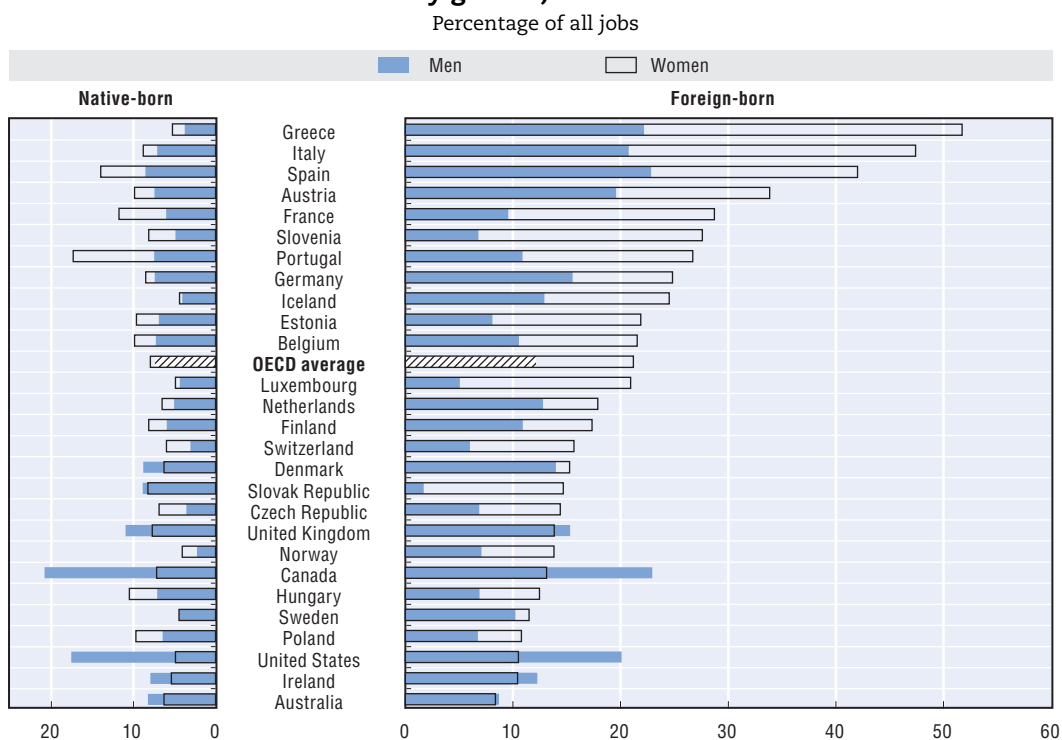
The skill classification in survey data, as used here, is based on the respondents' self-declaration and provides no information on whether or not the job holder actually has the skills demanded by the job, or whether or not the incumbent has been trained on the job, or whether he or she acquired skills for any other job. This section on skill level of employment should be seen as an introduction to the following section on overqualification.

On average across OECD countries, 16% of employed immigrants work in low-skilled jobs, compared with 7% for the native-born (Table 7.A1.1). In all OECD countries, immigrants are overrepresented in low-skilled jobs. In Greece, immigrants are almost eight times more often employed in such jobs than the native-born. In Austria, Iceland, Italy and Norway, employed immigrants are about three times as likely to be in a low-skilled job as the employed native-born.

In many countries, immigrants take up a large portion of menial jobs – more than 70% in Luxembourg, about half in Greece and Switzerland and almost 40% in Austria, Italy and Spain (Figure 7.6).

Among immigrants, there is a clear gender dimension to the incidence of low-skilled employment. Twenty-two per cent of employed immigrant women are in low-skilled employment, twice the share among men. Among the native-born, no such gender difference is discernible (Figure 7.7).

The situation for highly skilled occupations broadly mirrors that for the low-skilled except in settlement countries (Australia and Canada), where immigrants are slightly overrepresented both among low and highly skilled employees and therefore underrepresented among the medium-skilled. In the rest of the countries where immigrants are overrepresented in low-skilled jobs, they are underrepresented in highly skilled jobs, especially in southern European countries where much recent labour migration is concentrated in lower-skilled jobs. The same pattern applies in some countries with a long-standing immigration history, such as Austria, the Netherlands and Sweden, where immigrants are underrepresented in highly skilled jobs by more than 10 percentage points. Among European countries, only in Hungary and Portugal are immigrants not underrepresented in highly skilled occupations.

Figure 7.6. **Foreign-born worker share of low-skilled jobs, workers aged 15 to 64, 2009-10**StatLink <http://dx.doi.org/10.1787/888932735483>Figure 7.7. **Foreign- and native-born workers aged 15 to 64 in low-skilled jobs, by gender, 2009-10**StatLink <http://dx.doi.org/10.1787/888932735502>

Notes and sources are at the end of the chapter.

7.4. Overqualification

Outcomes and trends

Background information

Overqualification refers to a situation in which the actual level of formal education is higher than that required by the job. The limited transferability of human capital across countries (in particular owing to limited language skills, the lack of efficient professional network and the non-recognition of one's qualification) makes it more likely that some immigrants will take up jobs below their formal education level.

The level of educational attainment is measured in terms of the international standard classification of educational degrees (ISCED) and the level of job classification in terms of the international standard classification of occupations (ISCO – see previous section). A person with a tertiary degree and above (ISCED 5 and above) is defined here as highly educated. The focus of this indicator is on the highly educated, who are thus “overqualified” for their jobs if they are in occupations other than those defined as highly skilled. Managers of small enterprises (ISCO 131) have been excluded. The matching of educational levels and job categories is somewhat arbitrary, since the exact prerequisites for any given job are not examined and may vary across countries. Furthermore, the available data only allow for a measurement of formal qualifications, which excludes skills acquired outside the classroom and prior work experience. Finally, part of the observed difference is due to lower literacy, which in turn indicates that foreign degrees may not always be fully equivalent to those acquired in the country of residence.

