# **Labour Market and Social Integration of Eastern**

# **European Migrants in Scotland and Portugal**

# by

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### Abstract

This article investigates the factors influencing the labour market performance and social integration of Eastern European migrants in two regions within Scotland and Portugal. Given the potential links between these outcomes, measures of labour market success and integration into the host community are examined from a multi-dimensional perspective, including by modelling these jointly within a statistical framework. The main findings indicate the importance of a range of factors for labour market and social integration, which change with time and cannot be limited to any definable set of goals. In particular, proficiency in the host country's language plays a

key role in obtaining a highly paid job and social integration, but not for the

probability of employment. Further, maintaining family links and cultural

identity often outweigh the importance of being integrated into host

communities. Other human capital factors, especially whether the job

matches skills and qualifications, strongly influence some labour market

outcomes, whilst migrant network variables are important for integration

more widely. Focus on the immediate earnings and having a job tends to be

prioritised over career progression, which can lead to better integration.

Drawing on the insights from economics and human geography, this paper

stresses that these findings hold both in the separate and joint modelling

approaches. The effect of the influences is also found to be generally similar

in Scotland and Portugal. However, some significant differences are detected

between the host communities with regards to the impact of previous

migration and friendship on social integration and age on employment.

Key Words: Eastern European migrants, integration, labour markets

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### Introduction

Labour migration has been identified as the most significant reason for large-scale Eastern European migration to the UK and Portugal, with the majority of post-enlargement migrants coming to these countries to work (Pollard et al., 2008, Peixoto, 2010). However, not all migrants will be successful in the host country's labour market, with some migrants not finding work or being employed in temporary or low paid positions (Clark and Drinkwater, 2008). Consequently, a failure to integrate into the host labour market may result in immigrants becoming an excluded minority, which has implications for social cohesion (Barrett and Duffy, 2008). Economic exclusion fostered by labour market segmentation is known to overlap with wider social exclusion (McCollum and Findlay, 2015). This has wider implications since European politicians now believe that migrant integration depends on active labour market participation, and not multiculturism (Ciupijus, 2011).

In this article Eastern European migration to Portugal and the UK is explored. These are two countries with long traditions of both emigration to other countries for labour market reasons, as well as hosts of international migrants, and where immigration has been seen as a potential answer to issues associated with ageing populations (Coleman, 2008). We compare Portugal and the UK due to the similarities identified within the Migrant Integration Policy Index (MIPEX, 2015) and OECD (2018) employment statistics. First,

out of six policy areas identified by MIPEX as shaping immigrant integration, Portugal and the UK had similar index values in four categories, namely long-term residence (measuring opportunities for migrants' civic involvement), access to nationality (measuring eligibility for nationality and opportunities for feeling secure in their residence), anti-discrimination policies (equal opportunities for migrants), and opportunities for family reunion (affecting migrants' sense of integration and belonging). Second, drawing on OECD data, Portugal and the UK display similar values for some policy related measures such as relatively low levels of minimum wages to median earnings of full-time employees.

Therefore, according to Bisin et al. (2011), both the UK and Portugal have tended to provide favourable labour market conditions for immigrants and Eastern Europeans in particular who, despite their relatively high levels of qualifications/skills in their home countries, can often find themselves employed in low-status occupations. As a result, Eastern European migrants in both Portugal and the UK often experience relatively low wages and poor working conditions (Fonseca et al., 2014; Drinkwater and Garapich, 2015). This has been termed as occupational 'downshifting' or 'downgrading' (Dustmann et al., 2013) and can lead to return migration. Portugal and the UK also show similarities in terms of help that migrants can count on (in terms of policy measures) to adjust to language and professional demands of the labour

markets (Bisin et al., 2011; Lene, 2011). Despite "downshifting" occupational pressures, Eastern European migrants have shown a tendency to stay in both Portugal and the UK for longer periods (UK Census 2011; Quadros de Pessoas, 2002-2009, quoted in Damas de Matos, 2012), thus making the issue of career development and broader integration over a longer time frame in both countries increasingly important.

However, in addition to the similarities between the two countries, there are also important differences in the structure of their labour markets that can affect migrant integration. In particular, Portugal has the strictest employment protection legislation in the OECD, whereas the UK with one of the most flexible labour markets is, in principle, more favourable to migrants as it gives them better chances of getting a job, especially during recessions (Antecol et al., 2006; OECD, 2018).

The concept of integration is also important from a wider social perspective (as we discussed in an earlier paper in this journal). It has traditionally been thought that the UK has adopted a multicultural approach to integration, in comparison to its European neighbours (Algan et al., 2010), although primarily for migration from outside Europe. In Portugal, integration policies were originally "aimed at total acculturation" (Dias, 2010: 180) and changed in 2001 to support longer-term multicultural integration. However, given the

large migration flows from other parts of Europe over the past decade and the changing nature and patterns of these movements in comparison to previous cohorts, it is important to examine more contemporary aspects of immigration. For example, recent migration from Eastern Europe to the UK and Portugal has been on a more short-term and less regular basis (Pollard et al., 2008), has been more geographically dispersed (Drinkwater et al., 2009), and has been characterised by a greater reliance on family and ethnic networks (Fonseca et al., 2014).

If labour market integration is thought to be one route to wider social integration, then factors that obstruct labour market progress may hinder the integration of migrants into host communities. Given the multidisciplinary and complex nature of analysing migration, a wide ranging literature is drawn upon to inform our empirical analysis. Integration and labour market performance amongst recent Eastern European migrants is investigated by applying both separate and joint modelling frameworks using data from Portugal and Scotland. In addition, some of the models that are estimated include interaction terms in order to establish whether there are differences between the two host communities. Overall, our main objective for the analysis is to gain a deeper understanding of the factors and interrelationships influencing these processes.

