



# LABOUR MARKET INTEGRATION OF REFUGEES AND THE ROLE OF PES

## ISSUES AND CHALLENGES

Oslo, 15 November 2017

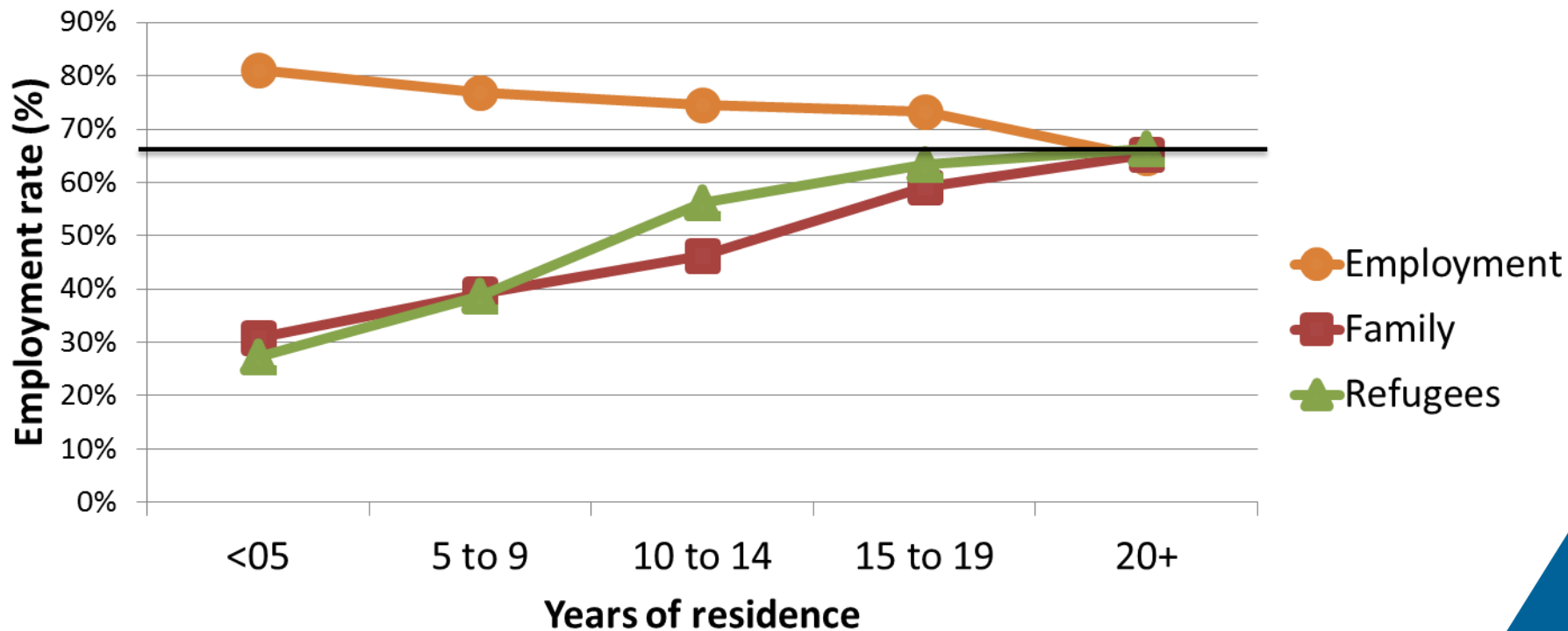
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# Labour market integration of refugees takes more time and requires active support

Employment rate by immigrant categories and duration of stay in European OECD countries, 2014

