

**Labour mobility within the EU in the context of enlargement and the functioning  
of the transitional arrangements**

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Deliverable 5  
Fondazione Rodolfo DeBenedetti (fRDB)

**The impact of labour mobility on public finances and social cohesion**

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**Abstract**

Most Europeans fear that immigrants are a fiscal burden via their disproportionate participation in the generous social welfare programmes of the EU. However, to date there has not been any systematic attempt to evaluate the net contribution of migrants to welfare systems. The purpose of this background note is to contribute to filling this gap.

We first draw on data from the EU-SILC surveys to understand whether migrants to EU countries tend to be disproportionately represented in the population of beneficiaries of social transfers. Descriptive statistics point to marked differences – with respect to natives – in migrants’ access to contributory and non-contributory benefits; migrants appear to be under-represented among the recipients of contributory benefits, while the opposite is true for non-contributory allowances, such as social assistance and housing benefits. This contributes to explain the widespread perception of welfare abuse. However, once we control for confounding factors which are likely to correlate with migrant status and influence the likelihood of receiving non-contributory benefits, (i.e., relevant individual and household characteristics), we find that migrant status has little – if any – impact on the likelihood of being a recipient of social welfare benefits. Next we carry out a (static) analysis of the net fiscal position of natives’ and migrants’ household with respect to the government; adding up how much they contribute to the state budget via payroll and income taxes and how much they draw from it in terms of access to a variety of welfare programmes. Our analysis suggests that migrants pay lower taxes than natives, and yet a significant portion of migrants are net-contributors to the state budget.

Finally, we analyse the determinants of public opinion perceptions about immigrants in the EU countries; in particular, we analyse whether negative perceptions about migration are stronger in countries with a more generous redistributive system, or adopting specific migration policies. This analysis sheds light on the optimal interaction of social and migration policies that could cope with the concerns of public opinion with respect to migration from both New Member States and non-EU countries.

**Contents**

- 1 The impact on public finances..... 1
  - 1.1 Introduction ..... 1
- 2 Migrants representation in the welfare state ..... 2
  - 2.1 Residual Welfare Dependency of Migrants..... 3
    - 2.1.1 Contributory benefits ..... 4
    - 2.1.2 Non-contributory allowances..... 6
  - 2.2 Residual Welfare Dependency of Migrants..... 9
    - 2.2.1 Contributory benefits ..... 10
    - 2.2.2 Non-contributory allowances..... 13
- 3 The net fiscal position of migrants..... 16
  - 3.1.1 Taxes ..... 17
  - 3.1.2 Net Balance with respect to the state budget ..... 18
  - 3.1.3 Residual net dependency ..... 21
- 4 Perceptions ..... 22
  - 4.1 Crime ..... 22
  - 4.2 Fiscal Contribution..... 26
- 5 Conclusions and policy implications ..... 31
- 6 References ..... 33
- 7 Annex..... 36

# 1 The impact on public finances

## 1.1 Introduction

The participation of immigrants in welfare programmes has been widely investigated by empirical research in Europe and the US. Several studies document that the immigrant population is over-represented among the pool of welfare recipients, notably social assistance recipients, although for some European countries – but not all – those differences can be explained by differences in socio-economic characteristics (Barrett and McCarthy 2008, Boeri 2006, Hansen and Lofstrom 1999). As these programmes are non-contributory, a relatively high take-up rate may generate pressures on the fiscal budget, although the overall fiscal impact of immigration is still uncertain (Auerbach and Oreopoulos 1999). However, social assistance is often the main source of income for those migrants who are not entitled to contributory benefits (e.g. unemployment benefits) since they have not accumulated enough work experience in the host country to be eligible for social insurance.

In this note, we provide a first overview of the available evidence as to whether migrants to EU member states are more than proportionally represented among the recipients of welfare benefits. We employ the recently released survey on European Union Statistics on Income and Living Conditions, EU-SILC 2004-2006. Regrettably, the EU-SILC database provides an extremely rough division of immigrants with respect to their citizenship or country of birth, distinguishing only between immigrants from EU-25 countries and from third countries. This implies that it is not possible to use this otherwise rich data source to conduct analysis that focus on immigrants from the New Member States (NMS); still we argue that such an aggregate analysis can be informative about the phenomenon of interest given the remarkable similarities of migrants from NMS and other European migrants, especially when considering their human capital characteristics, as depicted in Deliverable 2. Furthermore, we will focus our attention particularly on those countries whose European migrants come prevalently from the NMS, like Greece (53% of other EU-25-citizen living there come from NMS), Finland (47%), Iceland (46%), Ireland (44%) or Austria (36%).<sup>1</sup>

The rather detailed coverage of the take-up of welfare programmes offered by the EU-SILC enables us to evaluate the number of non-citizens benefiting from a certain kind of government transfer as well as the amount received, in order to assess the extent of their participation to social assistance schemes. We then make a comparison with the native population in order to consider whether migrants are more or less dependent on state transfers and evaluate their relative pressure on the public budget. In the next step, we test the presence of migrant residual dependency, that is to say, whether controlling for personal characteristics the migrant status directly affects the probability of receiving a

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<sup>1</sup> See Table A1 in the appendix.

particular kind of transfer. We employ a standard probit regression model for this purpose (Section 2).

Throughout the analysis we always disentangle contributory from non-contributory transfers: the first group includes individual benefits designed to cover against the risks of unemployment, longevity (interacted with labour market risk), sickness, disability as well as survival to the death of the main breadwinner (survivor's pension); the second group is household-related and it includes housing and family allowances, as well as transfers targeted specifically to groups with a higher risk of social exclusion.<sup>2</sup> Furthermore we will distinguish between migrants coming from other countries within the EU-25 or outside of this union;<sup>3</sup> in the case of households we keep an eye also on mixed couples, where only the household head or his/her spouse is a native citizen.

We then move on to estimate the contribution of migrants to the state budget through their taxes and the mandatory social security contributions paid by both employees and employers. After estimating this quantity, we subtract from it the amount of transfers received by the household as a whole, in order to compute the net fiscal position of migrants relative to native citizens. A descriptive analysis of the data is, once more, followed by a more in-depth, multivariate analysis of the residual impact of the status of migrant on the household's net position with respect to the state budget (Section 3).

Next, we will focus on public opinion perceptions of migrants, drawing on a number of very specific questions raised in the European Social Survey (ESS) in 2002. In particular, we will compare across various European countries the opinions about migration and its effect on crime and the state budget. As a further step, we will examine the link between these perceptions and the individual-specific characteristic of the respondents, in order to identify the profile of the average citizen concerned with migration related issues. Finally, for different EU countries we will compare the average stance on migration matters with the generosity of their welfare state as well as crime rates (Section 4).

Finally, Section 5 offers a summary of our findings and provides some policy recommendations.

## **2 Migrants representation in the welfare state**

The EU-SILC database enables us to distinguish migrants from the EU-25 countries and from third countries. As a consequence, we will always share migrants into these two different groups. However, when looking at migrant households in stead of individuals, a

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<sup>2</sup> These categories correspond rather closely to the definitions of the EU-SILC; groups at risk of "social exclusion may be identified (among others) as destitute people, migrants, refugees, drug addicts, alcoholics, victims of criminal violence". For more details, see the SILC User Database Variable Description ([epunet.essex.ac.uk/EU-SILC\\_UDB.pdf](http://epunet.essex.ac.uk/EU-SILC_UDB.pdf)).

<sup>3</sup> For Estonia, Germany, Latvia and Slovenia even this rough classification is unfeasible, as this distinction is not provided by the dataset.

third category will be added: mixed households (i.e. households involving at least a native and a migrant).

For purposes of cross-country comparability, we consider the difference in the share of welfare recipients between migrants and native population in the host country, i.e.:

$$[1] \quad \frac{R_{M_i}}{M_i} - \frac{R_N}{N}$$

Where  $R_M$  represents welfare recipients among the  $i$  group of migrants (where  $i$  could be whether a migrant from the EU-25 or a migrant from outside the EU-25<sup>4</sup>),  $M_i$  the total number of migrants belonging to the specific group  $i$ ,  $R_N$  native welfare recipients, and  $N$  natives. Thus, a positive number indicates an *over*-representation of migrants in welfare schemes, since the percentage of recipient in the migrant population is higher than the share of welfare recipients in the native population. A negative number points instead to an *under*-representation of migrants.

Secondly, we will also compare the nominal amount of transfer received, on average, by natives and by migrants in the three years going from 2004 to 2006, as explained in equation [2]:

$$[2] \quad \frac{B_{M_i}}{M_i} - \frac{B_N}{N}$$

Where  $B_M$  represents the total amount of welfare benefits received by  $i$ -migrants,  $B_N$  the total amount of welfare benefits received by natives. The difference between these two quantities will tell us how much more or less the average household can rely on, depending on its migrant status.

These two measures enable us to look both at the numbers (*how many* migrants benefit from the welfare with respect to natives) and the quantities (*how much* they receive, on average, with respect to natives).

## 2.1 Residual Welfare Dependency of Migrants

The EU-SILC survey offers a detailed source of information on participation to welfare programs. This allows us to evaluate both the number of migrants benefiting from specific government transfers as well as the amount received, and make a comparison with the native population. In order to carry out such estimates, we distinguish between

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<sup>4</sup> As previously explained, categories will become three when looking at migrant households (in stead of individuals): migrant households from the EU25 countries, migrant households from non-EU25 countries, and mixed households (at least one migrant and one native).

two main categories of state transfers: contributory benefits and non-contributory allowances.

### **2.1.1 Contributory benefits**

We begin with the analysis of contributory benefits. Since the main condition of entitlement for contributory benefits is that the claimant must have paid sufficient personal insurance contributions, the unit of analysis for this category of benefits is the individual, independently of the existence of other household members. Our preliminary results are displayed in Table 1a. As it can be seen, apart from a few countries – notably Denmark, Finland, Lithuania and Slovakia – migrants are under-represented among recipients of contributory benefits in most countries.

The results are similar when, rather than considering take-up rates, we consider the average difference in benefits received by migrants with respect to natives (Table 1b). As already observed, such a difference is, in most cases, negative. In particular, this is always true for EU-15 countries, while evidence is more mixed for the NMS.

**Table 1a. Contributory Benefits: migrant under-representation**

	Country	EU-25 immigrants	Extra EU-25 immigrants	All immigrants
EU-15	Austria	-0.10 [5.67]***	-0.14 [12.55]***	
	Belgium	-0.02 [2.37]**	-0.13 [9.10]***	
	Denmark	0.04 [1.91]*	0.05 [3.77]***	
	Finland	-0.03 [1.28]	0.08 [4.69]***	
	France	-0.01 [0.44]	-0.09 [8.69]***	
	Germany <sup>+</sup>			-0.08 [5.86]**
	Greece	-0.19 [7.50]***	-0.25 [22.71]***	
	Ireland	-0.14 [11.54]***	-0.25 [13.62]***	
	Italy	-0.17 [7.96]***	-0.19 [24.76]***	
	Luxembourg	-0.18 [34.54]***	-0.24 [18.95]***	
	Netherlands	-0.06 [1.63]	-0.17 [3.65]***	
	Portugal	-0.12 [3.24]***	-0.28 [15.24]***	
	Spain	-0.07 [2.00]**	-0.22 [14.38]***	
	Sweden	-0.08 [5.04]***	-0.17 [10.51]***	
United Kingdom	-0.01 [0.81]	-0.24 [23.39]***		
New Member States	Cyprus	-0.05 [3.92]***	-0.24 [19.39]***	
	Czech Republic	0.05 [1.05]	-0.37 [9.78]***	
	Estonia <sup>+</sup>			0.06 [8.91]***
	Hungary	-0.25 [6.35]***	-0.34 [5.71]***	
	Latvia <sup>+</sup>			0.11 [13.43]***
	Lithuania	0.06 [0.91]	0.08 [3.01]***	
	Poland	-0.03 [0.38]	-0.19 [3.78]***	
	Slovakia	0.18 [3.68]***	-0.06 [0.65]	
Slovenia <sup>++</sup>			0.10 [15.40]***	
Other Countries	Iceland	-0.09 [3.27]***	-0.04 [7.65]***	
	Norway	-0.07 [4.10]***	-0.13 [7.64]***	

Notes: averages over the available years; t statistics in brackets, \*\*\*, \*\* and \* denote significance at 1, 5 and 10 percent respectively; + the EU-SILC does not distinguish between EU-25 and extra-EU25; ++ migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own calculations on data from EU-SILC 2004-2006.

**Table 1b. Difference in average benefits received**

	Country	EU-25 immigrants	Extra EU-25 immigrants	All immigrants
EU-15	Austria	-2,152 [197.29]***	-3,288 [522.39]***	
	Belgium	-520 [105.21]***	-1,833 [279.64]***	
	Denmark	-195 [10.09]***	-1,182 [91.48]***	
	Finland	-1,424 [63.97]***	-1,919 [117.02]***	
	France	-1,040 [278.06]***	-2,274 [720.17]***	
	Germany <sup>†</sup>			-1,675 [679.30]***
	Greece	-163 [19.94]***	-1,844 [524.54]***	
	Ireland	-1,426 [173.19]***	-1,922 [165.71]***	
	Italy	-1,967 [245.00]***	-3,254 [1317.72]***	
	Luxembourg	-4,901 [230.47]***	-6,074 [118.46]***	
	Netherlands	-1,831 [65.18]***	-3,723 [123.12]***	
	Portugal	-548 [54.89]***	-1,469 [352.86]***	
	Spain	-304 [31.49]***	-1,865 [457.92]***	
	Sweden	-1,197 [158.50]***	-2,214 [292.27]***	
United Kingdom	-402 [85.88]***	-2,636 [1026.91]***		
New Member States	Cyprus	-86 [7.19]***	-1,592 [123.65]***	
	Czech Republic	37 [8.83]***	-877 [285.47]***	
	Estonia <sup>†</sup>			92 [89.95]***
	Hungary	-588 [128.04]***	-884 [123.39]***	
	Latvia <sup>†</sup>			141 [199.44]***
	Lithuania	39 [6.30]***	315 [121.18]***	
	Poland	350 [50.43]***	-628 [150.41]***	
	Slovakia	347 [60.44]***	-40 [4.28]***	
Slovenia <sup>††</sup>			434 [89.41]***	
Other Countries	Iceland	-2,455 [33.53]***	-1,366 [74.14]***	
	Norway	-402 [85.88]***	-2,636 [1026.91]***	

Notes: figures are in euros, averages over the available years; t statistics in brackets, \*\*\*, \*\* and \* denote significance at 1, 5 and 10 percent respectively; <sup>†</sup> the EU-SILC does not distinguish between EU-25 and extra-EU25; <sup>††</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own calculations on data from EU-SILC 2004-2006.

Summarising, whatever measure we take, take-up rates or difference in average social spending, when we look at unconditional distributions (not controlling for individuals' characteristics), migrants appear to be under-represented among the recipients of contributory transfers.

This result is hardly surprising as contributory benefits typically require a minimum vesting period for eligibility. Many migrants may have not yet accumulated sufficiently long contributions to be eligible for these transfers. Furthermore, migrants are much younger than natives who are therefore more represented in the population of pensioners.

### 2.1.2 Non-contributory allowances

We now move to non-contributory allowances. The unit of analysis here is not the individual, but the household. This is partly due to the way EU-SILC provide variables on family allowances, partly because most non-contributory benefits – funded from general



taxation – are not related to insurance contributions but to specific household needs or circumstances (support careers, educational allowances, child benefits, etc.) and therefore they have to be considered on a household basis.

When we focus on non-contributory allowances, the picture changes. A significant difference between non-EU-25 migrants and migrants from the EU-25 emerges. In most countries, EU-25 migrants are under-represented also among recipients of non-contributory benefits. Interestingly, among them there are several countries where the share of NMS migrants in the population of EU-25 migrants is relatively large (Greece, Austria, Ireland, Italy). Unfortunately, limited data availability – the EU-SILC data do not disentangle migrants from the NMS from migrants from the EU-15 countries – does not allow for further investigations focusing only on migrants from the New Member States.

A different picture emerges for migrant households from outside Europe. In most EU-15 countries those migrants' households are indeed over-represented as welfare recipients and seem therefore to be more dependent on social assistance than the average native household (Table 2a). In those countries, not only non-EU-25 migrants are more likely to receive non-contributory allowances, but the average subsidy is generally higher than for natives (Table 2b). The relative size of allowances transferred to the households is shown in Table 2b. This suggests that migrants from outside Europe receive, on average, more than natives almost everywhere in EU-15 and by a significant margin in the Nordics.

In NMS non-EU-25 migrant households are generally equally represented among recipients of non-contributory transfers than natives. The average subsidies are, however, lower than those of natives.

There are also a few countries where data do not allow distinguishing EU-25 migrants from non-EU migrants (this is the case of Germany, Estonia, Latvia and Slovenia).

Finally, mixed households (involving at least a native and a migrant) are over-represented both in terms of take-up rates and average social spending per household in all countries (except Greece and Cyprus, see Table 2a).

**Table 2a. Non-contributory Allowances: non-EU migrant households over-representation**

	Country	EU-25 immigrant households	Extra EU-25 immigrant households	Immigrant households	Mixed households
EU-15	Austria	-0.04 [1.23]	0.13 [6.60]***		0.23 [8.84]***
	Belgium	-0.02 [0.85]	0.10 [3.59]***		0.25 [10.40]***
	Denmark	0.05 [1.06]	0.28 [10.85]***		0.15 [6.44]***
	Finland	-0.08 [1.69]*	0.36 [10.22]***		0.22 [7.49]***
	France	0.02 [0.78]	0.43 [25.04]***		0.20 [8.74]***
	Germany <sup>+</sup>			0.10 [3.16]***	0.15 [6.31]***
	Greece	-0.07 [1.85]*	-0.08 [5.03]***		-0.04 [1.53]
	Ireland	-0.10 [4.36]***	-0.02 [0.73]		0.00 [0.17]
	Italy	-0.24 [6.27]***	0.05 [4.28]***		0.13 [6.06]***
	Luxembourg	0.17 [18.28]***	0.37 [15.30]***		0.14 [6.97]***
	Netherlands	-0.04 [0.43]	0.41 [2.62]***		0.14 [2.91]***
	Portugal	-0.27 [3.80]***	-0.05 [1.30]		0.25 [4.91]***
	Spain	-0.03 [1.02]	0.04 [2.60]***		0.05 [2.06]**
	Sweden	-0.11 [3.51]***	0.19 [5.63]***		0.18 [7.25]***
	United Kingdom	0.00 [0.10]	0.00 [0.13]		0.10 [4.12]***
New Member States	Cyprus	-0.38 [15.29]***	-0.45 [14.13]***		-0.08 [3.44]***
	Czech Republic	-0.25 [3.57]***	-0.07 [1.11]		0.18 [2.89]***
	Estonia <sup>+</sup>			-0.09 [7.04]***	0.13 [4.60]***
	Hungary	-0.11 [1.29]	-0.13 [1.21]		0.23 [2.72]***
	Latvia <sup>+</sup>			-0.09 [5.97]***	0.03 [1.27]
	Lithuania	-0.24 [1.48]	-0.14 [1.86]*		-0.01 [0.14]
	Poland	-0.21 [1.51]	-0.12 [0.85]		0.17 [2.18]**
	Slovakia	-0.08 [0.62]	-0.01 [0.04]		-0.08 [0.89]
Slovenia <sup>++</sup>			0.09 [5.90]***	0.04 [1.88]*	
Other Countries	Iceland	-0.01 [0.14]	0.09 [4.67]***		0.02 [1.63]
	Norway	-0.03 [0.84]	0.24 [6.93]***		0.15 [5.82]***

Notes: averages over the available years; t statistics in brackets, \*\*\*,\*\* and \* denote significance at 1, 5 and 10 percent respectively; <sup>+</sup> the EU-SILC does not distinguish between EU-25 and extra-EU25; <sup>++</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own calculations on data from EU-SILC 2004-2006.