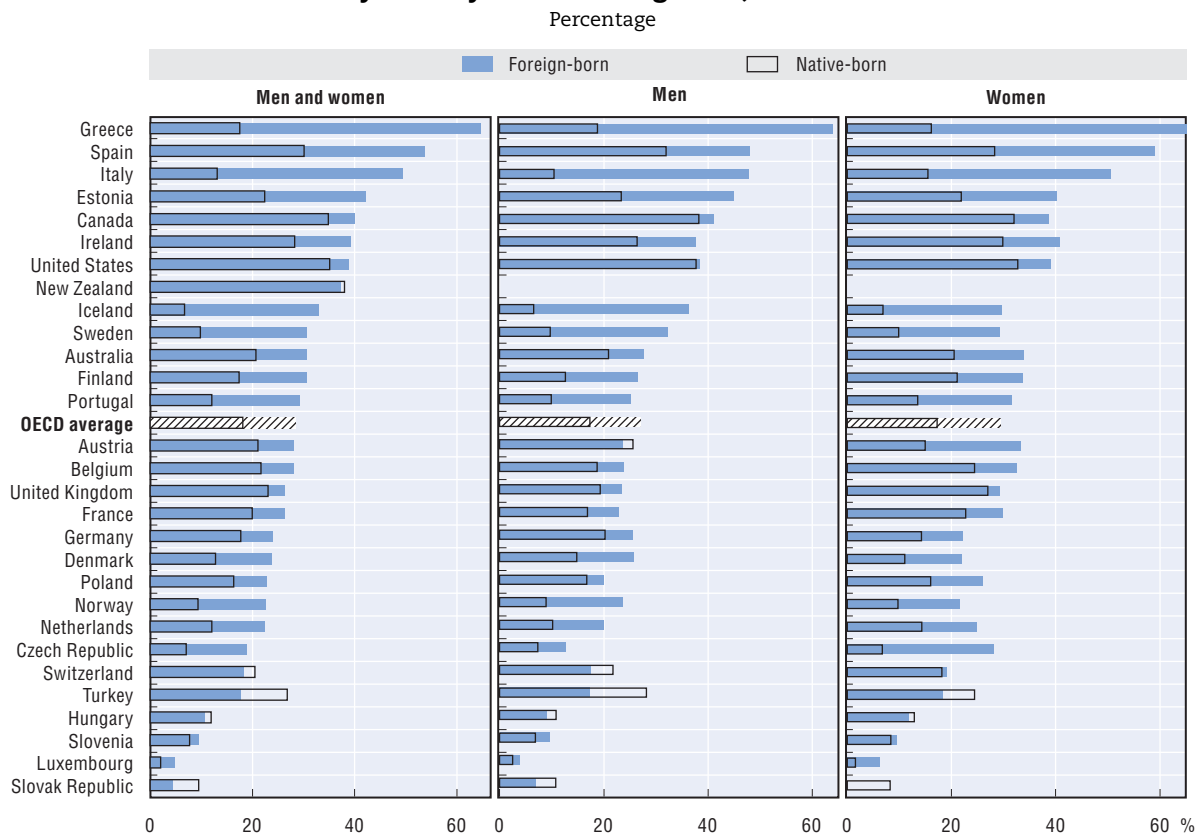
On average across OECD countries, 28.3% of highly educated immigrants are formally overqualified for the jobs that they hold, compared with less than 17.6% for the native-born. The incidence of immigrant overqualification as well as the differences with the native-born are particularly high in Greece, Italy and Spain – where many migrants have arrived more recently as labour migrants taking up low-skilled jobs. Immigrants are also much more likely to be overqualified in countries where migration is motivated by humanitarian reasons, for example, in Sweden and Norway. The figure for immigrant women is slightly higher than that for men, 29.4% compared with 27% (Figure 7.8).

Whereas the incidence of overqualification has broadly remained constant for native-born populations on average across OECD countries, it has increased among immigrants since 2003-04. Increases were again strong in southern European countries and Ireland, but also in Austria, Finland, France and the United Kingdom. In contrast, in Germany and Norway, immigrant overqualification rates declined between 2003-04 and 2009-10 (Figure 7.9).

In most countries, the incidence of overqualification decreases with the duration of stay and hence with the acquisition of host-country language and other skills as well as the development of networks (Figure 7.A2.1). In Greece, Italy, Portugal and Spain, at least two-thirds of recent highly educated employed immigrants are in jobs for which they are formally overqualified. In Ireland, their overqualification rate is close to 50%.

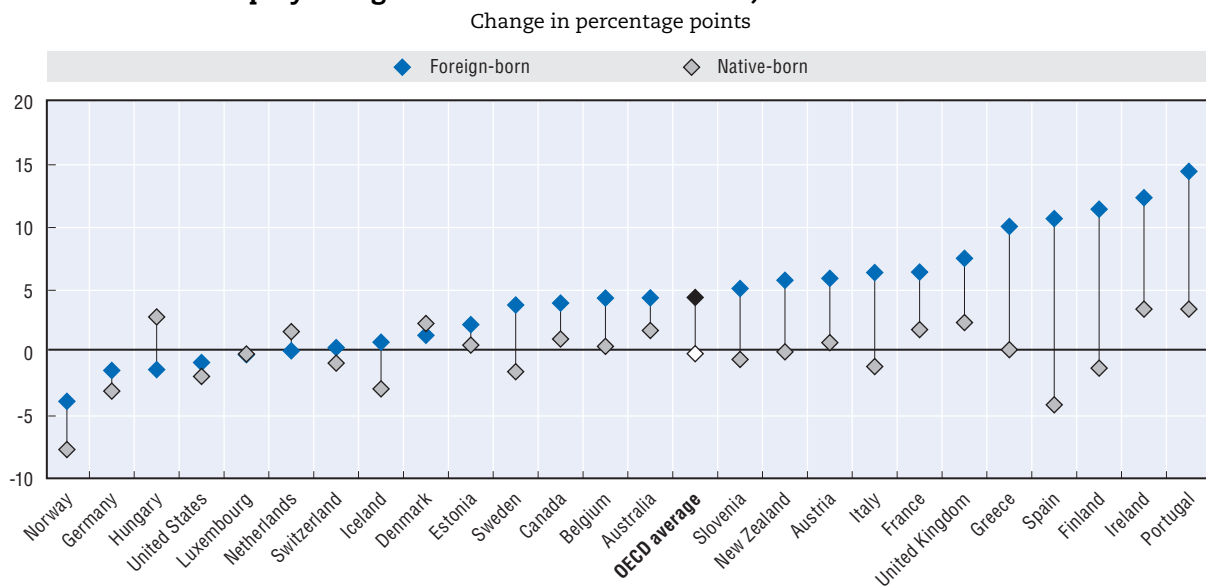
In all countries, except Slovenia, immigrants from OECD high-income countries are less likely to be overqualified than other immigrants (Figure 7.A2.2). On average, there is virtually no difference in the likelihood to be overqualified between immigrants from high-income OECD countries and the native-born. In contrast, immigrants from other countries are on average more than twice as likely as the native-born to be overqualified for their jobs. Their formal qualifications are thus highly discounted in the labour markets of OECD countries. The discount is mainly observed for those who have obtained their qualifications in non-OECD countries (Figure 7.A2.3). In contrast, immigrants trained in the country of residence have similar overqualification rates to the native-born (and in some countries, even lower rates) and always lower than those who have acquired their qualifications abroad.

