

IMMIGRANTS IN EUROPEAN COUNTRIES BOOST THE CAREERS OF NATIVE WORKERS

Larger flows of immigrants into European labour markets increase the probability of upward career mobility for native workers as well as the probability that they will launch a new entrepreneurial activity. At the same time, these larger inflows do not seem to increase the probability that native workers will become unemployed or that they will move out of their region of residence.

These are among the findings of a study by **Cristina Cattaneo**, **Carlo Fiorio** and **Giovanni Peri**, to be presented to the NORFACE migration conference at University College London this week. They also find that young and male native workers are those more able to take advantage of those upward career opportunities.

The research, which analyses data on individuals in 11 countries, is the first to follow a representative sample of European workers over time and assess the consequences of an inflow of potentially competitive immigrant workers for their labour market performance.

Giovanni Peri, one of the authors, offers an explanation:

‘There are probably two reasons for the increased upward mobility of natives. First, more immigrants competing for elementary jobs encourage natives to exploit their ‘comparative advantages’ vis-à-vis foreigners by moving to more language- and communication-intensive clerical jobs.

‘Second, a larger availability of immigrant workers in elementary occupation generates demand for more workers in supervisory and managerial roles and those jobs are filled by natives.

‘Previous research has analysed this mechanism in the US economy. Our study is the first in which we can actually follow native workers and see that individual careers of natives are moved in the direction of faster upward mobility in response to immigration.

‘Upward mobility, rather than loss in wages or displacement in the labour market, seems to be the main mechanism through which native workers respond to increased competition from immigrants.’

The authors divide the labour markets into four occupational ‘tiers’ defined as ‘elementary’, ‘clerical’, ‘technical’ and ‘professional-managerial’ ranging, respectively from less skilled and lower paid to more skilled and better paid. Since, in many European countries, a large share of immigrants has found jobs in the ‘elementary’ occupations, there is a concern about their effect on native workers in those jobs.

The study finds that within two to four years, natives in elementary occupations that experienced large inflows of immigrants were significantly more likely to move to clerical and technical occupations. They were also more likely to start a self-employed business, but they were not more likely to remain unemployed or to move out their region of residence.

By filling the elementary type of occupations immigrants have given incentives to natives to climb up the specialisation scale.

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