

Over-qualification of immigrants in the UK

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Non-technical summary

This paper uses the first wave of *Understanding Society*, the UK Household Longitudinal Study (UKHLS), to assess whether male migrant employees living in the UK are more likely to be over-qualified for their job than UK-born employees. The results suggest that male immigrants are more likely to be over-qualified when compared to the UK born. However, the probabilities of over-qualification vary depending on country of origin and differences in immigration policy at the time of arrival in the UK. Male immigrants from EU15* countries and English-speaking countries have a similar probability of over-qualification as the UK born. Immigrants from other geographical regions including Central and Eastern Europe and the Baltic states (EU12)[†], Africa, the Caribbean, Latin America, and to some extent the Middle East and India are more likely to be over-qualified compared to the UK born. The results also suggest that immigration policy may implicitly or explicitly select immigrants with characteristics that might be associated with over-qualification. Those who entered the UK by right without immigration controls (e.g. British subjects from former colonial nations) and those who arrived from the EU before 2004 encounter similar probabilities of being over-qualified when compared to the UK born. However, immigrants from the EU arriving after 2004 and those arriving after 2002 under a points-based system have a greater probability of being over-qualified than the UK born.

* Ireland; France; Germany; Italy; Spain; Austria; Belgium; Denmark; Finland; Greece; Portugal; Sweden; Switzerland; Netherlands; Norway.

[†] Poland; Czech Republic; Slovakia; Hungary; Latvia; Lithuania; Slovenia; Estonia; Malta; Cyprus; Bulgaria; Romania.

Over-qualification of immigrants in the UK[‡]

Szilvia Altorjai[§]

Abstract

This paper uses the first wave of *Understanding Society*, the UK Household Longitudinal Study (UKHLS), to assess whether or not male migrant workers in the UK are more likely to be over-qualified than the UK born. It also explores whether immigrants from different countries and arriving under different immigration policy regimes vary in their probability of over-qualification. The results suggest that both country of origin (sending factor) and immigration policy (selecting factor) matter and that the greater probability of immigrants' over-qualification masks significant group heterogeneities. Thus, the mechanisms that lead to over-qualification may vary for different groups of immigrants.

Keywords: immigration, over-qualification, immigration policy

JEL classifications: F22, J15, J24, J61, K37

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1) Introduction

The UK is one of the most popular destination countries of immigrants worldwide¹ (Gallup, 2012), attracting more than 7.1 million people in 2010, which is approximately 11.6% of the total UK population (ONS, 2013c)². The majority of all immigrants in the UK come from non EU countries (ONS, 2013b). Until late 2009, work related reasons dominated the decision to migrate to the UK, but since then formal study has become the principle reason for coming (ONS, 2011a; ONS, 2013b).

On some labour market indicators, such as employment rate, immigrants tend to outperform the UK born³. Immigrants, however, are unevenly distributed across industry sectors and occupations and are more likely to work in low skill positions than their UK-born counterparts (Green et al. 2007; Green, 2011; McCollum and Findlay, 2011; ONS, 2011b). At the same time, the highest qualification levels of foreign-born workers are at least comparable to the UK born if not higher (Annex Table 3 and 4). This suggests that migrant workers might be more likely to experience over-qualification. The central research question of this paper is whether male immigrant employees have higher rates of over-qualification than their UK-born counterparts. The analysis then examines which groups—based on their country of origin⁴ and the immigration policy⁵ at the time of arrival—are more likely to work in positions where their qualification levels exceed the requirements of their job. This paper focuses on male employees as women's labour market behaviour introduces modelling complications when reconciling preferences, childcare responsibilities and other factors such as benefit eligibilities.

¹ The top5 desired destination countries are the U.S., the UK, Canada, France, and Saudi Arabia between 2009 and 2011 (Gallup, 2012).

² The latest Census 2011 data show that the percentage of the resident population who were non UK-born was 13% in England and Wales (ONS, 2012a).

³ In the first quarter of 2011, the employment rate for the working age population was 71.0% for the UK born compared to 71.4% for those born in EU14 countries, 81.7% for those born in EU8 countries and 63.7% for those born in rest of the world countries (ONS, 2011b). EU 14 refers to Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and Sweden. EU8 refers to the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia (ONS, 2011b).

⁴ See Annex Table 1 for the construction of the country of origin variable.

⁵ See Section 5 for the construction of the immigration policy proxy variable.

Over-qualification is one type of mismatch between the characteristics of a worker and the feature of the job that he does (Feldman, 1996)⁶. Qualification measures certified skills acquired through formal education (Quintini, 2011a), and a worker is over-qualified if the highest academic and/or vocational qualification that he attained, exceeds the maximum qualification requirement of the job that he does (Felstead et al., 2007; Quintini, 2011b).

Using the subjective approach Felstead et al. (2007) found that the proportion of over-qualified workers steadily increased in the UK from 29.3% to 39.6% between 1986 and 2006. Brynin and Longhi (2009) estimate that 33% of workers in Britain were over-qualified in 2001-2002. Dolton and Vignoles (2000) estimate that 38% of graduates surveyed in the UK were over-educated in their first job in 1980, a proportion that fell to 30% six years later when the same graduates were surveyed again in 1986. The higher proportion of immigrants who experience over-qualification compared to the UK born has also been documented in the United Kingdom (Battu and Sloane, 2004; Lindley, 2009). Lindley (2009) finds that 27.3% of immigrant men were over-qualified compared to 22.5% of UK born over the period of 1993 to 2003. The overall incidence of immigrants' over qualification, however, masks considerable group heterogeneity such as country of origin and immigration policy at the time of arrival.

Different countries 'send' immigrants with different socio-economic attributes and resources that can be transferred differently to the labour market of the host country (Chiswick and Miller, 2007). This paper contributes to previous studies through assessing the probability of over-qualification of immigrants coming to the UK from different countries.

Immigration policies 'select' immigrants with certain attributes (Green and Green, 1995; Aydemir, 2010; Longhi and Rokicka, 2012), yet there is no survey data on immigrants living in the UK which includes the type of visa and detailed information of socio-economic characteristics: thus, the contribution of this paper is the development of an immigration policy proxy variable that captures the main policy shifts in the last 40 years in the UK.

⁶ Feldman (1996) developed a multidimensional conceptualization of person-job misfit based on education, work duties, field of employment, wages and performance of the job.

The analysis presented in this paper is based on three models. The first model confirms that being a foreign born male employee in the UK is associated with a greater probability of over-qualification compared to UK-born employees. The second model groups male immigrants based on their country of origin and suggests that not all immigrants are more likely to be over-qualified compared to their UK-born counterparts. The third model groups male immigrants based on the immigration policy at the time of arrival in the UK and shows that immigrants arriving under some immigration policy regimes are associated with greater probability of over-qualification than UK-born employees.

The reference group in all three models is male UK-born employees aged 16+. The covariates include socio-economic variables such as age; ethnic minority background; highest qualification level; difficulties with English (only for those whose first language is not English); years lived in the UK (for immigrants); years spent in current job; aspects of the job such as sector, job contract (temporary versus permanent position, part-time versus full-time job); size of the firm; marital status; the citizenship of the spouse/civil partner; type of the household such as whether or not there are children or unemployed household members; and residency in London. See Annex Table 1 for the detailed description of the covariates.

The paper is organised as follows. Section (2) summarizes the concept and measurement of over-qualification; section (3) introduces the theoretical background; section (4) explains the data; section (5) highlights the major immigration policy cornerstones in the UK and the construction of the immigration proxy variable; section (6) analyses the descriptive statistics; section (7) introduces the models; section (8) discusses the results; and section (9) concludes.

2) The measurement of over-qualification

Measuring the worker's qualification level is relatively straightforward using survey data, measuring the qualification requirement of the job is less intuitive. The literature applies three methods (Verhaest and Omey, 2006; Hartog, 2000): (i) an objective job-analyst method; (ii) a

subjective measurement based on the workers' perception⁷ (Chevailier, 2003; Felstead et al., 2007); and (iii) a distribution based measurement⁸ (Sicherman, 1991; Verdugo and Verdugo, 1989; Kiker et al. 1997; Battu and Sloane, 2004). The job analyst method allocates a required qualification level to each and every occupation based on an external official source such as the Dictionary of Occupational Titles (DOT) and the linked Occupational Information Network (O*NET) in the US or the ARBI-codes in the Netherlands (Hartog 2000; Hartog and Oosterbeek 1988; Sicherman 1991; Chevalier, 2003, Rubb, 2003). The qualification requirement of the occupation then is cross-checked with the qualification levels of the people who do a job within the corresponding occupation. Chevalier (2003) emphasizes two major criticisms of the job-analyst approach. First, the data collection for these registers is rather complicated and prolonged, resulting in classification which is less responsive to the technological change of the production processes. Second, the job analyst definition assumes that every job under the same occupational group requires the same set of skills and qualifications, which is over-simplified (Chevalier 2003). Verhaes et al (2006) assessed the reliability of the job-analyst, the subjective and the distribution based measures of over-qualification on different labour market outcomes such as wages, job satisfaction, occupational mobility and training participation. They concluded that the job analyst measurement provides reliable estimates and identified it as the preferred method when measuring over-qualification. The job analyst method is widely applied in the US, Australia, Canada, Netherlands (Vaisey, 2006; Hartog and Oosterbeek, 1988), but has been rarely used in the UK. One of the contributions of this paper is to apply the job-analyst measurement of over-qualification based

⁷ The subjective measure of over-qualification is based on the perception of the respondent about the required qualification level to *do* or to *get* the given job (Felstead et al., 2007). Qualification level can be measured by years of education or by certificates. For the former measurement, see for example Sicherman (1991).

⁸ The distribution based measurement uses the average qualification level of workers in each and every occupation as a threshold for the required schooling and cross-checks this with the highest qualification level of the individual (Cohn and Khan, 1995; Verdugo and Verdugo, 1989; Kiker et al., 1997; Groot and Van Den Brink, 1997). Those who have a higher qualification level than the average plus 1 standard deviation, are considered to be over-qualified. Those who fall in between the plus/minus 1 standard deviation compared to the average qualification levels of the given job, are considered to be matched. Those who have a lower qualification level than the average minus 1 standard deviation, are considered to be under-qualified (Cohn and Khan, 1995; Verdugo and Verdugo, 1989; Kiker et al., 1997; Groot and Van Den Brink, 1997). Some other distribution based measurements use the mode as the threshold rather than the mean (Kiker et. al, 1997; Battu and Sloane, 2004).

on the *Standard Occupational Classification 2000* (ONS, 2000). The other advantage of the job analyst method is that the eligible occupations for various visa routes are also identified based on the SOC 2000 classification (MAC, 2012)⁹, which ensures a rare methodological consistency for his paper.

Intuitively, to be able to decide whether a person is over-qualified or not one needs to know (1) the qualifications level of the person; and (2) the qualification requirement of the job. This section explains the process of generating these two variables. In the UKHLS two questions ask about the qualification level of the person: one is academic, the other is vocational qualification. The highest qualification level is the combination of the two variables above depending on which is higher. In this process the *National Qualification Framework* is applied (Ofqual, 2011).