Figure 7.8. **Overqualification rates of highly educated employees aged 15 to 64 not in education, by country of birth and gender, 2009-10**



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Figure 7.9. **Change in overqualification rates of highly educated foreign- and native-born employees aged 15 to 64 not in education, 2003-04 to 2009-10**



StatLink <http://dx.doi.org/10.1787/888932735540>

Notes and sources are at the end of the chapter, as well as an annex including three additional figures.

7.4. Overqualification

Native-born offspring of immigrants' outcomes

Background information

Immigrants often hold higher degrees than their job requires owing to the limited transferability of human capital across countries. This does not apply to native-born offspring of immigrants who should have the same magnitude of skill mismatch between formal educational attainment levels and jobs as the offspring of native-born, if all differences between foreign- and native-born populations (refer to the previous section) are related to the transferability of human capital or to the quality of qualifications acquired abroad.

For sample size issues, the definition of an overqualified person is extended to persons holding medium-level education. In the following section, overqualified persons are persons holding medium-level education (ISCED 3/4) and working in low-skilled jobs (ISCO 9) or holding high-level education (ISCED 5/6) and working in low- or medium-skilled jobs (ISCO 4 to 9). The overall incidence of overqualification of the highly educated is presented only at the end of this section.

The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. The reference population consists of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and not in education.

In 2008, on average across OECD countries, around 16% of native-born offspring of immigrants aged 15 to 34 are overqualified, compared with 13% of the offspring of native-born parents. The rate ranges from less than 10% in Germany, Norway, Slovenia and Switzerland to more than 25% in Canada and Spain. In the United Kingdom and the United States, a significant share of native-born offspring of immigrants is overqualified (about 20%). In the latter country as well as in Switzerland, are the offspring of the native-born more likely to be overqualified than the offspring of immigrants (Figure 7.10).

When accounting only for the highly educated, in Estonia, Germany and the Netherlands, the highly educated native-born offspring of immigrants face more problems in finding jobs corresponding to their formal qualification than do offspring of the native-born (Figure 7.11). Conversely, in Canada, Switzerland and the United States, the overqualification rate of the highly educated native-born offspring of immigrants is below the share of their counterparts with native-born parents. In Switzerland, this is mostly a result of the important share of immigrants from other OECD countries, especially from neighbouring countries, sharing a common language. In Canada and the United States, this is possibly linked to selective highly skilled migration as inter-generational transmission of education is generally strong.

Figure 7.10. **Overqualification of native-born offspring of immigrants compared with offspring of native-born, persons aged 15 to 34 not in education, 2008**

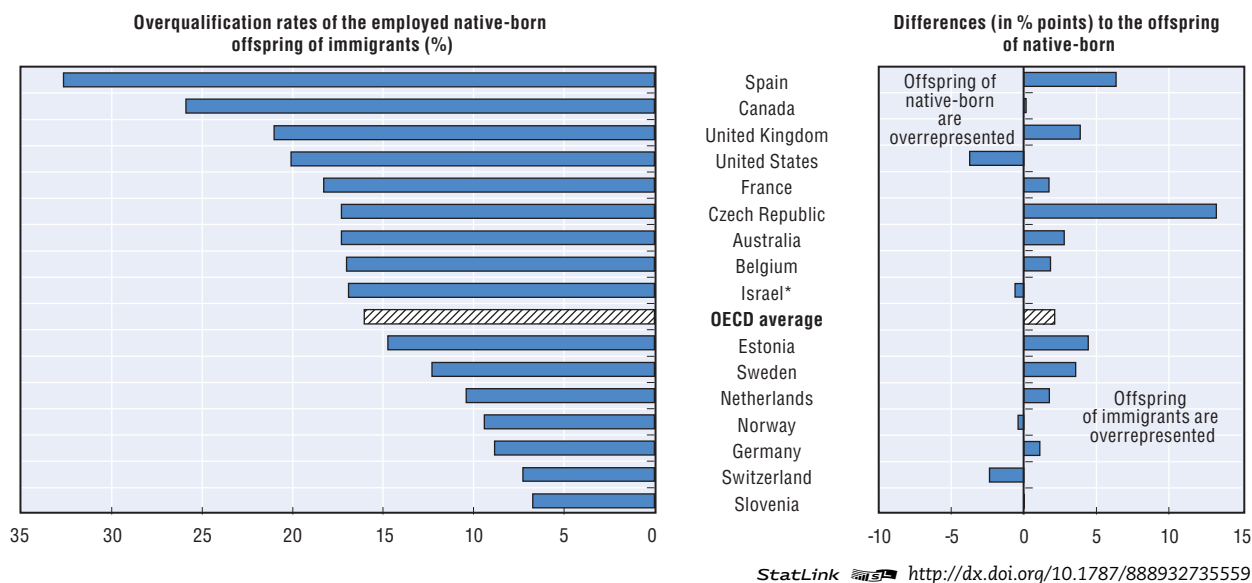
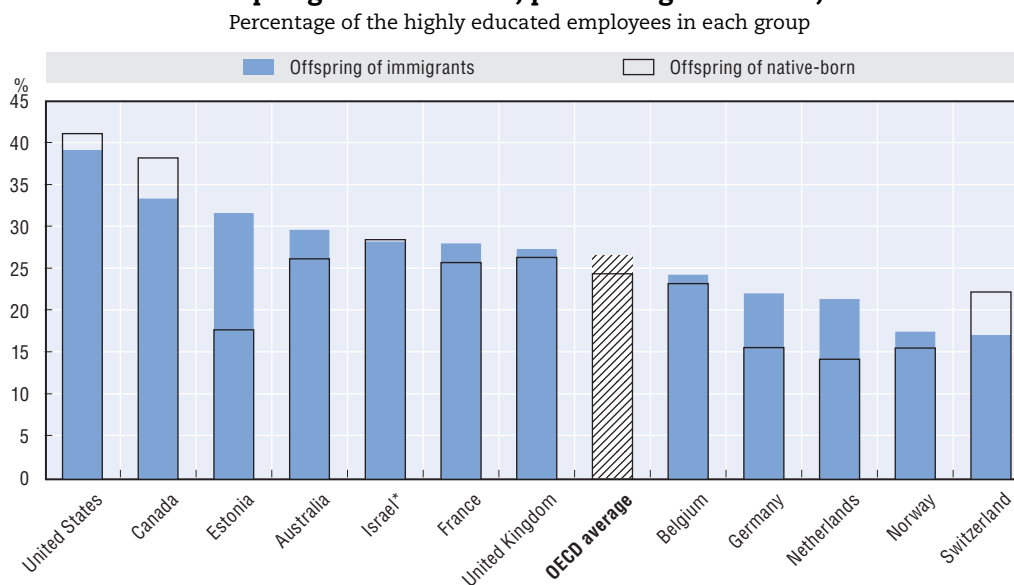


