

# Training & Employment

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## The early careers of the second generations: a double ethnic penalty?

Young people from North African origin have greater difficulty in finding employment than their counterparts of French origin. And once they do manage to find employment, their jobs tend to be of lower quality. Thus they appear to suffer from a double penalty linked to their origins which, aggravated by the crisis, does not seem to abate over time.

ethnic penalty  
2004 cohort  
education-to-work  
transition  
immigration  
job quality  
second generation

Young people from immigrant backgrounds were particularly affected by the 2008 crisis. However, they do not constitute a homogeneous group and the success of their education-to-work transition varies considerably depending on their ethnic origins. A number of studies (cf. Further Reading) have shown that young people from North African origin experience greater difficulties in finding jobs than their counterparts of French origins. This is explained to a large extent by their lower levels of educational qualification, combined with their modest socio-economic backgrounds and the residential and educational segregation they experience. Nevertheless, these difficulties remain even with comparable levels of education and other characteristics. Thus this disadvantage in accessing employment is attributed to discrimination in recruitment.

On the other hand, the quality of the jobs they hold has been less widely researched in France. Some research has been done on their wage, which is one of the dimensions of job quality. However, European studies have demonstrated the value of approaching the question from a multidimensional point of view. Using data from the *Génération 2004* survey, which followed the young people over a period of seven years after they left initial education (cf. box, page 4), it is possible to measure job quality, both objectively – through job characteristics – and subjectively, through measures of job satisfaction and percep-

tions of discrimination. In order to obtain an overall picture of these characteristics, a typology of job quality was developed. The objective was to disentangle the effects of ethnic origins from the other factors at work (level of education, socio-demographic characteristics, etc.). The young people were divided up by geographical origin, with only the two largest groups in terms of sample size being retained, namely descendants of immigrants from Southern Europe and those from North Africa. They were then compared with young people of French origin.

The results show that, once in employment, young people from North African immigrant backgrounds tend to be working in jobs of lower quality than those held by their counterparts of French origin. This disadvantage persists after seven years in the labour market, with a statistically significant effect attributable to ethnic origins. As with access to employment, young people from Southern European immigrant backgrounds do not suffer from the same disadvantage.

### The school-to-work transition for second generations

Young people of North African origin have lower average levels of initial education. A greater share of them leave the education system without any qualifications compared with their counterparts of French extraction or from Southern

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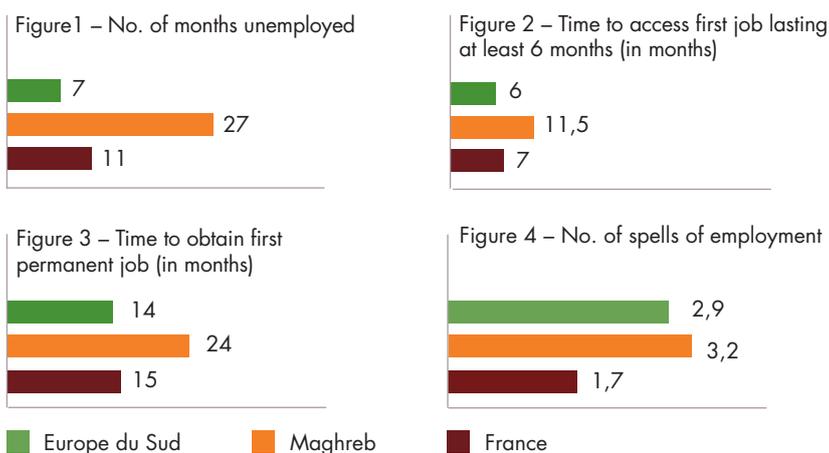
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*Génération 2004* survey

## Figure 1 • The employment trajectories of labour market entrants from the 2004 cohort by ethnic origin

(averages over the first seven years of the working life)



Source: Céreq, Génération 2004 survey, 2011 wave.

For more detailed results see:

‘Quelle qualité de l’emploi pour les descendants d’immigrés en début de carrière?’, Y. Brinbaum, S. Issehnane, in : *Alternance et professionnalisation: des atouts pour les parcours des jeunes et les carrières?*, Journées d’études sur les données longitudinales dans l’analyse du marché du travail, Lille, Relief n°50, Céreq, 2015.

