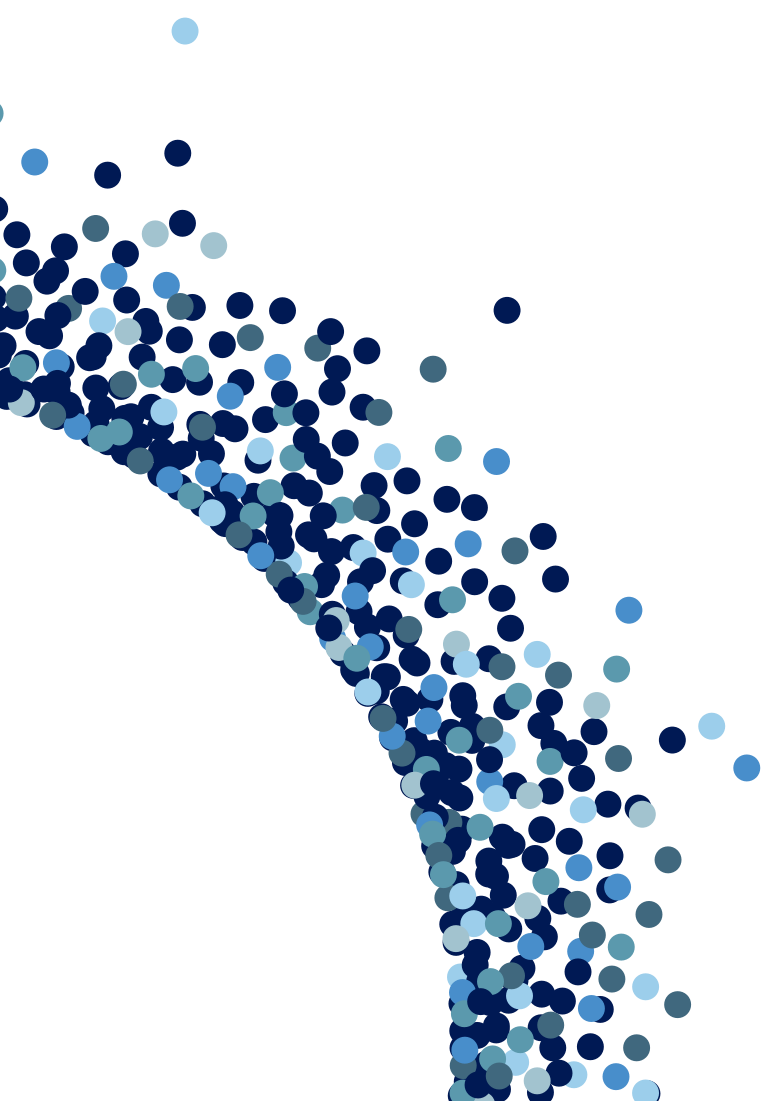




BRIEFING

Migrants in the Scottish Labour Market



AUTHOR: DR CARLOS VARGAS-SILVA
PUBLISHED: 18/09/2013



This briefing provides an overview of the key characteristics and labour market outcomes of migrants in the Scottish labour market.

Key points

An estimated 288,000 non-UK born people of working age lived in Scotland during 2012. This compares to an estimated 266,000 for the year 2009, representing an 8% increase in the four-year period.

Non-UK born people represent 8.4% and non-British nationals represent 6.3% of all people in employment in Scotland in 2012.

Of the non-UK born people working in Scotland, 86% are employees and 14% are self-employed.

For both females and males, the UK born earn a higher hourly wage than the non-UK born employees in Scotland.

UK born workers tend to concentrate less in professional occupations and elementary occupations relative to non-UK born workers in Scotland.

