

A stylized teal map of the African continent is positioned in the upper left corner. Below it, a series of black silhouettes of people walking, some carrying backpacks, are arranged in a line that curves upwards. The background features large, overlapping teal geometric shapes, including triangles and polygons, creating a modern, abstract design.

BRELL C., DUSTMANN C., & PRESTON I.

# **THE LABOR MARKET INTEGRATION OF REFUGEE MIGRANTS IN HIGH-INCOME COUNTRIES**

(2020)



# AGENDA



**01 Introduction**

**02 Refugee experience**

**03 Stages of the refugee experience**

**04 Evidence on labor market integration**

**05 Other factors affecting labor market integration**

**06 Discussion**

**07 Conclusion**





# INTRODUCTION

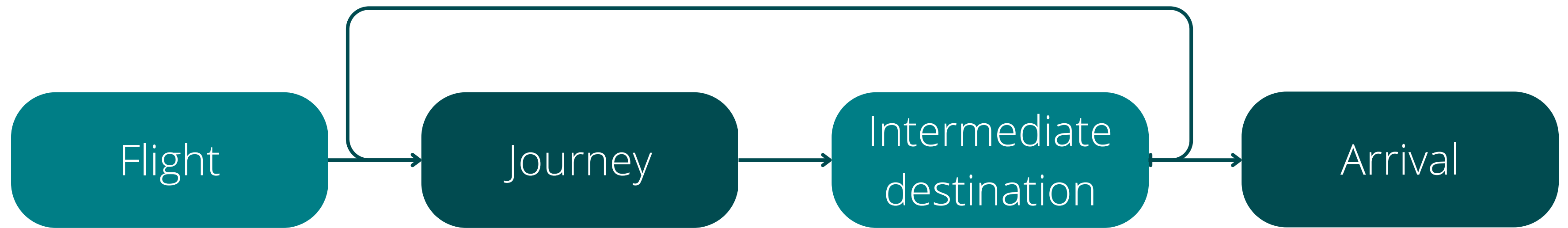
---

## Integration of refugees is likely to raise significant challenges

- Refugees often face an **uncertain** future. Such uncertainty might diminish the motivation to invest in host country-specific human capital (e.g., language or social networks) and this may hinder the assimilation of this group.
- Uncertainty also hinders integration because of psychological distraction
- **Unique experiences** of refugees will also have some impact (e.g., having experienced conflict/persecution, mental health issues)



# THE STAGES OF THE REFUGEE EXPERIENCE





# INTERMEDIATE DESTINATIONS

- During their journey, refugees may often stay, perhaps for prolonged periods, in another country along the way.
- They may live in refugee camps or noncamp accommodations
- Usually, **refugee camps** are characterized by:
  - rudimentary facilities
  - minimal opportunities for work and education
  - health and safety risks

Spending extended periods in a refugee camp could seriously affect future prospects for integration into a developed labor market, because there may be limited opportunities to engage in the formal workforce while residing in a camp, and so residents' human capital may degrade over time.



# EVIDENCE ON INTERMEDIATE MARKET INTEGRATION

- the main focus of labor market integration of refugees is on employment and wages
- There is little data on refugees within the migrant population, variations in definitions, and policies across different countries

surveys specifically focused on refugees

cross-national public surveys

administrative data from various countries



Data analysis



# EMPLOYMENT

the employment rates of refugees two years and ten years after migration

Table 1  
Employment Outcomes of Refugees Compared to Other Groups

Host country	Years since migration	Refugee employment rate	Gap to other immigrant employment rate	Gap to native employment rate
Australia	2	0.23	0.44	0.55
Canada	2	0.48	0.19	0.27
Finland	2	0.11	0.40	0.64
Germany	2	0.14	0.45	0.57
Norway	2	0.15	0.69	0.73
Sweden	2	0.28	0.20	0.54
United Kingdom	2	0.38	0.26	0.38
United States	2	0.61	0.01	0.11
Canada	10	0.67	0.07	0.08
Finland	10	0.25	0.34	0.50
Norway	10	0.60	0.26	0.29
Sweden	10	0.63	0.07	0.19
United States	10	0.73	0.01	-0.01



