Employment outcomes of ethnic minorities in Spain: towards increasing economic incorporation among immigrants and the second generation?
Ramos, María; Fernández-Reino, Mariña; Radl, Jonas

Empfohlene Zitierung / Suggested Citation:

Nutzungsbedingungen:
Dieser Text wird unter einer CC BY Lizenz (Namensnennung) zur Verfügung gestellt. Nähere Auskünfte zu den CC-Lizenzen finden Sie hier: https://creativecommons.org/licenses/by/4.0/deed.de

Terms of use:
This document is made available under a CC BY Licence (Attribution). For more Information see: https://creativecommons.org/licenses/by/4.0

Diese Version ist zitierbar unter / This version is citable under: https://nbn-resolving.org/urn:nbn:de:0168-ssoar-58266-7
Employment Outcomes of Ethnic Minorities in Spain: Towards Increasing Economic Incorporation among Immigrants and the Second Generation?

Mariña Fernández-Reino 1, Jonas Radl 1,2 and María Ramos 1,*

1 Department of Social Sciences, Universidad Carlos III de Madrid, 28903 Getafe, Spain; E-Mails: marina.fernandez-reino@compas.ox.ac.uk (M.F.-R.), jradl@clio.uc3m.es (J.R.), maria.ramos@uc3m.es (M.R.)
2 WZB Berlin Social Science Center, 10785 Berlin, Germany.

* Corresponding author

Submitted: 26 February 2018 | Accepted: 15 May 2018 | Published: 30 July 2018

Abstract
This article examines the labour market outcomes of immigrants in Spain, a country that has become a migration destination only since the end of the 1990s. Differentiating between first and second generation of immigrant descent, we compare the labour market involvement of the main ethnic groups with the majority group. One particular focus is to understand which minorities have been hit the hardest by the Great Recession. To this end, we use data from the European Union Labour Force Survey for the years 2008 and 2014, and more specifically the two ad-hoc modules on the labour market situation of migrants. Analysing men and women separately, we run a set of multivariate logistic regression models to control for compositional differences. In this way, we examine ethnic gaps not only in labour force participation but also in the degree of underutilisation of human capital, measured as workers’ level of over-education as well as the incidence of involuntary part-time employment. Our results show that while most origin groups do not show significantly lower employment participation than the majority group, the employment quality of immigrants in terms of involuntary part-time work and over-education is substantially worse, especially since the crisis.

Keywords
employment participation; ethnic inequality; involuntary part-time; migrant assimilation; over-education

1. Introduction
Over the last two decades, Spain has received an unprecedented inflow of migrants, particularly from Latin America and Eastern Europe. However, the existing evidence on the labour market integration of these migrants, and especially the economic well-being of their descendants, is still limited. Moreover, the Great Recession brought a sudden and profound change to people’s economic circumstances, which calls for an updated analysis of immigrants’ situation. This article examines how the main origin groups fare in the labour market in comparison to the majority group and to each other. Using data from two special modules of the European Union Labour Force Survey (Eurostat, 2018), we show descriptive evidence about ethnic gaps in the Spanish labour market. We then use multivariate statistical analyses to find out to what extent these changing gaps are attributable to different socio-demographic characteristics. All analyses in this article are carried out for men and women separately and we distinguish between the first and second generation. In examining data from 2008 and 2014 respectively, we compare immigrants’ economic performance before and after the Great Recession that shook the Spanish labour market to its foundations.

We focus on three outcome measures: (1) participation in paid employment, (2) in involuntary part-time
work, and (3) level of over-education. Together with earnings, having a paid job is the standard measure of economic incorporation. Being part of the workforce is essential to social integration and the prime source of income for most immigrants and the majority group. However, as argued in the introduction to this thematic issue, the themes of economic integration and returns to human capital have been discussed to understand the socioeconomic situation of immigrants. In this regard, we also consider measures of employment quality that speak to the degree of integration of immigrants beyond the minimum threshold of holding a paid job.

In this vein, the second labour market outcome examined in this article is involuntary part-time work, that is, working under a part-time contract due to the impossibility of finding a full-time job. It is crucial to acknowledge the duality among part-time workers by distinguishing those who are voluntary part-timers from those who are involuntary because they could not find a full-time job. In fact, involuntary part-timers perceive the quality of their job to be lower (Kauhanen & Nätti, 2015), and they are also more likely to experience depression and low self-esteem (Dooley, Prause, & Ham-Rowbottom, 2000) than those working in a voluntary employment arrangement. In Spain, the proportion of individuals that would like to work more hours than they currently do has increased dramatically during the Great Recession (Torre Fernández, 2017), particularly among immigrant women.

Our third outcome of interest is over-education. It is well documented that immigrants in most countries are more likely to be over-educated than similar members of the majority group (see, for example: Leuven & Oosterbeek, 2011; Quintini, 2011). Such educational mismatch between workers’ human capital and employers’ demands can be explained either because immigrants have less specific human capital (supply side), or because employers might lack information about potential productivity or skills of new immigrants (demand side). Either way, the study of over-education of immigrants has a special relevance in Spain, an economy characterized by pronounced labour market segmentation, the extension of low productivity jobs, and an oversupply of highly educated young people.

In Section 2, we provide a succinct description of Spain’s recent history as immigration country and the economic integration patterns of the main immigrant minorities. Then, in Section 2.2., we present a brief overview of the state of the Spanish labour market before and after the Great Recession. In Sections 3 and 4 we document the data and methods used in the empirical part, which starts with descriptive results and culminates in a set of logistic regressions comparing how immigrants perform in the Spanish labour market relative to the majority group. Section 5 concludes.

