

# Working Together for Integration

## Skills and Labour Market Integration of Immigrants and their Children in Flanders

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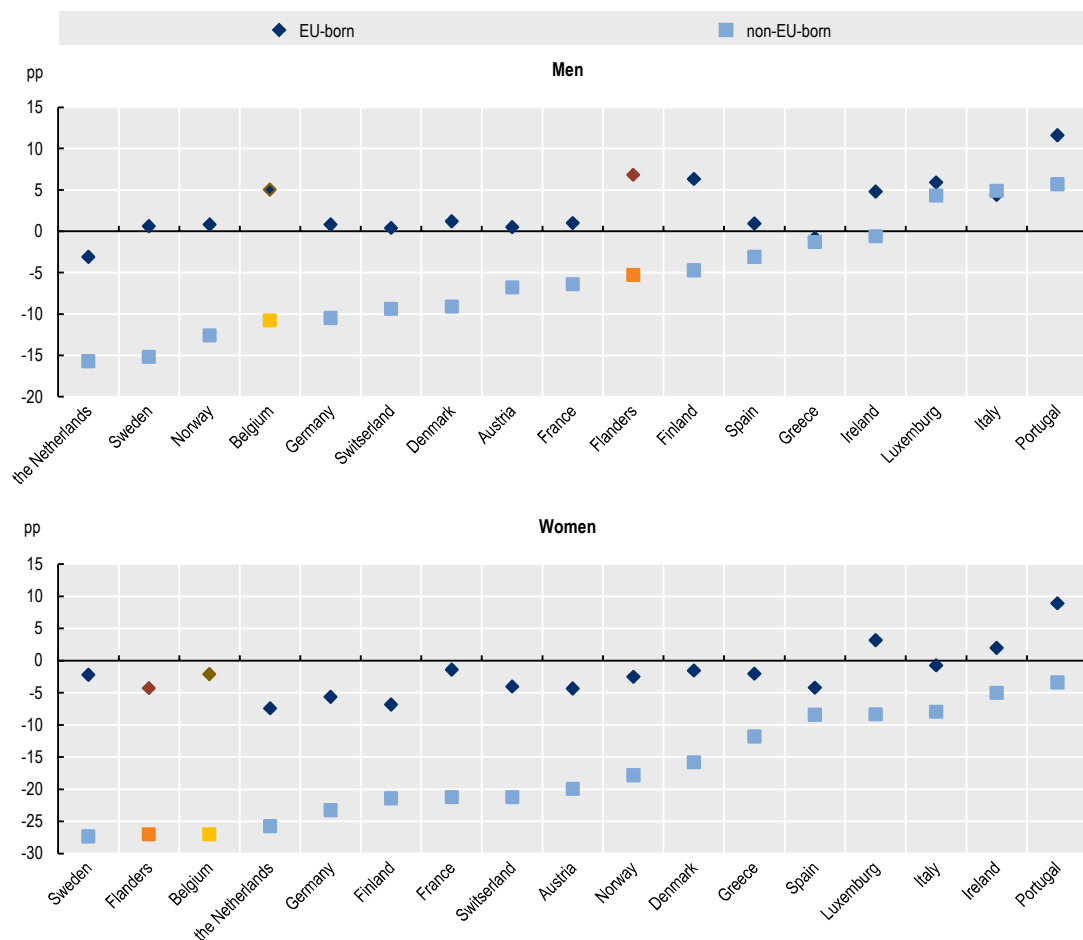
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# Despite improvement, labour market integration outcomes remain unfavourable in international comparison...

Employment gap vis-à-vis the native-born, by sex and place of birth, 2021, Flanders and selected European OECD countries