**Table 2b. Difference in average allowances received**

	Country	EU-25 immigrant households	Extra EU25 immigrant households	Immigrant households	Mixed households
EU-15	Austria	-493 [60.49]***	707 [153.67]***		1,736 [355.62]***
	Belgium	-282 [82.14]***	1,736 [354.54]***		727 [208.75]***
	Denmark	76 [8.75]***	1,555 [280.31]***		559 [112.11]***
	Finland	361 [18.11]***	4,209 [294.16]***		2,052 [196.74]***
	France	-198 [85.01]***	2,918 [1517.96]***		1,735 [923.60]***
	Germany <sup>†</sup>			1,057 [383.68]***	1,649 [885.74]***
	Greece	27 [9.88]***	-99 [91.07]***		-91 [62.22]***
	Ireland	-95 [7.97]***	3,326 [231.05]***		596 [57.42]***
	Italy	-304 [94.91]***	131 [150.16]***		366 [213.12]***
	Luxembourg	1,481 [97.95]***	3,124 [67.44]***		1,020 [38.62]***
	Netherlands	1,494 [56.97]***	4,357 [123.07]***		43 [4.09]***
	Portugal	-185 [33.35]***	32 [15.81]***		337 [156.19]***
	Spain	-92 [26.28]***	-35 [24.12]***		311 [151.65]***
	Sweden	-393 [51.65]***	3,501 [440.42]***		1,982 [360.35]***
	United Kingdom	1,197 [166.36]***	885 [257.33]***		979 [265.98]***
New Member States	Cyprus	-945 [68.66]***	-837 [49.33]***		-106 [9.46]***
	Czech Republic	-312 [76.39]***	-166 [53.73]***		240 [84.33]***
	Estonia <sup>†</sup>			-98 [88.44]***	41 [23.61]***
	Hungary	-47 [8.59]***	-68 [9.28]***		409 [89.12]***
	Latvia <sup>†</sup>			-72 [93.20]***	20 [23.67]***
	Lithuania	-145 [14.23]***	-85 [16.70]***		18 [7.10]***
	Poland	-123 [38.24]***	-57 [19.97]***		80 [46.27]***
	Slovakia	290 [42.29]***	-146 [6.38]***		126 [35.20]***
	Slovenia <sup>††</sup>			-4 [0.79]	148 [27.82]***
Other Countries	Iceland	-654 [8.81]***	-480 [13.68]***		739 [45.86]***
	Norway	-260 [18.62]***	7,011 [480.58]***		1,954 [168.16]***

Notes: figures are in euros, averages over the available years; t statistics in brackets, \*\*\*, \*\* and \* denote significance at 1, 5 and 10 percent respectively; <sup>†</sup> the EU-SILC does not distinguish between EU-25 and extra-EU25; <sup>††</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own calculations on data from EU-SILC 2004-2006.

Thus, migrants in EU-15 – especially from outside EU-25 – would seem to have mainly access to non-contributory schemes of social assistance, probably because social assistance and housing benefits target the poorest fraction of the population regardless of their contribution history. On the contrary, migrants in the NMS, whatever origin they have, are under-represented among recipients of both contributory and non-contributory benefits,

## 2.2 Residual Welfare Dependency of Migrants

The over-representation of migrants among recipients of non-contributory transfers may be due to the fact that migrants have more children and lower educational attainments than natives or to a higher dependency from transfers also compared to natives with the same observable characteristics (the so-called residual welfare dependency). In order to disentangle the two effects, we resort to a multivariate analysis framework, running

country-specific probit models of the probability of receiving social assistance, controlling for some observable characteristics, and including among the regressors a dichotomous variable describing migrant status. A positive and statistically significant coefficient for this variable is informative as to the presence of welfare dependency among migrants.

### **2.2.1 Contributory benefits**

In our first set of regressions, the dependent variable is a dummy equal to 1 when the individual receives any type of contributory benefits and 0 otherwise. We control for individual- and community-level characteristics,<sup>5</sup> and we add separate dummies for migrants coming from the EU-25 and those coming from non-EU countries.

As expected, we find that having a low personal income *before transfers* increases significantly the probability of receiving some kind of benefit. Unsurprisingly, singles with children are also more likely to receive transfers, while house-owners, and persons with higher education, are less likely to receive a contributory transfer. Other things being equal, men are more dependent on welfare than women.<sup>6</sup>

As far as the migrant dummy is concerned, Table 3 confirms our preliminary results<sup>7</sup>: with a very few exceptions migrants are equally likely or less likely than natives to receive contributory transfers. This is the case of Germany and Estonia, two countries whose data do not allow separating EU-25 from non-EU-25 migrants. Another country where this happens is Denmark.

Germany – in spite of data limitation – is a very interesting case, because our findings are at odds with those of earlier literature on the subject. As an example, Barrett (2008) states that, although unadjusted data show higher use of welfare by immigrants, in Germany this difference can be explained by controlling for observable characteristics.

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<sup>5</sup> We control for sex, age and age square, education, income, number of children, size of the household, whether the house is of property, the density of the neighbouring area, dummies for different regions (NUTS2) and years.

<sup>6</sup> See Table A2 in the appendix.

<sup>7</sup> For ease of exposition, we reported in the Table only the change in the estimated probability induced by a shift of the migrant dummy variables from 0 to 1; for the whole regression results, see Table A2 in the appendix.

**Table 3. Change in the probability of receiving contributory benefits due to migrant status**

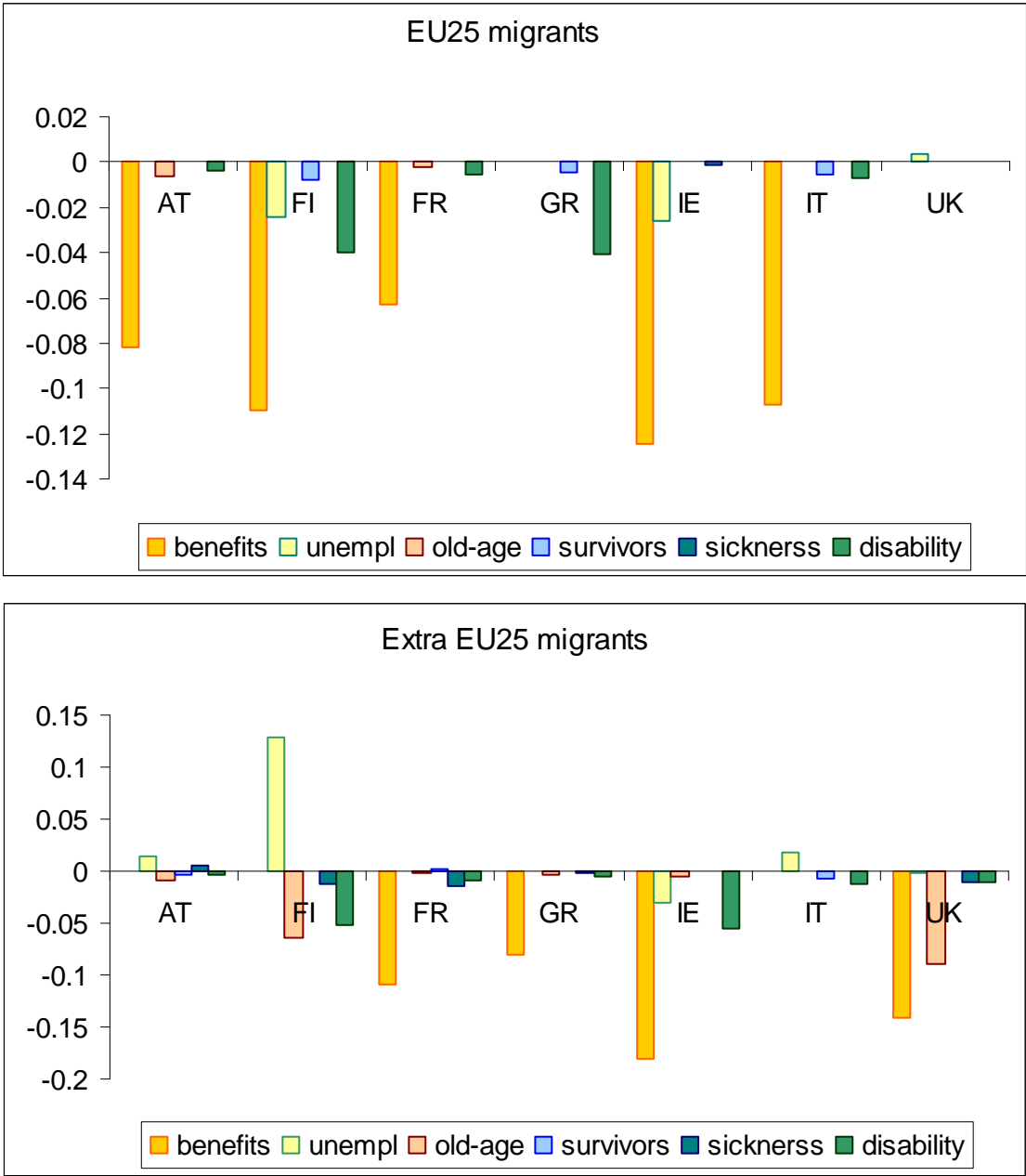
	Country	Migrant dummies			Obs.
		EU-25	Extra EU-25	All countries	
EU-15	Austria	-0.082 [3.21]***	-0.011 [0.68]		41,843
	Belgium	-0.052 [4.03]***	-0.200 [12.39]***		40,460
	Denmark	0.010 [0.31]	0.074 [3.81]***		48,740
	Finland	-0.110 [3.01]***	0.020 [0.76]		90,745
	France	-0.063 [3.72]***	-0.109 [7.29]***		76,103
	Germany <sup>+</sup>			0.048 [2.37]**	75,937
	Greece	-0.046 [1.39]	-0.081 [4.84]***		51,344
	Ireland	-0.125 [8.44]***	-0.180 [8.13]***		46,340
	Italy	-0.107 [3.53]***	-0.007 [0.52]		192,440
	Luxembourg	-0.040 [4.15]***	-0.103 [5.61]***		30,476
	Netherlands	0.004 [0.08]	-0.128 [1.83]*		17,750
	Portugal	-0.123 [2.63]***	-0.116 [4.02]***		43,240
	Spain	-0.032 [1.81]*	-0.096 [5.60]***		119,170
	Sweden	-0.180 [7.81]***	-0.245 [11.65]***		47,573
	United Kingdom	0.004 [0.15]	-0.141 [7.98]***		58,626
New Member States	Cyprus	-0.031 [2.20]**	-0.137 [6.75]***		26,751
	Czech Republic	0.044 [0.72]	-0.275 [4.21]***		32,112
	Estonia <sup>+</sup>			0.049 [4.23]***	41,102
	Hungary	-0.210 [3.57]***	-0.402 [5.35]***		46,059
	Latvia <sup>+</sup>			-0.034 [2.69]***	24,893
	Lithuania	-0.157 [2.35]**	0.042 [0.99]		30,049
	Poland	-0.180 [2.03]**	-0.229 [3.90]***		110,235
	Slovakia	0.122 [2.08]**	-0.227 [3.35]***		38,388
	Slovenia <sup>++</sup>			0.009 [1.00]	74,347
Other Countries	Iceland	-0.023 [0.63]	-0.025 [2.64]***		26,488
	Norway	-0.038 [1.45]	-0.201 [6.79]***		47,259

Notes: z statistics in brackets, \*\*\*, \*\* and \* denote significance at 1, 5 and 10 percent respectively; <sup>+</sup> the EU-SILC does not distinguish between EU-25 and extra EU-25; <sup>++</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own elaborations on data from EU-SILC 2004-2006.

Pushing our analysis a step further, we run a separate regression on the probability of receiving every single type of benefit that we have detailed information about, notably unemployment, old-age, survivors', sickness and disability benefits. The results are summarised in Figure 1.

**Figure 1. Change in probability of receiving contributory benefits due to migrant status**



Notes: only significant coefficients of migrant dummies displayed; the first column reports coefficients from Table 3. For expositional ease, we report in the figure the change in the estimated probability induced by a shift of the migrant dummy variable from 0 to 1; when the estimated effect lacks statistical significance at conventional confidence level, we don't report it; thus, Figure 1 succinctly provides information of the size and significance of the estimated effect for the variable of interest.  
 \* The EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.  
 \*\* Migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.  
 Source: own elaborations (or calculations) on EU-SILC data 2004-2006

Even when considering separately each single contributory social programme, we obtain the same result: migrants do not display a significant welfare dependency, especially those who come from other EU countries.

The only important exception is represented by unemployment benefits in Denmark (which are largely non-contributory), Finland and Germany and by sickness benefits in Denmark, Estonia and Slovakia, for which we observe residual dependency of non-EU migrants.

## 2.2.2 Non-contributory allowances

We carry out the same analysis for non-contributory allowances.

In this case both the household size and the number of children increase significantly the probability of receipt. Also an older head of the household and a low level of education increase the probability of receiving the transfer.<sup>8</sup>

**Table 4. Change in the probability of receiving non-contributory benefits due to migrant status**

		Migrant household dummies				
	Country	EU-25	Extra EU-25	All countries	Mixed	Obs.
EU-15	Austria	-0.023 [0.53]	-0.073 [3.33]***		0.002 [0.07]	17,470
	Belgium	-0.046 [2.37]**	0.097 [2.90]***		0.037 [2.10]**	17,744
	Denmark	0.005 [0.06]	0.067 [1.42]		0.060 [2.61]***	21,054
	Finland	-0.141 [2.00]**	0.162 [2.62]***		-0.005 [0.14]	37,252
	France	0.034 [1.35]	0.295 [10.13]***		0.130 [6.41]***	32,679
	Germany <sup>+</sup>			0.179 [3.73]***	0.032 [1.29]	30,168
	Greece	-0.055 [1.66]*	-0.059 [3.84]***		0.009 [0.42]	19,620
	Ireland	-0.168 [5.21]***	-0.038 [0.80]		0.069 [2.96]***	18,797
	Italy	-0.154 [1.68]*	-0.017 [1.19]		0.058 [2.45]**	75,098
	Luxembourg	0.053 [2.62]***	0.090 [1.49]		0.025 [0.96]	12,661
	Netherlands	0.061 [0.56]	0.421 [2.86]***		-0.013 [0.26]	9,234
	Portugal	-0.177 [1.50]	-0.205 [6.15]***		0.123 [2.82]***	15,208
	Spain	-0.054 [3.76]***	-0.018 [2.17]**		0.004 [0.29]	44,184
	Sweden	-0.184 [3.90]***	0.035 [0.70]		0.059 [2.38]**	20,326
	United Kingdom	-0.060 [0.95]	-0.229 [9.64]***		-0.014 [0.59]	23,329
New Member States	Cyprus	-0.391 [11.63]***	-0.506 [11.00]***		-0.115 [4.74]***	9,191
	Czech Republic	-0.261 [6.74]***	-0.222 [4.34]***		-0.014 [0.25]	13,005
	Estonia <sup>+</sup>			-0.068 [3.68]***	0.046 [2.04]**	13,991
	Hungary	-0.123 [1.55]	-0.258 [2.39]**		0.248 [3.03]***	15,576
	Latvia <sup>+</sup>			-0.024 [1.16]	-0.010 [0.45]	7,699
	Lithuania***		-0.173 [2.21]**		0.054 [0.89]	9,123
	Poland	0.009 [0.06]	-0.171 [1.93]*		0.016 [0.30]	32,536
	Slovakia	-0.022 [0.21]	0.291 [1.49]		-0.049 [0.78]	11,856
	Slovenia**			0.006 [0.27]	0.083 [5.55]***	19,612
Other Countries	Iceland	-0.232 [2.80]***	-0.047 [1.11]		-0.020 [0.58]	9,919
	Norway	-0.150 [3.84]***	0.106 [1.81]*		0.101 [3.93]***	20,164

Notes: z statistics in brackets, \*\*\*, \*\* and \* denote significance at 1, 5 and 10 percent respectively; <sup>+</sup> the EU-SILC does not distinguish between EU-25 and extra EU-25; <sup>++</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants; <sup>+++</sup> migrant households from EU-25 countries excluded from the estimation because of their limited number.

Source: own elaborations on data from EU-SILC 2004-2006.

<sup>8</sup> See Table A3 in the appendix.

Our multivariate analysis supports the view that EU-25 migrants are *less* welfare dependent than natives. In fact, even controlling for observable characteristics, they seem to be equally or less likely than natives to receive non-contributory benefits. Moreover, regression results support what we previously observed for countries whose EU migrants come prevalently from the New Member States. They all show a negative (Finland, Greece, Ireland) or non-significant (Austria) correlation between the (EU-25) migrant status and the probability of receiving transfers.

Importantly, our estimates also suggest that being a migrant household from outside Europe does not explain benefit receipt in a large number of countries. Put it another way, the over-representation of non-EU migrants in the pool of welfare recipients is in several countries explained by observable characteristics making them more eligible rather than by a residual dependency effect.