The novelty of this paper is that in adopting an interdisciplinary approach to migration it considers the temporally contingent, networked and ethnically specific character of labour market integration of migrants. To our knowledge, this is the first article that explicitly models the joint probability of employment/being in a highly paid job and integration outcomes, as well as relating it to ethnic identity and social networks.

# **Labour Market Integration of Eastern European Migrants**

This article builds on the migration and integration literatures to consider a multidimensional concept of integration. Integration of migrants in the host society refers to the social processes of inclusion of individuals in the host communities, the creation of cooperative relationships among individuals and their attitudes towards the host society (Penninx, 2004; Bosswick and Heckmann, 2006). Labour market integration can be a particularly important element of the membership in a society which delineates access to resources and defines the possibilities of success (Danzer and Ulku, 2011). This term is often linked to the measures of subjective integration and potential payoffs offered by broader labour market chances and opportunities (Dustmann et al., 2011). The connection between labour market and social integration is investigated by drawing on key themes emerging from recent studies on the integration of migrants.

# Non-Linear Integration and Occupational Choice

Integration is often considered as a linear stage-by-stage process, often captured through integration indexes (MIPEX). Classic models of migrants' integration relate their patterns of occupational attainment to labour market success, with the expectation of a migrant "trajectory" expressing their movement up the occupational ladder. Chiswick's (1978) influential model of migrants' occupational mobility predicts a U-shaped pattern. Due to the imperfect transferability of skills across countries, migrants often suffer a decline in occupational status from the last job in the origin country to the first job in the destination country. Upon arrival, migrants invest in human capital, leading to higher wage growth as immigrants "assimilate" into the host labour market. Assimilation studies predict that occupation attainment and wages should increase with the duration of time spent in the host country, as immigrants become increasingly similar to natives (Constant et al., 2006).

The fact that migrants from New Member States (NMS) to the EU hold dejure equal employment rights often leads to an expectation that immigrants will be integrated from day one (Amuedo-Dorantes and de la Rica, 2007), and that they will inevitably improve their labour market chances over time. However, these assumptions about the inevitability and directionality of labour market assimilation have been challenged. First, economic studies find that the assimilation process can be overestimated by (non-random) return

migration and changes in the quality of migrants over time (Borjas, 1985). Second, the lack of evidence of immigrant labour market integration over time is borne out by the persistence of migrants in low paid and lower skill-intensive occupations (OECD, 2008; Drinkwater et al., 2009).

While investment in post-migration human capital reduces differences between natives and immigrants (as immigrants learn the host country's main language, gain knowledge about the host labour market, and acquire education and training from the host country), this process can be disrupted by immigrants' reluctance to invest in learning the host country language and acquiring host country-specific education and training (Kogan, 2006). Recent research on immigrants' integration choices has highlighted that many migrant workers in low wage, low skilled employment do not view themselves solely as exploited workers but as citizens making conscious decisions, and that low-skill monotonous work is both a temporary choice and a "benign option" (Ciupijus, 2011). Migrants who perceive their stay as temporary are often reluctant to invest in host-country specific human capital, and instead target low-skilled, low paid jobs (Kalter and Kogan, 2003). Furthermore, for many individuals, migration is not a "planful" process (Clausen, 1993) as they are involved in various unexpected and divergent labour market decisions (tactics rather than strategies) linked to their attempts to maximize income-generation through overtime work and high job mobility

(Datta et al., 2007; Drinkwater and Garapich, 2015). Labour market segmentation may therefore be a choice and not an enforced outcome for some migrants. In this context, labour market integration needs to be considered not only in relation to migrants' conscious long-term strategies to improve their lives, but also to immediate and often conflicting choices favouring short-term earnings.

# Evolving Integration and Labour Market Engagement

Next labour market integration is considered as a changeable process. Persistent bias towards settledness and "emphasis on labour's relative dayby-day immobility" (Storper and Walker 1989, 157) has often led to the omission of the integration experiences of NMS migrants who are often mobile for relatively short periods of time and move in a circular fashion. However, migrants' strategies of keeping their options open and their migratory trajectories 'flowing' point to the diversity of movement amongst migrants (Cook et al., 2011). This is evidenced by a high level of return migration as many migrants engage in "liquid migration" or "migratory drift" (Drinkwater and Garapich, 2015), the shift from longer-term to shorter-term mobility, and the emergence of complex patterns of secondary and circular migration (Williams, 2009).

The relative occupational segregation of NMS migrants has been linked to their temporary position in the UK and Portuguese labour markets, while their tendency not to mix with native workers in the workplace has been labelled as a rejection of economic integration and used to justify selective labour market segregation (Damas de Matos, 2012). However, workplace conditions, employers, and agencies often obstruct migrants' language learning and social interactions with native citizens (Ciupijus, 2011; Carneiro et al., 2012; Mackenzie and Forde, 2009). The lack of investment in learning host languages is particularly hindered by unsociable shifts and long working hours that obstruct NMS migrants finding better employment. It also hinders migrants' broader experiences of encounter and their feelings of integration in the host community. Being trapped in poor quality jobs has been found to be a key barrier to greater mixing with established community members (Cook et al., 2011). The language barriers and concentration of migrants in low-skilled, labour-intensive jobs in the secondary labour market may further contribute to economic and social exclusion through the failure of social networks to cross ethnic lines. The use of personal networks by NMS migrants to get jobs may contribute to gender and ethnic stereotyping and clustering of specific ethnic groups (Datta et al., 2007).

