

Qualified Latin American immigrants earn less than similarly qualified Spaniards

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Qualified Latin American immigrants earn less than similarly qualified Spaniards. Credit: SINC

A study by the University of Salamanca (USAL) has looked into how salaries would differ if immigrants were paid in the same way as Spanish workers according to education and experience. The results show that, in higher salary ranges, Latin American immigrants earn around 20% less than their Spanish counterparts.

"In this paper we analysed the salary differences between Spanish workers and Latin American or Caribbean immigrants in 2006", José Ignacio Antón, a researcher at the USAL and co-author of the study, which has been published in the *Journal of Applied Economics*, tells SINC.

The study is based on the 2006 Salary Structure Survey, the first nationwide study based on a representative sample of foreign and Spanish employees.

Over this economic boom period in Spain, Spaniards viewed immigration as the major problem facing Spain, far ahead of unemployment and housing (data from the Centre for Sociological Research, CIS 2006)

The researcher says: "Econometric analysis of these data enables us to identify the salary differences between workers with the same characteristics (age, experience, length of service, educational level and industry sector) at various points in the salary range".

The conclusions indicate that salary differences widen at the higher end of the salary range, reaching a divergence of almost 20% between Spanish and Latin American workers on the highest salaries.

"Salary differences are very narrow at the lower part of the salary range, possibly due to the effect of labour market variables such as minimum wage and collective bargaining agreements. As you go up the range, you see these differences becoming ever greater", explains Antón.

Transferable training – a possible solution

The researchers speculate in the study about the possible causes for these differences. "One possible explanation is that immigrants' [education](#) and professional training – what economists call human capital – was acquired in their countries of origin, and this is not always directly transferable or applicable in their destination country, particularly in the first years after they immigrate".

Another result of the study is the "virtual absence" of salary differences

between Spanish-speaking Latin American and Caribbean immigrants with respect to other foreign [workers](#). "This circumstance is possibly due to the fact that immigrants take up jobs requiring few qualifications, and in which command of the language is not an important asset", concludes Antón.

More information: José Ignacio Antón, Rafael Muñoz de Bustillo, Miguel Carrera, Labor Market Performance of Latin American and Caribbean Immigrants in Spain, *Journal of Applied Economics* 13 (2): 233-261, 2010.

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