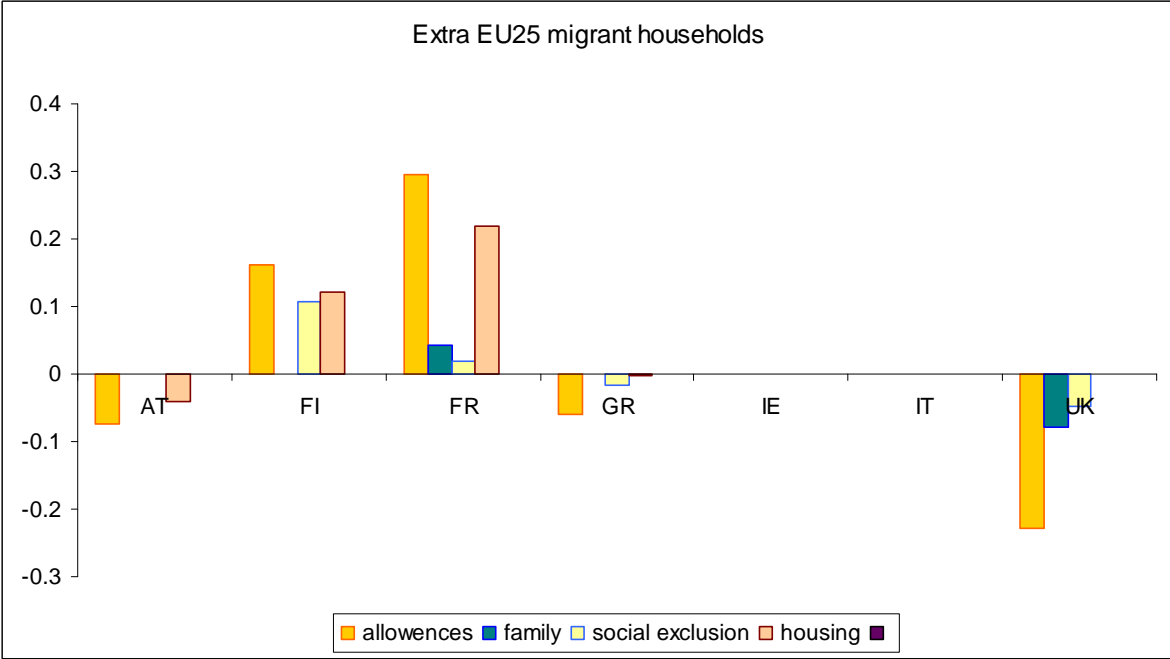
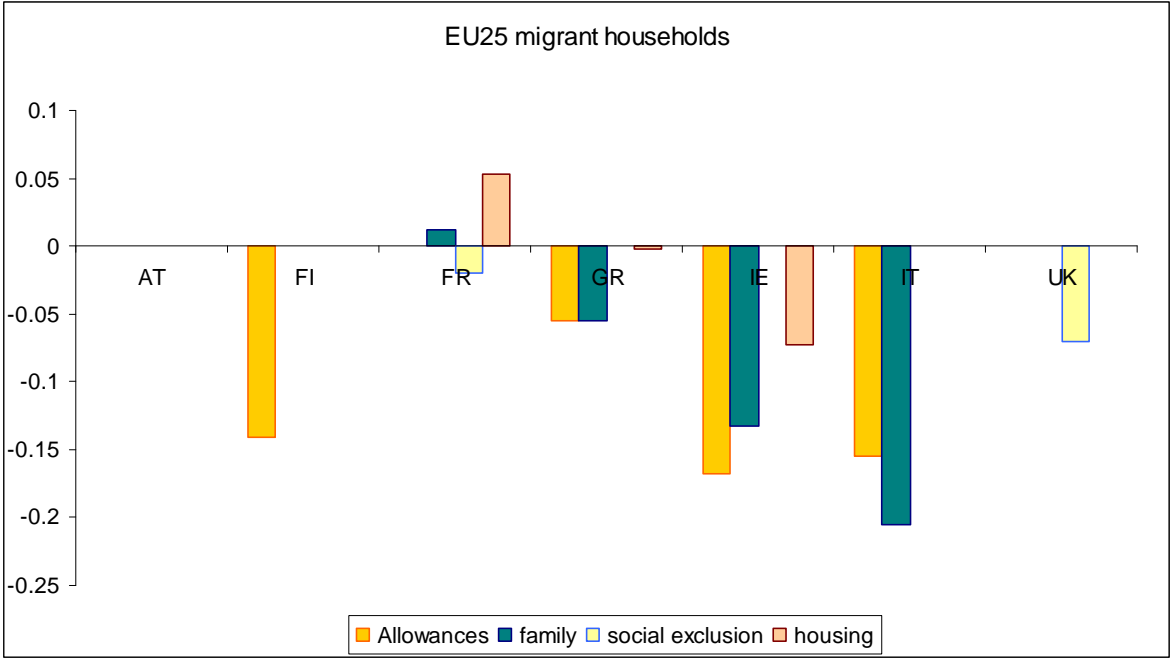
There are, however, important exceptions in countries with a rather generous welfare programme in place: in Belgium, Finland, France, Germany, the Netherlands and Norway some residual dependency of non-EU migrants is observed. Those findings are quite consistent with previous studies on Nordic countries, typically characterized by generous welfare systems. Sweden is, however, an important exception. Although not showing evidence of migrants' welfare dependency in the present work, earlier literature on Sweden usually found that differences in welfare participation in that country cannot be explained by observable socio-economic characteristics (Hansen, 1999). As already mentioned, Germany is another case, where our results are different from those of the earlier literature (Barrett, 2008).

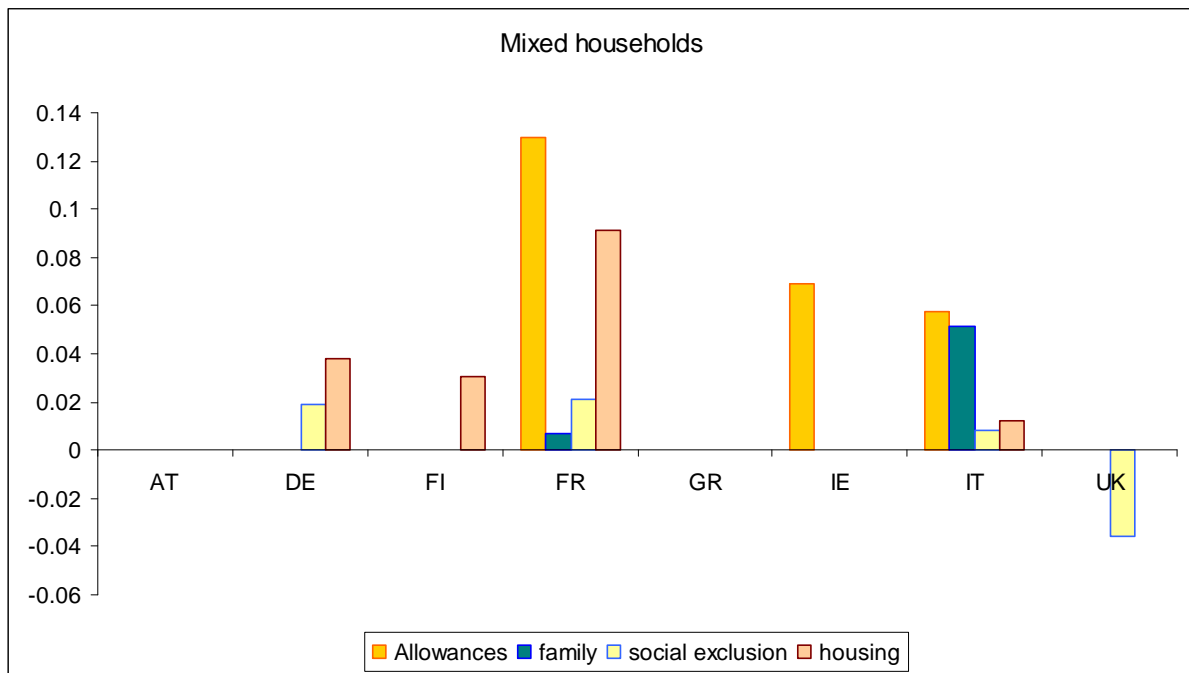
Mixed households are, in most countries, over-represented even after controlling for their observable characteristics. A number of explanations can be possibly provided for this result, such as better access to information on welfare programmes, assortative mating and household formation influenced by the welfare access opportunities.

Also in this case, we run separate probit regressions for housing allowances, family-related transfers and subsidies targeting specific marginal groups. The results are summarised in Figure 2.



Figure 2. Change in the probability of receiving non-contributory benefits due to migrant status





Notes: For expositional ease, we report in the figure the change in the estimated probability induced by a shift of the migrant dummy variable from 0 to 1; when the estimated effect lacks statistical significance at conventional confidence level, we don't report it; thus, Figure 1 succinctly provides information of the size and significance of the estimated effect for the variable of interest. The first column reports coefficients from Table 4;

\* The EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

\*\* Migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own elaborations (or calculations) on EU-SILC data 2004-2006

Our analysis suggests that residual welfare dependency concerns only non-EU migrants and mixed households. Housing benefits in France are disproportionately targeted to non-EU migrants, perhaps because of their segregation in *villes nouvelles* and peripheral areas, where massive public housing schemes have been implemented. In Nordic Countries there is also residual welfare dependency of non-EU migrants, notably in family allowances and housing benefits.

### 3 The net fiscal position of migrants

In this section we evaluate the net fiscal position of migrant, non-migrant and mixed households in a static sense, that is, we consider only the difference between the current contributions and taxes paid by each household member (and her/his employer) and the current amount of transfers received by the state in terms of social programmes. No consideration is made of the lifetime contributions and benefits paid/received by the different households.

As the EU-SILC did not report gross-wages and taxes for Greece, Italy, Latvia and Portugal,<sup>9</sup> these countries had to be dropped from our analysis. Moreover, the EU-SILC does not provide information on employers' social security contributions;<sup>10</sup> thus, we imputed these contributions by applying the rules as detailed in the OECD publication "Taxing Wages" (editions 2003/2004 to 2005/2006). The latter provides a routine for each country belonging to the OECD that can be used to calculate the average employers' social security contributions, conditional on gross-wages. This means that we also had to drop non-OECD EU countries, such as Cyprus, Estonia, Lithuania and Slovenia.

### **3.1.1 Taxes**

Table 5 suggests that in the EU-15 migrants, on average, contribute less to tax revenues and social security contributions than natives. This result is hardly surprising as taxes are typically progressive and social security contribution proportional to earnings and migrants are generally concentrated at the low end of the income (and earning) distribution.

Mixed household are, once more, an important exception. They pay, on average, more taxes than native citizens.

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<sup>9</sup> This information is available for Spain only for 2006.

<sup>10</sup> The EU-SILC committee decided that this information must be provided from MS only from 2007 onwards.

**Table 5. Difference in average taxes paid: migrant households lower participation to the state budget**

Group	Country	Equation [2]		
		EU-25 migrant household	Extra EU-25 migrant household	Mixed household
EU-15	Austria	-3159 [73.98]***	-2402 [99.68]***	2550 [99.66]***
	Belgium	-3918 [50.29]***	18983 [156.01]***	-2805 [40.06]***
	Denmark	-9549 [177.99]***	-7264 [212.63]***	6456 [210.32]***
	Finland	-7176 [62.49]***	-10834 [131.58]***	1227 [20.44]***
	France	-2304 [149.65]***	-8911 [700.86]***	3249 [261.45]***
	Germany+	-5166 [290.28]***		3031 [252.00]***
	Ireland	-429 [9.51]***	-4312 [79.25]***	4795 [122.23]***
	Luxembourg	1155 [19.70]***	-12669 [70.53]***	5521 [53.93]***
	Netherlands	-4102 [40.65]***	-5483 [40.25]***	3295 [81.77]***
	Spain	-1526 [43.67]***	-194 [13.46]***	1766 [85.85]***
	Sweden	-7012 [135.72]***	-15041 [278.89]***	2790 [74.75]***
	United Kingdom	-5405 [170.05]***	1828 [120.29]***	4539 [279.01]***
New Member States	Czech Republic	451 [14.27]***	1096 [45.88]***	1184 [53.94]***
	Hungary	-8 [0.22]	-1105 [22.78]***	1558 [51.17]***
	Poland	-1081 [35.13]***	-123 [4.50]***	978 [59.32]***
	Slovakia	-2427 [59.96]***	-969 [7.17]***	594 [28.01]***
Other Countries	Iceland	-8723 [28.16]***	12938 [88.41]***	7479 [111.17]***
	Norway	422 [7.18]***	-13592 [221.59]***	10178 [208.30]***

Notes: z statistics in brackets, \* significant at 10 per cent, \*\* significant at 5 per cent, \*\*\* significant at 1 per cent; + the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: EU-SILC 2004-2006.

### 3.1.2 Net Balance with respect to the state budget

We now turn our attention to the net balance between, on the one hand, taxes and contributions paid and, on the other hand, state transfers received. We consider first net contributors to the state budget. Table 6a shows the difference between the share of net contributors among migrants and the share of net contributors in the native population.

**Table 6a. Relative share of net contributory: migrant households over-representation**

Group	Country	Equation [1]		
		EU-25 migrant household	migrant household	Mixed households
EU-15	Austria	0.05 [1.53]	0.19 [9.36]***	0.22 [8.70]***
	Belgium	-0.02 [0.89]	-0.15 [5.46]***	0.12 [5.00]***
	Denmark	-0.26 [6.36]***	-0.14 [5.99]***	0.10 [4.83]***
	Finland	-0.11 [2.50]**	-0.39 [11.87]***	0.11 [4.17]***
	France	0.00 [0.11]	-0.17 [9.80]***	0.11 [4.75]***
	Germany <sup>+</sup>	-0.11 [3.60]***		0.11 [4.66]***
	Ireland	0.10 [3.74]***	0.10 [3.24]***	0.16 [5.56]***
	Luxembourg	0.23 [25.36]***	-0.03 [1.32]	0.16 [7.69]***
	Netherlands	-0.05 [0.51]	0.22 [1.51]	0.23 [5.18]***
	Spain	0.06 [0.94]	0.34 [12.06]***	0.21 [4.50]***
	Sweden	-0.07 [2.24]**	-0.26 [8.70]***	0.05 [2.14]**
	United Kingdom	-0.10 [2.25]**	0.16 [7.65]***	0.13 [5.01]***
New Member States	Czech Republic	0.19 [2.49]**	0.28 [4.15]***	0.20 [3.07]***
	Hungary	0.27 [3.28]***	0.40 [3.83]***	0.26 [3.04]***
	Poland	-0.18 [1.18]	0.10 [0.64]	0.13 [5.72]***
	Slovakia	-0.36 [2.93]***	-0.11 [0.31]	-0.04 [0.46]
Other Countries	Iceland	0.17 [3.73]***	0.16 [9.58]***	0.05 [4.17]***
	Norway	0.05 [1.84]*	-0.32 [10.02]***	0.13 [5.72]***

Notes: the difference between the share of net contributors among migrants and the share of net contributors in the native population, as in Equation [1]; t statistics in brackets, \* significant at 10 per cent, \*\* significant at 5 per cent, \*\*\* significant at 1 per cent; averages over the available years; + the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: EU-SILC 2004-2006.

Unexpectedly, it would seem that in a number of countries migrant households are at least as equally represented in the group of net-contributors to the state budget. Remarkable examples are Ireland for both EU-25 and non-EU-25 migrants, Austria, Spain and the UK in case of non-EU migrants.

Next we consider the net balance of migrant and non-migrant households. Table 6b displays the difference between the average balance between taxes and transfers for native and migrant households.

**Table 6b. Difference in average position with the government: migrant households lower participation to the state budget**

Group	Country	Equation [2]		
		EU-25 migrant household	Extra-EU-25 migrant household	Mixed households
EU-15	Austria	1100 [19.31]***	2815 [87.59]***	6265 [183.60]***
	Belgium	-2559 [32.15]***	20327 [163.48]***	-2734 [38.22]***
	Denmark	-9060 [125.55]***	-9752 [212.23]***	7177 [173.81]***
	Finland	-7830 [55.83]***	-13641 [135.65]***	2386 [32.55]***
	France	-107 [5.22]***	-8013 [471.83]***	5134 [309.33]***
	Germany+	-3159 [128.66]***		4356 [262.47]***
	Ireland	3350 [56.06]***	-3703 [51.43]***	6232 [120.05]***
	Luxembourg	9022 [105.91]***	-4708 [18.04]***	10767 [72.40]***
	Netherlands	-2850 [20.90]***	-3739 [20.31]***	5812 [106.75]***
	Spain	-852 [16.98]***	4193 [202.88]***	4601 [155.69]***
	Sweden	-4434 [73.15]***	-14875 [235.11]***	2587 [59.09]***
	United Kingdom	-6842 [167.47]***	5987 [306.53]***	7028 [336.09]***
New Member States	Czech Republic	2082 [52.22]***	3144 [104.37]***	1525 [55.08]***
	Hungary	888 [20.32]***	769 [13.13]***	2308 [62.83]***
	Poland	-1682 [40.52]***	1632 [44.24]***	1446 [65.04]***
	Slovakia	-3082 [57.50]***	-463 [2.58]***	741 [26.39]***
Other Countries	Iceland	-3395 [8.33]***	15545 [80.76]***	7466 [84.37]***
	Norway	4610 [58.79]***	-13660 [166.84]***	12561 [192.59]***

Notes: z statistics in brackets, \* significant at 10 per cent, \*\* significant at 5 per cent, \*\*\* significant at 1 per cent; + the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own elaborations on data from EU-SILC 2004-2006.

While we find once more a net contribution of non-EU migrants in the UK, Spain (where there are many first-generation migrants) and Austria, the migrants to the Nordic countries contribute significantly less than what they receive from the state budget (roughly between 10 and 15,000 Euros per year).

The fact that migrants receive more than what they pay is consistent with the progressiveness of taxes in the EU and the distributive goals of European welfare states. Significantly, migrants are over-represented in the population of net contributors to the state budget, but those receiving more than what they contribute apparently receive significantly more than what they pay into the system.

### 3.1.3 Residual net dependency

As in the case of benefit receipt, it is important to consider if a negative net fiscal position of migrants survives to a control of their personal characteristics. Thus, we run regressions in which the dependent variable is the household net-position with respect to the government. The full results of our estimations are shown in the appendix (Table A4), while Table 7 reports the coefficients of the dummy variables associated to EU and third-country migrants or mixed households.