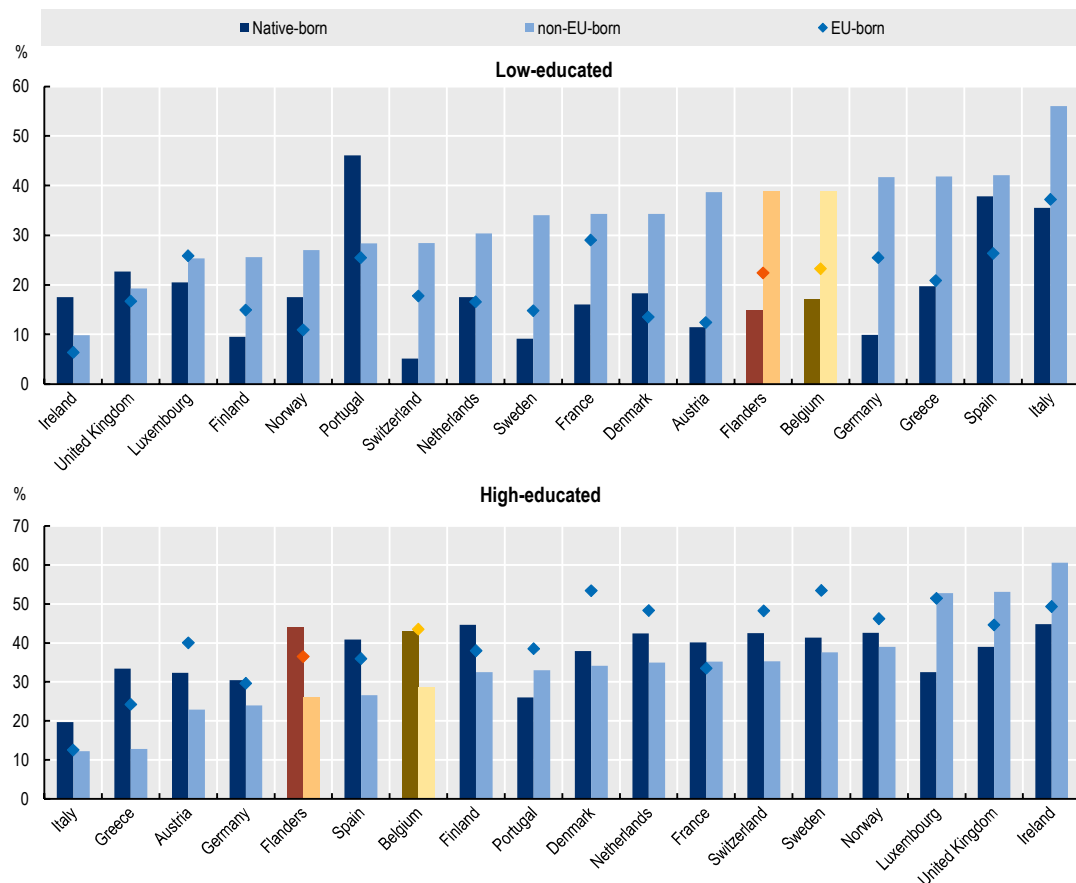
- **Growth in immigrant population** over the past decade has been among the highest in the EU
- Few EU countries experienced similarly strong **improvement** over the 2016-22 period in terms of **reducing (un)employment gaps** of FB vis-à-vis NB
- Labour market outcomes in Flanders continue to **vary widely** by migrants' **region of origin**, **gender** and **reason for migration**
- Besides lower employment, immigrants have less favourable job characteristics
  - With **large** FB-NB gaps regarding the share in **low-skilled** and **low-paid work**
  - But average to **small** FB-NB gaps regarding the share in **atypical employment**
  - Disadvantage is largest for non-EU migrants, but also present for **EU migrants**



# ...which is only partly due to lower educational attainment among migrants

The educational attainment of migrants born outside the EU is not favourable in international comparison

Share of low- and high-educated, by place of birth, 2020, Flanders and selected European OECD countries



- > Almost **four in ten** non-EU-born migrants hold **at most a lower secondary education**, more than twice the share among native-born
- > High proportion of non-EU-born migrants with **no more than a primary level of education**: with **one in five** among the highest in the EU
- > The share of **highly educated** non-EU-born migrants is also **well below the EU average**

Note: Population aged 15 to 64, not in education. Educational attainment against the International Standard Classification of Educational Degrees (ISCED). People falling into ISCED groups 0-2 (no more than a lower secondary level of education) are described as having low education. Those with ISCED 5-6 hold a tertiary education and are classified as highly educated.

Source: OECD Settling In 2022 (forthcoming); Flanders: OECD Secretariat calculations based on national LFS.



## **Recommendations regarding early integration efforts**

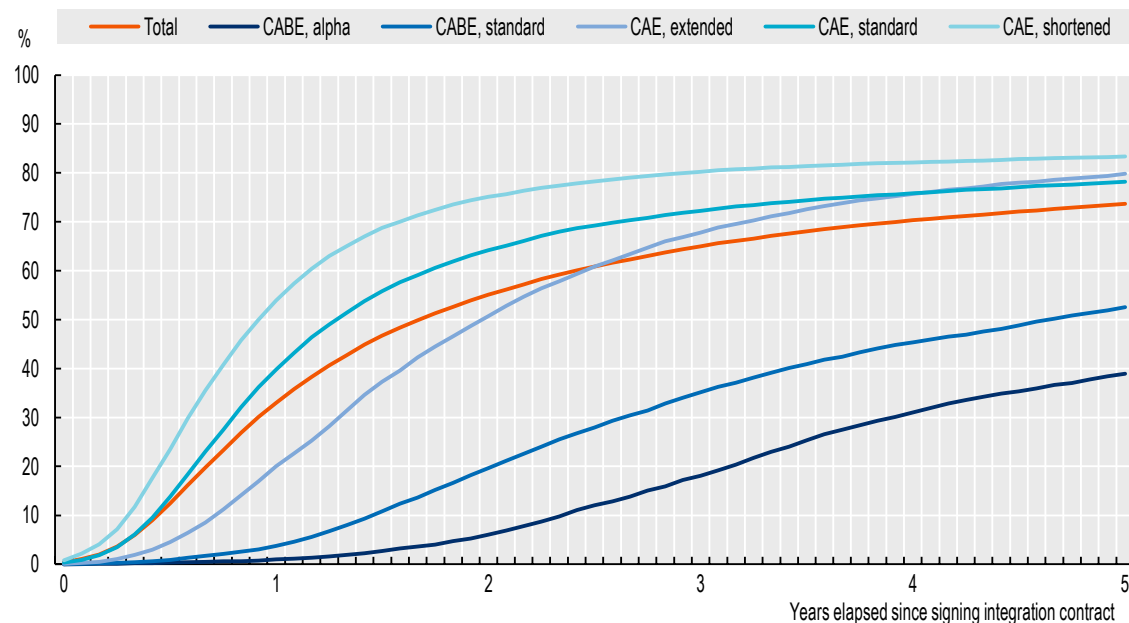


# Strong integration framework, yet important challenges remain and need to be addressed

Cornerstone of early integration efforts is the **civic integration programme**

4 “pillars”: Dutch language training, civic orientation, trajectory to work, and network and participation trajectory