---

1 Another widespread indicator such as the proportion fixed-term contracts is not a proper measure to account for crisis effects given its pro-cyclical nature. In 2014 the proportion of fixed-term contracts was reduced in greater proportion for immigrants not as a result of a reduction in the ethnic penalties but rather as a composition effect: the destruction of employment was more intense for workers without indefinite contract.

2 Instituto Nacional de Estadística (www.ine.es).
The ethnic composition of the migrant population in Spain is different to that in other European countries, principally due to the presence of Latin American immigrants. Latin Americans made up 30.7% of the foreign-born population in 2016, the main origin countries being Ecuador, Colombia and Argentina. Migration flows from Eastern Europe, particularly from Romania, started later but continued growing even during the economic crisis, representing the 14.2% of the foreign-born population in 2016. Immigrants from Middle East and North African countries (MENA), most of whom are Moroccans, made up 15.8% of the foreign-born population in 2016, while EU-15 immigrants comprise the 16.4% of the foreign-born in the same year. The second generation in Spain is still coming of age and thus, there is no empirical evidence on the labour market integration of the children of immigrants born in Spain. We aim to partially filling this gap in the article, though we group together the 1.5 and the second generation in the same analytical category due to the low number of cases relative to the first generation.

2.2. The Spanish Labour Market: Economic Crisis, Labour Market Reform, and Duality

The Spanish labour market is conventionally associated with high unemployment rates, especially among young people, as well as a marked insider-outsider divide (Bentollia, Dolado, & Jimeno, 2012). Since the liberalization of the labour market in 1984, Spain is also known for the high incidence of temporal employment (Polavieja, 2005). While this general characterization is still by and large accurate (Domínguez, 2015), the last decade has seen two major shifts that have altered the structural conditions of immigrants’ labour market participation in significant ways: the Great Recession, beginning in 2008, and the labour market reform of 2012.

The financial and economic crisis hit Spain exceptionally hard. Between 2008 and 2013, the GDP contracted by an aggregate of almost 9%, and the unemployment rate rose from 8% in 2007 to 26% in 2013 (The World Bank, 2017). Consequently, Spain exhibits one of worst profiles in terms of quality of employment within the EU-15. The phenomenon that perhaps captures the devastating impact of the Great Recession more clearly is long-term unemployment (i.e., lasting more than 12 months). In 2008, when the economy was still humming, this was a marginal phenomenon that affected less than 3% of any social group. The percentage was even lower among immigrants than the majority group, with second-generation of MENA immigrant descent being the only outlier in this regard. In 2014, one out of ten Spanish born (majority group) was long-term unemployed, and this percentage reached 15.1% among male first-generation immigrants from Latin America and as high as 26.5% among those from MENA countries.

The 2012 labour market reform introduced a great deal of added flexibility for employers to hire and fire workers, particularly through diminished employment protection and the use of part-time employment contracts. The purpose of the reform, which can be described as “broad-brush liberalization” (Picot & Tassinari, 2014) was to inject new dynamism into the stagnant labour market (cf. Domínguez, 2015) and to break up the duality and segmentation.

As Fernández and Heras (2015) show, the incidence of part-time employment has increased during recent years partly as a result of the 2012 labour market reform. However, in contrast with the spirit of the new legislation, this uptick in the use of part-time arrangements has been largely involuntary, i.e., by workers who would rather work full-time but accepted a part-time arrangement after being unemployed for some time (cf. Torre Fernández, 2017). In this regard, the incidence of involuntary part-time work could in fact be considered an indicator of the quality of employment in this context of recession. In this regard, Spain had the second highest rate of involuntary fixed-term contracts in the European Union in 2013 (López-Mourelo & Malo, 2014). Aguirregabiria and Alonso-Borrego (2014, p. 952) conclude that:

the duality of the Spanish labour market has been strengthened in the last two decades, so that 30% of the working people, those with temporary contracts, bear most of employment turnover, to the extent that all the flexibility of the labour market is provided by them.

3. Data and Operationalisation of Variables

We use the 2008 and 2014 ad-hoc modules of the EU-Labour Force Survey for Spain, which feature a set of items on the labour market situation of migrants and their descendants. The variables that have been included in the two ad-hoc modules are mostly identical, so we can compare the labour market integration of immigrants in Spain right at the beginning of the 2007–2008 financial crisis and after six years of economic recession. It is relevant to note that all immigrants living in Spain, irrespective of whether they have legal residence permit or not, could be sampled in the LFS. Our analytical sample includes only individuals between age 16 and 64 and it excludes retirees and individuals in education.

We distinguish between majority group, first- and second-generation immigrant descent. The majority group comprises respondents born in Spain with both parents also born in Spain. Foreign-born individuals who migrated to Spain after age 14 are considered the first generation. Finally, the 1.5 and second generation have been grouped together due to the small number of observations. Consequently, when using the term second generation, we refer to respondents born in Spain with at least one parent born abroad and to those born abroad and migrating to Spain before age 14.

---

3 Authors’ calculations based on EU-LFS (Eurostat, 2018).
We use information on the individual, the father and the mother’s country of birth to identify immigrants’ national origin. Since the data does not give disaggregated information on country of birth but only on the geographical region of birth, we have grouped immigrants into the following categories: Latinos or Latin Americans, Eastern Europeans, Middle East and North Africans (MENA), and Western Europeans (EU-15 and EFTA). Respondents born in other regions of the world (e.g., East Asia) are excluded due to the small number of observations. For the same reason, we also disregard second generation respondents from Eastern Europe.

Regarding the dependent variables, the first outcome measures whether workers are in paid employment (vs. unemployed or inactive). The second outcome indicates whether workers are in an involuntary part-time job, which refers to individuals who are working part-time because they report that they could not find a full-time job. This definition excludes part-timers due to other reasons such as having an illness or looking after children or incapacitated adults. In the empirical analysis, involuntary part-timers are compared to workers in voluntary arrangements, who are employed either full-time or part-time.

