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Abstract

This paper evaluates the economic integration of immigrants in Greece, employing microdata from the 2001 and 2011 decennial Censuses combined with aggregate data from the 2006 Structure of Earnings Survey. By means of probit and multinomial logit regressions, we document that migrants are, upon arrival, less likely to be employed relative to similar natives. On the contrary, their odds of being overeducated or holding a low-paying job are higher. There is, however, substantial heterogeneity between the different origin groups considered. Residence in Greece helps migrants to narrow the initial employment gap, whilst its impact on occupational mobility appears to be limited. The assimilation process of female migrants is much slower than that of their male counterparts.

1 Introduction

Much attention has been paid by economists on international migration, mainly focusing on the potential labor market competition between foreign-born and native workers.¹ There is also abundant evidence that migration is associated with the recent populist backlash in Western Europe and the US (see the literature reviews in Edo et al., 2020; Rodrik,

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¹ There seems to be a general agreement in the literature that the effects of migration might be detrimental in the short-run, at least for the less-skilled natives (e.g., Borjas, 2003), which, nevertheless, vanish in the long-run, once accounting for capital adjustments and allowing for imperfect substitutability between natives and migrants (e.g., Ottaviano and Peri, 2012).

2021).² A third key theme in the literature concerns the economic performance of migrants themselves once they settle abroad, and how their employment outcomes evolve as their residence lengthens. The current paper is related to this latter branch of the literature and is the first to explore the labor marker integration of migrants in Greece.³ Usually migrants tend to be less employed and have lower earnings at entry as compared to their native counterparts. The initial discrepancies are mainly attributed to the fact that skills are not perfectly transferable between countries. What is more, language barriers and asymmetric information about job opportunities may also limit the ability of recent migrants to find the "right" match in the labor market (Chiswick, 1978; Borjas, 1985; Friedberg, 2000). However, investment in skills that are relevant in the receiving economies, gives rise to the "assimilation process", i.e., the gradual narrowing of the gap between migrants and natives.⁴

Chiswick (1978) was the first to test these ideas and quantify the performance of immigrants in the US labor market, through regression analysis which incorporates the duration of US residence as the main control variable. Based on the 1970 population Census, his empirical analysis yields an overly optimistic picture that migrants reverse their initial disadvantage, and even outperform natives after 15 years since arrival. However, in several important follow up analyses, Borjas (1985,1995, 2015) has consistently shown that Chiswick's findings do not capture the actual progress made by migrants in the US labor market. Based on cross-section data from the 1970-2010 Census records, Borjas argues that the fallacy stems from pronounced changes in the *quality* of different arrival cohorts.

Concerning Greece, it has only recently become an immigrant importing country, in the aftermath of the collapse of the former Soviet Union and its peripheral countries in 1991. As can be observed in Figure 1, before that point, the limited number of its migrants stemmed predominantly from two continents, namely Asia, and Africa. The composition of the foreign-born population has dramatically altered since

² The economic performance of migrants abroad is not only critical for them per se, but also for the indigenous populations. For instance, it has been shown by Akay et al. (2014) that migrants' economic integration matters for the well-being of natives. It has also been argued that immigrant assimilation is associated with productivity spillovers that make natives better off (e.g., Haus-Reve et al., 2021).

 $^{^3}$ Existing literature for Greece is mainly descriptive in nature (see, for instance, the review in Cholezas and Tsakloglou, 2008).

⁴ Geographic mobility is yet another channel through which the employment outcomes of migrants would converge to those of natives (Izquierdo et al., 2009).

1991, as migrants from Albania, Bulgaria, Romania, Georgia, Ukraine, and the Russian Federation arrived en masse in Greece. According to the latest available data in 2011, the total number of recorded immigrants exceeded 900,000 with nearly half of whom originating from the neighboring Albania. More recently, however, the severe Greek fiscal crisis affected migrant workers, as well, leading to a wave of return migration. For instance, the estimated number of Albanian returnees between the third quarter of 2011 and the fourth quarter of 2014 is about 87,000 (see, Hausmann and Nedelkoska, 2018).

Based on these developments, this study analyzes how migrants fare in the labor market of a non-traditional migration country. We contribute to the literature outside the US context, which examines the economic performance of immigrants in Europe (e.g., Amuedo-Dorantes and de la Rica, 2007; Fernández and Ortega, 2008; Venturini and Villosio, 2008; Izquierdo et al., 2009; Clark and Lindley, 2009 ; Zorlu and Hatrog, 2012; Lemos, 2013; Gagliardi and Lemos, 2016; Okoampah, 2016).⁵ Despite the institutional differences between the European and the US labor market, most of these studies report that migrants make important progress as the accumulate experience abroad. There is, however, substantial source country heterogeneity in the assimilation process, signifying the potential role of the skill composition of migrant groups in explaining assimilation.

[Insert Figure 1 about here]

We exploit high-quality micro-data from decennial Censuses to study migrants who entered Greece between the years 1991 and 2011. We focus on the period well-before the recent refugee crisis in the Middle East, to keep the ethnic and the skill composition of migrant cohorts as consistent as possible. We are interested mainly on immigrants from Albanians, who constitute by far the largest migrant group, carrying out the analysis separately for men and women. We further consider three broad origin groups from Europe (mainly immigrants from South-Eastern European countries), Asia, and the rest of the world. We expect that differences in cultural and background characteristics of migrants from around the world, may result into different assimilation patterns.⁶ We measure the labor market performance of migrants relative to that of natives along three dimensions. First, we consider employment status as the main

 $^{^5}$ See also the recent study by Lee et al. (2022) on EU-15 countries.

