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Children of Immigrants in the Labour Markets of EU and OECD Countries: An Overview

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CHILDREN OF IMMIGRANTS IN THE LABOUR MARKETS OF EU AND OECD COUNTRIES: AN **OVERVIEW**

Paper originally presented at the Joint Technical Seminar on 'The Labour Market Integration of the Children of Immigrants', co-organised by the European Commission and the OECD

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EXECUTIVE SUMMARY

This document provides a first comparative overview of the presence and outcomes of the children of immigrants in the labour markets of OECD countries, based on a collection of data from 16 OECD countries with large immigrant populations. Its key findings are the following:

- In about half of all OECD countries, children of immigrants both native-born offspring of immigrants and foreign-born who immigrated before adulthood with their parents account for ten or more percent of young adults (aged 20-29) in the labour market.
- Most children of immigrants have parents from low- and middle-income countries, and the share
 with parents from such countries is larger among foreign-born children than among the nativeborn offspring of immigrants. This is a result of the diversification of migration flows over the
 past 20 years.
- Among the native-born children of immigrants in European OECD countries, Turkey is the single most important country of parental origin, followed by Morocco. When comparing the countries of parental origin for the native- and the foreign-born children of immigrants, one observes in the European OECD countries a strong decline in the importance of the origin countries of the post-World War II wave of labour migration, in particular Turkey but also Morocco, Italy, Portugal and Pakistan.
- In all countries except Germany and Switzerland, a large majority of the native-born children of immigrants have obtained the nationality of their countries of residence.
- The OECD's Programme for International Student Assessment (PISA) has demonstrated lower assessment results for the children of immigrants in most European OECD countries. There are close links between PISA outcomes and educational attainment levels. In the countries in which children of migrants have large gaps in PISA-scores vis-à-vis children of natives, children of immigrants are also strongly overrepresented among those who are low-educated.
- One observes a clear difference between the non-European OECD countries (Australia, Canada, New Zealand and the United States) on the one hand and European OECD countries on the other hand. In the former, the children of migrants have education and labour market outcomes that tend to be at least at par with those of the children of natives. In the European OECD countries (with the exception of Switzerland), both education and labour market outcomes of the children of immigrants tend to be much less favourable.
- Part of the differences in labour market outcomes observed in most European OECD countries is
 due to the fact that the children of immigrants tend to have a lower educational attainment than
 the children of natives. However, significant gaps remain in many of these countries even after
 correcting for differences in average educational attainment.

- The remaining gaps are particularly large for the offspring of migrants from Turkey and from certain non-OECD countries such as Morocco. In all countries, children with parents from middle-and low-income countries have lower outcomes than children of immigrants from high-income countries. The differences are particularly large for young immigrant women.
- On average over the OECD countries for which data are available, the children of immigrants have an unemployment rate that is about 1.6 times higher than that of the children of natives, for both genders. The children of immigrants also have lower employment rates the gaps compared with the children of natives are about 8 percentage points for men and about 13 percentage points for women.
- For women, one observes much better results for the native children of immigrants than for young immigrants, suggesting that having been fully raised and educated in the country of residence brings some additional benefit. However, this is not observed for men, where the native-born children of immigrants do not seem to fare better than the young immigrants, particularly after accounting for the lower educational attainment of the latter group.
- The less favourable picture for the female children of migrants compared with their male counterparts is less clear-cut after controlling for socio-demographic characteristics, in particular marital status and number of children. Part of the "double disadvantage" for the female offspring of immigrants seems to be due to the fact that in the age range under consideration (20-29 years), they are overrepresented among those who are (already) married and have children. Indeed, once controlling for this, native-born women who have parents from the Maghreb region or Southern Europe, as well those with Turkish parental origin, tend to have higher employment rates relative to comparable natives than their male counterparts.
- When in employment, children of immigrants are in occupations similar to those of the children of natives. They are also widely spread throughout the economy, but tend to remain underrepresented in the public sector.

CHILDREN OF IMMIGRANTS IN THE LABOUR MARKETS OF EU AND OECD COUNTRIES: AN OVERVIEW

1. Introduction

- 1. The integration of the children of immigrants is now attracting much attention among policy makers in EU and OECD countries. Although it is not a new issue already since the late 1970s there has been growing concern about the educational outcomes of the children of migrants in European OECD countries (see e.g. Castro-Almeida 1979) it has gained prominence in recent years. Children of migrants both those who were born in the country of residence or who have migrated themselves with their parents now account for a significant part of the youth population in most countries. This is a result of the large number of migrants who have entered OECD countries over the past three decades. Many of the children of these migrants have just entered or are about to enter the labour market, and their share of new labour market entrants is expected to grow over the coming years. Since many countries expect that a greater recourse to migration may be needed in the future to counter, in conjunction with other policies, the effects of ageing on the labour market, the integration of the children of migrants is likely to gain further importance.
- 2. The integration of the children of migrants into the societies and, in particular, the labour markets of OECD countries is an important issue for social cohesion. The OECD reviews on the labour market integration of immigrants (OECD 2007a, 2008) have shown that equality of labour market outcomes with comparable natives is an objective which is often difficult to achieve for persons who have migrated as adults, because of integration obstacles which are linked with the migration process itself. An individual who has migrated as an adult has acquired his or her human capital in an environment and in a language that may be very different from that of the country of residence. Because of this, integration is generally seen as a process which takes place over time (Chiswick 1978), although the convergence towards the outcomes of persons born in the host country may be only partial even after many years. Because migrants themselves will always tend to retain characteristics related to their foreign origin which may hamper the integration process, it has been argued that the success or failure of the native-born children of migrants raised and educated in the country of residence is the ultimate benchmark of integration (Card 2004).
- 3. Against this backdrop, there is concern that the labour market outcomes of the children of immigrants are lagging behind those of the children of natives. The OECD country reviews on the labour market integration of immigrants and their children (*Jobs for Immigrants* OECD 2007a, 2008) provided evidence that the labour market outcomes of the children of immigrants are not as good as those of nativeborn youth with native-born parents in many European OECD countries such as Belgium, Denmark, France, Germany, the Netherlands and Sweden. In addition, related OECD work on the school-to-work transition (*Jobs for Youth*) has highlighted the difficulties encountered by the children of immigrants in many OECD countries to access the labour market.
- 4. This document provides a first comparative overview of the presence and outcomes of the children of immigrants in the labour markets of OECD countries. It contrasts the situation for the children of immigrants compared with the children of natives in European and non-European OECD countries along a number of key outcomes (educational attainment, employment and unemployment rates, occupations and sectors). In doing so, it neither intends to provide an analysis of possible reasons for

observed differences in labour outcomes - with the exception of those linked with basic socio-demographic characteristics such as education, age, marital status and having small children - nor to present and discuss possible policy solutions to tackle any observed differences. These issues are dealt with in other contributions to the joint EC/OECD seminar on the labour market integration of the children of immigrants.

5. The remainder of this document is structured as follows. Section 2 provides a brief overview of the available internationally comparable data and research on the children of immigrants. Section 3 describes the size and parental origin of the children of immigrants in the countries under review. This is followed by an overview of the educational attainment of the children of immigrants compared with the children of natives (Section 4). Section 5 presents descriptive information on the labour market outcomes of the children of immigrants compared with those of the children of the native-born. Section 6 provides a tentative overview of how much of the observed differences in labour market outcomes can be explained by socio-demographic characteristics. The document ends with a summary and conclusions (Section 7).

2. Data and research on the children of immigrants

Internationally comparable data on the labour market outcomes of the children of migrants has been lacking thus far

- In spite of the policy interest in the integration of the children of migrants, internationally comparable data and research on their outcomes are still rather scarce.² The main reason for this is that few international datasets contain information on the country of birth of the respondents' parents. The most prominent among the exceptions is the OECD's Programme for International Student Assessment (PISA), which provides information on the background characteristics and the educational outcomes of 15-year old students. Generally, more attention has been paid to the educational outcomes of the children of immigrants, both with respect to data and research. On the data side, in addition to PISA, such information is available from the Third International Mathematics and Science Study (TIMSS; covering 7th and 8th graders) and the *Progress in International Reading Literacy Study* (PIRLS; covering 4th graders) (see Schnepf, 2004 for an overview of the outcomes of children of migrants in these surveys).
- Gradually, international datasets are becoming available which contain not only information on labour market outcomes, but also on the country of birth of the parents. The 2008 European Labour Force Survey has a special migration module which has this type of information, but the module is not yet available for many countries. Once fully available, it will permit comprehensive comparable analysis of the labour market situation of the children of immigrants for the European OECD countries.
- Another recently collected dataset is *The Integration of the European Second Generation* (TIES), which contains rich information on the children of migrants from Turkey, Morocco and the successor countries of the former Yugoslavia, in comparison with the children of natives. Data were collected for individuals from 15 major cities in Austria, Belgium, France, Germany, the Netherlands, Spain, Sweden and Switzerland. Damas de Matos (2009) provides an overview of first results from the project regarding the family background characteristics on the labour market integration of the offspring of immigrants.

The terms "native-born" and "native" are used synonymously in this document. They refer to the

¹ population born in the country of residence, not to the population which has the nationality of that country. 2 That notwithstanding, there have been many studies in recent years focusing only on one or two OECD

countries. Regarding the labor market integration of immigrants, see, for example, Khoo et al. (2002) for Australia; Meurs, Pailhe and Simon (2006) for France; Van Ours and Veenman (2004) for the Netherlands; Aydemir and Sweetman (2006) for the United States and Canada; Dustmann and Theodoropoulos (2006) for the United Kingdom; Rooth and Ekberg (2003) for Sweden; Nielsen et al. (2003) for Denmark; Olsen (2006) for Norway; and Glorieux and Laurissen (2009) for Belgium (Flanders).

9. To date, the only available comprehensive internationally comparable analysis of the labour market situation of children of immigrants is provided by Heath and Cheung (2008). Their collective volume contains analyses for ten OECD countries and a number of non-member countries. However, because of lack of data, the children of migrants were often defined as native-born with foreign nationality. This excludes the many children of migrants who have obtained the nationality of the country of residence (see below). The 2007 *International Migration Outlook* (OECD 2007b) provided basic data on the educational attainment levels and the employment and unemployment rates of the native-born children of migrants for ten OECD countries.