Cumulative incidence of **obtaining an integration certificate**, by time since signing an integration contract and Dutch as a second language advice, 2015-21, Flanders



Note: Permanent migrants (aged 18 to 59 at arrival) who settled in Flanders between 2015 and 2019 and signed an integration contract. The cumulative incidence, or failure function, is computed as  $1 - S_t$  from the life table using the Kaplan-Meier approach.

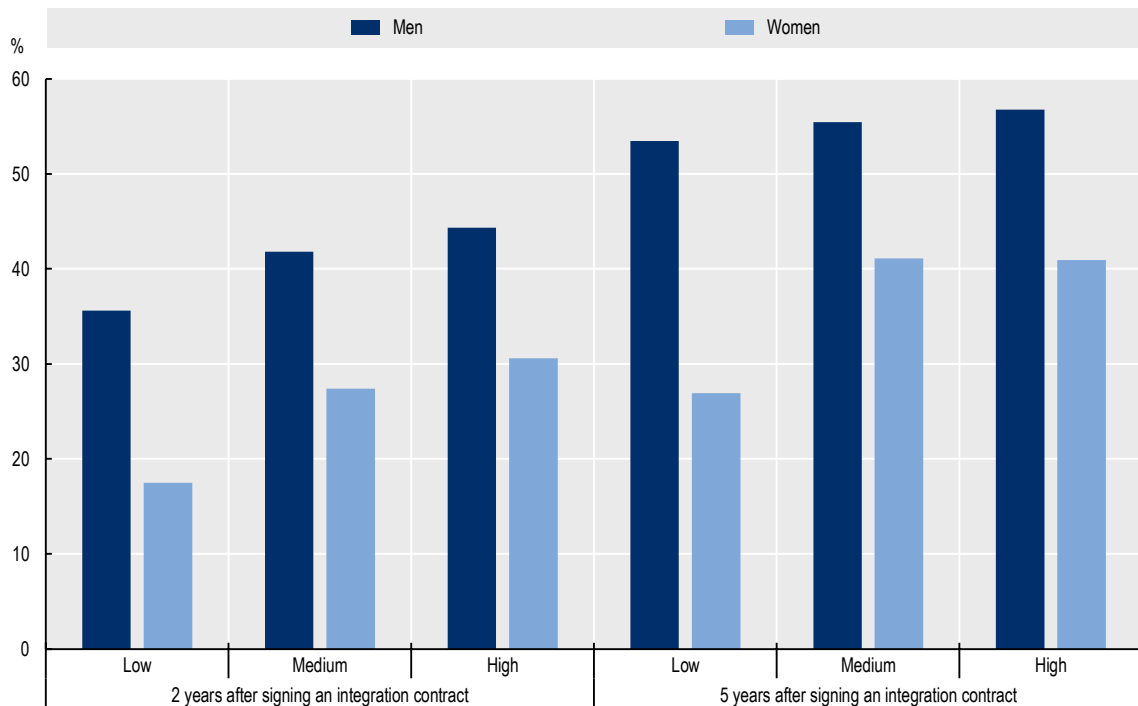
Source: OECD Secretariat calculations based on Crossroads Bank for Civic Integration data.

- > **Language outcomes** remain **unsatisfactory**: 3 years after having settled, **six in ten participants** attained level **A2**; less than **one in five** attained level **B1**
- > Civic integration trajectories remain mostly **sequential**, with **little parallel training**
- > Responsibilities for integration are shared by many actors, highlighting the **need for more effective cooperation and co-ordination** in integration efforts – division of tasks **varies strongly by local context**



# Few migrants have employment once the civic integration programme ends

Share in employment, 2 and 5 years after signing an integration contract, by sex and educational attainment at arrival, 2005-2016, Flanders



Note: Permanent migrants (aged 20 to 59 at arrival) who settled in Flanders between 2005 and 2015 and signed an integration contract.  
Source: OECD Secretariat calculations based on the MIA panel (see Chapter 3).