⁶ Another potential part of this story is labor market discrimination against certain groups of immigrants, that would affect the economic integration disproportionately.

outcome of interest. Second, we analyze their labor market integration in terms of being employed into high-paying, middling, or low-paying occupations. Third, we estimate assimilation patterns in terms of education-occupation mismatch. Irrespective of the outcome considered, we document that most migrant groups indeed display an initial disadvantage in the Greek labor market. A notable exception concerns Albanians, whose employment probability equals that of natives at arrival in Greece. On the basis of these findings, estimates for Albanians are preferable, as long as potential return migration, that affects the validity of our empirical approach, is associated with unemployment (see, e.g., Constant and Massey, 2002).

By means of probit and multinomial logit regressions and accounting for potential differences in cohort *quality*, we show that the initial gap between male natives and migrants from other source countries diminishes within 10 years of residence in Greece. However, this is not always the case once we consider occupational convergence or the incidence of overeducation. Concerning female migrants, our results suggest that those from Albania display less complete assimilation profiles. Taken together, this finding might partly suggest that female employment for migrant groups is inversely related to the employment of their male co-ethnics.

The rest of the paper is structured as follows. Section 2 describes the data and the empirical strategy employed to identify the economic integration of migrant workers. Section 3 reports the main findings and simulates the assimilation process. Section 4 concludes the paper.

2 Data and Methodology

Our analysis is mainly based on microdata drawn from the 2001 and 2011 Population Censuses from the Integrated Public Use Microdata Series International (IPUMS-I).⁷ The survey is conducted by the Hellenic Statistical Authority (ELSTAT) on decennial basis over the entire population. IPUMS-I makes available a 10% sample for each census year. We extract information on employment status and the related occupations, as well as on demographics, such as nationality, years since

⁷ Minnesota Population Center. Integrated Public Use Microdata Series, International: Version 7.3 [dataset]. Minneapolis, MN: IPUMS, 2020. https://doi.org/10.18128/-D020.V7.3

migration, gender, age, educational attainment, and region of residence.⁸ Following existing related studies, we consider only immigrants who arrived as adults (see, e.g., Blau et al., 2011; Borjas, 2015). The sample is further restricted to individuals between 25 and 64 years old. In line with the discussion in the introduction, we consider migrations from 1991 onwards. After having discarded observations with invalid entries, we end with a total of 1,115,571 individuals.

Unfortunately, the Greek Census does not contain information on wages, making it impossible to study the aspect of earnings assimilation. However, following previous studies, we use data on occupational wages from an external source (see, e.g., Amuedo-Dorantes and de la Rica, 2007; Abramitzky et al., 2014; Borjas, 2015), namely the 2006 Structure of Earnings Survey (SES),⁹ a national survey that records the average gross monthly wage by occupation and sector of economic activity. We merge SES and IPUMS-I by 9 ISCO88 1-digit and 12 NACE 1-digit industries.¹⁰ Using this measure we can, then, identify whether and to what extent the occupational quality converges between the demographic groups considered in this study. As discussed in Abramitzky et al. (2014), using occupation-based wages instead of individual wages renders the analysis less prone to changes in the wage structure over time. On the other hand, the disadvantage is that we cannot assess whether migrants experience upward mobility within their occupations. Hence, the results should be interpreted as uncovering their potential convergence with natives between occupations only.

A common identification challenge in studies of labor market assimilation arises when there are systematic differences between cohorts of arrival. For instance, if the skills of recent migrants fall short of those of earlier cohorts, the typical analysis would tend to overestimate the impact of years of residence abroad on the employment outcomes considered. We argue that this might not be case in the current setting, as the vast majority of migrants stem from Albania, sharing similar productive characteristics. In addition, a preliminary examination in Figure 2 of the mean levels of education by arrival cohort from 1991

⁸ Immigrants are defined as persons who report a foreign nationality and a valid number of years since entry in Greece. To this aim, we use the IPUMS-I variables *nation* and *yrsimm*.

 $^{^9}$ The data can be accessed from the Hellenic Statistical Authority (ELSTAT) at: https://www.statistics.gr/en/home/

¹⁰ Further details on the wage in each of the 108 professions are reported in Appendix Table A1.

onwards, conveys an overly reassuring message. Most immigrants, independent of the cohort considered, appear to have relatively few formal educational qualifications, though the latest cohorts seem to be slightly less educated than the previous ones. Nevertheless, to guard against the possibility of obtaining misinformative results, we introduce in the specifications discussed below cohort indicators, as suggested by Borjas (1985), to net out cohort effects.

[Insert Figure 2 about here]

With these issues in mind, the empirical analysis consists of two parts. First, we are interested in examining the aspect of employment assimilation.¹¹ To do so, we estimate the following probit regression, as in Schoeni (1998); Lee et al. (2022), among others:¹²

$$y_{it} = \beta_0 + \beta_1 I_{it} + \beta_2 YSM_{it} + \beta_3 C_{it} + \delta \mathbf{X}_{it} + \varphi_t + \varphi_r + \epsilon_{it}$$
(1)

where *i* stands for the individual and *t* is the census year; *y* is a dummy variable taking the value one if an individual is employed and zero otherwise (i.e., if a respondent is unemployed or inactive); *I* is an indicator variable on immigrant status; *YSM* is a continuous measure of years since immigration in Greece, intended to capture the assimilation process (we also include this variable squared and cubed to capture non monotonic effects of *YSM*); *C* is a set of cohort of arrival dummies in 5-year intervals (1991-1995; 1996-2000; 2001-2006);¹³ **X** is a vector of demographic characteristics, including age,¹⁴ years of schooling,¹⁵ and dummies for being household head and married; φ_t and φ_r are period and province (NUTS3) fixed effects, respectively; and ϵ_{it} is the error term that is standard normally distributed. Furthermore, we use cluster-robust standard errors at the province level.

¹¹ Alternatively, we have estimated regressions with the unemployment as the outcome variable. The results (not shown for brevity, available upon request) are consistent with those shown in the main text.

¹² The usual differences in labor market attachment prevent us from considering both male and female employees at the same time in the regression model.