An overview of the situation of the children of immigrants across the OECD

- 10. This document presents an update and extension of this latter work, extending both the coverage (16 countries) and the range of outcomes that are considered. In addition, some basic information on the parents' origin countries is presented. For the purposes of this document, the target population is defined as encompassing both the native-born with two foreign-born parents and individuals who are themselves foreign-born but arrived in the country of residence as children (that is, before the age of 18). Both groups are generally analysed separately, the latter group will be referred to below as either "immigrant children" or "young immigrants" and the former as "native children of immigrants" or "native-born children of immigrants". Unless stated otherwise, the information presented below refers to those aged 20-29 who are not in education.³
- 11. The analysis focuses on the children of parents who were both themselves immigrants, excluding immigrants who entered as adults (i.e. generally without their parents) on the one side and native-born children who have only one foreign-born parent on the other side. In several European OECD countries, there is growing concern regarding the native children whose grandparents have immigrated (sometimes, a bit unfortunately, referred to the "third generation"). This group is difficult to define. Most often, the debate on the so-called "third generation" refers to the offspring of a couple in which a native-born child of immigrants married someone from the origin country of his or her parents. In practice, available data do not allow one to distinguish these children from the ones in which one parent is foreign-born and the other an offspring of natives (often referred to as "mixed marriages"). OECD (2007a) shows that overall, the native-born children who have one native-born and one foreign-born parent generally have better outcomes than the children with two foreign-born parents.
- 12. With the support of member countries, data on the children of migrants have been gathered from country-specific sources (see the methodological Annex for details) for virtually all OECD countries where this group constitutes a significant part of the population aged 20-29. This concerns Australia, Austria, Belgium, Canada, Denmark, France, Germany, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States. However, not all information was available or statistically reliable (due to small sample sizes) for all countries in each of the sections below.

Annex Table 2 shows the percent of children of natives and children of immigrants who are still in education. On average for the OECD countries for which data are available, about 20 percent of both native children of immigrants and of children of natives are still in education. Among the young immigrants, the share is slightly higher at about 25 percent.

This list of countries does not include Ireland and the Southern European countries for which significant levels of immigration are recent, and where few native-born children of immigrants are currently in the age-group 16-74 were foreign-born, but less than 83 000 persons were native-born children with foreign-born parents, making it impossible to derive reliable descriptive statistics on the labour market outcome for native-born children of immigrants. However, the number of immigrants who have immigrated before adulthood is sufficiently large to include Spain with respect to that group in a number of tables below.

3. The size and parental origin of the children of migrant populations in OECD countries

Children of immigrants now account for a non-negligible share of young people of working-age in many OECD countries

13. In all countries with the exceptions of Norway and France, the target population accounts for more than ten percent of the 20-29 year old (Table 1).⁵ It is largest in Luxemburg (40 percent) and Switzerland (27 percent). In the other European OECD countries covered, as well as in Canada and the United States, the share is between 11 and 19 percent. Data for Australia and New Zealand are only partially available, but indicate that the share is likely to be around 20 percent in these two countries.⁶

Table 1: Share of children of immigrants among the population aged 20-29 and not in education, selected OECD countries, around 2007

	Australia	Austria	Belgium	Canada	Denmark	France	Germany	Luxem- bourg Men	Nether- lands	New Zealand	Norway	Spain	Switzer- land	United Kingdom	United States	OECD
								INICII								
Children of natives	6	6	11	8	2	12	16	6	5	5	3	13	4	9	9	9
Native-born children of immigrants	6		28	7	6	21	27	11			4			15	9	15
Young immigrants		12	24	8		19	20	19		10	8	20	5	11	8	15
								Women								
Children of natives	5	5	12	7	3	13	13	11	4	7	3	13	4	7	7	9
Native-born children of immigrants	5		27	6	6	21	20	22		10	3			10		15
Young immigrants			28	8		29	19	9	18		7	24	7	12		16
								Total								
Children of natives	5	6	12	8	2	13	15	8	5	6	3	13	4	8	8	9
Native-born children of immigrants	6	16	27	7	6	21	24	17	16		4		6	12	8	16
Young immigrants		13	26	9		23	20	14	14	10	8	22	6	12	7	15

Source and Note: See methodological Annex. OECD refers to the simple average of all countries in the table for which full data is available. 2. Data for Canada refer to the 2006 census and for New Zealand to the percentage of the foreign born labour force from the 2006 census.

- 14. In seven out of the twelve countries for which data are available, the group of the native-born children of immigrants is smaller than that of the immigrants who arrived as children. This is notably the case in the Nordic countries, Switzerland, Austria, Germany and the United States, reflecting the large inflows of immigrants into these countries in the second half of the 1980s and the 1990s. In contrast, the population of the native children of immigrants is larger in Canada, France, Belgium, Luxembourg and the United Kingdom.⁷
- 15. For the countries for which data are available, the two groups of children of immigrants taken together account for roughly the same proportion among the 20-29 age group as immigrants themselves among the entire working-age (i.e. 15-64 years old) population. Note, however, that the latter population includes the young immigrants who arrived as children. This implies that the children of migrants account

Note, however, that for France, the children of foreign-born parents who had French nationality at birth were excluded. The same has been done for Belgium. For the Netherlands, the children of parents from Indonesia have been excluded (see methodological Annex). These adjustments have been made to exclude the offspring of expatriates who returned from former colonies (see OECD 2008 for details).

The size of the population of the native children of immigrants in the United Kingdom could be overestimated since the classification is based on self-declared ethnic origin (see methodological Annex).

Exact data for Spain are not available either. A rough estimate suggests that children of migrants account for less than five percent of the age-group 20-29.

for a larger proportion in their age cohort (20-29) than the migrants who came as adults in the working-age population as a whole (15-64).

16. The origin countries of the parents differ widely and reflect the history of migration to OECD countries after World War II. Among the native-born children of immigrants, those with parental origin from non-OECD countries or from the low-income OECD countries (i.e. Turkey and Mexico) account for around 90 percent or more of the stock in Austria, Denmark, Germany, the Netherlands, Norway and the United States. Only in Switzerland (32 percent) and Luxembourg (less than 5 percent) do children with parents from non-OECD countries/Turkey/Mexico account for a clear minority among the native children of immigrants.

Turkey is the single most important parental origin country of the native children of immigrants in European OECD countries

Annex Table 1 shows the main origin countries of the parents for the two groups of children of immigrants who are under consideration. These data tend to be limited, since data sources which have information on parents' origin countries often provide them only by broader regions. For the European OECD countries, the parental origin countries of the native children of immigrants are heavily dominated by the origin countries of the era of the so-called "guest worker recruitment". Among these, Turkey stands out as the main parental origin country, accounting for more than a third of the native children of immigrants aged 20-29 in Germany, Austria, Denmark and the Netherlands (Figure 1). In all European OECD countries for which data are available, Turkey is one of the three main parental origin countries for this group. Morocco comes second, accounting for at least 20% of the native children of immigrants in Belgium, France and the Netherlands. Pakistan is the main parental origin country for this group in Norway, and the second most important country (after India) for the United Kingdom.

Figure 1: Share of children with Turkish immigrant parents among children of immigrants in European OECD countries, 20-29 years old and not in education, around 2007

Source and Note: See methodological Annex. Data refer to persons not in education. OECD refers to the simple average of all countries in the graph for which full data are available. For France, detailed countries of origins could not be defined for native-born children of immigrants.

native children of immigrantsyoung immigrants

- 18. Because of post-colonial links, the majority of the parents of the children of immigrants in France and the United Kingdom come from countries where the language of the country of residence is widely spoken. This is not the case for the other European OECD countries.
- 19. Only in a few countries (Canada, Luxembourg, Sweden and Switzerland) are high-income countries the single most important countries of parental origin.

The origin countries of the children who have themselves immigrated are very diverse, reflecting the diversification in migration flows over the past decade

- 20. The parental origin countries of the children who are themselves foreign-born tend to be more diverse. In most countries, the share of children with parents from non-OECD countries is larger among young immigrants than among the native-born children of immigrants. The shift is particularly remarkable for Switzerland. The majority of the young immigrants have parents from non-OECD countries, reflecting the shift in migration flows towards such countries over the past two decades.⁸
- 21. Likewise, in all countries, the relative weight of the three main origin countries is lower than among the native children of immigrants. This is a result of the growing diversification in overall immigration flows which was associated with the shift in origin countries. The only exception is the United States, where young immigrants of Mexican origin account for 43% of immigrant children (38% for the native children of immigrants) aged 20-29.
- 22. In many European OECD countries, children from the successor countries of the former Yugoslavia account for a large part of the young immigrants, generally reflecting the large humanitarian flows following the wars in Bosnia-Herzegovina and Kosovo. In Austria and Switzerland, young immigrants from the successor countries of the former Yugoslavia account for almost half of the immigrant children.
- 23. Most children of immigrants from non-OECD countries or from Turkey and Mexico have obtained the nationality of their host countries (Figure 2). This is notably the case for virtually all the native children of immigrants in Australia, Canada, France, Sweden, the United Kingdom and the United States. In contrast, in Germany and Switzerland, only a minority of the native children of immigrants have the nationality of their host countries. As can be expected, in most countries the percentage of those who have the nationality of the country of residence is larger for the native children of immigrants than for the young immigrants. The only exception is Germany where the opposite is observed.

8

The parents of children who have themselves immigrated represent more recent immigration cohorts than the parents of the native children of immigrants.

Figure 2 focuses on these countries since the economics of naturalisation shows that it is generally nationals from middle- and low-income economies who gain most from taking the citizenship of their host countries (see OEDC 2008, pp. 232f.)

This seems to be mainly due to a shift in origin countries towards a higher proportion of children of immigrants with German ancestry from Central and Eastern Europe, who often obtained German nationality upon arrival. Part of the explanation could, however, also be linked with the liberalisation of Germany's citizenship law in 2000.

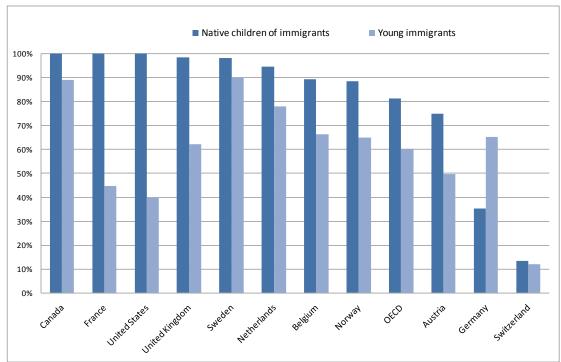


Figure 2: Percent of children of immigrants from non-OECD countries/Turkey/Mexico who obtained the nationality of the country of residence, 20-29 and not in education, around 2007

Source and Note: See methodological Annex. OECD refers to the average of all countries in the graph.

