



Regional Refugee Response
for the Ukraine Situation



**HIGH EMPLOYMENT RATES, BUT
LOW WAGES: A POVERTY
ASSESSMENT OF UKRAINIAN
REFUGEES IN NEIGHBORING
COUNTRIES**

March 2025

Ukrainian refugees in host labour markets – a snapshot

Report

High Employment Rates but Low Wages: a
Poverty Assessment of Ukrainian Refugees
in Neighbouring Countries

Presenter: David Mosler, ILO



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The Socio-Economic Insights Survey (SEIS)

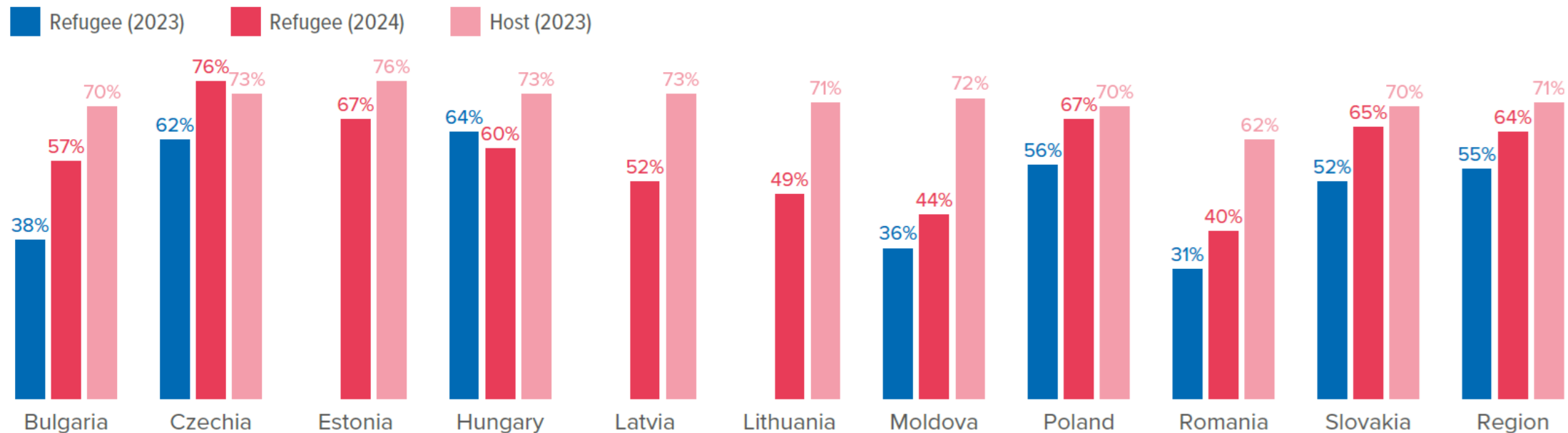
- Face to face survey of Ukrainian refugee households conducted in **10 countries neighboring Ukraine**: Bulgaria, Czechia, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, and Slovakia
- Data collection period: May – July 2024
- Sampling: **not strictly probabilistic**, actual methodology depends on location (interviews at points of interest, quota based on geography), aimed at a diversified sample, weighted when needed to match distribution of underlying population
- Thematic areas covered: demographics, health, education, protection, **socioeconomic profiles**
- Country-level data was combined for analysis and pooled with a similar data collection exercise from 2023 (the Multi-Sector Needs Assessment)
- Total 2024 sample: **c. 8,700 households and 20,000 individuals**
- Sector Analysis Group consisted of: UNHCR, ILO, IOM, and UN Women



The employment rate has improved, driven by

...

