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The role of integration policies for migrants' outcomes in the labour
market in Germany, Sweden and the UK

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Abstract

This thesis investigates the role of integration policies for migrants' outcomes in the labour market by the examples of Germany, Sweden and the United Kingdom. The outcome is measured through differences in the activity rate, over qualification rate and unemployment rate between immigrants and natives.

The case study makes clear differences and similarities of integration policies in the selected countries. The German integration model is changing as the 'temporary model' for the guest workers is seen as not appropriate any more. In contrast, the UK introduced a five tier system to tackle the huge storm of immigrants. The Swedish traditionally have a high degree of integration policies. The paper derives hypotheses about the quality of the integration policies. The Migrant Integration Policy Index is used in order to measure the quality of integration policies concerning the labour market.

It concludes that the role is only limited as other factors are able to influence the migrants' outcomes in the labour market like the current government or the welfare system of a state. An influence has also the migration history of a state and the thereof resulting integration models. Further, the composition of migrants, their cultural and educational background are decisive.

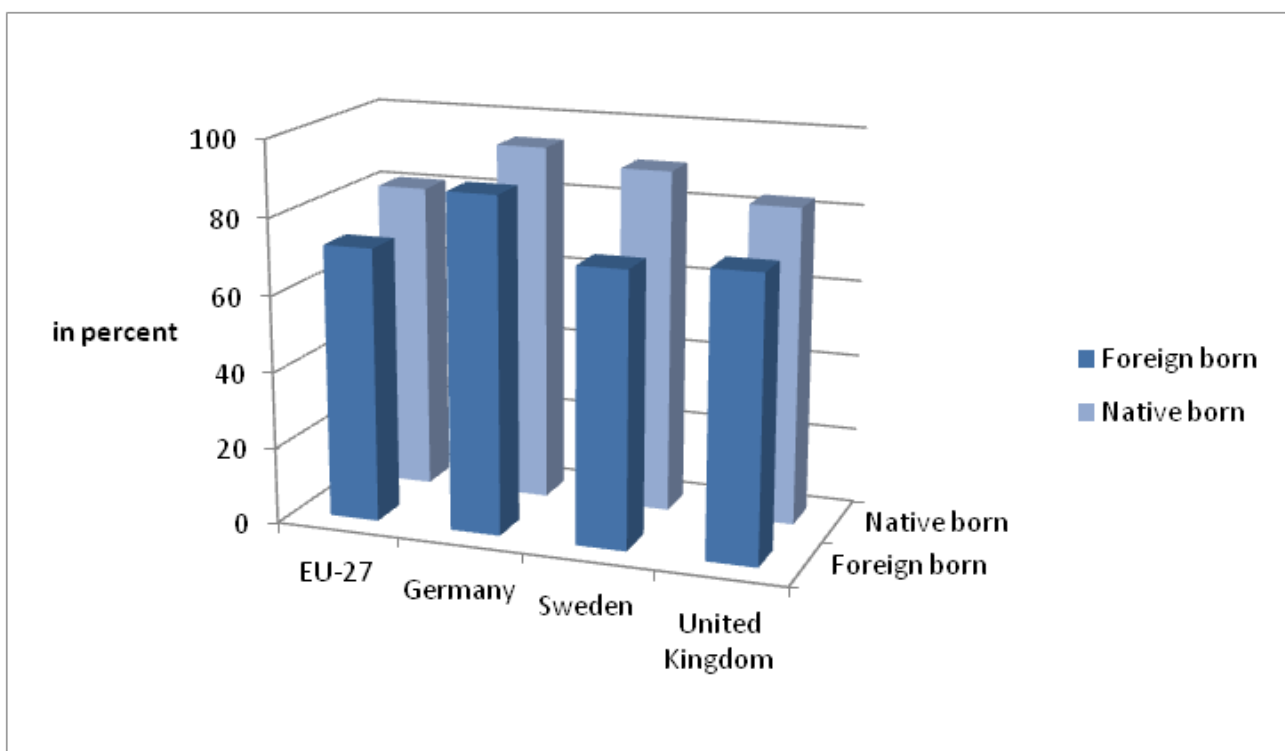
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Chapter 1: Introduction

Are labour market integration policies really helping migrants to become better integrated in the host country's society? Do they get better chances because of the policies? In this bachelor thesis, these questions will be addressed. It is proven that immigrants, born in another country as in which they are currently living, perform worse than natives on the labour market. It is not a problem in one country but in almost every country. The graph below shows that the employment rate of natives is higher than the employment rate of the foreign born. The difference in the European Union-27 (EU) average amounts to 9%, implying that 9% more natives are employed than foreign born. This is also the case, to different extents, in Germany (6%), Sweden (18%) and the United Kingdom (UK) with 9%. In order to tackle this problem, most states set up several labour market integration policies. There remains the question, if these integration policies can really have an influence on the labour market outcome of migrants. Bruno & Rovelli (2008) investigated in their study, that higher employment rates can be connected with labour market integration policies, when observing the EU-27 countries. In contrast, Dar & Tzannatos (1999) argue that there are various positions about the effectiveness of labour market policies. On the one hand, it is argued that they decrease unemployment, but on the other hand, there is the argument that they cost a high amount of money for social benefits.

Figure 1: The employment rate of native born and foreign born in comparison (in percent)



Source: Eurostat (2011).

So immigrants are one of the risk groups with regard to integration in the labour market. They face disadvantages of knowledge and traditions of the host country as well as having language problems or the non-recognition of skills. Therefore, immigrants often experience a 'U-shaped' pattern of job performance because their new job in the host country is mostly worse-rated than their prior job in the home country (Chiswick, Lee, & Miller, 2005). Therefore, it is more difficult for them as it is for natives to get a job and become integrated in the labour market of their host country. After a certain time, they are able to move to the same occupational level on which they had worked in their home country. However, for immigrants who acquired higher skills in their home country, the possibilities to improve their work situation are better (Barrett & Duffy, 2008). To tackle the problem of migrants' labour market integration, most states have implemented several integration policies in many areas: like the economic, legal, political or social dimension. A crucial concern is the integration of migrants into the labour market. The three, in this research project investigated countries Germany, Sweden and the UK, belong to different ideal-typical regimes. The UK is ruled by a liberal regime, while Sweden is governed by a social-democratic one and Germany is ruled by a corporatist regime (Fouarge & Muffels, 2001). This has also implications on the type of policies the states have. The German integration model is based on the assumption that the migrants stay only for a specific amount of time in the country, while the Swedish model is called the 'Nordic model' which is characterized by a strong exchange of labour force within the Scandinavian countries. The UK implemented a five tier system in order to control the immigration of people from the Commonwealth.

1.1 Research questions

In this thesis the focus lies on the integration of migrants in the labour market as the integration in the labour market is important within the integration process. In particular, it will be investigated which labour market integration policies the EU member states of Germany, Sweden and the UK have and how this influences migrants' outcomes in the labour market. Integration policies are aimed at increasing the level of integration of immigrants. States do not want parallel societies so they provide support for the immigrants to get familiar with the host state's culture and values as well as with the political system. This is seen as necessary to become integrated in the host state's society. In particular, the labour market integration of migrants is seen as relevant because the state profits also in economic terms when an integrated migrant is able to pay taxes and is not dependent on social benefits. So many states emphasize the labour market integration of migrants but the outcome of migrants in the labour market is often poorer than that of locals. Therefore, the thesis aims at answering the following research question:

'What is the role of integration policies for migrants' outcomes in the labour market in Germany, Sweden and the UK?'

The goal is comparing the policies in Germany, Sweden and the UK regarding the issue of integration of migrants into the labour market and evaluating the outcomes of how many migrants are really integrated in the labour market. Migrants are defined here as persons born in another country, regardless of their citizenship and of whether they come from in- or outside the EU.

However, within the policies there are often differences made between the rights of EU and non-EU immigrants. To answer the research question, some sub-research questions were developed :

'What are the labour market outcomes of migrants in Germany, Sweden and the United Kingdom? '

'What are the differences and similarities in the policies concerning the integration of migrants to the labour market in Germany, Sweden and the United Kingdom?'

1.2 Relevance and contribution

Much is written about the different approaches of the countries in order to integrate their migrants in the labour market. However, the articles are mostly about one country and do not make a comparison of more countries and do not focus on the integration into the labour market.

The topic is relevant as the states of the EU face currently huge immigration, on the one hand immigrants of other member states or, on the other hand, those coming from outside of the EU (Eurostat, 2011). The states have to deal with the storm and have to integrate the immigrants in their society, thereby is the integration within the labour market very important. Only if the migrants are integrated within the destination country's labour market, they have the chance to get completely integrated in the society of their host country. Studies proof that immigrants are proportionally more unemployed than natives (Eurostat, 2011) This has various reasons like non-recognition of certificates in the host country, discrimination at the labour market, problems of the migrants with the culture and/or the language of the host country. These problems are very relevant for the host states and it is appropriate to look across the border to see how other EU member states deal with this problem.