To identify the qualification requirement of the job, the Volume 1 report of the *Standard Occupational Classification 2000* (ONS, 2000) was used to establish the required qualification levels of *entry* to every occupation at 4-digit level. The job descriptions include a section on “typical entry route and associated qualifications” which lists the minimum and maximum qualifications a given occupation typically requires. When constructing the minimum and the maximum qualifications that a job requires, the *National Qualification Framework* was applied (Ofqual, 2011). By knowing the required minimum and maximum qualification level of the job and knowing the highest qualification level of the respondent on the same scale it is possible to identify whether the worker is under-qualified, matched, or over-qualified. In this framework a person is under-qualified if his qualification is below the minimum; matched if his qualification is between the minimum and maximum; and over-qualified if his qualification is above the maximum qualification level required by the job. The dummy version of this variable measures whether the worker is over-qualified or not (i.e. under- and matched workers

⁹ The Migration Advisory Committee has been asked to update the list of Tier 2 occupations to reflect the Standard Occupational Classification 2010 (MAC, 2012).

are coded as ‘0’ while over-qualified workers are coded as ‘1’). This dummy variable is the dependent variable used in the models.

3) Theoretical background

This paper is primarily interested in describing whether or not male immigrants in the UK are more likely to be over-qualified compared to their UK-born counterparts. Most of the concepts and theories that explain the mechanisms of over-qualification indirectly assume a rather homogeneous population in terms of cultural background, school system, and other aspects of the socio-economic environment. But this assumption from the migration research point of view cannot hold; therefore, the application of some the mainstream theories is less straightforward. Although this paper does not aim to model the mechanisms that lead to over-qualification, it is still important to account for some of the theory driven covariates.

Over-qualification can be seen as the result of a sub-optimal investment in qualification (i.e. human capital). *Human capital theory* explains this outcome as a symptom of not having enough or correct information about the future applicability of recently acquired knowledge and skills (Becker, 1975). Because immigrants surely did not know that they would live and work outside of their country of origin, it is reasonable to expect that they might be more likely to be over-qualified. *Occupational mobility theory* explains some workers’ over-qualification by the fact that they are more likely to change jobs and firms and move upwards in the occupational hierarchy over time (Sicherman and Galor 1990; Rubb 2006). This explanation, which predicts that greater job separation is associated with over-qualification, is beyond the scope of this paper. However, if over-qualified people have greater job turnover, they should be over-represented among those who just recently started their new job position. The practical importance of accounting for *occupation mobility theory* in this paper is twofold. First, those who recently have changed their job are more likely to be over-qualified; second, immigrants tend to concentrate in sectors and occupations where employment turnover is high (Green et

al., 2007). The models therefore control for some aspects of the occupational mobility theory by including a variable indicating the number of years worked in the current job. *Matching theory* applies the concept of person-job match when emphasizing the process of finding the job where the person's qualification matches the job's requirement (Jovanovic, 1979). This process takes time and therefore younger labour market entrants are more likely to be over-qualified and have shorter job-durations (Sloane et al. 1999; Jovanovic, 1979; Sicherman, 1991; Rubb, 2006). In the models, matching theory is proxied by age. Spence (1973) developed the *screening model* that intuitively can be seen as the employers' side of matching theory as it outlines the concept of the signalling power of various observable personal characteristics such as education, work experience, and gender in the job market¹⁰ (Spence, 1973). Hiring is a risky investment for the employer but the allocation of the relative value of personal characteristics mitigates this risk¹¹ (Spence, 1973). When applying screening theory for immigrants, the question is which personal characteristics might have a lower signalling power for foreign born workers—for example whether or not employers value non-UK qualifications differently. Chiswick and Miller (2007) argue that the matching process can be more prolonged for those immigrants who arrive from a country with a labour market and institutional system that is distant from that of the host country. The *international transferability of human capital* theory aims to explain these disparities in labour market outcomes after immigration (Chiswick, 1978; Chiswick and Miller 2007, 2010). The concept emphasizes that foreign workers' formal education and/or job experience acquired in their country of origin is place-specific and therefore “*less-than-perfectly transferable*” globally (Chiswick, 1978; Chiswick and Miller 2007, 2010). The issue of not fully-transferable human capital is more prevalent for highly-skilled migrants than for less-well educated immigrants—who might substitute their lack of

¹⁰ Spence (1973) differentiates the observable characteristics as ‘indices’ and ‘signals’. Indices are fixed characteristics which cannot be manipulated by the worker such as gender, race or even immigrant status. Signals, however, are attributes which can change over time such as qualification level.

¹¹ Spence (1973) explains that the risk stems from the unknown productivity of the new employee at the time of the hire and even later as there is a time lag between the hire and the proper assessment of the new employee's productivity. Until the productivity of the worker is known, the wage setting process is based on the anticipated productivity of the worker. The anticipated productivity of the worker stems from pre-existing knowledge and information about current and past employees with similar characteristics.

formal schooling by their motivation and other types of unobservable characteristics that are valued in the labour market (Chiswick, 1978)¹². The first language of immigrants—if different from the host country’s language—is the most obvious *less-than-perfectly-transferable* skill and the models in the analysis account for this.

The country of origin and immigration policy regime at the time of arrival might alter the average probability of over-qualification of immigrants (Chiswick and Miller 2007; Longhi and Rokicka, 2012; Tani, 2012). In Australia, Canada and the US research has used information on immigrants’ visa types when assessing foreign born workers’ employment status, occupational composition and earnings. Data that includes the type of visa as well as detailed background characteristics of immigrants are not available in the UK, and therefore the association between visa types and immigrants’ labour market outcomes has not been analysed. Some studies have attempted to highlight the role of immigration policy when assessing the composition of socio-economic characteristics and labour market performance of immigrants in the UK. Lindley (2009) estimates the incidence of over- and under-qualification for those UK born and immigrants who gained their qualifications in the UK and explores the earnings disadvantage associated with person-job mismatch. The models for immigrants include six dummy variables that capture the cohort effects between the 1960s and early 2000s. Lindley (2009) finds that more recent male immigrants encounter a greater probability of over-qualification. Lemos (2011) analyses the immigrant-native earnings gap in the UK and points out the correspondence between immigrants’ cohort of arrival and their position in the earnings distribution. However, none of the immigration cohort variables that Lindley (2009) and Lemos (2011) apply take into consideration the major shifts in UK immigration policy over the period. Longhi and Rokicka (2012) study the effect of immigration policy change before and after 2004 on the socio-economic composition of EU8 immigrants in the UK. They conclude that those EU8 immigrants who arrived after 2004—when policy selection was removed and

¹² Chiswick (1978) argues that because migrants are favourably selected, “...among those with little schooling only the most able and most highly motivated migrate, while among those with high levels of schooling the immigrants are drawn more widely from the ability distribution” (Chiswick, 1978, pp 912).

the EU8 countries earned unlimited access to the UK labour market—are negatively self-selected in terms of education compared to those EU8 immigrants who arrived before 2004. At the same time, those EU8 immigrants who arrived after 2004 were less likely to be self-employed or to be unemployed and were more likely to be employed. Moreover, Longhi and Rokicka (2012) found that not only those EU8 immigrants who arrived before 2004 are distinctively different from those who arrived after 2004, but also, immigrants from EU8 countries are different from immigrants from EU15 countries. Elliot and Lindley (2008) estimate the earnings of UK born and immigrants. For immigrants they account for occupational selection when applying the major immigration policy changes between 1971 and 1999 as an identification parameter of the selection equation. They conclude that immigration policy changes have altered immigrants' occupational attainment. As far as the variable description of Elliot and Lindley (2008) allows to assess, the construction of the immigration policy dummy variables take into consideration the year of arrival of the immigrants but does not consider the country of origin and the nationality/citizenship of the parent and/or grandparent, important attributes when grouping immigrants into immigration control categories.

Aydemir (2012) reviews the comparative migration literature focusing on cross country variations of immigrants' personal characteristics and labour market outcomes across visa categories. Aydemir (2012) emphasizes Barrett's (1998) finding that the skill level of those immigrants who entered the US via an employment based visa is higher than those immigrants who arrived based on family and relationship preferences. In terms of labour market outcomes, Cobb-Clark (2002; 2004) studied the employment and unemployment rates of recent immigrants in Australia. Starting in 1999-2000, the Australian immigration policy gradually prioritised the selection of immigrants with productive skills. Cobb-Clark (2002; 2004) argues that in Australia the shift to a skill-biased immigration policy¹³ attracted immigrants with better English language skills, higher education levels and more pre-immigration labour market

¹³ The term of 'skill-biased immigration policy' is used by Tani (2012).

experience resulting in higher employment rates relative to earlier migrants. Green and Green (1995) compare the occupational composition of immigrants arriving before and after 1967 when the Canadian immigration policy shifted to a points-based system. They find the new immigration policy had a direct and large impact on the occupational composition of immigrants by shifting immigration inflows away from less skilled occupations towards more skilled occupations. Aydemir (2010) argues that although the Canadian points system successfully attracted high skill immigrants, there were still difficulties transferring human capital acquired pre-immigration into the host country's labour market. In the short term, recent high skill immigrants do not necessarily perform better (in terms of labour force participation and employment rates) than earlier immigrants who arrived via a family visa. Tani (2012) specifically analyses the impact of the skill-biased immigration policy on changes in Australian migrants' probability of over- and under-qualification. Tani (2012) finds that the skill-biased policy increased the probability of selecting foreign born workers who had been matched- or under-qualified prior to migration but did not increase the probability of selecting immigrants who had been over-qualified prior to migration.

The present analysis applies further controls such as marital status and immigrants' marriage with a British citizen. Kantarevic (2005) analyses some of the labour market outcomes of interethnic¹⁴ married and non-interethnic married immigrants in the US and finds that the earnings premium of interethnic married immigrants relative to non- interethnic married immigrants disappears once the author controls for selection (Kantarevic, 2005). Immigrants' *labour market segmentation* is captured by the sector and the type of the job-contract. Immigrants' labour market segmentation might play a crucial role in their higher probability of over-qualification as some foreign born workers—especially from EU8 countries—concentrate in sectors where temporary and seasonal jobs are more typical such as agriculture, hospitality, food processing and construction (Green et al. 2007, Green 2011).

¹⁴ Kantarevic (2005) defines interethnic marriage as a marriage union between a foreign-born person and a native person.

The next section introduces the main immigration policy changes in the UK in the last 40 years or so and describes the construction of the proxy immigration policy variable used in the models.

4) Data

The data are from wave 1 of *Understanding Society: the UK Household Longitudinal Study* (UKHLS). The UKHLS is the most comprehensive longitudinal household survey in the UK, providing detailed information on general socio-economic attributes as well as behaviours, experiences, attitudes, affiliations and political views of the population. The survey is based on a sample of approximately 40,000 households living in the United Kingdom. The sample of the overall UKHLS includes a General Population sample and includes an Ethnic Minority boost sample (EM) (Boreham et al., 2012; ISER, 2012). The sample was selected using a multistage sampling procedure and the EM sample recruited using a screening survey to select eligible households and individuals (Lynn, 2009). In total, 50,994 full and proxy individual interviews for those aged 16 and over were collected between January 2009 and March 2011 (Boreham et al., 2012; ISER, 2012).

The EM boost sample aims to oversample key ethnic groups such as Indian, Pakistani, Bangladeshi, Caribbean and African. The EM constitutes of approximately 1,000 more adult respondents at wave 1 for each of the five key ethnic groups in those areas where the proportion of ethnic minorities is relatively high (Lynn, 2009). The present analysis involves both the GP and the EM sample components; therefore, the analytical models are weighted to take into consideration the multistage stratified sample design when estimating the logit coefficients and the standard errors (Cameron and Trivedi, 2010, pp 350).