- > Especially low-educated migrants and migrant women **continue to have specific needs** after this period
- > After 2 years, 36% of low-educated men and 17% of women are employed. After 5 years, these figures increase to 53% and 27%, respectively
- > **Integration support** for migrants is mostly **untargeted** after completion of civic integration
- > **VDAB** offers various activation measures to support jobseekers' employment entry, but **migrants benefit less from measures that work best**
- > **Vocational language training** remains **underused**: one in ten *participants* take up such training within 6 years after arrival
- > **Few migrants receive formal upskilling**: only 3% of low-educated *participants* obtain **formal domestic education** within 6 years after arrival



# Recent reforms have addressed some of these shortcomings, but their impact needs to be closely monitored

The new **Integration and Civic Integration Act**, which is being implemented since January 2022, introduces a significant reform of the civic integration programme

- Ends early **separation between active and inactive** in integration activities
- Close to **six in ten participants** register with VDAB, but **large differences between migrant groups**
- Registration comes **early in integration trajectory**, creating a gap between known and required Dutch language proficiency

Obligatory  
**registration with  
VDAB** within 2  
months after signing  
contract

**Unemployed**  
newcomers need to  
**prove B1** within two  
years after civic  
integration ends

- 16% of non-EU migrants say **Dutch language skills** represent **most important obstacle to suitable job**
- **Likelihood to achieve B1 level 5 years after arrival** ranges from **18%** for low-educated to **30%** for high-educated
- **Employment return** of higher **formal language levels** is **unequal** across migrant groups

- **Integration fee** and **standardised tests** may **reduce participation** of those not obliged to participate
- **Discontinuation of refund policy** for transport and childcare expenses may **reduce participation** of migrant mothers

**Fee** for integration  
training  
**Standardised tests**  
Tightening of **target  
group**

Obligatory **network  
and participation  
trajectory** to  
promote social  
integration

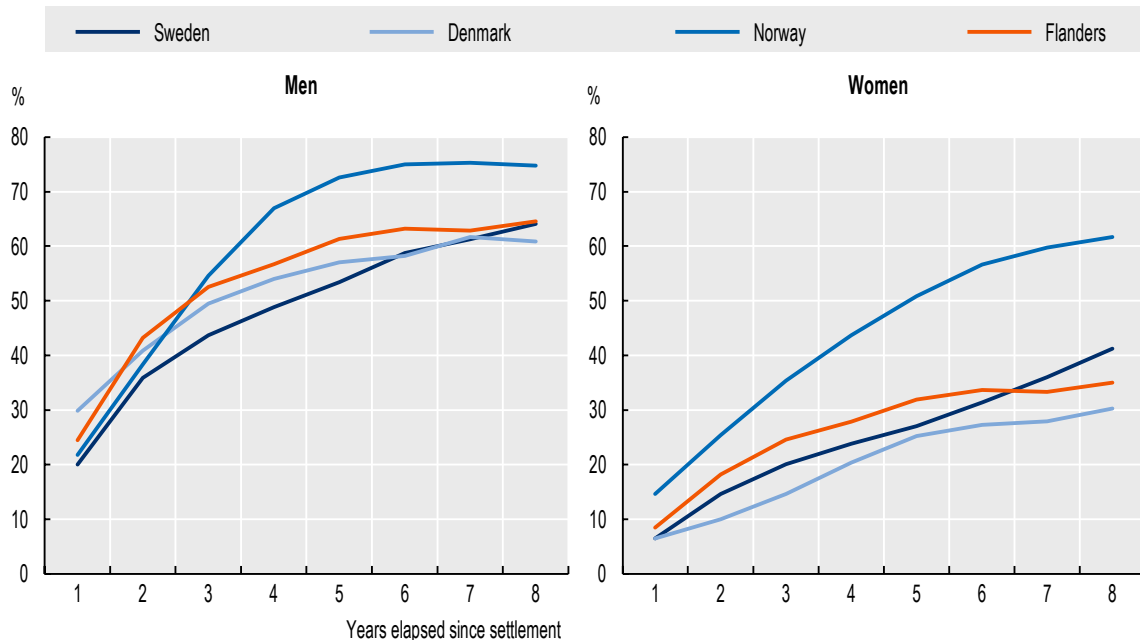
- **Promising and unique** in OECD
- May put **considerable pressure** on (smaller) **municipalities**, who need to **design and provide** trajectories despite in some cases **limited expertise and experience**
- Challenge to **ensure** that **participation projects** are **sufficiently tailored** to migrants' **individual needs**





# Flanders' emphasis on rapid labour market integration can conflict with goal of sustainable employment

Estimated employment trajectories of refugees and family immigrants reunified with refugees, by sex, 2008-16, Denmark, Norway, Sweden, and Flanders



Note: Refugees and family migrants reunified with refugees (aged 20 to 55 at arrival) who settled in the host country between 2008 and 2015. Only those who participated in civic integration/introduction programme are included. For Flanders, 'refugees and family migrants reunified with third-country nationals' were selected, instead of 'refugees and family migrants reunified with refugees' as in the Nordic countries. Average predicted probabilities for Flanders are based on two logistic regressions (for men and women), with employment as the dependent variable. The independent variables are years elapsed since settlement, age at arrival, age in the year of observation, marital status, presence of young children (<6y) at arrival, category of entry (refugee, subsidiary protection, family), level of education at arrival, and year of observation. The regressions for the Nordic countries additionally include place of birth and local unemployment rate as independent variables (see Hernes et al. (2019)<sup>[24]</sup>).