4. The educational attainment of the children of immigrants

24. Educational attainment is a major determinant of labour market outcomes and more generally for the integration of the children of immigrants. As seen above, the parental origin countries of the children of immigrants in European OECD countries are generally the origin countries of the post-war labour migration wave. One main characteristic of the latter was that it mainly involved low-qualified immigrants, and the spouses of these immigrants also tended to be low-qualified. Empirical data from many studies show some tendency towards the intergenerational transmission of human capital (*e.g.* Bauer and Riphahn, 2007). Because of the differences between the average educational attainments of immigrant and nativeborn parents, one might thus anticipate somewhat lower educational outcomes for the children of immigrants in these countries. In contrast, one would expect more favourable results in countries which have longstanding policies to favour skilled migration, such as Australia, Canada and New Zealand.

OECD PISA data has demonstrated the lower educational outcomes for the children of immigrants....

25. These expectations are confirmed by data from the OECD's Programme for International Student Assessment (PISA) which assesses student knowledge and skills in mathematics, science, reading and cross-curricular competencies at age 15, that is, towards the end of compulsory education. PISA data show strong linkages between the skills level of the migrant intake and the educational attainment of the native children of immigrants relative to other natives. In the OECD countries which have selected their immigrants based on qualifications and labour market needs, such as Australia, Canada and New Zealand, the average achievement level of the native children of immigrants (prior to controlling for the socioeconomic background of their parents) is about the same as that of other natives or even slightly better (Table 2). At the other end of the spectrum are Germany and Belgium, two countries where the recruitment of low-skilled immigrant labour was particularly pronounced in the past.

Table 2: PISA (2006) results for the children of immigrants

		Points d	ifferences cor	mpared with t	he scores of t	the children o	f natives		Differen	ces in the
		Rea	ding			Mathe	ematics		number o	of years of
	Unadj	justed	Adju	ested	Unadj	justed	Adjı	asted	schooling with the	parental compared children of ives
		Immig.		Immig.		Immig.		Immig.		Immig.
	2nd gen.	students	2nd gen.	students	2nd gen.	students	2nd gen.	students	2nd gen.	Students
Australia	(-7)	(-1)	-9	(2)	-12	-11	-13	-8	-0.5	0.4
Austria	79	48	46	21	81	65	48	39	-2.1	-0.9
Belgium	81	101	42	74	84	112	43	85	-3.1	-1.7
Canada	(0)	-19	(-7)	21	(8)	(7)	(4)	(7)	-0.1	0.7
Denmark	64	79	34	47	63	80	32	46	-2.8	-1.3
France	36	45	(5)	(19)	47	62	(15)	33	-3.1	-2.7
Germany	83	70	42	39	78	65	38	34	-4.9	-5.2
Greece		37		(17)		45		24		
Ireland		(14)		(19)		(19)		23		
Italy		69		54		44		28		
Luxembourg	61	69	17	29	46	55	8	22		
Netherlands	61	65	23	40	66	58	30	31	-3.1	-1.5
New Zealand	(7)	19	-12	27	(13)	(-6)	(1)	(1)	-1.4	0.3
Norway		63		40		58		34		
Portugal		69		64		59		55		
Spain		55		47		59		50		
Sweden	29	68	15	48	42	64	28	42	-1.4	-1.3
Switzerland	48	85	22	60	62	88	36	61	-1.9	-1.7
United Kingdom	(7)	44	(-6)	34	25	25	13	(14)		
United States	22	50	(-1)	23	23	37	(-2)	(9)	-1.9	-1.7
OECD	46	51	17	35	46	52	22	32	-2.2	-1.4

Note: The figures show the points differences in the PISA (2006) scores for mathematical and reading literacy between children of natives on the one hand and (native and foreign-born) children of immigrants on the other. "Immigrants" are students who are foreign-born and whose parents are also born in another country. "Second generation" refers to native-born students whose both parents were foreign-born. "Unadjusted" refers to the points' differences in the raw scores, "adjusted" to the differences after controlling for the socio-economic background of students. The socio-economic background was created on the basis of the following variables: the International Socio-Economic Index of Occupational Status (ISEI), the highest level of education of the student's parents, the index of family wealth, the index of home educational resources and the index of possessions related to "classical culture" in the family home. Differences in the reading score for the USA and on the differences in the highest parental schooling are values from PISA 2003. OECD is the average of all countries for which full data are available. Negative values mean that children of immigrants have better results than children of natives. Differences which are not statistically different from zero are in parentheses.

Source: OECD PISA database, 2003 and 2006.

Source. GEOD FIOA database, 2003 and 2000.

- 26. In general, the native-born children of immigrants tend to perform better than their immigrant counterparts of the same age. This is what one would expect, since the former were born and entirely educated in the country of assessment.¹¹ Indeed, analysis with the PISA data (OECD 2006) shows that age at arrival is negatively correlated with PISA outcomes.
- 27. In most European OECD countries for which data are available, significant gaps remain, however, between the children of natives and the native-born children of immigrants. This is particularly

The only exceptions are Austria and Germany. This seems to be linked with the different origin countries of the parents of the young immigrants compared with the parents of the native-born children of immigrants.

the case for Austria, Germany and Belgium, where the gaps in the raw scores for the native children of immigrants amount to the equivalent of about two or more years of schooling. 12

- 28. If the differences in educational outcomes vis-à-vis the children of native-born were solely attributable to differences in the socio-economic background (including education of parents, but also other factors such as family wealth and educational resources at home), one would expect them to diminish after controlling for this. Indeed, controlling for socio-economic background does reduce the gaps by about half. However, even then, the native children of immigrants tend to remain at a substantial disadvantage in European OECD countries, again particularly in Austria, Belgium and Germany. In contrast, in France, the disadvantage of the native children of immigrants is no longer significant.
- 29. One factor specific to the children of immigrants is that they often speak a language at home which differs from that of the country of residence. Such children tend to have lower outcomes than other children with a migration background, particularly in Belgium and Germany (OECD 2006). The fact that France is (together with the United Kingdom for reading) the only European OECD country in which the differences between the native children of immigrants and the children of natives disappear after controlling for differences in socio-economic background may at least in part be attributable to the fact that a large part of the parents of the former come from countries where the language of the country of residence is widespread. However, it could also be the case that the school systems in France and the United Kingdom are better able to provide for equitable outcomes than those in Austria, Belgium and Germany.

...and this translates into a lower educational attainment for children of immigrants in most European OECD countries

- 30. How do the differences in educational outcomes (as measured by PISA) between the children of immigrants and the children of natives compare with differences in educational attainment levels? Figure 3 illustrates the links between PISA outcomes and differences in educational attainment as measured by differences in the share of the low-qualified between the children of natives and the children of immigrants. Although the latter refers to a different cohort the 20-29 year olds for the most recent year available there are strong parallels with the PISA results on educational outcomes that is, countries which do well in PISA regarding differences between the children of natives and the children of immigrants also show only small differences in educational attainment levels; the reverse is the case for countries with large gaps in PISA outcomes.
- 31. The correlation is particularly pronounced for the native children of immigrants. The countries which have the largest differences in PISA scores between the native children of immigrants and the children of natives that is, Austria, Belgium, Denmark, Germany, Luxemburg and the Netherlands are also the ones where the native children of immigrants are most strongly overrepresented among the low-educated. In contrast to most European OECD countries, the native children of immigrants are

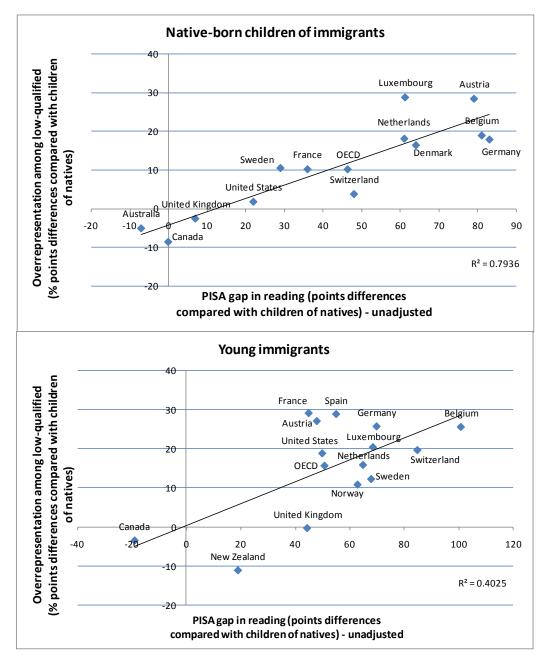
Nevertheless, in most countries, language spoken at home explains only a minor part of the differences between the test scores of the children of natives and the children of immigrants (see OECD 2009).

Although an exact translation of PISA test scores into years of schooling is not possible, a rough approximation is that about 35 points amount to one year of schooling (see Willms, 2004 for details).

The discussion below on attainment levels focuses on the low-educated who are of particular policy relevance since their labour market prospects are poorer. Annex Table 2 shows the outcomes on the aggregate by three education levels.

underrepresented among the low-educated in the OECD settlement countries that have strong and long-standing selection policies, *i.e.* Australia and Canada. ¹⁵

Figure 3: Percentage-point differences between the children of immigrants and the children of natives in the share of low-educated, aged 20-29 and not in education, around 2007



Source and Note: See methodological Annex. Figures for young migrants are not available for Australia and Denmark. Figures for the native-born children of immigrants are not available for New Zealand and Spain. OECD refers to the average of all countries for which full data are available. "Overrepresentation among low-qualified" refers to the difference (in percentage points" in the share of low-qualified among children of immigrants minus share of low-qualified among children of natives, for the average of men and women. "Unadjusted" refers to the points' differences in the raw scores in the OECD PISA study.

15

There are no data for the native children of immigrants for New Zealand. Young immigrants, however, have a much higher educational attainment than the children of natives.

32. In all European OECD countries with the notable exception of the United Kingdom, the children of immigrants are overrepresented among the low-educated, for both genders (Figure 4). Among the native children of immigrants, women fare somewhat better (both in absolute terms but also compared with their counterparts who have native parents) than men.

Men □ Native-born children of immigrants Young immigrants 30 20 10 O -10 -20 □ Native-born children of immigrants Young immigrants 40 30 20 10 O -10 -20

Figure 4: Percentage-point differences between children of immigrants and children of natives in the share of low-educated, aged 20-29 and not in education, by gender, around 2007

Source and Note: See methodological Annex. OECD refers to the average of all countries for which full data are available. Figures for young migrants are not available for Australia and Denmark. Figures for the native-born children of immigrants are not available for New Zealand and Spain.

