Chapter 1. Overview

This report presents an in depth analysis of the skills of migrants based on the OECD Survey of Adult Skills (PIAAC). Offering a unique picture of the skills held by adult migrants in OECD countries, the report provides a rare insight into how migrants' skills are developed, used and valued in host-country labour markets and societies. This overview chapter outlines the main findings of the report and sets the ground for further research going forward.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

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There is a large degree of variation in numeracy and literacy across migrant groups

The literacy, numeracy and problem solving skills of foreign-born adults are, on average, lower than those of the native born in all participating countries except Chile, a result already highlighted in previous publications (OECD, 2013[1]; OECD/EU, 2014[2]). These skills gaps are particularly prominent in the Nordic countries, reaching up to more than 50 score points in Sweden and Finland. This report draws special attention to the shares of migrants with very low levels of literacy and numeracy proficiency. In a number of European countries such as France, Italy, Spain, Slovenia and Sweden, as well as in the United States, more than 40% of foreign-born residents score at Level 1 or below on the PIAAC literacy scale. Individuals at this level cannot extract information from long and complex texts but are only able to read brief texts on familiar topics and locate specific information in short texts. At the same time, migrants are less likely than natives to have high levels of literacy proficiency. On average, only about 7% of migrants are highly proficient in literacy (scoring at Level 4 or 5 on the PIAAC scale), compared with 13% of natives.

Most importantly, migrants cannot be treated as a single homogeneous group. They come from very different backgrounds, and, accordingly, the education and experience they bring with them can differ markedly. In particular, factors such as the of origin and the country in which they completed their highest level of education, their age at arrival, and the duration of their residence in the host country have a significant impact upon the assessed level of literacy and numeracy.

Language barriers play an important role

PIAAC assesses information-processing skills in a given language chosen by participating countries, which typically corresponds with the country's official language.[1] The results of the assessment are therefore influenced by the language proficiency of respondents, which cannot be disentangled from cognitive ability (i.e. it is not possible to know how much a respondent would have scored if the test had been administered in a different language).

On average around 12% of adults in PIAAC participating countries are not native speakers of the language in which the PIAAC assessment is administered. However, countries differ greatly in the language composition of their migrant populations. For example, non-native speakers in Canada represent over a fifth of the overall sample of respondents. On average across PIAAC participating countries, around 59% of the migrant population and around 5% of the native population reported not to be native speakers in the language of the assessment.

Foreign-born individuals whose mother tongue is different from the language of the test tend to have lower literacy and numeracy proficiency and poorer labour market outcomes than individuals whose mother tongue matches the language of the test. Across OECD countries, the difference in literacy between foreign-born and native-born individuals of

similar gender, age and educational attainment is 26 points, but it decreases to 13 points among individuals who are also both native speakers in the language of the assessment. However, language penalties vary considerably, both across countries and within countries across different migrant groups. The mother tongue of the migrant, in particular, has a profound impact on the magnitude of the language penalty, and while the difference in the PIAAC scores of migrants who are native speakers of the host country language and those of non-immigrant native speakers is 10 points, this difference is as large as 27 score points when the native born are compared to migrants whose mother tongue is different from the language in which the PIAAC test was conducted.

The size of the language penalty is related to the degree of proximity between the mother tongue spoken by migrants and the language in which the respondent sat the test. The penalty persists irrespective of length of stay in the host country, and is particularly pronounced for those migrants who arrived in the host country after the age of 12. Differences in the composition of migrant groups with respect to their mother-tongue language explain a large degree of the between-country variation in migrant gaps in information processing skills. Similarly, language proximity explains to a large extent why different migrant groups with similar characteristics display very different levels of information processing abilities. Interestingly, language proximity does not explain differences neither across nor within-countries in the labour market outcomes of migrant adults.

Lifelong learning is important

Lifelong learning is increasingly seen as a crucial ingredient of skills policies, in that it might facilitate re-skilling (in response to changing skills demands) and prevent age-related skills decline (in response to longer working careers). Migrants might have more incentives and a higher need to participate in adult training, but might also face higher financial or non-financial barriers to participation. Data from PIAAC reveal that migrants have lower participation rates than natives. The differences are however not very large, and become very close to zero once account is taken of differences in observable individual characteristics between migrants and natives. Moreover, the cross-country variability in participation rates is much higher than the within-country differences between migrants and natives, suggesting that policies should give priority to ameliorate the overall system of provision of adult training (to make participation more attractive for everyone), rather than focusing explicitly on targeting the provision of training to migrants.