**Table 7. Incidence of migrant status on the net-position with the government**

Group	Country	Migrant dummies			Obs
		EU-25 migrant household	Extra EU-25 migrant household	Mixed household	
	All	2462.53 [6.35]***	2014.28 [2.71]***	3569.92 [9.23]***	335868
EU-15	Austria	1066.6 [0.80]	1914.76 [3.97]***	3582.3 [4.77]***	17475
	Belgium	3809.16 [2.49]**	53182.25 [1.89]*	-756.34 [0.96]	10823
	Germany+	746.16 [0.89]		546.81 [0.55]	30173
	Denmark	-461.78 [0.54]	-4312.91 [6.30]***	794.38 [1.03]	21096
	Spain	688.76 [0.31]	2147.91 [3.80]***	1767.21 [1.44]	12146
	Finland	16821.53 [1.43]	-4790.31 [5.86]***	-959.6 [1.67]*	37267
	France	419.56 [0.68]	-242.97 [0.45]	2080.39 [3.04]***	32687
	Ireland	1852.13 [1.71]*	-4162.06 [3.35]***	-1547.57 [1.66]*	18815
	Luxembourg	3353.49 [4.80]***	3727.97 [2.42]**	2798.16 [2.30]**	12663
	Sweden	-837.71 [0.93]	-1180.55 [0.86]	-1124.11 [1.36]	20360
	United Kingdom	921.52 [0.63]	3942.71 [2.81]***	2850.88 [2.53]**	20030
New Member States	Czech Republic	766.27 [0.52]	243.87 [0.37]	326.59 [0.38]	12247
	Hungary	-3003.7 [3.45]***	918.12 [1.36]	-356.84 [0.55]	15579
	Poland	1871.31 [2.23]**	-932.38 [1.14]	4077.46 [1.86]*	32536
	Slovakia	426.66 [0.36]	116.23 [0.17]	222.71 [0.66]	11875
Other Countries	Iceland	126.61 [0.09]	-2806.24 [2.31]**	-2093.21 [1.83]*	9919
	Norway	2936.72 [2.28]**	-1210.19 [1.16]	1340.34 [1.88]*	20177

Notes: t statistics in brackets, \* significant at 10 per cent, \*\* significant at 5 per cent, significant at 1per cent;+ the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants.

Source: own elaborations on data from EU-SILC 2004-2006.

Table 7 suggests that in most countries the documented net negative position of migrants with respect to the state budget is explained by their personal characteristics. In other words, there is no residual net dependency once we control for education, number of children and the other relevant covariates affecting the probability of receiving social transfers, as discussed in Section 2. This result is particularly clear for EU migrants, since the dummy coefficients are almost all non significant and even positive.

If we look at the non-EU migrants, however, there is still a minority of countries (Denmark, Finland, Ireland and Iceland) where migrants are residually dependent, notably they receive more than what they contribute even when account is made for their personal characteristics.

Finally, mixed households tend to maintain a non-negative position with respect to the state budget, despite some exceptions (Finland, Ireland and Iceland).

## 4 Perceptions

After having looked at the fiscal position of migrant households, we now want to see how European citizens perceive migration and its impact on the nation wellbeing. Their opinions will be assessed by drawing on results from the European Social Surveys (ESS), a public opinion survey carried out in many EU countries,<sup>11</sup> which includes a number of questions about immigration. We will focus on the perceptions about the influence of migration on crime problems, as well as opinions on the impact of foreign guests on the fiscal balance of the recipient country. Although the ESS does not have a longitudinal design, access to micro data from the survey enables us to control for individual characteristics, as well as cyclical factors potentially affecting individual perceptions.

### 4.1 Crime

The typical profile of a criminal is a young male with low education and experiencing financial difficulties, mainly associated with low incomes or long-term unemployment (Freeman, 1991; Levitt, 1998; Grogger, 1998). At the same time, the first settlement of new migrants are usually carried out by young males, and those with low education and income constraints tend to receive a higher attention from the general public, probably due to the stark differences from the native population. Public opinion may combine these two phenomena of marginalisation and mentally associate migration with criminality even when it is faulty (see Buonanno *et al.*, 2008).

Figure 3 shows the opinions of EU citizens with respect to the contribution offered by migration to crime rates. There is some cross-country variation, but almost 70% of the respondents believe that crime problems are made worse by migrants.<sup>12</sup> The average EU citizen does associate migration with higher crime rates.

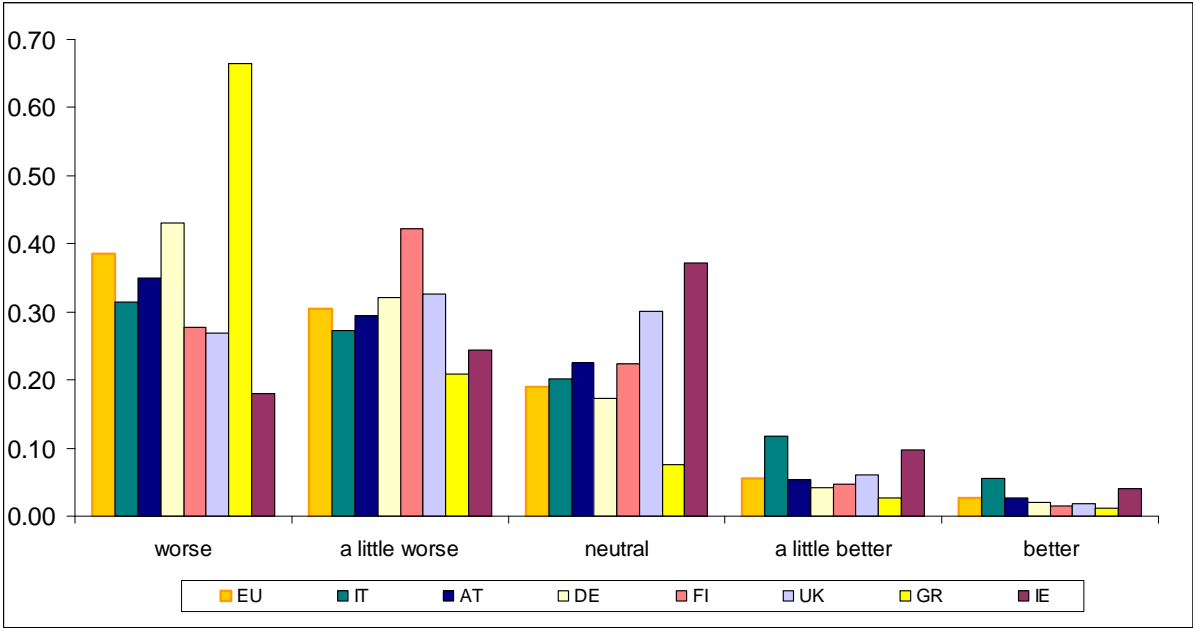
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<sup>11</sup> Austria, Belgium, Czech Republic, Germany, Denmark, Spain, Finland, France, United Kingdom, Greece, Hungary, Ireland, Italy, Luxemburg, Netherlands, Norway, Poland, Portugal, Sweden, Slovenia.

<sup>12</sup> The respondents were asked: "Are [country's] crime problems made worse or better by people coming to live here from other countries?" and were allowed to give a grade from 0 (being: Crime problems made worst) to 10 (being: Crime problems made better).



**Figure 3. “Are national crime problems made worse or better by people coming to live here from other countries?” % of responses**



Notes: own elaboration on data from ESS-2002; EU-average showed in the first column; Answers regrouped as follows: 0-2, worse; 3-4, little worse; 6-7, little better; 8-10, better.

We are interested in unfolding which social and economic factors might influence these perceptions. In order to attain this, we run an OLS regression of the probability of stating that migrants contribute to crime rates controlling for observables characteristics of respondents, as well as self-reported involvement in humanitarian organisations or friendship with migrants.<sup>13</sup> Cross-country variation is taken into account by including country dummies in the regressors. The results are displayed in Table 8.

<sup>13</sup> We control for sex, age and age square, education and labour status of respondent, also adding a dummy for migrants, one for high and one for medium total household income. Furthermore we include dummies for declared domicile description (big city, suburbs or outskirts of a big city, town or small village, country village), a dichotomy variable equal to one if the respondent is friend or works with a migrant, and another one for having taken part to a humanitarian organisation. We also introduce a dummy for political views (left of right) and variable controlling for the declared time spent watching the TV, listening to the radio and reading newspapers (from 0: no time at all, to 7: more than 3 hours a day). Finally, we control for the feeling of safety when walking alone at home in the dark (1: very safe; 4: very unsafe) and for those whose household members were victim of burglary/assault in the last 5 years.

**Table 8. Migrants and crime problems, incidence of personal characteristics**

	Influence of immigration on crime			
	(1)	(2)	(3)	(4)
Male	-0.09 [4.66]***	-0.18 [8.26]***	-0.17 [8.30]***	-0.17 [8.38]***
Age	-0.02 [8.50]***	-0.03 [9.01]***	-0.03 [9.66]***	-0.03 [9.73]***
Age square	0.0001 [5.57]***	0.0001 [7.26]***	0.0002 [7.59]***	0.0001 [7.58]***
	0.09	0.08	0.06	0.05
Secondary Education	[2.86]*** 0.55	[2.15]** 0.43	[2.00]** 0.43	[1.56] 0.39
Tertiary Education	[15.12]*** -0.14	[10.90]*** -0.13	[11.56]*** -0.11	[10.44]*** -0.10
Unemployed	[3.09]*** 0.71	[2.61]*** 0.60	[2.41]** 0.66	[2.25]** 0.65
Migrant	[12.48]*** 0.08	[9.74]*** 0.06	[11.47]*** 0.05	[11.41]*** 0.05
Medium Income	[2.81]*** 0.12	[2.07]** 0.09	[1.87]* 0.07	[1.77]* 0.06
High Income	[4.01]*** 0.27	[2.76]*** 0.31	[2.18]** 0.30	[1.87]* 0.30
city	[5.69]*** 0.15	[6.05]*** 0.15	[6.07]*** 0.15	[6.20]*** 0.17
suburbs	[3.09]*** 0.11	[2.99]*** 0.13	[3.18]*** 0.13	[3.46]*** 0.14
town	[2.52]** 0.05	[2.67]*** 0.04	[2.82]*** 0.04	[3.05]*** 0.05
country village	[1.20]	[0.92] 0.32	[1.00] 0.32	[1.20] 0.31
Know an immigrant		[13.34]***	[14.25]***	[13.89]***
Humanitarian organisations		0.26 [9.05]***	0.25 [8.86]***	0.24 [8.60]***
		-0.20	-0.19	-0.19
Unsafe walking alone		[12.92]***	[13.35]***	[13.23]***
Victim of crime		-0.13 [4.88]***	-0.13 [5.15]***	-0.12 [5.02]***
		0.21	0.21	
Left		[8.36]***	[8.38]***	
Right		-0.11 [4.58]***	-0.11 [4.67]***	
TV		-0.02 [3.70]***		
Radio		-0.01 [2.05]**		
Newspaper		0.02 [2.58]***		
Constant	3.30 [35.88]***	3.86 [36.41]***	3.50 [35.71]***	3.60 [35.69]***
Country Dummies	yes	yes	yes	yes
Observations	40291	35408	39882	39683
R-squared	0.01	0.01	0.01	0.01

Notes: robust t statistics in brackets, \* significant at 10%, \*\* significant at 5%, \*\*\* significant at 1%; dependent variable on a scale from 0, worse, to 10, better, depending on answer to the question: "Are [country]'s crime problems made worse or better by people coming to live here from other countries?". Reference person: female living in farm or countryside with lower than secondary education. Country of reference: Iceland

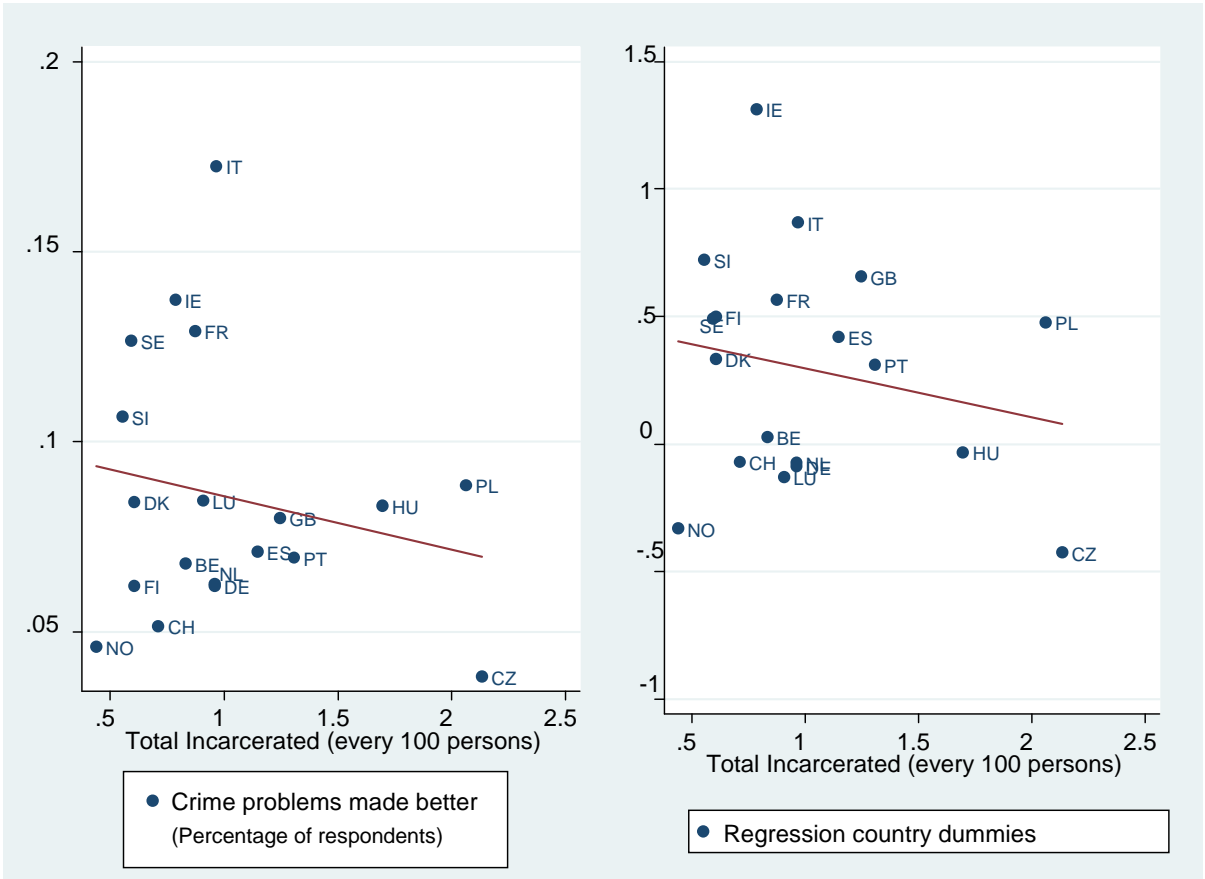
Source: ESS-2002.

Other things being equal, young males with lower education and living in rural areas are more concerned about the association between crime rates and migration. Furthermore, the higher education and family income, the less migrants are perceived as a threat to the security. The opposite holds for people identifying themselves as belonging to the right of the political spectrum or reporting feelings unsafe while walking back home alone or who have been victim of an assault.

Tertiary education has broadly the same effect on opinion, as well as being a migrant. Moreover, more frequent personal contacts with migrants – through work, volunteering, friendship or simply by living in a highly populated area – are associated with less concerns about the contribution of migrants to crime rates.

Finally, it seems that media (TV or radio) exposure increases negative perceptions of migrants. Next, we consider the relationship between perceptions and measured crime rates, across countries both unconditionally and controlling for the characteristics of respondents (in which case we report country dummies).

**Figure 4. Crime and migration perceptions**



Notes: % of people answering strictly less than 5 to the ESS-2002 question about migration and crime. Regression dummies from column (1) Table 8; The choice of the specification does not affect the regression results.. Source: share of incarcerated taken from the “United Nations Survey on Crime Trends and the Operations of Criminal Justice Systems (7th and 8th)”, year 2002

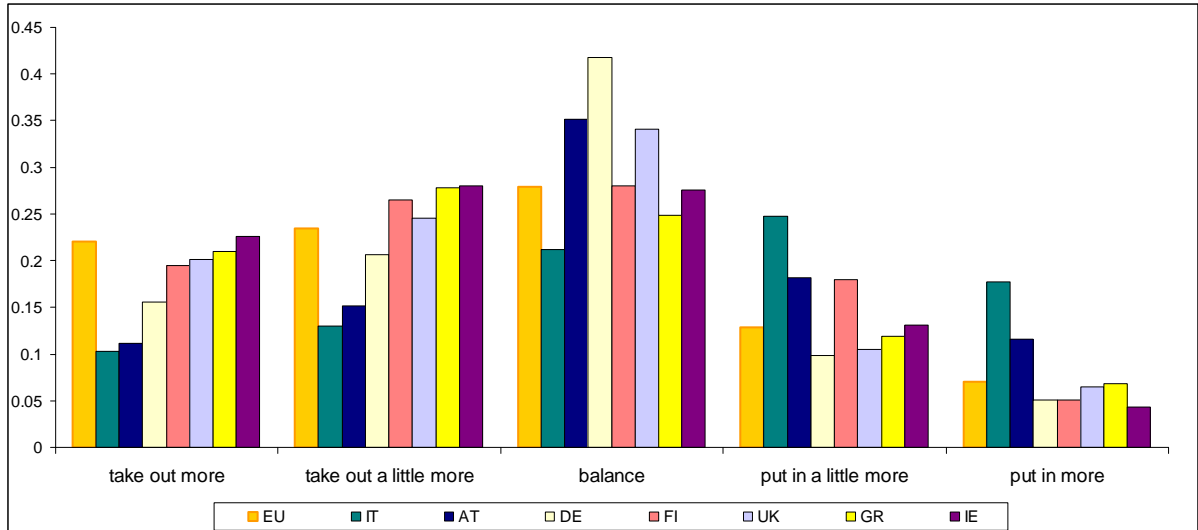
As pointed out by Figure 4, there is not a clear relationship between perceptions and measured crime rates. If anything, the relationship is mildly negative.

### 4.2 Fiscal Contribution

In order to evaluate public opinion perceptions about the migrants’ contribution to the state budget, we rely on the ESS, whose 2002 wave contained a very specific question on the topic: “Most people who come to live here work and pay taxes. They also use health and welfare services. On balance, do you think people who come here take out more than they put in or put in more than they take out?.”

Let’s first take a look at the rough data, as presented in Figure 5.

**Figure 5. “Do you think migrants take out more than they put in or put in more than they take out?” % of responses**



Notes: Aggregation of data from ESS-2002. EU-average showed in the first column  
 Answers from 0 to 10 regrouped as follows: 0-2, take out more; 3-4, take out a little more; 5, balance; 6-7, put in a little more; 8-10, put in more.