Understanding the evidence

Definitions have a significant impact on the analysis of the number and characteristics of migrant workers in Scotland. In most cases, this briefing defines the migrant population as the non-UK born population. Those born outside of Scotland but within the UK are not considered to be foreign-born. Wherever relevant and indicated, the briefing also provides data on non-British nationals residing in Scotland. There is significant overlap between those who belong to the non-UK born group and those who belong to the non-British national group, but many non-UK born individuals are British nationals and many UK born individuals are non-British nationals.

All data in this briefing are taken from the Labour Force Survey (LFS) using the fourth quarter of each year. Unlike other data sources, such as the decennial Scottish Census, the LFS provides annual data on the number and characteristics of workers in Scotland.

The LFS is a UK wide quarterly survey of 60,000 individuals. A share of those interviewed for the LFS reside in Scotland (about 8% each year), and a proportion of the Scotland residents interviewed are non-UK born (about 5% each year). The characteristics of all non-UK born workers living in Scotland are inferred from the responses of those non-UK born Scotland residents who are interviewed. This means that while the estimates presented in this briefing are the best possible estimates, these are still subject to substantial margins of error.

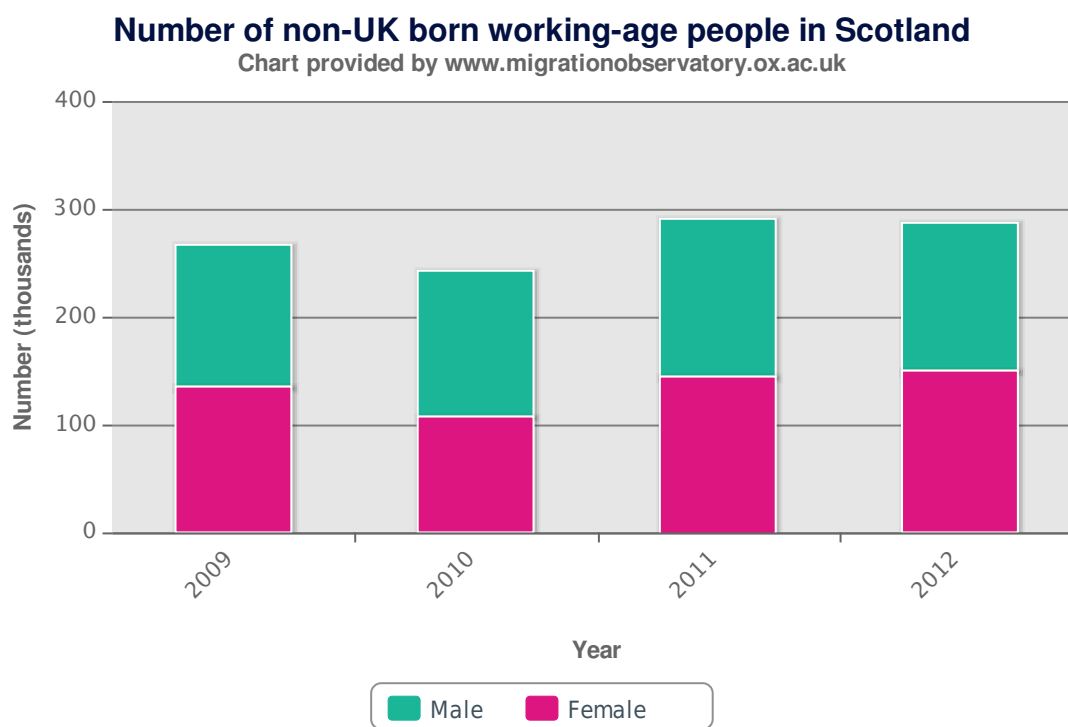
This briefing includes both men and women, working both part time and full time. The average real hourly wages are estimated for all those respondents of the LFS who are employees and those on a government scheme. The hourly wage refers to their main job. In order to filter out outliers the wage variable is limited to the £0 - £99 range as recommended by the ONS. The wages estimates are presented in real terms (i.e. inflation adjusted) using 2012 as the base year.