Qualification mismatch is usually measured empirically by comparing individuals’ education with the educational requirements of their jobs or occupations. Thus, workers are considered over-educated if they have a higher educational level compared to the education required by their jobs. Different operationalisations have been proposed in the literature to measure required qualifications (for a review, see: Leuven & Oosterbeek, 2011). In this article, we use the statistical definition of over-education based on the mean (Verdugo & Verdugo, 1989). According to this definition, workers are considered over-educated if their level of education (expressed in years of schooling) is above the mean plus one standard deviation within their occupation (expressed at the 2-digit level).4

In addition to ethnicity and generation, the following control variables are included in the analyses: respondents’ age (in 5-year age bands), educational level and civil status (which distinguishes between being married, cohabiting or in a registered union, and single, never married, separated, divorced or widowed). We also include an indicator of the presence of dependent children in the household, as well as the degree of urbanisation of the area where respondents live, which distinguishes between cities, towns/suburbs and rural areas.

The educational level is operationalised in four different categories based on the ISCED 2011 classification, that is, primary or no formal education (ISCED 0 and 1); lower secondary education (ISCED 2); upper secondary education (ISCED 3 and 4); and tertiary education (ISCED 5 and above). Social class is operationalised with a 4-class version of the European Socio-economic Classification (Rose & Harrison, 2007), a further development of the class scheme developed by Erikson and Goldthorpe (1992); ISCO-08 codes from the 2014 survey were transposed into ISCO-88 codes for this purpose.

4. Results

4.1. Descriptive Results

Tables 1 and 2 presents descriptive statistics for all the control and outcome variables in terms of respondents’ migrant origins and generation.5 The demographic profile shows that immigrants in Spain (except Western Europeans) tend to be younger than the majority population, although the gap has shrunk with time. While there is a female majority among Latinos, the sex-ratio for MENA immigrants has been biased towards males. For the first generation, the percentage of respondents living with their partners is higher for Eastern European and MENA migrants than for the majority population, Western Europeans and Latinos. The percentage of respondents with dependent children is higher than among the majority group, reflecting well-known fertility patterns (Castro-Martín & Martín-García, 2013).

In terms of educational attainment, all ethnic minorities have lower levels than the majority group, except for Western Europeans, who are more highly educated than Spaniards. Because of the late educational expansion in Spain, the academic qualifications among older workers is still substantially lower than in other developed countries. Immigrants from MENA countries have by far the lowest level of education, with around half not even reaching lower secondary education. Between 2008 and 2014, educational attainment has generally improved for both the majority group and immigrants. The exception is the second generation of immigrant descent from Latin American and MENA countries, who have even worsened their educational profiles. In the case of Latinos, this may be due to the somewhat lower average age of second-generation of immigrant descent.

Looking at the degree of urbanization of the areas where immigrants and the majority group live, in 2008 there was hardly any difference between both groups (about half living in urban areas and the other half in smaller towns or the countryside), except for Latin Americans who are far more often living in cities. By 2014, the share of immigrants living in larger cities notably decreased, now all except Latinos are just as likely to live in smaller towns.

Turning to our three dependent variables, Tables 3 and 4 show the labour market outcomes of immigrants

---

4 Sometimes it is possible to use a subjective measure by asking workers about the schooling requirements for their job and then comparing those to the education of the worker; or by directly asking workers if they feel over-qualified or over-educated. A question of this kind is included in the ad hoc module of the 2014 LFS to subjectively assess over-education among immigrant workers. Unfortunately we cannot use such self-assessment measure because it is only included in 2014 and the majority group are not asked about it. Nor is it possible to measure over-education based on the so-called “job analysis” or “objective” measure because there is no equivalent to the American Dictionary of Occupational Titles (DOT) in the European context.

5 Additional descriptive tables are available upon request.
Table 1. Sociodemographic and control variables by gender, ethnicity and generation (%) in 2008.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender (% female)</td>
<td>49.5</td>
<td>54.8</td>
<td>48.0</td>
<td>52.9</td>
<td>39.7</td>
<td>42.8</td>
<td>49.4</td>
<td>41.0</td>
</tr>
<tr>
<td>Age</td>
<td>41.2</td>
<td>36.1</td>
<td>31.0</td>
<td>34.7</td>
<td>35.7</td>
<td>29.4</td>
<td>44.8</td>
<td>34.3</td>
</tr>
<tr>
<td>Married/In a civil union/ Cohabiting</td>
<td>58.3</td>
<td>49.0</td>
<td>28.8</td>
<td>65.9</td>
<td>71.5</td>
<td>35.2</td>
<td>58.1</td>
<td>33.5</td>
</tr>
<tr>
<td>Have dependent children living at home</td>
<td>31.2</td>
<td>56.7</td>
<td>31.0</td>
<td>44.5</td>
<td>58.4</td>
<td>47.5</td>
<td>39.3</td>
<td>28.4</td>
</tr>
</tbody>
</table>

Table 2. Sociodemographic and control variables by gender, ethnicity and generation (%) in 2014.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender (% female)</td>
<td>49.7</td>
<td>59.3</td>
<td>53.5</td>
<td>52.8</td>
<td>46.6</td>
<td>49.1</td>
<td>49.1</td>
<td>46.0</td>
</tr>
<tr>
<td>Age</td>
<td>42.5</td>
<td>40.5</td>
<td>29.1</td>
<td>39.9</td>
<td>40.5</td>
<td>28.9</td>
<td>46.1</td>
<td>34.6</td>
</tr>
<tr>
<td>Married/In a civil union/ Cohabiting</td>
<td>54.1</td>
<td>51.6</td>
<td>20.6</td>
<td>63.9</td>
<td>82.0</td>
<td>30.0</td>
<td>53.8</td>
<td>30.7</td>
</tr>
<tr>
<td>Have dependent children living at home</td>
<td>32.6</td>
<td>54.0</td>
<td>38.2</td>
<td>45.2</td>
<td>73.4</td>
<td>48.1</td>
<td>39.4</td>
<td>28.4</td>
</tr>
</tbody>
</table>

and the majority group in 2008 and 2014, distinguishing between ethnicity, generation as well as gender.

