

# **3** Immigrant skills and labour market integration

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Immigrants' skills and how they integrate into the labour market are fundamental to becoming part of the host country's economic fabric. Skills and qualifications are indicators of immigrants' ability to integrate in the host society. Employment is often considered to be the single most important indicator of integration. However, while employment is important per se, job quality is also a strong determinant shaping how immigrants find their place in society. This chapter looks at immigrants' level of education (Indicator 3.1), their uptake of further training (3.2), host-country language proficiency (3.3) and examines their labour market outcomes (3.4 and 3.5). It presents indicators of labour market exclusion (Indicators 3.6 and 3.7) and consider the characteristics of immigrants' jobs: types of contracts (Indicator 3.8), working hours (3.9 and 3.10) as well as the skill levels of jobs (3.11). It analyses if migrants are overqualified for their job (Indicator 3.12) and the incidence of self-employment (3.13).

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# In Brief

## Recent migrants are better educated than previous cohorts

- In countries with high shares of labour migration such as the settlement countries, immigrants are educated to higher levels than the native-born. In contrast, over one-third of immigrants in the EU (35%) are low educated, while only one in five of the native-born are (20%).
- Over the last decade, the share of the highly educated among the immigrant population rose in all countries, except Mexico.
- Very-low education (no completed lower secondary education) is a particular challenge. EU-wide, the share of very low-educated migrants is around three times that of the native-born. In the United States, 84% of the working-age very low-educated population are immigrants.
- Adult education helps immigrants to close the gap with the native-born in formal education. However, immigrants are less likely to participate in such education in most European countries, although not significantly in half of them. Gaps in participation with the native-born have widened in around half of all countries in the 2010s.
- In the EU, 62% of immigrants state they have at least advanced proficiency in the language of their host-country, as do 72% in settlement countries and 50% in Korea. Shares are largest in Central Europe, Portugal, Spain as well as in English-speaking destinations. They are lowest in Malta, Cyprus, Estonia, Latvia, the Netherlands and Finland.
- Settled immigrants are almost twice as likely to report language proficiency than recent arrivals (40% for recent vs. 70% for settled migrants), EU-wide. In the United States, the increase associated with duration of residence is smaller (63% vs. 74%). The participation in language courses is associated with a 2 percentage points higher probability of achieving advanced proficiency among migrants who arrived with no more than intermediate language skills.

## Immigrant employment rates have risen over the last decade, and the COVID-19 pandemic did not leave lasting scars

- Immigrant employment rates have risen over the last decade in the majority of countries. While immigrants are still less likely to be employed as native-born in Europe, immigrant employment rates are higher in most non-European OECD countries.
- The unemployment rates of the foreign-born exceed those of the native-born in four out of five countries. They are twice as high across the EU. Gaps are narrower outside Europe. Higher education helps protect against unemployment everywhere, though highly educated immigrants are worse affected by joblessness than their native-born peers. If highly educated immigrants had the same employment rate as their native-born counterparts, the EU would have over 1 million more highly educated people working.
- Despite a sharp increase in unemployment with the onset of the COVID-19 pandemic, joblessness has become less prevalent in most countries among both foreign- and native-born in the last decade. Likewise, employment rates have regained pre-pandemic levels.

### Many immigrants fear labour market exclusion

- The fear of job loss is higher among immigrants than the native-born in virtually all countries.
- Immigrants are more likely than their native-born peers to be long-term unemployed in around half of the EU. Outside the EU, long-term unemployment affects both groups equally.
- Many immigrants want to work but do not look actively for a job. Involuntary inactivity is more common among the foreign- than the native-born and has increased over the last decade, more markedly among immigrants than among their native-born peers in the EU, though not outside.
- Self-employment is one option for immigrants to avoid marginalisation. In two-thirds of countries, immigrants are more likely to be self-employed than the native-born. Overall, 30% of self-employed immigrants are self-employed because they lack an alternative, against 20% among the native-born.

### Immigrants more often hold temporary contracts and work involuntary in part-time

- Immigrants are more likely to work with temporary contracts in European and Asian countries, though not, generally, in the settlement countries and Latin American OECD countries. The gap between foreign- and native-born workers more than halves after 10 years of residence in the EU, vanishing almost completely in half of countries.
- Immigrants are also more likely to work part-time in half of countries, especially in Southern European and the Baltic countries, though not in countries with incidence of part-time work among the native-born; e.g. the Netherlands, the United Kingdom, Austria and Switzerland.

### Finding a skill-adequate job remains a challenge

- Over the last decade, the skills level of immigrant occupations has risen, narrowing the gap with the native-born in one-third of the countries. Nevertheless still 30% of elementary jobs are held by migrants in the EU, a level that exceeds 50% in German-speaking countries, Cyprus, Norway and Sweden.
- Immigrants with tertiary degrees are less likely to work than their native-born peers in all countries. In virtually all countries, those who work are also more likely to be overqualified for their jobs than the native-born. EU-wide, 47% of tertiary educated immigrants are either overqualified or not in employment, against 30% of the native-born. A host-country degree reduces the immigrant overqualification gap by 75% EU-wide, and by even more in North America, German-speaking countries, France, Sweden and the United Kingdom.

### Despite their higher education, the labour market outcomes of migrant women often lag behind their male peers

- Overall, female immigrants OECD- and EU- wide have higher education levels than their male peers. Their higher education does however not translate into better labour market outcomes. Only 57% of migrant women in the EU have a job against 73% of their male peers and 65% of native-born women. Gender gaps between foreign-born men and women are slightly smaller in the settlement countries, but larger in the United States, Korea and Latin American countries, much more than among the native-born.
- Immigrant women also have lower-skilled jobs than the native-born in most countries. The skilled-job gap between women is particularly wide in Southern Europe and longstanding destination countries in Europe.
- Foreign-born women are as likely as native-born women to work in part-time jobs, and part-time activity among female migrant workers has gradually declined in both the EU and the OECD over the last decade. Involuntary part-time remains overall highest among migrant women, especially for family reasons.

### 3.1. Educational attainment

#### Indicator context

While high educational attainment does not determine an immigrant's successful integration in the host society, it almost always spells better labour market outcomes (see other indicators below) than low educational attainment.

The International Standard Classification of Education (ISCED) divides educational attainment into three levels: i) low, no higher than lower-secondary (ISCED levels 0-2); ii) medium, upper-secondary and post-secondary non-tertiary (ISCED Levels 3-4); iii) high, tertiary education (ISCED Levels 5-8).

More than one-third of immigrants in the EU (35%) are low-educated – almost double the proportion among the native-born (20%). That relatively large share is attributable chiefly to non-EU migrants, 40% of whom attain only a low level of education in the EU, a figure that is even higher in Southern Europe (bar Portugal) and Germany. Outside Europe (except for the United States, Japan and Korea), by contrast, the foreign-born are less likely than their native-born peers to be low-educated, especially in Latin America (bar Costa Rica). When it comes to people across the OECD with no more than primary education (very low-educated), 19% are foreign-born. EU-wide, the share of very low-educated migrants is around three times that of the native-born. While differences tend to be less pronounced outside Europe, immigrants account for 84% of very low-educated, working-age adults in the United States. They are also less likely to be highly educated in the EU. However, the difference in the share of the highly educated between immigrants and native-born is much smaller (3 percentage points). In non-European countries, immigrants have higher levels of education in the settlement countries, Mexico, Chile and Türkiye.

The share of the highly educated rose in all countries (except for Mexico) during the decade to 2020. In about half of countries, high-level educational attainment grew more among migrants than the native-born. Increases were most pronounced among women. Overall, female immigrants are more likely to be highly educated than men, although gender gaps are narrower than among the native-born. Recent migrants are better educated than the native-born and previous cohorts: 39% were educated to tertiary level in 2020 in the EU and 50% in the OECD, against 25% in the EU and 35% in the OECD 10 years earlier.

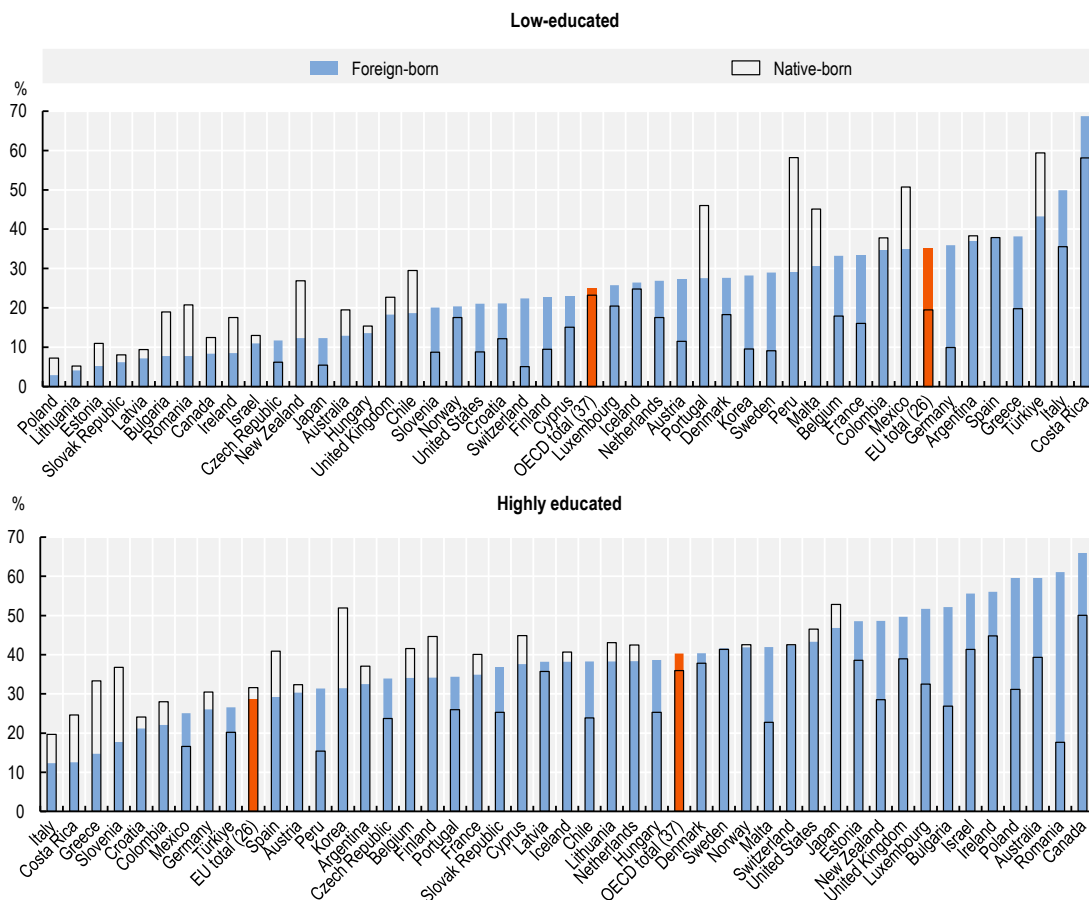
In the EU and the OECD, more than half of immigrants obtained their tertiary diploma abroad. In countries with large and longstanding shares of international students (e.g. France, the settlement countries) and those where the foreign-born population mostly arrived as children before border changes (e.g. Croatia), the majority of the highly educated foreign-born have been educated in the host country. Conversely, most highly educated immigrants are foreign-educated in the United States and in countries attracting many labour migrants (including through free mobility). Highly educated EU-born, who benefit from facilitated diploma recognition within the EU, are more likely to be foreign-educated than their non-EU born peers.

#### Main findings

- The low-educated share of immigrants in the EU is nearly twice that of the native-born. In the EU, 20% of the very low-educated are foreign-born, compared to 84% in the United States.
- Recent migrants are better educated than previous cohorts virtually everywhere: 39% were tertiary-educated in the EU and 50% in the OECD in 2020, versus 25% in the EU and 35% in the OECD in 2010). Recent migrants are more likely to be highly educated than the native-born.
- In the EU and OECD, over 50% of immigrants obtained their tertiary diploma abroad.

Figure 3.1. Low- and highly educated

15-64 year-olds not in education, 2020




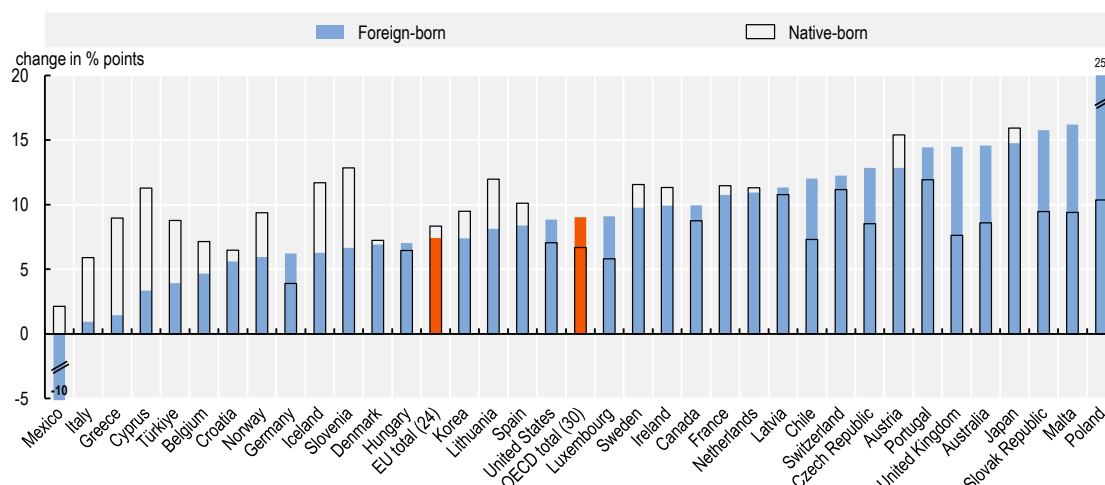
StatLink  <https://stat.link/moylxa>

Figure 3.2. How shares of the highly educated have evolved

15-64 year-olds, between 2010 and 2020



StatLink  <https://stat.link/798jck>

Notes and sources are to be found in the respective StatLinks.

## 3.2. Access to adult education and training

### Indicator context

Adult education helps immigrants to unlock their potential and reduce the gap with the native-born in formal education. It enables them to upgrade and update their skills and so adapt to labour market changes, which in turn improves their career prospects.

This indicator, which is available only for European countries, measures the shares of adults who, within the last four weeks, have participated in any courses, seminars or conferences, or received private lessons or instruction outside the regular education system.