 $^{^{13}}$ The omitted category is the 2007-2011 cohort.

¹⁴ We consider the age variable as a proxy for labour market experience. We also include age squared to account for non-linearities.

¹⁵ We assign 3, 6, 9, 12, 16 and 18 years of schooling to individuals with some primary, primary, lower secondary, high-school, university, and post-graduate studies, accordingly.

Next, we use the estimates from eq. (1) to simulate the evolution of employment of migrants as their experience in the Greek labor market increases. To isolate the impact of residence in Greece on the assimilation of migrants, we keep the remaining covariates at their mean values from the sample.

The second part involves estimating how years of residence in Greece affect the occupational mobility of migrants and the incidence of education-employment mismatch. In line with existing relevant studies (e.g., Chiswick and Miller, 2009; Zorlu and Hatrog, 2012), we estimate the following multinomial logit specification (see, Cameron and Trivedi, 2022):

$$p_{ijt} = \frac{\exp(x_{it}'\beta_j)}{\sum_{l=1}^3 \exp(x_{it}'\beta_l)}, \quad j = 1, \dots, 3$$
(2)

where the dependent variable, p_{ijt} , is the probability that a person *i* falls into the lower (j=1), middle (j=2), or the upper occupational tercile (j=3). Terciles are identified according to the average wage in each of the 9 ISCO88 1-digit occupations. ¹⁶ Alternatively, p_{ijt} , measures the probability of being overeducated (j=1), undereducated (j=2), and properly matched (i=3) in the labor market, where the assignment is based on the education of workers relative to the modal education in their occupation and industry block (9 ISCO88 occupations \times 15 NACE industries). Vector \mathbf{x}_{it} includes the covariates listed in eq. (1), with I and YSM being the main independent variables of interest, which, once again, serve as measures of the initial gap between natives and migrants and the assimilation process, respectively. As before, we estimate eq. (2) separately for male and female workers and predict the assimilation profiles by origin group. To interpret the results, we use the outcomes of being employed in low-paying occupations and of being properly matched, respectively, as the omitted categories.

Before we proceed to the empirical analysis, we present in Table 1, mean values of the covariates used in the analysis for natives and migrants, respectively. As it is evident, there are no marked differences in employment. On the other hand, both male and female migrants appear

¹⁶ "Legislators, senior officials and managers", "Professionals", "Technicians and associate professionals" consist of the top tercile. "Clerks", "Crafts and related trades workers", "Plant and machine operators and assemblers" are the middling occupations. "Service workers and shop and market sales", "Skilled agricultural and fishery workers", "Elementary occupations" comprise the low-paying occupations.

to be overrepresented in low-paying occupations. It can be also seen that the incidence of overeducation is much more pronounced among migrants. For instance, for every 100 male migrants, about 40 are concentrated in occupations that require less formal educational attainment than theirs. On average male migrants are about 5 years younger than natives and less educated. This, however, does not seem to be case once we compare female workers, as the average number of years of schooling are nearly equal between natives and migrants.

Lastly, it is informative to discuss the specialization of natives and immigrants across the occupational terciles considered. It is clear from Figure 3 that migrants tend to be more concentrated in low-paying and middling occupations. However, the share of male migrants employed at the bottom tercile declines as their residence in Greece lengthens. This, however, does not seem to be the case once we look at the distribution of female migrants, as their shares remain relatively constant over time. However informative these descriptives may be, a regression analysis of occupational wages conditioning on various possible determinants and years of residence in Greece is needed to evaluate the relative performance of migrants.

[Insert Figure 3 about here]

3 Results

This section summarizes the main findings of this study, based on the estimation strategy described in the previous section. We begin by estimating eq. (1) separately for male and female employees, in Tables 2 and 3, respectively. We consider both general migration as well as a specific origin groups, which are indicated at the top of each column. We report marginal effects and clustered robust standard errors at the province level. All specifications include cohort of arrival dummies.

Beginning with male workers, the coefficient on the immigrant dummy in column (1), indicates that the probability of being employed is about 9 percentage points lower for an immigrant with less than one year of residence in Greece relative to an otherwise comparable native. The cohort of arrival indicators imply that migrants who entered Greece in the 1990s are more likely to be employed than recent cohorts. Next, turning to the estimates by origin groups in columns (2) to (4) we find that Asians are the most disadvantaged, followed by immigrants from European countries other than Albania. Their odds of being employed upon arrival are about 15 and 9 percent lower than those of natives, respectively. Notably, the initial gap between Albanians and natives is not statistically different from zero.¹⁷ This is also the case for migrants from the rest of the world, though the corresponding coefficients are greater in magnitude but less precisely estimated. Overall, these disparities might be attributed to differences in reservation wages between the immigrant groups. It is also likely that they reflect the potential role of ethnic networks in facilitating access into employment.¹⁸ Focusing on assimilation, the coefficient on the *YSM* variable indicates that migrants display a notable performance in the Greek labour market over time, though the speed of convergence appears to be quite heterogeneous between European and non-European migrants. Taken together, it appears that groups faring worse upon arrival to assimilate faster thereafter.

The differences in the employment probabilities between cohorts for each origin group are negligible. Most of the cohort dummies are found to be statistically insignificant, except for Albanians where the odds of employment are higher and significant for arrivals before the year 2006. Regarding the individual controls, the results are mostly as expected. Age has a hump-shaped relationship with employment, schooling is associated with higher employment through specifications. On the other hand, married and household head persons are more likely to hold a job.

[Insert Table 2 about here]

To facilitate the interpretation of the regression analysis, we extrapolate in Figure 4 the employment profiles of migrants, based on the estimated parameters discussed above. More precisely, we predict the evolution of employment probabilities during the first ten years of their residence in Greece. The remaining covariates are kept fixed at their mean levels in the sample.¹⁹ The results are reported separately for each origin group.