1.3 Outline

The next chapter deals with the reasons for the migration history, and the educational background of migrants as well as with the particular amount of migrants within the selected countries. The third chapter, the theoretical framework, follows with the conceptualization of migration, integration policies and immigrants in the labour market. This chapter is followed by a methodology chapter which is about the units and variables, the data collection, the research design, the case selection, the measurement and the limitations of the thesis. Subsequently, it succeeds the fifth chapter about the different labour market integration policies of Germany, Sweden and the UK. In the sixth chapter, the policies are compared, evaluated and ranked. Then the labour market outcomes of migrants in the three countries are compared. This part is followed by the conclusion responding to the research question in Chapter seven.

Chapter 2: Migration and Migration history of the selected countries

For the thesis it is very important to get an overview of the migration histories of Germany, Sweden

and the UK which might have an influence on the labour market integration policies. As background knowledge for the analysis, it is crucial to compare the amount of migrants in the three countries with each other as well as to know their educational level when entering the state.

2.1 Migration history in Germany

In the time between 1955 and 1973, the German economy faced a huge need on low-skilled workers. For this reason the German government recruited in cooperation with the economy, guest workers from Southern European countries, mainly from Italy and a bit later also workers from Turkey in order to overcome the worker shortage in Germany. The first arrangement was signed with Italy in 1955, followed by arrangements with Greece and Spain (1960), Turkey (1961), Morocco (1963), Portugal (1964), Tunisia (1965) and Yugoslavia (1968). The program was intended to attract foreign workers to come for a specific time to Germany and work in the country. After a specific time frame, it was expected that the guest workers do return to their home country. However, this was not the case. Many guest workers stayed in Germany and brought also their families to Germany. This was an unforeseen consequence of the guest worker program. As this program do not recognize an integration program for the guest workers and this was not be seen as necessary. Until today, the members of the guest workers generation contribute with 60% to the foreign population in Germany. The largest group among the guest worker generation are the Turks, followed by the Italians and the Yugoslavians (OECD, 2005)

Another huge group of immigrants coming to Germany are the German 'Aussiedler'. They were allowed to come because of special rules concerning the special 'ius sanguinis' which defines people from East Europe of German origin to enter to the country. Especially, after the fall of the Iron Curtain, the number of 'Aussiedler' entering to Germany increased enormously. The German government reacted and limited the entrance for 'Aussiedler' to a certain extent (OECD, 2005).

The third big group of migrants in Germany are humanitarian migrants. The relative high increase of asylum applications in the seventies let increase the number of migrants of this sort (OECD, 2005).

Uncontroversial, the higher the migrants are educated the higher is the possibility to get a job. The same is true for the natives but not for a so high degree. The educational level of immigrants varies among the host states. In Germany, 37.4% of the migrants have a 'less than upper secondary' degree, whereas 43.7% (natives: 12.3%) own an upper-or post-secondary but non-tertiary degree. Only 18.9% (natives: 62.2%) of the immigrants in Germany have a tertiary degree (OECD, 2007).

2.2 Migration history in Sweden

Between 1946 and 1975, the most immigrants which entered Sweden were labour migrants with their families. In addition, there came a certain amount of refugees from the Communist countries. About 60% of the labour migrants were coming from the Nordic countries, the rest came mainly from the rest of Western Europe in the 1950s and from Greece, Turkey and Yugoslavia in the 1960s (Cerna, 2009). Although the migrants were mostly unskilled and had language problems, they had no difficulties to find a job in Sweden. In 1970, the immigrant employment rates were higher, on average, than the employment rates of the natives. Even the average wage of the immigrants was higher in comparison to the natives. One reason for this was that the migrants were medial younger than the Swedish population and their workload was higher (Cerna, 2009).

In the seventies, a new era of immigration began in Sweden. The economic boom was no more so strong and the economy needed more and more workers with special skills. As a consequence, the immigration from Non-Nordic countries stopped almost immediately. Even the immigration from Nordic countries declined to a large degree. So refugees became the most important immigrant group in Sweden. In the 1970s, the most refugees came from Latin America, followed by refugees from Middle East in the 1980s and in the 1990s, most refugees came from the former Yugoslavia. Currently, Sweden faced poor economic situation of non-European immigrants caused by missing knowledge of Swedish and the Swedish culture and the Swedish legal system, lacking networks but also discrimination (Dribe & Lundh, 2008).

21.7% of the migrants have a 'less than upper secondary' degree compared to 16.8% of the natives. While 48.7% of the migrants and 55.9% of the natives possess an upper-or-post-secondary degree, 29.5% of the immigrants and 27.3% of the Swedish have a tertiary degree (OECD, 2007).

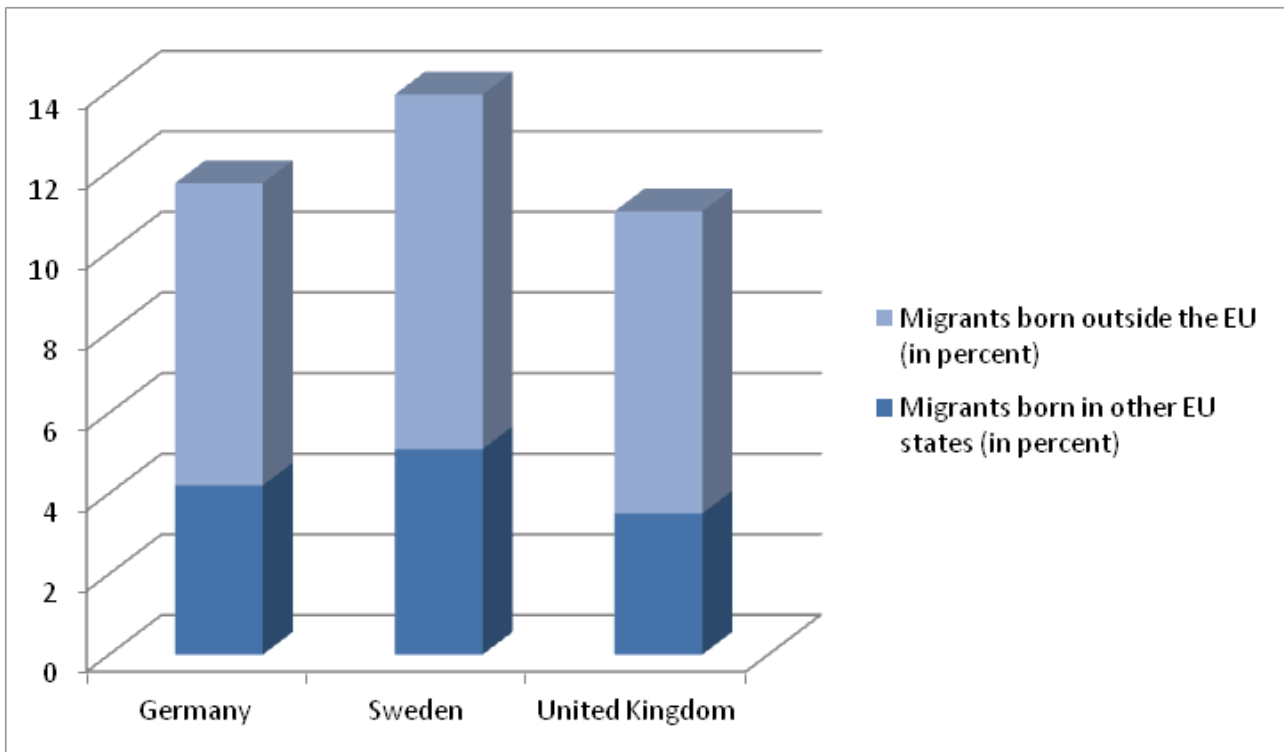
2.3 Migration history in the United Kingdom

From the beginning of the mid-80s the UK became an immigration country. With the economic growth in the last fifteen years and the opening of the labour market for EU-citizens of the new member states in 2004, the immigration rate increased immensely (Migration policy institute, 2009).

Directly after the second World War, the citizens of Ireland enjoyed free movement within the UK. At the same time the UK allowed citizens of European partner countries to enter the EU. The British Nationality Act of 1947 allowed citizens from the former Commonwealth the entrance to the UK. However, after two decades of high immigration from former common wealth state, the government reacted with limitations in the legislation. The British Nationality act of 1981 removed the procedure of who is born in the UK, gets automatically the British citizenship. The fall of the Iron Curtain and the conflicts in former Yugoslavia contribute to a higher degree of asylum seekers (Migration Policy Institute, 2009). Starting in 1997, when the Labour Party came into power, the immigration policies became more directed to attract economic migrants. With exception in 2001, when the terrorists attacked the United States of America, the year in which the security aspect was more important, several policies in recent years opened the labour market more and more and made the entrance for economic immigrants easier. Especially, with the opening of the labour market for the new EU member states citizens, the UK attracted a high degree of immigrants, most notably, from Poland. Currently, the most foreign born living in the UK come from India, Poland, Pakistan, Ireland and Germany (Migration Policy Institute, 2009).

While 22.1% of the immigrants and 15.9% of the natives have a 'less than upper secondary' degree, 43.6% of the migrants and 54.8% of the British own an upper-or-post upper-secondary degree, the amount of tertiary degree owners is 34.3% of the immigrants and 29.4% of the natives (OECD, 2007).