Immigrants are less likely to participate in adult education and training than the native-born in most countries, although often not by much. They lag furthest behind the native-born in most of the Nordic countries, Southern Europe (bar Portugal) and France. Immigrants are more likely than the native-born to take part in adult education only in Portugal and in Central and Eastern Europe. In about three countries in five, foreign-born improved their participation in adult education over the last decade – in line with a general increase of upskilling and reskilling activities – though to a lesser extent than among the native-born. Indeed, participation gaps actually widened in around half of all countries, although they recently narrowed in the wake of the COVID-19 pandemic. They increased significantly in Portugal, Poland and the Czech Republic, where immigrants were already more likely to participate in adult education.

Lower immigrant participation in adult education may be associated with poor knowledge of and advice about learning opportunities, which is more widespread among groups that are most in need. Women are less likely to participate in adult education and training in nearly all European countries, though gender gaps are wider among the native- than the foreign-born. Therefore, while female participation rates are similar between the two groups EU-wide, male rates are slightly lower among immigrants than native-born.

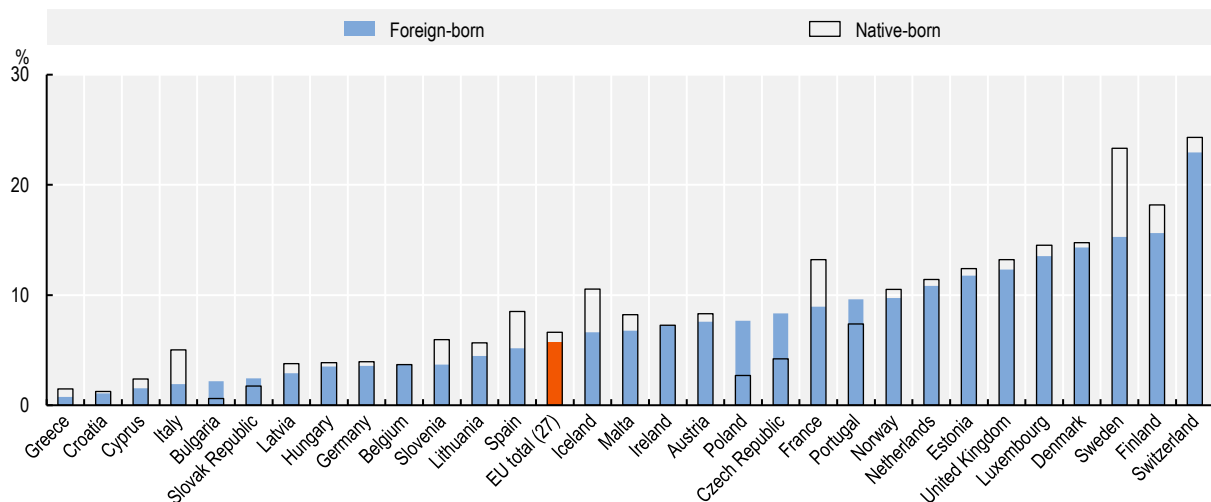
The low-educated are less likely than the highly educated to attend adult education and training. There is usually no big difference between low- and medium-educated immigrants and native-born, while highly educated immigrants are less likely to participate in adult education than their native-born peers in most countries. Low-educated immigrants take up training in greater proportions than their native-born peers in around half of countries, especially Denmark and Austria. Attendance is greater among some vulnerable migrant groups, with new arrivals, for example, more likely than the native-born to attend training in two countries in three. They are also more than twice as likely as settled migrants in Belgium and Spain and in some countries with large recent intakes of humanitarian migrants (e.g. Germany and Austria). Recent migrants are, though, less likely to participate in adult education than settled migrants in Greece, Cyprus, Malta and Sweden. Take-up is generally of a similar level among non-EU and EU-born, although non-EU rates are significantly lower in Switzerland, the Nordic countries and Central Europe.

### Main findings

- Immigrants are less likely to participate in adult education than the native-born in most countries, although not significantly in half of them.
- Gaps in participation in adult education between the foreign- and native-born widened in around half of all countries over the last decade, although gaps narrowed after COVID-19.
- There is usually no difference between low- and medium educated immigrants and native-born in access to adult education, and newly arrived immigrants are actually more likely than native-born to attend training in two countries in three.

**Figure 3.3. Participation in adult education and training**

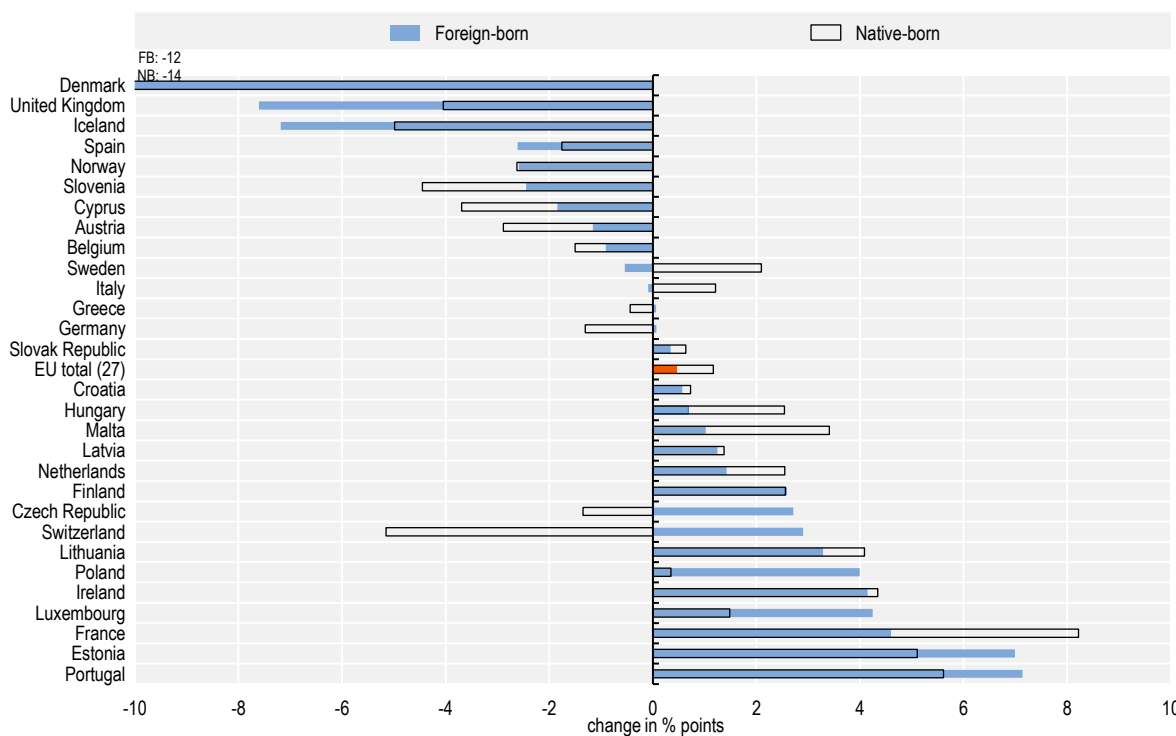
15-64 year-olds outside the regular education system, 2020



StatLink <https://stat.link/satzdh>

**Figure 3.4. How participation in adult education and training has evolved**

15-64 year-olds outside the regular education system, between 2010 and 2020



StatLink <https://stat.link/xd4ih8>

Notes and sources are to be found in the respective StatLinks.

### 3.3. Language proficiency

#### Indicator context

Proficiency in the host-country language is the most important skill for migrants to develop, as it allows them to participate fully in society and the labour market in their new place of residence.

This indicator measures the share of the foreign-born who report having advanced skills in the host-country's main language or who declare that it is their mother tongue.

In the EU, 62% of immigrants state they have at least advanced proficiency in the language of their host-country, as do 72% in Australia and the United States and 50% in Korea. Shares are larger in English-speaking destinations and in countries where many immigrants are native speakers of the host-country language (e.g. Croatia, Hungary, Portugal and Spain). By contrast, less than half of all immigrants report fluency in the host-country language in Malta, Cyprus, Estonia, Latvia, the Netherlands and Finland.

Between 2014 and 2021, language proficiency among immigrants fell in two-thirds of countries. In the EU, share of immigrants reporting advanced proficiency in the host-country language declined by 3 percentage points. The fall was partly attributable to an increase in new arrivals, even if newcomers in 2021 had higher proficiency than those in 2014. In contrast, in the United States, the share of English-proficient immigrants has grown by 6 percentage points, and even more so among recent migrants. Language skills generally improve with time spent in the host country. Among settled immigrants in the EU, roughly 7 in 10 report proficiency in the host-country language – almost twice the rate among recent arrivals (4 in 10), and over twice among those who are non-native speakers. This trend is less visible in the United States, where advanced proficiency is more common among recent migrants while the increase associated with duration of residence is smaller (63% for recent arrivals vs. 74% for settled immigrants).

Among immigrants who stated that they arrived in an EU country with no more than intermediate skills in the host-country language, 50% of the beginners and 70% of those with intermediate skills achieve advanced proficiency after at least 5 years of residence. Attending language courses can facilitate the learning process and is associated with a 2-percentage point greater probability of achieving advanced language proficiency – after controlling for sociodemographic characteristics (age, education, gender, EU/non-EU origin); migration-related characteristics (length of stay, reason for migration, initial language skills); and host-country differences. EU-wide, nearly three-fifths of all immigrants reporting a need of language training have attended classes since their arrival, a share that has decreased in around two-thirds of countries since 2014. Across the EU, the share of EU-born who report advanced proficiency in their host-country language is 10 percentage points greater than among their non-EU born peers, who tend to be less proficient in the language upon arrival and generally educated to lower levels.

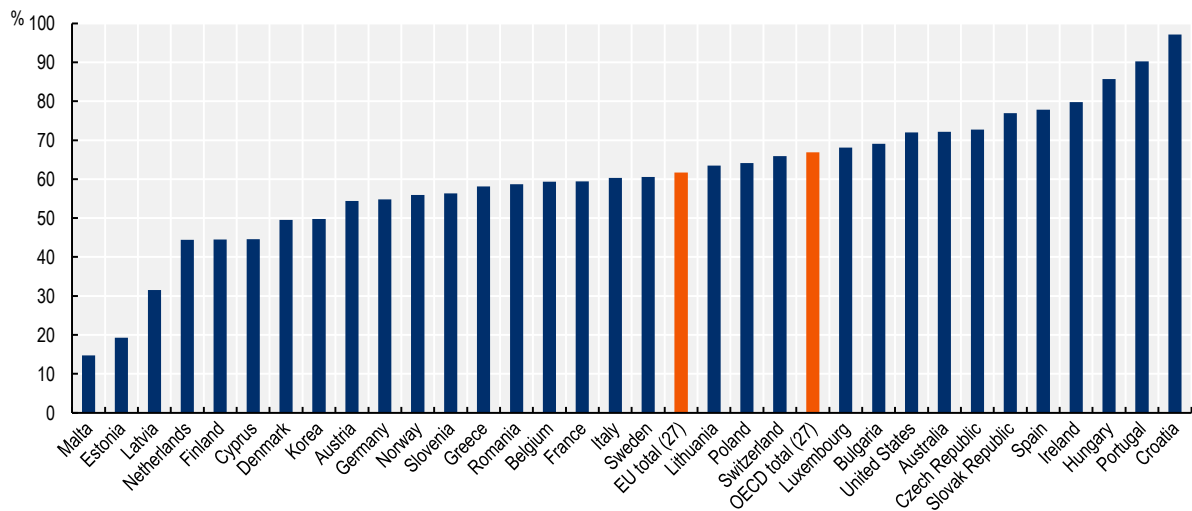
#### Main findings

- In the EU, 62% of immigrants state they have at least advanced proficiency in the language of their host-country, as do 72% in Australia and the United States and 50% in Korea.
- In the EU, settled immigrants are almost twice as likely as recent arrivals to report proficiency in the host-country language (40% for recent vs. 70% for settled migrants). In the United States, the increase associated with duration of residence is smaller (63% vs. 74%).
- Attending language courses is associated with a 2-percentage point greater probability of achieving advanced language proficiency among migrants who have no more than intermediate language skills when they arrive in the host country.



**Figure 3.5. Advanced host-country language proficiency**

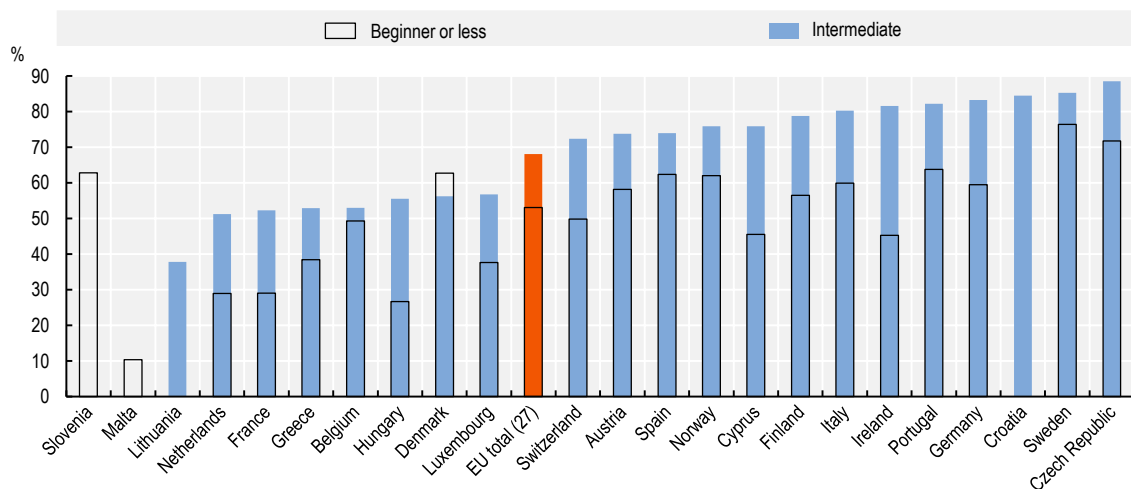
15-64 year-old foreign-born, 2021



StatLink <https://stat.link/e17yfk>

**Figure 3.6. Percentage of foreign-born with advanced host-country language proficiency in the main host-country language who had at most intermediate language skills before migrating**

15-64 year-old foreign-born with at least 5 years of residence since migration, 2021



StatLink <https://stat.link/eoatm4>

Notes and sources are to be found in the respective StatLinks.

### 3.4. Employment and labour market participation

#### Indicator context

Jobs are immigrants' chief source of income and help them take their place in society.

The employment rate is the share of 15-64 year-olds who, during the reference week, worked at least one hour, or who had a job but were absent from work (ILO definition). The participation/activity rate is the share of 15-64 year-olds who is active (employed and unemployed).

Across the EU, 65% of immigrants are employed, compared with 69% of the native-born. The majority are in employment in all countries, with the notable exception of Türkiye, where not only the foreign- but also the native-born employment rate lies below 50%. The foreign-born show particularly high employment rates of over 70% in the settlement countries, in longstanding destinations with predominantly EU-born, and in some Central European countries with a rising number of labour migrants, such as Poland and Hungary. In total, the foreign-born accounted for 13% of the employed population in both the EU and the OECD in 2021, while it was 11% in 2011.