33. The picture is quite different for the young immigrants. For men, the strong cross-country differences that have been observed for the native children of immigrants in the European OECD countries tend to even out – with young immigrants generally being overrepresented among the low-educated by 15-25 percentage points (compared with 10-35 points for the native children of immigrants). For the average of the OECD countries for which data are available, one observes few differences between the young immigrants and the native children of immigrants. For women, in contrast, one observes for almost all countries lower attainment levels for the young immigrants than for the native children of immigrants. Young immigrant women have particularly low attainment levels (relative to the children of natives) in

Austria, Belgium, France, Germany and Spain. On average, the "overrepresentation" (in percentage points) of young immigrants among the low-educated is almost twice as high as for the native children of immigrants. Since both genders tend to account for roughly equal shares of the main origin countries, the observed gender differences are rather strong, albeit tentative, evidence that the educational advancement "across generations" is stronger for women than for men.

As already mentioned, because of the recent nature of large-scale migration to Spain, data for that 34. country are only available for the young migrants. For both genders, the children of migrants are largely overrepresented among those who are low-educated. Among men, almost 80 percent have less than upper secondary education, almost twice the figure of the children of natives and the highest figure in the comparison group.

5. Overview of the labour market outcomes of the children of immigrants

Children of immigrants tend to have lower employment rates than the children of natives...

- A first glance at the employment rates 16 of the children of immigrants compared with the children of natives reveals significantly lower employment rates for the former in most OECD countries (Figure 5). The gaps are particularly large in Belgium and the Netherlands, where the native children of immigrants have employment rates more than 20 percentage points lower than the children of natives, for both genders.¹⁷ The differences are also large in Sweden, France, Germany, Austria, Denmark and Norway, where they are in the order of ten percentage points, for both genders. In contrast, one observes little difference for both genders in Australia, Canada, the United States and Switzerland, as well as for men in the United Kingdom.
- For men, on average there are no differences between the employment rates of young immigrants and the native children of immigrants. This is surprising, given the lower average educational attainment of the former group. For the countries for which data are available, the gap between the children of natives and the children of immigrants is about 8 percentage points for both groups. The picture for women is quite different. One observes on average a clear ranking in employment rates, with native women having the highest employment rates, followed by the native children of immigrants (about 10 percentage points lower employment rates on average than the children of natives) and young immigrant women (about 16 percentage points lower employment rates).

¹⁶ The term "employment rate" is used in this document synonymously with the employment-population ratio. It is not the ratio of the number of persons employed to persons in the labour force.

¹⁷ The particularly unfavourable situation of the native children of immigrants in the Netherlands contrasts with the somewhat more favourable assessment in OECD (2008). This is due to the fact that the native children of immigrants in OECD (2008) include those who have only one foreign-born parent. This is a relatively large group in the Netherlands, and also one that has relatively favourable outcomes. The striking differences demonstrate the importance of having a uniform definition of the target group when it comes to comparing the outcomes of the children of immigrants across countries.

■ Children of natives ■ Children of immigrants ■ Young immigrants 100 Men 90 80 70 60 50 United Kingdom United States Wetherlands wenledand Canada ■ Children of natives ■ Children of immigrants ■ Young immigrants 100 Women 90 80 70 60 50 40 United kingdom United States Wetherlands Wenledand Austria OFCO Germany France

Figure 5: Employment rates of the children of natives and the children of immigrants, aged 20-29 and not in education, by gender, around 2007

Source and Note: See methodological Annex. Figures for young migrants are not available for Australia and Denmark. Figures for the native-born children of immigrants are not available for New Zealand and Spain. OECD refers to the average of all countries for which full data are available.

...and gaps vis-à-vis the children of natives tend to persist across education levels, although there is a great heterogeneity even among the European OECD countries

- 37. Annex Table 3 shows the differences in the employment-population ratios between the children of immigrants and the children of natives by education level. The picture is quite diverse, although some interesting patterns emerge, notably for the male native children of immigrants in the countries which have less favourable outcomes on the aggregate. For example, for men in Austria and Germany, the low-educated native children of immigrants seem relatively well integrated into the labour market compared with the children of natives, but there are large differences between the two groups for the high-qualified. The reverse is the case in Belgium, Denmark, France, the Netherlands, Sweden and the United Kingdom. The reasons for this heterogeneous pattern merit further investigation.
- 38. The outcomes of the children of immigrants from non-OECD countries and from Turkey and Mexico can only be separated for few OECD countries, and are only available on the aggregate. In all countries, children with parents from non-OECD/Turkey/Mexico have lower employment rates overall than children with parents from high-income OECD countries. The differences are particularly large for young immigrant women.

Many children of migrants are at the margin of the labour market...

39. Of particular policy interest are young people who are at the margin of the labour market, i.e. individuals who are low-educated and not in employment or education (the so-called "NEET" group, Figure 6). As could be expected from the previous analysis, one observes again a rather favourable picture for the non-European OECD countries (Australia, Canada, New Zealand and the United States with the exception of young immigrant women), but an overrepresentation of the children of immigrants among the population at risk in all European OECD countries with the exception of Switzerland. For men, across the countries for which data are available, 9 percent of native-born children of immigrants and 8 percent of the young immigrants are low-educated and NEET, compared with 4 percent of the children of natives. For women, it is again the young immigrants who find themselves particularly often among the low-educated who are not in employment or education – this concerns more than 13 percent on average, a figure that is almost three times as high as among the female children of natives.

■ Native-born children of natives ■ Native-born children of immigrants ■ Young immigrants 30 Men 25 20 15 5 ■ Native-born children of natives ■ Native-born children of immigrants Young immigrants 30 Women 25 20 15 10 United Kingdom

Figure 6: Share of persons without an upper secondary degree and neither in employment nor in education among children of natives and children of immigrants, aged 20-29, around 2007

Source and Note: See methodological Annex. In contrast to the other tables and figures, the data above show the percentages as a share of the total population aged 20-29 (*i.e.* including individuals in education) of the children of natives and the children of immigrants, respectively. OECD refers to the average of all countries for which full data are available. Figures for young migrants are not available for Australia and Denmark and too small to be statistically reliable for Luxembourg and the United Kingdom (women). Figures on the native-born children of immigrants are not available for New Zealand and Spain and too small to be statistically reliable for Austria (women), Switzerland and the United States (women).

...and/or face unemployment

40. The situation regarding unemployment mirrors the above picture with respect to employment in many ways. Children of immigrants have roughly similar unemployment rates as the children of natives in

the OECD countries that have been settled by migration, with the notable exception of New Zealand (for young immigrants). In contrast, the children of immigrants are overrepresented among the unemployed in all European OECD countries (Table 3). On average across the OECD countries for which data are available, the children of immigrants have an unemployment rate that is about 1.6 times higher than that of the children of natives. This holds for all four groups (young immigrants and native children of immigrants, for both genders). In absolute terms, the situation is particularly worrisome in Belgium, Germany, Spain and France, where more than one out of four offspring of immigrants in the labour force is unemployed.

Table 3: Unemployment rates of children of immigrants and children of natives aged 20-29 and not in education, by gender, around 2007

	Australia	Austria	Belgium	Canada	Denmark	France	Germany	Luxem- bourg	Nether- lands	New Zealand	Norway	Spain	Switzer- land	United Kingdom	United States	OECD
								Men								
Children of natives	6	6	11	8	2	12	16	6	5	5	3	13	4	9	9	9
Native-born children of immigrants	6		28	7	6	21	27	11			4			15	9	15
Young immigrants		12	24	8		19	20	19		10	8	20	5	11	8	15
								Women								
Children of natives	5	5	12	7	3	13	13	11	4	7	3	13	4	7	7	9
Native-born children of immigrants	5		27	6	6	21	20	22		10	3			10		15
Young immigrants			28	8		29	19	9	18		7	24	7	12		16
								Total								
								Total								
Children of natives	5	6	12	8	2	13	15	8	5	6	3	13	4	8	8	9
Native-born children of immigrants	6	16	27	7	6	21	24	17	16		4		6	12	8	16
Young immigrants		13	26	9		23	20	14	14	10	8	22	6	12	7	15

Source and Note: See methodological Annex. Figures on young migrants are not available for Australia and Denmark. Figures on the native-born children of immigrants are not available for New Zealand. For the other countries, ".." means that the numbers are too small to be statistically reliable or not available. OECD refers to the average of all countries for which full data are available.

If employed, native children of immigrants are quite well represented in highly-skilled occupations

41. Once employed, do the children of immigrants manage to obtain highly-skilled jobs? Table 4 shows that there are significant differences between the native children of immigrants and the young immigrants. On average for the countries for which data are available, employed native-born children of immigrants are almost as often in highly-skilled occupations as the employed children of natives. In Australia, Canada, the United States and the United Kingdom, the percentage of those who are in highly-skilled occupations is even larger than among the children of natives. Indeed, considering that the native-born children of migrants who are employed tend to be less educated than the employed children of natives in most European OECD countries, the remaining differences vis-à-vis children of natives are not large (with the exceptions of Austria and Belgium). However, this descriptive result should be interpreted with much caution, since the lower employment rates of the children of migrants implies that those who are in employment could be positively selected.

Table 4: Share of people working in highly-skilled occupations, by immigrant status, persons aged 20-29, employed and not in education, around 2007

				Percent	age of tot	al employm	nent							
	Australia	Austria	Belgium	Canada	France	Germany	Nether- lands	New Zealand	Norway	Sweden	Switzer- land	United Kingdom	United States	OECD
Children of natives	27	35	42	34	36	38	43	24	30	23	44	38	18	34
Native-born children of immigrants	33	23	30	45	32	29	37		25	19	44	40	20	32
Young immigrants	36	20	32	38	24	25	30	30	18	17	25	40	14	27

Source and Note: See methodological Annex. Highly-skilled occupations refer to ISCO 1-3 (legislators, senior officials and managers, professionals, technicians and associate professionals). For Australia and New Zealand, the Australian and New Zealand Standard Classification of Occupations (ANZSCO) has been used, highly skilled occupations refer to Managers and Professionals. OECD refers to all countries for which full data are available.

