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## GENDER INEQUALITY AND INTEGRATION OF NON-EU MIGRANTS IN THE EU\*

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With the increase in the number of refugees - and migrants more generally - arriving in the EU, labour market and wider societal integration has moved to the forefront of today's policy debate.<sup>1</sup> Successful integration is important from a humanitarian point of view, but it is also crucial for a more pragmatic economic reason: the less newcomers integrate into the labour market, the bigger the pressure on public budgets.

Several noteworthy studies have recently addressed the labour market integration of refugees.<sup>2</sup> While the heterogeneous socio-economic characteristics of new arrivals are often acknowledged in these studies, labour market integration measures are only slowly starting to cater to the specific needs of the diverse groups.

Particularly striking is the gap in labour market integration – in terms of employment and labour market participation – between male and female migrants coming from third countries. This gender divide is also pronounced when one considers only individuals seeking protection in the EU and in countries that have recently seen a large influx of refugees, and persists in labour markets over time. The available evidence points to low-skilled individuals as the main driver of the gender divide among migrants, but the gap is visible across all skill groups and differs between host countries.

<sup>2</sup> See e.g. European Commission (2016a, b), Eurofound (2016), EMN (2016), Bertelsmann (2016a, b), OECD & EC. (2015), Konle-Seidl & Bolits (2016), Benton, Sumption, Alsvik, Fratzke, Kuptsch, & Papademetriou (2016).







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<sup>1</sup> We use the terms "migrants" and "third-country nationals" interchangeably throughout the text to refer to individuals born outside the EU28. The term refugee refers to a third-country national who is a resident of an EU28 country in order to seek international protection. Third-country national status is granted on the basis of country of birth when known; otherwise, on citizenship. For measures of labour market integration we use the prime-age labour force, i.e. individuals aged 25 to 54 years old.

These relatively low labour force participation rates of third-country female migrants deserve particular attention for two main reasons. First and most importantly, labour market integration and wider societal integration seem to move in line with each other (Barslund, Laurentsyeva, Ludolph, & Skaaning, 2017). Excluding non-EU female migrants from the labour market may marginalise them in their host country's society (Riller, 2009). Second, participation rates of women entering the EU from third countries are often low in their country of origin. For example, the economic activity rate of females stood at less than 15% in Syria in 2011.<sup>3</sup> In addition, there may be cultural factors playing a more salient role for female than male migrants. Encouraging and supporting Syrian women to join the labour force thus poses a challenge to EU national and regional policymakers that requires tools beyond standard active labour market policies.

We therefore argue that efforts at integration need to more explicitly take the gender dimension into account and further analyse the determinants of the gender gap in integration. A mapping of successful initiatives targeting migrant women, as has been done in recent best-practice guidelines, is essential, but these studies mainly stress that the number of targeted measures is currently insufficient.

#### Large Gender Gaps in Participation and Employment Rates among Third-Country Nationals

The low female labour force participation and employment rates among third-country nationals in the EU are the sum of two effects. First, labour force participation and employment rates are generally lower for third-country nationals in the EU than for the native-born population. This is particularly the case for member states that have recently been major destination countries for refugees. Second, while a gender gap exists for both native-born and migrants regarding labour market participation and employment rates, it is much larger for migrants in some countries. This can be illustrated by plotting the difference between employment and participation rates in 2015 for native-born and third-country nationals for men and women separately (Figure 1, top panel). The excess gender gap is the difference between the two bars.

It is important to keep in mind that the revealed differences come on top of the existing gender gap (among the native-born population) in employment and activity rates. This difference stood at around 10 p.p. in 2015 in EU28 for 25-54 year olds. Thus, for example, in Austria the employment rate gender difference for third-country nationals is an additional 10 p.p. (Figure 1, top panel, right).

3 Syrian Central Bureau of Statistics. The World Development Indicator (WDI) database indicates similar numbers for Iraq and Afghanistan.