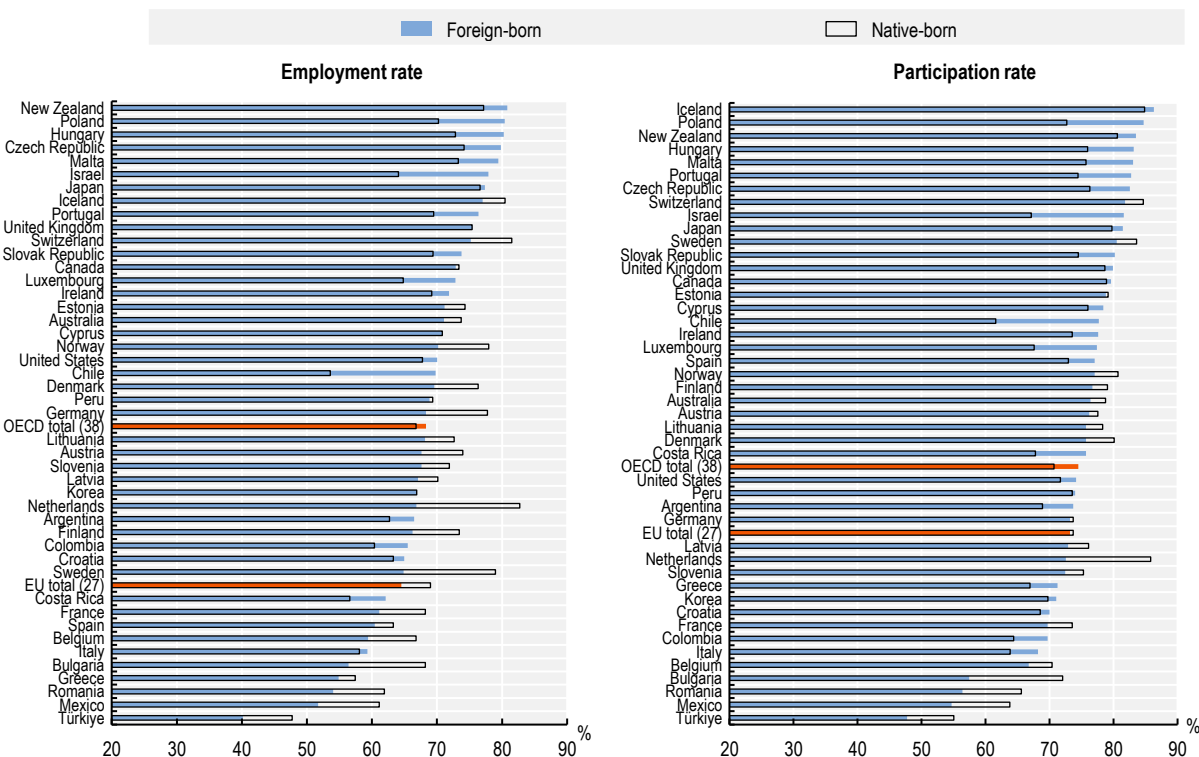
In most longstanding destinations in Europe, as well as in the Nordic countries, employment rates are higher among the native- than the foreign-born in Europe. Gaps are widest in the Nordic countries (except Iceland) and those European destinations with predominantly non-EU immigrant populations. By contrast, immigrants are more likely to be in employment outside Europe (except for Australia, Canada, Korea and Mexico), particularly in Chile and Israel, where immigrant employment rates outstrip those of the native-born by at least 14 percentage points.

Immigrant activity rates tend to exceed those of the native-born in countries with large recent inflows of labour migrants, such as Southern, Central and Eastern European countries, as well as in most countries with predominantly EU-born. With few exceptions, outside of Europe, too, particularly in Latin America (bar Mexico) and Israel, labour force participation is greater in immigrant than native-born populations. The opposite, however, is again true of most longstanding European destinations and the Nordic countries, due mainly to comparatively higher levels of inactivity among foreign-born women. Indeed, they are 17 percentage points more likely to be inactive than their native-born peers in the Netherlands, and around 9 points in France and Belgium. Immigrant activity rates also lag behind those of the native-born in the Baltic countries, where many working-age foreign-born people are close to retirement age.

In the early phase of the COVID-19 pandemic, immigrants experienced a disproportionately sharp decline in their employment rates, followed by a particularly strong rebound in 2021. As a result, immigrant employment rates, like those of the native-born, have now nearly regained their pre-COVID levels. As countries recovered from the labour market downturn linked with the 2007-08 Great recession, there has been growth of 4 percentage points in the employment rate of immigrants in the EU and 6 points among the native-born over the last decade. Native-born employment has increased in virtually every country, while it has improved in over four-fifths of countries among immigrants. In the Central and Eastern European countries with high numbers of recently arrived labour migrants, in most English-speaking OECD countries and in Denmark, the rise has been more pronounced among immigrants than their native-born peers. Consequently, immigrants have narrowed or, as was the case in Poland and Croatia, reversed the employment gap with the native-born. By contrast, native-born employment showed steeper increases in long-standing European destinations such as the Netherlands, Germany and the Baltic countries. Immigrants' employment levels have deteriorated only in a handful of countries, most notably in Korea, Türkiye and Greece. At the same time, employment among the native-born slightly increased or remained stable in the two latter countries, increasing the gap with immigrants.

Figure 3.7. Employment and participation rates

15-64 year-olds, 2021




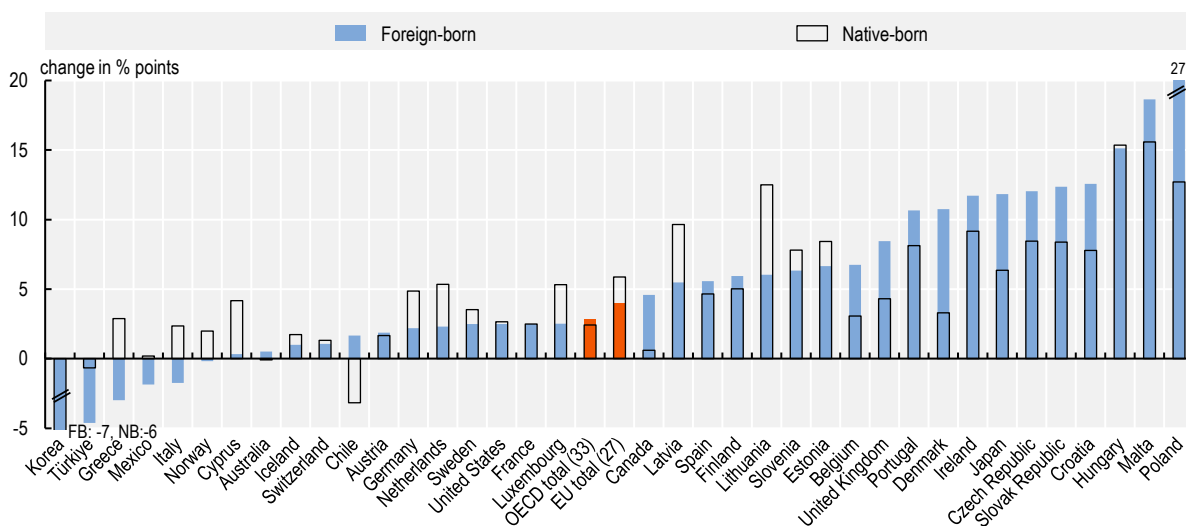

StatLink  <https://stat.link/yp65w>

Figure 3.8. How employment rates have evolved

15-64 year-olds, between 2011 and 2021



StatLink  <https://stat.link/mbvyej>

Notes and sources are to be found in the respective StatLinks.

Gender gaps in employment rates are larger among the foreign- than the native-born in virtually all countries. Only 57% of migrant women in the EU have a job against 73% of their male peers and 65% of native-born women. Gender gaps between foreign-born men and women are slightly smaller in the settlement countries, but larger in the United States, Korea and Latin American countries. The EU-wide employment rate of EU-born is 3 percentage points higher than among the native-born. Non-EU migrant employment levels, however, are significantly lower in two-thirds of countries. Gaps with respect to the native-born are at least 10 percentage points in the Nordic countries and the longstanding European destinations (except for Luxembourg and the United Kingdom), partly because of the low employment rates among women in this group. EU-wide, only 52% of non-EU women are in work against 65% of the native-born. Yet although employment rates tend to improve with length of stay, in particular for non-EU migrants, even settled immigrants fare worse than the native-born both in longstanding European destinations with many non-EU migrants (bar the United Kingdom) and in the Baltic and Nordic countries.

Educational attainment improves access to the labour market, albeit to a lesser extent for immigrants than the native-born. EU-wide, the gap between highly and low-educated immigrant employment rate is 21 percentage points, against 35 points among the native-born. The same pattern emerges outside Europe (except for Australia). Indeed, in all countries, immigrants with tertiary degrees are less likely to work than their native-born peers. EU-wide, the gap is 10 percentage points, widening further in for example Southern Europe, Germany and Estonia. Differences are narrower, though, in the settlement countries, the United Kingdom and most of Central and Eastern Europe. If highly educated immigrants were as likely to be employed as their native-born counterparts, there would be over 1 million more highly educated people working in the EU. One reason for the lower employment rates of highly educated immigrants is that foreign degrees are devalued in virtually every labour market in the OECD. Only in the Slovak Republic, Korea, Luxembourg and Canada are immigrants trained abroad more likely to be employed than those who qualified in the host-country. Across the EU, employment rates among immigrants educated in the host country are 12 percentage points higher compared to their foreign-educated peers. Despite the better labour market outcomes of immigrants with a host country degree, they still lag behind their native-born peers in almost all countries, except the United States, the United Kingdom, Portugal, and few Central and Eastern European countries.

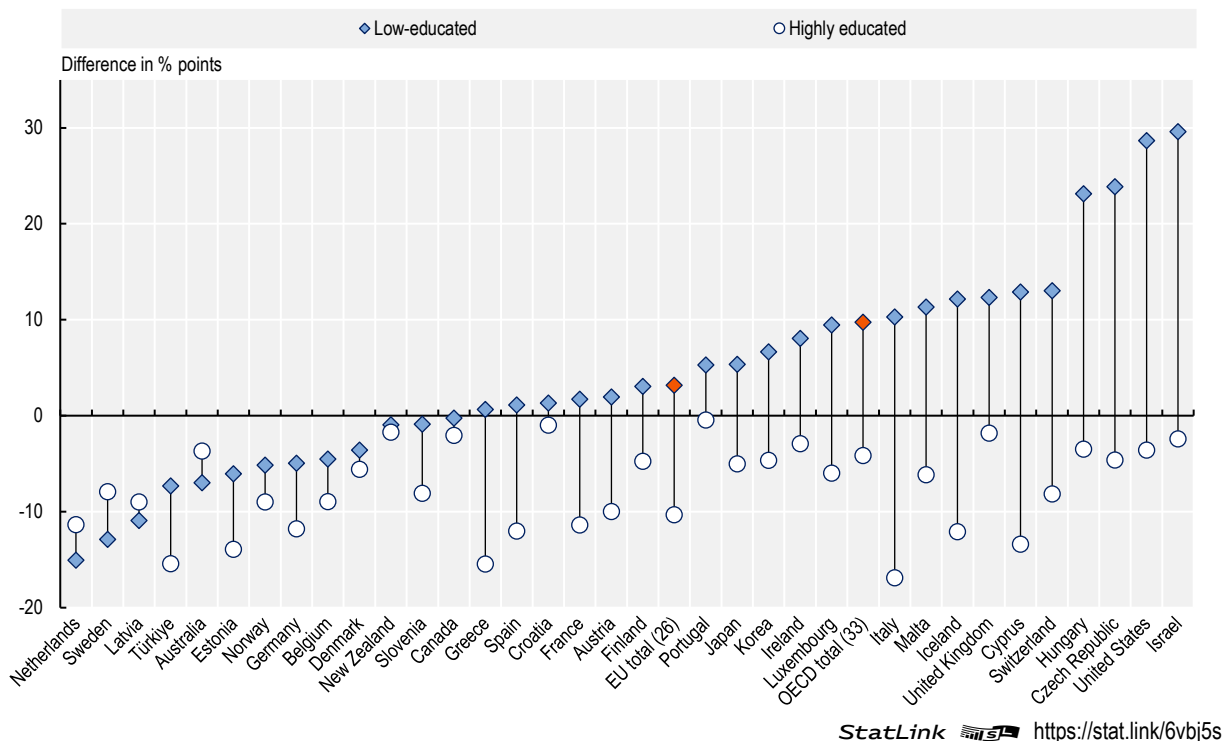
By contrast, low-educated immigrants outperform their native-born peers in over two out of three countries, with employment gaps of around 30 percentage points in Israel and the United States. The opposite, however, holds true in the Nordic countries (bar Iceland and Finland), the Baltic countries and in most longstanding European immigrant destinations which predominantly host non-EU migrants. Gaps are widest in Sweden and the Netherlands, where they exceed 13 percentage points. However, in several Southern, Central and Eastern European countries, most notably Hungary and the Czech Republic, low-educated non-EU migrants are more likely to work than their native-born counterparts.

## Main findings

- Whereas employment rates in Europe, Australia, Korea and Mexico are usually lower among immigrants than the native-born, the opposite is true in other OECD countries.
- Despite the slump caused by the COVID-19 crisis, employment rates among immigrants and the native-born have regained pre-crisis levels and increased over the last decade.
- Immigrants with tertiary degrees are less likely to work than their native-born peers in all countries, while the opposite is true of low-educated migrants in over two-thirds of countries.
- If highly educated immigrants were as widely employed as their native-born counterparts, there would be over 1 million more highly educated people working in the EU.
- Across the EU, employment rates are 12 percentage points higher among immigrants educated in the host country than abroad.