Figure 2: Migrants in Germany, Sweden and the UK



Source: Eurostat (2011).

2.4 Perceptual amount of migrants

The countries have approximately the same rate of migrants. 11.6% of the German population is not born in Germany. 4.2% are born in another EU-27 state and 7.5% are born in a foreign country outside the EU. In Sweden, 13.8% of the population is not born in the country, from which are 5.1% are born in another EU country and 8.8% outside the EU. The UK has an amount of 11% of the whole population which is born in another country. 3.5% are born in the EU and 7.5% out of the 11% are not born in the EU (Eurostat, 2011).

To conclude, although the countries have approximately the same amount of migrants in percent, they are characterized by different immigration histories. The German guest worker program in which Germany recruited often low-skilled workers from Southern European countries was created as a temporary model but did not include a full integration program. In contrast, the Swedish migrants were better educated. In general, the migrants' countries of origin are more widespread, so there are no big immigrant groups from one country. The UK faced huge immigration from its former colonies and until 2004, from Eastern EU member states, especially from Poland.

2.5 Migration

The reasons for migrants to move to another country are widespread as well as their characteristics. In general, it can be said that people with high formal education and people with low formal education are over represented among immigrants, while people with medium formal education are

under represented (Münz, 2007). The will to migrate depends to a high extent on the conditions in the home country. The fewer the state is able to accomplish its tasks, the larger is the migration rate. Migrants in North and West Europe are mostly coming from Southern Europe, Turkey, North Africa, Middle East and sub-Saharan Africa. They include relatively high proportions of low skilled people, for example from Turkey with 65.7% of the Turkish migrants. On the contrary, immigrants from North-Western Europe and from other industrialized regions like North America and Australia/New Zealand have a rate of 43.6% low skilled people coming to the European Union (EU) (Münz, 2007). So the EU does not only need a plan for recruiting highly skilled migrants in competition with other states of immigration like Australia, Canada and the United States but also for the incorporation of the lower skilled migrants into the labour market in order to ensure economic growth, a working welfare system as well as a functioning public pension system (Zimmermann, 2005). In recent years, Europe is forced to provide the necessary institutional framework for that. The European companies shall be able to recruit international skilled workers in order to satisfy their demand (Zimmermann, 2005). However, also lower skilled workers are demanded although only to a limited extent. In recent times, many migrants come to Europe, but not for work but for other reasons like family reunification or to get asylum status. Therefore, the policy challenge of the next years will be to identify and mobilize the economic aspect of migration. The migrants shall be harmonized in this sense, that they have the same human capital and physical capital like the natives, so that they are able to act on the labour market like the host nation (Zimmermann, 2005).

2.6 Reasons for migration

The decisions of the people to migrate can be related to the rational choice theory as their reasons for a migration are mostly rational, especially including economic aspects (Greve, 2011). The causes to migrate can be divided in push and pull factors. Possible push-factors are the lack of job in the home country, a civil war or a low income. On the other hand, pull factors for migrating are the possibility to receive a higher income, a better welfare state, having a job, the geographical distance to the home country, the family already lives in the destination country, the language of this country or the culture (Lee, 1966).

Migration is a phenomenon which emerged worldwide and the reasons for it are widespread. The states with which is dealt in this thesis have various migration histories. In different times migrants came from several countries and they differentiate in the quantity and in their educational level. The history influenced also the integration models to which Germany, Sweden and the UK are belonging. The different models have an effect on the migrants' outcomes on the labour market. The countries deal differently with the migrants concerning their integration to the labour market.

Chapter 3: Theoretical Framework

This chapter shall clarify the concept of integration policies which is important for the research. The goal of this chapter is to make a connection between integration policies and labour market outcomes of migrants. The chapter starts with the conceptualization of integration policies. This section is followed by the introduction integration models and by factors which influence the labour market outcomes of migrants and a paragraph about migrants in the labour market. The chapter ends with a theory about a possible relationship between integration policies and labour market outcomes.

3.1 Migration and Integration models

The selected countries can be related to different integration models. Germany is one example of the temporary model of integration because the policies concerning the migrants and their integration assumed, the incoming migrants will return to their home country after a specific period. However, they stayed and their families followed the workers, and became German residents. Therefore, Germany has changed its migration policies in order to tackle the problem and integrating the migrants into the labour market (Biffel, 2012). Nowadays, the migrants in Germany get much support aimed at becoming activated for the labour market. The support consists of activation and occupational inclusion, advanced vocational training, funding of dependent employment, funding of self-employment and employment creating measures (Bundesagentur für Arbeit, 2013).

In order to have enough employees, the Swedish government relied on the exchange of workers with the other Scandinavian countries which is named the 'Nordic model'. However, until the present day, Sweden has problems with the integration of migrants into the labour market (Biffel, 2012). Today, immigrants coming to Sweden face a lot of possibilities with the aim to integrate them in the labour market. First, they have to improve their language skills and learn some basics about Sweden and its culture. After the introduction course, they have the possibility to work half-time and continue with the language course at the same time period or get help in the recruitment processes (Worldbank, 2012).

In contrast, the UK faces huge immigration from its former colonies. The most immigrants come from third world countries. Whereas the immigrants coming to the UK do have a sufficient language level of their destination state, they face problems due to their ethnic and cultural background and their education level (Biffel, 2012). In respect of the increase of immigrants, the UK changed their migration policies in the recent years. The government introduced a five tier system dividing the migrants according to their skills (Worldbank, 2012).

3.2 Integration policies

Integration policies include several political areas like economics, labour market, foreign affairs and social affairs (Guiraudon, 2000). Immigrant integration policies can be defined as 'institutional practices adopted by state agencies to deal with the settlement of immigrants in host societies' (Davidov, Meuleman & Schlueter, 2012, p.1). Often the policies are only functioning in the short-term and have in the long-term unintended consequences (Castles, 2004). The range of integration policies can go from restrictive to permissive. A restrictive integration policy is characterized by equal rights for immigrants connected with certain preconditions and is often limited concerning the citizenship of the host country. Whereas in permissive integration policies the migrant is able to get equal rights very fast and they are not limited in any way. The sort of integration policy a country possess depends very much on the political characteristics a state has (Davidov, Meuleman & Schlueter, 2012). However, because of the often competing interests of actors, many states are implementing compromises or even contradictory policies. They often take in consideration only the success in the short-term. Even, in some circumstances, policies from other areas, like about the economy or the labour market are often more able to influence the integration of migrants than the policies concerned explicitly with migrants (Castles, 2004).

Each country has an incorporation regime meaning that every European host country has a complex

state system for managing the natives, what has been extended to deal with immigrants. So migrants are mostly administrated by institutions established for other tasks (Freeman, 2004). This implies, that institutions which are more durable, effective and influential, are more likely contribute to policies influencing the migration. Central for incorporation is the participation of migrants in the labour market (Freeman, 2004). Although having the same aims, namely to integrate migrants in the host country, the incorporation outcomes differ much from each other. This is particularly because of the difference in immigrant populations, like the migrants differ along national origin, religion or cultural background among the countries (Freeman, 2004). No state has an incorporation regime as such, but often loosely connected rules, institutions and practices in various sections of society that are building a framework for migrants and natives. So, concerning integration policies, states possess multidimensional frameworks, which cannot be considered as regime. Some parts of the framework of a state is equal with the framework of other states but never the whole framework.

3.3 Different models of integration policies

The existing literature differentiates between three main types of integration, namely the multicultural model, the assimilation model and the separation or exclusionist model (Freeman, 2004). The goal of the multicultural model is that the migrant can maintain the identity of the home community. The migrant's identity shall be respected and protected and a cultural diversity is accepted. The model is, inter alia, established in the Netherlands and Sweden. However, the assimilation model or universalistic model is characterized by a complete assimilation of the immigrant. The migrant is forced to take over the identity, norms and values of the host country. For those who are completely assimilated, the model can possibly provide equality between the immigrants and the natives. Examples for this approach are France and the UK (Freeman, 2004). The separation or exclusionist model is based on restrictive and rigid immigrant legislation and policies. Within this model it is very difficult for the migrant to get entrance to the country. The policies assume that the migrant will be stay in the host country only for a limited amount of time. Austria and Germany are examples for practicing the separation or exclusionist model (Carrera, 2006). However, the above mentioned differentiation is no longer valid as the national models concerning immigrants are changing. The national immigration programs are influenced by migration flows, the current economic or political situation or other events. A huge diversity emerged in regard of goals, involved actors, scope and target groups. The states have different priorities and experiences which is becoming obvious in their migration approaches. These many different approaches make a comparison between the approaches difficult (Carrera, 2006).

3.4 Some common features in integration policies

Nevertheless, some features became a common concern among the countries in recent years, like the recognition of employment as being essential for the integration process (Joppke, 2007). General elements like language courses, courses aimed at familiarizing migrants with the host country's norms, history, traditions and values as well as the offer or obligation of labour market orientation and vocational training are important integration measures for many states. Furthermore, there is a trend to make the participation of integration courses mandatory for immigrants. Migrants who do not fulfil these requirements are facing problems for right of residence or sanctions. The migrant becomes more and more responsible for the own integration process. It is expected that migrants structure their integration process themselves by making use of several services for migrants provided by the host state. So the migrant is forced to recognize these offers and has to

take the initiative for getting benefits in form of integration programs and income support (Carrera, 2006).

