

BBS

BROWN BAG SEMINARS

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MOVING-UP THE SOCIAL LADDER? INTERGENERATIONAL EARNINGS MOBILITY AMONG IMMIGRANTS IN BELGIUM

As second-generation immigrants from developing countries represent an increasingly sizeable share of the working-age population in developed countries, their labour market integration attracts growing attention. Using a rich, matched employer-employee database for the Belgian private labour market between 1999 and 2016, our weighted multilevel linear regressions and reweighted RIF-OB decompositions indicate, on average, positive intergenerational earnings mobility among female and male workers from developing countries. Nonetheless, the overall wage gap between workers born in developed countries and workers from developing countries remains substantial across two generations and widen significantly across the wage distribution. After accounting for a wide range of covariates (inter alia, demographics, human capital, occupations, sector or firm fixed effects), we observe that although there is no evidence of unexplained wage penalty for second-generation male workers from developing countries, their female peers still face a large unexplained gender pay gap, to an increasing extent across the wage distribution.