Immigrants are those respondents who say their country of birth was outside the UK. The UK born therefore includes second generation immigrants. The analytical sample includes male respondents aged 16+ and who *worked in the week before the data collection* or were

away from work due to holiday, sick leave or other reasons but reported a relevant Standard Occupational Classification code. The retired and those in full-time education are excluded from the analytical sample. The self-employed are also excluded because the selection criteria for self-employed immigrants (Tier1 of the PBS) puts less emphasis on the immigrants' qualification but more on the financial resources, past or current investments, past and current business ownership, prospects of job creations and other assets. The different set of selection criteria of immigrant entrepreneurs versus employees would make the specification and interpretation of the analytical models difficult.

Applying the above mentioned conditions, the total sample of 50,994¹⁵ decreased to 20,114¹⁶ of the analytical sample for both genders. The number of male respondents in the analytical sample who have valid values for all of the covariates of the models is 8,928 out of which 7,277 are UK born (87.6%) and 1,651 are immigrants (12.4%).

The descriptive tables and the models are calculated using a weighted dataset that accounts for the stratified sample design and cross-sectional individual weights were applied in the analysis.

5) Shifts in UK immigration policy and its proxy measurement

Immigration policy “selects” immigrants with particular characteristics and affects the volume of migration flows and labour market concentration of migrant workers (Clark and Drinkwater, 2008; Elliot and Lindley, 2008; Papademetriou et al., 2008, 2011a, 2011b).

Clayton (2010) explains the formulation of the UK immigration law as something that has emerged from a long history of mixing together the issues of nationality and citizenship (Clayton, 2010). According to the 1948 British Nationality Act, all *British subjects* had the right of abode in the UK who were “... *either citizens of the UK and Colonies (CUKCs) in the UK or where their countries of residence remained colonies, or, where their countries gained*

¹⁵ Of this total 41,248 are UK born (80.9%) and 9,746 are immigrants (19.1%) (Source: UKHLS, wave 1).

¹⁶ Of this total 16,853 are UK born (83.8%) and 3,261 are immigrants (16.2%) (Source: UKHLS, wave 1).

independence, they would be citizens of those countries and British subjects as well.” (Clayton, 2010; page 70, page 73, Table 3.1). The 1971 Immigration Act introduced stricter requirements for those who aimed to enter the UK without immigration control. Only those citizens of the Commonwealth¹⁷ or Colonies with a parent or grandparent born, naturalized or adopted in the UK had automatic right of abode (Clayton, 2010. Page73). The 1971 Immigration Act came into force in 1973 when the UK also joined the European Community. In 1973 EU citizens gained the right of abode in the UK based on the freedom of movement of goods, workers and their families; non-EU citizens, however, had to comply with immigration regulations (Elliot and Lindley, 2008; Boswell, 2008; Clayton, 2010). The next policy cornerstone was the 1981 Nationality Act that defined six citizenship categories: British citizens, citizens of Commonwealth countries, British Dependent Territories citizens, British Overseas citizens, British Protected Persons and Aliens (Clayton 2010, page 72). Out of these only British citizens and those Commonwealth citizens who had right of abode¹⁸ at commencement (1 January 1983) were free from immigration control (Clayton, 2010, page 73). The 1971 Immigration Act and the 1981 Nationality Act regulated the flow of immigrants on the principle of citizenship, parental relations, family reunion, asylum issues, and the UK’s commitment to the Commonwealth (Boswell, 2008).

The shifting focus of UK immigration policy from asylum and family reunion towards economic-needs driven migration has gradually evolved since the late 1990s (Boswell, 2008; Zig, 2004; Clayton 2010). The Nationality, Immigration and Asylum Act 2002 and an accompanying White Paper *Secure Borders, Safe Haven; Integration with Diversity in Modern Britain* (CM 5387)¹⁹, introduced a work permit system that included the Highly Skilled Migrant Programme, the rules allowing certain postgraduate students to move into employment

¹⁷ The Commonwealth is a voluntary association of 53 countries. All of the member countries, except for Mozambique, have experienced direct or indirect British rule, or have been linked administratively to another Commonwealth country. For list of countries see: <<http://www.thecommonwealth.org/>>

¹⁸ Section 11 gave British citizenship to anyone born before the commencement of the Act (1st January 1983) who were citizens of the UK Colonies (but not Commonwealth countries) whose parents or grandparents had UK citizenship by birth, adoption, naturalization or registration in the UK (Section 2 of Immigration Act 1971, cited by Clayton, 2010, page 13 and page 74).

¹⁹ (Home Office, 2002).

after graduating, the details of the Seasonal Agricultural Workers' Scheme to meet the demand for short-term casual labour, and the Working Holidaymaker Scheme (Home Office, 2002). The work permit programmes were rather fragmented and aimed to attract high skill immigrants and foreign workers to those sectors where temporary skill or labour shortage existed (Boswell, 2008; Zig, 2004; Clayton, 2010). At the time of the 2004 EU enlargement, the UK was one of the countries that opened up its labour market to EU²⁰ immigrants. Nonetheless, immigration in the UK has been and still is dominated by non-EU migration. To manage the flows of non-EU newcomers, the previously fragmented economic-needs driven schemes have been pulled together and in 2008 the points-based system (PBS) emerged²¹.

Current visa applicants under the PBS regulations need to collect a certain number of points based on their qualification levels, previous salary, maintenance funds, English language comprehension and a job offer from a sponsor who is a UK-based licensed business (licensed by the UK Border Agency to employ migrant workers) to gain a visa (MAC, 2012). Sponsors have to offer a salary aligned with the national minimum wage and are also obliged to undertake a Resident Labour Market Test (RLMT). A RLMT involves the advertisement of the vacancy in Job Centre Plus, national newspaper, professional journal, and graduate recruitment websites before opening the job opportunity to overseas applicants (MAC, 2012)²².

Alternatively, if the occupation for a vacancy is listed among the *shortage occupations*, a fraction of the required points is allocated accordingly and the sponsor does not need to do the RLMT (MAC, 2011; Papademetriou et al., 2008). In sum, from 2008, UK immigration policy can be described as a dual system which consists of the free movement of EEA²³ citizens and

²⁰ Poland, Czech Republic, Slovakia, Hungary, Latvia, Lithuania, Slovenia, Estonia—Malta and Cyprus.

²¹ Visa routes based on family and private life are naturally also available but are kept separate from the work-based routes.

²² The RLMT aims to perform two key functions: one, to minimise the risk of replacing resident workers by potentially lower-paid migrant workers; and second to ensure that employers make efforts to seek suitable local resident job seekers who can access to information of new job opening during a minimum time period (usually 28 days) prior to the vacancy become available to migrant workers. Resident workers and job seekers are persons who are nationals of the European Economic area or legally residing in the UK and have permission to work (MAC, 2012).

²³ European Economic Area (EEA) consists of the European Union (EU) plus Norway, Iceland and Liechtenstein. Members of the EEA are Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland,

the points-based system of managed migration of non-EEA citizens (Papademetriou et al., 2008). Currently, the points-based system constitutes from the following categories:

Table 1) Current visa types of the UK PBS (as Summer 2013)

<i>Tier</i>	<i>Immigrants group covered by the tier</i>
Tier 1	Exceptional talent, entrepreneur, investors, graduate entrepreneur
Tier 2	Inter-company transfer, general, minister of religion, sportsperson — with job offer
Tier 3	Unskilled workers — has never been opened
Tier 4	General students, child students
Tier 5	Youth mobility scheme, temporary workers

Source: Home Office, 2013; MAC, 2012; Home Office, 2012a.

Czaika and Haas (2011) summarise two methods that have been used to operationalize the implementation of various immigration policies. One is the ‘country-year-dummy’ approach and the other is the ‘immigration policy index’ approach. The immigration policy variable of this paper follows the general idea of the ‘country-year-dummy’ approach that aims to capture the main shifts in immigration policy over the last 40 years in the UK and should be interpreted along these lines. Immigration regulations are constantly monitored and adjusted²⁴. The main UK immigration policy cornerstones are as follows:

- Before 1971 Act (British subject/aliens);
- 1971 Immigration Act (Partials/non-partials) – into force 1973;
- 1981 Nationality Act (after EU/non-EU division is sufficient);
- EU immigration since 1973, enlargement 2004;
- Nationality, Immigration and Asylum Act 2002;
 - Highly Skilled Migrant Programme;
 - Seasonal Agricultural Worker Scheme;
- 2008 Points-Based system of managed migration.

Asylum seekers, family reunion,
Commonwealth
(Boswell, 2008)

Economic migrants,
shortage occupations
(Boswell, 2008)

The immigration policy variable is constructed based on the combination of (i) the immigration or nationality act in force in the year of entry to the UK, (ii) the country of origin of the

France, Germany, Greece, Hungary, Iceland, the Republic of Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK. Although Iceland, Liechtenstein and Norway are not members of the European Union (EU), their citizens have the same rights as EU citizens to enter, live and work in the UK.

<<http://www.ukba.homeoffice.gov.uk/eucitizens/>>

The transitional restrictions on access to the UK labour market of Romanian and Bulgarian citizens will be removed at the end of 2013.

²⁴ All previous changes in immigration rules can be accessed from the Home Office website:

<<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/policyandlaw/statementsofchanges/>>

immigrants, (iii) the country of birth of the immigrant's parent and grandparent. The processes of EU enlargement, decolonisation and the changing membership of the Commonwealth states have been also taken into consideration when generating the immigration policy variable.

The 5 dummy variables are the following:

The first dummy variable is '*No control ($t \leq 1982$)*' where '1' denotes those who arrived to the UK before 1973 from one of the Commonwealth countries or Colonies in 1973 (*'British subjects until 1973'*)²⁵ as well as those '*partials between 1973 and 1983*' who arrived to the UK between 1973 and 1982 from one of the Commonwealth countries or Colonies if one of their parents or grandparents was born in the UK— taking into consideration the process of decolonisation and the sometimes changing memberships of the Commonwealth states. The 1971 Immigration Act defined '*partials*' as those with one parent or grandparent born, adopted or naturalized in UK. The UKHLS has no information on the year of naturalization or the year of adoption; therefore, these clauses could not be considered when generating the '*partials*'. '*No control ($t \leq 1982$)*' immigrants did not have to comply with immigration regulations in order to live and work in the UK.

The second group is '*Non-economic migrants ($t \leq 2001$)*' where '1' denotes those who had to comply with immigration controls that were not economic-needs driven. This group includes immigrants who arrived to the UK before 1972 as '*aliens*' (versus '*British subjects until 1973*') and those *non-EU immigrants* (including '*non partials between 1973 and 1983*') who arrived to the UK between 1973 and 2001. Although these immigrants had to comply with immigration control, the principle of immigration selection was not driven by the economic needs of the country.

²⁵ It is not possible to precisely operationalise the '*British subject*' fraction of the category of '*British subject until 1973 and partials until 1983*'. The regulations of the 1962 and 1968 Commonwealth Immigrants Acts identify immigrants who had the right to abode as those who (i) were born in the UK; (ii) were Irish citizens; or (iii) were Commonwealth citizens with a passport issued by the UK government (Clayton, 2010, page 73). However, the UKHLS does not include information on passports. Therefore, the group of '*British subject until 1973*' includes those who were born in UK Colonies as in 1973 or in any of the Commonwealth countries as members in 1973. The other fraction of the variable that captures '*partials until 1983*' has been computed based on the 1971 Immigration Act.

The third group is '*EU (1973-2003)*' where '1' denotes those EU immigrants who arrived to the UK between 1973 and 2003 after the UK joined the European Union and EU citizens who earned the right to come and work in the UK without immigration control.

The fourth group is '*EU ($t \geq 2004$)*' where '1' denotes those who arrived to the UK after 2004 from any of the countries of the European Economic Area (EU and Norway and Switzerland)—including the EU8 countries which after EU enlargement gained non-restricted access to the UK labour market.