Figure 7.11. **Overqualification of highly educated, native-born offspring of immigrants and offspring of native-born, persons aged 15 to 34, 2008**



Notes and sources are at the end of the chapter.

7.5. Self-employment

Background information

The incidence of self-employment among immigrants is a rough indication of the degree to which they contribute to job creation. Self-employment is heterogeneous and the characteristics of self-employed immigrants may differ from those of the native-born. Self-employment may also be a strategy for migrants to escape marginalisation in the labour market and, depending of the characteristics of the business, may not imply successful labour market integration. Comparisons with the native-born population may be biased by the fact that, in some countries, setting up a business is conditional to the number of years spent in the host country. Moreover, immigrants may face credit constraints and hence may be less likely than native-born to have the necessary capital to start their business.

In this section, the self-employed are individuals who work in their own business or practice for the purpose of earning profit. It includes both employers as well as the self-employed without employees. The self-employment rate gives the percentage of the self-employed among the working age (15 to 64) employed population, excluding agricultural activities.

The data are based on self-declaration in surveys and do not necessarily match with registered businesses. The incidence of self-employment itself provides no information on employment creation, business success and/or survival.

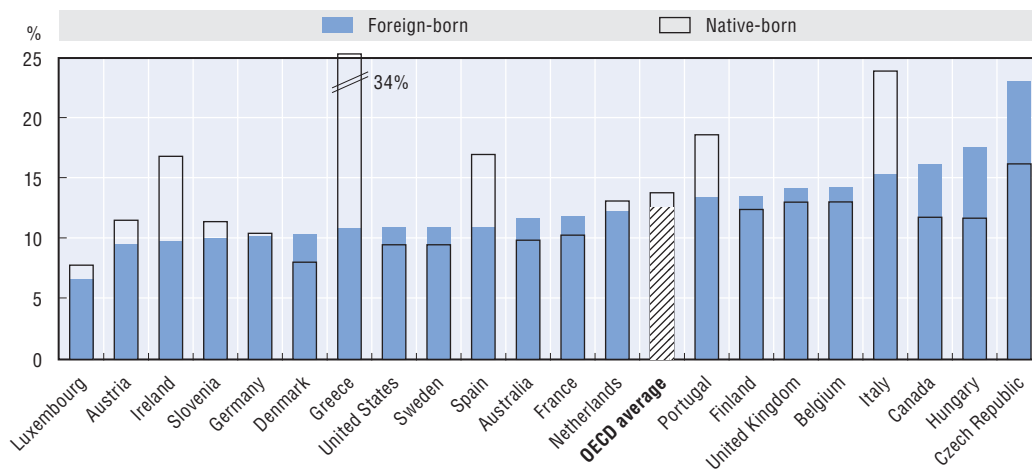
Because of sample size issues, this indicator is not presented for native-born offspring of immigrants.

On average across OECD countries, 12.6% of the foreign-born are self-employed, slightly less than among the native-born. Except in southern European countries and Ireland where native-born are more likely to be self-employed than foreign-born, there is little difference in the self-employment rate between the two groups (Figure 7.12). The relatively low incidence of migrant self-employment may be surprising, since immigrants often come from countries in which self-employment is high. However, the business environment in the host country is often different from that in origin countries. Immigrants often lack knowledge, at least initially, about the host country's business context, rules and requirements as well as substantial capital necessary to set up a business.

In southern European countries and Ireland, self-employment among the native-born is high, and a large part of the immigrant population has only recently arrived. Therefore, immigrant self-employment rates are lower than those for the native-born. Figure 7.13 illustrates the link between duration of residence and self-employment. In most OECD countries, the incidence of self-employment is higher among immigrants with more than ten years of residence than among immigrants who have arrived more recently which supports the idea that immigrants lack capital and networks in the first years of residence.