Where more targeting is needed is not so much in the supply of appropriate training opportunities for migrants, but rather in the removal of barriers to participation. Migrants are in fact more likely to report not having been able to participate in training activities they were interested in, in large part because of financial barriers, but also because of family responsibilities. Migrants therefore appear to express a high demand for existing training opportunities, and indeed the data show that, once they are able to gain access to training opportunities, they tend to spend more time than natives in such activities. This finding is likely to be, at least partially, driven by the language training that is compulsory for new migrants in many OECD countries.

Poor labour market outcomes among migrants often reflect lower returns to their skills

Across the OECD, labour market outcomes of migrants tend to lag behind those of the native born. Migrants are more often unemployed or inactive, and those who are in employment tend to have lower returns to education – in terms of earnings – than their native-born peers. These wage disparities are driven by a plethora of factors. A large part of the difference in the returns to education reflects different patterns in occupational placement, with migrants concentrated in jobs that are associated with a lower socio-economic status. Yet, migrants are often paid less than the native born even when operating in similar roles.

Part of the observed difference in occupational placement between migrants and natives can be explained by differences in the skills held by these two groups of workers. However, while occupational differences between migrant and native workers are reduced when language, as well as literacy and numeracy proficiency, are accounted for, foreign-born workers are still more likely than the native born to be employed in low-skilled and less prestigious occupations in certain host-country labour markets – notably Italy, Norway and Sweden. Other important factors in explaining occupational placement are the migrants' country of origin (migrants from non-EU European countries show the greatest labour market gaps compared to natives) and the country in which they were educated (migrants with domestic qualifications perform better in the host labour markets than migrants with foreign degrees).

Labour market outcomes are important, but broader well-being matters too

Employment and wages are key for individual well-being. However, non-economic outcomes, such as health, civic participation and trust can also be used as important indicators of integration. On average across OECD countries, the share of adults who reported to be in excellent or very good health is similar across natives and foreign-born adults, at about 81%. However, migrants in Korea, New Zealand and Singapore were more likely to report being in excellent or very good health than comparable natives, while in Austria, Canada, Denmark, Estonia, Finland, France, Germany, Greece, Israel, the Netherlands and Sweden, the reverse was true. Both educational attainment and literacy levels are strongly and positively associated with adults' self-reported health status, but differences in these characteristics do not explain differences in reported health status between migrants and natives.

Natives tend to express higher levels of generalised trust than migrants in many countries, and in many countries the association between literacy skills and self-reported trust is lower among migrants than among natives. Similarly, with the exception of Flanders (Belgium) and New Zealand, migrants tend to express a more limited belief in their political efficacy, and, in the majority of countries participating in PIAAC, educational attainment and literacy proficiency are more strongly associated with political efficacy among natives.

On average across OECD countries, migrants are less likely than natives to report having participated in voluntary work, including unpaid work for a charity, political party, trade union or other non-profit organisation in the year before they participated in PIAAC: some 35% of native-born adults reported that they had volunteered in the previous year compared to 27% of foreign-born adults.

Implications for the design of integration policy

While migrants have typically lower literacy, numeracy and problem solving skills than natives, differences between migrant groups are sometimes even larger than those between migrants and natives. By unpacking the skills of the migrant population in OECD countries, the patterns they exhibit and their correlations with a broad spectrum of outcomes, this report can help orient the design of integration policy. A clear conclusion emerging from the analysis is that an effective integration policy should not target migrants as a homogenous group, but should, instead, be carefully tailored to the needs and circumstances of the individual migrant. In particular, effective integration policies must build upon migrants' existing skills and experiences in order to help them recognise, develop, and use their skills in a tailored and individualised fashion.

Given the centrality of language skills in determining employment prospects and the ability to fully function in the host country society, the development of effective language tuition is critical. The education level, age, mother tongue and existing language skills of individuals have a significant impact on the speed with which they are able to pick up new languages. Older learners, the low-educated, and those whose mother tongue is linguistically distant from the host-country language are likely to require more course hours than younger and more educated migrants, as well as those who have a smaller linguistic distance to traverse. As a result, it is very important that language courses are tailored – in terms of speed and teaching methods – to the characteristics of their students. The development of language, however, need not solely focus on formal language tuition. Indeed, migrants with little daily exposure to their host-country language also tend to be less efficient language learners. Effective language tuition, therefore, will also involve employers working with and supporting individuals whose language skills require further development, by combining work and on-the-job language courses, for instance.