Source: Nordic countries: OECD Secretariat adapted from (Hernes et al., 2019<sup>[24]</sup>); Flanders: OECD Secretariat calculations based on the MIA panel (newpop) (see Box 4.1).

- > **Early contact** with labour market is **important** to set new arrivals on a positive integration pathway
- > However, **sustainability of employment is an issue** in Flanders, as established migrant groups are often struggling to integrate and have become quite distant from the labour force
- > **Upskilling and job quality** are important elements in addressing this
- > Given low education levels of many new arrivals in Flanders, **adult education needs to be more central to integration efforts**

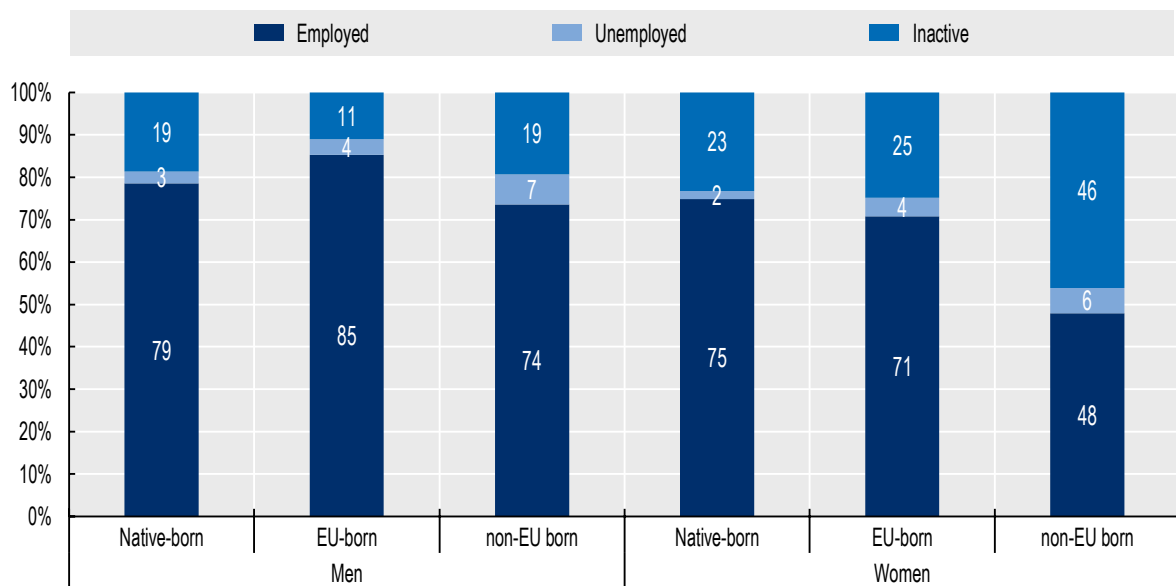




# Migrant women are struggling to integrate, and many remain locked in inactivity

The low labour market attachment of non-EU migrant women is of particular concern

Labour market status, by sex and place of birth, 2021, Flanders



Note: Population aged 20 to 64.

Source: OECD Secretariat calculations based on the national LFS.

- > Family responsibilities, discrimination (headscarf), lack of language and digital competencies and prior bad LM experiences are the main barriers for migrant women
- > Points to the need for **systematic follow-up** and **second chance offers**
  - > Norway's "Job opportunity" programme
  - > Germany's "Strong in the workplace" programme
  - > Finland's "Your turn, mothers" project



## Main recommendations regarding early integration efforts

### Enhance early integration efforts and improve co-ordination

- **Monitor** short- and long-term **effects of reforms**, notably on participation, integration outcomes and motivation and stress among migrant newcomers
- Invest more in **integrated and parallel integration training** with stronger employment focus
- **Systematically track and exchange information** between stakeholders on integration and labour market activities undertaken
- Make sure that **smaller municipalities** have the **capacity** to respond to diverse integration needs
- Facilitate **experience sharing** among municipalities and enhance **guidance on measures** along with **minimum standard setting**



### Smoothen the transition from targeted to mainstream support and ensure long-term labour market attachment

- Enhance **participation** of migrants in **most effective VDAB activation measures**
- Address difficulties faced by migrants in **reaching the language threshold** necessary to access further labour market training and education
- Expand uptake of training options in which **working or vocational training is combined with Dutch language training**
- Include **remedial education** more systematically in the design of the civic integration programme, especially for **low-educated newcomers**
- **Reach out to and support migrant women** with a low labour market attachment, including through **targeted second chance programmes**