At the same time, assumptions about Eastern Europeans' short-term labour market engagement undermine the fact that many expect to spend a relatively long time in the UK (Drinkwater and Garapich, 2015) and in Portugal (Peixoto, 2010). In this article, an approach to integration is developed that takes into account these varied mobility behaviours of NMS migrants.

Social Networks, Ethnic Identity, and Labour Market Integration

Finally, this article explicitly recognises the importance of ethnic identity and social networks in migrants' labour market and social integration processes. Beneficial network externalities arise when previous migrants to a host country provide help in finding housing, assist in obtaining credit, reduce the stress of relocation to a foreign culture, send labour market and housing market information to the home country, provide migrants with job search assistance, and generally lower the costs of migration (Epstein and Gang, 2006; Danzer and Ulku, 2011; Bisin et al., 2011). Thus, potential migrants, former migrants and non-migrants are linked in the home and host countries by ties of kinship, forming social and informational networks that influence potential migrants' decisions about whether to migrate, the locational choice,

The concept of ethnic identity has also attracted increasing research interest. How immigrants relate to the majority society and the culture of their origin country may affect aspects of their economic behaviour (Schüller, 2015). A growing literature has investigated the importance of maintained contact with

and the duration of the migration spell (Shubin and Dickey, 2013).

the culture and society of the origin country for the labour market performance of migrants in the host country (Constant et al., 2006). The theoretical framework proposed by Battu et al. (2007) explains why a strong ethnic identity can be harmful to ethnic minorities (migrants), as discrimination and a lack of good social networks can induce minorities to reject the predominant norm and lower their engagement in the labour market. In contrast, Constant et al. (2006) argue that maintaining a strong commitment to the culture of the origin country after migrating provides migrants with valuable ethnic specific capital that can increase the probability of employment in the host country. The idea that migrants exhibit some combination of commitments to both the origin and host societies has been labelled 'acculturation' (e.g. Berry, 1997). On arrival, Eastern European immigrants make decisions about both the adjustment to the host culture and society and the level of attachment to the culture and society of origin that they wish to maintain (Fonseca et al., 2014; Parutis, 2014), which lead to different labour market outcomes (Constant et al., 2006). Very few studies have analysed the relationship between ethnic identity and labour market outcomes for immigrants into Europe (Bisin et al. 2011), while most empirical studies focus on the impact of networks on pre-migration decisions (e.g. Epstein and Gang, 2006).

# **Data and Methodology**

This article explores the determinants of labour market and social integration outcomes of Eastern European migrants into two communities: Aberdeenshire in Scotland, and the Lisbon region in Portugal. This comparative research brings together two countries with similar levels of overall immigrant integration (linked to work, education, social inclusion, and active citizenship); employment integration (as defined by Eurostat (2011)); immigrant focused policies in relation to labour market integration (long-term residence and anti-discrimination policies); and general labour market policies that can positively affect migrants' employment probabilities (e.g. minimum wage).

Aberdeenshire is a prosperous region in Scotland that attracts short term labour migration centred on the oil and fisheries industries, the food processing sector and the service sector (especially in hospitality and retail). In-migration of young migrants is seen as a potential solution to the ageing population problem that Scotland faces and a response to "flexible" market demands (McCollum and Findlay, 2015). The need for in-migration has increased policy interest into how to accommodate Eastern European migrants in Scottish communities (Shubin and Dickey, 2013).

The Lisbon Metropolitan Area in Portugal has been attractive to immigrants seeking jobs in construction industries and manufacturing (Malheiros and Valaco, 2004), as well as the service sector (especially hospitality, retail and cleaning). "New migrations" to Portugal's capital region are characterised by

"flexible and casualised labour". There are also strong migrant networks and organised intermediaries which facilitated migrants' access to Lisbon's labour market (Peixoto, 2010). Similar to Scotland, Portugal has recently introduced more flexible policies in encouraging migration to address specific labour shortages and facilitated access for high-skilled migrants to "regulated professions" (doctors, dentists, engineers) prioritised by the government. However, as noted previously, differences in the flexibility of the labour markets in the two countries are likely to impact on the relative job opportunities for migrants, especially in economic downturns. For example, unemployment rose sharply for migrants in Portugal in the years that followed the Global Financial Crisis, whereas this did not occur in the UK (OECD, 2018).

The data come from a survey of Eastern European migrants carried out in the two localities. A purposefully designed questionnaire was constructed, and the careful design of the questions allowed for the control of many more factors in the empirical analysis than would be possible using data from secondary sources, since detailed individual level data on personal and employment characteristics of migrants was not available. The survey in Scotland was conducted through face-to-face interviews with a sample of migrants in Aberdeen, Peterhead, Fraserburgh, Mintlaw, Macduff and smaller Aberdeenshire villages. The questionnaires were distributed in 5 languages (English, Polish, Lithuanian, Russian, and French), were completed

anonymously, and 215 questionnaires were returned. In Portugal, face-to face interviews were conducted in Cascais, Sintra, Caxias and Lisbon. The Portuguese survey was conducted in two languages (English and Russian), and 105 questionnaires were returned.