¹⁷ Notice, however, that this might imply that the least successful European and Asian migrants might have returned to their origin countries, thereby rendering the estimates on the years since migration variables biased. These results therefore need to be interpreted with caution. By contrast, we can be more confident on the results for Albanians as they do not appear to suffer an employment disadvantage.

¹⁸ Notice, however, that the initial employment gap is smaller than previously found in other Southern European countries. For instance, the corresponding marginal effects for the immigrant dummy is -0.447 for Spain (e.g., Amuedo-Dorantes and de la Rica, 2007).
¹⁹ We have also experimented with simulations by level of educational attainment. The findings (available upon request) are qualitatively similar to the ones shown in the main text.

It is apparent from Figure 4 that male Albanians start from a better position. However, their employment performance wanes over time. Migrants from other European countries outperform Albanians after eight years of residence. Notably, Asians display the steepest employment assimilation profile. Importantly, the most disadvantaged group of migrants initially, those from the rest of the world, end with the highest employment rate after 10 years since arrival in Greece. Overall, these results highlight the potential role of differences in background characteristics of migrants in their economic integration.

[Insert Figure 4 about here]

Table 3 replicates the probit analysis for women employees. Two points are worth noting from this table. First, the initial employment disadvantage seems to be quite more significant for female Albanian immigrants and those originating from the rest of the world. This is in stark contrast with the findings for their male counterparts. Second, the coefficients on the third-order polynomial on *YSM* implies, once again, that Asians' employment tends to increase more rapidly. For the remaining controls, the most interesting finding concerns the coefficient on the married binary indicator which enters with a negative sign through specifications, implying that married women might serve as secondary workers. These findings are more clearly illustrated at the bottom part of Figure 4, where we could observe evidence of employment assimilation, that is, nevertheless, slower than among male migrants.

[Insert Table 3 about here]

To better understand the assimilation process in the Greek labor market it is useful to estimate employment differences between native and migrant workers. This empirical exercise is carried out in Table 4, where we observe the evolution of the employment gap and the associated standard errors. The results imply a U-shaped pattern once all male migrants are considered. In addition, there are no systematic differences between migrants from other countries and natives through the 10-year interval analyzed. This also holds true for migrants from Europe. On the other hand, the gap for Albanians is higher after 10 years of residence. Generally, we obtain similar results for female migrants at the bottom part of this table, with Europeans and Asians fully closing the employment gap.

Before we focus on other aspects of assimilation, we have also explored the potential role of work ethics on the labor market integration of migrants in Greece. To do so, we re-estimate eq (1), interacting years since migration with the average value of preferences for work in each person's origin country. We draw information on preferences from the Integrated Social Values Survey, based on the question "Work should come first even if it means less spare time", which involves five possible answers, ordered from the positive to negative attitudes for work. The preliminary results we obtain (not shown for brevity, available upon request) suggest that the employment performance of migrants in the Greek labor market is heavily dependent on the preferences for work.

Next, we turn to the assimilation of migrants in terms of occupational status. As discussed in section 2, we first use aggregate data from the 2006 Structure of Earnings Survey to divide the 1-digit ISCO occupations into terciles according to their average gross monthly wage. The resulting outcomes are then regressed on the usual set controls by means of a multinomial logit model. The results (odds ratios) are summarized in Tables 4 and 5, for males and females, respectively.²⁰ An odds ratio greater (less) than the value one suggests that a particular outcome is more (less) likely relative to the reference outcome, which is supposed to be employment in the bottom tercile. To conserve space, we report the estimates for the main independent variables of interest, omitting the individual covariates.²¹ The top part of this Table concerns the odds for being in middling occupations, whereas the bottom part the high-paying ones. The base category is working in low-paying occupations.

Through specifications, the immigrant dummy variable indicates that recently arrived migrants, irrespective of the origin group considered, are more likely to hold low-paying jobs than natives. The odds ratio, when considering migrants altogether, implies that being employed in middling or high-paying jobs is about 47 and 60 percent, respectively, less likely. Separate analysis by origin group suggests that the odds of being in the top (middle) occupational tercile are about 90 (46) percent lower for Albanians. Likewise, substantial disparities are observed between natives and Asians or those migrants from the rest of the world. The group displaying the largest initial disadvantage is Asians whose odds of being employed in middling occupations are about 70 percent lower. On the contrary, Europeans, though they fall short of natives, are the least disadvantaged among the immigrant groups.

²⁰ Alternatively, we have estimated linear regressions with the logged occupational wages as the dependent variable, as in Abramitzky et al. (2014). The results (available upon request) are qualitatively similar to the ones reported in Tables 4 and 5 in the main text. ²¹ The full list of results is available upon request.

[Insert Table 5 about here]

The following patterns emerge once we replicate the multinomial regression analysis for female workers. First, general migration is about 80 (87) percent more likely to hold a job in middling (high-paying) occupations. Second, there are not significant differences between origin groups. Nevertheless, Asians appear to be somewhat more disadvantaged in terms of their employment status.

[Insert Table 6 about here]

Based on the previous results, we plot in Figures 5 and 6 the predicted evolution of the working probabilities by origin group and gender, after 1, 5, and 10 years since arrival in Greece. The odds for each migrant group are expressed in deviations from those of natives, as a function of years of residence in Greece. Hence, positive (negative) figures imply that migrants are less (more) likely to be employed in a particular tercile than similar natives. Once again, predictions refer to a typical person, assuming the mean values of the covariates from the estimated sample and allowing employment to vary with years of residence for the immigrant workers. Beginning with male migrants, we observe that Albanians and other Europeans show upward mobility as their odds of holding a low-paying job relative to those of natives cease to be significant within 10 years of Greek residence (see the 95% confidence intervals which cross the zeroreference line). Instead, they are more likely to be employed in intermediate occupations. On the other hand, there is no evidence of upgrading towards the top occupational tercile. As for Asians and migrants from the rest of the world, the results suggest limited mobility, mainly in middling occupations. Overall, these results imply that migrants improve their position on the occupational ladder, though they never achieve parity with similar natives.