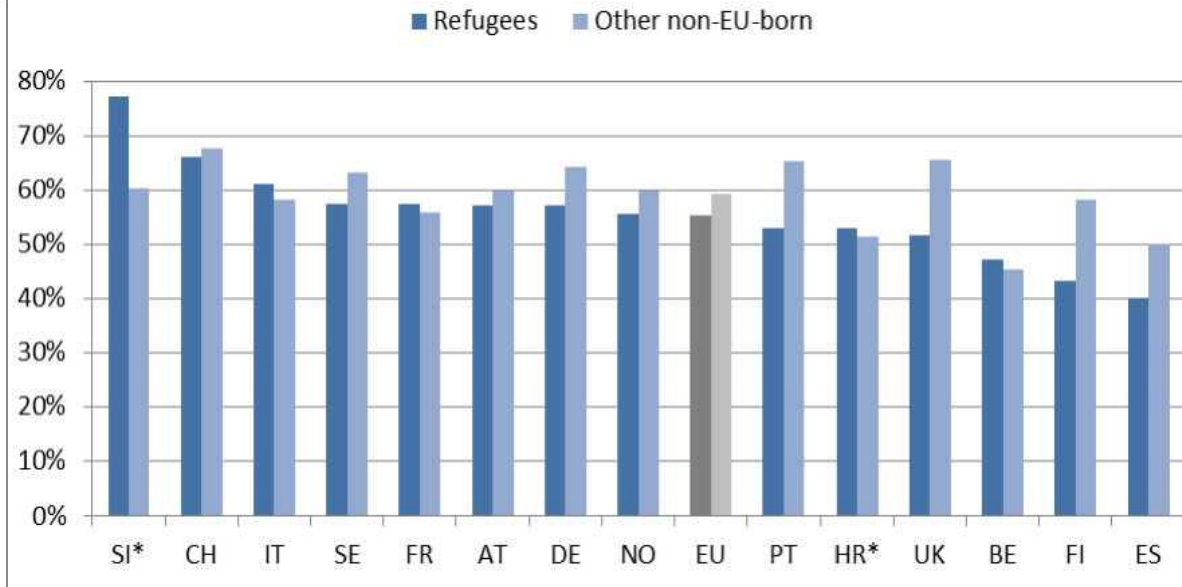
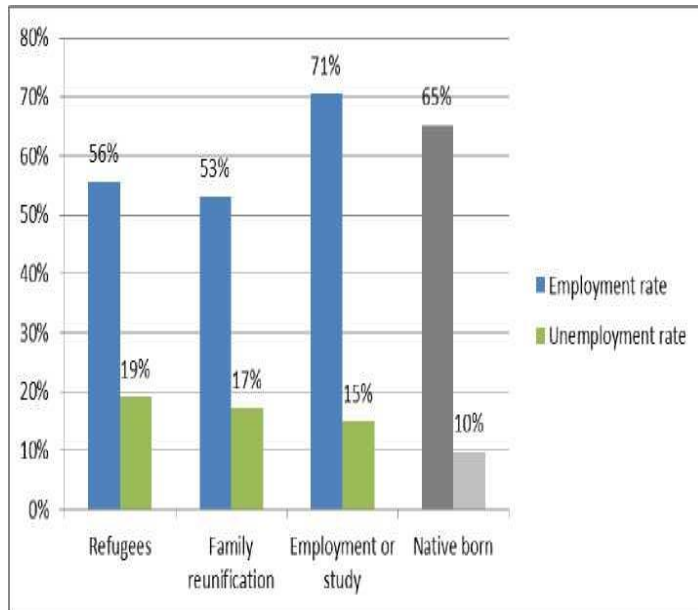


Source : EU-OECD (2016), *How are refugees faring on the labour market in Europe? A first evaluation based on the 2014 EU labour force survey ad hoc module*, DG EMPL Working Paper 1/2016.



# Refugees have low labour market outcomes compared with other migrant groups

Employment rate of refugees, other non-EU born and native-born in the European Union, 2014