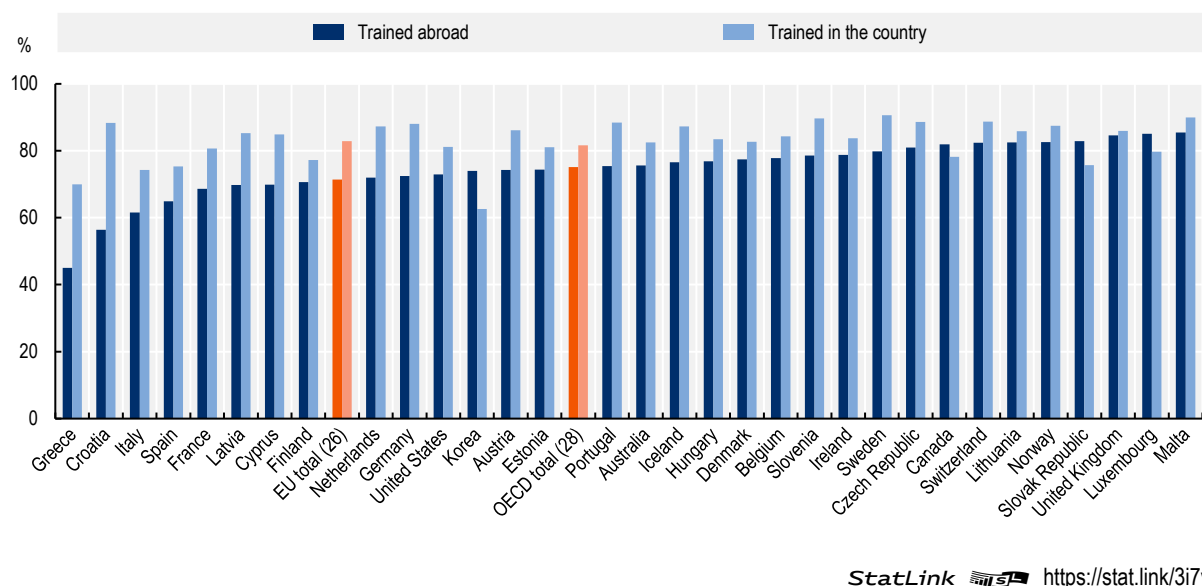
**Figure 3.9. The employment rates of the foreign-born by level of education**

Differences in percentage points with native-born, 15-64 year-olds not in education, 2021



**Figure 3.10. The employment rates of the highly educated foreign-born, by place of education**

15-64 year-olds not in education, 2020



Notes and sources are to be found in the respective StatLinks.

### 3.5. Unemployment

#### Indicator context

An unemployed person is one without, but available for, work and who has been seeking work during the reference week (ILO definition). The unemployment rate is the percentage of unemployed in the labour force (the sum of employed and unemployed individuals).

In four out of five countries, there is a higher incidence of unemployment among immigrants than among the native-born. Gaps are particularly wide in longstanding destinations with many non-EU migrants, in most Southern European countries, and in the Nordic countries. Across the EU, the immigrant unemployment rate (12%) is twice that of the native-born, peaking at a factor of three in Sweden. Outside of Europe, disparities are much less pronounced, with immigrants' unemployment rates in Chile actually 3 percentage points below of the native-born.

Since 2011, unemployment has fallen by around 3 percentage points in the EU and OECD among foreign- and native-born alike. Indeed, it has abated in both groups in around three-quarters of countries, but risen in others, however – by up to 5 points in Türkiye and Chile. With the onset of the COVID-19 pandemic, immigrant unemployment rose sharply, by over 2 percentage points (in the United States, the Baltic countries and Sweden, for example), before regaining pre-pandemic levels in most countries in 2021. The rebound was similar among the native-born, following a lower increase.

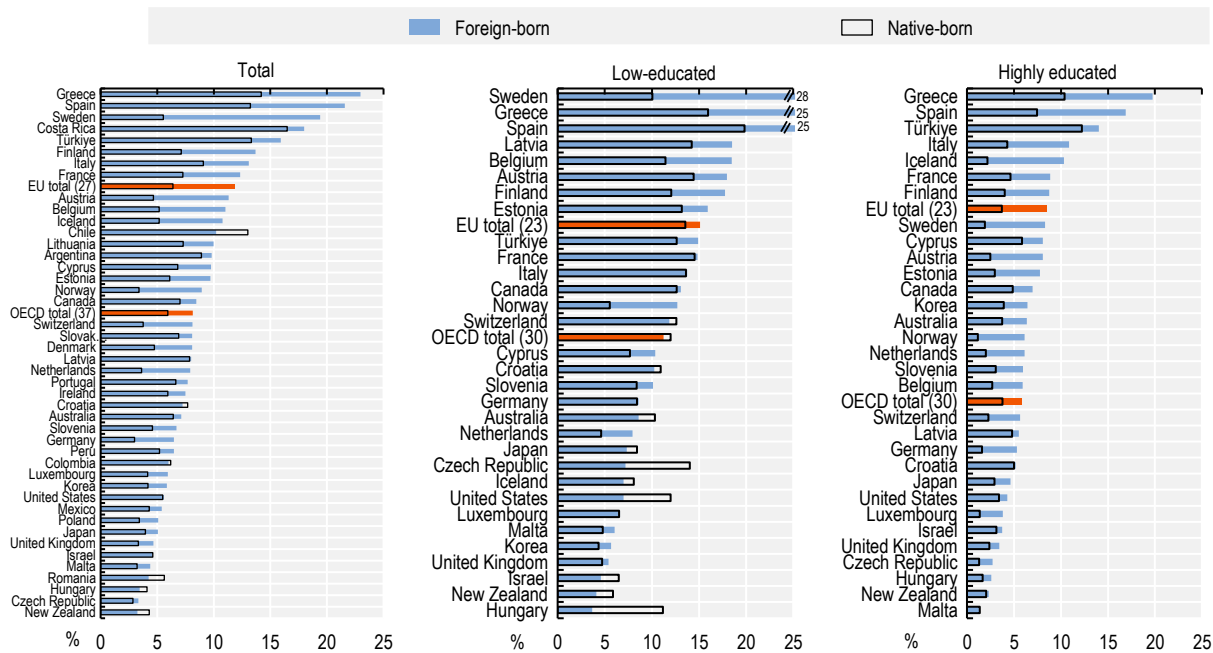
Higher education helps protect against joblessness, while the low-educated are more exposed to it virtually everywhere. However, highly educated immigrants still lag behind their native-born peers, with gaps in unemployment between the two groups actually increasing with education in most countries. The most prominent exception where gaps are smaller among the highly educated is Sweden, where differences between the low-educated foreign- and native-born reach 18 percentage points. While unemployment levels are similar among native-born men and women, joblessness hits immigrant women hardest – it is 3 percentage points higher than for immigrant men in the EU and 1 point higher in most non-European OECD countries. Immigrant gender gaps peak at over 10 points in Costa Rica and Greece. Unemployment among non-EU migrants is 14% EU-wide, against 8% among their EU-born peers, with non-EU women experiencing the highest rate, at 15%. Recent migrants, too, are more likely to be jobless than their settled peers in virtually all countries. In Croatia, Hungary, Bulgaria and Sweden, their unemployment levels are at least double those of immigrants with at least 10 years of residence.

#### Main findings

- The unemployment rates of the foreign-born exceed those of the native-born in four out of five countries, and are twice as high across the EU. Gaps are narrower outside Europe.
- Despite a sharp increase in unemployment with the onset of the pandemic, joblessness has become less prevalent in most countries among both foreign- and native-born in the last decade.
- Higher education helps protect against unemployment virtually everywhere, though highly educated immigrants are worse affected by joblessness than their native-born peers. Migrant women, particularly those born outside the EU, are more prone to unemployment than both native-born women and immigrant men.

Figure 3.11. Unemployment rates

15-64 year-olds, 2021




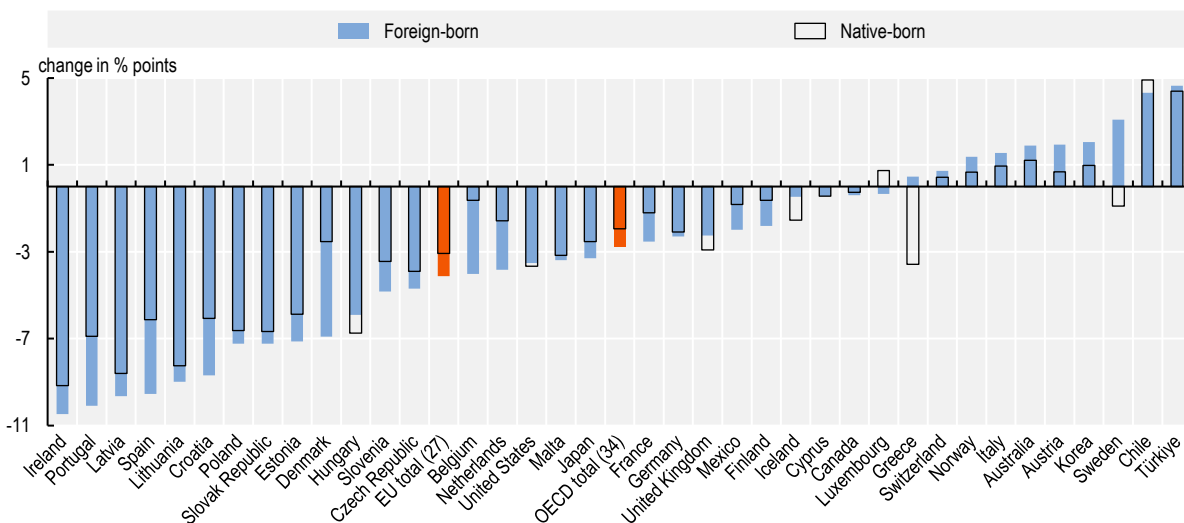

StatLink  <https://stat.link/qbg3j5>

Figure 3.12. How unemployment rates have evolved

15-64 year-olds, between 2011 and 2021



StatLink  <https://stat.link/xe1g64>

Notes and sources are to be found in the respective StatLinks.

### 3.6. Risks of labour market exclusion

#### Indicator context

The risk of labour market exclusion is a greater threat to the foreign-born, as they lack the social networks to support the mental and financial stress of exclusion. Long spells of unemployment rob immigrants of the opportunity to speak the host-country language and socialise in the workplace.

The long-term unemployment rate is the share of job seekers who have been without a job for at least 12 months. This section also examines the share of people who consider it likely, or very likely, that they will be or become unemployed in the next 12 months, or the share of those who are worried that they will lose their job or not find one.

In around half of European countries, the foreign-born are more likely to be long-term unemployed than their native-born peers, especially in the Nordic countries (except Finland), Luxembourg, Lithuania and Belgium. By contrast, in the Southern European countries, in some Central and Eastern European countries and in non-European OECD countries (bar Canada and Israel), long-term unemployment is at least as widespread among the native-born as among immigrants. Immigrants from non-EU countries and those who have resided in the host country for at least 10 years are disproportionately affected by long-term unemployment. Immigrant women, too, are more likely to be long-term unemployed compared to both native-born women and their male peers in the longstanding European destinations (bar the United Kingdom), most Central and Eastern European countries, Australia and Costa Rica.

The long-term unemployment rate increased dramatically in the wake of the 2007-08 economic downturn. Then, between 2011 and 2021, it declined in two-thirds of countries (despite a resurgence during the COVID-19 pandemic). The drop was generally steeper among the foreign- than the native-born, with long-term unemployment gaps between the two groups consequently narrowing, especially in the settlement countries and most longstanding European destinations with large non-EU intakes, particularly Germany and the Netherlands. The situation has evolved much less favourably, however, in the Southern European countries which, except for Spain and Malta, have seen sizeable increases in structural unemployment, particularly among the foreign-born. In Greece, the long-term unemployment rate of the foreign-born climbed by 21 percentage points and in Italy by 9 points – nearly twice the rate of the native-born.

Because they grapple with barriers in the host country's labour market, the fear of job loss and long-term unemployment is much more prevalent among immigrants than their native-born peers. Comparisons between 2006 and 2016 reveal that fear of labour market exclusion has become more widespread nearly everywhere. That increase, attributable chiefly to the global economic downturn, was more pronounced among the foreign-born as they are more exposed to the risk of job loss during a recession.

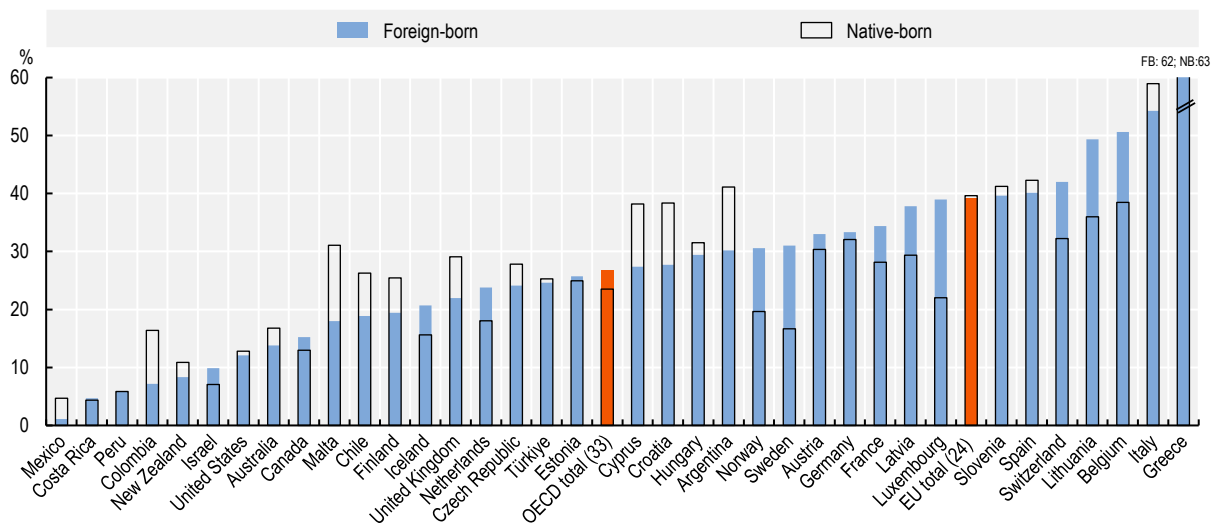
#### Main findings

- Immigrants are more likely than their native-born peers to be long-term unemployed in around half of the EU, especially in the Nordic countries (except Finland), Luxembourg, Lithuania and Belgium. Outside the EU, long-term unemployment affects both groups equally.
- Over the last decade, the long-term unemployment rate has declined in two-thirds of countries, with the decline being generally more marked among the foreign-born jobseekers.
- The fear of job loss and long-term unemployment is much more prevalent among immigrants than the native-born in virtually all countries.