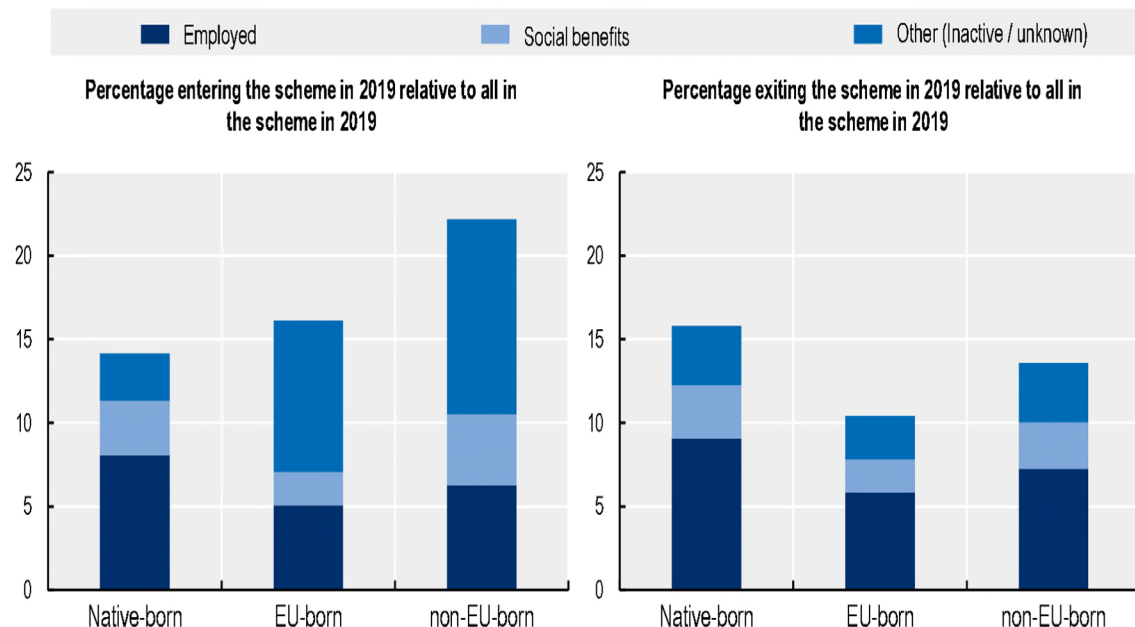
## **Recommendations regarding the demand for migrant skills**



# Incentives to boost the demand for migrant skills do not always improve long-term integration

Migrants are more likely to enter the service voucher scheme and less likely to leave it

## Entry into and exit out of the service voucher scheme relative to all in the scheme in 2019.



Note: In the Department of Work and Social Economy data, a service voucher worker is identified as a person who is employed using Flemish service vouchers, meaning she is employed by a service voucher user residing in Flanders. Some of the workers may hence reside in Wallonia or Brussels.

Source: OECD Secretariat calculations based on data from the Department of Work and Social Economy enriched with Crossroads Bank for Social Security data.

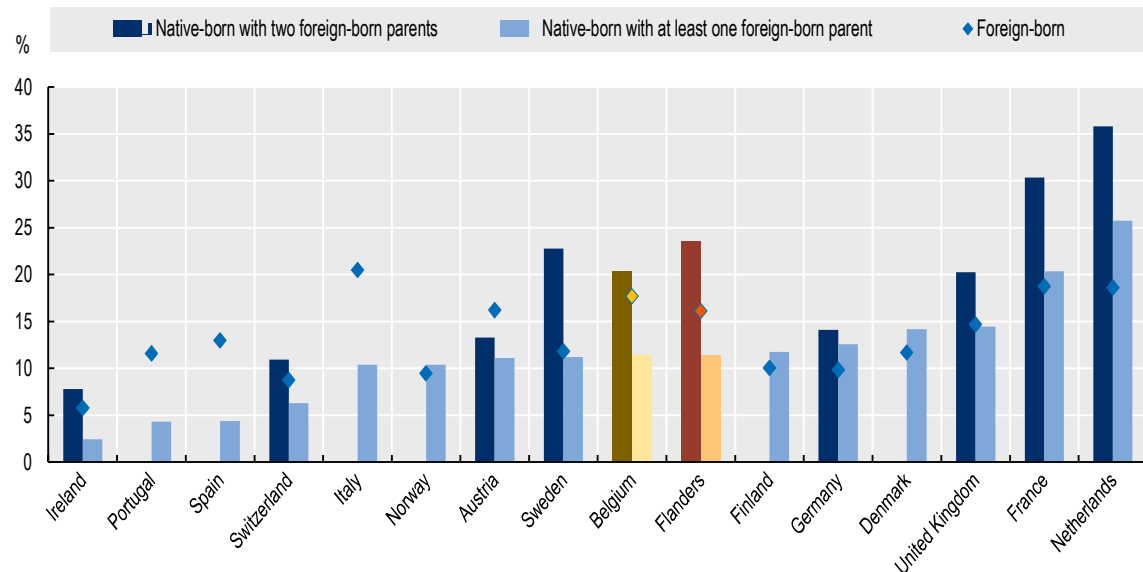
- > **Wage subsidies** (doelgroepenbeleid) form an important element in Flanders' approach to tackle demand-side barriers to employment, but in contrast to other OECD countries, **immigrants are underrepresented**
- > What is more, wage subsidies for the low-educated seem to have **no significant effect** on jobseekers' **employment outcomes in the long run**
- > The **service voucher scheme** gradually became an important employer of migrant women (they make up 50% of the scheme employees), but largely **fails to offer passage to non-subsidised work**
- > **One in six** of the non-EU migrant women working in the scheme are **highly educated**, and thus get **trapped in domestic work** for which they are effectively **overqualified**



# Both perceived and direct discrimination remain prevalent in the Flemish labour market

Perceived discrimination is high among immigrants and their native-born offspring

**Share of youth who consider themselves members of a group that is discriminated against on grounds of ethnicity, nationality, or race, by place of birth and parents' place of birth, 2012-18, Flanders and selected European OECD countries**



Note: Population aged 15-34. Perceived discrimination is measured as the sentiment of belonging to a group that is discriminated against on grounds of ethnicity, nationality, or race.