REFUGEE VS HOST EMPLOYMENT RATES BY COUNTRY



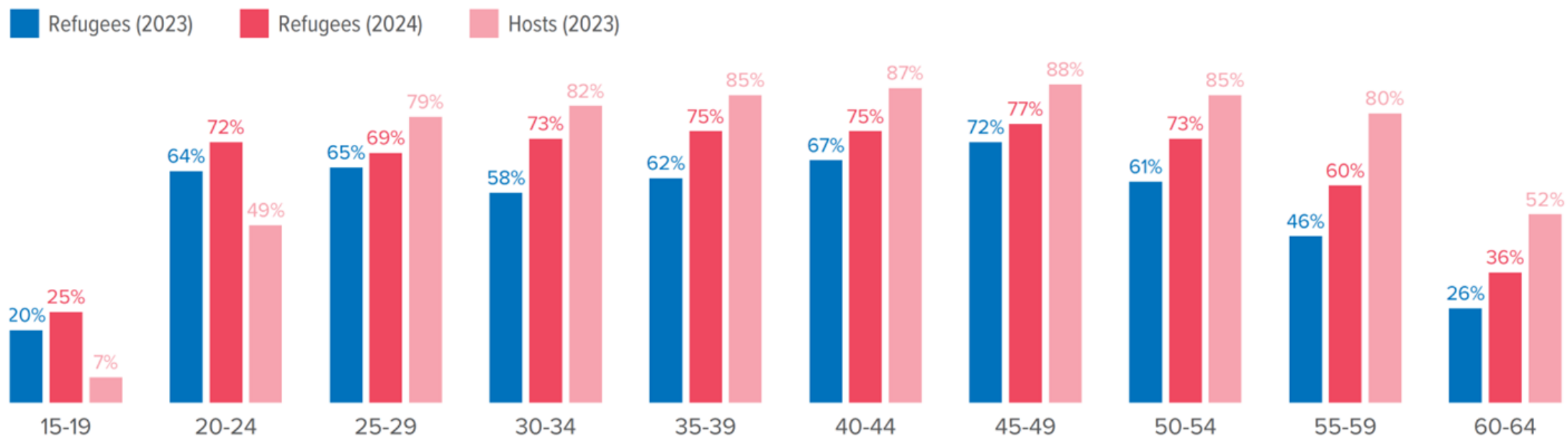
- ... a decrease in unemployment from 13 % to 9 % (yoy); and
- ... new entrants into the labour market



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Participation by age differs from host population

REGIONAL EMPLOYMENT RATE BY AGE AND POPULATION

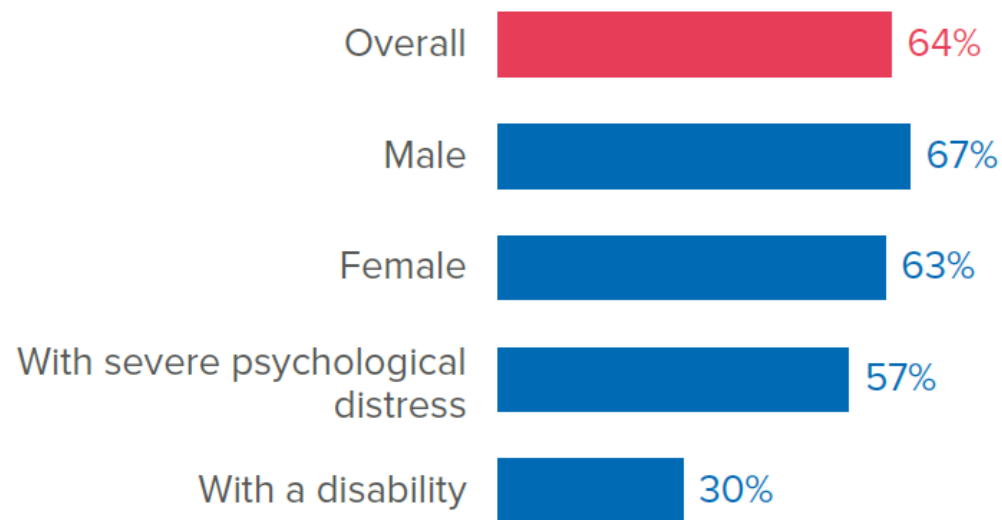


- Younger refugees (between 15-19 and 20-24) exhibit higher rates of employment than the host population, while the gap between higher host population employment and low refugee employment is highest for older individuals (55-59 and 60-64).