3.5 Determinants of labour market outcomes

There are several factors which impact the labour market outcomes of migrants like institutional ramifications. The institutional ramifications can be divided in two groups, the immigration regime and the welfare model. The immigration regime can arrange that there are waiting periods before the migrant gets the right to enter the labour market. The welfare model can have influence on the labour market participation of a family (Biffl, 2012). It can ensure that only one member of the family, mostly the man, is working. Another sort of factors are supply factors like the educational level, language competences, ethnic origin and the feeling of the migrant about the culture of the host country. Demand factors are the composition of employment by industries, the work division between the household, the informal and the market sector as well as the economic and technological development level (Biffl, 2012).

3.6 Immigrants in labour markets

The integration process is a multidimensional one, it can be distinguished between the socio-economic, cultural and political dimensions (Phalet & Swyngedouw, 2003). Socio-economic meaning entrance to the labour market, earnings, education and training, housing, social benefits and social services, while political integration includes citizenship rights and assimilation. Whereby labour market integration can be considered as the most important feature of socio-economic integration, but it does not necessarily guarantee it. Entrance to the labour requires the acquisition of country specific human capital including the knowledge of the language. For the host country, this means to recognize the migrant's qualifications and educational level, to give the migrant accession for having a legal status, having an accommodation, education and training. The host country shall also have the ability to provide adequate wages in the jobs and social security benefits (Lodovici, 2010).

Furthermore, it makes a difference, from where the migrants are coming from, or to speak in an economical language, human capital is country-specific (Heilbrunn, Kushnirovich & Zeltzer-Zubidac, 2010). Migrants coming from developing countries are often regarded as having no or only little knowledge and skills and are not familiar with the norms and institutions and it is for them more difficult to become integrated into the labour market. The barriers that migrants have in order to become integrated in the labour market are various and depending on the migrants. For all migrants there is the problem of competition with other applicants, or the economical situation and therefore the situation of the labour market which have the migrants in common with the nationals. All migrants face also a lack of social network and experience in their host country and a difference in mentality. Another possible barrier can be the lack of adequate work because of the structure of the labour market. Most immigrants have also language problems. Barriers for specific groups of migrants can be prejudices of the native population against the specific migrant group, the often limited expenditure of work like information search, missing assistance in writing applications or adequate clothing. Some migrants have also problems with the availability of information sources and are unfamiliar with the corporate country. For some migrants, the barrier like lack of education or professional skills plays a role as well as initial resources and the distance to the workplace especially in regions in which the public transport is lacking (Heilbrunn, Kushnirovich & Zeltzer-

Zubidac, 2010).

The barriers can also be desired by the host state which sets up barriers for family members who are not able to be integrated in the labour market because of their age, their health or their low skills. The host state can also implement barriers in terms of its tax and pension system which can especially affect highly-skilled migrants. Other things the host states can influence are the level of gender inequality and the work-life balance in the state which are influencing the decision to migrate or not (Oishi, 2012).

3.7 The relationship between integration policies and labour market outcomes

Koopmans (2010) investigated how integration policies and welfare state regimes have affected the socio-economic integration of immigrants. He concludes that multicultural policies, which make the access of equal rights for migrants easy and do not force the migrants to learn the host country's language and make interethnic contacts, when combined with a generous welfare state, resulted in low level of labour market participation, high levels of segregation and strong overrepresentation of immigrants regarding crime. However this is only true for the socio-economic participation. So it is possible that multicultural policies are more successful in for example the political participation of the migrants (Koopmans, 2010).

Integration policies and welfare regimes interact with each other, for instance, the integration policies control in which situation a migrant has equal rights like the natives implying the right for welfare benefits. Further, integration policies can be responsible for lower human capital of a migrant at that point the migrant is entering the labour market. Policies which force the migrant to learn the language and assimilate culturally, put pressures on the migrants in order to have advantages for entering the labour market. However, multicultural policies in which the migrants are able to stay in their own cultural community can have negatively consequences for the integration into the labour market because of lacking language and skills (Koopmans, 2010).

The different integration models are also influenced by the immigration history of a country and its economical needs. Integration policies are influenced by compromises among several actors and the political system of a state. The selected states can be divided in different models, these are the exclusionist, the assimilation and the multicultural model. Regardless of the model, some common features like language courses can be found in almost all integration frameworks the states have. The goal of integration policies is to improve the integration of immigrants. However, the outcome can also be influenced by institutional regulations and the welfare model of a state. The integration of immigrants in the labour market is also influenced by the migrants themselves. Their prior education is very crucial and to what extent the host state is willing to accept the qualifications. Another barriers can emerge concerning possible cultural differences. It is clear that integration policies influence the labour market outcome of migrants at least to some extent but other factors have also an influence.

Chapter 4: Methodology

The following chapter deals with case studies as chosen research design, the country selection and the data collection method by using the Migrant Integration Policy Index (MIPEX) and data provided by Eurostat. Subsequently, the chapter is about the unit of analysis and the variables and how the labour market outcome of migrants will be measured. The chapter ends with limitations of

the thesis.

4.1 Research Design

Case studies

The research design of this study is a qualitative comparative case study. A case study can be defined as 'an in-depth study for a single unit where the scholar's aim is to elucidate features of a larger class of similar phenomena.' (Gerring, 2004, p. 431). In general, case studies are characterized by a small number of Ns, which are qualitatively investigated. Further research studies are ethnographic and clinical as well as they are characterized by participant observation and 'in the field' research and by process tracing (Gerring, 2004). A case study often investigates a single example or phenomenon. The problems of case studies often include the fact that there is only a post-test and no treatment and no control group. As a result, there is a threat of alternative explanations cannot be completely excluded. Case studies with a small number of Ns are more quantitative whereas case studies with a view Ns are more in a qualitative style. The case study made in this thesis includes three cases, namely Germany, Sweden and the UK and is a qualitative as well as quantitative one.

4.2 Country selection

The countries with which is dealt in the thesis can be clustered in ideal-typical regimes. The UK is ruled by a liberal regime, while Sweden is governed by a social-democratic one and Germany is ruled by a corporatist regime (Fouarge & Muffels, 2001). In general, the liberal regimes are expected to be better in combining high levels of labour mobility and flexibility of workers, but on the other hand, they have a low level of labour security. In social-democratic regimes it is the opposite, they are expected to have a high level of labour security but lower levels in labour mobility and flexibility (Muffels, van den Heuvel & Wilthagen, 2002). However, concerning the percentages of the workers having a permanent, temporary or total flexible job, these three regimes receive almost equal results. When comparing labour markets it shall be taken into account that flows on the labour market are affected by demographic, economic and institutional differences. The institutional differences are there in form of distinctions among the labour market policies and in social security designs (Fouarge & Muffels, 2001). The countries can be rather different regarding unemployment levels, extent of regulation, share of flexible labour employment growth and rate of informal economy. But not only the public instruments and agencies but also private actors like companies, pressure and lobby groups can have strong influence on the political debates (Muffels, van den Heuvel & Wilthagen, 2002). These regime-specific characteristics and regulations affect the level of integration of migrants.

4.3 Data collection

For the comparison between Germany, Sweden and the UK, two data sources are used. Both are very appropriate for a comparison as the data sets ensure an equal procedure in the measurement within all three countries. The next section provides a description of these data.

4.3.1 MIPEX

MIPEX compares 31 countries and measures the level of integration using 148 indicators in seven policy areas. These policy indicators are used to evaluate laws and policies of the countries. The results are compared with the highest European standards defined by MIPEX, namely that migrants are achieving the same rights, responsibilities and opportunities than natives. For this, they use the recommendations from EU Directives and the Council of Europe Conventions (MIPEX, 2010). MIPEX measures the integration of migrants in seven policy areas, these are labour market mobility, family reunion, education, political participation, long-term residence, access to nationality and anti-discrimination. For measuring the labour market mobility, MIPEX uses 16 indicators, subcategorized in access, access to general support, targeted support and workers' rights. For each of the policy indicators there are three options. MIPEX asks independent scholars and practitioners dealing with integration to fill out the score for their country of expertise. MIPEX is aimed at providing experts and politicians with comparable data about integration policies (MIPEX, 2010).

4.3.2 Migrants in Europe: A statistical portrait of the first and second generation

The study will also conduct on existing comparable data provided by Eurostat 'Migrants in Europe: A statistical portrait of the first and second generation' from 2011. The dataset of Eurostat gives a sufficient overview about the labour market participation of migrants. It provides data about the proportional differences of the unemployment rate between immigrants and natives. In addition, it divides the results in subgroups, the migrants are differentiated of foreign-born population, foreign population and second-generation migrants as well as between gender. The data is appropriate to be compared as it is collected with the same methods in all participating countries. Eurostat uses the data from the European Union Labour Force Survey, the European Union Statistics on Income and Living Conditions and the European Migration Statistics (Eurostat, 2011).