A limitation of the dataset is that it consists of a cross-sectional sample of modest size. This constrains us to examining labour market and social integration in the short- to mid-term period after migration and not in the longer timeframe. A second limitation of the dataset is that it is difficult to confirm whether the sample reflects the characteristics of the population from which it was drawn. The true population of Eastern European migrants in the two localities cannot be obtained from official statistics, and is therefore unknown. Our main survey sampling method was snowball sampling, which is a non-probability method used when the desired sample characteristic is rare. This technique has the advantage of reducing search costs, but it may introduce bias by reducing the likelihood that the sample is truly representative of the population (Efstratios et al., 2012). However, the purposefully designed survey does enable us to include particular factors in the regression analysis that secondary data would not have allowed, thus enriching our investigation of migrants' labour market and integration experiences.

Given the potential interrelatedness between labour market integration and wider social integration, two methodologies are adopted. First, three univariate probit models are estimated to separately identify the factors that influence migrants' post-migration: (1) employment outcomes; (2) probability of being in a highly paid job; and (3) integration experiences. Second, to test whether there is a connection between migrants' labour market and social integration, two bivariate probit models are estimated where: (1) the employment and integration outcomes are jointly determined; and (2) being in a highly paid job and integration outcomes are jointly determined. The bivariate probit model is the appropriate model to adopt when we suspect potential co-determination of the two dependent variables such as between the labour market and integration outcomes of migrants (Evans and Schwab, 1995). To our knowledge, this is the first empirical study that explicitly models the joint probability of these two labour market outcomes and integration outcomes. This article therefore attempts to provide a better understanding of the factors influencing labour market and social integration, and of whether migrants' processes of social integration are related to the processes of labour market integration. In addition, we also estimate models that include interaction terms between key explanatory variables and a community identifier. These models allow us to establish whether differential effects exist across the two communities.

#### **Variables**

The three dependent variables are: (1) whether the respondent is in paid employment (yes=1; no=0); (2) whether the respondent has a high paying job (high-paid=1; low-paid=0); (3) whether the respondent is integrated into the host community (yes=1; no=0). For the first equation, the dependent variable is based on whether or not the individual has positive hours of paid work. For the second equation, migrants are assigned into two groups based on whether they are in a low-paid job (net pay per week is less than £300) or a high-paid job (net pay per week is more than £300). iii For the third model, the dependent variable is based on the question, "Do you consider yourself to be integrated into the local community"? The respondents were given two categories to choose from, Yes or No, and then space was provided for the respondents to explain their answer. In survey design, a closed-ended question is most useful when one has a well-defined concept for which an evaluative response is wanted (Dillman, 2000), while including an open-ended part often elicits more honest responses (Erickson and Kaplan, 2000) and captures diversity in responses (Jackson and Trochim, 2002).

The determinants of labour market and integration outcomes are grouped into three categories: personal and household characteristics; employment-related variables; and network and ethnic identity variables. Within personal and household characteristics, gender, age, marital status, educational level, and host language proficiency are considered. There are two employment-related

dummy variables based on the closeness of the relationship between skills and qualifications and current job. Explanatory variables capturing the effects of networks and ethnic identity are: frequency of trips to origin country (number per year); proportion of friends in host country from same nationality (over half=1; less than half=0); proportion of friends in the host country who are international (over half=1; less than half=0). The mobility behaviour of migrants is captured by two variables: length of time spent in the host country since migrating; and had previously lived outside the home country before migrating to Scotland and Portugal (previous migration experience).

# Descriptive Statistics

Table 1 provides summary statistics for the key variables. The significance levels of t-tests for differences in the means reported in the final column indicate whether Eastern European migrants to the two localities possess different characteristics. On average, Eastern European migrants to the Portuguese region have higher levels of educational qualifications and jobrelated human capital. A higher proportion of migrants to the Scottish region are in paid employment (88.7% compared with 74.6% in Portugal), but they are much less likely to be employed in a high paying job (13.9% compared with 22.9%). Eastern European migrants in the Portuguese locality have higher levels of integration (67.7% compared with 33.3%). Overall, migrants to the Scottish locality are predominantly undertaking labour migration, and

display lower engagement with the host community and fewer connections with natives.

TABLE 1 Here

### **Results**

Table 2 presents the estimates for the probit models. These models are estimated on the pooled Scottish and Portuguese samples. Separate country analyses are difficult given the relatively small sample size of the Portuguese sample. All models include a regressor denoting which host country respondents migrated to.

# TABLE 2 Here

Social networks and ethnic identity

We firstly focus on network and ethnic identity variables in determining migrants' integration outcomes. Migrants who have had previous migration spells outside the origin country before migration to Aberdeenshire or the Lisbon region have a lower probability of being integrated into these two host communities. This may seem to be a counter-intuitive result in that migrants who have previously moved may settle in better to a new location but it is only significant at the 10% level. Post-migration, those migrants with social circles and networks consisting predominantly of those from the same origin

country or other countries are less likely to be integrated into the host countries. We use the frequency of trips to the origin country as a proxy for migrants' attachments to the home culture and society, which are mostly for reasons related to: transnational care (including healthcare, childcare and care for older relatives); preservation of home culture; and maintenance of family ties. We do not find evidence that a greater attachment (more frequent trips per year) reduces the probability of a successful integration outcome in the host country.

# Non-linear labour market integration

Despite labour migration being one of the main reasons why Eastern European migrants move to the UK and Portugal, their experiences in the host labour markets can be varied and the expected career progression ("upward trajectory") may fail to occur, resulting in labour market segmentation and social exclusion. In this section the factors that help or hinder migrants' employment and pay outcomes are identified.