A. F. Heath, and S. Y. Cheung. (Eds.): *Unequal Chances: Ethnic Minorities in Western Labour Markets*, Oxford: British Academy/Oxford University Press, 2007. 715 pp.

Brinbaum Y., Guégnard C., 2013, « Choices and Enrollments in French Secondary and Higher Education: Repercussions for Second-Generation Immigrants », *Formation Emploi*, vol. 57 n°3.

European immigrant backgrounds. However, these inequalities in levels of educational qualifications are explained largely by their socio-economic origins and spatial segregation: 40% of young of North African origin are the children of working-class parents compared with 12% of those of French origins and 23% live in so-called ‘sensitive urban areas’ on leaving education compared with 4% of young people of French origins. The failure to access of the desired educational tracks that is a common experience for young people from North African origin, particularly boys, also leads to educational failure. These young people are particularly underrepresented on apprenticeship-based programmes, in contrast to young people from Southern European backgrounds. These unfavourable initial characteristics adversely affect their access to employment.

On average, young people of North African origin are unemployed for almost 27 months during the first seven years of their working lives, compared with less than 11 months for those of French origin (cf. Figure 1). Furthermore, they go through more spells of employment (and unemployment), which is an indication of their unstable employment trajectories. Young people from Southern European backgrounds have better trajectories in the early stages of their working lives, with more months spent in employment.

Similarly, significant differences depending on ethnic background can be observed in the time taken to find the first job. Young people of North African origin have to wait more than 11 months on average before obtaining their first job lasting at least six months, compared with seven months for those of French origin and six months for those from Southern European backgrounds. The differences increase further when it comes to access to a permanent job. Young descendants of North

African immigrants have to wait 24 months on average, compared with 15 months for their counterparts of French origin and 14 months for those from Southern European backgrounds (cf. Figure 3). These inequalities are explained mainly by differences in initial education, social origin and spatial segregation. Nevertheless, these factors do not fully explain these differences in access to employment, and even more so to permanent employment, which confirms the existence of discrimination in recruitment against this population.

### Lower-quality jobs for young people from North African origin

The disparities in access to employment can also be observed in the job characteristics (cf. Table 1). Three years into their working lives, young people of North African origin are employed in more precarious jobs than their counterparts of French origin. In particular, they are overrepresented in temporary agency work and underrepresented among state employees, who enjoy job security in France. The continuing dominance of competitive examinations as the main recruitment mechanism for these secure jobs in the fonction publique makes it impossible to eliminate all the obstacles to their recruitment. The majority of young people of Southern European origin are in permanent positions, but very few of them obtain jobs in the fonction publique. Regardless of origin, the children of immigrants are more likely to be employed in part-time jobs, although many would like to work longer hours.

As far as wage is concerned, young people of North African backgrounds are paid less than those of French origin, with greater differences at either end of the wage scales. Thus 32% of the former population are paid less per month than the national minimum wage, which is linked to the considerable share of part-time employment in that group, while only 15% are paid above the median wage (compared with 23% for young people of French origin). These young people are less well qualified and are also less likely to be promoted or to be given pay rises by their employers after recruitment. However, studies show that there is no wage gap between employees with comparable characteristics.

The employment conditions of young people of North African origins do improve with time spent in the labour market, even though they remain less favourable than those of other young people. While the share of temporary agency work, which was very high in 2007 (10%), had fallen significantly by 2011 (to 4%), a consequence mainly of the decline in such work following the crisis, 18% of them were still on temporary contracts. When it comes to the share of permanent jobs, there was

a difference of more than 10 percentage points between young people from North African backgrounds and those of French origin. It is true that they are more likely to be employed on subsidised contracts than other young people, which can be explained by the age limit for eligibility for these subsidised jobs.

## Typology of employment conditions

In order to analyse their employment conditions from a multidimensional perspective, a typology was constructed on the basis of the preceding characteristics (cf. box p. 4). Four categories of jobs of different quality were identified.