- 42. A more detailed picture of the occupational status of the employed children of immigrants compared with the children of natives is provided in Annex Table 3. The underrepresentation of children of immigrants in the highly-skilled occupations in European OECD countries tends to be mirrored by an overrepresentation among the low-skilled jobs (i.e. elementary occupations ISCO 9), whereas the children of migrants are roughly equally represented in the medium-skilled occupations (ISCO 4-8). Again, the differences tend to be larger for the young migrants. However, because of the small numbers involved, the differences between the three groups for single occupational levels are not often statistically significant.
- 43. Figure 7 shows the percent of children of immigrants who would need to be re-distributed among the nine main occupation groups (ISCO 1-9) in order to have the *same* distribution as the children of natives, the so-called "index of occupational dissimilarity". On average this would concern about 12 percent of native children of immigrants, compared with 16 percent for the young immigrants. The situation is quite diverse, and the clear differences between European and non-European OECD countries which are observed for other outcomes are not observed with respect to occupational distribution. For example, in the United States young immigrants have a very different occupational distribution from that of the children of natives, but the reverse is the case in Canada.

Native-born children of immigrants

O Young immigrants

Figure 7: Index of occupational dissimilarity between children of natives and children of immigrants, persons aged 20-29 and in employment, around 2007

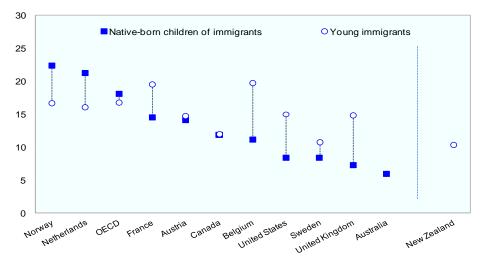
Source and Note: See methodological Annex. The dissimilarity index is defined as the sum over all occupations of (|pi-qi|)/2, where pi and qi represent the share of occupations i in the employment of children of immigrants and each of the two groups of children of natives, respectively. This indicator gives the percentage in percentage points of children of migrants who would have to be reallocated from occupations in which they are overrepresented to those in which they are underrepresented for the distribution of employment by occupations to resemble that of children of natives.

Native-born children of immigrants are widely spread throughout the economy, but remain underrepresented in the public sector

44. Annex Table 4 shows the employment distribution of the children of immigrants and the children of natives across key sectors. Although the data are not statistically reliable for all countries and sectors because of the small sample sizes involved, a number of patterns emerge. Firstly, by and large, the children of immigrants – in particular those who are native-born – appear to be less concentrated in sectors such as manufacturing, construction, wholesale and hotel and restaurants than their immigrant parents. However, there is wide variation between countries, with perhaps the exception of the hotel and restaurant sector, where young immigrants tend to be overrepresented in most countries – although the differences are often not statistically significant.

- 45. Of particular policy interest is the *public sector*, where the children of immigrants remain underrepresented in several countries.¹⁸ For the young immigrants, this could at least in part be due to the fact that some have not obtained the citizenship of the country of residence. However, in France and Germany, even native-born children of immigrants are underrepresented in the public sector. While few native children of immigrants in Germany have German nationality (see above) which could explain the situation for that country, virtually all native children of immigrants in France have French nationality, thereby ruling out this possible explanation for their underrepresentation in the public sector (see also OECD 2008). In contrast, in the Netherlands, the native children of immigrants are relatively well represented in the public sector, which seems to be at least in part a result of longstanding targeted policy efforts. Likewise, it appears that policies targeted at a better representation of the children of immigrants in the public sector have met with some success in Belgium and Norway (see OECD 2008 and Liebig 2009). Native children of immigrants also seem to be relatively well integrated into the public sector in the non-European OECD countries and in the United Kingdom.
- 46. Figure 7 shows the index of sectoral disparity (i.e. the percent of children of immigrants who would need to be re-distributed among the main NACE sectors see methodological Annex in order to have the same distribution as the children of natives). In contrast to what has been observed for occupations above, the sectoral employment distribution of the native children of immigrants does not resemble that of the children of natives more closely than what is observed for the young immigrants. Indeed, overall sectoral dissimilarity is rather high it is of roughly similar size as for the total immigrant employed population of working-age when compared with natives in that age-range (see OECD 2001 and Liebig 2009).

Figure 8: Index of sectoral dissimilarity between children of natives and children of immigrants, persons aged 20-29 and in employment, around 2007



Source and Note: See methodological Annex. The dissimilarity index is defined as the sum over all sectors of (|pi-qi|)/2, where pi and qi represent the share of sectors i in the employment of children of natives and each of the two groups of children of immigrants, respectively. This indicator gives the percentage in percentage points of children of migrants who would have to be reallocated from sectors in which they are overrepresented to those in which they are underrepresented for the distribution of employment by sectors to resemble that of children of natives.

school.

18

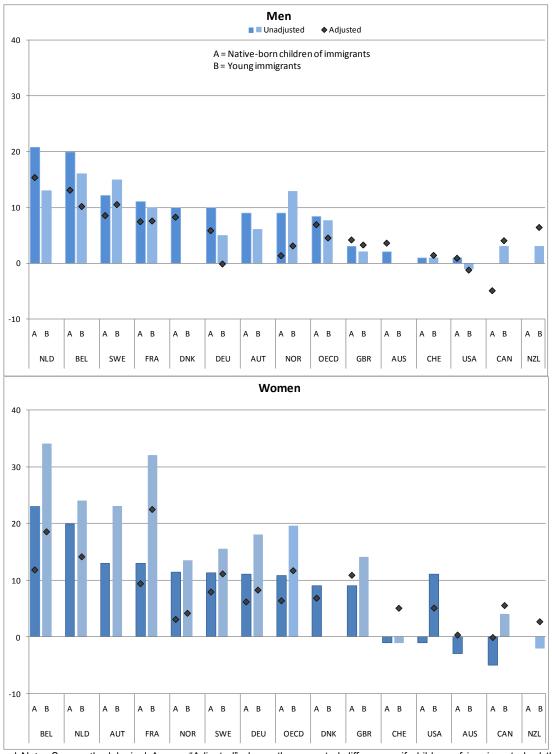
By employing the children of immigrants, the public administration acts as a role model for the private sector. Employment in the public administration can also increase the visibility of immigrants and their children in daily life and can contribute to enhancing the understanding of their needs by public institutions. When the children of immigrants are employed in certain key occupations such as teaching, they can also serve as a role model for others, notably the children of immigrants who are in

6. Explaining differences in labour market outcomes – the role of socio-demographic characteristics

Only part of the observed differences in employment rates is explained by differences in average educational attainment

47. The lower labour market outcomes of the children of immigrants in many European OECD countries that have been observed above are perhaps not very surprising when considering their lower average educational attainment compared with the children of natives. Figure 9 shows how the differences in employment rates would change if children of immigrants had the same educational attainment as the children of natives. The first observation is that the cross-country variation with respect to the differences in employment rates tends to decline. Education seems to explain a large part of the difference in Germany and Norway, but not in most other countries. On average, differences in educational attainment explain only about one third of the gap for men, but almost one half for women.

Figure 9: Percentage-point differences in the employment rates between the children of natives and the children of immigrants and the impact of the qualification structure, aged 20-29 and not in education, around 2007



Source and Note: See methodological Annex. "Adjusted" shows the expected differences if children of immigrants had the same educational attainment as the children of natives. The expected differences are calculated using the employment rates by three levels of educational attainment for the children of immigrants (low/medium/high, see methodological Annex). Figures on young migrants are not available for Australia and Denmark. Figures on the native-born children of immigrants are not available for New Zealand. For women, some of the underlying figures for children of immigrants in Austria and the United Kingdom (for young immigrant women) are too small to be statistically reliable. OECD refers to the average of all countries for which full data are available.

Even after controlling for socio-demographic characteristics, there remain large and persistent differences across both parental origin and destination countries

- 48. Annex Table 6 takes a closer look at the impact of socio-demographic characteristics on the differences in the employment rates of the main parental origin groups for the children of immigrants relative to the children of natives in seven OECD countries (Austria, Belgium, France, Germany, Switzerland, the United Kingdom and the United States).
- 49. The first and salient observation is the large difference in the outcomes across countries and between origin country groups. Regarding destination countries, the unfavourable picture for Belgium continues to hold across origin groups and gender, and remains very robust even after controlling for sociodemographic background.
- 50. Children whose parents came from Turkey, the Maghreb region (in particular Morocco) and Pakistan (in the United Kingdom) appear to be most disfavoured, and socio-demographic factors explain only a small part in the differences in the outcomes for these individuals in Austria, Belgium, France and the United Kingdom.
- 51. In contrast to the rather favourable picture on the aggregate, the labour market outcomes of the children of immigrants in the United Kingdom look rather unfavourable for the main parental origin groups after controlling for socio-demographic characteristics, in particular for young immigrant women. The employment rates are particularly low for women whose parents came from Bangladesh, Pakistan and India, a result that is consistent with earlier research in the United Kingdom (Lindlay, Dale and Dex 2004). Notable exceptions are young Indian men who perform better than children of natives.
- 52. There are also other groups of children of migrants who outperform children of natives after controlling for differences in socio-demographic characteristics. This concerns young male Mexican immigrants in the United States and native-born children of migrants (both genders) from the Southern European OECD countries in France, Germany and Switzerland. The favourable aggregate outcomes for children of immigrants that have been observed in Switzerland on the aggregate are thus in part driven by the fact that the majority of children of migrants have parents from the Southern European OECD countries. However, the outcomes in Switzerland are also favourable for the children of Turkish and of non-OECD immigrants, i.e. individuals who seem to face persisting difficulties elsewhere.

Part of the unfavourable outcomes of female children of immigrants seems attributable to their earlier marriage and childbearing

53. For women, controlling for marital status and having children (in addition to controls for education and age), reduces the gaps in most countries, in particular in Austria and Germany. Part of the "double disadvantage" for the women immigrant offspring thus seems to be due to the fact that in the agerange under consideration (20-29 years), they are overrepresented among those who are (already) married and have children. Indeed, after controlling for these two latter factors, native-born women who have parents from the Maghreb or Southern Europe, as well those with Turkish parental origin in Germany, tend have higher employment rates relative to comparable children of natives than their male counterparts. Differences in marital status and childbearing have a particularly strong impact in Austria and Germany where remaining differences are small and statistically insignificant for most origin groups.