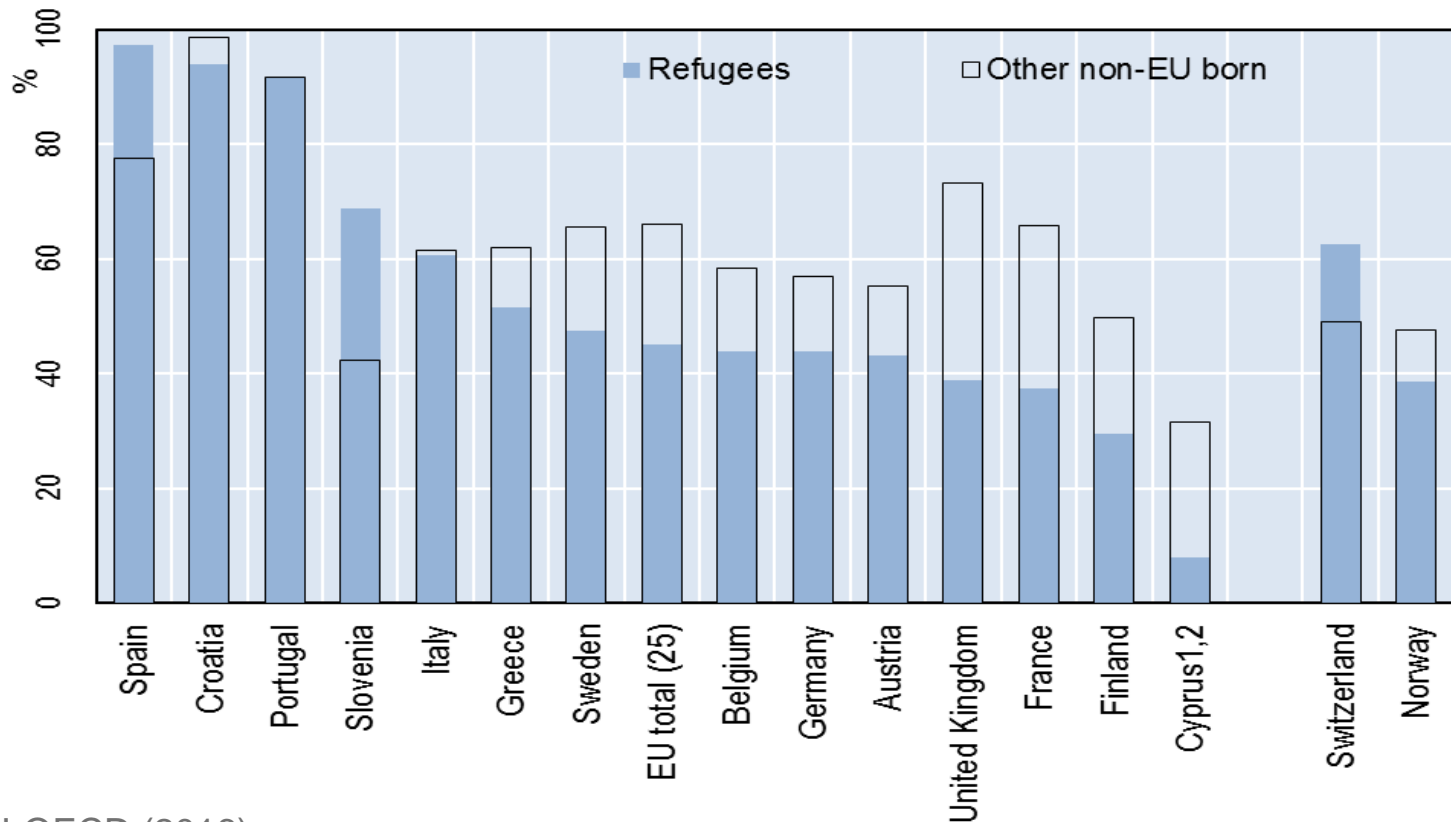


Source : EU-OECD (2016).



# This holds also for language acquisition

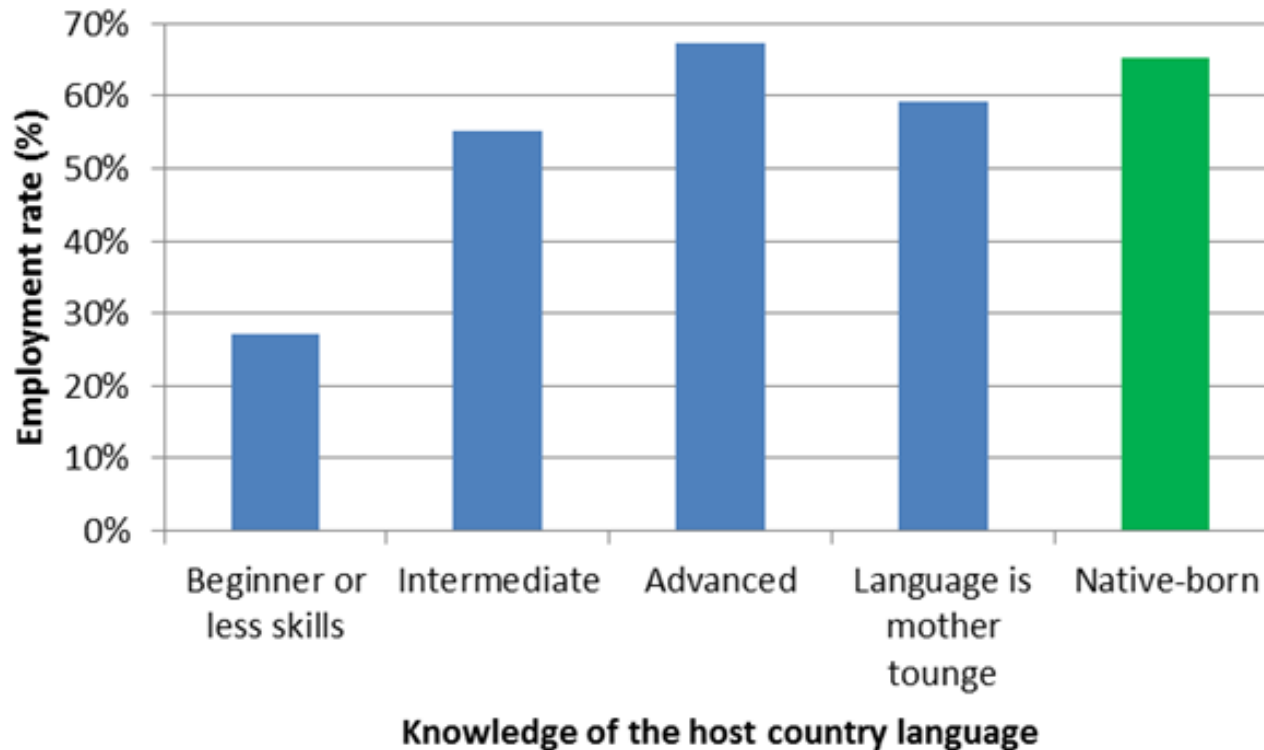
Share of refugees and other non-EU born who report having at least advanced knowledge of the host-country language, 15-64, 2014



Source : EU-OECD (2016).