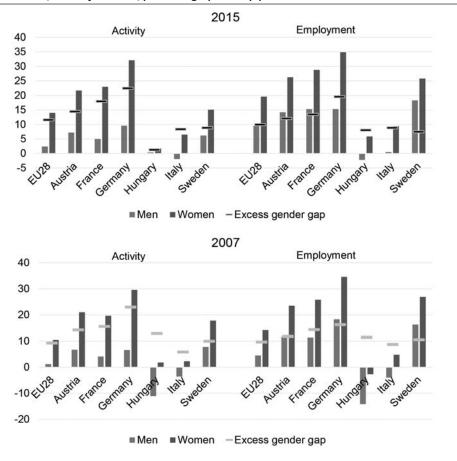


Figure 1. Differences in activity and employment rates between native-born and third-country nationals, 25-54 year olds, percentage points (p.p.).

Notes: Countries with the largest number of asylum seekers in 2015. Third-country nationals defined by country of birth; except for Germany (country of citizenship, Eurostat tables Ifsa\_ergan and Ifsa\_argan).

Source: Eurostat (Employment: table lfsa\_ergacob. Activity: table lfsa\_argacob).

Differences among countries may be due to a number of factors, e.g. heterogeneity in terms of migrants' origins, their educational level, as well as the number and age of children. We therefore stress the EU-wide nature of the gender gap rather than focusing on country comparisons, and note that in most countries, parts of the excess gender gap between non-EU female migrants and their native-born counterparts still persist after controlling for important socio-economic differences (Rubin, Rendall, Rabinovich, Tsang, Van Oranje-Nassau & Janta, 2008).

The significant differences found in migrants' educational attainment between genders do explain some part of the excess gap in individual countries, but at the EU28 level the available evidence points to an equal level of education for men and women for





third-country migrants.<sup>4</sup> Moreover, the gender gap is a persistent feature of third-country nationals' labour market integration (Figure 1, bottom panels). Despite the different economic conditions over time in some of the reported countries, gender gaps changed very little. There is evidence from some countries that the excess gender gap is closing in line with the duration of stay in the host country. However, the pace is slow.

While the available statistics on employment rates of migrants by educational attainment are incomplete, there is some evidence that the differences in labour market integration among low-skilled migrants are main driver of the gender gap (European Commission, 2016a). There are substantial differences among countries, however. For example, in Germany and France, the excess gender gap among non-EU migrants is as large for high skilled as for low skilled (Figure 2). In Sweden, the gender gap increases with education, whereas in Italy the gender gap among the low-skilled is actually smaller for third-country nationals than for the native-born population.

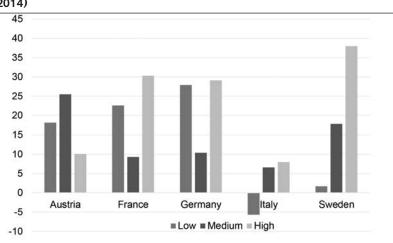


Figure 2. Excess gender gap in employment rates by educational attainment, 25-54 year olds (2014)

Note: Excess gender gap defined as the gender gap among third-country nationals minus the gender gap among native-born. Numbers not fully compatible with Figure 1 because of differences in the definition of third-country national and reference year (2014 versus 2015 in Figure 1). This figure is based on citizenship (country of birth not available), whereas Figure 1 uses country of birth. Fully comparable numbers are also not reported by Eurostat. Data for EU28 are not available. Low skilled corresponds to ISCED 0-2, medium to 3-4 and high to 5+.

Source: EU-LFS special 2014 module (table lfso\_14lempr).

The share of third-country nationals with low educational attainment ranges between 30% and 50% among the countries displayed (35% for the EU28 as a whole). Hence reducing the excess gender gap among low-skilled will make a difference in some countries, but the

4 See European Commission (2016a), and Eurostat (table edat\_lfs\_9912) and OECD & EC (2016).





problem is not limited to this particular group. Numbers from the European Commission (2016a) indicate that low-skilled individuals are the primary driver of the gender gap among refugees; however, the Commission's data consider the population of 15-64 year olds, where age differences among educational groups are likely to be a confounding factor.