Having a paid job is essential to economic well-being, and we can see that although male first-generation immigrants did worse than the majority group in 2008, differences are small (we do not pay much attention to the larger gaps among the second-generation gaps which are partly attributable to lower ages and people still finishing their education). In 2014, however, we observe much more pronounced interethnic disparities. The employment rates of the majority group decreased significantly due to the Great Recession, but even more starkly among immigrants. For example, the proportion of paid employees among first generation immigrants from MENA
Table 3. Labour market outcomes by ethnicity and generation in 2008 and 2014 (males).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Majority group</td>
<td>84.7</td>
<td>71.1</td>
<td>1.4</td>
<td>4.7</td>
<td>30.4</td>
<td>28.3</td>
</tr>
<tr>
<td>Latinos — 1st gen</td>
<td>82.5</td>
<td>64.9</td>
<td>4.2</td>
<td>10.5</td>
<td>49.6</td>
<td>46.0</td>
</tr>
<tr>
<td>Latinos — 2nd gen</td>
<td>59.5</td>
<td>47.7</td>
<td>2.1</td>
<td>18.5</td>
<td>28.5</td>
<td>32.2</td>
</tr>
<tr>
<td>East EU — 1st gen</td>
<td>80.3</td>
<td>63.1</td>
<td>2.3</td>
<td>12.8</td>
<td>70.0</td>
<td>69.0</td>
</tr>
<tr>
<td>MENA — 1st gen</td>
<td>68.6</td>
<td>42.0</td>
<td>6.6</td>
<td>13.4</td>
<td>29.7</td>
<td>25.6</td>
</tr>
<tr>
<td>MENA — 2nd gen</td>
<td>76.9</td>
<td>42.2</td>
<td>0.3</td>
<td>13.8</td>
<td>27.7</td>
<td>23.9</td>
</tr>
<tr>
<td>West Europeans — 1st gen</td>
<td>78.1</td>
<td>71.8</td>
<td>0.1</td>
<td>3.4</td>
<td>43.4</td>
<td>38.9</td>
</tr>
<tr>
<td>West Europeans — 2nd gen</td>
<td>75.8</td>
<td>62.8</td>
<td>0.5</td>
<td>7.7</td>
<td>29.2</td>
<td>29.2</td>
</tr>
</tbody>
</table>

(N) 28,591 28,300 24,125 19,568 27,456 26,317

Table 4. Labour market outcomes by ethnicity and generation in 2008 and 2014 (females).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Majority group</td>
<td>62.2</td>
<td>58.5</td>
<td>6.5</td>
<td>13.9</td>
<td>29.5</td>
<td>34.1</td>
</tr>
<tr>
<td>Latinos — 1st gen</td>
<td>73.8</td>
<td>62.7</td>
<td>15.0</td>
<td>29.8</td>
<td>41.5</td>
<td>50.0</td>
</tr>
<tr>
<td>Latinos — 2nd gen</td>
<td>63.8</td>
<td>46.7</td>
<td>6.0</td>
<td>20.7</td>
<td>18.7</td>
<td>37.0</td>
</tr>
<tr>
<td>East EU — 1st gen</td>
<td>65.4</td>
<td>56.7</td>
<td>12.6</td>
<td>34.7</td>
<td>55.0</td>
<td>61.9</td>
</tr>
<tr>
<td>MENA — 1st gen</td>
<td>32.2</td>
<td>22.5</td>
<td>17.8</td>
<td>27.2</td>
<td>32.7</td>
<td>27.6</td>
</tr>
<tr>
<td>MENA — 2nd gen</td>
<td>54.7</td>
<td>35.3</td>
<td>10.6</td>
<td>17.8</td>
<td>25.7</td>
<td>26.0</td>
</tr>
<tr>
<td>West Europeans — 1st gen</td>
<td>50.2</td>
<td>54.5</td>
<td>10.9</td>
<td>11.5</td>
<td>45.3</td>
<td>37.6</td>
</tr>
<tr>
<td>West Europeans — 2nd gen</td>
<td>68.4</td>
<td>53.5</td>
<td>5.6</td>
<td>13.6</td>
<td>20.4</td>
<td>37.9</td>
</tr>
</tbody>
</table>

(N) 29,887 30,340 18,114 17,084 23,311 24,460

origins dropped from 68.9% to 41.1%. The comparison with women shows that while female employment rates in 2008 were much lower to begin with, they also decreased to a smaller extent. This is true for both the majority group and immigrants and confirms that the recent economic crisis in Spain hit male-dominated segments of the labour market, particularly construction, especially hard. Nevertheless, women of all origins remain clearly disadvantaged compared to men in terms of participation in paid work, with the sole exception of Latin American women who are almost on par with their male counterparts. Although female immigrants from MENA countries already had markedly low levels of employment before the crisis—which may be due to traditional gender roles among religious Muslims (Guetto & Fellini, 2017)—the most striking number may be that only 22% of them had a paid job in 2014.

Let us turn our attention next to the issue of involuntary part-time work. The data show very neatly that this is a markedly female problem, with women’s incidence rates more than doubling that of men’s across the board. Moreover, we find sizeable ethnic gaps, especially regarding the first generation: one seventh of employed Latin American women involuntarily worked only part-time in 2008, and this proportion spiked to almost one third in 2014. Again, immigrants with MENA origins are even worse off. The most drastic increase was experienced by Eastern European women among whom the share of involuntary part-timers skyrocketed from 12.6% in 2008 to 34.7%. Notably, among male second-generation Latin Americans, the proportion reached 18.25% in 2014, about four times the share among country-born men. In 2008, first-generation men from MENA countries were the only clearly distinguishable risk group, though on much lower levels.

