

RIETI-CEPR Symposium
Migration and Labor Markets: The cases of Europe and Japan

Comments on “The Gender Dimension of Refugees’
Integration in the Labor Market: Evidence from Switzerland”

Yang LIU
RIETI
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Main Findings

- **Effects of Source-Country Culture**

- Higher female-to-male LFP ratios and lower fertility rates in origin countries are associated with:
 - higher employment probabilities and earnings
 - smaller gender gaps in employment and earnings
- The LFP effect persists over time, whereas the fertility effect diminishes after about ten years.

- **Effects of Local Conditions**

- Local gender-equality attitudes reduce the gender employment gap.
- Co-ethnic networks matter, but their effects differ for women and men.
- High initial unemployment worsens women's outcomes relative to men's.

Key Strengths of the Paper

- Very rich administrative data
 - Long observation period
 - Clear focus on gender
 - Strong institutional setting for identification
 - Combination of source-country culture and host-region conditions
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- These are important contributions to both migration studies and policy.

Switzerland and Japan: Basic Comparison

	Switzerland	Japan
Immigration scale	High-immigration society	Low-immigration but rapidly growing
Recent inflows	136,000 long-term/permanent immigrants in 2024	177,000 long-term/permanent immigrants in 2024
Gender equality	Higher gender-equality in labor market	Lower gender-equality in labor market

Origin-Country Gender Norms Travel with Migrants

- **Swiss evidence**

- Higher female LFP in origin country → higher employment probabilities and earnings
- Higher fertility in origin country → lower employment probabilities and earnings

- **Evidence from Japan**

- Source-country LFP affect married female immigrants' LFP in Japan
- Wife's source-country gender norms could matter more than husband's
<Source: Liu and Hagiwara 2025 >

- **Commonality:** Gender norms persist after migration, both in Switzerland and Japan which have different degrees of gender equality.

- **Policy implications from the Swiss evidence may also apply to Japan:**

- Integration policies should consider women's origin-country gender norms, but avoid treating culture as fixed; targeted support can accelerate labor-market adaptation.

Host-Country Institutions Matter

- **Swiss evidence**

- Higher local unemployment at arrival → larger gender employment gap
- More egalitarian local gender norms → smaller gender employment gap
- Initial placement matters because local conditions affect men and women differently

- **Evidence from Japan**

- Immigrant outcomes are affected by the demand side of the Japanese labor market

<Sources: Machikita 2015>

- Japanese employment practices affect skilled migrants' economic integration and may disadvantage female skilled migrants
<Sources: Holbrow and Nagayoshi 2018; Hashimoto 2017>

Host-Country Institutions Matter (continued)

- Immigrants' higher unemployment and lower probability of regular employment may be partly explained by Japan's simultaneous recruitment system for new graduates and its low-mobility labor market.

<Sources: Liu 2024>

- For Nikkeijin immigrants “the existing institutional context of immigrants' reception in Japan has worsened the socioeconomic conditions of immigrants and strengthened their social marginalization”

<Source: Takenoshita 2017>

- **Policy implications**

- **For Switzerland:** Initial placement should consider local unemployment and gender norms.
- **For Japan:** Institutional improvements may enhance immigrant integration.

For Future Studies (1): Possible Channels

- Results of origin-country effects on employment and earnings:
 - Female-to-male LFP ratio: positive and persistent effect.
 - Fertility rate: negative effect, but weakens after about ten years.
- **Several channels may underlie this relationship** between **origin-country** LFP/fertility and **labor-market outcomes** in the host country.

For Future Studies (1): Employment Channel

- Regarding the effect of origin-country LFP/fertility on **employment** (positive and persistent):
- Employment rate = **LFP** rate \times (1 - **Unemployment** rate)
- Is the origin-country effect on employment driven by:
 - its effect on **LFP**? (reflect gender norms)
 - its effect on **unemployment**? (reflect unobserved human capital, local labor-market adaptation, etc.)
 - or both?
- For instance, is it possible that female refugees from countries with low female-to-male LFP ratios become more willing to participate in the labor market over time, but their probability of finding a job declines? In this case, the cultural effect on LFP may weaken over time, even if the origin-country LFP effect on employment remains persistent.
- Future research: Estimate the effects separately on LFP and unemployment.

For Future Studies (1): Fertility Channel

- Regarding the effect of origin-country **fertility** on labor-market outcomes:
- Possible process:

Origin-country fertility → **fertility behavior in the host country** → **labor-market outcomes in the host country**

- Is the result driven by:
 - the effect of **origin-country fertility** on **fertility behavior in Switzerland**? (cultural transmission, as in Fernández and Fogli 2009)
 - the effect of **fertility behavior in Switzerland** on **labor-market outcomes** ?(access to market childcare, work-life balance, etc.)
 - or both?
- For instance, could the **diminishing** effect of origin-country fertility on labor-market outcomes be partly explained by refugees' **increased access to market childcare** and family-support institutions, rather than by cultural reasons alone?
 - Positive correlation between female employment and fertility in developed countries (Oshio 2019)
- Future research: Include refugees' fertility behavior in the host country in the analysis.

For Future Studies (2): Lessons for Japan

- **A concern for Japan: Potential Decline in Female Immigrants' LFP**
 - Japan is a low-gender-equality host country.
 - If immigrant women assimilate toward host-country gender norms, their LFP could decline over time.
 - This could weaken the expected contribution of immigration to alleviating labor shortages.
 - **Japanese previous study suggests a different possibility, but with data limitations**
 - Female immigrants' LFP **increases after five years** in Japan compared with the initial years after arrival.
 - However, the effect of source-country LFP **may be weaker for the second generation**.
 - Data limitation: detailed data on years since migration are not available.
- <Source: Liu and Hagiwara 2025>
- **Swiss evidence provides a useful framework**
 - The effect of the source-country female-to-male LFP ratio persists throughout the 20-year observation period in Switzerland.
 - If similar persistence exists in Japan, female immigrants may continue contributing to Japan's labor force over a considerable period.
 - Future studies could apply the Swiss framework once detailed years-since-arrival data become available.

For Future Studies (3): Why Do We Care About Integration?

- **Switzerland:**
 - Immigrant and refugee integration is strongly institutionalized.
<Source: SSM>
- **Japan:**
 - Immigration inflows have grown rapidly, and integration policies have gradually expanded.
<Source: OECD 2024>
- **Future question:**
Do **native residents benefit from** immigrants' better labor-market outcomes and better lives in the host country? (e.g., increasing revenue? reducing crime risks associated with poverty?)

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