Even if, on average, European citizens believe that migrants balance out the resources they receive with the taxes they pay, the distribution of answers is quite skewed to the left. In other words, when comparing those respondents who take a stance, the majority believes that migrants are a burden rather than an asset for public finances. Indeed, more than one European out of four (28%) believes that migrants balance out their account with the government, but 22 and 23% respectively believes that they take out more or a little more than what they contribute to. However there are relevant differences across countries: while 43% of Slovenians believe that foreigners depend on the welfare state, almost one Italian out of five believes that they contribute more than what they receive.

Once more, we consider conditional perceptions, controlling for individual characteristics.<sup>14</sup>

**Table 9. Migrants and welfare state, incidence of personal characteristics**

	Do migrants put in more than what they take out?			
	(1)	(2)	(3)	(4)
	0.00	0.00	0.00	0.00
Male	[1.86]*	[1.39]	[1.58]	[1.17]
	-0.02	-0.02	-0.02	-0.02
Age	[5.13]***	[5.45]***	[6.00]***	[5.85]***
	0.00	0.00	0.00	0.00
Age square	[3.24]***	[4.66]***	[4.97]***	[4.74]***
	0.01	0.01	0.01	0.01
Secondary Education	[4.97]***	[3.59]***	[3.89]***	[3.46]***
	0.05	0.04	0.04	0.03
Tertiary Education	[16.62]***	[12.55]***	[12.91]***	[11.79]***
	-0.22	-0.21	-0.18	-0.18
Unemployed	[4.32]***	[3.99]***	[3.69]***	[3.51]***
	0.07	0.06	0.07	0.07
Migrant	[22.04]***	[17.48]***	[20.93]***	[21.07]***
	0.01	0.00	0.01	0.01
Medium Income	[3.53]***	[2.30]**	[2.57]**	[2.53]**
	0.01	0.01	0.01	0.01
High Income	[4.08]***	[2.46]**	[2.46]**	[2.21]**
	0.02	0.01	0.01	0.01
city	[4.91]***	[2.44]**	[2.70]***	[2.63]***
	0.01	-0.02	0.00	0.00
suburbs	[2.06]**	[0.38]	[0.03]	[0.02]
	0.01	0.00	0.00	0.00
town	[2.17]**	[0.35]	[0.73]	[0.81]
	-0.05	-0.11	-0.09	-0.09
country village	[1.12]	[2.10]**	[1.93]*	[1.86]*
		0.03	0.03	0.03
Know an immigrant		[16.52]***	[17.88]***	[17.64]***
Humanitarian organisations		0.03	0.03	0.02
		[11.78]***	[12.09]***	[11.58]***
			0.02	0.02
Left			[9.55]***	[9.44]***
			-0.09	-0.10
Right			[3.55]***	[3.67]***
				-0.02
TV				[3.66]***
				-0.01
Radio				[2.44]**
				0.00
Newspaper				[3.57]***
	0.19	0.20	0.17	0.18
Constant	[42.05]***	[39.97]***	[39.26]***	[39.02]***
Country Dummies	yes	yes	yes	yes
Observations	39138	34966	39138	38943
R-squared	0.01	0.01	0.01	0.01

Notes: robust t statistics in brackets, \* significant at 10%, \*\* significant at 5%, \*\*\* significant at 1%; dependent variable on a scale from 0, worse, to 10, better, depending on answer to the question: "Taxes and services: immigrants take out more than they put in or less?"; Reference person: female living in farm or countryside with lower than secondary education; Country of reference: Iceland.

Source: ESS-2002.

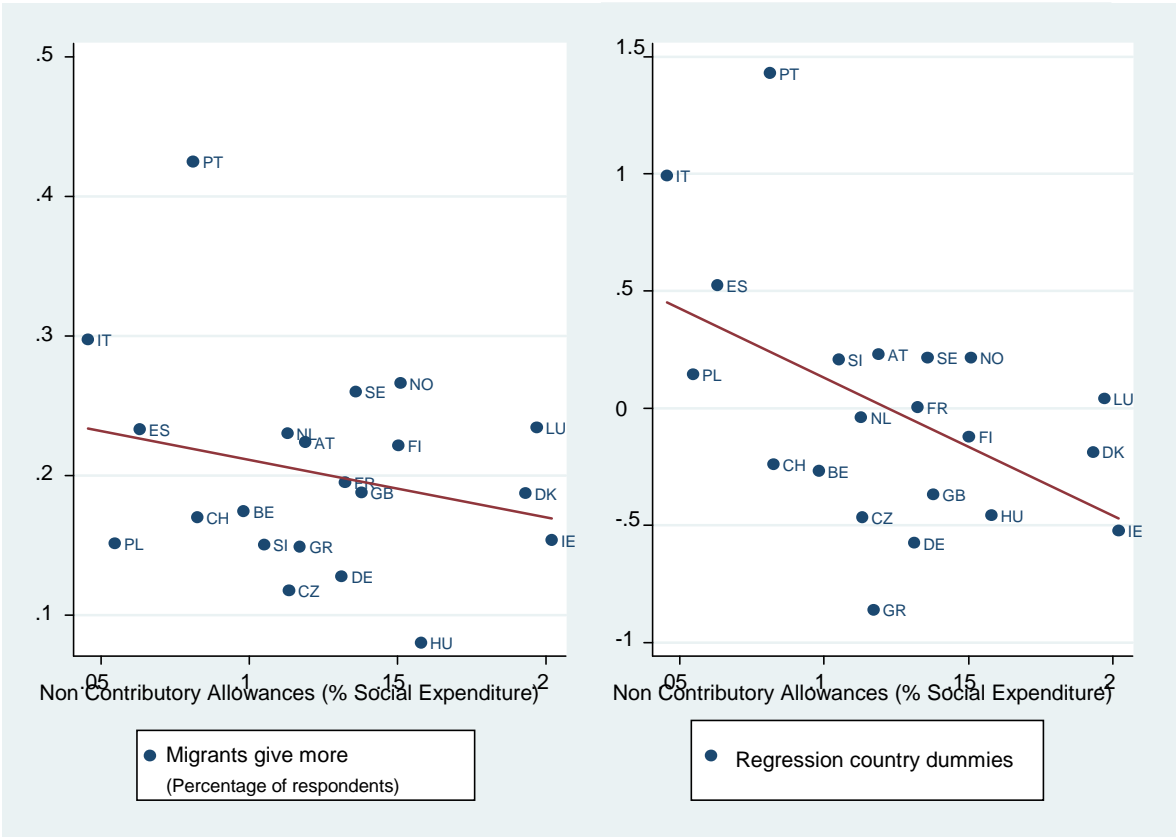
<sup>14</sup> We use the same set of control variables as in Table 4, but those variables related to feeling of safety and criminal victim. See note above.

The typical profile of persons concerned about the net fiscal position of migrants is similar to that of those concerned about crime rates: it is mainly young people, unemployed, living in rural areas, with low levels of literacy and income sources, right-winged when it comes to politics, with little or no contact with the world of migration, who fear about the fiscal burden of migrants. Media once more strengthen these beliefs whilst people reading newspapers give a higher importance to the economic contributions of foreigners.

Finally, we relate the perceptions of EU citizens to the level of generosity of welfare systems and the characteristics of social policies in different European countries, in order to assess whether negative perceptions about migration are stronger in countries with a more generous redistributive system or adopting specific policies.

Since the non-contributory part of public transfers turned out to be the one where migrants were over-represented, we focus our attention on the share of non-contributory allowances over the total government expenditure for social benefits. Figure 6 shows an inverse relationship between this quantity and the percentage of people stating that migrants are net contributors to public finances. This is in line with our findings: as long as the share of non-contributory benefits is relatively low as compared to the contributory ones, people appreciate more the fiscal contribution of migrants. On one side, when most of the transfers are given on a non-contributory basis, in which migrants are over-represented, the average citizen is more concerned about his/her welfare dependency.

**Figure 6. Migrants perceived dependency and non-contributory transfers**

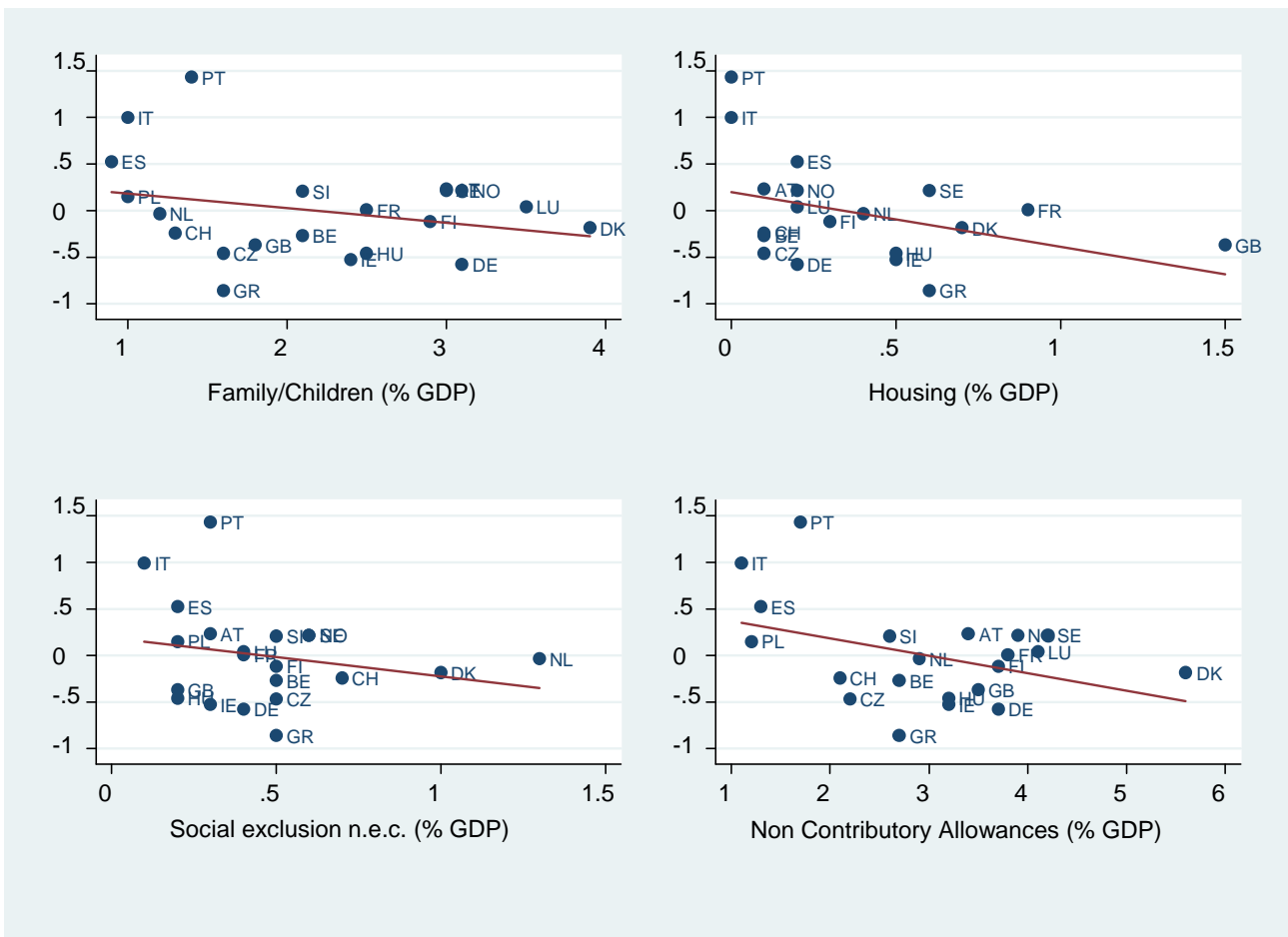


Notes: percentage of people answering strictly less than 5 to the ESS-2002 question about migration and welfare contribution. Regression dummies from column (1) in Table 9, the choice of regression doesn't have a qualitative influence, given the very high correlation of dummies from different columns.  
 Share of non contributory benefits calculated as: Social transfers in kind / (Social benefits + social transfers in kind).  
 Source: Eurostat, statistics on Social Protection Expenditure 2002.

In order to be more rigorous we control for individual specific characteristics, and plotting the dummies from the first regression of Table 9 on the vertical axis, we find that a negative correlation still holds even conditionally on the respondent's personal features, as displayed in the right-panel of Figure 6.

As expected, a similar relation holds even when we consider the share of GDP spend for family allowances, housing or social exclusion, as displayed in Figure 7.

**Figure 7. Migrants perceived dependency and non-contributory transfers**



Notes: Regression dummies from column (1) in Table 9; The choice of regression doesn't have a qualitative influence, given the very high correlation of dummies from different columns.

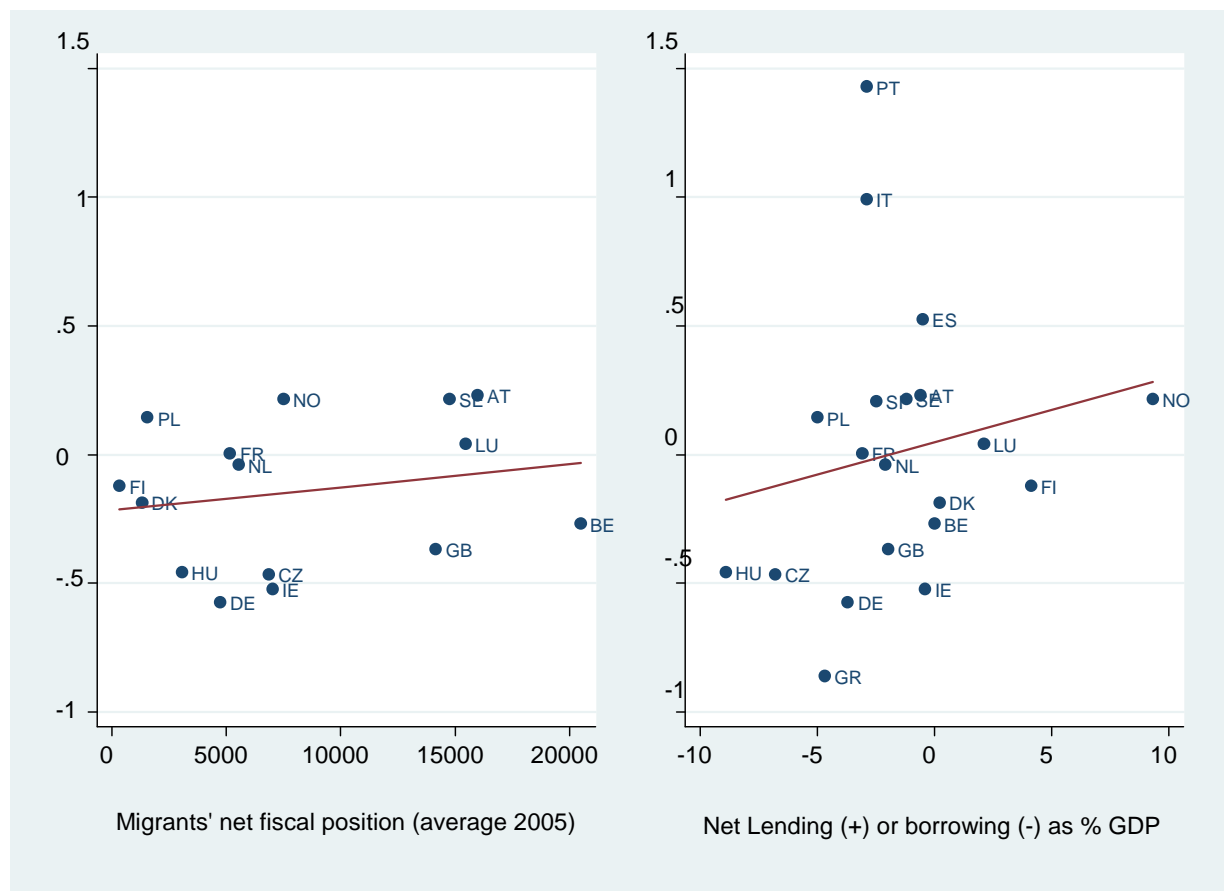
Share of non contributory benefits calculated as: Social transfers in kind / (Social benefits + social transfers in kind)

Source: Eurostat, statistics on Social Protection Expenditure 2002

Furthermore it is interesting to notice a slightly positive relation between the perceptions of European citizens about migrants' contribution to the state budget and the average net fiscal position of migrants, as calculated using the EU-SILC 2005, as well as the government net lending, as provided by the European Commission for the Excessive Deficit Procedure.



**Figure 8. Migrants perceived dependency and net fiscal position**



Notes: Regression dummies from column (1) in Table 9; the choice of regression doesn't have a qualitative influence, given the very high correlation of dummies from different columns.

Source: Eurostat, statistics on Social Protection Expenditure 2002;

Net fiscal position calculated as country-average of the variable constructed in section 3, EU-SILC 2005;

Eurostat, Government Deficit and Debt, Excessive Deficit Procedure 2002.

## 5 Conclusions and policy implications

There is a widespread perception in Europe that migrants are a burden for public finance. This view is deeply rooted in the countries with a more generous redistributive system and is stronger among poorer and less educated individuals. We document in this study that migrants are indeed over-represented among beneficiaries of non-contributory transfers, while they are under-represented among recipients of contributory schemes. However, EU-25 migrants are under-represented also among recipients of non-contributory benefits. Interestingly, among them there are several countries where the share of NMS migrants in the population of EU-25 migrants is relatively large (Greece, Austria, Ireland, Italy). Furthermore, especially in Nordic countries, there is some evidence of "residual dependency" of migrants, thereby they receive transfers more than natives when control is made of their educational attainments and family characteristics.

We also try for the first time to estimate the net fiscal position of migrants *vis-à-vis* the state budget. Our estimates depend on a number of assumptions and *caveats* that are

detailed in the report. They suggest that the net fiscal position of migrants is not different than the one of natives. They pay less, but also receive less than natives. It should be stressed that our calculations are static, that is compare current contributions and taxes and current transfers rather than analysing them over the lifetime. Thus the young age of migrants may contribute to explain our results.

The main policy implications of our findings is that countries should look carefully at the design of their social welfare systems in order to minimise moral hazard and prevent migrants from falling into unemployment and poverty traps. Adopting a more Beveridgian welfare system is not always an option as some schemes (e.g., social assistance) can only be funded out of general Government revenues. But much can be done to reduce long-term dependency from such transfers, as suggested by ongoing policy experiments along the route of activation policies (Boeri, 2005).