A key factor determining both observable/assessed literacy and numeracy skills and labour market performance is the country in which migrants completed their education. Migrants whose education was undertaken in their host country are likely to have more opportunities to practice their skills. Migrants who obtained their qualifications outside their host country, on the other hand, can face difficulty putting their qualifications to use. In the first place, for migrants with qualifications in regulated professions, where a certificate or licence awarded is required, holding a foreign qualification constitutes a clear barrier. In these fields, migrants trained abroad must obtain a formal assessment and recognition of their qualification from the relevant licencing body, and may require further education to bridge any difference in skill requirements. Integration policy can play an important role in facilitating this process: establishing a right to the assessment of foreign qualifications; providing information and facilitating application through one-stop-shops; linking partial recognition to further bridging education, and ensuring that procedures are not excessively long, nor costs prohibitively high (OECD, 2017[3]).

In occupations that are not formally regulated, migrants may, nonetheless, struggle to access employment appropriate to their education. This is because employers, who are not familiar with the education and training system in the migrants home country, may be uncertain of the skills these qualifications imply. Where employer uncertainty regarding the skills of migrants impedes access to employment, informal assessment of qualifications can give prospective employers an important signal about the skills that foreign-born and foreign-trained adults hold.

Beyond integration policy, the findings of this report also hold implications for the design of migration policies. Indeed, the results of Chapter 2 suggest that policies which rely on educational qualification as a criterion to grant access to migrants may be inefficient in selecting the most skilled. Instead, other characteristics – such as language proficiency and information processing skills – should also be taken into consideration in the design of labour migration policy aimed at attracting and selecting the migrants with the greatest productive potential.

The way forward

How to get the most out of existing data

Data on the information processing skills of migrants, collected through the OECD Survey of Adult Skills, provide invaluable insights into the extent to which these skills support or impede the ability of migrants to live, learn and work successfully in their host countries. Through an examination of the role that information processing abilities plays in shaping labour and non-labour market outcomes, PIAAC constitutes a unique source of information on the different factors that determine the integration outcomes of the foreign born.

However, skills, as tested in the host country language are determined both by underlying cognitive ability, on the one hand, and by language skills on the other. It is not possible to disentangle these influences through analysis of the PIAAC scores and, as such, it is not possible to say with certainty and in all cases whether the skill disparities that we observe between the migrant and the native-born population are driven by poor underlying information-processing skills or whether they are driven by language deficiencies. Nonetheless, PIAAC does open new avenues for research which can help better understand these issues. This report shows that the skill disparities between migrants and natives are reduced when controlling for correlates of language skills – such as language spoken at home, most often spoken language, duration of residence, or country of origin – but differences are not entirely accounted for by these different proxies for language ability.

Disentangling the impact of language from underlying literacy, numeracy and problem-solving skills will be an important avenue for future data collection in PIAAC. A number of approaches could be envisaged in order to make progress in this direction. In the first place the influence of language could be isolated by including questions in a selection of languages in the PIAAC tests administered to the foreign born. This approach may be feasible in countries in which there is just one non-host-country language that dominates among the foreign-born population (e.g. in the United States), but it may be more complicated in other countries. A comparison of performance on questions in the migrants' native language with performance on questions in their host-country language could then shed some light on the role played by language on performance in the PIAAC assessment. This, however, would require significantly boosting the sample size, or requiring respondents to sit the test, or part of it, in both languages.

How to render the data more relevant to examining questions of migrant integration

Beyond the difficulties in disentangling the role language plays in determining assessed/observed literacy and numeracy skills, there are some further challenges in using the data collected in PIAAC to analyse the skills and outcomes of the foreign born.

Primary among these is the limited number of foreign-born individuals in the PIAAC sample. The small sample sizes in the majority of countries both render existing research vulnerable to concerns over the extent to which results are representative of the entire migrant population and also limit the depth of research, as further disaggregation leads to extremely limited samples and becomes highly problematic. Further efforts in future PIAAC data collections could open the door to more detailed investigation of the skills of migrants, and the role these skills play in determining the integration process, by oversampling the foreign-born population and ensuring that the sample is representative of the underlying migrant population.

Alongside the limited sample size, analysis of migrant skills using the OECD Survey of Adult Skills could be strengthened by the inclusion of some additional variables of primary importance for migrants, such as the reasons for migration and more detailed information on which languages are spoken and practised at home, in the work place and in everyday life. In addition, supplementary information on the parents of native-born youth with a migration background may help unpacking with more accuracy the extent and mechanisms through which intergenerational disadvantage is bequeathed.

Finally, an important contribution offered by the data collected as part of the OECD Survey of Adult Skills is its ability to match access to training with concomitant skills. Extending this contribution to language training, integration training and other forms of training particularly relevant to the foreign born could offer important insights into the role such training plays.

Note

[1] In Estonia the assessment was conducted in Estonian and Russian, to account for the fact that Russian is the mother tongue for almost 30% of the Estonian population. In Singapore the assessment was conducted in English, which is not the mother-tongue language of about two thirds of adults born in Singapore.

References

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