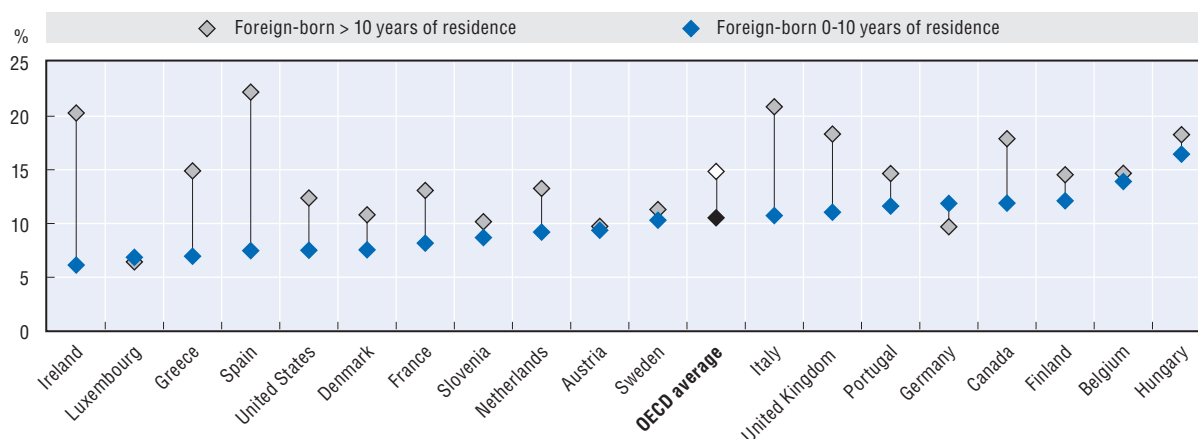
Immigrant self-employment also differs quite significantly by origin. In general, immigrants from OECD high-income countries are more likely to be self-employed than immigrants from lower-income countries (Figure 7.14). The exceptions are the Czech Republic, Finland and the United Kingdom, where many immigrants from lower-income countries come from Asian countries and tend to have particularly high self-employment rates.

Figure 7.12. **Foreign- and native-born self-employed aged 15 to 64, 2009-10**
Percentage of total employment (excluding agricultural activities)



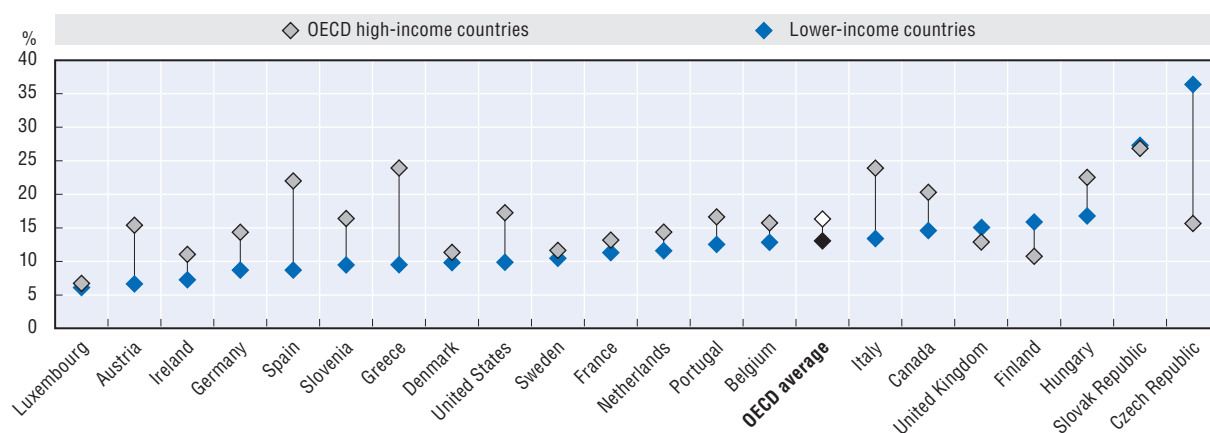
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Figure 7.13. **Foreign-born self-employed aged 15 to 64, by duration of stay, 2009-10**
Percentage of total employment (excluding agricultural activities)



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Figure 7.14. **Foreign-born self-employed aged 15 to 64, by origin, 2009-10**
Percentage of total employment (excluding agricultural activities)



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Notes and sources are at the end of the chapter.

7.6. Native-born offspring of immigrants in the public sector

Background information

The incidence of persons with a foreign background in the public sector may affect the degree to which they are integrated in the labour market. Comparisons of the share of jobs in the public sector among the foreign- and native-born populations, however, are biased by the fact that a portion of these jobs is restricted to persons who are nationals of the host country. Therefore, the incidence of employment of persons with a foreign background in the public sector would *de facto* exclude a substantial part of immigrants with a foreign nationality. For this reason, the following section only focuses on native-born offspring of immigrants, the bulk of whom are nationals of the host country.

Employment in the public sector is defined as the population working in public administration, human health and social work activities or in education.

The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. Offspring of native-born consist of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and not in education. In what follows, sample size issues limit the number of analysis that could be carried out.

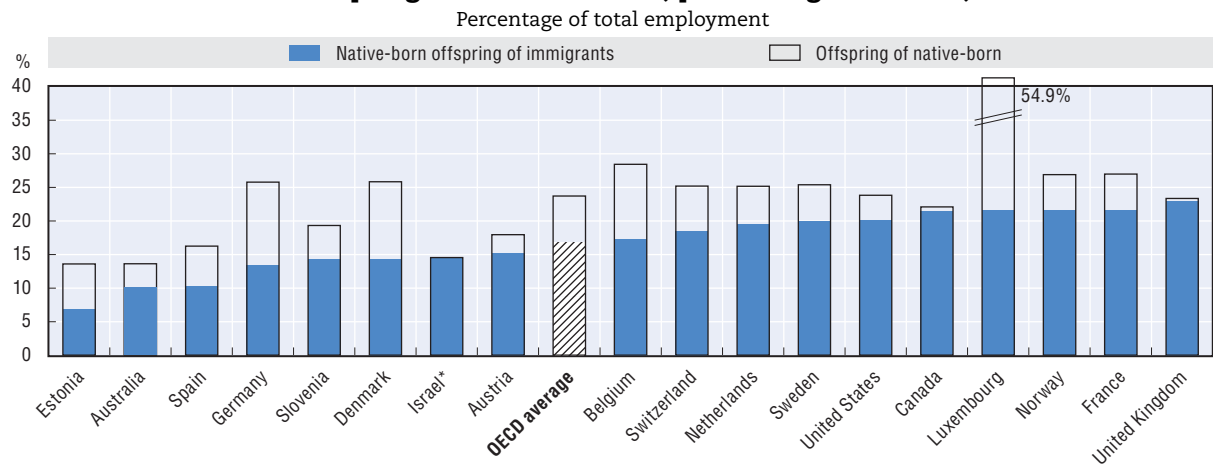
On average across OECD countries, in 2008, 17% of native-born offspring of immigrants were employed in the public sector compared with 24% among the offspring of native-born parents. The highest share of public sector employment of the native-born offspring of immigrants is observed in the United Kingdom, where about one in four persons with immigrant parents is employed in the public sector, followed by France (22%), Norway (22%) and Luxembourg (20%). The smallest figures are registered in Australia, Estonia and Spain where only 10% or less of the native-born offspring of immigrants aged 15 to 34 are employed in the public sector (Figure 7.15).