The fifth group is the '*PBS and pre-PBS work permit ($t \geq 2002$)*' where '1' denotes those '*pre-PBS immigrants*' and the '*PBS immigrants*' coming from non-EU countries. '*Pre-PBS immigrants*' are those who arrived in the UK between 2002 and 2007. Immigrants from Romania and Bulgaria who arrived in the UK between 2002 and 2007 are in this group. The second group of '*PBS immigrants*' are those who arrived in the UK after 2008 when the points-based system of managed migration pulled together the previously fragmented economic-needs driven programmes (Boswell, 2008; Zig, 2004; Clayton, 2010; Aydemir, 2012). Immigrants from Romania and Bulgaria who arrived to the UK after 2008 are in this group.

It is important to note that due to data availability, it is not possible to disentangle asylum seekers and refugees who might have significantly different socio-economic characteristics than immigrants arriving to the UK based on work or family preferences.

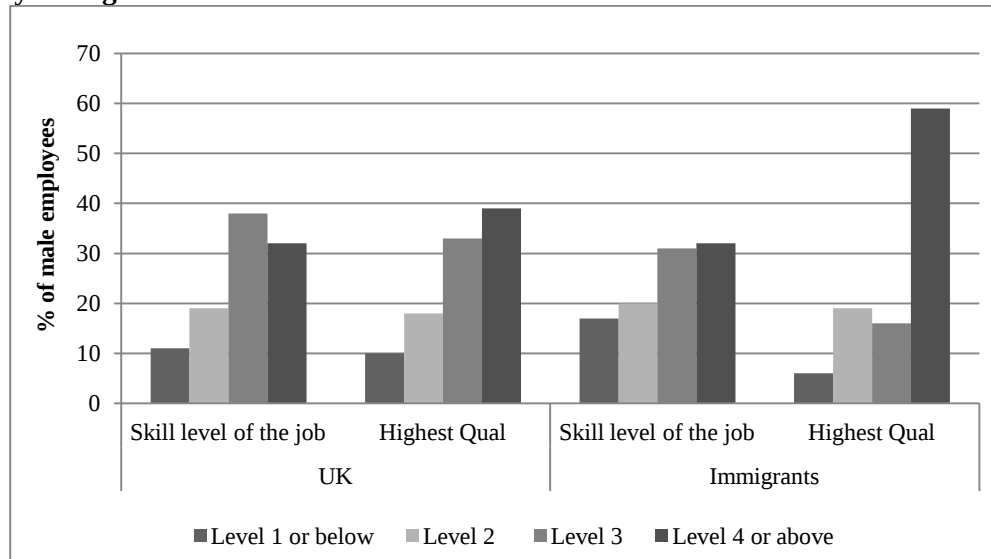
6) Descriptive statistics

This section highlights the key points of the descriptive statistics in the Annex Tables 2 through 17. Tables 3 and 4 show that male immigrants compared to the UK born tend to be younger, married, live in London, come from an ethnic minority background, and live in a household where at least one of the household members is unemployed. A greater proportion of male immigrants report that there is at least one child in their household compared to the UK born. A smaller proportion of male immigrants have a Level 3 (A levels) qualification and a

significantly higher proportion have at least Level 6 (at least first degree) qualifications compared to the UK born. Approximately 14% of male immigrants have some English language difficulties. A higher percentage of male immigrants are more likely to work in a part time position, work in a temporary job and be over-qualified. Tables 5 to 16 which detail the socio-economic characteristics of male immigrants by their country of origin and the immigration policy at the time of arrival, show that the proportion of over-qualified workers is relatively high among those who come from EU12 countries and among those who arrived more recently under the pre- PBS and PBS system (in the case of non-EU immigrants) and after 2004 (in the case of EU immigrants). The proportion of male immigrants with the highest qualification levels (Level 6+) is strikingly high among pre-PBS and PBS immigrants arriving from non-EU countries since 2002, a feature which might drive their greater proportion of over-qualification. In the case of EU12 immigrants, however, the driving force behind the relatively high person-job mismatch might be their labour market concentration in temporary and low skill jobs (Green et al. 2007; Green, 2011; McCollum and Findlay, 2011; ONS, 2011) and the widely reported difficulties with English language, which might endogenously determine their job sorting (Bloemen, 2012).

Over-qualification can occur at various segments of the distribution of the qualification level of the workers and/or the qualification requirements of jobs. Figure 1 shows the proportions of male workers with particular qualification levels and the skill requirement of their jobs for immigrants and the UK born.

Figure 1. Proportion of male employees by highest qualification levels and skill levels of their job by immigration status

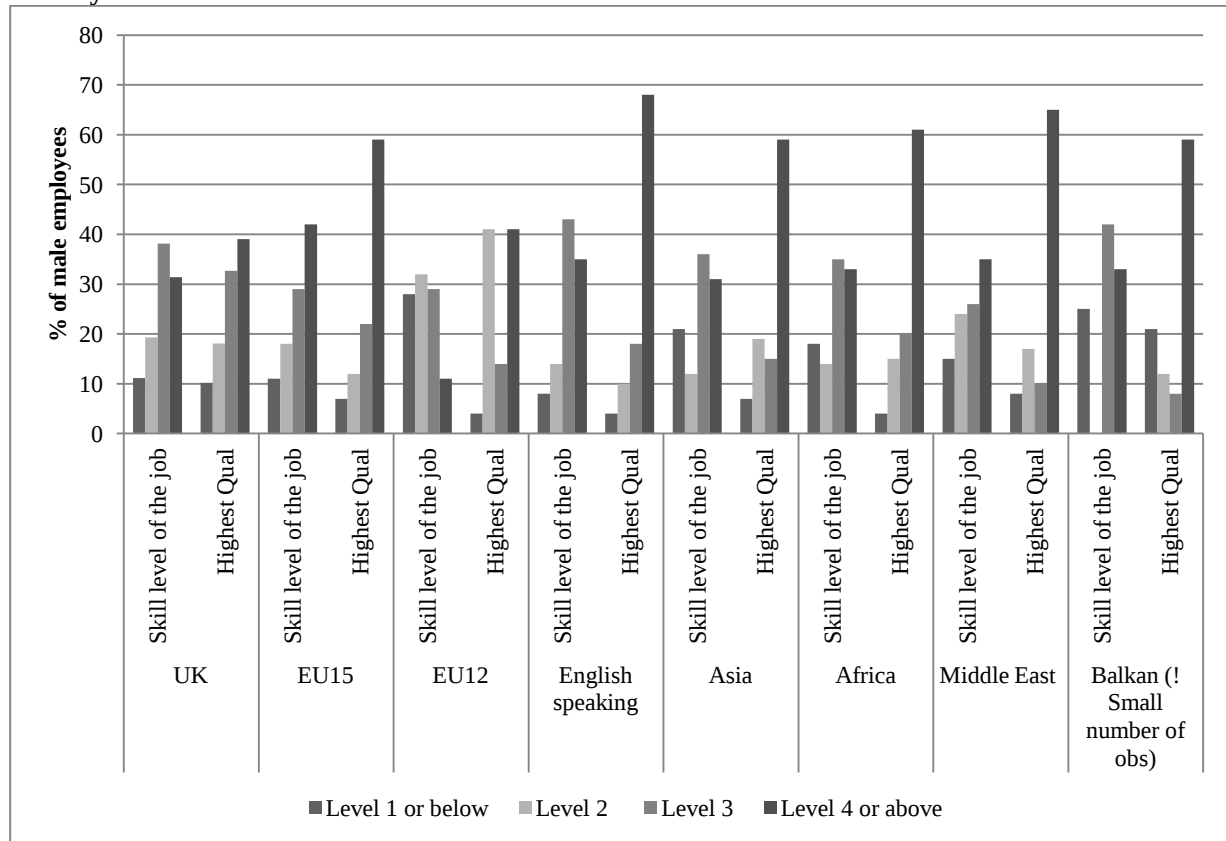


Source: Understanding Society, wave 1.

Note: Data are weighted. The skill level of the job is based on Table 1 of ONS (2000). I classified the sub-major group of 41 and 42 as Level 3 jobs instead of Level 2 jobs as ONS classifies them (i.e. civil service executive, legal secretaries, medical secretaries). Level 1 or below qualification level refers to GCE or GCSE grades D-G*; Level 2 refers to GCSE A*-C; Level 3 refers to A-levels; Level 4 refers to certificates in higher education and first and second degrees and above.

Figure 1 confirms some obvious discrepancies when comparing the proportion of workers with particular qualification levels and the skill level of their jobs. Most striking is that 60% of male immigrants are relatively well qualified (at least Level 4) but only 30% work in high skill jobs. Figure 1 intuitively suggests that migrant workers experience higher rates of over-qualification, an observation which is confirmed by Table 1: the proportion of over-qualified workers is 34.3% among male immigrants and 22.4% among the UK born. Figure 2 and Figure 3 show the proportion of migrant workers with particular qualification levels and the skill level of their jobs by country of origin and immigration policy at the time of arrival to the UK.

Figure 2. Proportion of male employees by highest qualification levels and skill levels of their job, country of birth



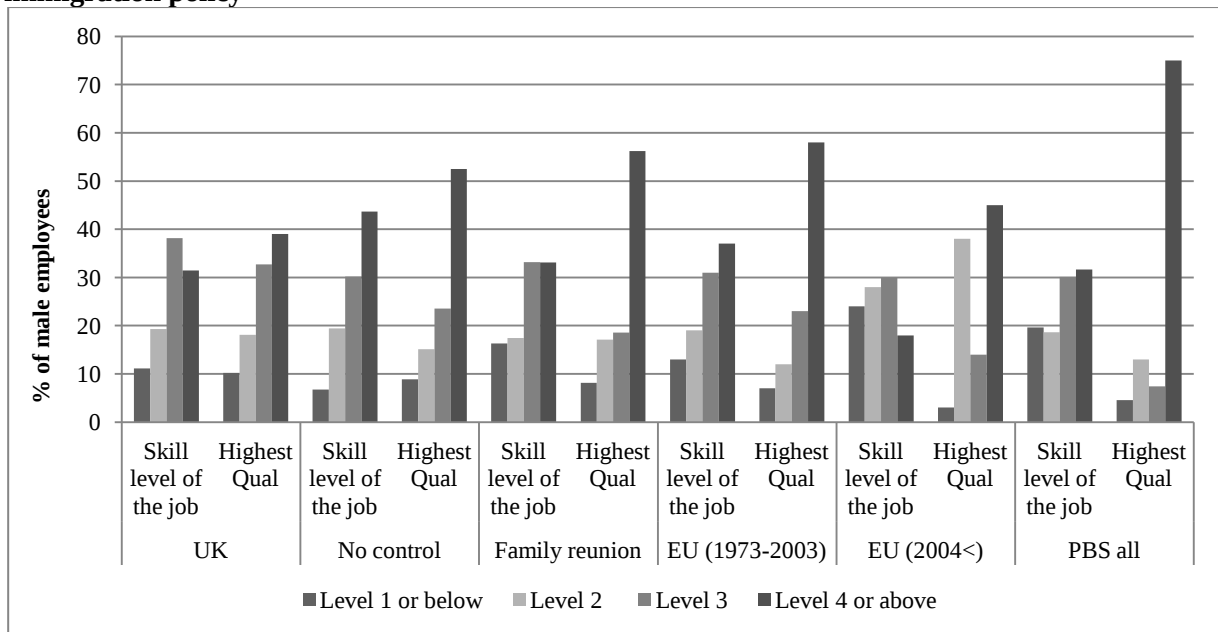
Source: Understanding Society, wave 1.

Note: See Figure 1.