An estimated 288,000 non-UK born people of working age lived in Scotland during 2012

Figure 1 reports the number of non-UK born people of working age who live in Scotland. The estimate for 2012 was 288,000. The majority of those were female (53%) in 2012, but the gender balance has changed often in the past several years.

The estimate of 288,000 for 2012 compares to an estimate of 266,000 for the year 2009, representing an 8% increase in the number of non-UK born individuals of working age over this period.

Figure 1



Source: Labour Force Survey 2009–2012, Q4

Non-UK born people represent 8.4% and non-British nationals represent 6.3% of total employment in Scotland

Figure 2 shows the percentage of those in employment in Scotland who are migrants. The figure shows estimates for the share of non-UK born people and for non-British nationals. The estimate for 2012 was 8.4% for the non-UK born and 6.3% for non-British nationals.

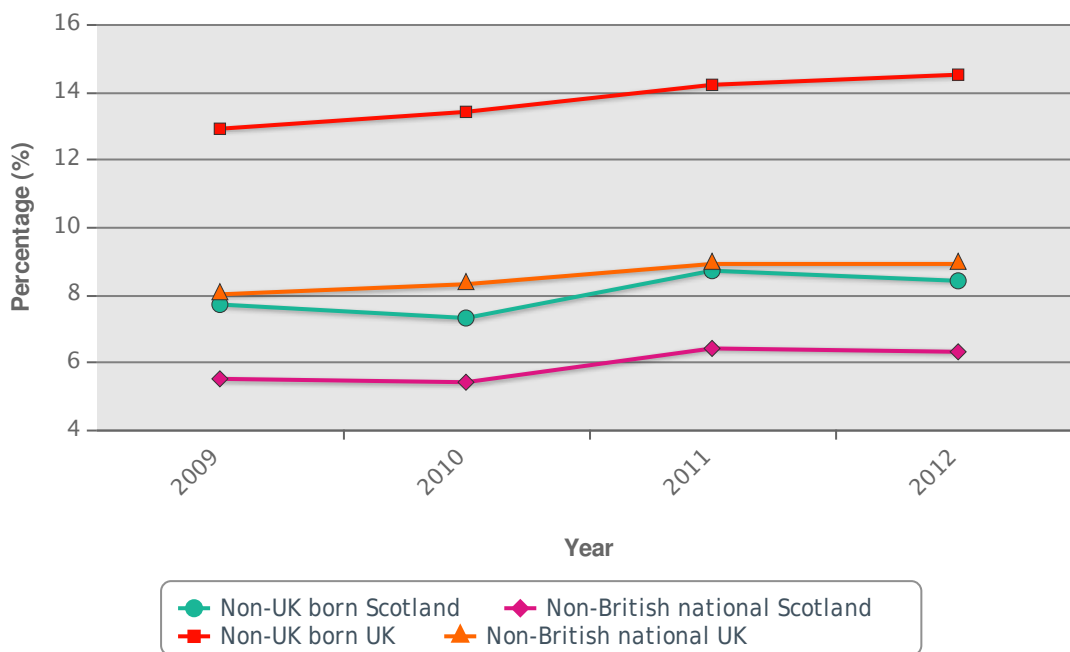
Both series have a positive trend over time. The share of those in employment who are non-UK born has increased by 9% since 2009 (from 7.7% to 8.4%), while the share of those in employment who are non-British nationals has increased by 14% over the same period (from 5.5% to 6.3%). These numbers are small given the uncertainty in the estimates and differences are not statistically significant.

Figure 2 also shows the percentage of those in employment in the UK who are migrants. Migrants account for a substantially higher share of those in employment in the UK as a whole than in Scotland. This result holds for non-UK born people and for non-British nationals.