[Insert Figure 5 about here]

[Insert Figure 6 about here]

Turning to the incidence of skills mismatch, we estimate the probability of being overeducated and undereducated, respectively, relative to being properly matched. The results in Table 7 suggest that being overeducated is about 50 percent more likely among male migrant workers. Origin-specific analysis indicates that the odds of overeducation are 100 percent higher among Albanians with less than one year of residence of Greece. By contrast, we see no evidence of significant differences in the incidence of overeducation between the remaining groups and natives. The magnitude of the coefficient of the immigrant indicator is higher among female groups. A notable exception is the overeducation gap between migrants from the rest of the world and natives. The results on undereducation, which are shown at the bottom part of Table 6, are qualitatively similar among male and female migrants. On the other hand, the incidence of employment in occupations that require more qualifications is less likely to be observed among migrants than among natives.

[Insert Table 7 about here]

4 Conclusion

Unlike other Western countries, Greece has only recently transformed into an immigrant destination, mainly attracting Albanians and other Eastern European persons. This is the first study to empirically quantify the assimilation patterns of migrants in the Greek labor market. We measure assimilation in employment, occupational status and overeducation. As most previous related studies, which rely on pooled cross-sectional data, we account for differences in the skill composition of migrants by including cohort of arrival dummies. Estimating probit and multinomial logit regressions, we find that, conditional on several demographic and human capital characteristics, migrants face a substantial employment disadvantage upon arrival. There are, however, marked differences between the origin groups analysed in this study.

Considering the largest migrant community of Albanians, we find two main patterns. First, the employment gap between recently arrived male Albanians and similar natives does not appear to be significant. As discussed in Borjas (2015), this finding might stem from the fact that strong migrant communities facilitate the international transferability of skills. Second, their employment rates decline over time, a pattern consistent with the idea that reservation wages might increase with residence abroad (see, e.g., Constant et al., 2017). Asians and migrants from the rest of the world tend to assimilate faster than their European counterparts, possibly due to higher costs of return migration. Compared with similar empirical studies for Europe, our findings indicate quite similar assimilation trajectories in employment (see, e.g., Amuedo-Dorantes and de la Rica, 2007; Lee et al., 2022). Considering, however, occupational wages, it appears that assimilation is rather incomplete in the Greek labor market. All in all, the results should be interpreted with some caution, due to the usual limitations inherent in almost all related studies. Selective return migration, which is not accounted for, could bias the estimated assimilation effects in either direction, depending on the skill content of the returnees.

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Figure 1 Immigrants in Greece by origin, 1971-2011. Own elaborations from IPUMS-I and SES.



Figure 2 Educational attainment of immigrant arrival cohorts. Own elaborations from IPUMS-I and SES.



 $\label{eq:Figure 3.} \ \ {\rm Occupational\ distribution\ of\ Immigrants\ and\ Natives}$

The figure shows the allocation of migrants and natives across occupational terciles. Own elaborations from IPUMS-I and SES.

		Men	Women
	Variables		
	Employed	0.740	0.458
	Low-paying occupations	0.327	0.400
	Middling occupations	0.369	0.207
	High-paying occupations	0.304	0.393
	Overeducated	0.290	0.228
	Undereducated	0.222	0.217
Natima	Properly matched	0.488	0.555
Natives	Occupational wage	1624.8	1555.74
	Years since migration	0	0
	Age	43.81	44.143
	Schooling	10.82	10.434
	Married	0.677	0.719
	Household Head	0.711	0.187
	Employed	0.792	0.483
	Low-paying occupations	0.461	0.820
	Middling occupations	0.477	0.093
	High-paying occupations	0.061	0.087
	Overeducated	0.396	0.374
	Undereducated	0.272	0.243
Immigrants	Properly matched	0.332	0.382
0	Occupational wage	1309	1225.293
	Years since migration	8.057	7.934
	Age	38.74	39.704
	Schooling	9.591	10.742
	Married	0.743	0.757
	Household Head	0.679	0.150

Table 1 Mean values of covariates by nationality and gender, Persons 25-64

This table reports the sample means of the variables employed in the empirical analysis. Individuals assigned into groups overeducated, undereducated, and properly matched if their education is above, below, or equal to the modal level of education within their occupation. Occupational wages are in 2006 Euros (\in). Own elaborations from IPUMS-I and SES.