Figure 2 suggests that immigrants coming from different countries might encounter various levels of person-job mismatch. Male migrant workers from EU12 countries appear to concentrate in low skill jobs, suggesting that even though their qualification level is not particularly high compared to other immigrant groups, the person-job mismatch might be quite significant. On the other hand, male immigrants from English-speaking countries and EU15 countries have a high qualification profile but are also relatively concentrated in high skill jobs compared to other immigrant groups and the UK born. This implies that the person-job mismatch might be less of an issue for them. Immigrants from East and South East Asia, Africa, the Caribbean, Latin America, the Middle East and India have high proportions of well qualified workers and only a somewhat greater concentration in low skill jobs compared to the UK born and other immigrant groups, except for immigrants from EU12.

Figure 3 shows the proportion of workers with different qualification levels and the skill level of their jobs by immigration policy at the time of arrival.

Figure 3) Proportion of male employees by qualification levels and skill levels of their job, immigration policy



Source: Understanding Society, wave 1.

Note: See Figure 1 and 2.

Figure 3 shows that the proportion of immigrants with at least Level 4 qualification has considerably increased as the immigration policy shifted towards the economic-needs driven skill-biased selection of visa applicants (i.e. pre-PBS to PBS immigrants). This suggests that the UK has successfully attracted high skill non-EU immigrants.

The following section explains the model specification and highlights the main findings.

7) The model

To answer to the question of whether or not migrant workers are more likely to be over-qualified compared to their UK-born counterparts, a binary logit model has been fitted where the outcome dummy variable is whether or not the respondent is over-qualified. The underlying probability of over-qualification (O^*) is latent but we can observe the dummy variable of over-qualification (O), which is constructed based on the job-analyst method. The link between the observed binary O and the latent O^* can be written as:

$$O_i = 1 \quad \text{if } O_i^* > 0,$$

$$O_i = 0 \quad \text{otherwise}$$

The estimated probability of over-qualification is the function of the set of personal characteristics shown with index z , such as age, qualification level, ethnic minority background, English language difficulties, years lived in the UK, years worked in the current job, size of the firm, sector of the job, type of job contract, part-time or full-time position, marital status, spouse nationality, whether or not there is an unemployed member in the household, whether or not there are children in the household, and resident in London or not.

Model 1, the *general model*, estimates whether being a male immigrant is associated with a greater probability of over-qualification after controlling for various socio-economic and theory driven covariates. It includes a dummy variable of whether or not the respondent is born in the UK, keeping UK born as reference group. In equation (1), δ_{01} denotes the intercept, $\delta_1 z$ denotes the coefficient matrix of the socio-economic covariates, $\delta_2 y$ denotes the coefficient of whether or not the respondent was born in the UK, and ε_1 denotes the error term.

$$Pr(O^*) = \delta_{01} + \delta_1 z + \delta_2 y + \varepsilon_1 \quad (1)$$

Model 2, the *country model*, emphasises the association between country of origin and the probability of over-qualification. It shows whether male immigrants from one set of countries are more likely to be over-qualified than the UK born. It includes the broad geographical region of the country of origin of immigrants, keeping UK born as the reference group. In equation (2), δ_{02} denotes the intercept, $\delta_{12} z$ denotes the coefficient matrix of the socio-economic covariates, $\delta_{22} y$ denotes the coefficients matrix of the broad geographical region of the country of origin of immigrants, and ε_2 denotes the error term.

$$Pr(O^*) = \delta_{02} + \delta_{12} z + \delta_{22} y + \varepsilon_2 \quad (2)$$

Model 3, the *policy model*, emphasises the association between immigration policy and the probability of over-qualification. It shows whether male immigrants under one type of immigration policy are more likely to end up in a position where they are over-qualified than the UK born. It includes the immigration policy at the time of immigrants' arrival to the UK, keeping UK born as the reference group. In equation (3), δ_{03} denotes the intercept, $\delta_{13}z$ denotes the coefficient matrix of the socio-economic covariates, $\delta_{23}y$ denotes the coefficients matrix of the immigration policy at the time of immigrants' arrival, and ε_3 denotes the error term.

$$Pr(O^*) = \delta_{03} + \delta_{13}z + \delta_{23}y + \varepsilon_3 \quad (3)$$

Rubb (2011) argues that estimating over-qualification on a restricted sample of employed individuals might result in a biased estimate. Therefore, some recent papers (Cuttillo and Di Pietro 2006; Rubb, 2011) estimate a second equation that models selection into employment when calculating the probability of over-qualification. In this paper the selection into employment is not corrected because selection into employment might be a different process for the UK born and for different groups of immigrants due to their varying incentives and labour market behaviours, making modelling one selection equation for all these groups problematic.

The following section highlights the key results of the three logit regression models.

8) Results

Model 1 of Table 2 shows that being a male immigrant is associated with a 10.7% greater probability of over-qualification than being UK born. With age, the probability of over-qualification decreases consistent with the main idea of matching theory that predicts a

decreasing trend of over-qualification as skills, experience and firm-specific human capital is acquired over time (Jovanovic, 1979; Battu and Sloane, 2004). The greater probability of over-qualification of ethnic minorities is consistent with earlier studies (Lindley, 2009; Battu and Sloane, 2004). The sign for the coefficients of marital status and whether or not the spouse or civil partner is a British citizen is negative as expected, even if in case of the latter, it is not significant. Regardless of country of birth, those working in temporary or part-time jobs and those working in production or private services are also more likely to be over-qualified. This latter result is consistent with Battu and Sloane (2004) who show that employees working in the public sector encounter a lower likelihood of over-qualification. The analysis also suggests that the likelihood of a worker being over-qualified increases as the qualification level increases but not linearly: those who have Level 4 or 5 qualifications, which is higher than Level 3 (equivalent to A levels) but lower than degree level, are associated with the highest propensity for over-qualification²⁶. Having English language difficulties is also associated with over-qualification. Model 1 also suggests that the more years a person stays in a job, the less likely he is to be over-qualified. This association could be driven by the fact that over-qualified workers encounter greater occupational mobility and eventually can find a job with a better match (Sicherman, 1991). An alternative explanation could be that those immigrants who are less successful in the host country's labour market (i.e. are over-qualified) might be more prone to return migration (Constant and Massey, 2002). Return migration improves the level of person-job match and can drive the decreasing level and probability of immigrants' over-qualification (Chiswick et al, 2005). Any of these mechanisms are theoretically valid but rather difficult to confirm with cross-sectional data.

²⁶ The parameter estimate 'Level 3' is significantly different from 'Level 4 and 5' at $p < 0.01$. The parameter estimate 'Level 3' is significantly different from 'Level 6+' at $p < 0.10$. The parameter estimate 'Level 4 and 5' is significantly different from 'Level 6+' at $p < 0.01$.

Table 2. Estimated probability of over-qualification, male aged 16+

	Probability of over-education					
	Model 1. Natives vs. immigrants		Model 2. Natives vs. immigrants from different countries		Model 3. Natives vs. immigrants by different immigration policies	
	Average Marginal Effect (AME)	Standar d Error (SE)	AME	SE	AME	SE
UK born	<i>Ref.</i>	–	<i>Ref.</i>	–	<i>Ref.</i>	–
Immigrant	0.107**	0.029	–	–	–	–
<i>Regions of the country of origin</i>						
EU15	–	–	0.011	0.037	–	–
EU12	–	–	0.227**	0.034	–	–
English-speaking countries	–	–	0.062	0.042	–	–
East and Latin East Asia	–	–	0.146**	0.053	–	–
Africa, Caribbean, Latin America	–	–	0.092**	0.030	–	–
Middle East and India	–	–	0.052+	0.027	–	–
Balkan, New Independent States	–	–	0.236*	0.092	–	–
<i>Immigration policy at the time of arrival</i>						
No control (t<=1982)	–	–	–	–	0.003	0.038
Non-economic migrants (t<=2001)	–	–	–	–	0.046*	0.020
EU (1973-2003)	–	–	–	–	-0.005	0.041
EU (t>=2004)	–	–	–	–	0.085*	0.040
PBS and pre-PBS work permit (t>=2002)					0.100**	0.027
<i>Other covariates</i>						
Age	-0.001+	0.000	-0.001	0	-0.001	0.000+
White (0-Non white and mixed ethnic background; 1-White)	-0.041	0.016	-0.060**	0.018	-0.035*	0.018
English difficulties (0-no; 1-yes)	0.133**	0.031	0.074*	0.033	0.138**	0.034
Qualification level: = < Level2	<i>Ref.</i>	–	<i>Ref.</i>	–	<i>Ref.</i>	–
Level3	0.331**	0.016	0.335**	0.016	0.331**	0.016
Level 4 and 5	0.419**	0.017	0.422**	0.017	0.419**	0.017
Level 6 and above	0.310**	0.016	0.315**	0.016	0.311**	0.016
Year lived in the UK	-0.003**	0.001	-0.002*	0.001	–	–
Year worked in current job	-0.002**	0.001	-0.002*	0.001	-0.002**	0.001
Size of the firm: 1-24	<i>Ref.</i>	–	<i>Ref.</i>	–	<i>Ref.</i>	–
25-99	0.057**	0.012	0.057**	0.012	0.058**	0.012
Over 100	0.034**	0.011	0.032**	0.011	0.035**	0.011
Public services	<i>Ref.</i>	–	<i>Ref.</i>	–	<i>Ref.</i>	–
Production	0.121**	0.013	0.120**	0.013	0.121**	0.013
Private services	0.131**	0.012	0.131**	0.012	0.131**	0.012

Temporary job (0-no; 1-yes)	0.056**	0.019	0.053**	0.019	0.057**	0.02
Part-time job (0-no; 1-es)	0.162**	0.015	0.165**	0.015	0.162**	0.015
Legally married (0-no; 1-yes)	-0.038+	0.022	-0.040*	0.025	-0.035+	0.021
Spouse is British (0-no; 1-yes)	-0.028	0.021	-0.027	0.020	-0.031	0.02
Spouse of the immigrant is British (0-no; 1-yes)	-0.010	0.033	—	—	—	—
Unemployed in the household (0-no; 1-yes)	0.023*	0.01	0.023*	0.01	0.023*	0.01
Children in the household (0-no; 1-yes)	-0.004	0.011	-0.004	0.011	-0.004	0.011
London (0-no; 1-yes)	-0.025	0.016	-0.025+	0.015	-0.023	0.016
Log-Lik Full Model	-4923.862		-4901.737		-4924.631	
LR	1617.395(21)		1662.521(26)		1616.733(23)	
Prob > LR	0.000		0.000		0.000	
McFadden's R2	0.141		0.145		0.141	
Number of observations	8,928					

+ $p < 0.1$; * $p < 0.05$; ** $p < 0.01$

Source: UKHLS, wave 1 for 2009-2010, weighted with design weight.

Note: The interaction term of the spouse citizenship is included only in the first model. The coefficients and the standard errors are retrieved from a model which is run by using the survey command (svy). However, the model test-statistics refer to a model where the dataset is weighted by [a_indinus_xw] and the error terms are clustered by strata. The average marginal effect of the interaction term of 'spouse of the immigrant is British' is calculated by using the contrast operator²⁷.

Model 2 groups immigrants according to their country of origin²⁸. Being a male immigrant from Africa, the Caribbean, Latin America, from the EU12 and to some extent from the Middle East and India is associated with a greater probability of over-qualification than being UK born²⁹. Male immigrants from the EU15 and English-speaking countries are similar to their UK-born counterparts in this respect. This might be because employers may value the qualification and experience of job applicants from EU15 and English-speaking countries more highly. Model 2 of Table 2 suggests that different countries 'send' immigrants with different socio-economic attributes and resources that can be transferred differently to the labour market of the host country (Chiswick and Miller, 2007). Immigrants from certain countries have

²⁷ (Wiggins, 2013).