Figure 2

Percentage of those in employment in Scotland & UK who are migrants

Chart provided by www.migrationobservatory.ox.ac.uk



Source: Labour Force Survey 2009–2012, Q4

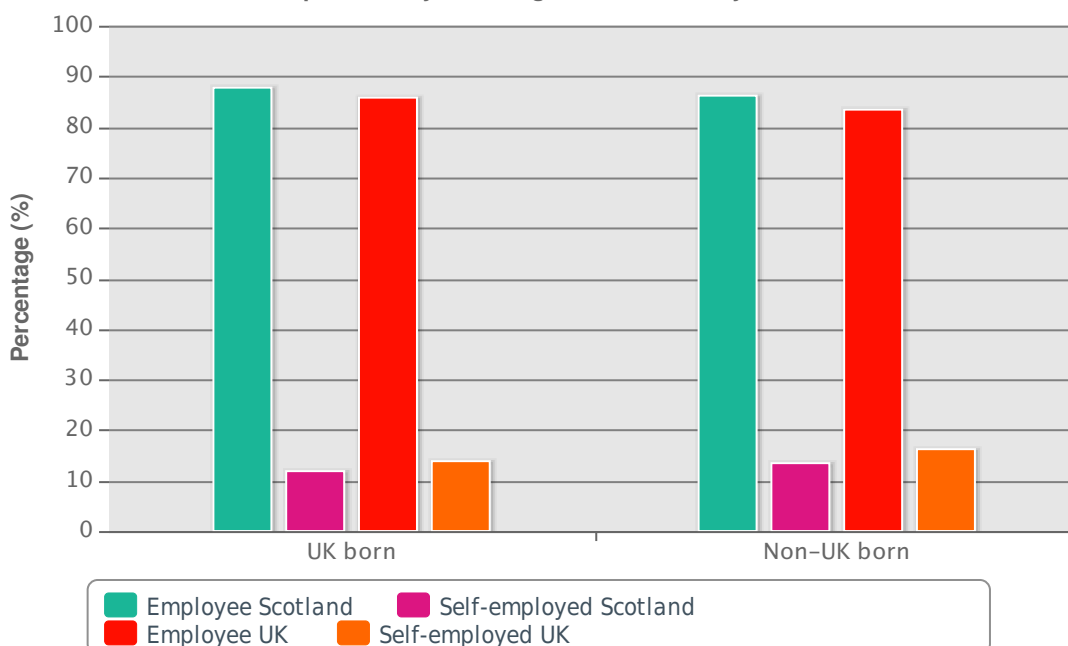
Of the non-UK born workers in Scotland, 86% are employees and 14% are self-employed

It is possible to divide those who are working in Scotland (i.e. those in employment) between those who are self-employed and those who are employees. Figure 3 reports the share of UK born and non-UK born workers in Scotland who are employees and self-employed. About 86% of the non-UK born workers are employees and 14% are self-employed. In the case of the UK born, those who are employees account for a slightly greater share of all

Figure 3

Employee & self-employed workers in Scotland & UK

Chart provided by www.migrationobservatory.ox.ac.uk



Source: Labour Force Survey 2012, Q4

those in employment (88%). However, the difference between the UK born and non-UK born in this regard is very small.

Figure 3 also reports similar shares for the UK as a whole. There is little difference in the shares of UK born and non-UK born workers in self-employment between Scotland and the whole of the UK.

UK born workers tend to concentrate less in professional occupations and elementary occupations relative to non-UK born workers in Scotland

Table 1 provides the distribution of UK-born and non-UK born workers in Scotland across the major occupation groups. UK born workers tend to concentrate less in professional occupations (e.g. chemists, electrical engineers, pharmacists, solicitors) and elementary occupations (e.g. farm workers, cleaners, messengers, car park attendants) relative to non-UK born workers. On the other hand, UK born workers tend to concentrate more in the “Managers, Directors and Senior Officials” (e.g. senior officials in national government, managers in construction, office managers) and the “Sales and Customer Service Occupations” (e.g. importers and exporters, technical and wholesale sales representatives, sales assistants) relative to non-UK born workers in Scotland.