# Intermediate language skills give a big boost to employment chances of refugees...



Source : EU-OECD (2016), *How are refugees faring on the labour market in Europe? A first evaluation based on the 2014 EU labour force survey ad hoc module*, DG EMPL Working Paper 1/2016.



## The key role of PES in refugee labour market integration

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- Because of their lack of networks, refugees tend to rely more often on the PES than native-born and other migrant groups
- PES is a national service with local presence throughout the country. Advantages:
  - ✓ Dissemination of good practices
  - ✓ Similar standards
- In some countries, the PES is the main co-ordinating actor for the overall integration activities



# Challenges for PES in refugee integration

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- Unprecedented numbers put the capacity of the system under stress
- Multiple and specific needs (lack of host-country language and other basic skills; skills were acquired in a very different context; health problems; etc.), often in domains with little prior PES experience
- Diversity of skills and qualifications requires tailor-made approaches
- Unsecure legal status may negatively impact on willingness to invest into integration – both for employers and for refugees themselves



# Challenges for PES in refugee integration

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- Trade-off between rapid and lasting labour market integration
- Challenging co-ordination with other integration services at all levels
- Needs continue beyond the initial job placement, and beyond the time of immediate policy attention
- Avoiding the notion that refugees get favoured over disadvantaged native-born





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## Lessons on refugee labour market integration from OECD work

*(« Making Integration Work :  
Refugees and others in need of international  
protection »)*

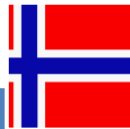


# Record and assess refugees' foreign qualifications, work experience and skills; provide for alternative assessment methods where documentation is missing



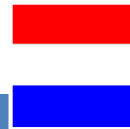
- Refugees' qualifications and skills are often undervalued due to
  - Different education and training contexts in origin countries
  - Lack of documentation
  - No access to / awareness about existing recognition mechanisms
  - Vocational skills acquired through non-formal learning
- Several countries assess refugees' skills, but few do so for asylum seekers
- Need for systematic assessment and adjusted recognition procedures

Norway



- Academic skills of refugees without verifiable documentation of their qualifications are assessed through expert committees.
- Municipalities use a three-level skills grid to assign refugees to language training.

The Netherlands



- The Central Agency for the Reception of Asylum seekers maps refugees' skills as soon as they have obtained a residence permit. Alternative assessment for persons without documentation is done jointly with competent authorities, refugee organisations and business communities.

Germany



- Case workers systematically assess skills of asylum seekers in reception facilities under the 'Early Intervention' programme
- Skills of humanitarian migrants with no or insufficient documentation of qualifications are assessed through 'qualification analysis' on the basis of work samples.

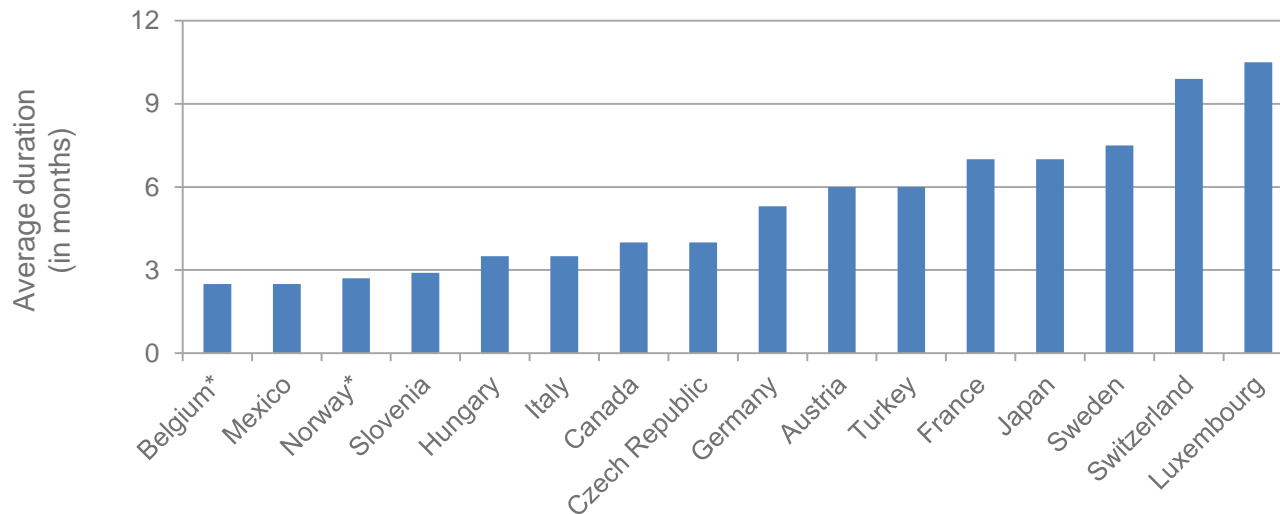


# Activation and integration services need to begin as soon as possible for refugees and asylum seekers with high prospects to remain