²⁸ The parameter estimate 'EU12' is significantly different from the estimates 'Africa, the Caribbean and Latin America', the 'Middle East and India', the 'English-speaking', and the 'EU15' at $p < 0.01$. The parameter estimate 'Middle East, India' is significantly different from 'East and South East Asia' at $p < 0.10$ level.

²⁹ The results for male immigrants from Balkan and the New Independent States are not discussed due to the small number of observations for this group.

greater, and others do not have significantly different, probabilities of over-qualification relative to the UK born.

Model 3 groups immigrants by immigration policy. Model 3 shows that male immigrants who entered the UK without immigration control (No control $t \leq 1982$) and EU immigrants arriving between 1973 and 2003 have similar probabilities of over-qualification. Being a male immigrant arriving under any kind of selection criteria appears to be associated with greater propensity for over-qualification. Moreover, the more skill-biased the selection criteria of the immigration policy, the more likely it is a foreign-born worker is over-qualified³⁰. EU immigrants arriving after 2004 have similarly high probabilities of over-qualification to PBS and pre-PBS immigrants. Model 3 suggests that different assumed immigration policy principles might ‘select’ immigrants with particular characteristics associated with different probabilities of over-qualification.

The models suggest that the incidence of male immigrants’ over qualification masks considerable group heterogeneity such as country of origin and immigration policy at the time of arrival, aspects which need to be taken into account to understand the labour market destinations of immigrants.

9) Conclusion

Immigrants are more likely to be over-qualified than their UK born counterparts with similar personal, household and job characteristics. However, they are heterogeneous based on not only to their personal characteristics but also their country of origin and the immigration policy in force at the time of their arrival. To further examine the effect of national origin and migration policy on over-qualification, this study estimated the over-qualification of migrant workers by country of origin and immigration policy relative to UK born workers.

³⁰ The parameter estimate ‘PBS and pre-PBS ($t \geq 2002$)’ is significantly different from the estimates ‘No Control ($t \leq 1982$)’ immigrants at $p < 0.05$. The parameter estimate of ‘PBS and pre-PBS ($t \geq 2002$)’ is significantly different from ‘Non-economic migrants ($t \leq 2001$)’ at $p < 0.10$.

The contribution of this paper is twofold. First, it applies the job-analyst measurement of over-qualification which has been rarely used on UK data. Second, due to the lack of data about the specific immigration routes (i.e. visa type) through via which immigrants entered the UK, this paper developed an immigration policy proxy variable to capture the main shifts in UK immigration policies over the last 40 years.

The results show that different countries ‘send’ immigrants with different socio-economic attributes that are associated with different probabilities of over-qualification. Male immigrants from EU12 countries, Africa, the Caribbean, Latin America, East and South East Asia, the Middle East and India are more likely to work in a job where they are over-qualified relative to the UK born. Immigrants from EU15 countries, and English-speaking countries appear to have a similar probability of over-qualification as the UK born.

Results also show that immigration policies ‘select’ immigrants with different socio-economic attributes and resources that are associated with different propensities to be over-qualified. Male immigrants entering the UK without immigration control (No control $t \leq 1982$) and EU immigrants arriving between 1973 and 2003 have similar probabilities of over-qualification than UK natives. Male immigrants who arrived based on any kind of selection criteria appear to have a greater propensity for over-qualification. Moreover, the more skill-biased the selection criteria of the immigration policy, the more likely that a foreign-born worker is over-qualified. EU immigrants arriving after 2004 have a similarly high probability of over-qualification as PBS and pre-PBS immigrants. In the case of $EU \geq 2004$ immigrants, immigration policy selection does not play any role but their labour market segmentation and self-selection might jointly do so (Longhi and Rokicka, 2012). The PBS skill-biased immigration policy successfully selects people with high formal qualifications. This greater formal qualification attainment of PBS immigrants does not necessarily translate to better person-job match in the short-term. The inconclusive assessment of the person-job match of some PBS Tier 1 immigrants was recognised by the Home Office (Home Office, 2010, Figure

1; Home Office, 2009, Table 1) and the issue of high skill immigrants working in low skill jobs received media coverage (Telegraph, 2010).

One conclusion might be that the UK PBS is associated with higher levels of over-qualification amongst recent immigrants. While this explanation cannot be ruled out, it is important to realise that PBS immigrants are heterogeneous in terms of the immigration rules of different Tiers via which they enter the UK. In addition, the procedural and operational details of the PBS have been updated since the data of the UKHLS were collected. A longitudinal extension of this paper might shed some light on whether or not accounting for some of these factors also changes the probability of over-qualification of PBS immigrants compared to UK born.

It is difficult to relate these findings to any UK literature as the association between different principles of immigration policy and immigrants' labour market integration measured by either earnings or over-qualification has been only indirectly analysed (Elliot and Lindley, 2008; Lindley, 2009; Lemos, 2011; Longhi and Rokicka, 2012). The result of this paper that pre-PBS and PBS immigrants are better qualified is consistent with the findings of studies in the US and Australia. For example, Aydemir (2012), based on US data, and Cobb-Clark (2002, 2004), based on Australian data, find that the skill level of immigrants entering the host country via skill-biased immigration policy is higher than the skill level of immigrants who arrive based on family preferences. A better qualified labourer might be more likely to find a job where they are over-qualified unless (i) there is significant job creation in high skill jobs; and/or (ii) those who leave the labour market (due to retirement, mortality or emigration) free up higher skill jobs that the highly qualified migrant labour can fill. Whether or not the favourable set of characteristics of pre-PBS and PBS immigrants translates to better person-job match is a complicated question driven by numerous factors. A recent study by Tani (2012) applied the job-analyst measurement of over-qualification and found that in Australia the skill-biased immigration policy does not increase the probability of over-qualification (Tani, 2012).

The higher probability of pre-PBS and PBS immigrants being over-qualified in the UK is therefore less consistent with the findings of Tani (2012). Cross-country comparative analysis might shed light on this puzzle.

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Annex

Table 1) Variable description

<i>Dependent variable</i>	
<i>Over-qualified</i>	Dummy variable. ‘1’ denotes those who have higher qualification level than the occupation job requires according to the job-analyst measurement. ‘0’ denotes those who are not over-qualified including both matched and under-qualified workers.
<i>Key independent variables³¹</i>	
<i>UK-born vs. Foreign-born:</i>	Dummy variable. ‘1’ denotes foreign born, 0 denotes those who were born in England, Wales, Scotland, and Northern Ireland are UK-born.
<i>Country of origin of immigrants</i>	
<i>EU15</i>	Ireland; France; Germany; Italy; Spain; Austria; Belgium; Denmark; Finland, Greece; Portugal; Sweden; Switzerland; Netherlands; Norway; plus Isle of Man and Channel Islands.
<i>EU12</i>	Poland; Czech Republic; Slovakia; Hungary; Latvia; Lithuania; Slovenia; Estonia; Malta; Cyprus; Bulgaria; Romania.
<i>English-speaking countries</i>	Antigua and Barbuda; Australia; The Bahamas; Barbados; Belize; Canada; Dominica; Grenada; Guyana; Jamaica; New Zealand; St Kitts and Nevis; St Lucia; St Vincent and the Grenadines; Trinidad and Tobago; and the United States of America (Home Office, 2012a).
<i>East and South East Asia</i>	China/Hong Kong; Cambodia; Fiji; Indonesia; Japan; Korea Republic; Laos; Malaysia; Myanmar; Nepal; Philippines; Singapore; Taiwan; Thailand; Vietnam.
<i>Africa, Caribbean, Latin America</i>	Kenya; Ghana; Nigeria; Uganda; South Africa; East Africa; West Africa; Africa; Algeria; Angola; Anguilla; Antigua; Argentina; Benin; Bermuda; Botswana; Brazil; Brunei; Burkina Faso; Burundi; Cameroon; Chile; Colombia; Cuba, Dem rep of Congo; Zaire; Cape Verde; Djibouti; Ecuador; El Salvador; Ethiopia; Gabon; Gambia; Guinea; Guinea-Bissau; Haiti; Honduras; Ivory coast; Madagascar; Malawi; Mauritius; Mexico; Mozambique; Namibia; Panama; Papua New Guinea; Paraguay; Peru; Rwanda; Senegal; Sierra Leone; Somalia; Seychelles; Nevis; Sudan; Swaziland; Tanzania; Togo; Tuvalu; Tunisia; Uruguay; Venezuela; West indies; Zambia; Zimbabwe; Caribbean; Falkland island; Montserrat; St Helena; Guadeloupe; Martinique; Gibraltar.
<i>Middle East and India</i>	India; Pakistan; Bangladesh; Sri Lanka; Aden; Afghanistan; Jordan; Bahrain; Dubai; Egypt; Eritrea; Iran; Iraq; Israel; Kashmir; Kuwait; Lebanon; Liberia; Libya; Middle East; Morocco; Palestine; Qatar; Saudi Arabia; Syria; United Arab Emirates; Yemen.
<i>Balkan, New Independent States</i>	Kazakhstan; Kosovo; Moldova; Russia; Serbia; Ukraine; Union of soviet socialist state; Yugoslavia; Albania; Armenia; Azerbaijan; Belarus; Bosnia Herzegovina, Georgia; Kazakhstan; Turkey.
<i>Highest qualification level</i>	
<i>= <Level2</i>	Less or equal to NVQ Level 2 (GCSE)
<i>Level3</i>	NVQ Level 3 (A levels)

³¹ See section 3 for the immigration policy proxy variable.

<i>Level 4 and 5</i>	NVQ Level 4 and 5 (Diploma in HE, nursing and teaching qualifications)
<i>Level 6 and above</i>	NVQ Level 6 and above (BA, first degree, second degree, PhD)
<i>Other covariates</i>	
<i>White ethnic background</i>	Dummy variable. '1' denotes white ethnic background. 0 denotes non-white ethnic background.
<i>Children in the household</i>	Dummy variable. '1' denotes that there is at least one child living in the household. '0' denotes otherwise.
<i>Unemployed in the household</i>	Dummy variable. '1' denotes that there is at least one member of the household is unemployed. '0' denotes otherwise.
<i>Marital status</i>	Dummy variable. '1' denotes those who are legally married or live in a civil partnership. The legal aspect of the partnership is important from the immigration point of view as for a group of immigrants marriage and family reunion have been the route to enter to the UK. '0' denotes those who are divorced, widowed or single.
<i>Spouse or civil partner is British</i>	Dummy variable. The variable has a code of '1' if the spouse or the civil partner is British citizen for both UK-born and the foreign-born. '0' denotes those who are single, divorced or widowed.
<i>Year spent in the UK</i>	Continuous variable constructed as an interaction term between the foreign born and the number of years spent in the UK. '0' is allocated for UK born respondents.
<i>Public services</i>	Dummy variable. '1' denotes jobs in public administration, education, health, social work, social care. '0' denotes otherwise.
<i>Private services</i>	Dummy variable. '1' denotes distributive services, personal services, hotel and restaurant, communication, media and IT services, financial services, real estate services, professional and scientific services, admin support services. '0' denotes otherwise.
<i>Production</i>	Dummy variable. '1' denotes agriculture, forestry and fishing. Mining, quarrying, manufacturing, construction, electricity, gas and water supply. '0' denotes otherwise.
<i>Part time job</i>	Dummy variable. '1' denotes part-time job, '0' denotes full-time job.
<i>Temporary job</i>	Dummy variable. '1' denotes temporary job contract, '0' denotes permanent job contract.
<i>English difficulty</i>	Dummy variable. '0' denotes those whose first language is English and those who do not have difficulties with neither speaking nor reading in English. '1' denotes those who have difficulties with either reading or speaking.