	510	up, (margina	ППССБУ		
	(1)	(2)	(3)	(4)	(5)
	Immigrants	Albania	Europe	Asia	Others
Immigrant	-0.0949^{***}	-0.0184	-0.0874^{***}	-0.1512^{***}	-0.1150
	(0.0289)	(0.0224)	(0.0321)	(0.0254)	(0.1051)
YSM	0.0394^{***}	0.0159^{**}	0.0263^{**}	0.0798^{***}	0.0270
	(0.0079)	(0.0066)	(0.0129)	(0.0072)	(0.0347)
YSM^2	-0.0051^{***}	-0.0033***	-0.0033**	-0.0100^{***}	-0.0021
	(0.0010)	(0.0007)	(0.0016)	(0.0008)	(0.0042)
YSM^3	0.0002^{***}	0.0001^{***}	0.0001^{*}	0.0003^{***}	0.0000
	(0.0000)	(0.0000)	(0.0001)	(0.0000)	(0.0001)
Cohort of Arrival					
1991-1995	0.0942^{***}	0.1425^{***}	0.0560^*	0.0014	-0.0021
	(0.0208)	(0.0290)	(0.0295)	(0.0337)	(0.0559)
1996-2000	0.0591^{***}	0.0884^{***}	0.0391	0.0395	-0.0340
	(0.0181)	(0.0197)	(0.0262)	(0.0257)	(0.0608)
2001-2005	0.0169	0.0452^{**}	0.0095	-0.0053	-0.0500
	(0.0127)	(0.0191)	(0.0184)	(0.0183)	(0.0396)
Demographics & HO	2				
Age	0.0577^{***}	0.0582^{***}	0.0592^{***}	0.0593^{***}	0.0595^{***}
	(0.0012)	(0.0013)	(0.0014)	(0.0013)	(0.0014)
Age^2	-0.0008***	-0.0008***	-0.0008***	-0.0008^{***}	-0.0008^{***}
	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)
Schooling	0.0069^{***}	0.0096^{***}	0.0106^{***}	0.0090^{***}	0.0108^{***}
	(0.0021)	(0.0020)	(0.0018)	(0.0023)	(0.0020)
${ m Schooling}^2$	0.0002	0.0001	0.0001	0.0001	0.0001
	(0.0002)	(0.0002)	(0.0002)	(0.0002)	(0.0002)
Married	0.0975^{***}	0.0978^{***}	0.0987^{***}	0.0993^{***}	0.0995^{***}
	(0.0019)	(0.0016)	(0.0015)	(0.0016)	(0.0016)
Household Head	0.0844^{***}	0.0869^{***}	0.0882^{***}	0.0873^{***}	0.0883^{***}
	(0.0022)	(0.0025)	(0.0023)	(0.0021)	(0.0024)
Region FE			Yes		
Census FE			Yes		
Observations	$550,\!352$	532,070	517,811	518,811	$512,\!337$

 Table 2 Probit regressions on the probability of male employment, by origin group. (Marginal Effects)

Each specification includes 51 NUTS3 dummies and Cluster-robust standard errors at the province level in parentheses.

*** p<0.01, ** p<0.05, * p<0.1

	giu	up, (marginai	LIICCUS		
	(1)	(2)	(3)	(4)	(5)
	Immigrants	Albania	Europe	Asia	Others
Immigrant	-0.0974^{***}	-0.2288^{***}	-0.0221	-0.0829^{***}	-0.3028***
	(0.0264)	(0.0188)	(0.0436)	(0.0206)	(0.0445)
YSM	0.0161	0.0185^{**}	0.0145	0.0413^{***}	0.0612^{***}
	(0.0107)	(0.0080)	(0.0110)	(0.0126)	(0.0135)
YSM^2	-0.0015	-0.0017^{*}	-0.0012	-0.0050^{***}	-0.0073^{***}
	(0.0012)	(0.0009)	(0.0013)	(0.0012)	(0.0017)
YSM^3	0.0000	0.0000	0.0000	0.0002^{***}	0.0002^{***}
	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0001)
Cohort of Arrival					
1991-1995	0.0300^{**}	0.1659^{***}	-0.0493^{*}	-0.0371^{*}	0.0940^{**}
	(0.0145)	(0.0189)	(0.0291)	(0.0196)	(0.0472)
1996-2000	0.0443^{***}	0.1628^{***}	0.0141	-0.0381^{***}	0.0012
	(0.0158)	(0.0128)	(0.0482)	(0.0145)	(0.0323)
2001-2005	0.0167	0.0703^{***}	0.0019	-0.0092	0.0487
	(0.0120)	(0.0141)	(0.0276)	(0.0135)	(0.0384)
Demographics & H	C				
Age	0.0567^{***}	0.0557^{***}	0.0555^{***}	0.0555^{***}	-0.0263^{*}
	(0.0007)	(0.0008)	(0.0009)	(0.0008)	(0.0140)
Age^2	-0.0007^{***}	-0.0007^{***}	-0.0007^{***}	-0.0007^{***}	0.0490^{***}
	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0029)
Schooling	-0.0149^{***}	-0.0168^{***}	-0.0165^{***}	-0.0165^{***}	0.0551^{***}
	(0.0022)	(0.0018)	(0.0019)	(0.0020)	(0.0008)
$\rm Schooling^2$	0.0022^{***}	0.0023^{***}	0.0023^{***}	0.0023^{***}	-0.0007^{***}
	(0.0001)	(0.0001)	(0.0001)	(0.0001)	(0.0000)
Married	-0.0411**	-0.0293^{**}	-0.0315^{**}	-0.0298^{**}	-0.0173^{***}
	(0.0165)	(0.0143)	(0.0144)	(0.0148)	(0.0018)
Household Head	0.0466^{***}	0.0495^{***}	0.0480^{***}	0.0475^{***}	0.0024^{***}
	(0.0035)	(0.0030)	(0.0030)	(0.0033)	(0.0001)
Region FE			Yes		
Census FE			Yes		
Observations	565,219	543,726	539,300	$532,\!517$	527,523

 Table 3 Probit regressions on the probability of female employment, by origin group, (Marginal Effects)

Each specification includes the following individual-level controls: age and its square, schooling (in years), and dummies for being household head and married. Cluster-robust standard errors at the ENUTS3 level in parentheses.

*** p<0.01, ** p<0.05, * p<0.1

	(1)	(2)	(3)
Years since migration	1 year	5 years	10 years
Men			
Immigrants	0.0506^{***}	0.0020	0.0509^{***}
	(0.0221)	(0.0129)	(0.0218)
Albanians	0.0012	0.0037	0.0783^{**}
	(0.0180)	(0.0246)	(0.0384)
Europeans	0.0576^{***}	0.0220	0.0514^{***}
	(0.0241)	(0.0173)	(0.0226)
Asians	0.0755^{***}	-0.0283^{*}	0.0247
	(0.0239)	(0.0145)	(0.0213)
Others	0.0852	0.0243	0.0173
	(0.0830)	(0.0309)	(0.0501)
Women			
Immigrants	0.0933^{***}	0.0534^{***}	0.0438^{***}
	(0.0211)	(0.0117)	(0.0135)
Albanians	0.2396^{***}	0.1970^{***}	01918^{***}
	(0.0164)	(0.0151)	(0.0200)
Europeans	0.0101	-0.0270	-0.0391
	(0.0398)	(0.0246)	(0.0269)
Asians	0.0542^{***}	-0.0248	-0.0188
	(0.0160)	(0.0287)	(0.0395)
Others	0.2843^{***}	0.1739^{***}	0.2121^{***}
	(0.0409)	(0.0510)	(0.0375)

Table 4 Simulated differences in employment probabilities between natives and immigrants at selected years of residence in Greece, by origin group and gender

Each cell reports predicted differences in employment by years since migration and the associated standard errors, based on the estimates reported in Tables 2 and 3. based at their sample means. Cohort effects have been set at zero for natives.