7. Summary and conclusions

- 54. The paper has provided an overview of the composition and outcomes of the children of immigrants in 16 OECD countries where these account for a significant share of young people in the labour market. Although the situation is not uniform, a number of patterns and lessons have emerged. First, both native-born children and individuals who have immigrated as children now account for a significant part of the youth population in many OECD countries, and this share can be expected to grow in the future. There are indications of a growing diversification, and the proportion of those having parental origin from non-OECD countries is larger among the children who have themselves immigrated than among the native children of immigrants. In parallel, the importance of key parental origin countries of the post-World War II labour migration wave to Europe (mainly Turkey, Morocco, Italy and Portugal) is gradually declining.
- With respect to both education and labour market outcomes, there is a strong contrast between the situation in the European OECD countries on the one hand, and the OECD countries which have been settled by migration (Australia, Canada, New Zealand and the United States) on the other. In the latter countries, there is little difference between the outcomes of the children of immigrants and those of the children of natives. In contrast, the children of immigrants are in a much less favourable situation in most European OECD countries. However, the situation is not uniform. Differences in labour market outcomes are particularly large in Belgium and the Netherlands. Switzerland stands out among the European OECD countries as having labour market outcomes for the children of immigrants that are, on the aggregate, roughly at par with those of the children of natives. This is also the case for the United Kingdom, but there it is attributable to the higher educational attainment of the children of immigrants relative to the children of natives in that country. For *given* education levels, the children of immigrants in the United Kingdom do not seem to fare better than elsewhere in the OECD Europe where children of immigrants have lower educational attainment levels than children of natives.
- Only part of the gap in labour market outcomes in these latter countries can be explained by the lower average educational attainment of the children of immigrants. Significant differences would generally remain even if the children of immigrants had the same average educational attainment levels as the children of natives. The contrasting situation between European and non-European OECD countries (both before and after accounting for differences in socio-demographic characteristics between children of immigrants and children of natives) suggests that much could be learned from a closer exchange of experiences and practices between these countries.
- There are also strong gender differences. For women, the native children of immigrants tend to have more favourable outcomes than their counterparts who have themselves immigrated. Tentative evidence suggests that this holds even after controlling for parental origin and other socio-demographic characteristics. Although the results relate to different cohorts, they indicate that longer residence in the country of residence seems to have a positive impact on the integration of the children of immigrants. This is an issue which merits closer investigation with longitudinal data including the date when the young immigrant arrived in the country of residence. If such analysis would confirm the above, it could have potentially important policy implications, in particular for family reunification policy. However, the same pattern is not observed for men, where the native-born children of immigrants do not seem to fare better than the young immigrants, pointing to the fact that the integration process over time seems to differ between men and women (see also the contribution by Schröder 2009 who highlights that discrimination seems to be more pronounced against male offspring of migrants).
- 58. The outcomes for the children of immigrants also differ largely across origin countries, with children whose parents came from high-income OECD countries generally having more favourable outcomes than children with parental origin from Turkey and Mexico or from non-OECD countries. The growing share of children of immigrants from such middle and low-income countries is thus a particular

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challenge for integration. However, even for this group there is wide variation both between OECD countries (for the same origin countries), and also within OECD countries (for different non-OECD origin countries).

- 59. Preliminary evidence suggests that once in employment, the children of immigrants in particular when they are native-born tend to have outcomes that are often at par (if not better) than those of the children of natives. This is a very tentative result not only because differences in educational attainment etc. were not controlled for, but also because there could be a selection bias at work.
- 60. In any case, the fact that at least regarding labour market access, significant differences remain for native children of immigrants from certain origin countries even after controlling for sociodemographic characteristics such as education, age and marital status suggests that there are other obstacles to their full integration obstacles that persist across generations. Some obvious candidates are language problems and unfavourable family background and neighbourhood characteristics. Indeed, PISA data has shown that these have a strong impact on education outcomes. The question is, however, to which degree such characteristics have an *additional* impact on labour market outcomes for the children of immigrants who have educational attainment levels at par with those of the children of natives. The papers by Picot and Hou (2009) and Damas de Matos (2009) address these issues. Other potential explanations concern a lack of networks and knowledge about labour market functioning; discrimination; and, more generally, labour market institutions which tend to disfavour children of immigrants (see the contributions by Schröder 2009 and Datta Gupta 2009).

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ANNEXES

Annex 1: Main origin countries of children of immigrants aged 20-29 and not in education, around 2007

	Native-born children of imn	igrants Young immigrants
	Origin country of parents	hare (in %) Origin country of parents Share (in %
Austria	Turkey Serbia Bosnia and Herzegovina	Turkey 20 Bosnia and Herzegovina 21 Serbia 14
Belgium	Morocco Turkey Italy	35 Morocco 1. 22 Turkey 1
Canada	ltaly India United Kingdom	11 India 11 10 China : 7 Philippines :
Denmark	Turkey Pakistan Former Yugoslavia	37 15 7
Germany	Turkey - -	50 Turkey 2: - Serbia and Montenegro : - Poland :
France	Maghreb Southern Europe -	46 Morroco 19 27 Turkey 1 - Algeria
Luxemburg	Portugal Italy France	70 Portugal 6 17 France 9 Germany
Netherlands	Turkey Suriname Morocco	34 Morocco 11 18 Turkey 13 22 Suriname
Norway	Pakistan Vietnam Turkey	36 Bosnia and Herzegovina 11 Iraq 9 Somalia
Sweden	Finland Turkey Former Yugoslavia	28 Iran 14 Former Yugoslavia 10 Bosnia-Herzegovina
Switzerland	Italy Turkey Spain	42 Kosovo 11 14 Macedonia 1: 9 Portugal 1:
United Kingdom	India Pakistan -	14 Germany 13 Bangladesh - Pakistan
United States	Mexico Puerto Rico Philippines	38 Mexico 4 6 Puerto Rico 4 Philippines

Note and Source: See methodological Annex. For France, a further disaggregation for the parental origin countries of the native children of immigrants was not possible. For Germany and the United Kingdom, parents' countries of origin are also only available on an aggregated basis for the native children of immigrants other than Turkey (for Germany) and Indian/Pakistani "ethnic background" (United Kingdom).

Annex 2. Educational attainment of children of immigrants and children of natives aged 20-29 and not in education, by gender, around 2007

Percentage Points

	Percentage Points							-			
			Educationa	al attainmen	t		% still in	education	Share of children with a non- OECD/Turkish/Mexican background among low-qualifie		
	Men L	ow Women	Men Men	edium Women	Men H	ligh Women	Men	Women	Men	Women	
Australia Children of natives	16	14	69	62	15	24	12	15	WOII	Workin	
Native-born children of immigrants Austria	11	9	68	58	21	34	15	18			
Children of natives Native-born children of immigrants Young immigrants	9 42 31	9 33 41	82 54 65	79 65 53	9 	12 	23 15 15	26 20 27	44 32	 46	
Belgium											
Children of natives Native-born children of immigrants Young immigrants	19 37 37	12 32 45	50 53 48	43 50 38	31 10 15	45 19 17	26 26 29	27 25 30	42 42	37 51	
Canada											
Children of natives Native-born children of immigrants Young immigrants	21 12 17	15 7 12	49 41 41	39 29 33	30 47 42	46 65 55	12 15 35	15 18 32	10 16	5 11	
Denmark Children of natives Native-born children of immigrants	30 51	22 34	59 42	59 54	11 7	19 12	26 24	27 28	53	36	
France Children of natives Native-born children of immigrants Young immigrants	20 32 47	15 24 46	50 45 39	44 45 38	31 23 15	41 31 16	21 16 23	24 19 21	38 49	26 47	
Germany Children of natives Native-born children of immigrants Young immigrants	16 33 41	15 34 42	71 61 52	68 58 52	13 6 7	17 8 7	33 29 29	31 30 28	34 42	35 44	
Luxembourg Children of natives Native-born children of immigrants Young immigrants	47 83 69	31 53 49	33 	31 32 36	20 	37 	12 15 35	15 18 32			
Netherlands Children of natives Native-born children of immigrants Young immigrants	28 47 41	18 36 37	48 33 50	49 49 47	24 20	33 15 16	34 33 37	31 35 35	48 43	39 42	
New Zealand Children of natives Young immigrants	47 36	40 29	35 35	35 34	15 26	23 35		 	36	28	
Norway Children of natives Native-born children of immigrants Young immigrants	9 17 26	8 8 12	38 41 36	38 44 40	53 42 37	54 47 48	12 15 35	15 18 32	19 27	8 13	
Spain Children of natives Young immigrants	49 79	34 61	23 17	24 23	28 4	42 15	22 12	26 17			
Sweden Children of natives Native-born children of immigrants Young immigrants	15 28 29	11 20 22	69 61 60	62 61 59	16 11 11	26 19 19	12 15 35	15 18 32	29 31	19 23	
Switzerland Children of natives Native-born children of immigrants Young immigrants	6 8 22	4 10 27	67 73 69	70 74 59	26 19 9	27 16 14	32 28 16	30 29 20	 25	 31	
United Kingdom Children of natives Native-born children of immigrants Young immigrants	25 23 23	22 19 23	48 43 43	46 41 42	27 34 34	33 40 35	16 22 31	18 24 30	22 25	19 25	
United States Children of natives Native-born children of immigrants Young immigrants	11 12 32	9 11 25	60 58 49	53 48 47	29 30 19	38 41 27	15 20 14	17 20 18	13 33	12 27	
OECD Children of natives Native-born children of immigrants Young immigrants	18 25 32	14 20 27	54 48 46	50 47 45	28 27 22	36 33 28	19 19 25	21 21 26	27 33	20 29	

Annex 3. Employment-population ratios of children of immigrants and children of natives aged 20-29 and not in education, by gender and education level, around 2007