Table 2) Descriptive statistics of the total male analytical sample

	Mean	SE	CI	
Over-qualified	23.8	0.005	22.9	24.8
Immigrants	12.4	0.004	11.6	13.2
Immigrants from: EU15	2.4	0.002	2.0	2.8
EU12	1.8	0.002	1.4	2.2
English-speaking countries	1.0	0.001	0.8	1.2
East and South East Asia	0.8	0.001	0.6	1.0
Africa, Caribbean, Latin America	2.5	0.002	2.2	2.8
Middle East and India	3.5	0.002	3.2	3.9
Balkan, New Independent States	0.4	0.001	0.2	0.5
Immigration policy: No control (t<=1982)	1.4	0.001	1.2	1.7
Non-economic migrants (t<=2001)	4.7	0.002	4.3	5.1
EU (1973-2003)	1.3	0.002	2.0	2.8
EU (t>=2004)	1.9	0.002	1.4	2.2
PBS and pre-PBS work permit (t>=2002)	3.1	0.002	2.8	3.5
Age	40.3	0.150	40.0	40.6
Year lived in the UK (only for immigrants)	2.0	0.084	1.9	2.2
Qualification level: = < Level2	27.9	0.006	26.8	29.0
Level3	30.6	0.005	29.5	31.7
Level 4 and 5	11.8	0.004	11.1	12.6
Level 6 and above	29.7	0.006	28.5	30.8
White	91.3	0.003	90.8	91.9
English difficulties	1.7	0.002	1.4	2.0
Part-time job	8.1	0.003	7.5	8.8
Year worked in current job	7.1	0.098	6.9	7.3
Size of the firm: 1-24	29.5	0.005	28.4	30.5
25-99	25.7	0.005	24.8	26.7
Over 100	44.8	0.006	43.6	45.9
Public services	21.8	0.005	20.8	22.8
Production	29.7	0.005	28.7	30.8
Private services	48.5	0.006	47.3	49.7
Temporary job	5.9	0.003	5.3	6.5
Legally married	56.2	0.006	55.0	57.4
Spouse is British	50.6	0.006	49.4	51.8
Unemployed in the household	32.8	0.006	31.7	33.9
Children in the household	37.6	0.006	36.4	38.8
London	12.1	0.004	11.2	13.0
Number of observations	8,928			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 3) Descriptive statistics of UK born male analytical sample

	Mean	SE	CI	
Over-qualified	22.4	0.005	21.3	23.4
Age	40.7	0.162	40.4	41.0
Qualification level: = < Level2	28.3	0.006	27.1	29.5
Level3	32.7	0.006	31.5	33.8
Level 4 and 5	12.0	0.004	11.2	12.8
Level 6 and above	27.0	0.006	25.9	28.2
White	96.8	0.002	96.5	97.2
Part-time job	7.8	0.003	7.1	8.5
Year worked in current job	7.4	0.108	7.2	7.6
Size of the firm: 1-24	29.5	0.006	28.4	30.6
25-99	26.0	0.005	24.9	27.0
Over 100	44.5	0.006	43.3	45.8
Public services	22.0	0.005	20.9	23.0
Production	30.7	0.006	29.6	31.9
Private services	47.3	0.006	46.0	48.5
Temporary job	5.4	0.003	4.8	6.0
Legally married	55.1	0.006	53.9	56.4
Spouse is British	53.1	0.006	51.9	54.4
Unemployed in the household	31.7	0.006	30.5	32.9
Children in the household	36.5	0.006	35.3	37.8
London	8.6	0.004	7.8	9.5
Number of observations	7,277			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 4) Descriptive statistics of the foreign born male analytical sample

	Mean	SE	CI	
Over-qualified	34.3	0.014	31.5	37.0
<i>Immigrants by country of origin</i>				
EU15	19.3	0.015	16.4	22.2
EU12	14.8	0.014	12.0	17.6
English-speaking countries	8.1	0.009	6.3	9.9
East and South East Asia	6.4	0.008	5.0	7.9
Africa, Caribbean, Latin America	20.2	0.012	17.8	22.6
Middle East and India	28.3	0.014	25.7	31.0
Balkan, New Independent States	2.8	0.007	1.6	4.1
<i>Immigrants by immigration policy</i>				
No control (t<=1982)	11.6	0.010	9.7	13.6
Non-economic migrants (t<=2001)	37.7	0.014	34.9	40.6
EU (1973-2003)	19.3	0.015	16.37	22.19
EU (t>=2004)	14.8	0.014	11.96	17.65
PBS and pre-PBS work permit (t>=2002)	25.2	0.013	22.6	27.7
Age	37.9	0.344	37.2	38.6
Year lived in the UK (only for immigrants)	16.5	0.492	15.5	17.4
Qualification level: = < Level2	24.9	0.014	22.2	27.7
Level3	16.0	0.012	13.7	18.3
Level 4 and 5	10.8	0.010	8.8	12.8
Level 6 and above	48.3	0.016	45.2	51.4
White	52.5	0.017	49.2	55.8
English difficulties	13.8	0.012	11.5	16.2
Part-time job	10.4	0.009	8.6	12.2
Year worked in current job	5.0	0.180	4.6	5.3
Size of the firm: 1-24	29.4	0.015	26.5	32.2
25-99	24.0	0.014	21.3	26.7
Over 100	46.6	0.016	43.4	49.8
Public services	20.5	0.013	18.0	23.0
Production	22.4	0.013	19.9	24.8
Private services	57.1	0.015	54.1	60.1
Temporary job	9.6	0.010	7.6	11.6
Legally married	63.5	0.018	60.1	67.0
Spouse is British	32.9	0.015	30.0	35.8
Unemployed in the household	41.0	0.016	37.8	44.1
Children in the household	44.9	0.017	41.7	48.2
London	36.5	0.017	33.2	39.7
Number of observations	1,651			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 5) Descriptive statistics of male immigrants coming from English-speaking countries

	Mean	SE	CI	
Over-qualified	28.4	0.046	19.3	37.5
Age	40.1	1.291	37.5	42.6
Year lived in the UK	19.2	1.729	15.9	22.6
Qualification level: = < Level2	14.5	0.035	7.7	21.3
Level3	18.0	0.039	10.3	25.8
Level 4 and 5	10.5	0.032	4.2	16.9
Level 6 and above	56.9	0.055	46.1	67.8
White	69.6	0.048	60.1	79.1
English difficulties	1.6	0.013	-1.0	4.2
Part-time job	8.1	0.023	3.6	12.7
Year worked in current job	5.5	0.573	4.4	6.7
Size of the firm: 1-24	26.2	0.049	16.6	35.7
25-99	19.8	0.037	12.5	27.1
Over 100	54.0	0.056	43.1	64.9
Public services	26.6	0.052	16.4	36.8
Production	22.1	0.047	12.9	31.3
Private services	51.3	0.056	40.4	62.2
Temporary job	7.9	0.029	2.3	13.5
Legally married	53.8	0.055	43.1	64.5
Spouse is British	24.3	0.047	15.1	33.5
Unemployed in the household	25.1	0.047	15.9	34.3
Children in the household	40.3	0.055	29.5	51.1
London	44.0	0.060	32.3	55.7
Number of observations	117			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 6) Descriptive statistics of male immigrants coming from EU15

	Mean	SE	CI	
Over-qualified	23.5	0.035	16.7	30.3
Age	38.1	1.057	36.6	40.2
Year lived in the UK	21.9	1.430	19.2	24.8
Qualification level: = < Level2	18.7	0.035	11.9	25.5
Level3	21.9	0.035	15.0	28.7
Level 4 and 5	10.3	0.023	5.8	14.9
Level 6 and above	49.1	0.044	40.4	57.8
White	96.6	0.012	94.4	98.9
English difficulties	5.9	0.019	2.2	9.6
Part-time job	8.5	0.026	3.5	13.6
Year worked in current job	5.1	0.491	4.1	6.0
Size of the firm: 1-24	29.5	0.038	22.2	36.9
25-99	26.1	0.040	18.4	33.9
Over 100	44.3	0.042	36.1	52.6
Public services	18.3	0.031	12.2	24.5
Production	20.2	0.032	13.9	26.4
Private services	61.5	0.040	53.7	69.4
Temporary job (0-no; 1-yes)	7.5	0.025	2.6	12.4
Legally married (0-no; 1-yes)	43.6	0.044	35.1	52.2
Spouse is British (0-no; 1-yes)	19.9	0.032	13.7	26.1
Unemployed in the household (0-no; 1-yes)	30.8	0.042	22.6	39.0
Children in the household (0-no; 1-yes)	26.8	0.038	19.4	34.3
London	34.4	0.049	24.8	43.9
Number of observations	186			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 7) Descriptive statistics of male immigrants coming from EU12

	Mean	SE	CI	
Over-qualified	48.5	0.049	39.0	58.1
Age	33.8	0.688	32.4	35.1
Year lived in the UK	8.6	1.150	6.3	10.9
Qualification level: = < Level2	44.8	0.049	35.1	54.5
Level3	14.2	0.032	8.0	20.4
Level 4 and 5	14.6	0.043	6.1	23.1
Level 6 and above	26.3	0.042	18.2	34.5
White	99.7	0.003	99.1	100.3
English difficulties	46.8	0.048	37.3	56.3
Part-time job	3.1	0.016	-0.1	6.2
Year worked in current job	3.4	0.501	2.4	4.4
Size of the firm: 1-24	23.3	0.039	15.5	31.0
25-99	27.1	0.044	18.4	35.9
Over 100	49.6	0.054	39.0	60.2
Public services	7.8	0.023	3.4	12.3
Production	38.3	0.044	29.7	47.0
Private services	53.8	0.047	44.7	63.0
Temporary job	14.9	0.041	6.8	23.0
Legally married	51.8	0.051	41.8	61.9
Spouse is British	10.5	0.029	4.9	16.1
Unemployed in the household	28.9	0.042	20.8	37.1
Children in the household	42.5	0.051	32.5	52.4
London	22.8	0.049	13.2	32.5
Number of observations	134			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 8) Descriptive statistics of male immigrants coming from East and South East Asia

	Mean	SE	CI	
Over-qualified	37.7	0.060	25.9	49.5
Age	40.3	1.357	37.7	43.0
Year lived in the UK	21.6	1.856	18.0	25.3
Qualification level: = < Level2	26.2	0.053	15.8	36.6
Level3	15.2	0.050	5.5	24.9
Level 4 and 5	7.0	0.030	1.2	12.9
Level 6 and above	51.6	0.061	39.6	63.6
White	33.9	0.063	21.5	46.3
English difficulties	12.5	0.037	5.3	19.6
Part-time job	4.6	0.022	0.3	8.9
Year worked in current job	6.1	0.737	4.7	7.6
Size of the firm: 1-24	27.9	0.056	17.0	38.8
25-99	20.9	0.048	11.4	30.4
Over 100	51.2	0.060	39.3	63.0
Public services	28.7	0.053	18.4	39.0
Production	13.4	0.039	5.8	21.0
Private services	57.9	0.059	46.3	69.5
Temporary job	12.8	0.035	5.9	19.7
Legally married	68.5	0.061	56.5	80.6
Spouse is British	44.3	0.059	32.6	55.9
Unemployed in the household	45.7	0.061	33.7	57.7
Children in the household	43.5	0.060	31.6	55.3
London	18.1	0.035	11.3	24.9
Number of observations	102			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 9) Descriptive statistics of male immigrants coming from Africa, Caribbean, Latin America