- Early intervention is crucial for future integration outcomes
- Where asylum procedures are lengthy, groups with high probability to remain may benefit from up-front support – including language and job-preparation training, and skills assessment

Average duration of the asylum procedure until first instance decision, selected OECD countries, 2015 or latest available year



\* For certain groups

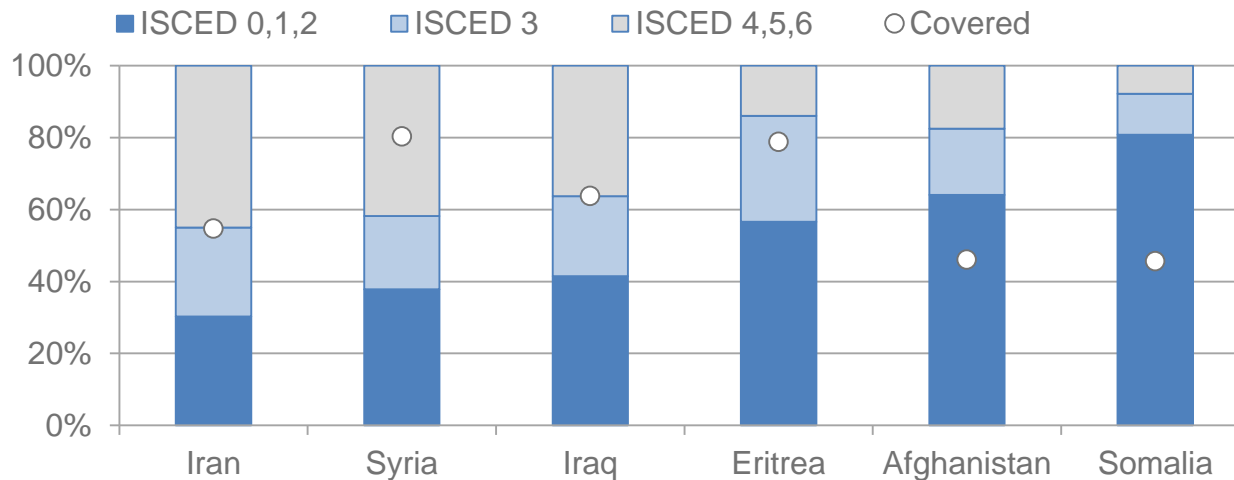
Sources: Processing times: OECD Questionnaire on the Integration of Humanitarian Migrants 2015; Swedish Migration Board



# The large skills diversity of refugees requires tailor-made approaches



Education level of new immigrants aged 16-74 in Sweden by latest country of residence, 2015



Source: Statistics Sweden, 2016

- **Tailor-made integration programmes ideally include:**

- *Flexible* durations of integration programmes
- *Modular* language training
- *Targeted* courses for specific groups like illiterate, high educated and mothers
- *On-the-job* training



# Especially the integration of very low-educated refugees requires long-term training and support



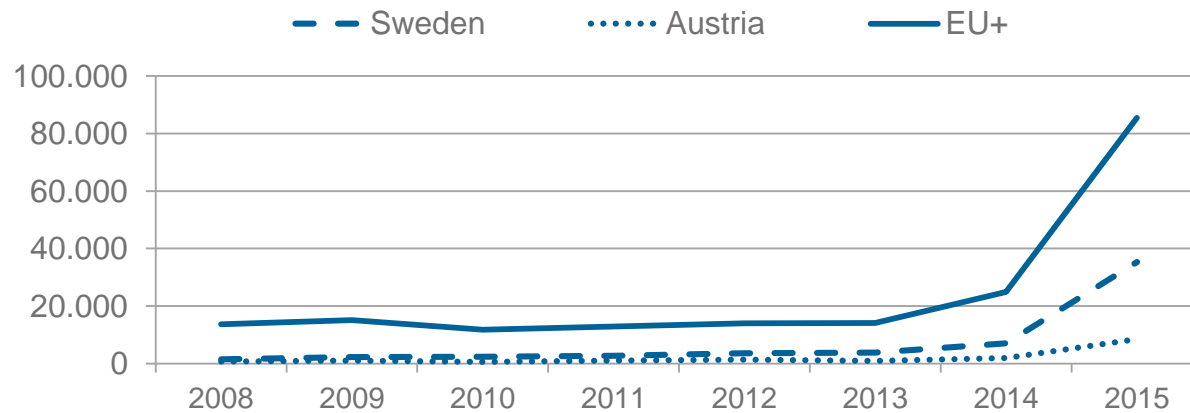
- Many refugees lack the basic skills needed to be fully functional in the labour market and society
  - This is a particular challenge in Scandinavian countries, where the overall skills levels of the native-born population are high
- Reaching the minimum standards of what is needed to be employable may take several years - but this investment will pay off in the long run
  - Australia, Denmark and Norway have longer introduction programmes for very low-educated refugees
- Support needs to extend beyond training to help refugees enter employment
- Recommendations from the 2016 OECD Review «*Working together: Skills and Labour market integration of immigrants and their children in Sweden*»:
  - Early labour market access important but must also build basic skills alongside early labour market contact
  - Adult education must play a more important role in the introduction plan to ensure that the financial incentives created by the introduction benefit do not distort the educational decisions of newly-arrived migrants.