**Figure 3.13. Long-term unemployment rate**

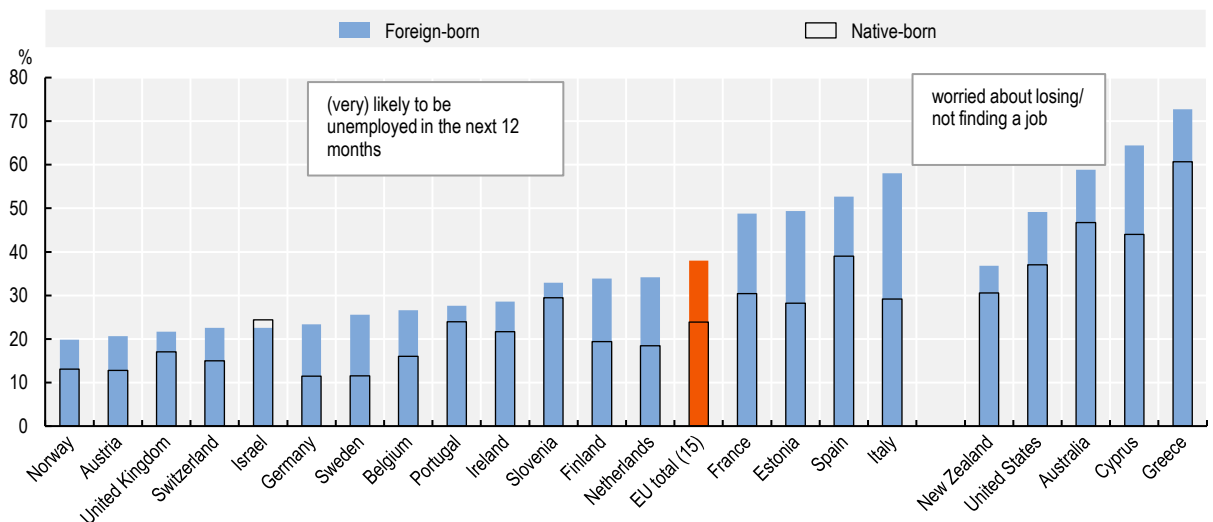
Unemployed population, 15-64 year-olds, 2021



StatLink <https://stat.link/bytwfj>

**Figure 3.14. Fear of being unemployed**

15-year-olds and over (ESS), 2016, and 15-64 year-olds (WVS), 2017/20, self-reporting they are “(very) likely to be unemployed and looking for work in the next 12 months” (ESS) or “worried about losing/ not finding a job” (WVS)



StatLink <https://stat.link/3ibdww>

Notes and sources are to be found in the respective StatLinks.

### 3.7. Involuntary inactivity

#### Indicator context

Although immigrants are generally less likely than the native-born to participate in the labour market, their economic inactivity is not always a choice. It may be attributable to illness, discouragement or family responsibilities, as gender roles may differ between host- and origin country.

This indicator relates to economically inactive individuals (whom the ILO defines as neither employed nor unemployed) who wish to work but may not for different reasons. Discouraged people are those who do not seek work because they believe that no suitable jobs are available.

At 28% versus 18%, involuntary inactivity is more widespread among the foreign- than the native-born in the EU. Differences are smaller outside the EU. The share of inactive immigrants who would like to work exceeds that of their inactive native-born peers in virtually all countries. Some 5% of the economically inactive immigrants and native-born in the EU do not look for work because they believe nothing suitable is available for them. In non-EU countries, levels are below 2% in both groups (bar New Zealand). Particularly in Greece and Iceland are immigrants significantly more likely than the native-born to be discouraged. Family responsibilities are the most common reason for immigrants not seeking a job despite wanting to work in both the EU and the OECD. In most countries, health is only a minor reason (except in most Nordic countries, the Slovak Republic and Lithuania), especially among immigrants.

Over the last decade, involuntary inactivity has become more prevalent in the EU, rising 3 percentage points among the native-born and 6 points among the foreign-born. In contrast, involuntary inactivity in both groups has changed only slightly in the United States and the United Kingdom. It has grown among immigrants in around three-quarters of countries and among the native-born in roughly two-thirds. The increase among immigrants has been particularly pronounced in Portugal and Poland.

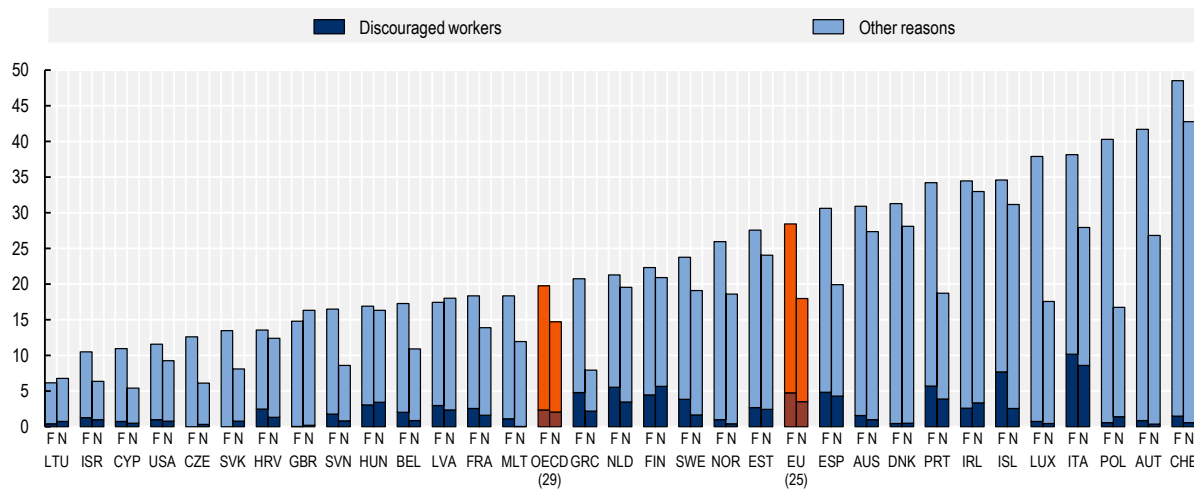
Women are generally less likely to be involuntarily inactive, with the gender gap among immigrants significantly wider than among the native-born – 7 percentage points in the EU and the United States. Involuntarily inactive men are most likely to be discouraged workers, while women are more involuntarily inactive for family reasons – migrant women almost twice as much EU-wide. Moreover, EU-born or immigrants who have spent less than 10 years in the host country are more likely to be involuntarily inactive than their non-EU peers and longer-term residents. While the incidence of involuntary inactivity ascribable to family responsibilities declines with an immigrant's duration of stay in the host country, the opposite is true for illness. Involuntary inactivity is consistently more frequent among immigrants than their native-born peers at all levels of education. While discouragement is the chief reason for inactivity among low-educated immigrants (although less so than among their native-born peers), those with high levels of education are most often involuntarily inactive for family reasons.

#### Main findings

- In virtually all countries, involuntary inactivity is more common among the foreign- than the native-born. Family responsibilities are the primary reason for involuntary inactivity for immigrants and, in particular, among foreign-born women.
- Over the last decade, involuntary inactivity has increased more markedly among immigrants than among their native-born peers in the EU, though not outside the EU.
- Low-educated immigrants are most often involuntarily inactive because they feel discouraged, albeit to a lesser extent than their native-born peers.

**Figure 3.15. Involuntary inactivity due to discouragement or other reasons**

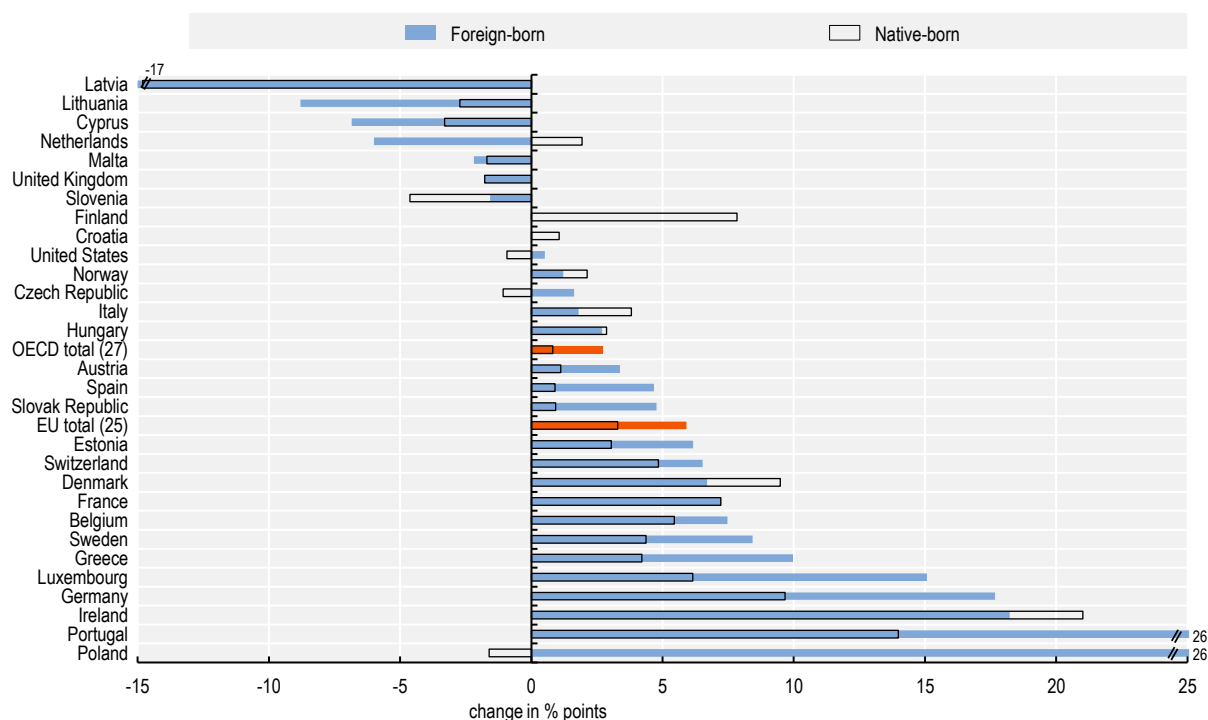
Inactive foreign-born (F) and native-born (N) 15-64 year-olds, 2020



StatLink <https://stat.link/rwnfq2>

**Figure 3.16. How shares of involuntary inactivity have evolved**

Inactive 15-64 year-olds, between 2010 and 2020



StatLink <https://stat.link/z5b0lj>

Notes and sources are to be found in the respective StatLinks.

### 3.8. Types of contracts

#### Indicator context

Temporary work contracts generally do not offer the job security that makes it possible to look ahead, draw up plans or build financial security. They make it hard to obtain loans or housing, for instance.

In most countries, temporary work denotes any kind of wage-earning employment governed by a fixed-term contract, including apprenticeships, “temp” agency work, and paid training courses. In Australia, temporary work is defined as work without paid leave.

Almost everywhere, immigrant workers are more likely than the native-born to have temporary contracts, with EU-wide shares of 17% versus 10%. In half of European countries, as well as in Asian OECD countries, they are at least 5 percentage points more likely, with gaps particularly wide in more recent destinations. In Korea, more than half of all immigrants are temporary workers, much more than among the native-born. Outside Europe and Asia, shares of temporary workers are similar between the foreign- and native-born in the settlement countries, but immigrants are less likely to have such contracts in Chile and Costa Rica. Women are generally more likely to work in temporary jobs than men, with the gender gap wider among immigrants in half of countries. In countries such as Belgium, the Netherlands, Italy and Spain, by contrast, immigrant women are less likely to have temporary jobs than their male peers.

While shares of native-born workers on temporary contracts have only slightly changed in most countries over the last decade, they have dropped among the foreign-born in two-thirds of countries (and by 2 percentage points EU-wide) and risen in only a few. As a result, the temporary work gap between the two groups has narrowed in many countries, particularly in Southern Europe (bar Italy and Malta). In most countries, the share of immigrants with temporary contracts fell between 2019 and 2021 – chiefly because workers lost their jobs or returned to their countries of origin during the COVID-19 pandemic. In some countries (e.g. Canada and the United Kingdom), the drop in temporary contracts reflected a genuine downward trend disrupted by the COVID-19 crisis.

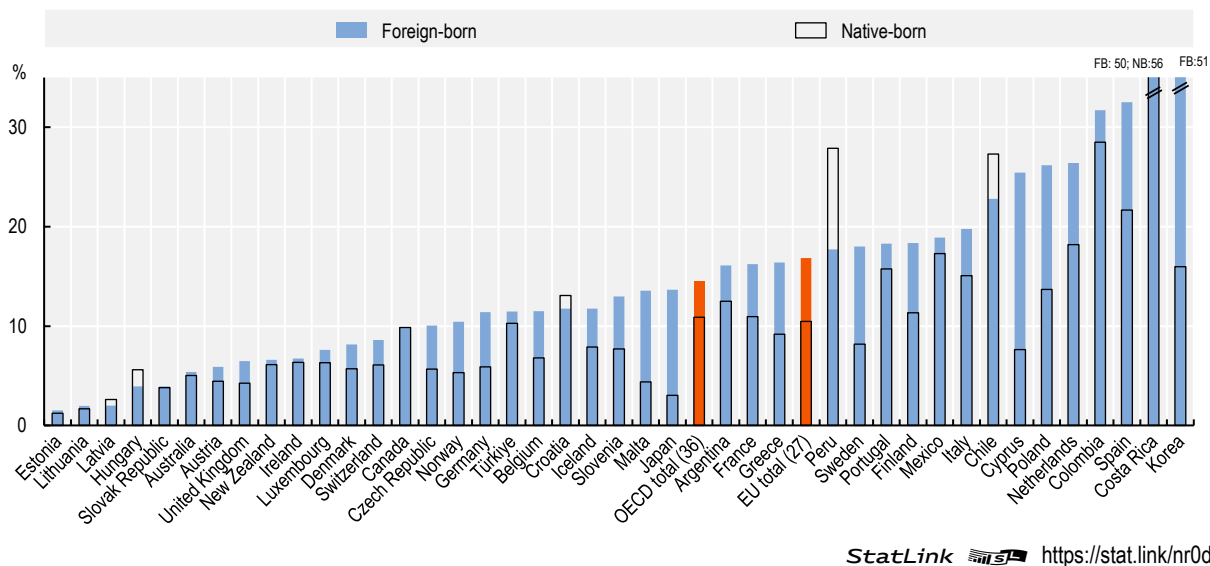
Differences in shares of foreign- and native-born workers on temporary contracts are widest in countries with large intakes of low-educated, non-EU born or recent migrants. Recent migrants rely particularly heavily on temporary contracts, as do low-educated workers. At the same time, in virtually all countries (bar Australia, Portugal and Greece), temporary contracts are still more prevalent among highly educated immigrants than their native-born peers – as much as 5 percentage points more across the EU. A temporary contract can often be the first step into the labour market. Recent arrivals are at least twice as likely to work in temporary jobs as settled immigrants in four-fifths of EU countries. The gap between the foreign and the native-born more than halves after 10 years of residence in the EU and largely diminished in half of countries, especially in Cyprus, the Netherlands, Luxembourg and Austria.

