Is there a preference for Latin-Americans in the Spanish labour market? An analysis on labour integration by origin

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In the recent and intense growth of immigration into Spain, the Latin-American population has played an essential role. In 2008, they represented one of each three foreigners residing in a country that, in less than ten years, has gone from being among the European countries with less foreign population, to be placed among the top ones, with 11.3% of foreign residents. In 1998 there was only 637,085 foreign residents registered in the country, representing 1.6% of the total population, including 117,869 Latin-Americans, 18.5% of the foreign population. During the past ten years, foreign residents have increased their number by eight and Latin-Americans by fifteen.

In fact, Latin-Americans are the main drivers of this growth, to the extent that some writers have referred to their participation as a "Latin-Americanization" of the foreign immigration flows, or even as a preference compared to other origins. In this way, 1,735,025 Latin-Americans were registered at the beginning of 2008 in Spain, and all foreigners exceed five million people. Still compared to other immigrants, Latin-American population in Spain present particular characteristics: 1) a higher presence of women in comparison to men, which is particularly evident during the first years of migration 2) the increased participation at the services sector, and 3) the very high concentration in urban areas.

Considering this context, the objective of this paper is to explore the main characteristics of the Latin-American workers in comparison to the rest of immigrant and native workers for the period between 1999 and 2009. We will focus on overqualified employees and on the industrial and occupational segregation within the segmented Spanish labour market. Specifically, our objectives are: 1) to analyze the evolution of employed and of unemployed immigrants by sex and country of birth; 2) to analyze immigrants' levels of labour segregation in order to identify concentration differences at the sectors of activity and occupations; 3) to analyze the evolution of the

labour insertion of overqualified immigrants at different the occupations' groups; 4) to analyze the factors that influence the percentage of over-qualified workers according to sex and region of birth.

For this purpose, we use data from the Spanish Labour Force Survey for the 1999-2009 (second quarters) period. This survey interviews approximately 200.000 persons in 65.000 households and is representative of working age population in Spain. The survey contains a great variety of variables at individual level about socio-demographic and labour characteristics of population, as sex, age, employment status, employment characteristics of main job, labour status, previous work experience, search for employment, etc. that makes its analysis the best option for the purpose of this paper. An additional advantage for this research was the modification, in order to overcome any kind of under-representation of foreign population, of the Spanish LFS in 2005. The new sampling frame is, since then, based in the 2001 Census and successive population revisions in order to adapt it to the new demographic and labour context, in special due to the rapid and recent grown of foreigners residing in Spain.

We introduce the analyses with an overall description of the extraordinary increase, from 1999 to 2009, of Latin-American foreign-born population within the Spanish labour force. We aim at stressing that during this recent and short period of time, this population became the largest immigrant collective in Spain. This evolution justifies the need for a depth study of the labour characteristics of this collective in comparison to other immigrants. Firstly, using descriptive and multivariable regression models as methods of analysis we aim at analyzing the amount of overqualified employees regarding the country of birth and other socio-demographic characteristics of immigrant population. We focus in the analysis of those workers with university educational level who are employed in unskilled labour positions within the logic of the segmentation of labour market by origin. We concretely focus our attention on the relative percentages of overqualified Latin-Americans contrasting other collectives of immigrant as well as native workers.

The second analytical purpose is the construction and analysis of the main indicators developed by Duncan and Duncan in 1955 applied to labour segregation of foreigners. We use the indexes of dissimilarity and segregation. These indicators are very similar, nonetheless, in the first case it compares the distribution of a group in comparison to the total population and in the second case it compares the distribution of

one particular group in comparison to another group. Although there was an intense methodological development around the quantification of industrial and occupational segregation, we have used the classical indicators. We have not considered the use of more complex indicators due to limitations of the database.

- Segregation index:

$$IS = \frac{1}{2} \sum_{i=1}^{n} \left| \frac{x_i}{X} - \frac{t_i - x_i}{T - X} \right|$$

Where x_i is the population of the group X at the occupation i; X is the total population of the group X at all occupations; t_i, is the total population in one specific occupation i; T is the total population in all occupations; n is the number of occupation categories. The value 100 indicates that the two groups do not coincide in the same occupation. In this case, the segregation is the highest. In turn, the value 0 indicates de absence of segregation.

- Index of dissimilarity:

$$ID = \frac{1}{2} \sum_{i=1}^{n} \left| \frac{x_i}{X} - \frac{y_i}{Y} \right|$$

Where x_i is the population of the group X at the occupation i; X is the total population of the group X at all occupations; y_i is the population of group Y at a specific occupation; Y is the population of the group Y at all occupations; and n is the number of occupation categories.

At least, we expect to identify lower indexes of labour segregation and a lower impact of the economic crisis on the occupational options of Latin-Americans in comparison to non-European population. We also expect a significant impact of the higher presence of women among Latin-American immigrants, which is particularly decisive within this collective in order to explain the existing differentials of labour integration by sex, more than in the rest of collectives.