Finally, we examine the incidence of over-education across ethnic groups. As the baseline numbers for the majority group highlight, this is a notorious problem in Spain, where ever more college graduates enter labour market with few high-skilled vacancies. According to our calculation, around 30% of the majority group were over-educated in 2008. Until 2014, this number went down slightly for country-born men, mostly due to the recession-induced loss of many jobs in the low-skill sector. For women, it went up, and their higher risk of over-education also reflects the fact that women by now have outpaced men in educational attainment rates.

Moreover, the analysis by ethnic origins reveals hefty rates of over-education, particularly among first generation Latin Americans (almost half) and Eastern Europeans. Among the latter, we register more than two out of three male workers as being over-educated, and by 2014 women only barely fare better. Interestingly, immigrants from MENA countries are largely sheltered from
this particular risk, albeit mostly by virtue of lower educational attainment levels. Vice versa, Western Europe cannot be regarded as privileged on this account as they exhibit significantly higher rates of over-education than the majority group. Second generation of immigrant descent largely have moderate incidence rates, arguably partly because they have not all finished their education when surveyed.

4.2. Multivariate Statistical Analyses

In order to find out whether the descriptive findings so far are robust to compositional effects, we now turn to the multivariate analysis. We will present a series of logit models that control for age, civil status, dependent children, education, language skills and area of residence. For easier interpretation, we will show results in terms of predicted probabilities rather than logit coefficients.

4.2.1. Paid Employment

We begin again by considering ethnic gaps in paid employment and differentiate by both gender and year of observation. Figure 1 shows the probabilities of holding a paid job as predicted by our models according to ethnic origin and generation of immigrant descent. In the left panel, it becomes apparent that although the (composition-adjusted) employment rate of country-born men was the highest in 2008, there are only three ethnic groups for whom we find significantly lower rates among males. This is the case for second generation immigrant descent from Latin America, as well as first generation East Europeans and immigrants from MENA countries. For the other groups our estimates are not precise enough to make definitive statements (note that the bars in the graph denote 90% confidence intervals).

The juxtaposition with women’s employment situation in 2008 exposes the profound gender divide on the Spanish labour market that affects all ethnic origins. Interestingly, instead of country-born women, it is first generation Latinas (closely followed by second generation West Europeans) who fare best in terms of their labour market participation. The only origin groups for which we register significantly lower employment shares than among female country-born are first generation immigrants from MENA and West European countries.

Due to the crisis in 2014, we again observe a marked drop in employment levels among men. While the uncertainty around several of our estimates is considerable, the predicted probabilities of having a paid job are similar for the majority group, West Europeans as well as the second generation with origin in Latin America and MENA countries. By contrast, first generation Latinos and Eastern Europeans evidently struggle to find employ-

![Figure 1. Predicted probabilities of paid employment for immigrants and the majority group in 2008 and 2014. Notes: Controls for age, education, civil status, dependent children and degree of urbanization; N = 114,956; age 16–64, not in education/training or retired (Full sample); bars represent 90% confidence intervals. Weighted and clustered by region.](image-url)
ment. However, first generation immigrants from MENA origins are by far in the worst situation. Even after adjusting for socio-economic characteristics, their degree of economic incorporation remains strikingly poor. Also, among women, immigrants from the Middle East and North Africa are the clear outlier in this analysis and have to be regarded as the most vulnerable minority group. Otherwise, we observe only moderate differences across ethnic origins among women in 2014. The recession seems to have led to a certain convergence of female employment rates in Spain.

4.2.2. Involuntary Part-Time Work

In the US, almost all the increase in part time work since the 1970s has been driven by those who would prefer to work full time (Farber, 1999); that has been particularly the case during the last economic recession (Valletta & Van der List, 2015).

Regardless of workers’ preferences, non-standard employment arrangements such as part-time and temporary work have become more widespread over the last decades (Kalleberg, 2000). Part-time jobs have been promoted by employers because they can be created and eliminated more easily and the hourly wages are lower than in fulltime jobs, even after controlling for workers’ education, experience, and other relevant variables (Ferber & Waldfogel, 1998; Tilly, 1996).

Part-time workers, irrespective of their preferences for that type of contract, notably increased from the 1970s onwards, when the structural changes in the global economy started requiring more flexibility in employment (Kalleberg, 2000). Prior research has shown hourly wages are lower than in full time jobs, even after controlling for workers’ education, experience, and other relevant variables (Ferber & Waldfogel, 1998; Tilly, 1996). In addition, part-timers also obtain lower wage returns to experience and seniority (Farber, 1999). It is also important to remark that part-time work is, to a certain extent, a female phenomenon, as in all industrial economies, most part-time workers are women (Blossfeld & Hakim, 1997).

The empirical analyses for this section do not estimate the prevalence of part-time work for the second and the first generation within each ethnicity. The main reason to do so is that the number of second generation respondents who are involuntary part-timers is very small for Eastern Europeans and MENA immigrants when we run separate analyses for each gender and year. Therefore, we only include a control for generation of immigrant descent and estimate the results for each ethnicity. We control for social class to account for the stark stratification of the Spanish labour market.