#### Main findings

- Immigrants are more likely to work with temporary contracts in European countries and Asia, although this is generally not the case in the settlement countries and Latin America.
- Shares of immigrants in temporary work dropped over the last decade in two-thirds of countries. That trend was chiefly attributable to the COVID-19 crisis, which primarily affected temporary jobs.
- The gap between shares of foreign- and native-born workers on temporary contracts more than halves after 10 years of residence in the EU, vanishing almost completely in half of countries.

**Figure 3.17. Workers with temporary contracts**

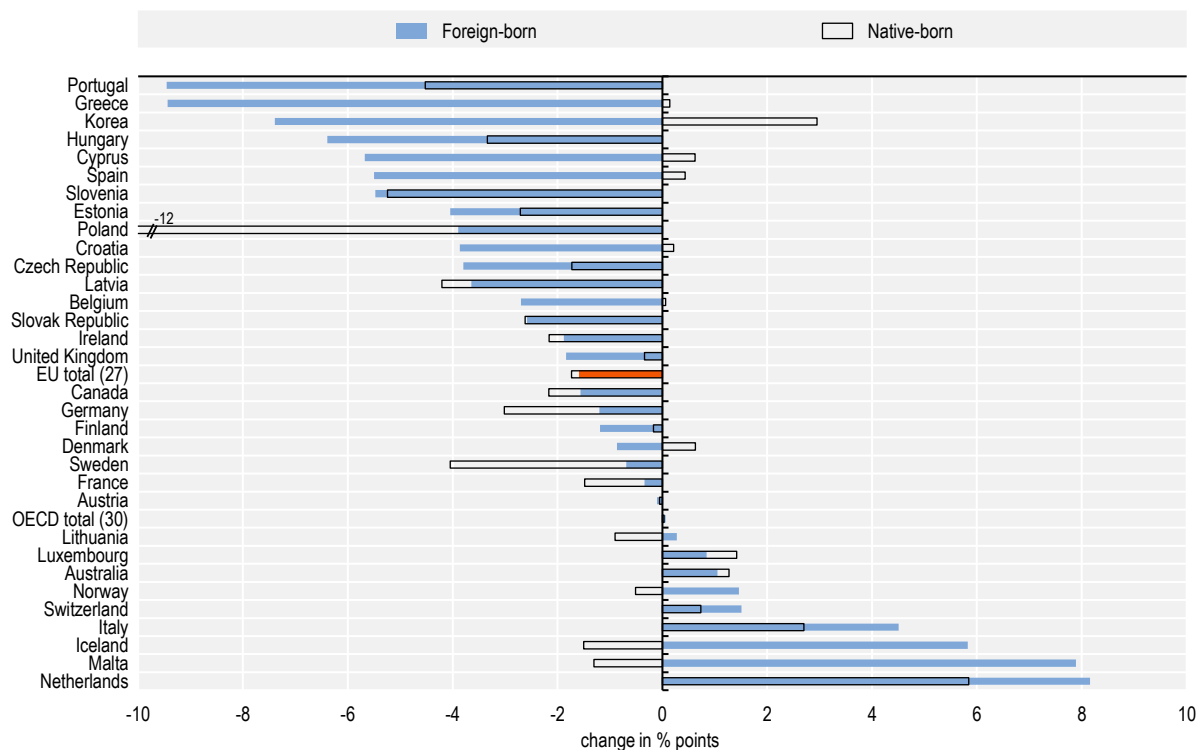
Wage-earning 15-64 year-olds not in education, 2021



StatLink <https://stat.link/nr0dyz>

**Figure 3.18. How shares of temporary contracts among workers have evolved**

Wage-earning 15-64 year-olds not in education, between 2011 and 2021



StatLink <https://stat.link/08e43k>

Notes and sources are to be found in the respective StatLinks.

### 3.9. Working hours

#### Indicator context

The number of hours immigrants work helps gauge their participation in the labour market. Part-time work prevents immigrants from contributing their full potential to the host-country's economy, while working long hours may harm work-life balance, physical health and social integration.

Part-time work is defined here as working less than 30 hours a week, while long hours are over 50 hours a week. Part-time work is measured here as a share among overall employment.

Across the OECD and EU, women are more than three times more likely than men to work part-time. In the EU, 37% of immigrant women work part-time (against 9% of their male peers), while under 30% do outside Europe. The sole exception is Japan, where 47% of both foreign- and native-born women work part-time. Immigrant women are more likely than their native-born peers to work part-time in half of countries, albeit only slightly in most countries. Gaps are widest in the Baltic and Southern European countries. By contrast, in the countries with high incidences of part-time work – i.e. the Netherlands, the United Kingdom, Austria, Switzerland – native-born women are far more likely to have part-time contracts.

The lower the level of education, the more widespread part-time work is. That correlation holds true for native- and foreign-born in the EU, but much more so for the native-born in Austria and the United States. Part-time work is also more common among settled immigrants, compared with recent arrivals in the EU (by 5 percentage points), but not in some of the Nordic countries, Southern Europe and Australia, where the opposite is true. Although the incidence of part-time work is low among males, migrant men in the EU, Japan and Mexico do resort to it more often than their native-born peers. The 2007-08 economic downturn saw part-time work spread in OECD and EU countries. Since 2011, however, the share of immigrant women working part-time has declined by 6 percentage points in the EU and 4 points in the OECD. The decline has been gradual, resuming after the COVID-19 crisis, and much steeper among foreign- than native-born women in less than half of countries.

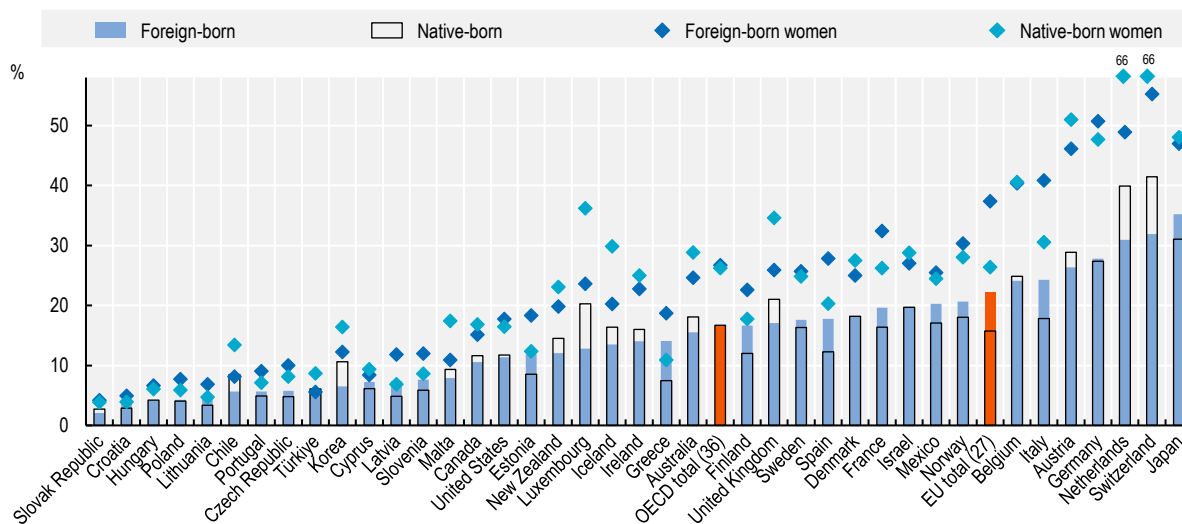
In three-fifths of countries, the native-born are more likely than the foreign-born to work long hours, although not significantly in most European countries. They are more likely, though, in Iceland, Australia, the United States and many European longstanding destinations. Conversely, immigrants are significantly more likely to work long hours in countries such as Colombia, Costa Rica and Korea. The length of working hours is influenced by the occupational and sector-related gendered distribution of jobs held, as well as by educational attainment. In both the OECD and the EU, men are twice as likely as women to work long hours, although gender gaps are narrower among immigrants. Highly educated immigrants are more likely to work long hours than their native-born peers in most countries, while the reverse is true for low-educated migrants.

#### Main findings

- Immigrants are more likely to work part-time in half of countries, especially in Southern European and the Baltic countries, though not in countries with the highest incidence of part-time work, i.e. the Netherlands, the United Kingdom, Austria and Switzerland.
- Part-time activity among female migrant workers has gradually declined in both the EU and the OECD over the last decade. That decline has continued since 2019, even after the pandemic.
- In two-thirds of countries, the native-born are more likely than foreign-born to work long hours, although differences in most European countries are small.

Figure 3.19. Part-time workers

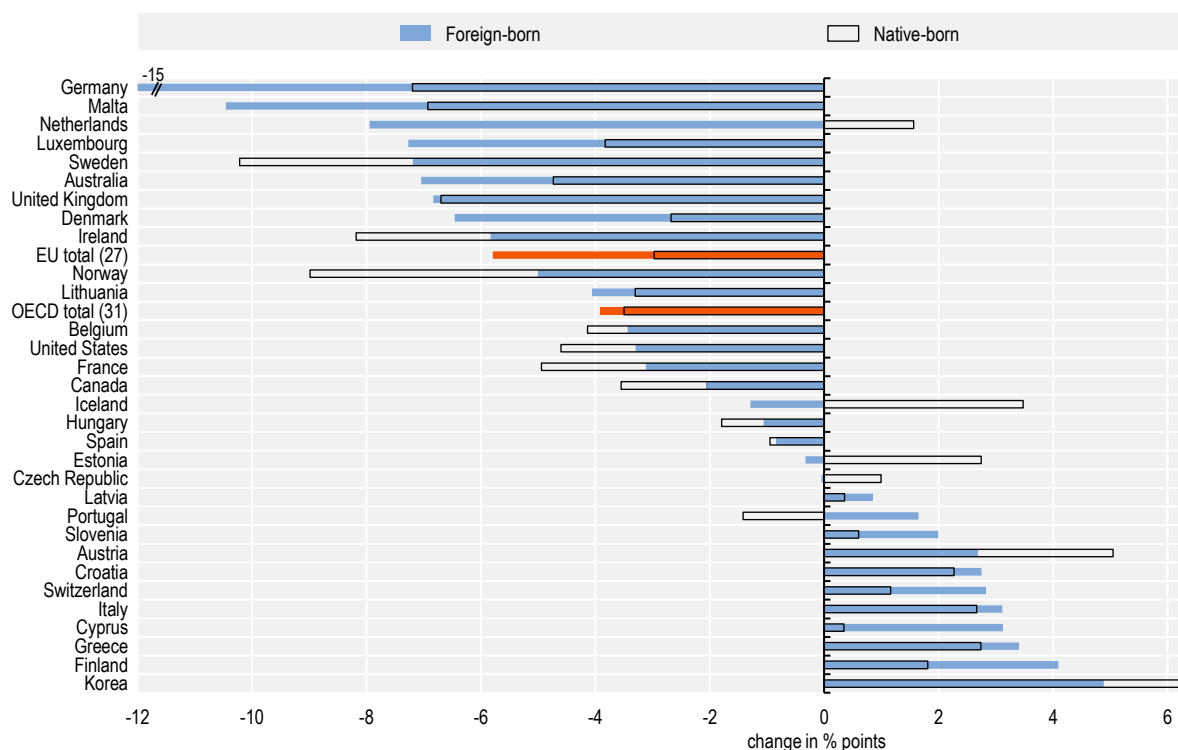
Employed individuals not in education, 15-64 year-olds, 2021



StatLink <https://stat.link/5jptz6>

Figure 3.20. How shares of part-time female workers have evolved

Employed women not in education, 15-64 year-olds, between 2011 and 2021



StatLink <https://stat.link/vxhoe2>

Notes and sources are to be found in the respective StatLinks.

### 3.10. Involuntary part-time

#### Indicator context

Some immigrants work part-time because they are unable to find a full-time job or because of family expectations. Involuntary part-time reduces workers' earnings and prevents them from fully utilising their skill potential.

Involuntary part-time workers would like to work longer hours.

In virtually all countries, a majority of part-time foreign- and native-born workers state they would not want to work longer hours. Around 30% of immigrants would want to, however, against 20% of their native-born peers. They are at least 15 percentage points more likely in the Nordic countries (bar Denmark), Spain, Greece and Switzerland. In most countries, the recovery from the 2007-08 economic downturn saw a resumption of full-time jobs and a fall in involuntary part-time work. With falls of 9 percentage points EU-wide and 17 points in the United States over the past decade among the foreign-born, involuntary part-time work has generally declined more among immigrants than the native-born. As a result, the difference in shares of immigrants and native-born in involuntary part-time work has narrowed by a fifth in the EU, by about a third in the United States and almost by half in the United Kingdom. And the pandemic did not stop that trend – except in the United States and among the foreign-born only.

Although part-time work is particularly widespread among women, 42% of foreign-born male part-time workers EU-wide would like to work longer hours. The share of immigrant men wishing to work more is 17 percentage points higher than among immigrant women, a difference similar to that observed in the United States. The gender gap in involuntary part-time work is narrower among the native- than the foreign-born in the EU and the United States, but wider in Australia, Spain and Italy. In Luxembourg and Norway, while native-born men are more likely to work part-time against their will, foreign-born men are less likely.

In the EU, Australia and the United Kingdom, involuntary part-time workers account for at least 8 percentage points more of the low- than highly educated native-born workers. Among immigrants, by contrast, shares are similar for high and low levels in two-fifths of European countries and Australia. As for involuntary part-time work among native-born in the United States, it does not fall as educational attainment rises, though among migrants it is higher (by 14 percentage points) among the low- than highly educated. New arrivals also struggle to avoid part-time work everywhere. In the EU and Australia, 43% of recent migrants working part-time are involuntary part-time workers – twice as high as the native-born in the EU and 40% more in Australia. Settled migrants, too, remain more likely than their native-born peers to be involuntary part-time workers everywhere except Australia, Latvia and Cyprus. The same is true for non-EU migrants, who are 11 percentage points more likely than EU-born to work part-time involuntarily in the EU.