		L	LOW	Me	Educationa dium		nt ligh	т	otal	Of which: Non-OECD/T	urkey/Mexico
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Australia											
	Children of natives	71	43	91	77	96	92	88	76		
	Native-born children of immigrants	65	42	86	77	98	92	86	79		
Austria	Obildon of actions	67	50	-00	00	00	00	00	70		
	Children of natives Native-born children of immigrants	67 71	56 	92 90	80 74	96	88	90 81	79 66	80	65
	Young immigrants	77	45	86	65			84	56	83	53
Belgium											
_0.g.u	Children of natives	68	49	82	71	88	89	81	77		
	Native-born children of immigrants	47 53	32 21	69 67	57 56	79 88	82 71	61 65	54 43	53 59	46 34
	Young immigrants	55	21	67	50	00	71	65	43	59	34
Canada											
	Children of natives Native-born children of immigrants	70 67	50 56	86 84	76 75	92 90	88 88	85 85	78 83	83	81
	Young immigrants	74	49	81	68	88	84	82	74	82	73
Denmark											
Demilark	Children of natives	76	63	88	85	88	89	85	81		
	Native-born children of immigrants	69	61	79	76	86	84	75	72	75	71
France											
	Children of natives	68	46	86	73	88	87	83	<i>7</i> 5		
	Native-born children of immigrants	55	43	78	60	85	80	72	62	66	57
	Young immigrants	69	32	74	49	82	64	73	43	70	40
Germany											
	Children of natives Native-born children of immigrants	56 54	44 43	82 76	77 73	90 81	86 64	79 69	73 62	67	60
	Young immigrants	62	34	81	68	90	80	74	55	74	53
Luvamba											
Luxembo	Children of natives	90	70	92	87	96	92	92	83		
	Native-born children of immigrants	85	67					86	75		::
	Young immigrants							74	82	65	43
Netherla	nds										
	Children of natives Native-born children of immigrants	81 53	66 48	94 80	90 75	96 93	94	91 70	87 67	67	63
	Young immigrants	72	42	81	70		94	78	63	76	58
N 71											
New Zeal	Children of natives	88	65	95	83	97	94	92	78		
	Young immigrants	85	65	90	80	94	93	89	80	88	78
Norway											
,	Children of natives	75	67	91	86	92	92	86	83		
	Native-born children of immigrants	72 68	62 61	86 83	80 78	86 85	83 82	77 73	72 70	77 73	71 69
	Young immigrants	00	01	03	70	00	02	73	70	73	69
Spain											
	Children of natives Young immigrants	76 73	62 60	83 92	78 	86	84 85	80 76	75 57		
Sweden	Children of natives	63	53	88	83	92	92	85	82		
	Native-born children of immigrants	53	45	79	75	87	87	73	71	71	70
	Young immigrants	51	40	77	71	85	84	70	67	70	67
Switzerla	and										
	Children of natives	69	65	90	90	94	94	90	90		
	Native-born children of immigrants	 87	 59	91 91	93 86	96 83	92 86	89 89	91 91	77 89	83 78
	Young immigrants	0/	อย	31	00	రు	00	09	31	09	10
United Ki			4.5	0.0		~~	~~				
	Children of natives Native-born children of immigrants	71 61	44 28	89 80	77 66	92 90	92 86	82 79	75 66	79	62
	Young immigrants	60		83	61	89	81	80	61	77	56
United St	tates										
omieu Si	Children of natives	60	43	80	68	91	87	81	73		
	Native-born children of immigrants	57		80	70	89	86	80	74	79	73
	Young immigrants	82	40	82	66	83	77	82	62	82	61
OECD											
	Children of natives	66	49	85	76	91	89	83	77	70	05
	Native-born children of immigrants	58 65	 40	79 78	69 65	86 86	82 78	74 75	68 59	72 73	65 57

Annex 4. Employment of children of natives and children of immigrants by main industry, 20-29 and not in education, around 2007

		Manufacturing	Construction	Wholesale	Hotels and Restaurants	Public administration and extra- territorial organizations
Australia	Children of natives	11	10	5	7	11
	Native-born children of immigrants	9	10	5	6	10
Austria	Children of natives	21	10	18	6	5
	Native-born children of immigrants	18		27		
	Young immigrants	24	14	21	11	
Canada	Children of natives	12	8	19	5	9
	Native-born children of immigrants	10	7	19	6	8
	Young immigrants	13	6	20	7	7
Belgium	Children of natives	19	7	15	3	7
	Native-born children of immigrants	21		15	7	7
	Young immigrants	18		24	9	
France	Children of natives	16	7	17	4	9
	Native-born children of immigrants	14	11	15	6	5
	Young immigrants	12	14	15	11	4
Germany	Children of natives	20	7	15	4	10
	Native-born children of immigrants	29	5	20	6	3
	Young immigrants	26	6	18	7	5
Netherlar	nds Children of natives Native-born children of immigrants Young immigrants	12 14	9 	18 15 15	4 9	6 11
New Zeal	and Native-born children Young immigrants	12 11	10 6	19 20	6 6	13 18
Norway	Children of natives	12	11	4	5	5
	Native-born children of immigrants	6	4	4	8	4
	Young immigrants	10	5	4	11	3
Sweden	Children of natives	16	9	18	5	4
	Native-born children of immigrants	15	6	19	9	3
	Young immigrants	15	4	17	9	3
Switzerla	nd Children of natives Native-born children of immigrants Young immigrants	 	8 10	16 20 24	3 7	4
United Ki	ngdom Children of natives Native-born children of immigrants Young immigrants	12 8 7	10 8 6	17 18 19	5 4 9	7 7 5
United St	ates Children of natives Native-born children of immigrants Young immigrants	9 10 10	17 18 15	10 6 11	7 8 7	13 13 8
Average ((countries above) Children of natives Native-born children of immigrants Young immigrants	14 13 13	10 8 8	14 14 15	5 7 9	8 6 5

Annex 5. Employment by occupation, children of natives and children of immigrants aged 20-29 and not in education, around 2007

		Legislators, seniors officials and managers	Professionals	Technicians and associate professionals	Clerks	Service workers and shop and market sales workers	Skilled agricultural and fishery workers	Craft and related tradres workers	Plant and machine operators and assemblers	Elementary occupations
Austria	Children of natives Native-born children of immigrants Young immigrants	3 	7 	25 15	16 16 	15 24 15	3 	20 16 26	5 9	7 21
Belgium	Children of natives Native-bom children of immigrants Young immigrants	6 9 12	24 12 12	13 9 	16 17 14	12 18 21	2 	12 8 14	8 13 8	8 15 10
Canada	Children of natives Native-born children of immigrants Young immigrants	6 8 7	14 21 18	14 16 14	15 18 18	19 15 18	2 1 1	13 9 9	8 5 8	10 7 9
France	Children of natives Native-born children of immigrants Young immigrants	4 5 6	11 7 5	22 21 13	14 12 10	17 18 23	3 	13 15 17	9 10 9	7 11 15
Germany	Children of natives Native-born children of immigrants Young immigrants	3 5 3	10 5 4	25 19 17	14 15 9	16 18 21	2 0 0	19 20 21	5 10 10	6 9 13
Netherlar	nds Children of natives Native-born children of immigrants Young immigrants	5 	17 13 	21 22 18	13 17 14	18 19 18	2	13 10	6 11	6 12 15
New Zeal	and Children of natives Young immigrants	10 10	14 20	14 17	11 13	15 15	6 2	12 8	8 5	9
Norway	Children of natives Native-born children of immigrants Young immigrants	2 2 1	6 7 5	21 17 12	7 12 12	32 41 44	2 0 0	16 7 9	9 8 10	5 5 8
Sweden	Children of natives Native-born children of immigrants Young immigrants	1 1 1	9 7 6	13 11 10	9 11 10	26 29 32	1 0 0	12 9 6	13 12 13	7 9 10
Switzerla	ind Children of natives Native-born children of immigrants Young immigrants	2 	15 12 7	27 29 16	14 17 9	13 16 24	6 	17 16 25	3 3 10	3 6
United Ki	ngdom Children of natives Native-born children of immigrants Young immigrants	10 9 11	11 15 10	17 17 19	13 16 13	13 9 7	9 8 9	11 12 12	6 5 7	11 10 13
United St	ates Children of natives Native-born children of immigrants Young immigrants	9 12 8	6 6 5	2 	5 	16 12 10	8 13	32 38 31	6 6 12	16 15 17
Average	countries above Children of natives Native-born children of immigrants Young immigrants	4 5 5	10 10 8	19 17 14	12 14 12	20 22 24	3 2 2	14 12 12	8 8 9	8 9 11

Annex 6. Percentage points differences in the probability to be in employment for main origin groups of children of immigrants compared with children of natives, selected OECD countries,

15-34 and not in education, by gender

		Men			Women	
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
Controlling for education and age	N	Y	Y	N	Y	Υ
Controlling for marital status and for having at least one child	N	N	Υ	N	N	Υ
Austria						
Native-born children of immigrants:						
- Turkey	-20***	-13*	-15*	-35***	-31***	-22***
- other OECD	0	-3	-3	5	6	-1
- (Ex-)Yugoslavia	-18**	-10	-11*	-11*	-6	-2
- other non-OECD/Mexico	-17	-16	-15	-1	3	1
Young immigrants:						
- Turkey	-11*	-6	-8*	-26***	-21***	-9*
- other OECD	-2	0	0	-8	-8	-11
- (Ex-)Yugoslavia	-6	-1	-1	-17***	-14**	-4
- other non-OECD/Mexico	-12*	-3	-4	-16	-14	- g
N	5803	5803	5803	5276	5276	5276
Pseudo R2	0.02	0.17	0.17	0.02	0.04	0.14
Belgium ¹						
Native-born children of immigrants:						
- Italy	3	-1	-2	-11***	-12***	-13***
- Turkey	-17***	-8***	-12***	-40***	-26***	-26***
- other OECD	-5*	-7**	-7**	-4	-1	-2
- Morocco	-22***	-18***	-17***	-25***	-16***	-14**
- other non-OECD/Mexico	-25***	-21***	-19***	-22***	-13***	-11**
Young immigrants:						
- Turkey	-22***	-19***	-21***	-49***	-36***	-33***
- other OECD	-9***	-7**	-6**	-15***	-11***	-10***
- Morocco	-13***	-14***	-16***	-50***	-39***	-37***
- non-OECD/Mexico	-18***	-13***	-13***	-23***	-15***	-16**
N	17747	17747	17747	17285	17285	17285
Pseudo R2	0.02	0.22	0.23	0.04	0.23	0.26
rance						
Native-born children of immigrants:						
- Southern Europe	7***	4*	4*	5	4	4
- other OECD	-12*	-12*	-9*	-9	-2	-6
- Maghreb	-14***	-13***	-15***	-17***	-13***	-13***
- Africa	-20**	-12	-12*	-13*	-10	-6
- other non-OECD/Turkey/Mexico	-11*	-7	-11*	-11*	-5	C
Young immigrants:						
- Southern Europe	-0	6*	4	-20**	1	5
- other OECD	-8	-13	-11	-12	-8	-7
- Maghreb	-19***	-11***	-14***	-33***	-23***	-19**
- Africa	-20***	-15***	-17***	-28***	-13***	-12**
	-4	0	-0	-38***	-27***	-24***
- other non-OECD/Turkey/Mexico						
- otner non-OECD/Turkey/Mexico	25943	25943	25943	25579	25579	25579

Annex 6. (cont.)