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## 7 Annex

**Table A1a. Share of migrants from New Member States over migrant population in European Countries**

Country	Share of immigrants from NMS-10 over total EU-25 immigrants	Share of immigrants from NMS-12 over total immigrants
Austria	35.90	14.15
Belgium	4.00	4.17
Bulgaria	52.32	6.78
Croatia	No information	No information
Cyprus	4.41	8.56
Czech	79.71	41.12
Denmark	13.03	5.17
Estonia	69.11	3.10
Finland	46.77	26.74
France	3.37	2.37
Germany	19.35	8.98
Greece	52.86	14.55
Hungary	41.82	59.36
Iceland	45.47	28.20
Ireland	43.52	No information
Italy	33.26	16.18
Latvia	82.73	5.68
Lithuania	76.74	13.17
Luxembourg	1.37	1.46
Malta	No information	No information
Netherlands	7.84	3.84
Norway	7.90	5.06
Poland	11.97	3.96
Portugal	2.74	6.58
Romania	34.59	9.64
Slovakia	88.88	58.98
Slovenia**	18.68	2.80
Spain	9.80	20.21
Sweden	10.19	6.17
Switzerland	2.33	1.91
Turkey	No information	No information
United Kingdom	28.06	13.43

Source: Own elaborations on National Population Statistics and EUROSTAT LFS.

**Table A1b. Descriptive Statistics - Citizens**

Country	Natives	Migrants		Total
		EU-25	Extra EU-25	
Austria	38424	680	1970	41074
Belgium	36917	2022	1138	40077
Cyprus	23425	1497	1314	26236
Czech Republic	28861	146	173	29180
Germany	72964	1477		74441
Denmark	45688	652	1470	47810
Estonia	35056	5332		40388
Spain	26421	149	907	27477
Finland	87679	488	790	88957
France	70644	1632	2458	74734
Greece	48676	318	1857	50851
Hungary	44931	158	69	45158
Ireland	43211	1539	700	45450
Iceland	18174	240	7564	25978
Italy	185964	497	4156	190617
Lithuania	29151	54	275	29480
Luxembourg	17211	11264	1415	29890
Latvia	19762	4883		24645
Netherlands	17172	142	92	17406
Norway	44747	902	829	46478
Poland	107955	36	92	108083
Portugal	41958	181	689	42828
Sweden	46174	959	1018	48151
Slovenia	66732	6149		72881
Slovakia	37507	88	34	37629
United Kingdom	54749	621	2216	57586
Total	1290153	24265	49067	1363485

**Table A1c. Descriptive Statistics – Households**

Country	Natives	Migrants		Mixed	Total
		EU-25	Extra EU-25		
Austria	15791	183	617	606	17197
Belgium	15715	704	336	752	17507
Cyprus	7922	348	200	561	9031
Czech Republic	11868	43	56	85	12052
Germany	28638	266		693	29597
Denmark	19493	109	357	781	20740
Estonia	11585	1593		676	13854
Spain	11408	52	307	173	11940
Finland	35828	114	202	472	36616
France	29888	518	826	884	32116
Greece	18418	90	593	340	19441
Hungary	15192	37	23	60	15312
Ireland	17446	371	228	504	18549
Iceland	5940	60	689	3052	9741
Italy	72185	141	1660	596	74582
Lithuania	8825	7	27	106	8965
Luxembourg	6711	4344	361	1018	12434
Latvia	5559	1214		846	7619
Netherlands	8971	25	10	163	9169
Norway	18880	242	206	618	19946
Poland	32255	11	11	54	32331
Portugal	14706	46	163	157	15072
Sweden	18991	223	217	685	20116
Slovenia	16512	1275		1493	19280
Slovakia	11579	20	2	69	11670
United Kingdom	21680	117	550	591	22938
<b>Total</b>	<b>481986</b>	<b>7805</b>	<b>11989</b>	<b>16035</b>	<b>517815</b>



**Table A2. Change in the probability of receiving contributory-benefits:  
individual probit regression**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	All	AT	BE	CY	CZ	DE*	DK	EE*	ES	FI	FR	GR	HU	IE
EU25 Migrant	-0.065 [1.55]***	-0.082 [3.21]***	-0.052 [4.03]***	-0.031 [2.20]**	0.044 [0.72]	0.010 [0.31]	0.010 [0.31]	0.049 [4.23]***	-0.032 [1.81]*	-0.110 [3.01]***	-0.063 [3.72]***	-0.046 [1.39]	-0.210 [3.57]***	-0.125 [8.44]***
Extra EU25 Migrant	-0.048 [1.654]***	-0.011 [0.68]	-0.200 [12.39]***	-0.137 [6.75]***	-0.275 [4.21]***	0.048 [2.37]**	0.074 [3.81]***	0.049 [4.23]***	-0.096 [5.60]***	0.020 [0.76]	-0.109 [7.29]***	-0.081 [4.84]***	-0.402 [5.35]***	-0.180 [8.13]***
Male	0.094 [88.43]***	0.081 [27.65]***	0.197 [28.32]***	0.021 [3.20]***	-0.087 [9.91]***	0.130 [22.10]***	-0.002 [0.26]	-0.062 [7.30]***	0.174 [42.13]***	0.014 [2.57]**	0.110 [20.49]***	0.159 [24.64]***	0.003 [0.42]	0.122 [18.14]***
Age	-0.005 [26.21]***	-0.003 [2.44]**	0.020 [19.27]***	-0.029 [24.33]***	-0.030 [15.18]***	-0.018 [15.54]***	0.010 [7.38]***	-0.030 [16.76]***	-0.002 [3.67]***	0.012 [10.64]***	-0.002 [1.87]*	-0.003 [3.22]***	0.007 [4.10]***	0.004 [3.73]***
Age <sup>2</sup>	0.000 [1.19.37]***	0.000 [14.95]***	0.000 [7.44]***	0.000 [35.63]***	0.001 [24.98]***	0.000 [33.25]***	0.000 [4.20]***	0.000 [28.99]***	0.000 [23.44]***	0.000 [6.68]***	0.000 [17.47]***	0.000 [20.45]***	0.000 [9.78]***	0.000 [8.42]***
Secondary Education	0.013 [10.13]***	0.018 [2.28]**	0.004 [0.59]	-0.025 [3.14]***	0.052 [4.08]***	0.036 [4.24]***	-0.017 [1.99]**	-0.011 [0.94]	-0.018 [3.50]***	0.027 [3.86]***	0.045 [7.58]***	0.020 [2.85]***	-0.023 [2.80]***	-0.037 [4.92]***
Tertiary Education	-0.002 [1.33]	-0.006 [0.55]	0.012 [1.40]	-0.056 [6.07]***	0.025 [1.29]	-0.009 [0.92]	-0.025 [2.53]**	-0.027 [1.94]*	0.000 [0.01]	0.000 [2.12]**	0.056 [7.04]***	0.061 [6.32]***	-0.037 [2.92]***	-0.034 [3.82]***
High income (before transfers)	-0.267 [179.04]***	-0.261 [26.37]***	-0.348 [33.35]***	-0.146 [2.56]**	-0.223 [16.91]***	-0.249 [21.61]***	-0.419 [42.51]***	-0.083 [7.06]***	-0.234 [36.23]***	-0.428 [53.14]***	-0.354 [48.99]***	-0.261 [31.25]***	-0.300 [26.31]***	-0.218 [21.55]***
Low income (b.t)	0.129 [87.60]***	0.239 [26.61]***	0.291 [31.69]***	-0.003 [0.07]	0.199 [17.76]***	0.245 [25.68]***	0.150 [14.15]***	0.155 [13.93]***	0.076 [13.45]***	0.162 [19.41]***	0.105 [15.11]***	-0.012 [1.45]	0.165 [14.87]***	0.107 [11.50]***
House Owner	-0.043 [28.88]***	-0.064 [7.50]***	-0.108 [13.64]***	-0.038 [2.76]***	-0.011 [1.00]	-0.095 [15.27]***	-0.045 [5.19]***	0.003 [0.12]	-0.019 [2.54]**	-0.028 [3.75]***	-0.037 [5.90]***	0.012 [1.46]	-0.043 [2.91]***	-0.104 [10.68]***
Single	0.057 [18.20]***	0.151 [7.33]***	0.020 [1.10]	0.005 [0.24]	-0.113 [4.52]***	0.041 [2.34]**	-0.192 [7.96]***	0.001 [0.05]	0.082 [7.91]***	0.075 [4.30]***	-0.047 [3.09]***	0.181 [9.85]***	-0.055 [2.48]**	0.197 [10.15]***
Single with child	0.115 [37.10]***	0.142 [6.68]***	0.080 [5.18]***	0.068 [2.83]***	0.035 [1.54]	0.114 [8.17]***	-0.040 [1.89]**	0.049 [2.58]***	0.198 [11.73]***	0.106 [6.86]***	-0.081 [5.78]***	0.334 [12.29]***	-0.019 [0.97]	0.013 [0.71]
1 child	-0.072 [30.46]***	-0.037 [2.24]**	-0.048 [3.01]***	-0.041 [2.40]**	-0.112 [5.47]***	-0.006 [0.34]	-0.078 [4.40]***	-0.099 [7.02]***	-0.023 [2.50]**	-0.128 [9.52]***	-0.065 [5.40]***	-0.043 [3.24]***	-0.046 [2.57]**	-0.050 [3.68]***
2 children	0.071 [35.02]***	-0.057 [3.79]***	-0.074 [4.36]***	-0.074 [3.53]***	-0.078 [4.15]***	-0.061 [5.49]***	-0.094 [6.05]***	-0.078 [5.85]***	-0.020 [2.61]***	-0.083 [6.88]***	-0.078 [6.86]***	-0.024 [1.94]*	-0.121 [8.95]***	-0.091 [7.96]***
3 children	-0.066 [2.77]**	-0.106 [1.09]	-0.106 [1.09]	-0.036 [0.28]	-0.141 [0.72]	0.141 [0.72]	0.051 [0.40]	-0.113 [1.50]	-0.071 [0.83]	0.244 [2.11]**	-0.176 [1.32]	-0.074 [0.50]	-0.074 [0.50]	-0.215 [3.65]***
4+ children	-0.093 [4.72]***	-0.065 [0.90]	-0.065 [0.90]	-0.065 [0.90]	0.433 [3.78]***	0.433 [3.78]***	0.433 [3.78]***	-0.263 [3.63]***	0.065 [0.44]	-0.174 [1.76]**	0.041 [0.33]	0.290 [3.09]***	-0.147 [2.44]**	-0.147 [2.44]**
2 household members	-0.067 [19.86]***	-0.072 [3.52]***	-0.169 [9.46]***	-0.097 [3.97]***	-0.151 [5.42]***	-0.110 [5.94]***	-0.196 [7.80]***	-0.016 [0.64]	-0.104 [11.51]***	-0.021 [1.10]	-0.158 [10.20]***	-0.021 [1.23]	-0.076 [2.86]***	-0.012 [0.63]
3 hh members	-0.112 [29.35]***	-0.102 [4.38]***	-0.202 [10.77]***	-0.132 [5.51]***	-0.206 [6.66]***	-0.195 [8.66]***	-0.311 [10.28]***	-0.093 [3.39]***	-0.135 [15.03]***	-0.051 [2.16]**	-0.226 [13.38]***	-0.032 [1.69]*	-0.152 [5.05]***	-0.054 [2.35]**
4 hh members	-0.130 [28.23]***	-0.137 [4.40]***	-0.293 [10.53]***	-0.157 [4.76]***	-0.287 [7.30]***	-0.239 [7.91]***	-0.371 [9.12]***	-0.081 [2.66]***	-0.175 [15.67]***	-0.062 [2.05]**	-0.296 [12.64]***	-0.031 [1.36]	-0.158 [4.47]***	-0.021 [0.73]
5 hh members	-0.120 [23.35]***	-0.138 [4.54]***	-0.243 [9.20]***	-0.113 [3.93]***	-0.244 [5.33]***	-0.218 [4.71]***	-0.351 [6.35]***	-0.120 [3.46]***	-0.126 [10.25]***	-0.120 [1.78]*	-0.243 [9.46]***	-0.017 [0.68]	-0.176 [4.55]***	-0.014 [0.46]
6 hh members	-0.165 [34.60]***	-0.135 [4.16]***	-0.286 [12.43]***	-0.160 [5.58]***	-0.346 [8.74]***	-0.276 [9.55]***	-0.427 [10.69]***	-0.105 [3.07]***	-0.182 [17.23]***	-0.114 [3.41]***	-0.311 [14.51]***	-0.046 [1.85]**	-0.254 [6.99]***	-0.058 [1.83]**
7 hh members	-0.191 [39.99]***	-0.177 [5.38]***	-0.300 [13.13]***	-0.176 [5.90]***	-0.348 [8.73]***	-0.301 [10.68]***	-0.434 [11.08]***	-0.164 [4.82]***	-0.198 [18.41]***	-0.170 [4.53]***	-0.318 [14.97]***	-0.054 [2.17]**	-0.256 [6.92]***	-0.051 [1.58]
Densely populated area	-0.021 [15.05]***	-0.017 [1.86]**	0.007 [1.04]	-0.016 [1.58]	0.018 [1.41]	-0.044 [6.80]***	-0.058 [6.69]***	-0.074 [7.84]***	-0.023 [4.80]***	-0.027 [2.89]***	-0.014 [2.21]**	-0.020 [1.21]	-0.005 [0.38]	0.000 [0.00]

Notes: z statistics in brackets; \* significant at 10percent; \*\* significant at 5percent; \*\*\* significant at 1percent;† the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants;†† migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants. Low income variable defined as equivalized income lower than 60 percent of median income; High income variable defined as equivalized income greater than 4/3 of median income.

**Table A2 (Continued). Change in the probability of receiving contributory-benefits:  
individual probit regression**

	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
	IS	IT	L	L	LV+	NO	P	PT	SE	SK	UK	SI+	N	UK
EU25 Migrant	-0.023 [0.63]	-0.107 [3.53]	-0.157 [2.35]	-0.040 [4.15]		-0.038 [1.45]	-0.180 [2.03]	-0.123 [2.63]	-0.180 [7.81]	0.122 [2.08]	0.003 [0.08]		0.004 [0.08]	0.004 [0.15]
Extra EU25 Migrant	-0.025 [2.64]	-0.007 [0.52]	0.042 [0.99]	-0.103 [5.61]	-0.034 [2.69]	-0.201 [6.79]	-0.229 [3.90]	-0.116 [4.02]	-0.245 [11.65]	-0.227 [3.35]	-0.161 [8.21]	0.009 [1.00]	-0.128 [1.83]	-0.141 [7.98]
Male	-0.015 [2.08]	0.159 [4.10]	-0.048 [4.74]	0.188 [19.18]	0.057 [5.65]	0.033 [5.23]	0.056 [12.51]	0.100 [14.80]	-0.003 [0.49]	-0.045 [6.28]	0.106 [14.38]	-0.037 [7.09]	0.134 [10.90]	0.107 [15.86]
Age	-0.016 [13.55]	-0.024 [3.60]	-0.029 [13.72]	-0.007 [3.46]	-0.036 [16.59]	0.014 [12.32]	-0.009 [7.44]	-0.006 [4.91]	0.019 [19.21]	-0.010 [6.28]	-0.034 [19.06]	-0.008 [6.00]	-0.026 [12.47]	-0.034 [20.90]
Age^2	0.000 [24.27]	0.000 [51.51]	0.001 [25.47]	0.000 [11.30]	0.001 [26.89]	0.000 [1.60]	0.000 [24.74]	0.000 [18.56]	0.000 [5.79]	0.000 [19.41]	0.001 [30.68]	0.000 [21.59]	0.000 [21.07]	0.001 [33.38]
Secondary Educatio	-0.015 [2.09]	-0.048 [3.33]	-0.046 [3.33]	-0.016 [1.72]	-0.001 [0.10]	-0.027 [3.10]	0.037 [6.70]	-0.031 [2.78]	0.077 [10.17]	0.092 [9.24]	-0.010 [1.21]	0.043 [6.90]	0.048 [3.77]	-0.008 [1.08]
Tertiary Educatio	-0.039 [3.21]	-0.061 [9.01]	-0.005 [0.27]	-0.035 [2.69]	-0.034 [1.93]	-0.097 [9.75]	0.025 [2.76]	0.065 [4.79]	0.030 [3.37]	0.071 [5.04]	-0.084 [0.24]	0.084 [7.71]	0.059 [3.75]	0.008 [0.90]
High income transfer	-0.177 [18.49]	-0.196 [34.62]	-0.140 [8.43]	-0.191 [14.10]	-0.010 [0.67]	-0.384 [43.58]	-0.310 [38.46]	-0.148 [13.79]	-0.316 [40.12]	-0.231 [21.19]	-0.127 [12.80]	-0.216 [28.17]	-0.301 [18.49]	-0.122 [13.34]
Low income (b.t)	0.206 [22.04]	0.024 [4.46]	0.312 [20.88]	0.228 [17.62]	0.209 [15.35]	0.146 [16.22]	0.178 [23.82]	0.247 [27.87]	0.201 [25.16]	0.204 [19.45]	0.306 [34.36]	0.081 [11.27]	0.032 [1.99]	0.321 [39.42]
House Owner	-0.088 [7.41]	-0.001 [0.21]	0.090 [2.55]	0.008 [0.65]	-0.050 [3.81]	0.029 [2.77]	-0.020 [1.53]	-0.025 [2.91]	0.021 [3.14]	0.005 [0.42]	-0.100 [11.27]	-0.001 [0.07]	-0.045 [3.70]	-0.093 [11.53]
Single	0.021 [0.96]	0.056 [5.21]	-0.027 [0.88]	0.104 [3.71]	-0.104 [3.92]	-0.011 [0.60]	0.066 [4.53]	0.147 [6.66]	-0.313 [16.99]	-0.019 [0.80]	0.102 [4.45]	-0.190 [8.18]	0.037 [0.61]	0.125 [5.75]
Single with child	0.147 [6.85]	0.098 [8.02]	0.232 [10.39]	0.300 [9.80]	0.102 [4.27]	0.067 [3.84]	0.234 [17.55]	0.206 [8.68]	-0.022 [1.44]	0.147 [6.66]	0.043 [1.95]	0.056 [3.14]	0.025 [0.55]	0.044 [2.14]
1 child	-0.022 [1.68]	-0.102 [12.35]	-0.061 [2.38]	-0.078 [4.67]	-0.085 [3.63]	-0.104 [7.80]	-0.047 [4.56]	-0.072 [5.19]	-0.076 [5.64]	-0.056 [3.41]	-0.073 [3.54]	-0.050 [4.43]	-0.064 [3.03]	-0.066 [3.22]
2 children	-0.042 [3.44]	-0.089 [10.29]	-0.046 [3.01]	-0.054 [3.28]	-0.027 [1.59]	-0.096 [7.96]	-0.057 [8.37]	-0.074 [5.85]	-0.046 [3.92]	-0.052 [4.79]	-0.099 [6.81]	-0.041 [4.88]	-0.080 [1.78]	-0.091 [6.69]
3 children	0.049 [0.50]	0.035 [0.20]	0.067 [0.43]	0.067 [0.43]	0.006 [0.06]	-0.118 [1.09]	0.022 [0.21]	0.045 [0.62]	0.045 [0.62]	-0.141 [1.25]	0.065 [0.39]	-0.105 [0.68]	0.074 [0.44]	
4+ children	-0.065 [0.55]	-0.156 [1.93]	0.304 [2.31]		0.006 [0.05]	-0.300 [2.58]	0.064 [1.07]		-0.228 [3.12]	-0.178 [2.25]		0.032 [0.22]		
2 household member	-0.088 [3.86]	-0.040 [3.46]	-0.038 [0.95]	-0.051 [1.92]	-0.070 [2.21]	-0.113 [5.66]	-0.039 [2.02]	-0.037 [1.59]	-0.239 [12.39]	-0.072 [2.46]	-0.008 [0.34]	-0.153 [4.84]	-0.060 [1.05]	0.003 [0.13]
3 member	-0.121 [5.16]	-0.064 [4.88]	-0.056 [1.24]	-0.049 [1.63]	-0.102 [2.77]	-0.157 [6.54]	-0.050 [2.34]	-0.070 [2.89]	-0.384 [16.44]	-0.133 [4.24]	-0.065 [2.21]	-0.243 [7.61]	-0.105 [1.88]	-0.054 [1.89]
4 member	-0.153 [5.13]	-0.082 [5.28]	-0.084 [1.59]	-0.110 [3.07]	-0.122 [2.75]	-0.165 [5.46]	-0.065 [2.86]	-0.085 [3.03]	-0.468 [15.29]	-0.162 [4.73]	-0.031 [0.77]	-0.284 [8.41]	-0.134 [2.37]	-0.022 [0.57]
5 member	-0.121 [4.26]	-0.095 [5.37]	-0.057 [0.99]	-0.084 [2.19]	-0.083 [1.61]	-0.156 [4.05]	-0.095 [4.01]	-0.080 [2.68]	-0.435 [13.03]	-0.157 [4.57]	-0.077 [1.47]	-0.303 [9.53]	-0.114 [1.68]	-0.081 [1.57]
6 member	-0.165 [5.75]	-0.101 [5.82]	-0.083 [1.51]	-0.119 [3.53]	-0.196 [4.26]	-0.224 [6.97]	-0.066 [2.81]	-0.123 [4.29]	-0.526 [17.81]	-0.207 [5.99]	-0.051 [1.22]	-0.369 [11.13]	-0.028 [0.27]	-0.045 [1.11]
7 member	-0.172 [6.29]	-0.128 [7.25]	-0.126 [2.36]	-0.124 [3.62]	-0.183 [3.87]	-0.253 [7.79]	-0.091 [3.87]	-0.145 [5.17]	-0.550 [21.17]	-0.247 [7.02]	-0.074 [1.75]	-0.420 [12.83]	-0.004 [0.02]	-0.073 [1.83]
Densely populated area	-0.017 [2.42]	-0.038 [9.42]	0.034 [3.48]	0.034 [3.48]	0.010 [1.43]	-0.040 [4.68]	0.010 [1.43]	0.029 [3.70]	-0.021 [2.15]	-0.036 [4.29]	0.026 [3.07]			