	Mean	SE	CI	
Over-qualified (0-no; 1-yes)	34.9	0.028	29.5	40.2
Age	39.7	0.680	38.4	41.0
Year lived in the UK (only for immigrants)	17.0	0.809	15.4	18.6
Qualification level: = < Level2	18.6	0.025	13.6	23.5
Level3	20.3	0.025	15.3	25.3
Level 4 and 5	14.6	0.020	10.7	18.5
Level 6 and above	46.5	0.032	40.3	52.8
White (0-Non white and mixed; 1-White)	38.1	0.035	31.2	45.0
English difficulties (0-no; 1-yes)	3.3	0.011	1.1	5.5
Part-time job (0-no; 1-es)	8.7	0.016	5.5	11.9
Year worked in current job	5.5	0.350	4.8	6.2
Size of the firm: 1-24	24.9	0.028	19.4	30.4
25-99	23.3	0.025	18.3	28.3
Over 100	51.8	0.032	45.5	58.1
Public services	25.1	0.027	19.8	30.3
Production	17.8	0.023	13.3	22.3
Private services	57.1	0.031	51.1	63.1
Temporary job (0-no; 1-yes)	6.7	0.016	3.6	9.9
Legally married (0-no; 1-yes)	71.8	0.031	65.7	77.8
Spouse is British (0-no; 1-yes)	44.9	0.031	38.8	51.0
Unemployed in the household (0-no; 1-yes)	42.8	0.031	36.8	48.9
Children in the household (0-no; 1-yes)	53.9	0.032	47.6	60.2
London (0-no; 1-yes)	39.9	0.031	33.8	46.0
Number of observations	373			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 10) Descriptive statistics of male immigrants coming from Middle East and India

	Mean	SE	CI	
Over-qualified	33.5	0.022	29.1	37.8
Age	37.6	0.542	36.6	38.7
Year lived in the UK	15.0	0.709	13.6	16.4
Qualification level: = < Level2	25.3	0.020	21.4	29.2
Level3	10.2	0.013	7.7	12.7
Level 4 and 5	7.9	0.013	5.4	10.5
Level 6 and above	56.6	0.023	52.2	61.0
White	3.0	0.010	1.1	5.0
English difficulties	13.5	0.016	10.4	16.6
Part-time job	18.2	0.018	14.7	21.6
Year worked in current job	5.0	0.312	4.4	5.6
Size of the firm: 1-24	35.6	0.022	31.3	39.9
25-99	23.6	0.021	19.6	27.6
Over 100	40.8	0.022	36.4	45.2
Public services	22.2	0.022	17.9	26.4
Production	19.5	0.018	15.9	23.1
Private services	58.4	0.023	53.8	63.0
Temporary job	10.0	0.016	6.9	13.1
Legally married	76.8	0.023	72.3	81.3
Spouse is British	43.2	0.024	38.6	47.9
Unemployed in the household	55.8	0.024	51.1	60.5
Children in the household	55.1	0.025	50.3	60.0
London	43.0	0.024	38.2	47.7
Number of observations	707			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 11) Descriptive statistics of male immigrants coming from Balkan, New Independent States

	Mean	SE	CI	
Over-qualified	45.1	0.120	20.6	69.6
Age	36.4	1.879	32.5	40.2
Year lived in the UK	11.4	1.845	7.6	15.1
Qualification level: = < Level2	32.9	0.109	10.5	55.2
Level3	8.3	0.058	-3.6	20.3
Level 4 and 5	5.0	0.041	-3.4	13.3
Level 6 and above	53.8	0.116	30.1	77.5
White	96.2	0.030	90.0	102.4
English difficulties	12.0	0.067	-1.7	25.7
Part-time job	16.1	0.078	0.1	32.0
Year worked in current job	4.1	0.974	2.1	6.1
Size of the firm: 1-24	41.8	0.111	19.0	64.7
25-99	21.1	0.126	-4.6	46.9
Over 100	37.0	0.106	15.4	58.7
Public services	17.5	0.117	-6.4	41.4
Production	35.8	0.110	13.2	58.3
Private services	46.7	0.115	23.2	70.2
Temporary job	10.7	0.060	-1.7	23.1
Legally married	84.3	0.088	66.3	102.3
Spouse is British	47.4	0.115	23.8	71.0
Unemployed in the household	45.4	0.116	21.7	69.2
Children in the household	31.4	0.101	10.7	52.1
London	53.2	0.114	29.8	76.7
Number of observations	32			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 12) Descriptive statistics of male immigrants who are supposed to arrive without immigration control

	Mean	SE	CI	
Over-qualified	20.8	0.037	13.6	28.1
Age	50.1	0.807	48.5	51.7
Year lived in the UK	42.5	0.545	41.4	43.6
Qualification level: = < Level2	24.0	0.036	16.9	31.0
Level3	23.6	0.036	16.5	30.6
Level 4 and 5	11.2	0.026	6.2	16.3
Level 6 and above	41.3	0.045	32.4	50.1
White	58.7	0.041	50.6	66.8
English difficulties	2.2	0.009	0.4	3.9
Part-time job	7.9	0.022	3.6	12.2
Year worked in current job	11.1	0.818	9.5	12.7
Size of the firm: 1-24	26.3	0.037	19.0	33.6
25-99	14.5	0.028	9.0	19.9
Over 100	59.3	0.040	51.3	67.2
Public services	26.8	0.036	19.6	33.9
Production	21.0	0.034	14.2	27.8
Private services	52.2	0.042	43.9	60.5
Temporary job	2.9	0.015	-0.1	5.8
Legally married	75.3	0.038	68.0	82.7
Spouse is British	66.9	0.041	58.8	74.9
Unemployed in the household	42.4	0.043	34.0	50.8
Children in the household	35.7	0.042	27.5	43.9
London	30.1	0.040	22.3	37.9
Number of observations	184			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 13) Descriptive statistics of male immigrants who are supposed to arrive based on family reunion

	Mean	SE	CI	
Over-qualified	30.1	0.020	26.1	34.0
Age	40.2	0.518	39.2	41.3
Year lived in the UK	21.2	0.605	20.1	22.4
Qualification level: = < Level2	25.2	0.019	21.4	29.0
Level3	18.6	0.018	15.0	22.1
Level 4 and 5	11.0	0.014	8.3	13.8
Level 6 and above	45.2	0.022	40.8	49.6
White	39.6	0.026	34.6	44.6
English difficulties	7.9	0.012	5.6	10.1
Part-time job	11.7	0.014	8.9	14.5
Year worked in current job	6.1	0.277	5.5	6.6
Size of the firm: 1-24	30.1	0.021	25.9	34.3
25-99	24.5	0.020	20.6	28.4
Over 100	45.4	0.023	40.9	49.9
Public services	23.1	0.020	19.2	27.0
Production	20.8	0.019	17.1	24.5
Private services	56.1	0.022	51.8	60.5
Temporary job	8.1	0.013	5.5	10.7
Legally married	74.8	0.022	70.5	79.1
Spouse is British	56.4	0.023	51.9	61.0
Unemployed in the household	48.7	0.023	44.2	53.2
Children in the household	54.7	0.024	50.0	59.5
London	43.1	0.023	38.7	47.6
Number of observations	744			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 14) Descriptive statistics of male immigrants who arrived from one of the EU countries as 1973-2003

	Mean	SE	CI	
Over-qualified	27.8	0.050	18.0	37.7
Age	35.6	1.248	33.2	38.1
Year lived in the UK	19.4	0.988	17.4	21.3
Qualification level: = < Level2	19.0	0.048	9.6	28.5
Level3	22.6	0.050	12.7	32.4
Level 4 and 5	11.8	0.034	5.2	18.4
Level 6 and above	46.6	0.058	35.3	58.0
White	96.3	0.016	93.1	99.4
English difficulties	6.0	0.024	1.3	10.7
Part-time job	9.9	0.041	1.8	17.9
Year worked in current job	4.4	0.511	3.4	5.4
Size of the firm: 1-24	31.3	0.052	21.1	41.5
25-99	23.6	0.049	13.9	33.2
Over 100	45.2	0.056	34.2	56.1
Public services	19.7	0.042	11.5	27.8
Production	18.4	0.039	10.7	26.2
Private services	61.9	0.052	51.7	72.2
Temporary job	7.5	0.034	0.9	14.2
Legally married	42.7	0.057	31.6	53.8
Spouse is British	14.4	0.038	7.0	21.9
Unemployed in the household	31.5	0.059	20.0	43.0
Children in the household	29.4	0.054	18.9	39.9
London	32.2	0.063	19.8	44.5
Number of observations	101			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 15) Descriptive statistics of male immigrants who arrived from one of the EU countries after 2004

	Mean	SE	CI	
Over-qualified	40.1	0.051	30.2	50.0
Age	31.5	0.618	30.3	32.7
Year lived in the UK	3.3	0.176	2.9	3.6
Qualification level: = < Level2	41.0	0.048	31.6	50.5
Level3	13.7	0.034	7.1	20.2
Level 4 and 5	10.8	0.040	2.9	18.7
Level 6 and above	34.5	0.048	25.1	43.9
White	98.8	0.008	97.3	100.4
English difficulties	44.4	0.051	34.4	54.5
Part-time job	4.7	0.020	0.8	8.6
Year worked in current job	2.1	0.193	1.7	2.5
Size of the firm: 1-24	24.4	0.042	16.2	32.6
25-99	31.0	0.051	21.1	41.0
Over 100	44.6	0.052	34.3	54.8
Public services	8.2	0.027	2.8	13.6
Production	37.0	0.047	27.9	46.2
Private services	54.7	0.052	44.6	64.8
Temporary job	14.1	0.044	5.4	22.8
Legally married	36.0	0.043	27.5	44.5
Spouse is British	0.7	0.007	-0.1	2.2
Unemployed in the household	25.3	0.040	17.3	33.2
Children in the household	34.4	0.047	25.3	43.6
London	27.0	0.056	16.0	37.9
Number of observations	134			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

Table 16) Descriptive statistics of male immigrants who arrived as pre-PBS and PBS immigrants since 2002

	Mean	SE	CI	
Over-qualified	45.7	0.028	40.2	51.2
Age	33.7	0.460	32.8	34.6
Year lived in the UK	4.1	0.122	3.9	4.4
Qualification level: = < Level2	17.6	0.022	13.3	21.9
Level3	7.4	0.014	4.7	10.1
Level 4 and 5	9.9	0.017	6.5	13.2
Level 6 and above	65.1	0.026	60.0	70.3
White	23.0	0.028	17.6	28.5
English difficulties	12.6	0.018	9.0	16.2
Part-time job	13.4	0.018	9.9	16.9
Year worked in current job	2.4	0.119	2.2	2.7
Size of the firm: 1-24	32.0	0.027	26.7	37.3
25-99	23.5	0.027	18.3	28.8
Over 100	44.5	0.031	38.3	50.7
Public services	21.6	0.028	16.2	27.1
Production	18.0	0.022	13.6	22.3
Private services	60.4	0.031	54.4	66.5
Temporary job	13.1	0.020	9.3	17.0
Legally married	66.3	0.031	60.2	72.5
Spouse is British	9.0	0.014	6.1	11.8
Unemployed in the household	42.2	0.031	36.1	48.3
Children in the household	47.2	0.029	41.6	52.8
London	37.0	0.027	31.6	42.3
Number of observations	488			

Source: UKHLS, wave 1.

Note: Weighted statistics, unweighted number of observations.