Employment Gap Closure: gradually decreases over time



Persistent Disparities

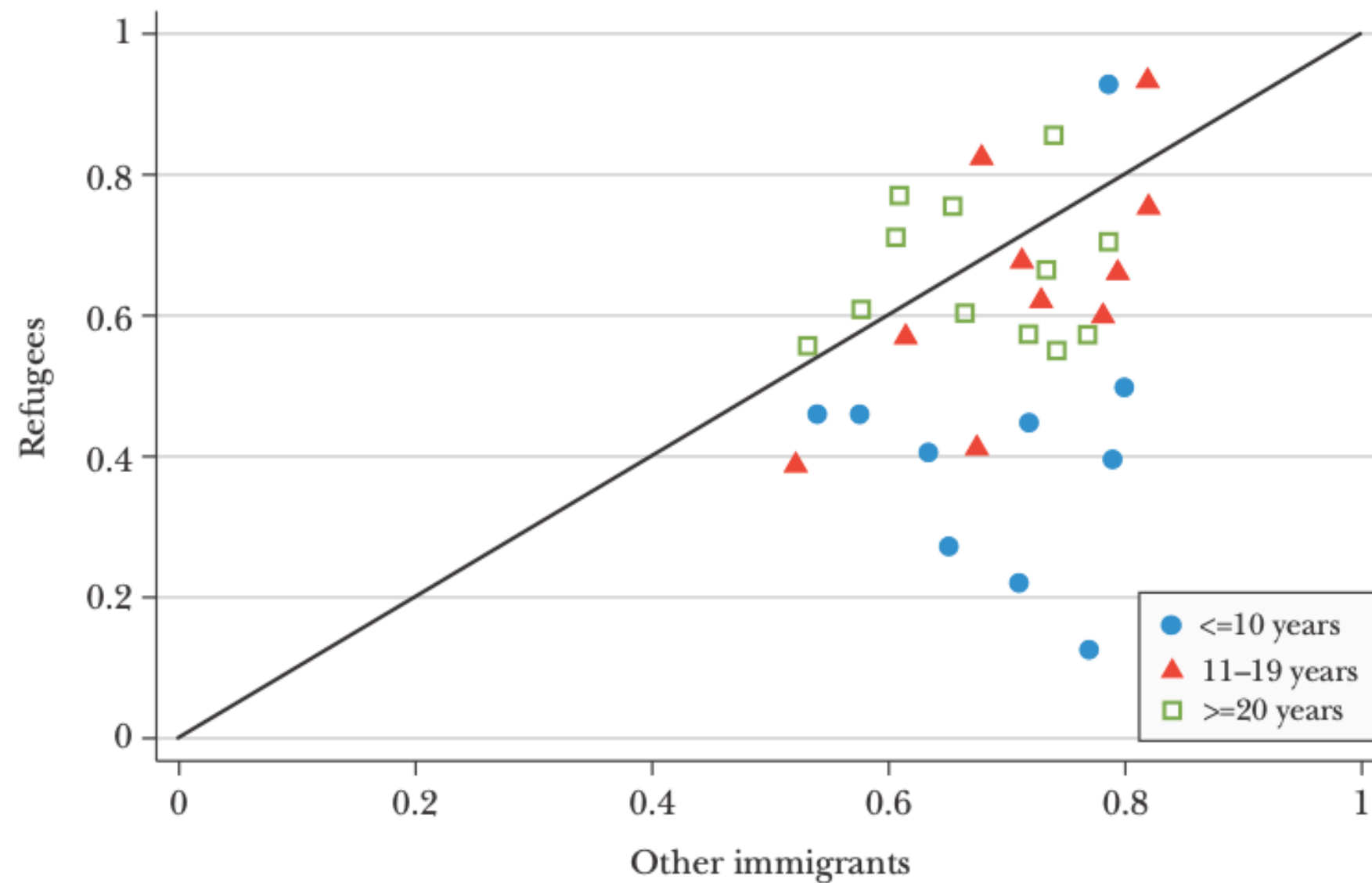


Exception in the United States



# EMPLOYMENT

*Figure 3*  
**Employment Rates of Immigrant Groups across European Countries**



- Employment Disparities for Recent Migrants
- Reduced Disparities Over Time
- Gender Disparities
- Demographic Factors