Source: OECD Secretariat calculations based on data from the European Social Survey 2012-18.

- > In addition to sentiment of discrimination, field experiments show that the **actual incidence of discrimination remains widespread**
- > Flanders aims to tackle hiring discrimination more effectively through **sector-specific actions** – results are still out
- > **Tackling implicit discrimination** often needs raising awareness and increasing the transparency of recruitment practices and outcomes
- > Flanders' equal employment policy measures have become **less targeted**
  - > Despite positive evaluation, career and diversity plans were **replaced by "Focus on Talent"**
  - > Resulted in **weaker attention to integration and diversity issues**



## Main recommendations regarding the demand for migrant skills

### Ensure that incentives to boost the demand for migrant skills improve long-term integration

- Monitor short- and long-term **effects of wage subsidies** on **migrants'** employment outcomes and if positive, introduce a stronger targeting of migrants
- Provide **continuous education and language training** to migrant women working in the **service voucher scheme**, in cooperation with registered companies concerned, to enhance their chances for **upward mobility**
- Monitor effects of **Focus on Talent policy** at micro-level of businesses and ensure that diversity-related issues are given more weight in SME portfolio investments; **consider reintroducing previous career and diversity plans**
- Monitor effects of innovative **sectoral anti-discrimination covenants** and communicate and act on results. If results are positive, consider extension to other domains, including the housing market



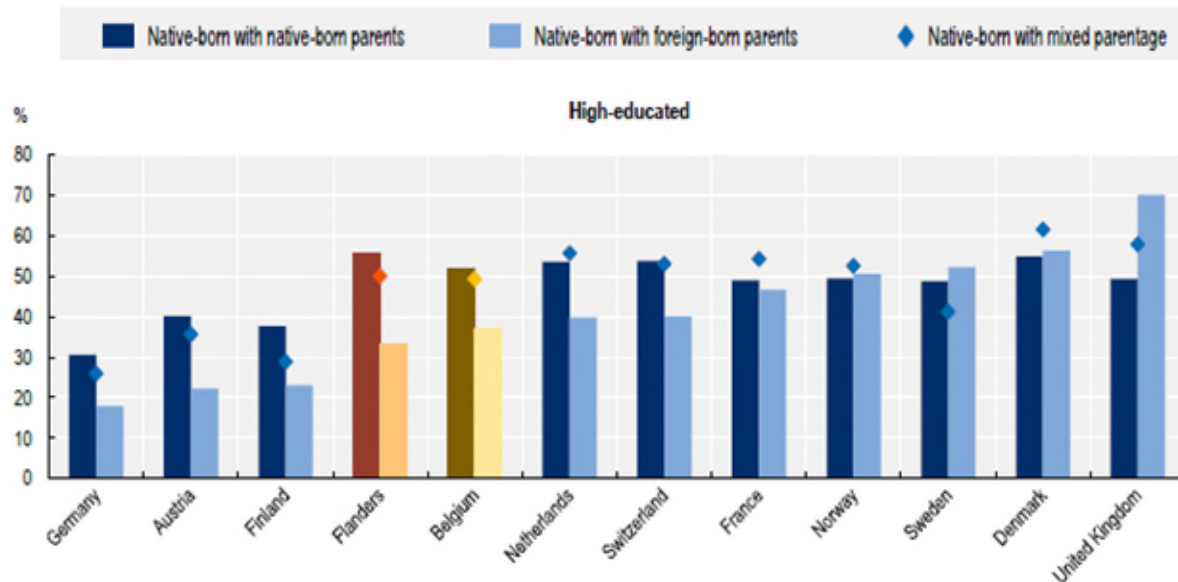


## **Recommendations regarding youth with migrant parents**



# Immigrant offspring face challenges in the education system, highlighting the persistent nature of integration challenges

Share of the population that is high-educated, by parents' place of birth, 2020, Flanders and selected European OECD countries



Note: Population aged 25 to 35, not in education.

Source: OECD Settling In 2022 (forthcoming); Flanders and Belgium: OECD Secretariat calculations based on the national LFS enriched with National Register data.