With respect to the probability of being in employment, personal characteristics are not important in explaining this post-migration outcome. This includes the education level of Eastern European migrants, which appears to have little impact on their probability of being employed. As predicted by theory, the length of time in the host country increases a

migrant's probability of being employed (Luthra et al., 2014), while migrants to Scotland have a higher probability of being in employment relative to those who migrated to Portugal.

In line with other studies (Ruhs and Anderson, 2006; Wall et al., 2005), migrant men are more likely to be employed in higher paying occupations compared with women. Neither the length of time in the host country, nor the destination country indicator, impacts on the pay status of a migrant's job. Several human capital and labour market variables are important in influencing post-migration pay attainment. Having no/below secondary qualifications has a significantly negative effect on the probability of having a higher paying job. Similarly, having a high level of proficiency in the host country language is associated with a far higher probability of having a well-paying job. Finally, how closely the job matches the migrant worker's skills and qualifications is also very important for the chances of being in a high-paying job. These chances are increased considerably if these are closely related rather than somewhat or not related.

Evolving integration and labour market engagement: joint approach

The recognition that economic exclusion, fostered by labour market segregation, overlaps with wider social exclusion (Datta et al., 2007) motivates a more sophisticated approach where we test the proposition that

labour market integration and broader social integration are related processes. Table 3 presents the bivariate probit results. To verify the appropriateness of the bivariate probit methodology the null hypothesis that the correlation parameter ( $\rho$ ) is equal to zero would need to be rejected. However, for both models the Wald test of rho = 0 is not statistically significant. Thus, the error terms in the two equations do not covary and the two probabilities are not interrelated in our sample. This suggests that migrants' labour market integration and wider social integration are not jointly determined in our sample, but separate processes.

#### TABLE 3 Here

The results for the employment outcome are shown in Column 1. For the most part they are similar to the findings from the univariate probit models. Neither personal characteristics nor human capital variables are significantly associated with migrants' employment probabilities. Only one personal characteristic is statistically significant: the negative impact of having dependent children on the probability of employment. The length of time migrants have been in the host community positively affects their probability of being employed.

Column 3 reports the bivariate probit results for having a highly paid job. Similar to the univariate probit analysis, men have a higher probability of being employed in a high paying job. Proficiency in the host language significantly and positively affects migrants' chances of having a highly paid job. This is also true for migrants whose qualifications and skills are closely related to their job i.e. a lower degree of mismatch, although the magnitude of this effect is slightly weaker in comparison to that in the univariate probit.

For the determinants of integration (Columns 2 and 4), personal and household characteristics are mostly unimportant, although men are less likely to be integrated into host communities relative to women at the 10% level. The length of time spent in the host community post-migration positively influences the integration outcome in the bivariate probit for having a highly paid job: the longer the time migrants have to engage in community life, negotiate local involvements, acquire information on local housing and labour markets, the greater the likelihood of migrants integrating into their new social landscapes (Shubin and Dickey, 2013).

Network and ethnic identity variables are again important in determining migrants' integration outcomes, especially for the results in column 4. Previous migration spells outside the home country, and migrants having few natives amongst their social networks decreases migrants' experiences of

integration. Using the frequency of trips to the origin country as a proxy for migrants' attachments to the home culture and society, we find that a greater attachment (more frequent trips per year) reduces the probability of a successful integration outcome in the host country. Being proficient in the host language significantly improves the probability of being integrated postmigration.

#### TABLE 4 Here

The results presented in Table 4 relate to binary probit models that augment the basic specifications reported in Table 2 with a full set of interaction terms. Many of the interaction terms in the three models are not significantly different from zero, indicating that the influences on labour market and social integration are relatively similar in the two host communities. However, there are some significant interaction terms, especially in the integration model in relation to the previous migration and friendship variables. For example, the effects on integration of previous migration experience and having more than half of their friends with the same nationality are significantly lower for migrants living in Scotland. In contrast, the (positive) influence of having a degree level qualification is significantly higher for migrants living in Scotland. In the employment model, the non-linear effects of age on employment are more pronounced in Portugal. This is due to the relatively

low rates of employment amongst younger migrants in Portugal, with the 2007-2008 financial crisis hitting this country and its younger people particularly hard (Martins, 2012). There is also a significant interaction effect between the host community and language proficiency in the highly paid equation. However, this may be explained by the very small number of migrants with poorer language skills in the Portuguese sample who have a highly paid job.

### TABLE 5 Here

Table 5 reports the estimates from bivariate probit models in which interaction terms have been included. These models only include the significant interaction effects that were identified in Table 4. In common with the previous discussion where results from binary and bivariate models were compared, the main findings that have been highlighted in the binary models are again generally preserved in the bivariate models. These include the greater influence of age on employment amongst migrants living in Portugal and the lower impact of having a previous experience of migration on integration in Scotland.

# **Discussion**

This article addresses the key determinants of labour market performance and integration in two E.U. countries. Special attention is focused on key themes emerging from recent studies on migration and integration. In particular, the following findings emerge from our empirical analysis. Firstly, postmigration social and informational networks influence migrants' wider social integration processes. Migrants with social circles and contacts predominantly from within their own nationality have lower probabilities of being integrated, suggesting that stronger ethnic attachments to the home nationality hinder integration into host societies. Migrants' decision making about participation in host communities in Portugal and Scotland is linked to existing connections with migrant communities (Peixoto, 2010; Shubin and Dickey, 2013). The lack of engagement between migrants and locals in the host community, which may be a consequence of migrant networks and ethnic clustering, has a detrimental effect on integration. The negative coefficient for frequency of trips to the home country supports previous evidence that strong attachments to the origin culture have a negative impact on the probability of integration into the host community. Migrants' ability to engage with the host country language positively affects their integration through the amounts of social, cultural and economic benefits they can realise (Shubin and Dickey, 2013). Host language proficiency improves migrants' abilities to integrate into host country's social institutions, engage in the labour market,

and negotiate social relations and cultural meanings, values and practices (Hellerman, 2006; Sumption, 2009).