#### Lack of Labour Market Integration of Migrant Women Has Macroeconomic Implications

The integration of migrant women into the labour market may foremost be a social issue. In many countries, however, the gender differences are large enough to be of macroeconomic importance. To illustrate this observation, consider the following thought experiment for Austria: Assume that the excess gender gap in labour market participation rates among third-country nationals is closed, such that labour force participation rates mimic that of the native-born population. This is less ambitious than may appear at first sight; we only assume that migrant women become as integrated into the labour market – measured by participation rates than the native-born population. In the case of Austria, the rate is 7 p.p. lower (Figure 1, top panel, left), which would imply a reduction of the gender gap from around 22 pp. to 7 pp. With almost 250,000 non-EU women aged 25 to 54 residing in Austria, this would increase the prime labour force (25-54 year olds) by more than 1%.

# Gender Differences in Societal Integration: The Role of Participatory Citizenship

Recent studies on labour market integration of refugees justify their focus on economic integration by arguing that a broader societal integration follows automatically when migrants obtain employment. While this link seems intuitive, the evidence in the literature is relatively scarce. Arguably, "social integration" as a notion is hard to define, and reverse causality between the two types of integration cannot be ruled out. For example, a strong social network could help with the job search as much as a new job could help social inclusion.

However, sociological research supports the idea of labour market integration as a stepping stone to social inclusion. Working is more than a means of economic support and the non-monetary value of work manifests itself in a feeling of being part of the society and imparts a sense of purpose (Morse & Weiss, 1955). On the other hand, losing one's job may result in social isolation, among other negative psychological effects (Jones, 1988). It should be noted that whether employment has the effect of promoting social inclusion also depends on the quality of the new job (Atkinson, 1998).

It still remains an important question to what extent gender gaps in labour market integration reflect gender gaps in social integration. Theoretically, the importance of employment for integration into a society could differ between males and females. We argue below, however, that this is not the case.







As noted above, measuring the extent of integration into society is clearly not a straightforward exercise, and no single measure would be able to cover all dimensions of integration. The European Commission has proposed a useful set of indicators to measure social integration, the so-called Zaragoza indicators. In addition to various measures of labour market integration, these indicators cover health status, educational attainment, social inclusion, the rate of naturalisation and the share of migrants with long-term residence status (OECD & EU, 2015). While these are important indicators for the well-being of the migrant population, they have limited participatory content in the sense of measuring active participation in the host country's societies.<sup>5</sup>

In order to capture migrants' active participation in the host country's society, Barslund, Laurentsyeva, Ludolph and Skaaning (2017) measure wider social integration by building on the active citizenship index proposed by Hoskins and Mascherini (2008). Specifically, they measure the proportion of the population that has participated in at least one of the following seven indicators:<sup>6</sup>

- "worked (as a volunteer) in an organization or association"
- "signed a petition"
- · "taken part in lawful public demonstration"
- · "boycotted certain products"
- · "worn or displayed campaign badge/sticker"
- "contacted politician or government official"
- "member of political party".

These seven indicators are available in the European Social Survey (ESS) in all waves from 2002 to 2014 (latest available wave). Furthermore, the ESS contains country of birth at the individual level as well as other characteristics. By pooling all seven rounds of the ESS, the authors obtain a large sample of both native-born and third-country nationals and calculate the gender gaps in active citizenship by level of education (Table 1).

The picture is very similar to that for labour market participation and employment rates. Thirdcountry nationals are in general less likely to have participated in one of the active citizenship activities, but in addition, the gender gap is much larger, particularly for the low skilled.

Barslund, Laurentsyeva, Ludolph and Skaaning (2017) also look at the association between employment and social integration using the indicator approach described above. They

<sup>6</sup> Hoskins & Mascherini (2008) used 61 indicators in their composite indicator based on a special module of the European Social Survey (ESS) in 2002. The majority of these indicators are unavailable in later surveys. Seven of the indicators, the ones used here, are repeated in every round of the ESS. The same seven indicators were used in Hoskins, D'Hombres & Campbell (2008).