4.4 Units of analysis and variables

The population aimed at observing in the study are the immigrants living in Germany, Sweden and the UK, who are able to become integrated into the national labour markets. So migrants who cannot be integrated in the labour markets like children, who have to fulfil their compulsory school attendance and old people who have the right to get pension, are excluded. However, all other migrants are included regardless of whether they are good educated and speak the country's language or they are not educated and need some help in order to learn the language. The classification of Eurostat is used which includes all migrants aged between 15 and 54 who finished school (Eurostat, 2011). In this paper a migrant is considered as integrated in the labour market if the migrant achieves similar results on the labour market than the rest of the population (Liebig, 2007).

The dependent variable is the level of integration of the migrants in the destination country's labour market, measured by, on the one hand having a job or being in job-creating measures or, on the other hand, being unemployed. As mentioned above, having a job is the best alternative for a migrants to be fully integrated in the labour market. However, if migrants are integrated in the labour market, it does not mean that they are completely integrated in the host country's society. The only criterion is having a job or being in job-creating measures for being integrated in the labour market because the type of work depends on the previous knowledge and education of the migrant.

Next to the dependent variables, the independent variables are the kind of policies made by the three countries to integrate their migrants to the labour market and the characteristics of each labour market.

4.5 Measuring the labour market outcomes of migrants

Phalet & Swyngedouw (2003) named for investigating the level of integration into the labour market indicators like labour market participation, protection from unemployment, access to higher occupations and self-employment. Coussey & Christensen (1997) also counted as indicators for integration to the labour market, the self-employment and additionally the employment/unemployment rate, the duration and art of occupation and the wage level and the hours worked. Even Werner (1993) named labour market indicators like activity and unemployment rate as well as incomes. These indicators have to be compared between the natives and the immigrants. Only when the rates of the natives and the immigrants are equal, than the integration process can be declared as successful (Werner, 1993).

4.6 How the labour market outcomes of migrants will be measured in this thesis

The labour market outcomes of migrants will be measured by the activity rate, the unemployment rate and the over qualification rate. These variables are important indicators when evaluating the labour market outcomes of migrants. The activity rate and the unemployment rate give statements about the directly labour market participation of migrants. Whereas the over-qualification rate is inter alia influenced by the recognition of skills.

4.7 Limitations of the study

As there is no treatment and no control and therefore only a post-test, this has implications because alternative explanations for the success or failure of a policy are possible, like the level of current demand for (foreign) workers, and cannot be excluded. This problem is taken in mind and will be considered. Besides, there is no diversity given, as the project deals only with three countries. Other countries might have different labour market integration models or are currently in other economic and immigration situations. This can be a selection bias as the results of this study cannot be generalized and are a threat of external validity. So in the conclusion it has to be carefully evaluated if there are some implications for other states.

Even other possible variables concerning the migrants, like differences of the home countries of the migrants, their education level, their family status or their age are very crucial, as every country faces migrants from different countries and cultures. This possible threat has to be recognized in the study. It is also possible that the data of the three countries are not comparable because of several reasons, like different manners of asking participants. However, Eurostat states that the data has been collected with the same methods in each country. Another threat might be that the statistics are only valid for one moment as migrants are flexible in both, changing their residence country or their job. For this problem, there is no appropriate solution as it can only be assumed that it will be balanced in some way. Further, a problem can occur concerning the definition of the term migration. In typical immigrant countries the term is used for all citizens born in a foreign state, while in Europe the term is mostly used for the population with foreign citizenship. In order to solve the problem it

has to paid attention while working with the data sets.

Further, it is very difficult to measure the success of one specific integration policy as the environment of the person which is to be integrated, the education and the overall individual situation play a role as well as the general economic situation of the host country and the influence of other integration policies or policies from other areas.

In order to answer the main research question, integration policies of the three countries will be compared. The outcome of migrants on the labour market will be contrasted to that of the natives and the difference between them will be compared among the selected countries. The methodology chapter shows that the research design of this thesis is a qualitative comparative one. The examined countries have different integration models as well as they are ruled by different regimes. So a comparison may be interesting. For the data collection, MIPEX evaluating laws and policies and Eurostat are used. The unit of analysis are the migrants living in Germany, Sweden and the UK and the dependent variable is the level of integration of the migrants within the selected countries. Factors like the activity rate, the over qualification rate and the unemployment rate of the migrants will be compared with those of the locals in the selected countries. Possible threats of the analysis are variables which can influence the labour market outcome of migrants like the cultural background and prior education of the migrant but also the economical and political situation or the welfare system of the country.

Chapter 5: Policies to improve the labour market outcomes of migrants

In this chapter, the labour market integration policies of Germany, Sweden and the UK are described. Although there are huge differences, they have some common features and the overall goal to improve the labour market outcomes of migrants is the same.

5.1 Integration policies in Germany

As the guest workers were not considered as immigrants, it lasted until 2005, when the topic integration became a central government task. The years before, the competences were parted unclearly among regional governments. The German government uses its competence for the introduction of integration courses. The courses include 630 hours, 600 hours for the German language and 30 hours for a orientation including the culture, history and legal system. If the immigrants have only little knowledge of the German language, the integration course is obligatory for them. If the migrants do not participate, they have to expect sanctions between 10% and 30% less of the social benefits. In contrast, when the migrants are completed the integration course successfully, they shorten the duration of stay necessary for a German citizenship (Nationaler Aktionsplan Integration, 2011). The only measure which is aimed directly at support labour market inclusion, is the support of job qualifications. Additionally to these general measures, there are measures to prepare young migrants for the labour market and improve their labour market integration. There are also some projects for older migrants, regardless whether employed or unemployed in order to support their job qualifications. Even, the migrants have the possibility to

participate to regular labour market programs which are offered by the job centres. This requires that the migrants have a permission for work and are unemployed. One example of migrant integration measures for the labour market are the 'beruflichen Qualifizierungsnetzwerke', in which young migrants should be supported in order to enter the labour market easier with job training through the implementation of networks of job centres, boards of industry and trade, regional administrations, migrants organizations and companies (Nationaler Aktionsplan Integration, 2011). Another hope was that more immigrants become integrated in the labour market via temporary work and maybe have it easier to get an unlimited job. However, this is not the case until now. To summarize, it can be said that Germany has a variety of small regional projects aimed at integrating migrants to the labour market. Even, an overall organizational structure and a connection to politics is missing (OECD, 2005).

The German government together with regional governments, institutions and representatives from non-state organizations and the industry developed the 'Nationaler Aktionsplan Integration' aimed at making a framework for the integration of migrants in Germany. One emphasis, seen as the core task of German integration politics was on the labour market and working life. Four strategically goals were formulated, these are: increasing the employment opportunities, ensuring the intercultural and integration specific qualifications of the advisory experts, improving the integration within the company and ensuring the amount of skilled employees. Further, the German government founds the 'ESF-BAMF-Programm zur berufsbezogenen Sprachförderung' (Nationaler Aktionsplan Integration, 2011). Within this program migrants should be supported in learning language and skill specific qualifications for making it easier to enter the labour market. The courses can take 730 units and are subdivided in three points: a job-related language support, subject teaching and internships and/or views of companies. The German job centres support the migrants via the '4 Phasen Modell der Integrationsarbeit'. The program shall be a functioning concept of the labour market integration of migrants by supporting the migrants individually at the different stages during the process of labour market integration. One feature of this concept is the recognition of foreign education and vocational diplomas, completed by improving the German language and support possibilities on the local basis.

Additional features are inter alia, the remedial education of the German language or a regular German language test. In order to improve the recognition of foreign degrees, there shall be established a German-wide database of foreign degrees and how to test their quality. Furthermore, there shall be made a check of what qualifications have been already acquired and which ones have to be fetched later (Nationaler Aktionsplan Integration, 2011).

The four phases of the '4 Phasen Modell der Integrationsarbeit' are a strength analysis profiling, the working out of the individual integration goal, choosing a strategy to reach this goal and the implementation of the goal (Nationaler Aktionsplan Integration, 2011).

Another important point is the improvement of information for migrants who want to work self-employed. This market is seen as very important for the integration of migrants into the labour market as already nowadays the self-employed foreigners provide 2 million jobs (Nationaler Aktionsplan Integration, 2011).

Further, as the advisors in the job centres are crucial for the whole process, they shall get further training on how to deal with migrants and get more intercultural competence. In addition, the intercultural opening of companies shall be further promoted. Even small and medium size firms shall more and more concentrating on diversity management (Nationaler Aktionsplan Integration, 2011).

The German counties shall support the country with the strategies and its implementation. Thereby, there shall lie more focus on the local networking in order to integrate migrants in the German labour market (Nationaler Aktionsplan Integration, 2011).

As reasons for the high unemployment rates of foreigners are seen in the view of the German government in structural problems, more lower skilled education diplomas and in parts the not sufficient knowledge of the German language. Even, the potential of higher skilled workers and their families was until now only insufficiently used (Nationaler Aktionsplan Integration, 2011).