*** p<0.01, ** p<0.05, * p<0.1

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Figure 4 Simulated assimilation employment profiles of immigrants by gender.

			0 0	/	
	(1)	(2)	(3)	(4)	(5)
	Immigrants	Albania	Europe	Asia	Others
	A. Middling O	ccupations (vs L	ow-paying occu	pations)	
Immigrant	0.5363***	0.7374	0.4773***	0.5383***	0.2960***
	(0.0885)	(0.1747)	(0.1247)	(0.0419)	(0.1343)
YSM	1.1592***	1.1188**	1.2317***	1.1058^{***}	1.3992
	(0.0452)	(0.0493)	(0.0747)	(0.0317)	(0.3394)
YSM^2	0.9894^{***}	0.9940	0.9869^{*}	0.9897^{***}	0.9618
	(0.0040)	(0.0048)	(0.0071)	(0.0037)	(0.0270)
YSM^3	1.0003**	1.0002	1.0003	1.0003**	1.0012
	(0.0001)	(0.0002)	(0.0002)	(0.0001)	(0.0009)
Cohort of Arrival:					
1991-1995	0.7290^{***}	0.5482^{***}	0.6011^{***}	1.2684	1.0518
	(0.0507)	(0.0491)	(0.0882)	(0.2528)	(0.2479)
1996-2000	0.9556	0.7256***	0.9061	1.2786***	1.0464
	(0.0598)	(0.0658)	(0.0985)	(0.1216)	(0.2273)
2001-2005	0.9205	0.8399**	0.8634	1.0125	1.0435
	(0.0517)	(0.0633)	(0.0942)	(0.1018)	(0.2070)
	B. High-paying	Occupations (vs	Low-paying occ	upations)	
Immigrant	0.4021***	0.0982***	0.6131	0.1675***	0.4078**
Ŭ,	(0.0779)	(0.0243)	(0.1852)	(0.0289)	(0.1677)
YSM	0.8331***	1.0071	0.8630*	1.0527	0.9043
	(0.0527)	(0.1138)	(0.0736)	(0.0656)	(0.1525)
YSM^2	1.0225***	1.0164	1.0224**	0.9932	1.0003
	(0.0062)	(0.0108)	(0.0114)	(0.0072)	(0.0186)
YSM^3	0.9994***	0.9994*	0.9992*	1.0003	1.0002
	(0.0002)	(0.0003)	(0.0004)	(0.0002)	(0.0006)
Cohort of Arrival:		× ,	· · · ·	· · · ·	· · · ·
1991-1995	0.3159***	0.1874***	0.5038***	0.7206*	1.5607
	(0.0417)	(0.0863)	(0.0737)	(0.1399)	(0.4399)
1996-2000	0.3761***	0.2407***	0.3654***	0.7144^{*}	1.2687
	(0.0307)	(0.0761)	(0.0526)	(0.1227)	(0.4747)
2001-2005	0.6415***	0.6012	0.5314***	0.7427**	1.1642
	(0.0655)	(0.2691)	(0.0694)	(0.1058)	(0.2348)
Region FE	× /	× /	Yes	× /	× /
Census FE			Yes		
Observations	438,126	422,518	408,820	409,789	403,999

Table 5Multinomial Logit regressions, Men

Each specification also includes the following individual-level controls: age and its square; schooling (in years) and its square; dummies for being household head and married. Employment in low-paying occupations serves as the base category. Cluster-robust standard errors at the province level in parentheses. *** p<0.01, ** p<0.05, * p<0.1

(1) (2) (3) (4) (5)							
	Immigrants	Albania	Europe	Asia	Others		
			•	··			
	A. Middling Oc	cupations (vs L	ow-paying occup	pations)			
Immigrant	0.1959^{***}	0.2107^{***}	0.2331^{***}	0.0968^{***}	0.3407^{***}		
	(0.0367)	(0.0472)	(0.0723)	(0.0140)	(0.0794)		
YSM	0.9584	1.0912	0.9338	0.9590	0.8713		
	(0.0305)	(0.0733)	(0.0864)	(0.0915)	(0.1138)		
YSM^2	1.0128^{***}	0.9973	1.0226^{**}	1.0100	1.0045		
	(0.0045)	(0.0083)	(0.0102)	(0.0114)	(0.0195)		
YSM^3	0.9996^{***}	1.0001	0.9991^{***}	0.9996	1.0000		
	(0.0002)	(0.0003)	(0.0003)	(0.0004)	(0.0007)		
Cohort of Arrival:							
1991-1995	0.5222^{***}	0.2797^{***}	0.4483^{***}	1.3309^{*}	2.2179^{***}		
	(0.0647)	(0.0556)	(0.0989)	(0.1984)	(0.6707)		
1996-2000	0.5357***	0.3845^{***}	0.3233***	1.3943**	1.0912		
	(0.0739)	(0.0928)	(0.0558)	(0.2245)	(0.2280)		
2001-2005	0.7679^{***}	0.7619^{**}	0.5717^{***}	0.8695	2.5373^{***}		
	(0.0521)	(0.0859)	(0.0834)	(0.1192)	(0.4129)		
	B. High-paying (Occupations (vs	Low-paying occu	pations)			
Immigrant	0.1308***	0.1239***	0.1675***	0.0364***	0.3110***		
0	(0.0325)	(0.0390)	(0.0501)	(0.0095)	(0.1314)		
YSM	0.8226***	0.8974	0.8434*	0.9773	0.9005		
	(0.0419)	(0.1164)	(0.0766)	(0.0798)	(0.1110)		
YSM^2	1.0267***	1.0226*	1.0265**	1.0108	1.0151		
	(0.0074)	(0.0118)	(0.0115)	(0.0104)	(0.0179)		
YSM^3	0.9992***	0.9993**	0.9991**	0.9996	0.9993		
	(0.0003)	(0.0003)	(0.0004)	(0.0003)	(0.0006)		
Cohort of Arrival:							
1991-1995	0.5549^{***}	0.1183***	0.7542^{*}	0.6169	2.6712***		
	(0.0876)	(0.0374)	(0.1088)	(0.2280)	(0.7142)		
1996-2000	0.3815***	0.1145***	0.3020***	0.6104**	0.8584		
	(0.0547)	(0.0375)	(0.0358)	(0.1410)	(0.2226)		
2001-2005	0.5768***	0.3579***	0.5063***	0.4468***	1.5137		
	(0.0481)	(0.0865)	(0.0605)	(0.0853)	(0.4675)		
Region FE	. /	. ,	Yes	. ,	. /		
Census FE			Yes				
Observations	286,080	273,239	273,262	268,837	$265,\!696$		