Notes: z statistics in brackets; \* significant at 10percent; \*\* significant at 5percent; \*\*\* significant at 1percent;† the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants; †† migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants. Low income variable defined as equivalized income lower than 60 percent of median income; High income variable defined as equivalized income greater than 4/3 of median income.

**Table A3. Change in the probability of receiving non-contributory allowances:  
household probit regression**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	All	AT	BE	CY	CZ	DE	DK	EE	ES	FI	FR	GR	HU	IE
EU25 Migrant House	-0.062 [5.07]***	-0.023 [0.53]	-0.046 [2.37]**	-0.391 [11.63]***	-0.261 [6.74]***	0.005 [0.06]	0.005 [0.06]	0.005 [0.06]	-0.054 [3.76]***	-0.141 [2.00]**	0.034 [1.35]	-0.055 [1.66]*	-0.123 [1.55]	-0.168 [5.21]***
Extra EU25 Migrant House	-0.041 [5.22]***	-0.073 [3.33]***	0.097 [2.90]***	-0.506 [11.00]***	-0.222 [4.34]***	0.179 [3.73]***	0.067 [1.42]	-0.068 [3.68]***	-0.018 [2.17]**	0.162 [2.62]**	0.295 [10.13]***	-0.059 [3.84]***	-0.258 [2.39]**	-0.038 [0.80]
Mixed Household	0.050 [6.76]***	0.002 [0.07]	0.037 [2.10]**	-0.115 [4.74]***	-0.014 [0.25]	0.032 [1.29]	0.060 [2.61]**	0.046 [2.04]**	0.004 [0.29]	-0.005 [0.14]	0.130 [6.41]***	0.009 [0.42]	0.248 [3.03]***	0.069 [2.96]***
Male	0.000 [0.13]	0.004 [0.25]	-0.018 [1.49]	-0.052 [2.11]**	0.003 [0.16]	-0.004 [0.25]	-0.100 [6.92]***	0.024 [1.58]	-0.004 [0.87]	-0.035 [2.96]**	-0.021 [2.11]**	-0.052 [6.04]***	-0.013 [0.85]	-0.017 [1.34]
Age	0.001 [2.58]***	0.027 [9.45]***	0.039 [9.66]***	-0.007 [2.36]**	0.029 [8.45]***	0.042 [14.09]***	-0.021 [7.96]***	0.015 [4.53]***	0.002 [2.97]**	-0.001 [0.30]	0.003 [1.86]*	-0.010 [8.53]***	0.004 [1.35]	-0.024 [12.88]***
Age <sup>2</sup>	0.000 [23.89]***	0.000 [13.15]***	-0.001 [11.44]***	0.000 [0.08]	0.000 [11.95]***	-0.001 [18.90]***	0.000 [3.79]**	0.000 [8.17]***	0.000 [7.11]***	0.000 [7.86]**	0.000 [10.86]***	0.000 [8.48]***	0.000 [7.29]**	0.000 [13.73]***
Secondary Education	-0.057 [21.58]***	0.037 [2.60]**	0.016 [1.58]	0.027 [1.91]*	-0.081 [3.41]**	-0.063 [3.71]**	0.003 [0.22]	0.051 [2.70]**	0.006 [1.60]	-0.023 [2.13]**	-0.033 [3.99]**	-0.043 [6.10]**	-0.031 [2.35]**	0.017 [1.48]
Tertiary Education	-0.046 [14.95]***	0.103 [6.22]***	0.031 [2.89]***	0.026 [1.58]	-0.126 [5.22]***	-0.031 [1.79]*	0.065 [4.58]***	0.079 [3.56]***	0.017 [4.62]***	0.017 [1.46]	-0.034 [3.29]**	-0.022 [2.66]**	-0.033 [1.92]*	-0.020 [1.71]*
High income (before transfers)	-0.160 [64.38]***	-0.190 [19.64]***	-0.048 [5.52]***	-0.122 [8.36]***	-0.218 [19.46]***	-0.256 [29.44]***	-0.178 [16.03]***	-0.088 [7.00]**	-0.018 [5.36]***	-0.190 [20.03]***	-0.207 [24.11]***	-0.027 [3.71]**	-0.149 [11.30]***	-0.148 [12.58]***
Low income (b.t)	0.049 [15.78]***	0.000 [0.02]	0.009 [0.72]	0.054 [2.96]**	0.077 [4.60]**	0.036 [2.88]**	0.157 [10.85]***	0.115 [6.35]***	0.018 [4.43]***	0.239 [20.29]***	0.115 [10.98]***	0.052 [6.25]***	0.073 [4.66]**	0.156 [11.48]***
House Owner	-0.092 [33.07]***	-0.024 [2.19]**	0.025 [2.44]**	0.105 [4.82]***	-0.044 [3.35]**	-0.015 [1.78]*	-0.265 [22.35]***	-0.002 [0.07]	0.001 [0.18]	-0.241 [20.43]***	-0.222 [27.17]***	-0.026 [2.92]**	-0.006 [0.27]	0.020 [1.47]
Single	-0.227 [40.10]***	-0.335 [11.50]***	-0.262 [12.14]***	-0.376 [8.19]***	-0.250 [8.65]**	-0.047 [1.37]	0.041 [0.30]	-0.395 [16.21]***	-0.037 [6.04]**	-0.066 [1.72]*	-0.212 [9.27]***	-0.082 [6.02]**	-0.400 [13.23]***	-0.453 [14.13]***
Single with child	0.226 [25.51]***	0.402 [7.44]***	0.367 [8.26]***	0.026 [0.37]	0.314 [5.91]**	0.593 [9.52]***	0.430 [3.90]**	0.285 [6.94]***	0.030 [2.87]**	0.440 [9.58]***	0.186 [6.81]**	-0.012 [0.47]	0.313 [5.88]**	0.121 [2.62]**
1 child	0.281 [44.65]***	0.545 [16.18]***	0.635 [15.50]***	0.276 [9.21]**	0.352 [10.37]**	0.441 [8.59]**	0.440 [4.00]**	0.453 [16.32]***	0.055 [7.34]**	0.370 [14.11]***	0.346 [16.56]***	0.014 [0.99]	0.470 [14.01]**	0.287 [17.98]***
2 children	0.289 [46.00]***	0.649 [14.72]***	0.542 [12.29]***	0.289 [11.73]***	0.371 [11.68]**	0.404 [8.07]**	0.353 [4.28]**	0.549 [14.17]**	0.058 [7.23]**	0.316 [12.74]**	0.394 [16.08]**	0.022 [1.35]	0.512 [16.70]**	0.283 [16.18]**
3 children	0.457 [5.34]***								0.241 [1.27]					
4+ children	0.507 [5.53]***													
2 household members	-0.053 [8.09]***	-0.082 [2.33]**	-0.014 [0.52]	-0.155 [3.17]**	-0.052 [1.36]	0.238 [6.58]**	0.268 [1.97]**	-0.121 [4.49]**	0.013 [2.12]**	0.166 [4.24]**	-0.127 [5.28]**	-0.051 [3.13]**	-0.281 [7.75]**	-0.206 [7.11]**
3 hh members	-0.023 [2.89]**	-0.092 [2.40]**	0.014 [0.43]	-0.225 [3.82]***	-0.082 [1.95]*	0.531 [12.57]***	0.462 [3.82]**	-0.118 [4.03]**	0.010 [1.36]	0.325 [7.25]**	-0.137 [4.59]**	-0.053 [3.10]**	-0.288 [7.57]**	-0.406 [10.01]**
4 hh members	-0.006 [0.58]	-0.014 [0.25]	0.070 [1.58]	-0.147 [2.10]**	0.016 [0.27]	0.515 [8.02]**	0.587 [2.69]**	-0.077 [2.11]**	0.029 [3.51]**	0.432 [6.46]**	-0.127 [3.05]**	-0.025 [1.05]	-0.331 [6.14]**	-0.345 [6.50]**
5 hh members	0.041 [2.86]**	0.046 [0.71]	0.226 [2.58]**	-0.128 [1.40]	0.135 [1.53]	0.575 [5.67]**	0.575 [3.80]**	-0.085 [1.67]*	0.011 [0.84]	0.491 [8.14]**	-0.014 [0.22]	0.150 [4.09]**	-0.180 [2.68]**	-0.374 [5.80]**
6 hh members	0.070 [5.83]**	-0.072 [1.26]	0.122 [2.36]**	-0.097 [1.28]	-0.022 [0.35]	0.677 [12.90]**	0.677 [3.80]**	-0.097 [2.32]**	0.036 [3.37]**	0.525 [9.42]**	-0.123 [2.66]**	-0.058 [2.42]**	-0.319 [6.16]**	-0.554 [9.02]**
7 hh members	0.155 [11.92]**	0.120 [1.79]*	0.425 [6.89]**	0.052 [0.74]	0.060 [0.86]	0.680 [14.88]**	0.516 [5.00]**	0.032 [0.69]	0.078 [6.05]**	0.548 [11.75]**	0.078 [1.45]	-0.003 [0.12]	-0.202 [3.49]**	-0.453 [7.07]**

Notes: z statistics in brackets; \* significant at 10percent; \*\* significant at 5percent; \*\*\* significant at 1percent; <sup>†</sup> the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants; <sup>††</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants. Low income variable defined as equivalized income lower than 60 percent of median income; High income variable defined as equivalized income greater than 4/3 of median income.

**Table A3 (Continued). Change in the probability of receiving non-contributory allowances:  
household probit regression**

	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
	IS	IT	LT	LU	LV*	NO	PL	PT	SE	SK	UK	SI**	NL	UK
EU25 Migrant House	-0.232 [2.80]***	-0.154 [1.68]**	0.053 [2.62]***	-0.150 [3.84]***	0.009 [0.06]	-0.177 [1.50]	-0.184 [3.90]***	-0.022 [0.21]	-0.069 [0.75]	0.061 [0.56]	0.060 [0.95]			
Extra EU25 Migrant House	-0.047 [1.11]	-0.017 [1.19]	-0.173 [2.21]**	0.090 [1.49]	-0.024 [1.16]	0.106 [1.81]**	-0.205 [6.15]***	0.035 [0.70]	0.291 [1.49]	-0.245 [9.61]***	0.006 [0.27]	0.006 [0.27]	0.421 [2.86]***	-0.229 [9.64]***
Mixed Household	-0.020 [0.58]	0.058 [2.45]**	0.054 [0.89]	0.025 [0.96]	-0.010 [0.45]	0.101 [3.93]***	0.016 [0.30]	0.123 [2.82]***	0.059 [2.38]**	-0.049 [0.78]	-0.020 [0.78]	0.083 [5.55]***	-0.013 [0.26]	-0.014 [0.59]
Male	-0.033 [1.63]	0.087 [14.34]***	-0.021 [1.06]	-0.048 [1.78]*	-0.007 [0.37]	-0.088 [5.36]***	-0.019 [2.12]**	0.004 [0.24]	-0.138 [10.25]***	0.034 [1.66]**	-0.002 [0.11]	-0.057 [4.08]***	-0.059 [3.29]***	0.000 [0.02]
Age	0.014 [4.15]***	-0.007 [6.95]***	-0.013 [4.47]***	0.048 [8.96]***	-0.011 [3.47]***	0.007 [2.17]**	0.007 [4.99]***	0.022 [7.72]***	-0.016 [7.81]***	0.008 [2.14]**	0.028 [14.49]***	0.027 [9.95]***	-0.008 [2.43]**	0.029 [16.54]***
Age^2	0.000 [8.94]***	0.000 [4.61]***	0.000 [1.20]	-0.001 [10.61]***	0.000 [0.31]	0.000 [7.28]***	0.000 [12.44]***	0.000 [12.86]***	0.000 [0.57]	0.000 [7.36]***	0.000 [19.98]***	0.000 [14.19]***	0.000 [1.27]	0.000 [22.42]***
Secondary Education	-0.011 [0.70]	-0.070 [14.48]***	0.004 [0.21]	-0.038 [2.08]**	0.012 [0.64]	-0.056 [3.29]***	-0.061 [7.67]***	-0.012 [0.72]	-0.085 [6.30]***	-0.128 [5.24]***	-0.067 [6.64]***	-0.060 [4.66]***	-0.111 [6.39]***	-0.070 [7.50]***
Tertiary Education	0.012 [0.60]	-0.096 [13.29]***	0.059 [2.41]**	-0.023 [1.07]	0.006 [0.25]	-0.002 [0.09]	-0.176 [18.51]***	-0.098 [6.24]***	-0.022 [1.52]	-0.075 [2.74]**	-0.068 [6.26]***	-0.152 [9.25]***	-0.061 [3.26]***	-0.063 [6.26]***
High income (before transfers)	-0.230 [15.82]***	-0.128 [24.62]***	-0.090 [5.64]***	-0.137 [7.51]***	-0.053 [2.86]***	-0.195 [20.42]***	-0.196 [29.92]***	-0.051 [4.31]***	-0.203 [19.94]***	-0.142 [10.63]***	-0.131 [12.47]***	-0.091 [8.45]***	-0.254 [16.28]***	-0.134 [13.93]***
Low income (b,t)	0.085 [4.48]***	-0.025 [3.95]***	0.097 [5.14]***	0.094 [3.31]***	0.032 [1.55]	0.223 [15.46]***	0.018 [2.22]**	-0.043 [3.02]***	0.171 [12.53]***	0.039 [2.40]**	0.190 [14.18]***	0.012 [0.90]	0.135 [6.29]***	0.188 [15.33]***
House Owner	0.032 [1.39]	-0.052 [8.23]***	-0.034 [0.78]	0.034 [1.55]	-0.010 [0.49]	-0.086 [4.36]***	-0.060 [4.48]***	0.111 [8.45]***	-0.064 [5.74]***	-0.071 [3.74]**	-0.297 [26.61]***	-0.206 [8.53]***	-0.144 [9.65]***	-0.296 [28.71]***
Single	-0.385 [7.02]***	-0.370 [34.29]***	-0.128 [3.50]***	-0.317 [6.09]***	-0.311 [8.56]***	-0.269 [5.47]***	-0.128 [8.46]***	-0.367 [13.99]***	0.016 [0.23]	-0.163 [3.89]**	-0.417 [13.41]***	-0.232 [6.71]***	0.044 [0.09]	-0.416 [13.91]***
Single with child	0.105 [1.93]*	-0.007 [0.38]	0.060 [1.38]	0.522 [8.19]***	0.228 [4.19]***	0.381 [6.72]***	0.152 [6.51]***	0.041 [0.96]	0.277 [4.26]**	0.409 [5.70]***	0.218 [4.10]***	0.190 [4.55]***	0.516 [1.90]*	0.193 [3.71]***
1 child	0.027 [0.92]	0.133 [10.89]***	-0.011 [0.38]	0.449 [7.52]***	0.390 [10.20]***	0.543 [10.49]***	0.151 [10.04]***	0.328 [12.31]***	0.450 [8.74]***	0.460 [13.90]***	0.499 [15.26]***	0.374 [17.08]***	0.521 [12.40]***	0.498 [15.26]***
2 children	0.002 [0.06]	0.193 [13.42]***	-0.018 [0.81]	0.456 [8.92]***	0.385 [9.81]***	0.463 [10.90]***	0.139 [11.79]***	0.282 [8.94]***	0.420 [9.19]***	0.433 [15.69]***	0.463 [16.10]***	0.413 [21.15]***	0.482 [19.05]***	0.482 [19.05]***
3 children	0.025 [0.11]						0.154 [1.06]							
4+ children							0.351 [1.75]*							
2 household members	-0.198 [3.51]***	-0.135 [9.04]***	-0.049 [1.21]	0.037 [0.60]	-0.178 [4.38]***	0.108 [2.10]**	-0.013 [0.68]	-0.183 [4.55]***	0.216 [3.18]***	0.155 [3.28]***	-0.274 [7.67]***	0.029 [0.70]	0.256 [0.51]	-0.281 [8.17]***
3 hh members	-0.213 [3.25]***	-0.150 [9.86]***	-0.062 [1.29]	0.093 [1.30]	-0.182 [3.76]***	0.216 [3.45]***	-0.013 [0.57]	-0.222 [5.88]***	0.488 [6.84]***	0.119 [2.25]**	-0.290 [7.65]***	0.061 [1.35]	0.288 [0.61]	-0.294 [8.12]***
4 hh members	-0.196 [2.44]**	-0.161 [8.00]***	0.111 [1.71]**	0.235 [2.33]**	-0.113 [1.74]*	0.350 [3.67]***	0.050 [1.95]*	-0.228 [4.99]***	0.557 [4.82]***	0.283 [4.85]***	-0.380 [6.21]***	0.221 [4.65]***	0.420 [1.03]	-0.393 [6.48]***
5 hh members	-0.149 [1.79]*	-0.131 [5.66]***	0.190 [1.94]*	0.229 [1.90]*	0.006 [0.07]	0.345 [2.92]***	0.168 [4.80]***	-0.197 [4.24]***	0.503 [4.89]***	0.287 [4.47]***	-0.280 [3.66]***	0.273 [5.32]***	0.461 [1.21]	-0.267 [3.51]***
6 hh members	-0.139 [1.57]	-0.199 [10.54]***	0.106 [1.46]	0.253 [2.35]**	-0.041 [0.58]	0.500 [5.82]***	0.064 [2.22]**	-0.210 [4.66]***	0.576 [7.06]***	0.319 [5.46]***	-0.336 [6.07]***	0.246 [4.84]***	0.246 [4.84]***	-0.347 [6.59]***
7 hh members	-0.093 [1.01]	-0.180 [8.94]***	0.328 [4.00]***	0.479 [4.77]***	0.127 [1.64]	0.564 [7.54]***	0.173 [5.51]***	-0.173 [3.58]***	0.566 [9.33]***	0.477 [9.12]***	-0.304 [5.22]***	0.436 [9.27]***	0.436 [9.27]***	-0.311 [5.59]***

Notes: z statistics in brackets; \* significant at 10percent; \*\* significant at 5percent; \*\*\* significant at 1percent; † the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants; †† migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants. Low income variable defined as equivalized income lower than 60 percent of median income; High income variable defined as equivalized income greater than 4/3 of median income.