Category 1 comprises 'good quality' jobs, most of them permanent, full-time ones characterised by higher pay and more opportunities for pay increases and promotion. Category 2, the largest, comprises jobs of 'average quality', most of them permanent ones or full-time jobs in the *fonction publique*, but with lower pay and fewer opportunities for promotion. Category 3 comprises the 'precarious' jobs that are typically held by people in the early stages of their working lives; they are more likely to be temporary (fixed-term contracts,

temporary agency work, subsidised jobs), full-time and offering monthly pay close to the national minimum wage but without pay increases or promotion opportunities. This category will tend to decline in size the longer workers remain in the labour market. Category 4, finally, is characterised by under-employment and comprises poorly paid part-time jobs, many of them held by people who have involuntary part-time work.

Young people of North African origin are overrepresented in jobs of lower quality (categories 3 and 4), while those from Southern European backgrounds are more likely to be employed in 'average quality' jobs (category 2). Nevertheless, like the children of North African immigrants, they account for a higher share of the 'under-employed' (category 4 jobs) than their counterparts of French origin.

This lower job quality is also reflected in rates of job satisfaction. Thus 65% of young people of North African heritage felt fulfilled in their jobs in 2007, compared with 80% of those of French origin and 82% of those from Southern European backgrounds. They felt they had been relegated to a lower status and 10% more of them were seeking alternative employment. Consequently, they were more dissatisfied than young people of ●●●

**Table 1 • Characteristics and perceptions of jobs held in 2007 and 2011 by origin (%)**

		France		North Africa		Southern Europe	
		2007	2011	2007	2011	2007	2011
<i>Objective characteristics</i>							
Nature of employment contract	Temporary contracts (seasonal, stand-ins, etc.)	3	2	3	2	1	1
	Subsidised jobs	7	1	8	3	9	1
	Temporary agency work	4	3	10	4	2	2
	Fixed-term contract	19	10	23	18	15	5
	Open-ended (permanent) contract	58	71	52	67	67	83
	Government service ( <i>fonction publique</i> )	10	13	4	6	5	8
Pay scale	Less than monthly national minimum wage	23	8	32	14	21	5
	Between the national minimum wage and the median wage	54	58	53	59	64	55
	Higher than median wage (> 1668 euros)	23	34	16	27	15	31
Pay increase	No pay increase since recruitment	40	41	47	53	28	33
Promotion	No promotion since recruitment	85	80	88	88	79	69
Part-time work	Involuntary part-time job*	10	8	14	14	14	13
	Voluntary part-time job	5	3	6	4	6	2
	Full-time	85	88	81	82	80	85
Typology of employment conditions	Category 1 <i>good quality</i>	14	18	10	12	15	21
	Category 2 <i>average quality</i>	40	39	34	33	41	35
	Category 3 <i>precarious</i>	32	31	37	38	23	36
	Category 4 <i>under-employment</i>	15	12	19	18	20	15
<i>Perceptions of job</i>							
Fulfilment	Fulfilling themselves at work	80	86	65	79	82	84
Wish to remain in this job	Yes, for a long time	33	29	22	28	41	37
	Yes, for the time being	44	57	45	55	50	50
Job search	Not looking for another job	78	84	69	81	84	85
Overeducation	Feeling of being overeducated (skills)	31	26	37	33	29	29
	Feeling of being overeducated (pay)	31	27	39	30	33	33
Feeling of discrimination**	On recruitment	12		37,5		13	
	At work		3		9		3

Source: Céreq, Génération 2004 survey, 2011 wave. Field: young people in employment.

\*Part-time employment is regarded as involuntary when part-timers declare they would like to work full-time.

\*\*No data on feelings of discrimination on recruitment were gathered in 2011 and, conversely, no data on feelings of discrimination at work were gathered in 2007.

## Methodology and definitions

The analysis is based on the 2007 and 2011 waves of the *Génération 2004* survey. The field is all young people born in France who left initial education in 2004. The investigation of job quality takes into account only those young people in employment on each date (9,482 observations in 2007 and 9,839 in 2011).