 Table 6
 Multinomial Logit regressions, Probability of working in middling and highpaving occupations relative to low-paving occupations

Each specification also includes the following individual-level controls: age and its square; schooling (in years) and its square; dummies for being household head and married. The base outcome is working in low-paying occupations. Cluster-robust standard errors at the province level in parentheses. *** p<0.01, ** p<0.05, * p<0.1



Figure 5 Simulated assimilation profiles by origin group, at selected years of residence in $${\rm Greece}$$

Bars show the predicted differences in the probabilities of working in low-, middling, and high-paying occupations (horizontal axis) between natives and migrants, as a function of Greek labor market experience (vertical axis). Caps are the associated 95% confidence bands. Own elaborations from IPUMS and SES.

	(1)	(2)	(3)	(4)	(5)		
	Immigrants	Albania	Europe	Asia	Others		
Mon	A. Ove	reducated (vs F1	operty matched)			
Immigrant	1.5943^{*}	2.0659^{***}	1.4423	1.5682	1.2556		
	(0.3900)	(0.4146)	(0.4797)	(0.4643)	(0.3948)		
YSM	1.0394	0.9823	1.0894	1.0401	1.0717		
	(0.0421)	(0.0334)	(0.0887)	(0.1044)	(0.1482)		
YSM^2	0.9839^{***}	0.9888^{***}	0.9764^{**}	0.9796	0.9970		
	(0.0053)	(0.0030)	(0.0095)	(0.0132)	(0.0168)		
YSM^3	1.0005^{***}	1.0003^{***}	1.0008^{***}	1.0007	1.0000		
	(0.0002)	(0.0001)	(0.0003)	(0.0005)	(0.0006)		
Women							
Immigrant	2.0138^{***}	2.5476^{***}	1.7275^{***}	3.3288^{***}	0.6345^{**}		
	(0.2368)	(0.3429)	(0.2591)	(0.6034)	(0.1420)		
YSM	0.9945	0.9373	0.9896	0.9133^{*}	1.2247^{*}		
	(0.0286)	(0.0408)	(0.0491)	(0.0486)	(0.1384)		
YSM^2	0.9996	1.0047	0.9994	1.0064	0.9789		
	(0.0035)	(0.0042)	(0.0059)	(0.0059)	(0.0149)		
YSM^3	1.0000	0.9998	1.0001	0.9998	1.0007		
	(0.0001)	(0.0001)	(0.0002)	(0.0002)	(0.0005)		
	B. Und	ereducated (vs P	roperly matched)			
Men				<i>,</i>			
Immigrant	0.6042***	0.5902***	0.5119^{***}	0.8480	0.9316		
0	(0.0865)	(0.1007)	(0.1224)	(0.1095)	(0.2237)		
YSM	1.1123**	1.1226**	1.1611	1.0779	0.9298		
	(0.0498)	(0.0519)	(0.1146)	(0.0559)	(0.0693)		
YSM^2	0.9905*	0.9926	0.9796*	0.9931	0.9993		
	(0.0051)	(0.0056)	(0.0107)	(0.0060)	(0.0098)		
YSM^3	1.0003	1.0002	1.0006*	1.0002	1.0001		
	(0.0002)	(0.0002)	(0.0004)	(0.0002)	(0.0003)		
Women		()	()	· · · ·	()		
Immigrant	0.7202***	0.7112*	0.6762***	1.0946	0.9548		
0	(0.0760)	(0.1256)	(0.0947)	(0.1715)	(0.3452)		
YSM	1.0227	1.1482***	1.0031	0.8644**	0.8822		
	(0.0336)	(0.0566)	(0.0566)	(0.0565)	(0.1434)		
YSM^2	0.9896***	0.9802***	0.9860**	1.0082	1.0169		
	(0.0032)	(0.0048)	(0.0066)	(0.0071)	(0.0218)		
YSM^3	1.0003***	1.0006***	1.0006**	0.9998	0.9993		
	(0.0001)	(0.0001)	(0.0003)	(0.0002)	(0.0007)		

Table 7 Multinomial Logit	${\rm regressions},$	Probability	of being o	vereducated	and
undereducate	d relative to	being prope	erly match	ed	

Each specification also includes the set of controls reported in Table 2. The base outcome is working in low-paying occupations. Cluster-robust standard errors at the province level in parentheses. *** p<0.01, ** p<0.05, * p<0.1