Table 1 – Distribution of UK-born and non-UK born workers in Scotland across the major occupation groups

Major occupation group	Share of the non-UK born	Share of the UK born	Examples of occupations in category
Managers, Directors and Senior Officials	6.4%	9.5%	Senior officials in national government, managers in construction, office managers
Professional Occupations	26.1%	19.8%	Chemists, electrical engineers, pharmacists, solicitors
Associate Professional and Technical Occupations	12.7%	13.6%	Laboratory technicians, building inspectors, midwives, physiotherapists
Administrative and Secretarial Occupations	6.3%	11.5%	Civil Service administrative officers and assistants, counter clerks, library assistants/clerks, telephonists
Skilled Trades Occupations	11.8%	10.4%	Gardeners and groundsmen, smiths and forge workers, auto electricians, painters and decorators
Caring, Leisure and Other Service Occupations	6.8%	9%	Care assistants and home carers, travel agents, hairdressers, barbers, undertakers and mortuary assistants
Sales and Customer Service Occupations	5.6%	9.4%	Importers and exporters, technical and wholesale sales representatives, sales assistants
Process, Plant and Machine Operatives	6.3%	6.7%	Food, drink and tobacco process operatives, paper and wood machine operatives, assemblers, taxi drivers
Elementary Occupations	18.2%	10.1%	Farm workers, cleaners, messengers, car park attendants
All	100%	100%	

Source: Labour Force Survey 2012, Q4

Evidence gaps and limitations

The LFS does not contain information on short-term migrants because the survey excludes individuals who have been resident in their households for less than 6 months (Dustmann et al. 2010). Also, the LFS excludes those who do not live in households, such as those in hotels, caravan parks, and other communal establishments; it also excludes halls of residence, thus missing many overseas students (many of whom are known to be legally working in the UK). Furthermore, the LFS does not include asylum seekers. Finally, the LFS is unlikely to capture migrants working without the legal right to live and/or work in the UK. See the data sources and limitations section of the Migration Observatory website for further discussion.

References

- Dustmann, C., T. Frattini, and C. Halls. "Assessing the Fiscal Costs and Benefits of A8 Migration to the UK." *Fiscal Studies* 31 (2010):1-41.

Related material

- Migration Observatory briefing – Migrants in the UK Labour Market: An Overview www.migrationobservatory.ox.ac.uk/briefings/migrants-uk-labour-market-overview
- Migration Observatory Briefing – Characteristics and Outcomes of Migrants in the UK Labour Market www.migrationobservatory.ox.ac.uk/briefings/characteristics-and-outcomes-migrants-uk-labour-market
- Migration Observatory briefing – Migrants in the UK: An Overview www.migrationobservatory.ox.ac.uk/briefings/migrants-uk-overview

Thanks to Cinzia Rienzo for helpful comments and suggestions in an earlier version of this briefing.



The Migration Observatory

Based at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford, the Migration Observatory provides independent, authoritative, evidence-based analysis of data on migration and migrants in the UK, to inform media, public and policy debates, and to generate high quality research on international migration and public policy issues. The Observatory's analysis involves experts from a wide range of disciplines and departments at the University of Oxford.



COMPAS

The Migration Observatory is based at the ESRC Centre on Migration, Policy and Society (COMPAS) at the University of Oxford. The mission of COMPAS is to conduct high quality research in order to develop theory and knowledge, inform policy-making and public debate, and engage users of research within the field of migration.

www.compas.ox.ac.uk

About the author

Carlos Vargas-Silva
Senior Researcher
carlos.vargas-silva@compas.ox.ac.uk

Press contact

Rob McNeil
Senior Media Analyst
robert.mcneil@compas.ox.ac.uk
+ 44 (0)1865 274568
+ 44 (0)7500 970081

Recommended citation

Vargas-Silva, Carlos. "Migrants in the Scottish Labour Market." Migration Observatory briefing, COMPAS, University of Oxford, UK, September 2013.