With the exception of Canada, Israel* and the United Kingdom, the native-born offspring of immigrants are less likely to be employed in the public sector than the offspring of native-born. The largest differences with the offspring of native-born parents are observed for Luxembourg where more than half of the offspring of native-born are employed in the public sector (compared with 21.5% of the native-born offspring of immigrants) (Figure 7.15).

Large differences in employment rates with offspring of native-born in Belgium and Spain are partly explained by the low share of employment in the public sector among native-born offspring of immigrants (Figure 7.16). The same trend is observed in Denmark, Germany and Sweden with nevertheless smaller gaps with the employment rates of the offspring of native-born. In contrast, the relatively low share of offspring of immigrants in the public sector in Luxembourg is offset by the large number of jobs they hold in the private sector.

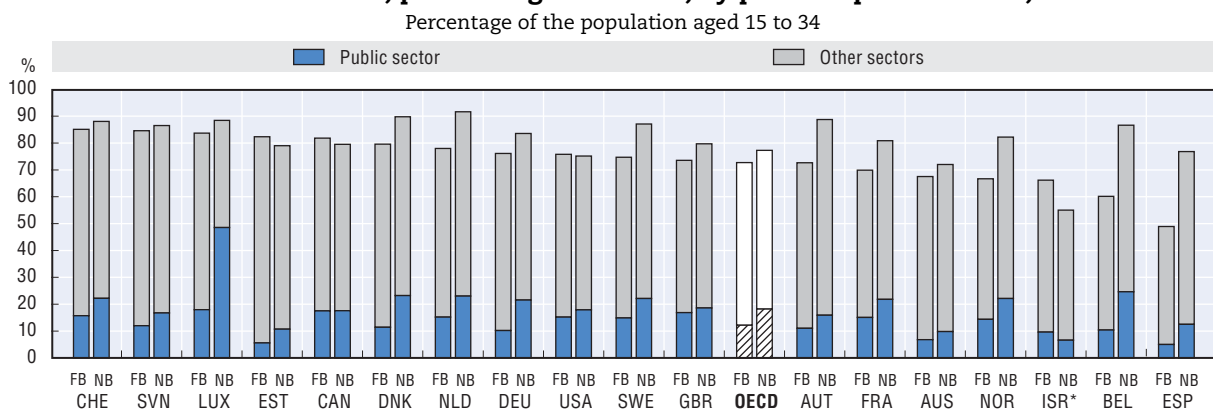
In most OECD countries, about two-thirds of public sector employment is in the education and health sectors. This pattern holds for both native-born offspring of immigrants and the offspring of native-born. While in France, the United Kingdom and the United States, more than half of native-born offspring of immigrants working in the public sector are highly educated, they are predominantly medium-educated in other countries for which sample sizes are big enough to disaggregate data by level of education (namely Belgium, Germany, the Netherlands, Sweden and Switzerland). In these countries, highly educated native-born offspring of immigrants are underrepresented in the public sector, compared with the situation of offspring of native-born. However, their underrepresentation is less pronounced than the overall trend in France, Germany and Switzerland. The reverse is true in Sweden, the United Kingdom and the United States where the highly educated native-born offspring of immigrants are even more underrepresented in the public sector than lower educated native-born offspring of immigrants (Figure 7.17).

Figure 7.15. **Public sector employment of native-born offspring of immigrants compared with the offspring of the native-born, persons aged 15 to 34, 2008**



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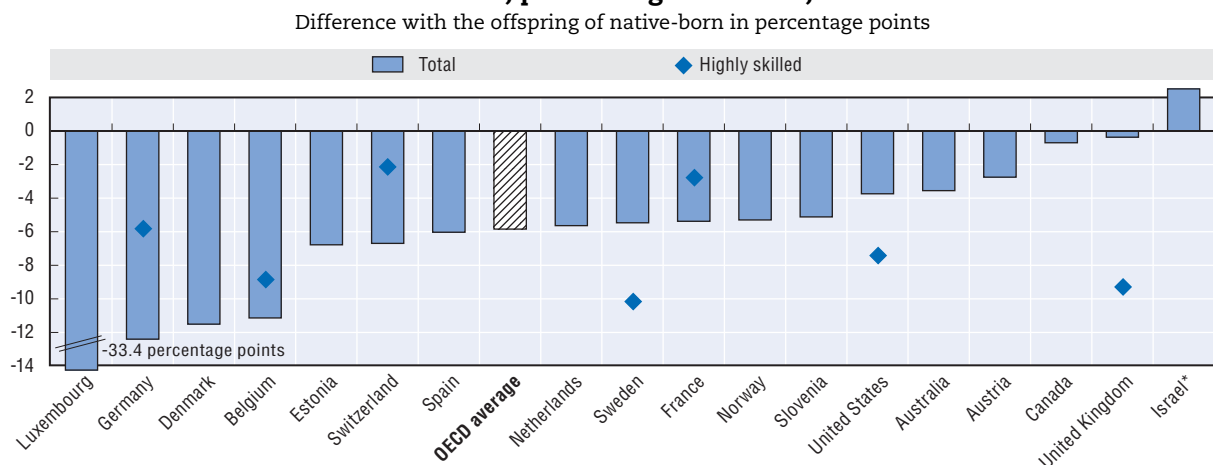
Figure 7.16. **Decomposition of employment rates into employment in the public sector and in other sectors, persons aged 15 to 34, by parents' place of birth, 2008**



Note: FB stands for native-born offspring of immigrants; NB for offspring of native-born.