The relationship between human capital and labour market outcomes is found to be more complex for Eastern European migrants. The expectation that those with higher skills are more likely to find employment does not necessarily hold and is consistent with other findings on the economic outcomes among Eastern European migrant workers in Western Europe (Clark and Drinkwater, 2008). The finding that education does not impact upon migrants' employment probabilities reflects the lack of recognition for immigrants' formal qualifications in host countries, and employers' preferences for low-skilled, low-wage workers (Carneiro et al., 2012; Shubin and Dickey, 2013), or the hollowing out of middle level jobs in European labour markets (Goos et al., 2009). The overqualification of many Eastern European migrants and the downward occupational mobility that they experience after migrating to the UK (Ruhs and Anderson, 2010) and Portugal (OECD, 2008) is a common problem in many Western European labour markets (Luthra et al., 2014).

This downward occupational mobility is also supported by our finding that the length of time spent in the host labour market does not have a significant effect on migrants' progression in the labour market. This contradicts both the predictions of Chiswick's model of occupational mobility and empirical findings in assimilation studies. We surmise that these findings may reflect the greater variation in migration motives amongst recent Eastern European migrants to Western Europe. Recent migration has challenged the traditional models of economic migration, with the 'new' migration system being qualitatively different (Luthra et al., 2014). The growth in temporary and circular migration has increased the number of migrants who perceive their stay as temporary and who are reluctant to invest in host country specific human capital or engage in long searches for higher status jobs. For these NMS migrants in the UK and Portugal, with a short-term focus, employment of any kind is highly salient (Martins, 2012), and their primary motivation for migrating is immediate earnings and not plans for future career progression.

### **Conclusions**

The integration of migrants is an increasingly important issue facing host countries, both from the perspective of the labour market and society more widely. This article has explored the factors that influence both labour market integration and wider social integration into two regions in Portugal and Scotland. We have purposively adopted a multi-dimensional perspective to reflect the complexity of migration decisions and their impact on migrants' labour market and integration outcomes. Our interdisciplinary and methodological approach has enabled us to investigate integration processes

within separate and joint modelling frameworks, as well as exploring whether there are differential processes across the two countries. In general, we find that the main influences on labour market performance and integration are relatively similar in the two host communities although there are some statistically significant differences.

This article highlights the different role of human capital in integration outcomes. Eastern European migrants' levels of human capital (formal educational qualifications) do not affect their probability of getting a job, but positively influence their probability of getting a highly paid job. However, given that many migrants experience relatively low wages and poor working conditions, and suffer from occupational downshifting that limits opportunities for career progression, we show that it is important to investigate other aspects of migrants' post-migration labour market experiences as well as their employment outcomes. The article therefore challenges narrow definitions of labour market success or failure strictly linked to paid employment and highlights a more multifaceted nature of labour market integration.

Our findings also question the existing assumptions about teleological motivations of recent A8 migrants and directionality of their labour market integration in the host countries. On the one hand, the circular nature of

migration often imposes pressure on migrants to maintain attachment to their home country, which is found to have negative effect on integration. These results accord with Luthra et al.'s (2014) conclusions that labour market integration is not the only important element of circular migration. Combining our findings with those from Shubin and Dickey (2013) that many of the migrants in the study did not consider career progression or finding a good job match as the key aim of their move abroad, this points towards the certain lack of directionality and goal-oriented progression in the process of labour integration of such mobile groups.

On the other hand, our findings suggest that migration from NMS is often purposive, but not necessarily goal-directed. For many migrants in this study, the importance of being a part of an ethnic network and sharing cultural opportunities with their compatriots outweighed the importance of being integrated into host communities and labour markets, which are often presented as the end-goals of the successful integration process. This speaks to Shubin's (2015) and Galasinska's (2010) observations that successful transition into new countries for Eastern European migrants is not simply measured in quantitative variables linked to material targets. While trying to achieve certain standards of prosperity, integration is often seen by NMS migrants as an ongoing process of escaping from passivity associated with post-socialist regimes, maintaining family links and cultural identity, which

is not exhausted by any definable set of goals. In this respect, our article contributes to debates that call for labour market integration not to be expressed solely in means-ends terms (Favell, 2008).

Our study further demonstrates the contingent and complex nature of labour market integration of A8 migrants, which is related to two elements with different development vectors. Many migrants appear to prioritize and put more energy in addressing one element of labour market integration, the fact of having a job, in comparison to the second component, career progression. This finding speaks to the existing literature reflecting the urgency of NMS migrants to accumulate financial resources and their pressing need to secure jobs after migration abroad, often in response to looming financial obligations in their home countries (Parutis, 2011). Furthermore, contingent integration was not only linked to different speeds of securing jobs and achieving an adequate job match, but also to the transient character of Eastern European migrants' employment and particularly their first occupations abroad (Bachan and Sheehan, 2011). Our findings show that migrants' focus on immediate earnings and employment in Portugal and Scotland can lead to their acceptance of challenging working arrangements, which can often be changeable.