# Integration of unaccompanied minors who arrive past the age of compulsory schooling is a particular challenge



Evolution of the number of unaccompanied minors in Austria, EU and Sweden



Sources: Statistics Sweden; Austrian Ministry of the Interior; Eurostat

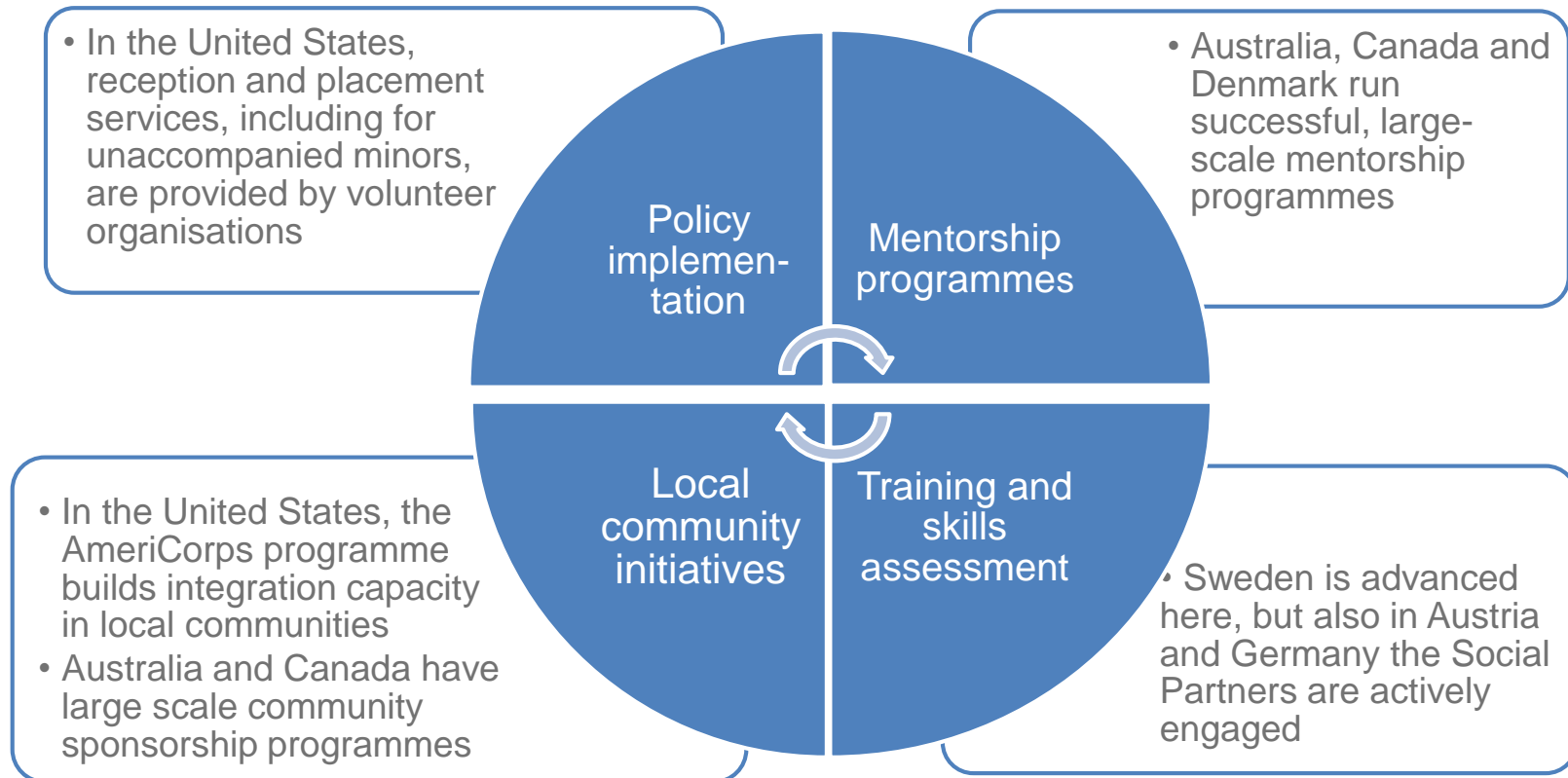
- Vulnerable group requiring specific (and often expensive) support
- Many arrive with little prior tuition at the end of obligatory schooling but are eager to enter the labour market immediately
- Schools should offer targeted catch-up programmes and language support preparing UAMs for further education or labour market entry; ideally complemented by case workers (e.g. *SchlauSchule* in Munich or *Thor Heyerdahl School* in Norway)