The German job centre is also promoting its initiatives in order to get more migrants in the German dual vocational training system. The goal is that young migrants do to the same amount than young German a vocational training. In order to be successful the job centre offers target-group specific vocational placements and job entering through assistance measures, information events for parents concerning this topic and promotion of the dual vocational system for foreign company owners. To get more migrants in the dual vocational system, the job centre wants to provide external vocational places for young migrants who attempted in the last years to find a place and remained unsuccessful. The places shall be provided with the help of cooperation companies with the aim that the young migrants complete a vocational training (Bundesagentur für Arbeit, 2006).

An explanation of why less immigrants participate on the dual vocational system is, that they want to get in regular paid jobs as soon as possible, this is proved by the fact that the 15-20 years employed migrants earn 20% on average than the employed Germans. Further, migrants have disadvantages concerning skills, language or an increased competition among the applicants (Liebig, 2007).

In general, Germany is moving from migrant-specific labour market programs to a inclusion of this group in the mainstream programs. However, there were specific networks for migrants offered. Since the German labour market emphasizes vocational qualifications substantially, the focus on vocational education is crucial for the integration of migrants to the labour market (Liebig, 2007).

5.2 Swedish integration policies

The focus of Swedish integration programs lies on housing and employment assistance. The new Immigration law of 2008 resulted in liberalized immigration policy and made it more employer friendly. It implies that non-EU applicants for a work permit must have a job offer from a Swedish employer. Further, the job offer has to be offered before in Sweden and the EU for ten days, the conditions for the employment have to be equal or better to the Swedish collective agreement and the applicants have to earn enough to pay the living costs for themselves. The applicant gets a permit valid for two years and depends on the specific occupation and a named employer. After this time period, the employee gets a permanent residence permit which is only binding for a specific occupation and no more for a specific employer. If the applicant changes the position, he/she has to apply for a new work permit. In case of unemployment the applicant can look for another job for three months, otherwise the applicant is forced to leave Sweden (Cerna, 2009).

In 2009, the Swedish government implemented the 'Labour market introduction of newly arrived immigrants-individual responsibility with professional support' program. According to this program the Swedish Public Employment Service became responsible for introduction activities instead of the municipalities for the purpose to emphasize the work-first principle. Also it is the first time that activities and responsibilities are regulated within a single act (Ministry of Integration and Gender Equality, 2009). However, the municipalities remain responsible for language courses, housing, young people and other adult education as well as civic orientation. The shift shall result that the migrant gets the residence in the place where his/her skills are needed. After the migrant received the residence permit, the Public Employment Service makes an interview with the migrant to get to know the background. After the first meeting, more meetings followed in which the Public Employment Service makes in cooperation with the migrant, an individual integration plan with a

maximum length of 24 months. Besides, regarding the already earlier determined strengths and skills of the migrant, the plan has to include a Swedish course, civic orientation and employment preparation activities in a full-time program. The migrants who actively work on an own integration plan and do the activities implemented in this plan are getting benefits. The immigrants who are able to work in addition to the introduction program can keep their benefits from the program. The municipalities do not longer pay introduction benefits, this is done by the Swedish government and on individual basis, decided by the Swedish Public Employment Service (Ministry of Integration and Gender Equality, 2009). Furthermore, a new actor is introduced, the introduction guide. The migrant is able to choose an independent introduction guide via a free choice system. The guide shall support the migrant within the first six months during the introduction period and shall contribute to the plan. The guide earns money for it but the amount is dependent on the result. So the guide has an incentive for the successfully integration of the migrant (Ministry of Integration and Gender Equality, 2009).

5.3 Integration Policies in the UK

Asylum seekers which apply for a permission to work have to wait a period of 12 months until their case is decided. This period can be seen as problematic as the refugees can loss a part of their qualifications.

The UK does not have a national policy framework on integration for migrants. There are only polices aimed at getting refugees to the labour market. One example of labour market integration policies for refugees is the employment strategy 'Working to Rebuild lives' from 2003. The strategy aims at reducing the high unemployment rate of refugees by giving them the necessary support. The strategy emphasizes the need of having a job in order to become integrated in the UK. In order to reach better chances for refugees getting a job, a better cooperation between the agencies and the government is needed (Bloch, 2007). An important role shall play 'Jobcentre Plus' which shall together with local partners, help the refugees on the ground. The strategy states that voluntary organizations shall continue with their consolation of professional refugees. The overall aims of this strategy are to attain more refugees after having received their refugee status for the 'Jobcentre Plus' which is able to help them quickly and at the same time sustainable. The 'Jobcentre Plus' shall develop a framework to improve its services regarding the job search for refugees. Thereby, it shall be recognized that the labour market performance of refugees depends to a high degree on several present things like the conditions of status, language skills, existing education or cultural issues (Bloch, 2007).

Further, a focus shall lie on data sampling, on how the data of the refugees and the measures can be measured and how these datasets can be useful and if this is the case how can the data be shared among the government and the institutions and how to go on further with the results and how to deal with them. A crucial role shall also play the in 2001 established 'National Refugee Integration Forum (NRIF)', which is led by the Home Office but also some subgroups are involved. The NRIF was founded to develop suggestions on how to integrate refugees better in the country. The NRIF's task is to observe the implementation and progress of the strategy. At the same time, the NRIF evaluates each sub point in detail. On this way, new suggestions on how to integrate refugees better in the labour market shall be developed. The overall aim of this strategy is to increase both, the labour market participation of refugees and their participation in measures of the 'Jobcentre Plus' (Bloch, 2007).

The measures of the strategy can be divided in three sub-measures. The first is the local development of stakeholder partnerships for the planning and offering of employment services to

refugees. The next measure in order to get more refugees to the 'Jobcentre Plus' offices is to increase the support if they participate and easing the transition to refugee status. The third measure includes the voluntary sector by helping refugee professionals towards work according to their skills (Department for Work and Pensions, 2004).

Regarding the organization, 'Jobcentre Plus' stays as part of the NRIF employment subgroup. A study found out that about a half of the refugees searching for work do not know about 'Jobcentre Plus', this has to be changed by increasing the number and those using it, providing them with early employment and language support. The Home Office which deals with the decision if a asylum seeker will get refugee status, prepares a information guide about employment including the 'Jobcentre Plus' for those who reached the status of refugee. The Home Office, 'Jobcentre Plus' and voluntary organization are cooperating to bring the refugees to 'Jobcentre Plus'. However the refugees are not forced to participate as it is on a voluntary basis (Department for Work and Pensions, 2004).

Further, a new pilot project started in 2005, called 'SUNRISE' (Strategic Upgrade of National Refugee Integration Services). Refugees who voluntary participate, get a personal caseworker which shall support them to get in contact with employment services, language classes, housing or schooling for children and establish a Personal Integration Plan. All this shall happen within the first 28 days after the refugee received his/her status. Six month later, the Personal Integration Plan will be evaluated by the refugee and the case worker. This program is based on the individual integration and is not based on the 'one size fits all' approach. So the focus lies more on the outcomes and not so much on the methods on how to reach the aim. 'SUNRISE' is very much depending on the ability of the case workers to deal with refugees and integrate them. In this program, the role of volunteers is emphasized, as they can reach better outcomes and are very cost efficient (Refugee Council, 2006).

5.4 Differences and Similarities in the policies

The policies aimed at integrating the immigrants into the labour market are in all three countries optional. In contrary to some general integration policies like the introduction courses in Germany, migrants who do not participate in programs as for instance the German 'berufliche Qualifizierungsnetzwerke', the Swedish introduction guides, or the British 'SUNRISE', are not punished. A further similarity in the countries' policies is the increasing focus on individualized support. The states are offering individual help through employment agencies or in the case of the UK, through private organizations. This is also a difference as Germany and Sweden support the migrants mainly through their employment agencies, the UK relies on a strong cooperation between various actors like the Home Office and the employment agencies as well as non-governmental organizations. Further, it has to be recognized that the British labour market integration policies are only aimed at supporting refugees.

In Germany, the introduction course fuels the hope of a faster and better preparedness of the migrants in entering the labour market. A further aspect is the language training because only a sufficient language level makes it able to enter the German labour market. The migrants shall get involved in the labour market and establish relationships with potential employers via internships and temporary work. A special focus lies on young migrants. With the help of the 'beruflichen Qualifizierungsnetzwerke', it is expected that young migrants become better integrated in the labour market through the establishment of personal networks which many locals already have. These networks often help to get a job or at least an internship. The promotion of the dual training system shall increase the rate of migrants doing a training and getting a qualified and valid professional

degree.

In Sweden it is expected, that the migrant knows best which work fits to her/him. The migrants shall actively participate within the integration process. They make suggestions which are evaluated by local labour market and integration professionals. The migrant seems to be more motivated as her/his wishes were recognized and if possible, implemented. The overall goal remains the employment of the migrant, but the migrant shall get the incentive to become integrated in the labour market. Also the introduction guide is only providing assistance, while the main responsibility has the migrant. The migrant shall be forced through motivation to find a job.

In the UK the migrant is on its own when trying to get integrated in the labour market. Only refugees can apply for support. However, this support is not obligatory and is often provided by private organizations. These facts let expect that the migrants living in the UK have the most difficult task in comparison to Germany and Sweden to become integrated in the labour market and that the missing support can be recognized in the real outcome.