<sup>5</sup> Alternatively, the prevalence of intermarriage has been used as an indicator for (long-term) social integration (Dribe & Lundh, 2008; Meng & Meurs, 2009; Meng & Gregory, 2005). Gender effects are present in these studies as well.

show that the initial unemployment rate in the host country is negatively correlated with current employment and active citizenship. In addition, as one would expect, they find that the impact of initial unemployment rate fades with the passage of time lived in the host country. They argue that the mechanism runs from poor initial labour market conditions towards lower employment prospects in the years following arrival, which again negatively affect social integration outcomes. That unemployment has longer-term negative effects on employment prospects is a well-known finding from the literature on the impact of recessions on unemployment spells (Barslund & Gros, 2013).

## Table 1. Proportion involved in active citizenship by country of birth, gender and education, EU28, 25-54 year olds (2002-2014)

	Tot	Total		Low		Medium		High	
	Native born	Third- country national	Native born	Third- country national	Native born	Third- country national	Native born	Third- country national	
Men	51.0	43.4	36.7	34.2	47.6	42.0	67.4	56.6	
Women	49.4	36.3	35.4	24.2	45.8	34.6	65.2	51.2	
Differenc	<b>e</b> 1.6	7.1	1.3	10	1.8	7.4	2.2	5.4	
Ν	118,561	6,989	23,906	1,979	53,312	2,417	40,875	2,520	

Source: Authors' calculation based on the European Social Survey (round 1-7). Means are weighted.

If a causal mechanism leading from labour market integration to better social integration does indeed exist, the rationale to improve migrant women's labour market outcomes is much reinforced.

#### On The Ground: What Is Done to Integrate Migrant Women?

The question arises whether integration measures can be designed to cater specifically to the needs of women. Evidence from Australia suggests that, if cultural aspects are considered, labour market integration of refugee women can be achieved (Bertelsmann, 2016a). For example, a programme to support micro-entrepreneurship of refugee and migrant women led more than 40% of the participants to start their own business (Bodsworth, 2013).<sup>7</sup>

Tailored initiatives are still scarce in the EU. A few exceptions exist. For example, the Austrian programme 'Mama lernt Deutsch!' by the municipal authority of Vienna targets refugee women by teaching skills relevant to the group and offering child care (EMN, 2016). Further, recently-introduced programmes in Austria conduct competence checks with a focus on

<sup>7</sup> The culturally sensitive design in this programme included exclusively female mentoring and childcare assistance







female refugees. Other countries such as Denmark are extending their labour market integration programmes to broaden the integration support offered to women (Bertelsmann, 2016b). In Germany, the Federal Office for Migration and Refugees (BAMF) offers language classes to migrant women, which also include practical help with childcare and education as well as discussions of cultural differences.<sup>8</sup>

We draw two conclusions from the recent evidence we have reviewed here. First, while the above list is not exhaustive and local initiatives exist in many EU countries, labour market integration programmes tailored to women's needs are generally insufficient. Second, the little evidence we find suggests that tailored measures can be successful. However, too few initiatives exist to evaluate their success in a meaningful way.

The European Commission's "Repository of promising practices" is an excellent example of a platform that could be extended to categorise best practices by their specific target groups.<sup>9</sup> While we applaud the Commission's prompt reaction to the need for such a platform, we note that the database is currently a rather limited and loose collection of successful initiatives. We highly encourage European authorities to build on the Commission's recent efforts and provide national, regional, and local policymakers with the tools that are necessary to support the most vulnerable groups of (forced) migrants. Among these groups, female refugees appear to receive particularly little support at this time.

9 http://ec.europa.eu/social/main.jsp?catId=1208&langId=en







<sup>8</sup> http://www.bamf.de/DE/Willkommen/DeutschLernen/Integrationskurse/SpezielleKursarten/Frauenkurse/frauenkurse-node.html

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