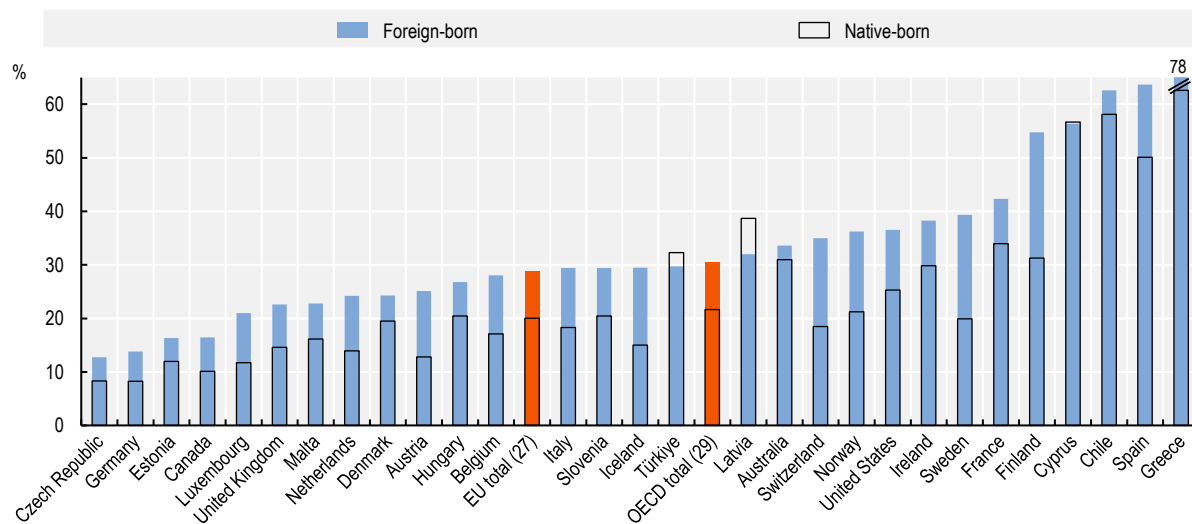
#### Main findings

- EU- and OECD-wide, 30% of part-time immigrant employees want to work longer hours, against 20% of their native-born peers, with wider gaps in Spain, Greece, Switzerland and most Nordic countries.
- The recovery from the 2007-08 economic downturn saw an increase in the number of full-time jobs and a fall in involuntary part-time work, especially among immigrants.
- New arrivals struggle to avoid involuntary part-time work. The share of recent migrants in involuntary part-time jobs is twice that of the native-born in the EU. And even settled migrants are more likely than the native-born to be involuntary part-time workers.



**Figure 3.21. Workers in involuntary part-time employment**

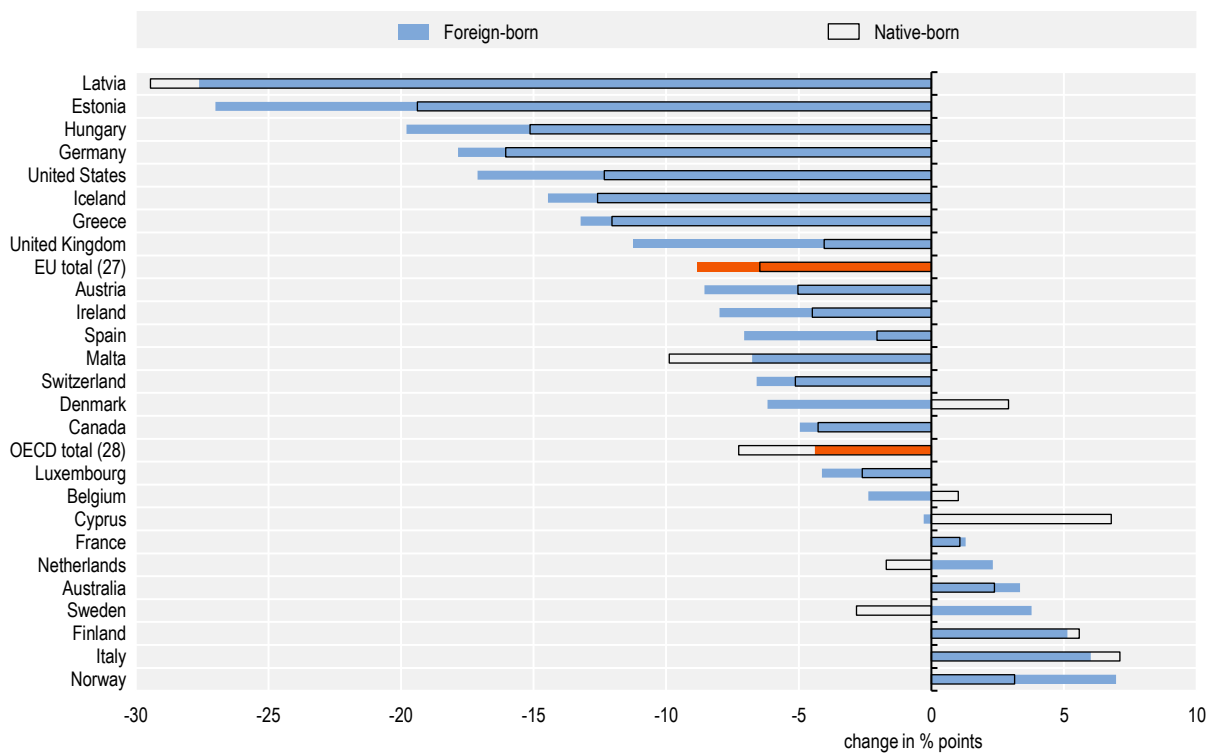
Part-time workers not in education, 15-64 year-olds, 2021



StatLink <https://stat.link/5uaqid>

**Figure 3.22. How shares of involuntary part-time workers have evolved**

Part-time workers not in education, 15-64 year-olds, 2011 and 2021



StatLink <https://stat.link/ct8fib>

Notes and sources are to be found in the respective StatLinks.

### 3.11. Job skills

#### Indicator context

The job skills indicator compares shares of workers in low- and highly skilled jobs. The International Standard Classification of Occupations describes those who hold high-skilled jobs as senior managers, professionals, technicians and associate professionals (ISCO Levels 1-3). Low-skilled jobs are elementary occupations that require simple, routine tasks and, often, physical effort (ISCO 9).

In the EU, 19% of immigrant workers hold low-skilled jobs, against 7% of native-born populations. They are overrepresented in elementary occupations in virtually all countries. In Slovenia, Southern Europe, Nordic countries and most longstanding destinations in Europe, immigrants are at least three times as likely to work in low-skilled jobs as their native-born peers. Immigrants hold around 30% of elementary jobs in the EU and the settlement countries, and over 50% in most German-speaking countries, Cyprus, Norway and Sweden. Only in most settlement countries, Türkiye, Portugal, Mexico and Central Europe are they significantly overrepresented in highly skilled rather than elementary occupations. EU-wide, the share of the native-born in highly skilled work exceeds that of the foreign-born by 12 percentage points.

Nevertheless, the job skills gap between foreign- and native-born has narrowed over the last decade. EU- and OECD-wide, the share of immigrants with highly skilled jobs has climbed 7 percentage points, compared to 4 points among the native-born. The growth of highly skilled immigrant work is attributable chiefly to Germany, where it was four times that of the native-born. Indeed, around half of countries saw faster improvement among the foreign- than the native-born. Overall, the skills level of immigrant employment grew over the last decade. In 2021, more than one-third of recent arrivals EU-wide held highly skilled occupations in 2021 – a share only just over one-fifth in 2011.

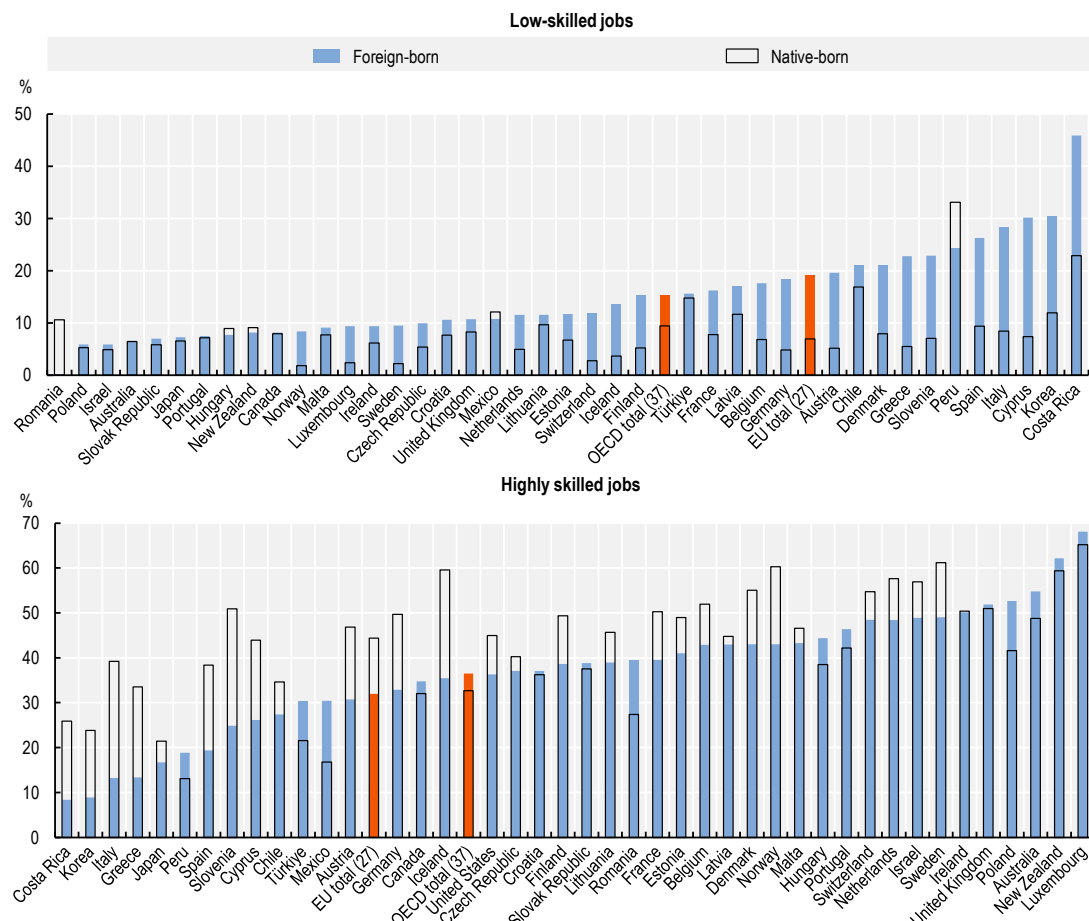
Foreign- and native-born women are overrepresented at both ends of the skills spectrum. EU-wide, they boast greater shares of highly skilled jobs than men – foreign-born women 4 percentage points more and native-born women 7 points more. Similarly, they hold higher shares of elementary jobs – 9 and 2 points, respectively. Immigrant women have lower-skilled jobs than native-born women in most countries, even in Israel and Canada, where immigrant men outperform native-born males. In countries where immigrants hold the largest shares of elementary jobs (Southern European and longstanding destination countries in Europe), gaps with the native-born are at least 8 percentage points wider among women than men. Non-EU migrants are more likely to hold low-skilled occupations than their EU peers in all European countries, with the exceptions of Hungary, Lithuania and the United Kingdom. In European longstanding destinations, Nordic and Southern European countries, EU-born are still on average twice as likely to work in low-skilled jobs as the native-born.

#### Main findings

- Around 30% of elementary jobs are held by immigrants in the EU, a level that exceeds 50% in most German-speaking countries, Cyprus, Norway and Sweden.
- There was a general rise in the skills level of immigrant occupations, significantly narrowing the gap with the native-born in one-third of countries, particularly Germany.
- Immigrant women have lower-skilled jobs than the native-born in most countries, even in Israel and Canada, where immigrant men outperform the native-born. The job skills gap between women is wide in Southern Europe and European longstanding destination countries.

**Figure 3.23. Low-skilled and highly skilled employment**

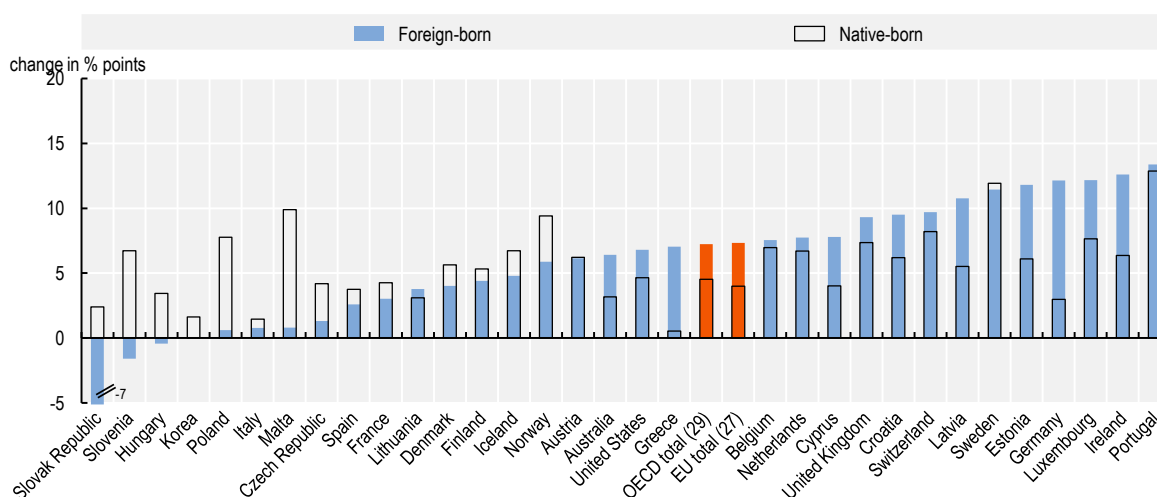
Employed individuals, 15-64 year-olds, 2021



StatLink <https://stat.link/npeok7>

**Figure 3.24. How shares of workers in highly skilled occupations have evolved**

Employed individuals, 15-64 year-olds, between 2011 and 2021



StatLink <https://stat.link/26dwkt>

Notes and sources are to be found in the respective StatLinks.

## 3.12. Overqualification

### Indicator context

Immigrants, especially those with foreign qualifications, face many difficulties getting their credentials valued in the host country. They struggle to find suitable jobs that match their skills. Overqualification translates into lower marginal returns to education and may also lead to lower motivation.

The overqualification rate is the share of the highly educated (see Indicator 3.1) who work in a job that is ISCO-classified as low- or medium-skilled – i.e. ISCO Levels 4-9.

Around one-third of highly educated immigrants in the OECD and EU are overqualified for their jobs – 12 percentage points more than among the native-born in the EU. Immigrant women are more overqualified than men, while there is generally little or no difference between native-born women and men inside or outside Europe. The overqualification gaps between foreign- and native-born are greatest in Israel, Latin America (bar Mexico), Korea, and most Nordic and Southern European countries. They are marginal in the settlement countries and non-existent in a range of other countries, including Japan, Luxembourg, Mexico, Switzerland and Türkiye. EU-wide, 47% of highly educated immigrants are either overqualified or not in employment, against 30% of their native-born peers.

Overqualification rates dropped continuously in half of countries between 2011 and 2021, among both the foreign- and the native-born. In most Central European countries and Austria, however, immigrant and native-born overqualification both grew over the last decade, albeit by more among immigrants.