Finally, integration is influenced by the changing nature of migration and migrant plans, particularly related to their length of stay abroad. Our results indicate that the length of time spent in the host community positively influences the employment and integration outcomes, but does not impact on the probability of having a highly paid job. In many respects, this contingent integration relates to the normalization of migrant time into "permanent temporariness" (Bailey et al., 2002), when even those migrants intending to stay abroad for a long time demonstrate short-term mentality and accept transience as a taken-for-granted characteristic of their lives (Shubin, 2015). Migrant plans also develop, their orientations change with time to become more permanent (Luthra et al., 2014), thus affecting their complex labour market integration.

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**Table 1.** Descriptive statistics for migrants by host country

Variable:	Total	Scotland	Portugal	t-test
	(%)	(%)	(%)	
In paid employment	84.3	88.7	74.6	***
Highly paid job	16.1	13.9	22.9	*
Integrated into host community	44.5	33.3	67.7	***
Gender (Male = 1)	45.5	49.1	38.1	*
Age (years)	36	36	36	
Marital status (Married = 1, Other = 0)	58.6	56.3	63.3	
No. of dependent children (<16 years)	0.70	0.65	0.82	
Length of time in host country (months)	45.6	32.4	72.8	***
Up to secondary level education (including no qualifications)	40.0	47.9	23.8	***
Vocational/apprenticeship/diploma	34.5	36.8	29.7	
University degree	25.5	15.3	46.5	***
Host language (Proficient = 1, Other = 0)	42.3	30.6	63.8	***
Job not related to skills/qualifications	42.9	43.9	40.5	
Job somewhat related to skills/qualifications	32.6	35.4	26.2	
Job closely related to skills/ qualifications	24.5	20.7	33.3	**
Previous migration experience	27.4	23.8	34.6	**
> 50% of friends are same nationality	63.8	73.2	43.9	***
> 50% of friends are international	75.8	89.0	47.4	***
Frequency of trips to origin country (per year )	1.14	1.17	1.10	
Number of observations	319	214	105	
Proportion of sample	100%	67.1%	32.9%	

Note: Potential differences between the two sub groups are highlighted by the t-tests for differences in means:  $Pr(\mu^S - \mu^P = 0)$ . Asterisks indicate level of significance: \*\*\* <0.01, \*\* p<0.05, \* p<0.1.

**Table 2.** Probit Models for labour market and integration outcomes

	Probability of being:			
	Employed	Highly	Integrated	
		paid		
Gender (Male = $1$ , Female = $0$ )	0.097	0.636**	-0.325*	
Age	-0.008	0.152	-0.017	
Age squared	0.000	-0.002	0.000	
Marital status (Single = 1, Other =0)	-0.015	0.150	-0.157	
Number of dependent children (<16	-0.192	-0.155	0.038	
years)				
Length of time in host country	0.007*	0.002	0.006	
No/Secondary qualifications	-0.403	-0.859**	0.011	
Vocational/apprenticeship/diploma	-0.165	-0.050	0.082	
Host community (Scotland = 1,	1.130***	0.056	0.280	
Portugal = 0)				
Host language (Proficient = 1, Other	0.183	0.893***	1.305***	
=0)				
Job is not related to		-1.120***		
skills/qualifications				
Job is somewhat related to		-0.855***		
skills/qualifications				
Previous migration experience			-0.386*	
> 50% of friends are same nationality			-0.477**	
> 50% of friends are international			-0.668**	
Frequency of trips to origin country			-0.097	
Constant	0.407	-3.909*	0.064	
N	259	206	230	
Pseudo R <sup>2</sup>	0.098	0.326	0.296	

Notes: Asterisks indicate level of statistical significance using two-tailed tests: \*\*\* <0.01, \*\* p<0.05, \* p<0.1.
Omitted categories: Degree level qualification and Job is closely related to skills

and qualifications.

**Table 3.** Bivariate probit models for labour market and integration outcomes

	Probability of being:			
	Employed	Integrated	Highly	Integrated
			paid	
Gender	0.237	-0.324*	0.643**	-0.429*
Age	0.039	-0.019	0.161	-0.022
Age squared	-0.001	0.000	-0.002	0.000
Marital status (Single = 1, Other =0)	0.073	-0.157	0.123	-0.008
Number of dependent children (<16 years)	-0.281*	0.036	-0.172	0.079
Length of time in host country	0.012**	0.006	0.001	0.014**
No/Secondary qualifications	-0.351	0.015	-0.784**	0.049
Vocational/apprenticeship/diploma	-0.348	0.089	-0.008	0.055
Host community (Scotland = 1, Portugal = 0)	1.143***	0.288	0.108	0.650
Host language (Proficient = $1$ , Other = $0$ )	-0.028	1.307***	0.925***	1.400***
Job is not related to skills and qualifications			-0.967***	
Job is somewhat related to skills and			-0.887***	
qualifications				
Previous migration experience		-0.381		-0.508*
> 50% of friends are same nationality		-0.476**		-0.568**
> 50% of friends are international		-0.685**		-0.914**
Frequency of trips to origin country		-0.096		-0.194*
Constant	-0.345	0.088	-4.129*	-0.065
N	230		187	
Rho	-0.106		0.124	
Wald test of $\rho = 0$	$\chi^2 = 0.447$		$\chi^2 = 0.461$	
	(p  value = 0.504)		(p  value = 0.497)	

Notes: Asterisks indicate level of statistical significance using two-tailed tests: \*\*\* <0.01, \*\* p<0.05, \* p<0.1.

Omitted categories: Degree level qualification and Job is closely related to skills and qualifications.