	Men			Women		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
Controlling for education and age	N	Υ	Υ	N	Υ	Υ
Controlling for marital status and for having at least one child	N	N	Υ	N	N	Υ
ermany						
Native-born children of immigrants:						
- Turkey	-14***	-4*	-7**	-23***	-13***	
- Italy	-8	-1	-2	-1	7	8
- other OECD	7	5	4	2	5	
- (Ex)Yugoslavia	-12*	-10	-11	-5	-4	_
- other non-OECD/Mexico	-12***	-5	-5	-11***	-7*	-
Young immigrants:						
- Poland	-11***	-7*	-8*	-6	-3	(
- Italy	5	10***	9**	-8	2	
- Turkey	-9***	1	-3	-34***	-14***	-
- other OECD	-11*	-4	-4	-12*	-7	-
- (Ex)Yugoslavia	-7*	2	1	-20***	-8*	_
- Russia	-7*	4*	3	-21***	-13***	_
- other non-OECD/Mexico	-9***	0	-3	-17***	-9***	-4
N	28537	28509	28365	28601	28576	2848
Pseudo R2	0.01	0.11	0.12	0.02	0.08	0.1
witzerland						
Native-born children of immigrants:						
- Italy	4	1	1	3	4	:
- Turkey	-7	-1	-1	-14	-3	
- Spain	8***	3*	3*	8	8**	7
- Portugal	-7	2	2	-1	-5	-
- Other OECD	0	1	0	4	5	
- other non-OECD/Mexico	-21*	-4	-5	-18*	-8	-
Young immigrants:						
- Portugal	-9	-1	-1	4	8**	8**
- Turkey	-2	0	-1	-1	-7	-
- other OECD	-7	-5	-4	-4	-4	-:
- (Ex)-Yugoslavia	-1	2*	2	-8**	0	5*
- other non-OECD/Mexico	-12*	-5	-4	-6	-3	-:
N	2326	2325	2325	2552	2550	255
Pseudo R2	0.02	0.28	0.29	0.01	0.10	0.10

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Annex 6. (cont.)

	Men		Women			
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
Controlling for education and age	N	Υ	Υ	N	Υ	Υ
Controlling for marital status and for having at least one child	N	N	Υ	N	N	Υ
United Kingdom						
Native-born children of immigrants:						
- other OECD	-7***	-4**	-4**	-4*	-4	-2
- India	-1	-5	-3	-2	-11**	-10*
- Pakistan	-16***	-14***	-13***	-29***	-32***	-25***
- Bangladesh	-25**	-13	-9	-20*	-17*	-8
- non-OECD/Turkey/Mexico	-11***	-10***	-7*	-12***	-19***	-15***
Young immigrants:						
- other OECD	-3	-1	-1	-10**	-8	-7
- India	16***	8***	7***	-10**	-19***	-20***
- Pakistan	0	-2	-6	-53***	-56***	-56***
- Bangladesh	1	-1	-11	-41***	-42***	-35***
-other non-OECD/Turkey/Mexico	-9**	-5*	-4	-14***	-12***	-11**
N	13813	12363	12363	14534	13152	13152
Pseudo R2	0.01	0.12	0.14	0.02	0.15	0.21
United States						
Native-born children of immigrants:						
- Mexico	-5*	5**	4**	-11***	0	2
- other OECD	10*	7	8	8	1	-2
- Philippines	6	0	3	15**	13	12
- other non-OECD/Turkey	-10***	-7**	-6*	-4	-1	-3
Young immigrants:						
- Mexico	9***	15***	14***	-23***	-7**	-3
- other OECD	4	3	2	0	0	-1
- Philippines	-8	-17	-15	-5	-13	-13
- other non-OECD/Turkey	-2	-1	-1	-1	0	0
N	17101	17101	17101	18543	18543	18543
Pseudo R2	0.00	0.23	0.24	0.01	0.18	0.20

The reference category are the children of natives.

Immigrants who arrived after the age of 18 are excluded from the analysis. The figures correspond to marginal effects in a logistic regression, calculated at the sample means of the respective variables.

For countries in which the microdata are based on a rotation group design (such as Austria and the United Kingdom), some waves were excluded to get distinct data for regressions.

Source and further Notes: see methodological Annex.

^{1.} Models for Belgium also control for native-born children of immigrants from France and the Netherlands and for young immigrants from France, Italy and the Netherlands.

^{***/**/*} significance 1%/ 5%/10% level, respectively.

METHODOLOGICAL ANNEX

Migration background

Variable	Definition	Remarks
native-born children of native-born parents	native-born children with at least one parent native-born	Belgium: native-born children with at least one parent native-born with Belgian nationality at birth; France: native-born children with at least one parent native-born and/or with French nationality at birth; Spain: native-born children with Spanish nationality; United Kingdom: native-born with self-reported "white British" ethnic background; United States: Persons born in outlying areas of the United States, such as Puerto Rico or U.S. Island Areas were excluded.
native-born children of foreign-born parents	native-born children with both parents foreign- born	Belgium: native-born children of foreign-born parents with foreign nationality; France: native-born children of foreign-born parents who had a foreign-nationality at birth; Netherlands: native-born children of immigrants from Indonesia were excluded; Germany: native-born children of parents who moved after 1960 to Germany or native-born children with foreign-nationality at birth for cases where the parental variable is missing; United Kingdom: native-born with self-reported "other than white British" ethnic background; United States: Persons born in outlying areas of the United States, such as Puerto Rico or U.S. Island Areas were excluded.
young immigrants	foreign-born persons who arrived in the host country before the age of 18	Belgium: foreign-born with foreign nationality at birth arrived before the age of 18; France: foreign-born with foreign nationality at birth arrived before the age of 18; Germany: foreign-born children who arrived in the host country before the age of 18; United States: Persons born in outlying areas of the United States, such as Puerto Rico or U.S. Island Areas were excluded.

Region of origin OECD/non-OECD Variable Definition Remarks Denmark: OECD countries, excluding Turkey, native-born children of native-born children with foreign-born both parents foreign-Mexico, Japan and Korea; France: native-born parents children of foreign-born parents originating from from OECD countries born of which at least one parent born in an Northern, Southern, or Eastern Europe; Germany: native-born children with at least one parent having OECD country, exclua nationality at birth of an OECD country, excluding ding Turkey and Mexico Turkey, Mexico, United States, Canada, Australia, New Zealand, Korea, Japan, but including Estonia, Latvia, Lithuania, Malta, Cyprus, and other Eastern European countries; United Kingdom: native-born children with self-reported "other white or other white mixed than white British" ethnic background Non-OECD/Turkey/Mexico including native-born children of native-born children with Denmark: both parents foreign-Japan and Korea; France: native-born children of foreign-born parents born in a non-OECD foreign-born parents not originating from Northern, from non-OECD/Turkey/ Southern, or Eastern Europe; Germany: native-Mexico country/Turkey/Mexico born children with both parents having a nationality at birth of a non-OECD country including Turkey, Mexico, United States, Canada, Australia, New Zealand, Korea, Japan, but excluding Estonia, Latvia, Lithuania, Malta, Cyprus, and other Eastern European countries; Netherlands: native-born children with parents originating from a non-OECD country including Turkey, Mexico, and the Native-born children of Netherlands Antilles. parents from Indonesia were excluded; United Kingdom: native-born children with self-reported "other than white or white British" ethnic background (e.g. Pakistani, Indian, Bangladeshi, Caribbean) France: young immigrants with a foreign nationality young immigrants born young immigrants born in OECD countries in an OECD country, at birth born in an OECD country, excluding excluding Turkey and Turkey, Mexico, Australia, New Zealand, Japan, Korea, Czech Republic, Hungary, Iceland, and Mexico Slovak Republic; Germany: young immigrants having a nationality at birth of an OECD country, excluding Turkey, Mexico, Australia, New Zealand, Japan, and Korea, but including Estonia, Latvia, Lithuania, Malta, and Cyprus; United Kingdom: young immigrants born in an OECD country, excluding Turkey and Mexico young immigrants born young immigrants born France: young immigrants with a foreign nationality non-OECD/Turkey/ in a non-OECD country at birth born in a non-OECD country, including Mexico or in Turkey or Mexico Turkey, Mexico, Australia, New Zealand, Japan, Korea, Czech Republic, Hungary, Iceland, and

Slovak Republic; *Germany*: young immigrants having a nationality at birth of a non-OECD country including Turkey, Mexico, Australia, New Zealand,

Japan, and Korea, but excluding Estonia, Latvia, Lithuania, Malta, and Cyprus; *Netherlands*: young immigrants born in non-OECD countries including Turkey, Mexico, and Netherland Antilles. Young immigrants born in Indonesia were excluded; *United Kingdom*: young immigrants born in a non-OECD country/Turkey/Mexico

Educational attainment

Variable	Definition	Remarks
low	Pre-primary education, primary education, and lower secondary education	Austria: Primary education includes ISCED 3c (short) as suggested by the Federal Office of Statistics in Austria (Statistik Austria 2009); United Kingdom: Below NVQ level 2 or no qualifications; United States: Below 12th grade, no diploma
medium	Upper secondary education, and post-secondary, non-tertiary education	United Kingdom: NVQ levels 2 or 3, trade apprenticeships or other qualifications; USA: High school diploma or equivalent, or some college but no degree
high	First and second stage of tertiary education	United Kingdom: NVQ level 4 and above; USA: Associate degree, Bachelor's or Master's degree, Professional school degree or Doctorate degree
		Germany: educational classification is based on Schrödter et al. (2006).

Occupations

Variable	Definition	Remarks
High-qualified	ISCO classification 1-3	Australia and New Zealand: Australian and New Zealand Standard Classification of Occupations (ANZSCO) has been used

Sector of industry

Variable	Definition	Remarks
Main industry	NACE classification	Australia and New Zealand: The Australian and New Zealand Standard Industry Classification (ANZSIC) has been used.

Data Sources

Australia, Canada and New Zealand: Census (2006); Denmark and Sweden: Population register (2007); Norway: Population register (2008); Austria: Microcensus (2008); Belgium: Labour Force Survey (2003/2004/2005) linked with register data provided by INS; France: Labour Force Survey (2006/2007); Luxembourg, Spain and Switzerland: Labour Force Survey (2008); Germany: Microcensus (2005); Netherlands: Labour Force Survey (2004/2005) linked with data from the Employment and Wage Survey – data provided by Centrum voor Beleidsstatistiek; United Kingdom: Labour Force Survey (2008); United States: Current Population Survey March Supplement 2008.

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