# Build on civil society to integrate humanitarian migrants



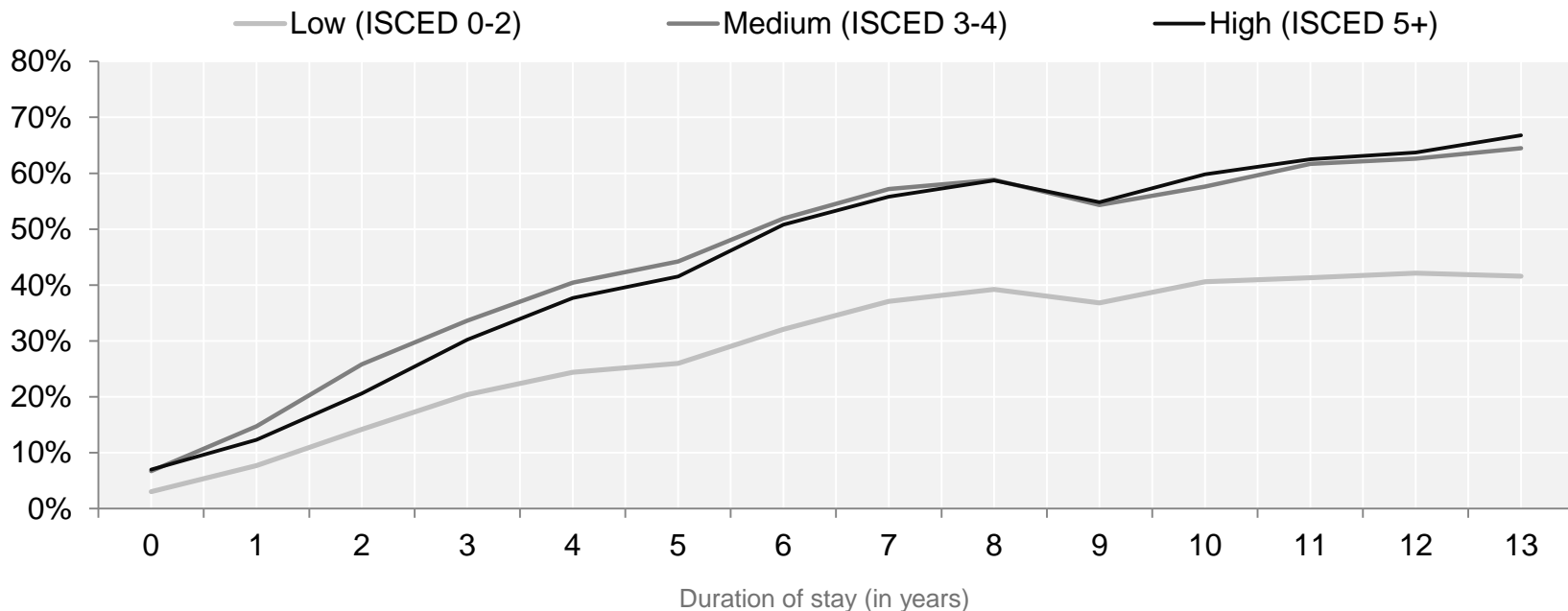
- Civil society creates the conditions conducive to the social and labour market integration of refugees
- It steps in where public policy does not tread or cannot be upscaled sufficiently or quickly enough.





# Acknowledge that integration of very low educated humanitarian migrants requires long-term training and support

Employment rate of humanitarian migrants by level of education and duration of stay in Sweden, cohort arriving in 2000



- Reaching the minimum standards of what is needed to be employable may take several years - but this investment will pay off in the long run
  - Australia, Denmark and Norway have longer introduction programmes for very low-educated refugees
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# The voice of the employers: *Some findings from the OECD-UNHCR employer dialogues on employing refugees*

