The Labour Market Position of Turkish Immigrants in Germany and the Netherlands: Reason for Migration, Naturalisation and Language Proficiency

Rob Euwals
CPB, The Hague, IZA, Bonn and Netspar, Tilburg

Jaco Dagevos, Mérove Gijsberts
SCP, The Hague

Hans Roodenburg
CPB, The Hague

November 2007

Abstract
On the basis of the German Socio-Economic Panel 2002 and the Dutch Social Position and Use of Provision Survey 2002, we investigate the importance of characteristics related to immigration for the labour market position of Turkish immigrants. We use regression techniques to correct for composition effects in employment rates, tenured job rates and job prestige scores (ISEI). First, we find that educational attainment and language proficiency have a higher return in the Netherlands than in Germany. Second, we find that second generation immigrants have improved their labour market position relative to the first generation of labour migrants and their partners. The improvement is largely due to an improvement in educational attainment and language proficiency. Third, for the Netherlands we find a positive relation between naturalisation and labour market position, while for Germany we find a negative relation with tenured employment. The contrasting results on tenured employment may be explained partly by differences in immigration rules. In Germany economic self-reliance is more important than in the Netherlands, and this may lead to a stronger incentive to naturalise for workers with a temporary contract.

Keywords: Immigration, Labour Market, Naturalisation, Language Proficiency
JEL Classifications: : C25, F22, J15, J61
Contact: r.w.euwals@cpb.nl

1 The authors thank Pieter Bevelander, Amelia Constant, Sjef Ederveen, Han Entzinger, Joachim Frick, John Haisken-DeNew, Holger Hinte, Michael Fertig, Pierre Koning, Peter Kooiman, Ruud Koopmans, Aslan Zorlu and participants at the SOEP User Conference 2006 and seminars at CPB, IZA and RWI Essen for comments and suggestions. The provision of data by DIW Berlin and Statistics Netherlands is acknowledged. The paper is the result of a joint CPB-SCP research project which led to the Dutch publication Dagevos et al. (2006).