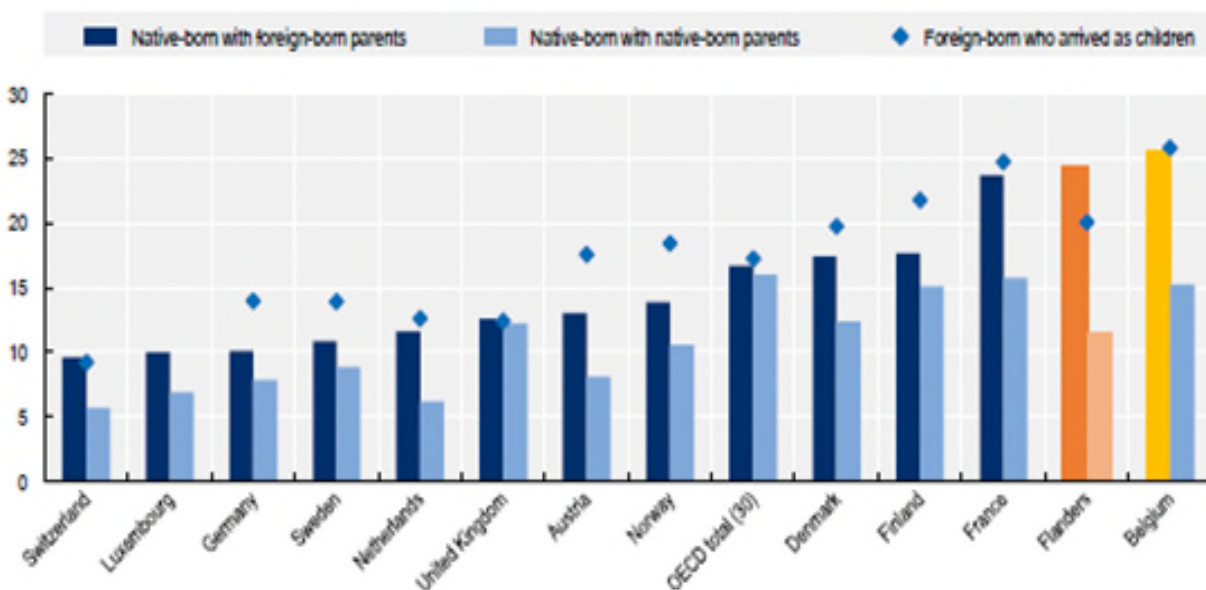
- > **More than one in three** children aged below 15 in Flanders are either themselves foreign-born or had at least one foreign-born parent, up from one in four one decade ago
- > International assessments (TIMMS, PISA) show large school performance gaps of pupils with migrant parents vis-à-vis pupils with native-born parents: at age of 15, **2 schooling years behind** in terms of reading skills
- > Despite improvement in some areas (early school leaving), school **performance gaps** have **hardly changed** over past decade, in contrast to other countries
- > Family's **socio-economic background** characteristics play a particularly important role in explaining school performance gaps in Flanders
- > Results in **large educational attainment gap**: one in three adults with migrant parents attained tertiary education, compared to more than half of adults with native-born parents



# Entering the labour market also constitutes a challenge for youth with migrant parents

NEET rates are high, despite the existence of second chance programmes

Share not in employment, education or training, by place of birth and parents' place of birth, 2020, Flanders and selected European OECD countries



Note: Population aged 15 to 34.

Source: OECD Settling In 2022 (forthcoming); Flanders and Belgium: OECD Secretariat calculations based on the national LFS enriched with National Register data.

- > Youth with migrant parents are **less likely to enter** and **more likely to exit** a first job: these differences are **reproduced and reinforced** over their labour market careers
- > **One of the largest employment gaps** between youth with migrant parents and youth with native-born parents, **for both genders**
- > Employment gaps persist **irrespective of educational attainment**
- > **Perceived discrimination is high** among native-born children of immigrants
- > Youth with foreign-born parents are **under-represented in public service sector jobs**



## Main recommendations regarding youth with migrant parents

- **Strengthen language acquisition at early ages** and make sure that the newly introduced language assessment at age 5 is systematically followed-up for those assessed to be **at risk of language acquisition difficulties**
- Raise awareness amongst (migrant) parents with a **vulnerable socio-economic background** on importance of educational choices and help them **better navigate the school and enrolment system**
- **Follow-up on Dual Learning reforms** and make sure that insufficient Dutch language or soft skills do not prevent children of immigrants from accessing dual learning programmes
- Strengthen the professional integration period for youngsters who are still unemployed with **targeted activation measures**, including **second chance and mentorship programmes**
- Tackle disadvantage in the labour market by promoting **exchanges between students and employers** through job fairs and apprenticeships
- Promote **employment in the public sector** of native-born immigrant offspring, including through internship offers and targeted information campaigns



## **Main take-aways**



## Main take-aways

- > Flanders has a **highly developed integration policy** in international comparison
- > Recent reforms go in the right direction, but mainly **focus on new arrivals**
- > Large structural challenges remain, notably for **settled migrants and their children**
- > To address these, **a comprehensive action plan for integration should be considered**, involving all main stakeholders and policy domains
- > **Key areas** for this action plan should include:
  - > More investment in **upskilling**
  - > Strengthening **validation of previously acquired skills**, beyond formal qualifications
  - > More structured experience sharing and policy guidance at the **local level**
  - > Stronger focus on **migrant women**, notably regarding outreach and support
  - > **Early intervention** for children of immigrants
  - > Smoothing **school-to-work transitions** of migrant offspring