**Defining origins:** The analysis focuses on the second generation defined as such if they are born in France and have two immigrant parents i.e. foreign-born parents born abroad. For reasons of sample size, the analysis focuses on young people born in France to parents from North Africa (Morocco, Algeria and Tunisia) and Southern Europe (mostly of Portuguese origin). The reference group consists of young people of French origins, i.e. with parents who are French by birth and were born in France. French people born abroad are excluded from the sample.

**Job quality:** This notion has been deployed mainly in European comparative studies, particularly by the major international institutions (ILO, European Commission, etc.). The definition varies depending on the dimensions considered. The indicators used here are based on the principal dimensions used in the international literature, including working conditions, pay, working time and work-life balance.

**The typology** was constructed on the basis of a multiple correspondence analysis (MCA) and an ascending hierarchical classification (HAC) of employment conditions (nature of employment contract, wage scale and wage increases, promotion, working time and share of underemployment).

**Statistical models** are used to estimate the probability of being in a particular job category and to measure what is attributable to origin effects and to the other factors at work. For the complete models, see Brinbaum and Issehnane (2015).

●●● French origin and the children of Southern European immigrants, even though the share of them expressing dissatisfaction falls over time. This dissatisfaction at work is directly linked to their employment conditions, as well as to the feeling that they have been relegated to a lower status and suffered discrimination at work. It remains to be seen whether the lower quality of the jobs typically held by young people of North African origin is directly linked to their individual characteristics, their socio-occupational position or to job segmentation, which would lead them to be overrepresented in sectors characterised by unfavourable employment conditions.

## A 'North African' penalty after seven years in the labour market

The results of statistical models (cf. methodology box) show that, three years into their working lives, the fact that young people of North African origins are typically employed in lower quality jobs is explained to a large extent by their lower educational level and their disadvantaged social origins. In other words, they tend to be employed in jobs of a quality similar to those held by young people of French and Southern European origins with the same socio-demographic characteristics and levels of education.

However, after seven years in the labour market, these same models reveal the existence of an 'ethnic penalty' that is becoming statistically significant. Young people of North African ori-

gins are at greater risk of being employed in a low quality job (precarious job or underemployment) even with comparable levels of education and social origins. Their level of education and socio-demographic characteristics are not sufficient to explain the totality of their disadvantage and other factors come into play. In particular, mobility within the labour market is less likely to work to their advantage and, in a segmented labour market, they tend to be concentrated in low-skill jobs. Having entered employment later, they were immediately faced with the effects of the crisis. This penalty may also be explained by discrimination at work, which 9% of them experienced in 2009.

Thus the disadvantage linked to being of North African origin, which is particularly strong in access to employment and is further intensified by discrimination in recruitment, also makes itself felt, albeit to a lesser degree, in the quality of the jobs held. This 'double ethnic penalty' is due mainly to the difficulties encountered upstream, to recurrent periods of unemployment and to discrimination. Nevertheless, the economic crisis has further intensified the disadvantage suffered by young people of North African heritage and confined them to segments of the labour market characterised by precarious employment. These results demonstrate the need for comprehensive public policies, particularly in the areas of education, the fight against spatial segregation and support for those entering the labour market. Finally, measures to combat discriminatory practices in both the public and private sectors could be expanded.

## Further reading

« Transition professionnelle et emploi des descendants d'immigrés en France », Y. Brinbaum, J.-L. Primon, *Revue européenne des sciences sociales*, n° 51-1, 2013.

Parcours de formation et d'insertion des jeunes issus de l'immigration au prisme de l'orientation, Y. Brinbaum, C. Guégnard, *Formation Emploi*, n°118, Céreq, 2012.

« L'emploi et les salaires des enfants d'immigrés », R. Aeberhardt, D. Fougère, J. Pouget et R. Rathelot, *Economie et statistique*, n° 433-434, 2010.

Jeunes issus de l'immigration. Une pénalité à l'embauche qui perdure..., R. Silberman, I. Fournier, *Bref*, Céreq, n°226, 2006.

*L'insertion des jeunes d'origine maghrébine en France. Des différences plus marquées dans l'accès à l'emploi qu'en matière salariale*, A. Dupray, S. Moullet, Net. doc n°6, Céreq, 2004

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