As mentioned in the beginning of the chapter, the states have, although they have different integration models and the implementation is organized differently, many common characteristics within their integration policies. The main difference is that in the UK only refugees belong to the target group of integration policies.

Chapter 6: Comparison of migrants' labour market outcomes

The chapter starts with MIPEX, as it calculates the quality of integration politics. On the basis of MIPEX with its variables and the integration politics of the former chapter, hypotheses are put up. These are compared to the values MIPEX. Then there is a comparison made among the selected countries concerning the labour market outcomes of migrants on the labour markets measured by the activity rate, the over qualification rate and the unemployment rate.

6.1 MIPEX

MIPEX (2010) measures the quality of integration policies of the three countries. The focus of this study lies on the labour market mobility of the migrants which is measured by four variables.

The first variable 'access' is measured in immediate access to the labour market and deals with the question on which groups of immigrants have equal entrance to the labour market as the native employees. Further, there is a distinction made between measuring access to the private and the public sector and the possible equal access to self-employment is measured.

The second variable 'access to general support' includes the access to public services, the equality of education and vocational training as well as the access to study grants. It takes in consideration the recognition of skills and qualifications.

The third variable 'targeted support' is measured by the facilitation of the state of the recognition of skills obtained outside the EU. The existence of information centres is measured as well as the existence of clear national guidelines dealing with this problem and the level of information concerning the procedure or possible solutions. Another indicator is the level of measures of getting migrants to the labour market. Therefore it is measured national policies aimed at reducing

unemployment of migrants, the offer of language courses for immigrants and national policies aimed at improving the employability via language acquisition programs. It is also measured by policies dealing especially with men and women on the labour market. An additional indicator is the support to access public employment services measured by providing the necessary resources and the training for employment service workers on how to deal with migrants.

The fourth variable is the 'workers' rights'. It is measured by the indicator equal access for migrants to labour unions and work-related bodies. Also it is measured by equal access to social security, equal labour conditions and the information policy of rights of migrant workers (MIPEX, 2010).

6.2 Hypotheses

Due to the established labour market policies described earlier in the countries it is possible to derive hypotheses about the scores of Germany, Sweden and the UK in the comparison of MIPEX. A table is made to clarify the tendencies derived from the policies described in chapter five. However, the fourth variable 'workers' rights' of MIPEX is not taken into account as it is not dependent on the labour market integration policies.

Figure 3: Hypotheses

	Germany	Sweden	United Kingdom
Access	±	+	–
Access to general support	–	+	±
Targeted support	+	+	–

In Germany the general access is expected to be medium as there are some limitations like the prohibitions for refugees in entering the labour market. For other groups the process is much easier. The access to general support is difficult as the recognition of foreign skills is lacking. Instead, Germany makes progress in the targeted support.

The access to the labour market for migrants is no problem in Sweden because there is no difference made among EU and non-EU migrants. Immigrants get easily access to public support like study grant and the recognition of skills is easy. The migrant gets also strong individual support helping to enter the labour market.

The access to the labour market is rather difficult in the UK as the waiting periods are long. The access to general support is expected to be medium as the recognition of skills is decided on the individual basis. The targeted support for the labour market entrance is only available for refugees.

6.3 MIPEX results

MIPEX gives reasons for its ranking for the four indicators and the overall labour market mobility value.

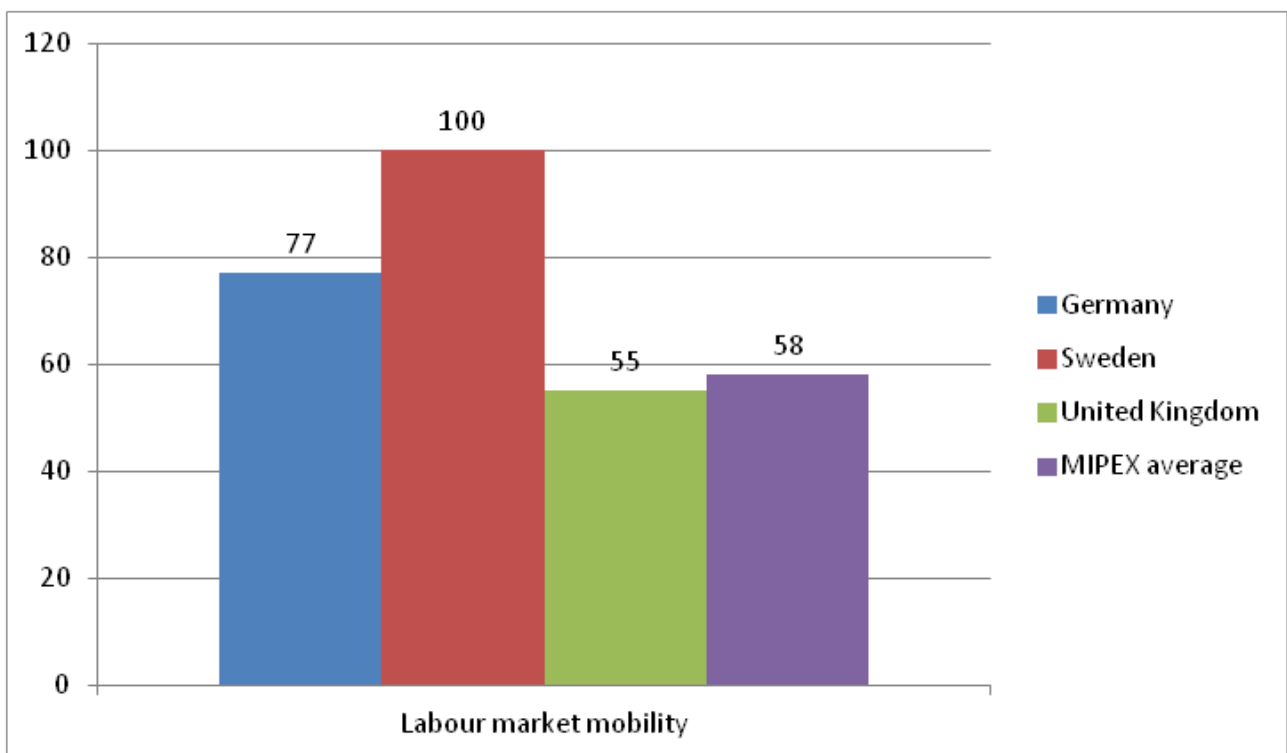
In Germany, most of the non-EU workers have equal access. The German Labour Market policies are not yet reformed in order to support the migrants by the job search or the recognition of their

skills to the same extent. According to the mentioned above 'National Integration Plan', the policies provide the second highest targeted support, after Sweden. A weakness of the German system is the slow and difficult procedure for the recognition of foreign qualifications, but the government reacted in 2009 in order to make the process easier and found a overall conclusion which deleted the complicated between various regional actors (MIPEX, 2014).

The Swedish labour market does not make a distinction between EU and non-EU immigrants when the immigrant got the permit for a one year stay. Immigrants get informed about their rights within the labour market via state-based integration programs but also via non-governmental organizations, labour unions and multilingual websites, which is the case in only the half of the MIPEX countries. A Swedish advantage is that the country has much experience with immigration and tries to find the qualifications of the migrant which are important for the integration to the labour market. Further, Sweden provides study grants and for everyone who is working or caring for the children. Even, everybody has the right to fight exploitation and unfair competition on the Swedish labour market, regardless of the status. MIPEX emphasized the success of the 2009 Labour Market Introduction Act which makes the integration of migrants in the Swedish labour market quicker (MIPEX, 2014).