In Spain, involuntary part-time work is a phenomenon that has historically affected the female working population. Before the crisis, the predicted percentage of male part-timers was similar and relatively low for all ethnicities (between 1 and 5%), while the predicted percentage among females was between 6 and 9% for the majority group and West Europeans, and between 13 and 16% for Latinas, Eastern EU and female immigrants from MENA countries. As expected, the (composition-adjusted) incidence of involuntary part-time work increases substantially for all the working population during the Great Recession, particularly for Latino and Eastern European females. Latino, Eastern Europeans and MENA males and females tend to work in different sectors (males in construction and service, females in cleaning and catering), though they are both over-represented in routine and low-skilled occupations. Crucially, involuntary part-time work notably increased from 2008 to 2014 among females in routine occupations—most likely, those working in the cleaning and caring sectors and, to a lesser extent, females in low-skilled service/sales/clerical occupations (see Figure A1 in Annex). It is thus not surprising that female immigrants are the most affected group in terms of involuntary part-time work during the crisis.

With regard to female workers (right panel in Figure 2), we no longer find significant differences across ethnicities in the probability of working part-time involuntarily once we control for relevant demographic and socioeconomic variables, both before (2008) and during the economic crisis (2014). Most likely, this is because we are controlling for education and social class. This is indeed a relevant finding, as it shows that the increase in involuntary part-timers among Latinas and Eastern European females during the crisis can be almost entirely attributed to a compositional effect. Immigrant women are overrepresented in low skilled occupations in the cleaning and caring sectors, where the incidence of involuntary part-time work has increased the most during the recession (see Figure A1 in the Annex). Thus, once we estimate the ethnic gaps including the control variables in the models, the probability of being an involuntary part-timer compared to country-born women is no longer higher for immigrant women.

At face value, involuntary part-time work increased more during the crisis among Latinos, Eastern Europeans and MENA immigrant males than among Spanish country-born men. However, after controlling for compositional effects, the probability of being an involuntary part-timer for immigrants is not significantly different to that for the majority group (left panel in Figure 2).

4.2.3. Over-Education

Prior research has shown that the return to immigrants’ human capital is lower (Hardoy & Schane, 2014) and, on top of that, their labour market outcomes are more strongly affected by economic downturns. In Spain, the importance of education in preventing unemployment increased when the economy went into recession, but this change was more intense for the majority group than for immigrant workers. In other words, the crisis made education a more important asset to pre-
vent unemployment, but the majority group have benefited more from the higher market value of their educational credentials than immigrants. Consequently, the economic crisis has amplified the labour market inequality between migrants and country-born workers in terms of employment (Cebolla-Boado, Miyar-Busto, & Muñoz-Comet, 2015). In this vein, it is expected that immigrant workers face on average a higher risk of over-education compared to the majority group, and that the shrink in employment as a consequence of the economic crisis in the country has magnified these gaps.

To address this issue, we ran different models on the probability of being over-qualified for highly educated immigrants taking into account not only the region of origin but also the immigrant generation and the time of residence. Figure 3 shows the main results for different groups of migrants separated by gender. A first relevant result worthy to be highlighted are the marked differences between first and second generation. With the exception of female second generation Latinas—who even have a lower risk of over-education compared to the majority group—the risk of over-education for second generation of migrant descent is not significantly different to that of the majority group. The first generation, however, does have a greater risk of over-education compared to the majority group. Yet, there are marked differences between ethnic groups: the largest gap is observed among first generation male migrants from Eastern Europe (almost twice as much over-educated as the majority group), followed by immigrants from MENA countries and Latinos. On the contrary, immigrants from EU-15/EFTA are indistinguishable from the majority group in terms of over-education. This first results points to the difficulties of making transferable the educational credentials that face first generation immigrants from more linguistic and cultural distant countries and confirms that foreign human capital earns lower returns than domestic human capital (Friedberg, 2000; Sanromá, Ramos, & Simón, 2015).

Different reasons related both to the demand and supply side of the labour market explain that the first-generation immigrants experience educational mismatch upon arrival. Yet it is expected that gaps between immigrants and the majority group in terms of earnings (Chiswick, 1978) or over-education (Chiswick & Miller, 2009) decrease or even fade away with years of residence. In this regard, more years of residence in the host country represent more time to acquire specific human capital (both education or job experience), to improve their command of the language and ultimately to acquire

---

6 Note that unlike previous economic outcomes in these models, we restricted the analyses to highly educated immigrants, referring to those with upper secondary and tertiary education. The reason is that in the statistical measure of over-qualification those individuals with lower levels of education cannot be classified as over-qualified by definition.
relevant knowledge in the labour market, which would in turn increase the probability of improving their position in the job market. However, contrary to the theoretical expectations, in Spain there is not a clear convergence between immigrants and the majority group in their risk of over-education as time of residence in the host country increases. As Figure 3 shows, although in general the risk of over-education seems to be somewhat reduced for the first generation immigrants with more than 10 years of residence in the country compared to more recent migrants, differences between both groups are not statistically significant in virtually all groups of immigrants. This suggests that immigrants in Spain seem stuck in jobs for which they are over-educated many years after their arrival with virtually no improvement in the adjustment of their qualifications and those required by the jobs.

All in all, there is not a clear crisis effect, since there are not marked variations in predicted probabilities as a result of the changes in macroeconomic conditions between 2008 and 2014. As can be seen in Table A1 in Appendix, a slight increase in the probability of being over-educated is observed for most groups. In fact, Fernández and Ortega (2008) find the same ethnic gaps in the probability of being over-educated for Eastern Europeans and Latin Americans in a context of economic growth.

Figuring in migrant generation, region of origin and time of residence and economic context in the host country is of utmost importance to explain the differences in the risk of over-education of immigrants. However, there are at least two other relevant determinants to fully understand both the transferability of qualifications and assimilation processes for highly educated immigrants: the command of the host language and the recognition of their foreign qualifications. Fortunately, we can evaluate the effect of these aspects because the LFS ad hoc module in 2008 contains information on both issues. On the one hand, it is asked whether the immigrant considers that their lack of host-country language skills constitutes a barrier to finding a job that matches their qualifications. On the other hand, it is asked where the highest level of education was acquired and, in the case of qualifications acquired abroad, if their degrees have a formal recognition in the host country.