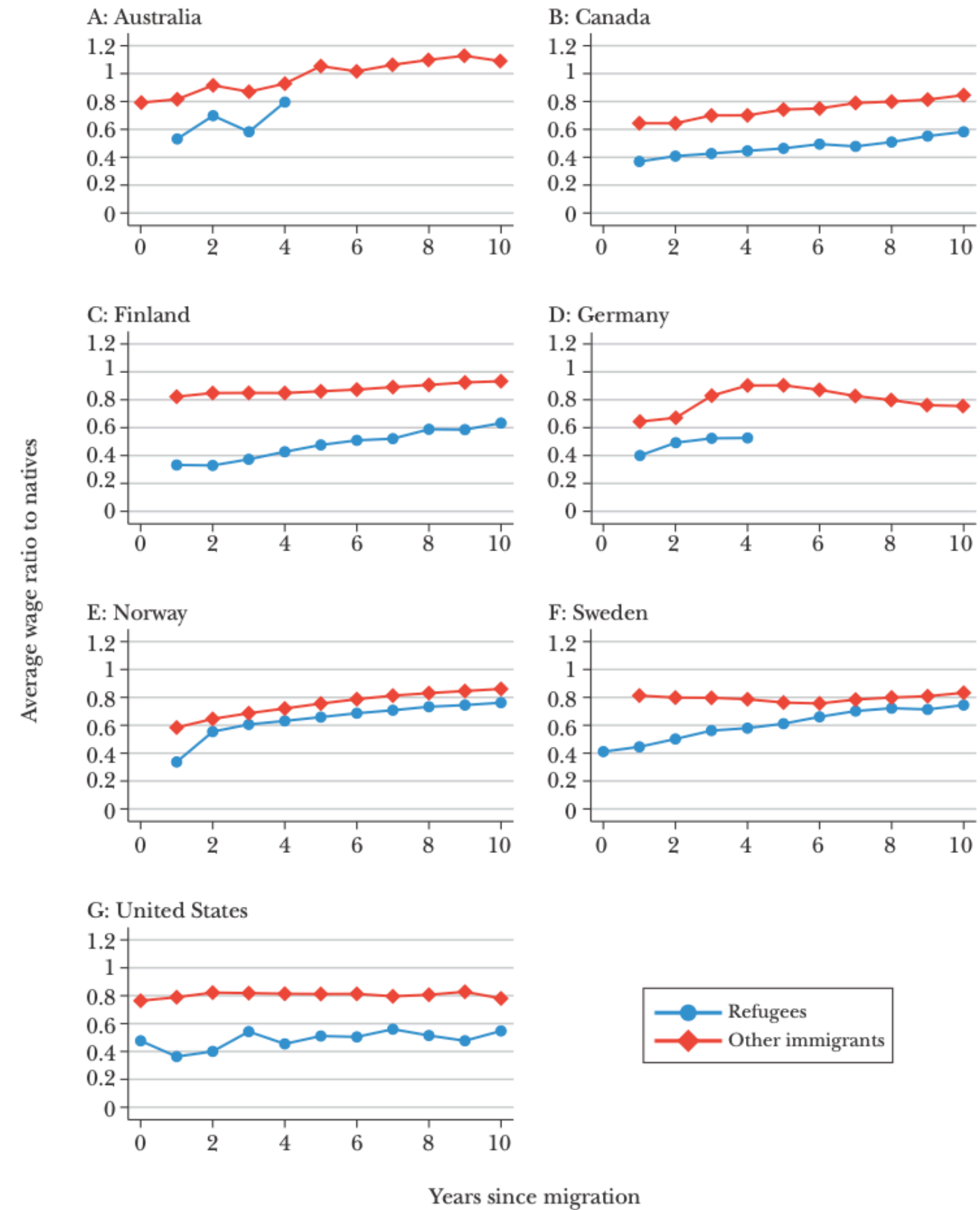
# PREVIOUS EVIDENCE

- Slow Wage Growth
- Wage Disparities
- Persistent Wage Gaps
- Cross-Country Variation