**Table 4.** Probit Models for labour market and integration outcomes with interaction terms

	Probability of being:			
	Employed	Highly paid	Integrated	
Gender (Male = $1$ , Female = $0$ )	-0.265	-0.020	-1.726***	
Age	0.380**	0.025	-0.322	
Age squared	-0.005**	0.001	0.005	
Marital status (Single = 1, Other =0)	0.185	-0.073	-1.160	
Number of dependent children (<16 years)	0.327	0.059	-0.422*	
Length of time in host country	-0.000	-0.009	0.009	
No/Secondary qualifications	0.079	-0.887	1.518*	
Vocational/apprenticeship/diploma	0.084	0.048	1.504***	
Host community (Scotland = 1, Portugal = $0$ )	11.929***	1.920	-2.724	
Host language (Proficient = $1$ , Other = $0$ )	0.650	5.643***	1.526***	
Job is not related to skills/qualifications		-0.789		
Job is somewhat related to skills/qualifications		-0.113		
Previous migration experience			1.025**	
> 50% of friends are same nationality			0.826*	
> 50% of friends are international			-1.803***	
Frequency of trips to origin country			-0.083	
Gender*host community	0.754	1.049	1.467**	
Age*host community	-0.645***	0.127	0.261	
Age squared*host country	0.009***	-0.002	-0.005	
Marital status*host community	0.170	0.266	1.154	
No. of dependent children*host community	-0.590*	-0.244	0.536*	
Length of time in host country*host community	0.004	0.023	0.002	
No/Secondary qualifications*host community	-0.218	0.394	-1.759**	
Vocational/apprenticeship/diploma*host community	-0.102	-0.090	-1.636**	
Host language*host community	-0.600	-4.823***	-0.207	
Job is not related to skills/qualifications*host community		-0.728		
Job is somewhat related to skills/qualifications*host community		-1.351*		
Previous migration experience*host community			-1.677***	
> 50% of friends are same nationality*host community			-1.481***	
> 50% of friends are international*host community			1.364**	
Frequency of trips to origin country*host community			-0.044	
Constant	-6.064*	-6.194	3.866	
N	259	206	230	
Pseudo R <sup>2</sup>	0.213	0.405	0.347	

Notes: Asterisks indicate level of statistical significance using two-tailed tests: \*\*\* <0.01, \*\* p<0.05, \* p<0.1.

Omitted categories: Degree level qualification and Job is closely related to skills and qualifications.

**Table 5.** Bivariate probit models for labour market and integration outcomes with interaction terms

-	Probability of being:			
	Employed	Integrated	Highly paid	Integrated
Gender	0.319	-1.073**	-0.322	-0.464
Age	0.675***	-0.029	0.194	-0.036
Age squared	-0.009***	0.001	-0.002	0.001
Marital status (Single = 1, Other =0)	0.415	-0.179	0.111	0.156
Number of dependent children (<16 years)	-0.243*	-0.117	-0.241	.011
Length of time in host country	0.007	0.009*	0.006	0.035***
No/Secondary qualifications	0.004	1.046*	-1.220*	-2.119**
Vocational/apprenticeship/diploma	-0.041	1.168**	0.050	-0.044
Host community (Scotland = 1, Portugal = 0)	16.167***	0.964	0.297	1.494*
Host language (Proficient = 1, Other = $0$ )	0.060	1.323***	1.059***	1.404***
Job is not related to skills and qualifications			-0.348	
Job is somewhat related to skills and qualifications			-0.102	
Previous migration experience		0.739		0.659
> 50% of friends are same nationality		0.380		-0.793
> 50% of friends are international		-1.375***		-2.662***
Frequency of trips to origin country		-0.110		-0.161**
Gender*host community		0.813	1.392**	-0.089
Age*host country	-0.894***			
Age squared*host community	0.012***			
Marital status*host community				
No. of dependent children*host community		0.197		
Length of time in host country*host community				-0.020*
No/Secondary qualifications*host community		-1.270**	0.780	2.102**
Vocational/apprenticeship/diploma*host community		-1.327**		
Job is not related to skills/qualifications*host community			-0.100	-0.841**
Job is somewhat related to skills/qualifications*host community			-1.323*	-0.342
Previous migration experience*host community		-1.399**		-1.373***
> 50% of friends are same nationality*host community		-1.037**		0.222
> 50% of friends are same nationalty host community > 50% of friends are international*host community		0.907		2.060**
Constant	-11.355***	-0.391	-5.269**	-0.363
N			-5.269*** -0.363 187	
N Rho	230			
	-0.149		$0.136$ $\gamma^2 = 0.424$	
Wald test of $\rho = 0$	$\chi^2 = 0.786$ (p value = 0.375)		$\chi = 0.424$ (p value = 0.515)	
	(p value = 0.373)		(P raid	3.313)

Notes: Asterisks indicate level of statistical significance using two-tailed tests: \*\*\* <0.01, \*\* p<0.05, \* p<0.1.

Omitted categories: Degree level qualification and Job is closely related to skills and qualifications.

<sup>&</sup>lt;sup>1</sup> The Migration Integration Policy Index measures policies to integrate migrants into 38 countries (including EU member states and other developed countries). It identifies and measures integration outcomes and integration policies, and creates a multi-dimensional

picture of migrants' opportunities to participate in society.

ii It is unclear how this may change in the future given the UK referendum on the EU. This is likely to depend on the outcomes of negotiations for the UK exit from the UK, which may not be known for some time.

iii The £300 per week threshold equates to the 85th percentile in the sample.

<sup>&</sup>lt;sup>iv</sup> The language proficiency interaction term has been excluded from the highly paid model because of the very small number of migrants with poorer language skills in the Portuguese sample who are in the high pay category.