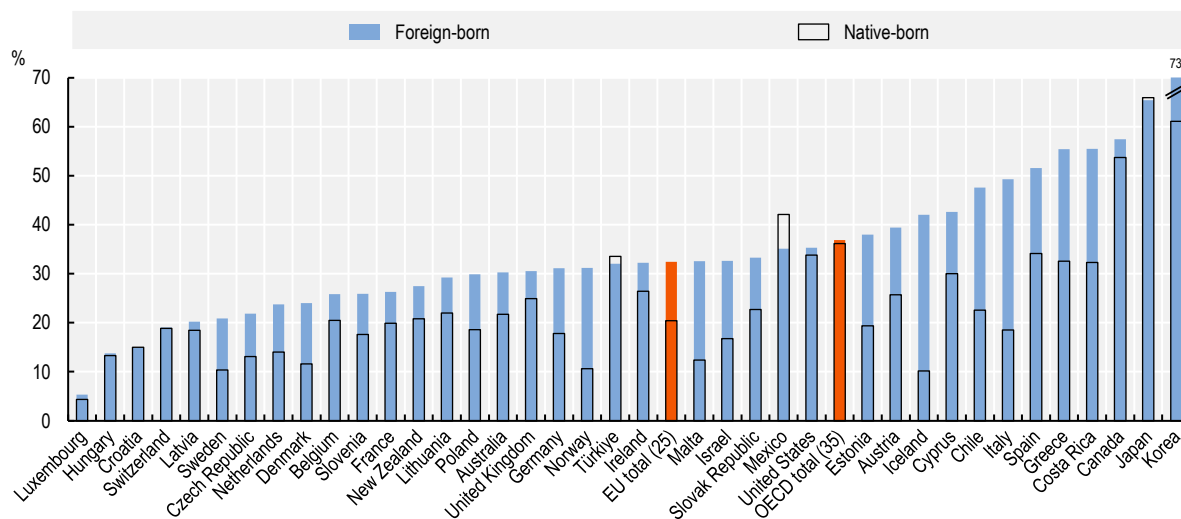
Highly educated immigrants with foreign qualifications are more likely to be overqualified in part because they struggle to have their credentials valued. Indeed, in the EU, they are more likely to be overqualified than anyone educated in a host country and twice as likely as the native-born. The sole exceptions are the Baltic countries and Luxembourg. The overqualification gaps between the domestically and foreign-educated are widest in Nordic countries, Southern Europe (except Greece) and European longstanding immigration destinations. Host-country degrees reduce the immigrant overqualification gap by 75% EU-wide, and entirely (or almost entirely) in North America, German-speaking countries, France, Sweden and the United Kingdom. In Europe (except for Germany, Ireland and the United Kingdom), foreign-educated non-EU migrants are more likely to be overqualified than their EU-born peers, who benefit from automatic or at least facilitated recognition. Recent arrivals are more likely than settled migrants to be overqualified – by 4 percentage points OECD- and EU-wide. Rates in 2021 were lower than a decade before in two-thirds of countries; the United States, Germany and Austria being notable exceptions.

### Main findings

- Overqualification is more prevalent among immigrants than the native-born. EU-wide, 47% of tertiary educated immigrants are either overqualified or not in employment, against 30% of the native-born.
- Host-country degrees reduce the immigrant overqualification gap by 75% EU-wide, and by even more in North America, German-speaking countries, France, Sweden and the United Kingdom.

**Figure 3.25. Overqualification rates**

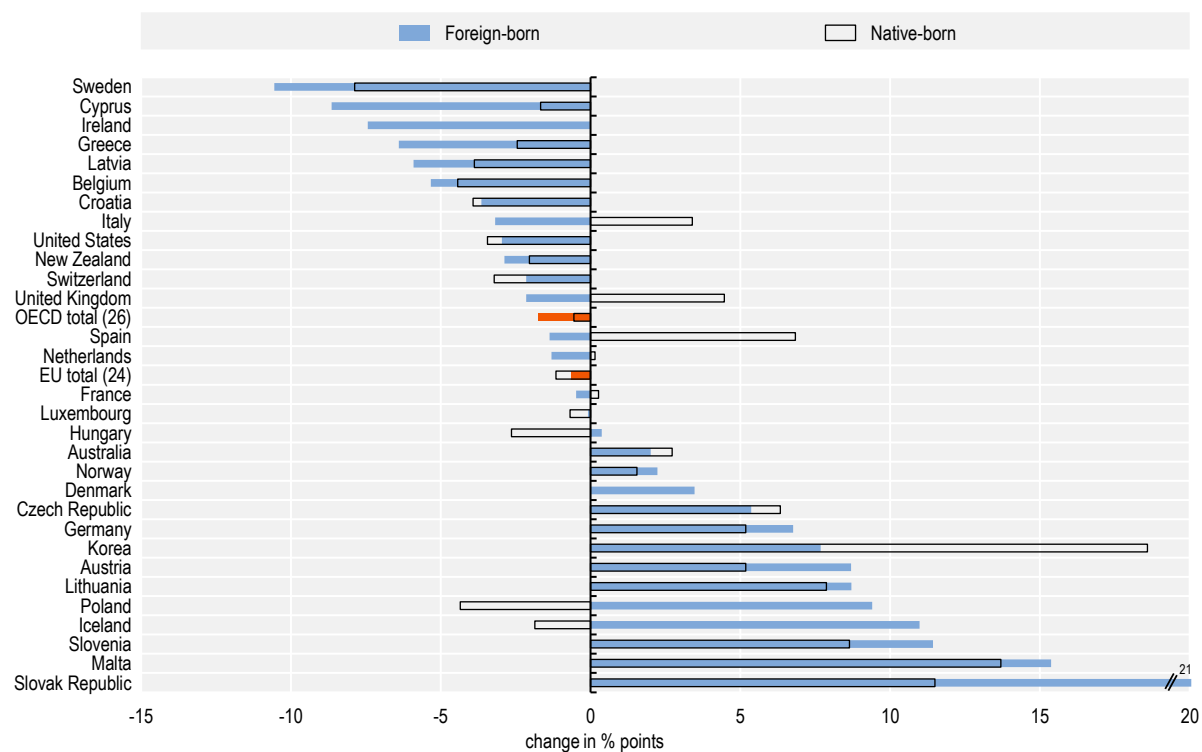
Highly educated people in employment, 15-64 year-olds, 2021



StatLink <https://stat.link/0x3ejk>

**Figure 3.26. How overqualification rates have evolved**

Highly educated people in employment, 15-64 year-olds, between 2011 and 2021



StatLink <https://stat.link/hxk4c5>

Notes and sources are to be found in the respective StatLinks.

### 3.13. Self-employment

#### Indicator context

Self-employment is often a way to avoid marginalisation in the job-market. However, where successful, self-employment can also provide important economic opportunities, for immigrants and the host-country society alike.

The self-employed create and work in their own activities or firms. They include entrepreneurs, the liberal professions, artisans, traders, and other freelancers (excluding agriculture). Self-employment is measured as the percentage of self-employed among those in employment.

In slightly less than two-thirds of countries, the share of the foreign-born self-employed exceeds the native-born – by more than 5 percentage points in Central and Eastern Europe and Colombia. By contrast, native-born self-employment is more widespread in Korea (almost fourfold), Japan, Iceland, Italy, Greece and the remaining Latin American countries. EU-wide, migrant businesses tend to be smaller than those of their native-born peers. The vast majority (71%) operate without any employees, compared to 68% of native-born firms. In Australia, 63% of migrant firms are sole proprietors, compared to 61% of native-born entrepreneurs. What is more, only in a few Central and Eastern European countries does the share of migrant-owned businesses with over 11 employees exceed that of native-born entrepreneurs. Personal preference is the main reason for self-employment among both groups in the EU. However, 30% of immigrant self-employed state that they are in this situation because they have no alternative, compared with 20% of the native-born. A single main client accounts for most of the business revenue of one in four foreign-born entrepreneurs, while this is the case in one in three among their native-born peers.

In over two-thirds of countries, self-employment has become an increasingly common form of economic activity for the foreign- and native-born alike over the last decade. Its growth has been most pronounced, at 5 percentage points, in the Baltic countries (bar Estonia), parts of Southern Europe, and the Slovak Republic. There was a slowdown due to the COVID-19 pandemic in around half of countries, with the share of self-employment falling among both native- and immigrants between 2019 and 2021.

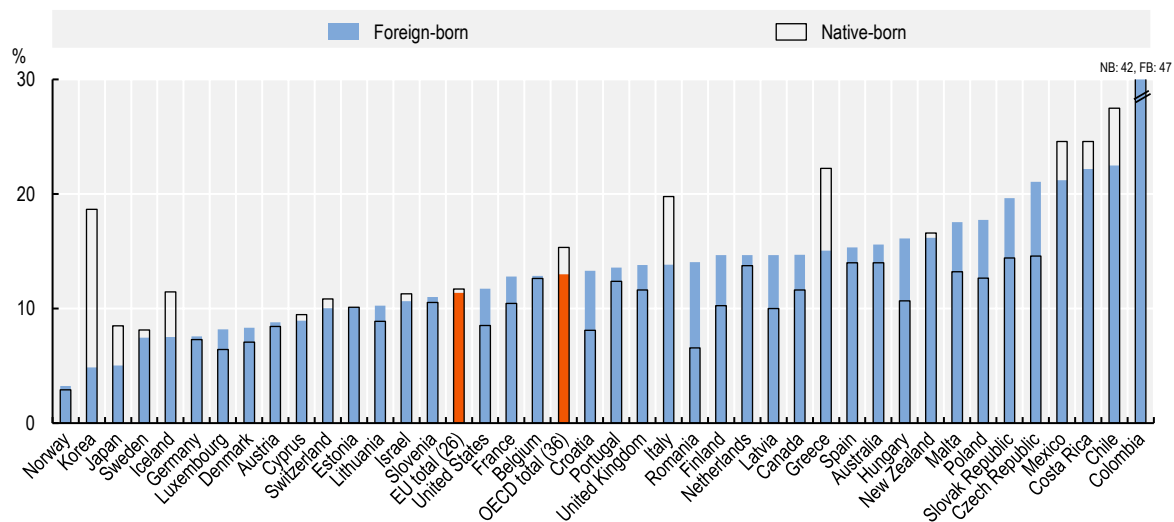
Barriers to self-employment within immigrant populations tend to be greater than among their native-born peers. Immigrants may struggle with adjusting to the host-country's business environment, regulations, and language. As time is a crucial factor in building up capital stock and professional networks, recent migrants have lower self-employment rates than settled migrants in all countries (bar Lithuania and the Slovak Republic). Having degree-level qualifications helps immigrants launch their businesses, with self-employment being slightly more common among highly educated immigrants than their low-educated peers in the EU (12% versus 10%). The opposite is true among the native-born, among whom self-employment is partly driven by the poorly educated in Southern Europe. Shares of female self-employment are lower than those of men virtually everywhere, regardless of country of birth.

#### Main findings

- In two-thirds of countries, the share of self-employed among immigrants exceeds the share among the native-born, except in Italy, Greece, Asia and most Latin American countries.
- Self-employment is motivated chiefly by personal preference. However, 30% of immigrants are self-employed because they have no alternative, compared to 20% among the native-born.
- Despite the slightly adverse effect of COVID-19 on self-employment in half of countries, it has grown among both foreign- and native-born in the EU and the OECD in the past decade.

**Figure 3.27. Self-employed workers**

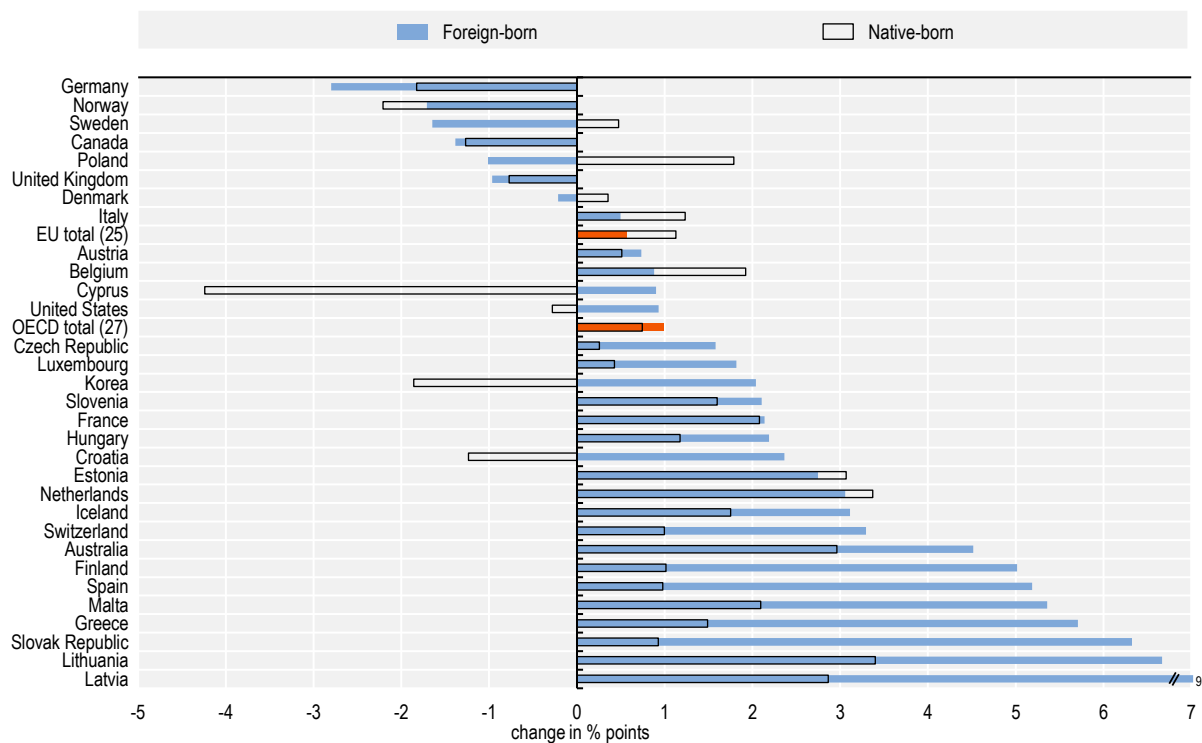
15-64 year-olds in employment, excluding those in the agricultural sector and those in education, 2021



StatLink <https://stat.link/gjcteu>

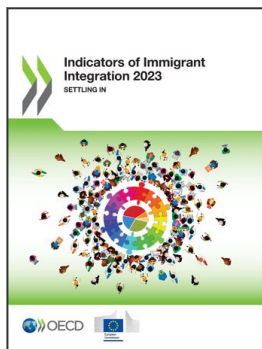
**Figure 3.28. How shares of self-employed have evolved**

15-64 year-olds in employment, excluding those in the agricultural sector and those in education, between 2011 and 2021



StatLink <https://stat.link/me813x>

Notes and sources are to be found in the respective StatLinks.



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