As can be seen in Figure 4, there are differences in the risk of over-education among immigrants with and without language difficulties. Following our expectations immigrants with language difficulties have a significantly higher probability of over-education than immigrants with a good command of the Spanish language. However, it is important to note that regardless of their language skills, all immigrants in Spain have a significantly higher risk of being over-qualified than the majority group. As regards to the transferability of qualifications, the most remarkable result is that only those immigrants without the recognition of their foreign qualifications

7 To verify the robustness of this result, other specifications (available upon request) have been run with different thresholds and the results do not vary substantially.
cations seem to be significantly penalised. Interestingly, compared to the majority group we do not find significant differences in the risk of over-education among immigrants who acquire their highest educational degree in Spain or those who managed to recognize their foreign degree. Therefore, it seems that in Spain, contrary to other countries (for an analysis for several European countries, see: Damas de Matos & Liebig, 2014), the origin of human capital and specifically the recognition of the foreign qualification is the most prominent determinant of over-education and has a larger impact than language difficulties.

Taken together, these results suggest that the difficulties that immigrants face to use their human capital acquired abroad in the Spanish labour market are not only attributable to the crisis but rather a structural problem. Neither the changes in the macroeconomic situation nor the acquisition of experience in the destination country seem to substantially change the risk of over-education for first generation migrants. There only seems to be assimilation with second generation immigrant of descent, whose education and work experience has been acquired in the country of destination.

5. Discussion and Conclusions

This article has provided fresh evidence on ethnic stratification of the Spanish labour market. From a descriptive point of view, we have shown that Latinos, Eastern Europeans and, particularly, MENA immigrant males have been hit harder by the Great Recession than Spanish country-born men in terms of employment. As in other Mediterranean countries (Reyneri & Fullin, 2011), immigrants enjoyed high employment levels before the recession, but the economic crisis in Spain was devastating, particularly for male-dominated segments of the labour market such as the construction sector, where many immigrants were employed. However, even after controlling for compositional effects, first generation men from these three minorities are significantly less likely to be employed than the majority group. This is not the case for females, as we find no significant differences in the probability of being in paid employment across groups once we control for compositional effects. Yet, it is important to acknowledge that some of the immigrants who became unemployed during the economic crisis have returned to their origin countries. Considering that, the ethnic gaps described in the article are likely to be lower bound estimates of the gaps that would exist without return migration.

There is a clear gender divide among immigrants in the Spanish labour market, most likely due to the different sectors where males and females work. While unemployment has hit particularly immigrant men from Latino, Eastern European and MENA origins, female migrants have been more affected by involuntary part-time work. In fact, involuntary part-time work is, above all, a female phenomenon, as women are more likely to be in involuntary part-time at all times. Latinas, Eastern Europeans and MENA immigrant women were more likely to be involuntary part-timers than country-born in 2008, and they also experience a higher increase in involuntary part-time work during the crisis. Interestingly, this seems to be entirely a compositional effect driven by the labour market sector where the majority of immigrant women from these three minorities work (i.e., low-skilled jobs in the service, cleaning and caring sectors). Selective return migration may also have affected our findings, although
the existent theoretical accounts are not univocal about the attendant patterns of selection to be expected (Borjas & Bratsberg, 1996; Van Hook & Zhang, 2011), nor is there clear empirical evidence on Spain on the educational profiles of leavers versus stayers (Cebolla-Boado & González, 2013).

With regard to over-education, there are no marked variations in predicted probabilities across ethnicities and generations as a result of the changes in macroeconomic conditions between 2008 and 2014. Besides, we found that second generations are not clearly distinct from the majority group, a sign of successful economic incorporation. On the contrary, the first generation has a greater risk of over-education than the majority group before and during the crisis. In particular, we have shown that in contrast to other labour market outcomes, the largest gap is observed among first generation migrants from Eastern Europe, followed by Latinos and Western Europeans. This reinforces the idea that foreign human capital is less valued than human capital acquired at destination, and it also shows the difficulties of making the educational credentials of first generation immigrants in Spain transferable.

Acknowledgments

This research and this thematic issue have been supported by funding from the European Commission (Grant number H2020 649255).

Conflict of Interests

The authors declare no conflict of interests.

References


---

**About the Authors**

Mariña Fernández-Reino is currently a Researcher at the Migration Observatory (University of Oxford), where she investigates immigrants’ integration in the UK. She was previously a Postdoctoral Researcher at Carlos III University of Madrid, where she worked on the Horizon 2020 project “Growth, Equal Opportunities, Migration and Markets”.

---
Jonas Radl is Associate Professor of Sociology at the Department of Social Sciences of Carlos III University of Madrid, as well as member of the Carlos III-Juan March Institute of Social Sciences (IC3JM). His research focuses on social stratification and the life course. He is the Principal Investigator of the project “Effort and Social Inequality” (EFFORT), funded by the European Research Council, and leads a Research Group at the WZB Social Science Center Berlin related to this interdisciplinary project.

María Ramos is Postdoctoral Research Fellow in the Discrimination & Inequality Lab (D-Lab) at the Carlos III University of Madrid and is working on the Horizon 2020 Project “Growth, Equal Opportunities, Migration and Markets”. She holds a degree in Sociology, a degree in Political Science and a PhD in Applied Economics. Her main research interests include labour economics, educational mismatches and migration research.
Figure A1. Predicted probabilities of involuntary part-time work across social classes in 2008 and 2014. Notes: Controls for ethnicity, first generation, age, education, civil status, dependent children and degree of urbanisation. Notes: N = 77,284 (only working sample); age 16–64, not in education/training or retired; self-employed/small employers excluded due to low number of cases (160); bars represent 90% confidence intervals; weighted and clustered by region.
### Table A1. Determinants of over-education of immigrants in Spain. Odds ratio.