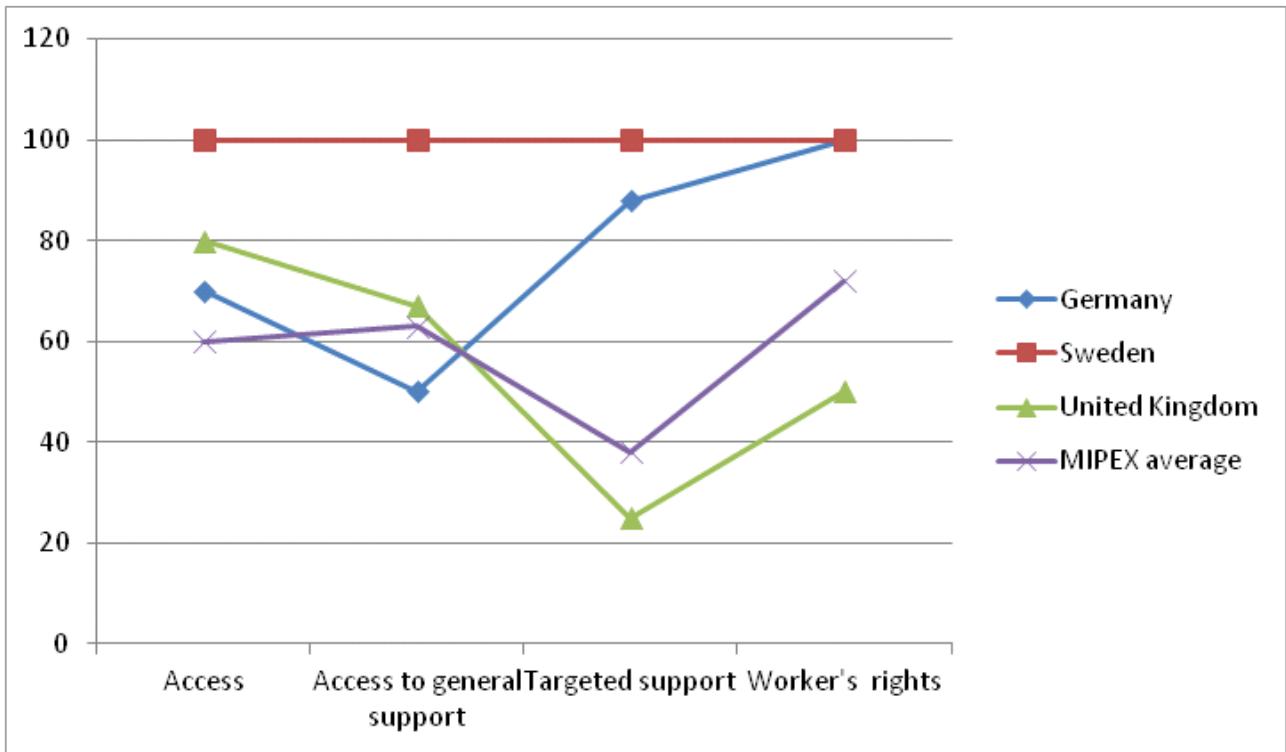
In the UK, the labour market access for non-EU as well as for EU immigrants is advantageous. They are treated equal to the native workers meaning that they have the same access to job services or social security as long as they passed the points system mentioned above. However, in contrary to for example Sweden, the immigrants to the UK are not supported by special benefits for them (MIPEX, 2014).

Figure 4: MIPEX values for labour market mobility



Source: MIPEX (2012).

Figure 5: The four indicators of labour market mobility



Source: MIPEX (2012).

The German results in the MIPEX ranking are according to the hypothesis. The access is a bit about the average, while Germany scores below the average of access to general support and lies very much about the average in targeted support.

As expected, the Swedish labour market integration policies reach good results in comparison to the other countries. The overall score and the indicators reach the maximum of points and Sweden ranks first in the MIPEX ranking.

However, the results of the UK are not predictable because the UK is in the category access above Germany, which cannot be derived from the policies. Even so, as predicated, the UK performs worse in targeted support than Germany and Sweden.

6.4 Outcomes

In this section, the outcomes of the migrants on the labour market are compared on the basis of the activity rate, the unemployment rate and the over qualification rate. In addition, the gap between the foreign and the native population is calculated.

Figure 6: Outcomes

	Germany	Sweden	UK
Foreign population	11.6%	13.8%	11%
Born in another EU state	4.2%	5.1%	3.5%
Activity rate natives	89%	92%	86%
Activity rate foreigners	79%	81%	79%
Gap between natives & foreigners	-10%	-11%	-7%
Unemployment rate natives	6%	3%	4%
Unemployment rate foreigners	12%	11%	6%
Gap between natives & foreigners	6%	8%	2%
Over qualification rate natives	20%	11%	20%
Over qualification rate foreigners	31%	31%	24%
Gap between natives & foreigners	11%	20%	4%

Source: Eurostat (2011).

The activity rate is defined in this context as the ratio between the economically active population, for instance employed or unemployed persons, and the total population for the persons aged between 25 and 54 who finished education (Eurostat, 2011).

The difference in the activity rate between natives and foreigners accounts for 10% in Germany, 11% in Sweden and 7% in the UK. So the activity rate of natives in these three countries is significantly higher than the activity rate of foreigners.

With regard to the unemployment rate, the foreign born citizens living in Germany, Sweden and the UK are more likely unemployed than the natives. In Germany, the unemployment rate of foreign born is twice as big than the unemployment rate of the natives. In Sweden the difference amounts to 8% and in the UK the difference between natives and foreign born is only 2%.

A next indicator is the over qualification rate. The over qualification rate is measured by the amount of persons with tertiary education working in a low-or medium-skilled job (Eurostat, 2011). Even the difference of the over qualification rate is clearly the smallest in the UK with 4%. In Germany the difference is 11% and in Sweden the difference of the over qualification rate amounts to 20%.

Regarding the activity rate, the unemployment rate and the over qualification rate, it can be seen that the UK's difference between the natives and the foreigners is the smallest. However, even in the

UK, there is a difference but especially the gap in the over qualification rate is significant smaller than it is the case in Germany and Sweden.

To conclude the chapter, it can be said that the most hypotheses on the quality of policies are supported. However, the hypothesis that Germany is better than the UK in the category access can be rejected. All in all, it can be argued, that the quality of the integration policies measured by MIPEX correspond to the the policies introduced in chapter five.

Nevertheless, the quality of integration policies does not fit to the outcome of migrants. When observing the outcomes, the UK's gap between immigrants and natives is in all three categories the smallest. So the UK is performing better than the integration policies and MIPEX let assume. Surprisingly, Sweden the leader of the MIPEX ranking, achieves the highest difference among the three countries and has the worst outcomes among the three selected countries.

Chapter 7: Conclusion

According to MIPEX, the Swedish labour market integration policies are the best of the forty participating countries. In their opinion the Swedish policies are provide equal opportunities for the migrants. A strength of the Swedish policies is the area of labour market mobility in which Sweden received the best possible number of points. Even Germany received a score that is better than the average of the EU countries and MIPEX countries and the areas of labour market mobility is a successful sector within the country's migration policies. In the overall score, the UK has the same point amount than Germany. However, when only considering the area of labour market mobility, the UK's performance is significant worse than the one's of Germany (MIPEX, 2014). Concerning the labour market participation of migrants, the percentages from Eurostat state that the UK has the smallest difference between natives and foreigners. However, this cannot be seen as significant. It is clear because there are differences in the labour market participation of natives and foreign born, the migrants in Germany, Sweden and the UK are not well integrated into the labour market. This would be the case, when the activity rate is the same for foreign born and natives.

In Germany, the labour market integration policies for migrants are more universal for this group, there is not made an individual difference like it is the case in Sweden. However in the 'Nationaler Aktionsplan Integration' Germany wants to improve the individual support of immigrants. In all three countries, the participation of labour market integration programs is voluntary for migrants. Only for general measures like introduction and language courses the migrants of Germany and Sweden have to expect some cuts in social benefits if they do not participate. This is not the case in the UK and the labour market integration policies in this country are only for refugees. However, the overall aim of the three countries is equal, they see the labour market integration of migrants as crucial for a overall integration success and work currently on new programs and measures to improve the current procedures and policies.

In contrary, when observing the outcomes of the migrants than the result is rather different. Considering the gap between natives and foreign born in unemployment rate, activity rate and over qualification rate, Sweden is the worst performing country, while the UK receives in all three indicators the smallest differences. According to Eurostat, the foreign born persons living in the UK

are better integrated than those living in Germany or Sweden. This might not be because of the labour market integration policies of the UK but because of the welfare system or the composition of the immigrants coming from Commonwealth countries. The public social support is not so strong than in Germany or Sweden. The migrants are more forced to enter the labour market than in Germany and Sweden where they get for instance support for their family. The countries deal with the migrants differently because they have distinct integration models and migration histories. The UK has the Commonwealth migrants, while in Germany live many (prior) guest workers with their families.

So there remains the question about the role of integration policies for migrants' outcomes in the labour markets in Germany, Sweden and the UK. As mentioned above, it can be said that the influence of integration policies on the outcome of migrants in the labour market is only limited, which shows the example of the UK. More important is the welfare system of a state as Koopmans claims. In states with more multicultural integration policies and a strong welfare system, immigrants often struggle with the integration (Koopmans, 2010). When the migrant sees no need to become integrated in the labour market and is able to live with social benefits, the incentive to make a serious try to become integrated in the labour market is not high. This can be confirmed by the findings in this thesis. For MIPEX is a good integration policy when the migrant has equal rights like the natives. But this does not lead to better outcomes of the migrants. So the integration policies on the labour market for migrants play also a role regarding the integration of migrants in the labour market, but it is only limited as the welfare system is also important. The programs provide a first orientation for the migrant. However, much depends on the migrant, and his/her willingness to be integrated in the labour market. Nickell (1997) points out that high unemployment rates can be associated with welfare system which do not force the migrant to search for or accept job offers. However, some labour market integration policies have positive impacts on the employment rate. Most of them are conducted by employment services as they are less cost-intensive (Betcherman et al 2004).

Further research in this field can be done by comparing more than three countries. This would decrease the danger of a selection bias as there are more countries with almost similar integration systems like Austria and Germany. The outcomes of migrants in the labour market can be compared among the groups but also within the groups. In this way, it can be better assessed which factors are also influencing the outcome of migrants in the labour market except of integration policies. These can be the mentioned above welfare system, the economical situation of the state or the composition of the migrants as well as other possible factors which can influence the migrants' outcome in the labour market. Maybe, on this way, it can be found an explanation for the Swedish case with a good performance in MIPEX, but a bad performance concerning the outcomes.

Chapter 8: List of References

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