StatLink <http://dx.doi.org/10.1787/888932736319>

Figure 7.17. **Native-born offspring of immigrants employed in the public sector by level of education, persons aged 15 to 34, 2008**



StatLink <http://dx.doi.org/10.1787/888932736604>

Notes and sources are at the end of the chapter.

Measurement

Job stability is measured here in terms of contractual situation – temporary versus permanent employment (Indicator 7.1). The degree to which migrants' human capital is used in the labour market is first captured in this chapter by the number of hours worked (Indicator 7.2). Second, matching between job level and individual qualification (Indicators 7.4) is introduced by a presentation of job skills (Indicators 7.3). Migrants can also integrate into the labour market as entrepreneurs. However, comparing entrepreneurship and employment creation of immigrants across OECD countries is not straightforward, owing to lack of adequate data. A proxy measure (the incidence of self-employment) is presented below (Indicator 7.5). Finally, the share of employment in the public sector is examined (Indicator 7.6). However, comparisons of the share of jobs in the public sector between foreign- and native-born populations are biased by the fact that part of these jobs is restricted to persons who are nationals of the host country. Therefore, Indicator 7.6 only focuses on the native-born offspring of immigrants, the bulk of whom are nationals of the host country. Low native-born offspring of immigrants' integration in the public sector can partly explain the differences in employment rates with the offspring of native-born parents.

Owing to sample size limitations, some indicators are only presented for foreign- and native-born populations and not for the native-born offspring of immigrants. Persons still in education have been excluded from most indicators. This makes it possible to limit the impact of differences in age structure on outcomes without excluding young employed persons from the analysis.

Notes, sources and further reading

Notes for tables and figures

In many countries, the LFS sample is selected from a stratified sampling design. In the case of Norway, the sample frame is based on the Central Population Register. As of recent, the country of birth is used as a stratification variable and therefore outcomes are not comparable to previous estimates. Only 2010 estimates could be revised. Evolution in outcomes since 2000 is based on non-revised figures and therefore should be interpreted with caution. Data on native-born offspring of immigrants and on native-born parents are extracted from the Central Population Register.

Figure 7.5: Data for the United States include persons still in education.

Figure 7.8: Countries are ranked by immigrants' rate of overqualification (men and women).

Figure 7.17: Sample sizes of highly educated native-born offspring of immigrants employed in the public sector are too small to produce reliable estimates in most countries.

* Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>.

Sources

Immigrant and native-born populations

European Union Labour Force Survey (Eurostat); Australian, Canadian, Israeli and New Zealand Labour Force Surveys; US Current Population Survey.

Native-born offspring of immigrant and of native-born parents

Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey, *ad-hoc* module 2008 (Eurostat); Israeli Labour Force Survey 2009; US Current Population Survey 2008.

Further reading

OECD (2002), "Taking the Measure of Temporary Employment", Chapter 3 in *OECD Employment Outlook*, OECD Publishing, Paris.

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ANNEX 7.A1

*Skill level of employment*Table 7.A1.1. **Foreign- and native-born workers aged 15 to 64 by skill level of employment (ISCO), 2009-10**

	Foreign-born			Difference with the native-born +: higher than native-born -: lower than native-born		
	Percentages			Percentage points		
	Low-skilled	Medium-skilled	High-skilled	Low-skilled	Medium-skilled	High-skilled
Australia	9	44	48	1.7	-4.8	4.0
Austria	26	46	28	17.6	-5.3	-12.4
Belgium	15	44	40	6.8	-1.0	-5.7
Canada	18	35	47	4.0	-6.8	2.9
Czech Republic	10	53	37	5.0	-1.7	-3.3
Denmark	15	40	46	7.0	-2.1	-4.9
Estonia	16	50	34	7.4	0.8	-8.2
Finland	14	45	41	6.9	-0.9	-6.0
France	18	46	36	9.4	-2.0	-7.5
Germany	20	52	28	11.7	4.6	-15.9
Greece	34	58	9	29.3	0.1	-29.4
Hungary	10	45	45	1.1	-11.4	10.3
Iceland	19	48	33	14.5	4.4	-18.9
Ireland	11	50	39	4.7	0.4	-5.1
Italy	32	54	14	24.3	2.8	-27.1
Luxembourg	12	31	57	7.4	-7.4	0.0
Netherlands	15	44	41	9.5	3.7	-13.1
Norway	10	49	41	7.0	0.5	-7.6
Poland	9	44	47	0.8	-14.2	13.5
Portugal	19	54	27	6.7	-7.9	1.2
Slovenia	16	57	28	9.6	6.1	-15.6
Spain	32	51	17	21.1	-0.6	-20.6
Sweden	11	52	37	6.4	5.0	-11.4
Switzerland	10	47	43	5.9	2.5	-8.4
United Kingdom	15	41	44	5.2	-5.1	-0.1
United States	16	56	28	4.6	4.2	-8.7
OECD average	16	47	36	9	-2	-7

Source: European Union Labour Force Survey; US Current Population Survey; Australian and Canadian Labour Force Surveys.