Figure 4

Wage Levels of Migrant Groups Compared to Natives over Time since Migration



# **OTHER FACTORS**

## **AFFECTING REFUGEE**

## **LABOR MARKET**

## **OUTCOMES**

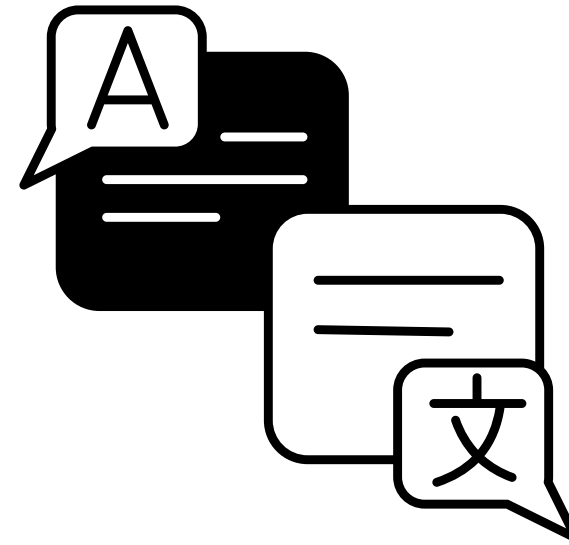
---





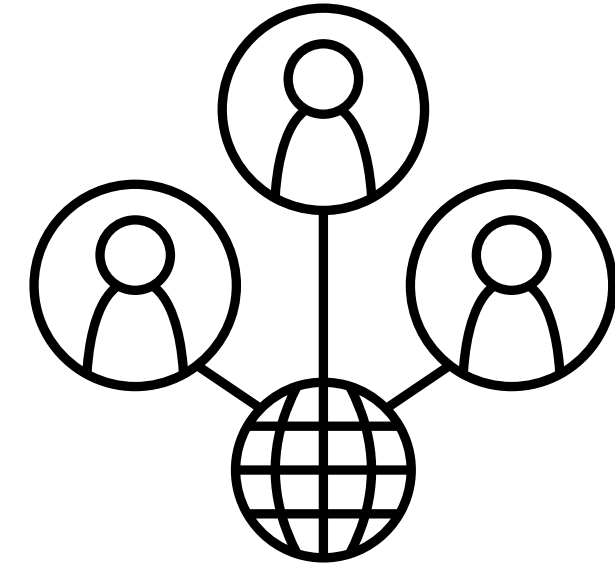
## Health

The prevalence of mental illness among refugees is expected to be significantly elevated compared to that in the natives. This is attributed to the traumatic experiences they endured in their home countries, the challenging conditions during their escape or while residing in refugee camps.



## Language

Refugees typically start with lower language proficiency compared to other immigrants. However refugees exhibit rapid progress and eventually surpass the speaking abilities of other migrants around a decade after their arrival.



## Social Network

Having a broader social network of established migrants who arrived earlier appears to be beneficial in conveying information and facilitating access to preferred employment opportunities for recently arrived refugees.

# WHAT IS THE CONCLUSION?

## Reasons & consequences

Gap in employment rates between refugees and migrants disappears during the second decade.

Gap in wages does not close, but becomes smaller during the first decade.



Lower employment rates



Lower wages



Educational disadvantage



Physical and mental health problems



Language deficiencies

# IS THERE A SOLUTION?



- Keeping the asylum process short;
- Providing early support to address health issues;
- Facilitating refugees to join the labor market at the earliest possible.

## What contribution authors made?

- Conducted an extensive examination of the economic integration of refugees and the related aspects, including their social integration, language acquisition, and health outcomes.
- Synthesized existing research and analyzed a diverse range of data from various sources and countries.

**THANK YOU!**