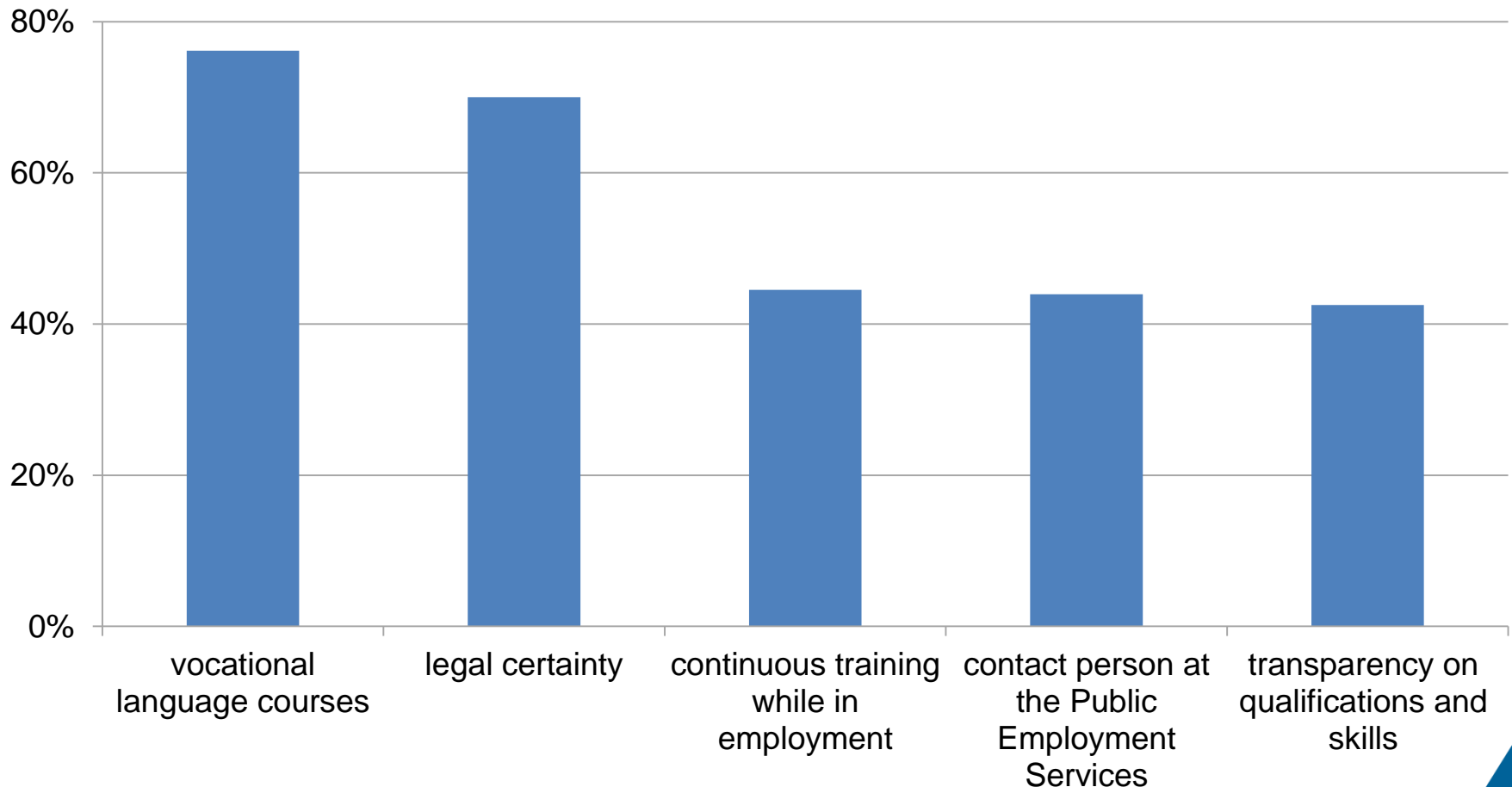


- Most employers do not see a business case, although those who hired refugees often appreciate their high motivation – according to a joint OECD-DIHK-BMAS survey, 80% of German employers who hired refugees were satisfied
- Matching is perceived as the most pressing issue and a key challenge also for PES
- Refugees often lack references, which are crucial for getting a job – can PES-workers step in?
- Mobility is often an issue – how to get the refugees where the jobs are that match their skills?
- Everyone agrees that workplace-based language training is most effective – but how to organise this?



## The wish-list of employers – an example from Germany

### Measures considered as very important in the hiring phase or during employment



Source: OECD-DIHK-BMAS Survey of German Employers



## Conclusion:

### *Labour market integration as an investment*

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- The majority of refugees and other immigrants are in employment, but much potential remains unused
- Especially for low-educated refugees, ensuring long-term employability and integration often entails large costs - and here integration must be viewed as an investment:
  - *Focus on early intervention*
  - *Pursue policies where the pay-off is not immediate*
  - *Tailor integration offers to needs and settlement prospects*



For further information on the OECD's work on the integration of immigrants and their children :

[www.oecd.org/migration](http://www.oecd.org/migration)

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