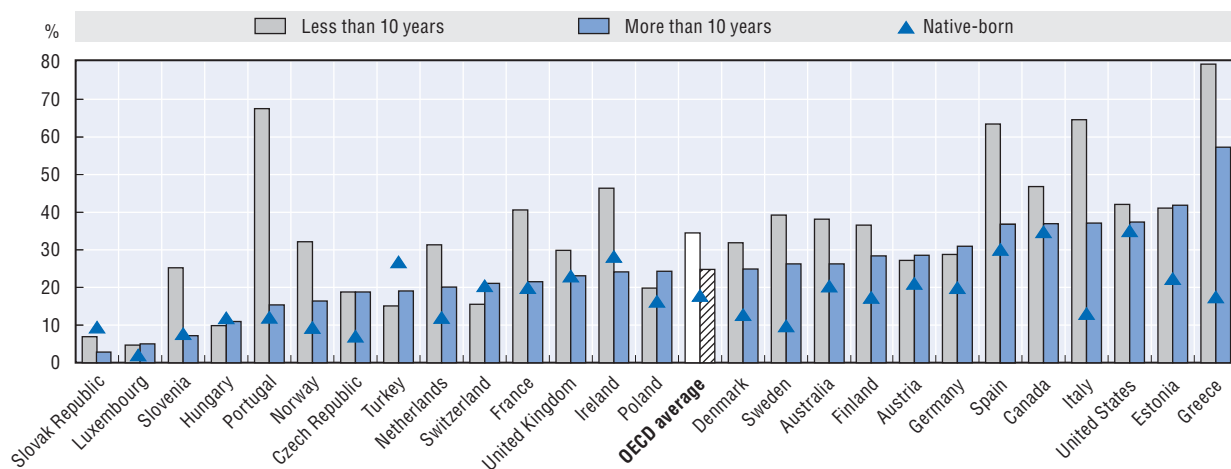
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ANNEX 7.A2

Overqualification

Figure 7.A2.1. **Overqualification rates of highly educated immigrants aged 15 to 64 not in education, by duration of stay, 2009-10**

Percentage of highly educated employees



Source: European Union Labour Force Survey; US Current Population Survey; Australian and Canadian Labour Force Surveys.


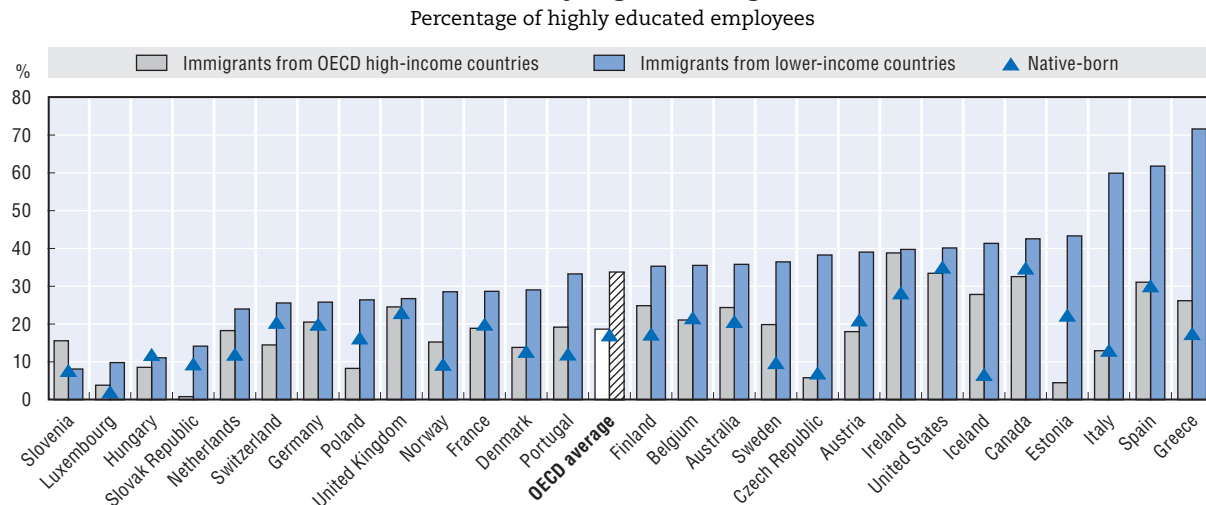
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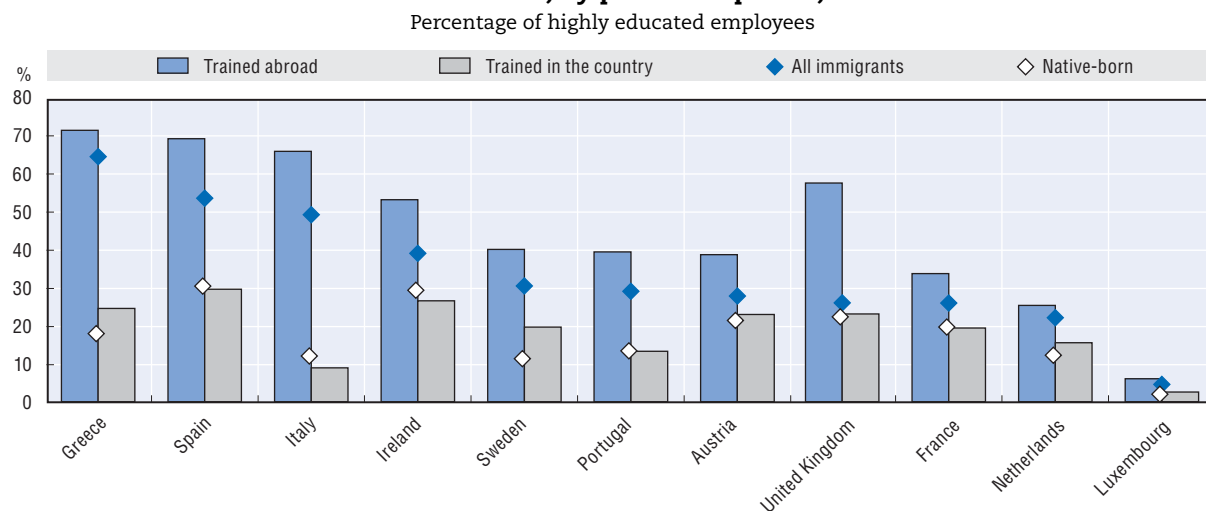
Figure 7.A2.2. **Overqualification rates of highly educated immigrants aged 15 to 64 not in education, by region of origin, 2009-10**



Source: European Union Labour Force Survey; US Current Population Survey; Australian and Canadian Labour Force Surveys.

StatLink <http://dx.doi.org/10.1787/888932735673>

Figure 7.A2.3. **Overqualification rates of highly educated immigrants aged 15 to 64 not in education, by place of diploma, 2008**



Source: European Union Labour Force Survey, 2008 ad-hoc module (Eurostat).

StatLink <http://dx.doi.org/10.1787/888932735692>