<table>
<thead>
<tr>
<th>Ethnicity, generation and time of residence</th>
<th>Pooled</th>
<th>2008</th>
<th>2014</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latinas 2nd gen</td>
<td>0.934</td>
<td>0.784</td>
<td>1.018</td>
<td>1.125</td>
<td>0.787</td>
</tr>
<tr>
<td></td>
<td>[0.126]</td>
<td>[0.168]</td>
<td>[0.130]</td>
<td>[0.172]</td>
<td>[0.122]</td>
</tr>
<tr>
<td>Latinas 1st gen — long (&gt;10 years)</td>
<td>2.450***</td>
<td>1.364</td>
<td>2.970***</td>
<td>2.600***</td>
<td>2.286***</td>
</tr>
<tr>
<td></td>
<td>[0.300]</td>
<td>[0.386]</td>
<td>[0.456]</td>
<td>[0.289]</td>
<td>[0.430]</td>
</tr>
<tr>
<td>Latinas 1st gen — recent (≤10 years)</td>
<td>2.846***</td>
<td>2.636***</td>
<td>3.499***</td>
<td>3.047***</td>
<td>2.740***</td>
</tr>
<tr>
<td></td>
<td>[0.315]</td>
<td>[0.356]</td>
<td>[0.463]</td>
<td>[0.596]</td>
<td>[0.352]</td>
</tr>
<tr>
<td>Eastern Europeans 1st gen — long (&gt;10 years)</td>
<td>6.911***</td>
<td>3.204***</td>
<td>8.305***</td>
<td>9.161***</td>
<td>5.409***</td>
</tr>
<tr>
<td></td>
<td>[1.192]</td>
<td>[0.661]</td>
<td>[1.988]</td>
<td>[1.810]</td>
<td>[1.503]</td>
</tr>
<tr>
<td>Eastern Europeans 1st gen - recent (≤10 years)</td>
<td>4.249***</td>
<td>4.029***</td>
<td>4.877***</td>
<td>9.475***</td>
<td>2.913***</td>
</tr>
<tr>
<td></td>
<td>[0.723]</td>
<td>[0.667]</td>
<td>[1.284]</td>
<td>[2.796]</td>
<td>[0.414]</td>
</tr>
<tr>
<td>MENA 2nd gen</td>
<td>1.086</td>
<td>1.252</td>
<td>0.883</td>
<td>1.186</td>
<td>0.967</td>
</tr>
<tr>
<td></td>
<td>[0.185]</td>
<td>[0.357]</td>
<td>[0.206]</td>
<td>[0.212]</td>
<td>[0.240]</td>
</tr>
<tr>
<td>MENA 1st gen — long (&gt;10 years)</td>
<td>4.908***</td>
<td>3.516***</td>
<td>6.257***</td>
<td>4.754***</td>
<td>7.567***</td>
</tr>
<tr>
<td></td>
<td>[1.346]</td>
<td>[1.414]</td>
<td>[1.703]</td>
<td>[1.438]</td>
<td>[2.635]</td>
</tr>
<tr>
<td>MENA 1st gen — recent (≤10 years)</td>
<td>4.489***</td>
<td>6.034***</td>
<td>2.320</td>
<td>5.405***</td>
<td>3.538***</td>
</tr>
<tr>
<td></td>
<td>[1.116]</td>
<td>[1.132]</td>
<td>[1.256]</td>
<td>[2.717]</td>
<td>[1.424]</td>
</tr>
<tr>
<td>EU-15/EFTA 2nd gen</td>
<td>0.772*</td>
<td>0.637***</td>
<td>0.814</td>
<td>0.713**</td>
<td>0.810</td>
</tr>
<tr>
<td></td>
<td>[0.109]</td>
<td>[0.112]</td>
<td>[0.196]</td>
<td>[0.106]</td>
<td>[0.143]</td>
</tr>
<tr>
<td>EU-15/EFTA 1st gen — long (&gt;10 years)</td>
<td>1.372</td>
<td>1.320</td>
<td>1.409</td>
<td>1.333</td>
<td>1.470</td>
</tr>
<tr>
<td></td>
<td>[0.299]</td>
<td>[0.281]</td>
<td>[0.376]</td>
<td>[0.271]</td>
<td>[0.429]</td>
</tr>
<tr>
<td>EU-15/EFTA 1st gen — recent (≤10 years)</td>
<td>0.982</td>
<td>1.464</td>
<td>0.551***</td>
<td>0.887</td>
<td>1.144</td>
</tr>
<tr>
<td></td>
<td>[0.183]</td>
<td>[0.401]</td>
<td>[0.0957]</td>
<td>[0.208]</td>
<td>[0.247]</td>
</tr>
<tr>
<td>Constant</td>
<td>0</td>
<td>0.707*</td>
<td>1.941***</td>
<td>0***</td>
<td>0***</td>
</tr>
<tr>
<td></td>
<td>[0]</td>
<td>[0.144]</td>
<td>[0.380]</td>
<td>[0]</td>
<td>[0]</td>
</tr>
</tbody>
</table>

**Controls**
- **Year**: Yes, No, No, Yes, Yes
- **Gender**: Yes, Yes, Yes, No, No
- **Age, degree of urbanisation, cohabiting and dependent children**: Yes, Yes, Yes, Yes, Yes

**Number of observations**: 56,514, 27,022, 29,491, 27,576, 28,935

**Notes**: *** p < 0.01, ** p < 0.05, * p < 0.1; only high-skilled migrants aged 16–64, not in education/training or retired. Weighted and clustered by region; the category "Eastern Europeans second generation" is omitted given its small size.