**Table A4. Net fiscal position of Households: incidence of individual characteristics**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	AT	BE	CZ	DE <sup>+</sup>	DK	ES	FI	FR	HU
EU25 Migrant House	1066.60	3809.16	766.27		-461.78	688.76	16821.53	419.56	-3003.70
	[0.80]	[2.49]**	[0.52]		[0.54]	[0.31]	[1.43]	[0.68]	[3.45]***
Extra EU25 Migrant House	1914.76	53182.25	243.87	746.16	-4312.91	2147.91	-4790.31	-242.97	918.12
	[3.97]***	[1.89]*	[0.37]	[0.89]	[6.30]***	[3.80]***	[5.86]***	[0.45]	[1.36]
Mixed Household	3582.30	-756.34	326.59	546.81	794.38	1767.21	-959.60	2080.39	-356.84
	[4.77]***	[0.96]	[0.38]	[0.55]	[1.03]	[1.44]	[1.67]*	[3.04]***	[0.55]
Male	-745.13	3165.56	-381.46	-427.15	1065.55	89.70	358.94	-615.70	195.58
	[2.17]**	[2.94]***	[2.97]***	[1.48]	[4.55]***	[0.33]	[1.55]	[2.15]**	[1.24]
Age	426.53	1790.33	116.78	580.75	-68.60	359.06	462.74	613.59	148.52
	[10.16]***	[6.02]***	[6.60]***	[14.47]***	[2.10]**	[8.40]***	[14.14]***	[15.80]***	[7.50]***
Age^2	-6.19	-18.93	-1.82	-8.61	-0.88	-4.74	-6.24	-7.80	-2.28
	[15.31]***	[6.04]***	[10.33]***	[21.87]***	[2.68]***	[11.64]***	[19.36]***	[20.98]***	[12.28]***
Secondary Education	-1287.93	1088.56	-412.74	-1562.70	119.01	-946.06	442.78	-1958.79	-569.21
	[4.89]***	[0.87]	[3.20]***	[5.65]***	[0.64]	[3.34]***	[2.10]**	[8.09]***	[6.25]***
Tertiary Education	777.64	8448.16	1883.44	-764.67	3907.77	942.27	5310.38	3915.59	3164.43
	[1.97]**	[4.41]***	[8.13]***	[2.47]**	[14.36]***	[2.75]***	[20.76]***	[9.79]***	[8.55]***
High income (before transfers)	21429.97	25663.52	6294.90	18918.46	21819.80	12044.18	23459.03	24047.17	7230.92
	[70.55]***	[17.84]***	[39.44]***	[72.49]***	[61.39]***	[43.39]***	[66.49]***	[84.91]***	[51.10]***
Low income (b.t)	-16871.70	-18974.00	-5216.36	-18478.10	-20490.10	-8108.95	-17454.40	-17868.50	-2874.97
	[59.70]***	[15.54]***	[43.12]***	[65.90]***	[93.04]***	[25.96]***	[100.75]***	[63.15]***	[25.92]***
House Owner	1189.53	508.27	-101.36	1222.47	2861.41	41.94	1894.42	1625.59	349.25
	[4.18]***	[0.86]	[0.86]	[6.02]***	[14.73]***	[0.12]	[6.55]***	[7.04]***	[1.79]*
Single	-831.65	-4001.83	312.12	1668.59	1367.93	2643.87	-1004.11	901.20	249.78
	[1.04]	[1.36]	[0.98]	[2.48]**	[1.77]*	[4.70]***	[0.87]	[1.50]	[0.80]
Single with child	-3492.02	-932.98	-895.28	-2891.15	-1215.39	-162.38	-4741.12	-639.56	-1783.64
	[3.94]***	[0.46]	[3.08]**	[4.84]***	[1.62]	[0.28]	[5.68]***	[1.09]	[5.55]***
1 child	1996.15	-1141.92	1025.19	1101.04	4111.16	3504.05	7504.46	2905.47	288.96
	[2.96]***	[1.09]	[3.84]***	[1.80]*	[5.54]***	[7.79]***	[7.35]***	[5.71]***	[1.09]
2 children	1977.94	-2895.28	1555.92	377.51	5196.56	2227.72	6306.18	3055.54	1209.93
	[2.45]**	[1.89]*	[3.97]***	[0.63]	[5.60]***	[2.74]***	[9.10]***	[3.53]***	[1.28]
3 children	865.78	2145.81		-9692.76	-21033.40	6649.06	-1546.21	-5062.40	303.88
	[0.25]	[0.30]		[2.69]***	[1.81]*	[4.59]***	[0.20]	[0.91]	[0.56]
4 children	3039.90	-9866.17	-462.15	-1642.48	7031.31		4877.22	3642.18	-3414.65
	[1.25]	[2.60]***	[0.51]	[0.89]	[2.23]**		[3.06]***	[1.26]	[4.22]***
5+ children	-10383.20	-21365.70		12003.84	17077.49		7366.83	-10458.90	
	[8.96]***	[2.39]**		[3.76]***	[6.34]***		[2.25]**	[5.74]***	
2 household members	-1792.42	5363.29	-615.04	-268.71	2684.52	2069.37	-1936.33	-1383.66	-978.90
	[2.17]**	[1.41]	[1.90]*	[0.40]	[3.52]***	[3.88]***	[1.74]*	[2.35]**	[3.21]***
3 hh members	-955.30	8441.37	-469.09	179.79	8479.67	999.47	-668.95	505.45	-1209.26
	[0.94]	[2.14]**	[1.19]	[0.20]	[6.82]***	[1.71]*	[0.59]	[0.59]	[2.71]***
4 hh members	1240.19	13095.37	593.26	2680.28	6987.47	2589.35	2354.97	3255.88	-501.64
	[0.85]	[3.68]***	[1.12]	[2.08]**	[4.69]***	[3.78]***	[1.03]	[3.07]***	[0.91]
5 hh members	3303.67	17458.01	545.31	7616.60	22409.49	2525.62	918.30	1911.02	5.82
	[2.09]**	[3.58]***	[0.79]	[2.11]**	[2.49]**	[2.55]**	[0.54]	[1.25]	[0.01]
6 hh members	4716.70	14582.57	1453.42	7713.94	12487.33	177.44	7326.38	9225.74	1362.33
	[2.80]***	[3.94]***	[2.22]**	[5.40]***	[6.98]***	[0.09]	[3.01]***	[6.55]***	[1.85]*
7 hh members	11772.61	29546.97	3905.20	14390.23	15402.60	1544.96	13307.66	11970.72	4081.44
	[5.86]***	[7.00]***	[5.40]***	[8.50]***	[4.65]***	[0.34]	[5.06]***	[6.83]***	[5.66]***
Densely populated area	47.15	-69.64	-132.38	632.97	1463.59	165.91	1459.06	-189.37	163.41
	[0.15]	[0.11]	[0.76]	[2.98]***	[6.21]***	[0.63]	[4.61]***	[0.74]	[0.87]
Thinly populated area	-988.71	-762.42	-178.06	-526.54	-1177.08	-155.36	-767.59	-329.98	-16.81
	[3.56]***	[0.86]	[0.98]	[2.01]**	[5.84]***	[0.57]	[3.71]***	[1.13]	[0.09]
Year dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Country dummies									
Regional dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Constant	3128.14	-34368.20	902.05	4562.59	14414.69	-6086.82	1023.32	-4283.63	-429.42
	[2.32]**	[5.34]***	[1.68]*	[2.83]***	[13.84]***	[3.98]***	[0.69]	[2.71]***	[0.60]
Observations	17475	10823	12247	30173	21096	12146	37267	32687	15579
R-squared	0.66	0.15	0.59	0.65	0.67	0.60	0.59	0.60	0.43

Notes: z statistics in brackets; \* significant at 10percent; \*\* significant at 5percent; \*\*\* significant at 1percent; <sup>+</sup> the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants; <sup>++</sup> migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants. Low income variable defined as equivalized income lower than 60 percent of median income; High income variable defined as equivalized income greater than 4/3 of median income.

**Table A4 (Continued). Net fiscal position of Households: incidence of individual characteristics**

	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
	IE	IS	LU	NO	PL	SE	SK	UK	All
EU25 Migrant House	1852.13 [1.71]*	126.61 [0.09]	3353.49 [4.80]***	2936.72 [2.28]**	1871.31 [2.23]**	-837.71 [0.93]	426.66 [0.36]	921.52 [0.63]	2462.53 [6.35]***
Extra EU25 Migrant House	-4162.06 [3.35]***	-2806.24 [2.31]**	3727.97 [2.42]**	-1210.19 [1.16]	-932.38 [1.14]	-1180.55 [0.86]	116.23 [0.17]	3942.71 [2.81]***	2014.28 [2.71]***
Mixed Household	-1547.57 [1.66]*	-2093.21 [1.83]*	2798.16 [2.30]**	1340.34 [1.88]*	4077.46 [1.86]*	-1124.11 [1.36]	222.71 [0.66]	2850.88 [2.53]**	3569.92 [9.23]***
Male	-143.06 [0.32]	1701.65 [3.29]***	2448.04 [2.49]**	770.03 [2.21]**	-113.75 [1.65]*	372.32 [1.42]	-71.86 [0.45]	35.10 [0.09]	-101.47 [0.84]
Age	484.19 [9.84]***	1307.16 [13.37]***	1353.97 [13.09]***	353.94 [7.52]***	175.77 [21.10]***	261.45 [7.09]***	58.11 [3.66]***	718.99 [12.16]***	693.33 [41.58]***
Age^2	-5.79 [13.40]***	-15.51 [16.44]***	-16.42 [16.38]***	-5.28 [11.02]***	-2.27 [29.31]***	-3.40 [9.26]***	-1.06 [6.28]***	-9.02 [15.16]***	-8.49 [51.23]***
Secondary Education	-305.16 [0.84]	815.32 [2.03]**	-2445.96 [3.92]***	299.13 [0.98]	-670.43 [16.53]***	1127.40 [4.27]***	-342.73 [2.30]**	-2091.79 [5.83]***	-1885.72 [17.52]***
Tertiary Education	8070.79 [12.89]***	11294.12 [14.57]***	4732.94 [4.73]***	5463.95 [12.51]***	1376.27 [12.81]***	7431.96 [18.58]***	-151.64 [0.98]	2734.85 [4.28]***	2536.51 [15.79]***
High income (before transfers)	20620.69 [49.60]***	24157.40 [33.28]***	28332.72 [38.60]***	25895.01 [69.56]***	4476.75 [82.56]***	26916.31 [75.47]***	4559.44 [43.24]***	2601.06 [52.86]***	1869.59 [139.48]***
Low income (b.t)	-10427.00 [27.97]***	-18556.70 [32.24]***	-19421.60 [27.97]***	-24443.40 [85.52]***	-2311.43 [44.17]***	-20819.50 [89.82]***	-3646.77 [37.41]***	-13990.30 [40.24]***	-16717.30 [149.03]***
House Owner	2107.57 [5.36]***	2394.72 [4.44]***	-437.21 [0.77]	858.08 [2.69]***	443.48 [4.38]***	2272.22 [8.95]***	58.99 [0.40]	3274.36 [11.38]***	1098.12 [11.47]***
Single	931.19 [0.93]	-480.87 [0.31]	3300.16 [1.98]**	1105.02 [1.33]	405.16 [3.38]***	-6772.40 [10.35]***	1710.34 [4.75]***	-177.57 [0.11]	-874.83 [3.14]***
Single with child	-3465.21 [3.89]***	-3888.20 [2.77]***	-384.51 [0.21]	-3324.35 [3.87]***	-1100.98 [9.29]***	-5098.06 [8.22]***	1045.21 [0.76]	-6815.40 [4.57]***	-4333.44 [16.63]***
1 child	4846.24 [3.72]***	3782.54 [3.98]***	2986.75 [2.15]**	5566.11 [6.88]***	761.68 [6.72]***	4997.44 [9.56]***	497.57 [1.69]*	1401.33 [1.23]	3629.59 [15.39]***
2 children	2350.07 [2.63]***	123.51 [0.11]	4655.82 [2.70]***	5986.65 [6.07]***	619.53 [5.91]***	5490.77 [6.06]***	729.34 [2.62]***	7119.42 [3.89]***	5566.93 [15.02]***
3 children	2141.43 [0.95]	-2024.79 [0.37]	4809.72 [0.71]	3456.86 [0.44]	171.76 [0.20]	655.18 [0.22]	-40.33 [0.03]	2023.64 [0.23]	4322.82 [2.36]**
4 children	-5751.79 [2.16]**	-3228.78 [1.51]	1729.83 [0.67]	4493.14 [1.73]*	789.76 [3.22]***	10389.84 [4.27]***	122.46 [0.56]	39301.51 [1.53]	11575.61 [3.50]***
5+ children	1657.09 [0.38]			4595.18 [2.11]**	112.64 [0.15]	-19369.20 [3.41]***	-915.33 [1.46]		6595.98 [2.17]**
2 household members	-3510.82 [3.69]***	1536.10 [1.05]	-557.34 [0.36]	402.57 [0.48]	-52.74 [0.41]	-4937.78 [7.63]***	-173.23 [0.49]	-2567.78 [1.62]	-3051.43 [11.10]***
3 hh members	-5340.54 [4.33]***	5388.57 [3.01]***	-1934.53 [0.93]	5950.91 [4.78]***	-130.54 [0.79]	-1711.15 [1.78]*	282.56 [0.43]	-860.50 [0.42]	-3537.55 [9.66]***
4 hh members	-3643.98 [2.00]**	7075.66 [3.23]***	2440.85 [0.89]	6082.13 [3.90]***	478.48 [2.25]**	-296.96 [0.25]	712.11 [1.30]	-228.75 [0.07]	-2590.56 [5.23]***
5 hh members	-3061.91 [1.41]	12416.99 [4.87]***	4617.81 [1.46]	8036.88 [3.24]***	253.22 [1.19]	972.28 [0.49]	625.71 [0.81]	-582.24 [0.20]	-4250.07 [6.64]***
6 hh members	-2528.67 [1.20]	13546.82 [5.52]***	2610.26 [0.81]	14817.11 [7.87]***	500.75 [2.14]**	8534.98 [5.21]***	1778.09 [3.49]***	8.48 [0.00]	-2057.36 [3.72]***
7 hh members	-881.89 [0.38]	19277.20 [7.32]***	9027.58 [2.50]**	20627.51 [8.84]***	969.20 [4.02]***	13431.85 [6.11]***	3062.27 [5.89]***	268.97 [0.08]	-2392.46 [3.76]***
Densely populated area	93.19 [0.16]		-144.45 [0.23]	1869.85 [5.81]***	38.96 [0.44]	384.01 [0.73]	355.09 [3.57]***	-444.08 [1.15]	-354.51 [3.33]***
Thinly populated area	-1598.93 [3.80]***	-1143.77 [2.61]***	-1112.45 [1.48]	31.44 [0.10]	-292.57 [3.38]***	-2751.59 [7.46]***	-28.67 [0.36]	2706.81 [1.15]	-449.94 [3.52]***
Year dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Country dummies									Yes
Regional dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Constant	-11096.00 [6.32]***	-16292.70 [6.96]***	-26115.70 [9.07]***	4811.71 [3.64]***	-2702.02 [9.99]***	12339.69 [12.16]***	111.20 [0.22]	-9550.80 [4.26]***	-2174.66 [4.46]***
Observations	18815	9919	12663	20177	32536	20360	11875	20030	335868
R-squared	0.45	0.59	0.62	0.63	0.56	0.65	0.48	0.41	0.45

Notes: z statistics in brackets; \* significant at 10percent; \*\* significant at 5percent; \*\*\* significant at 1percent;+ the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants; ++ migrants identified by country of birth; the EU-SILC does not distinguish between EU-25 and extra EU-25 migrants. Low income variable defined as equivalized income lower than 60 percent of median income; High income variable defined as equivalized income greater than 4/3 of median income.