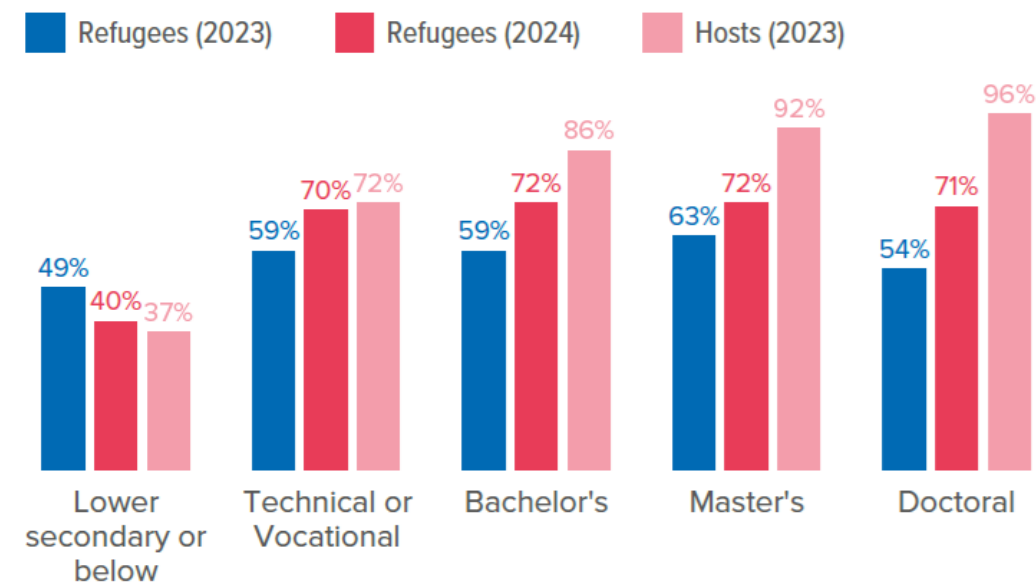


... but there are disadvantaged groups and signs of skills mismatches

REGIONAL REFUGEE EMPLOYMENT RATE BY POPULATION GROUP (2024)



EMPLOYMENT RATE BY EDUCATION LEVEL



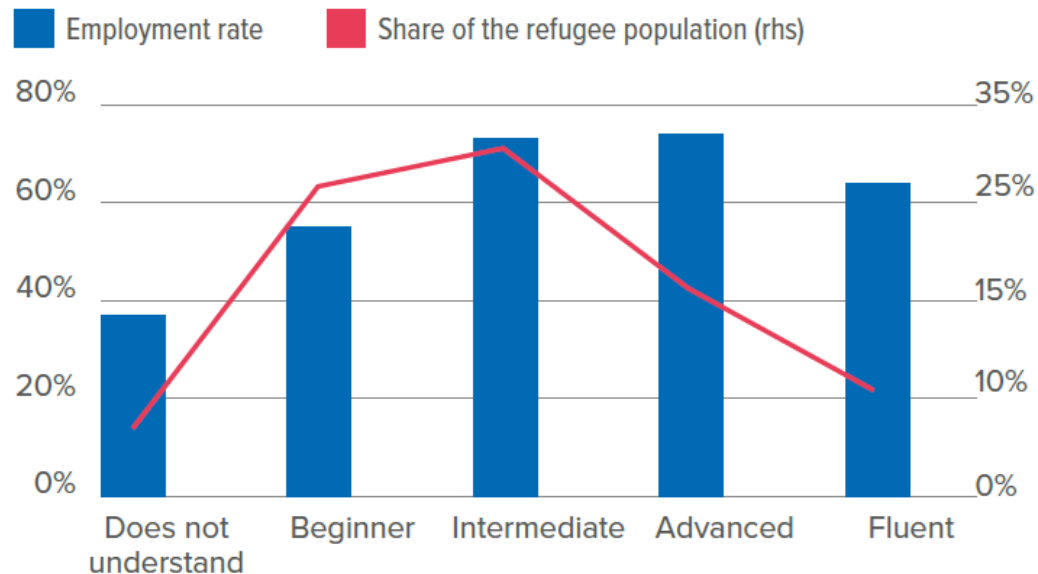
- A stark gap between refugees and host population at higher educational levels, suggesting that prior skills of refugees are undervalued, or that there are other structural barriers



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Potential reasons for skills mismatches

REGIONAL REFUGEE EMPLOYMENT RATE BY LEVEL OF LOCAL LANGUAGE KNOWLEDGE (2024)

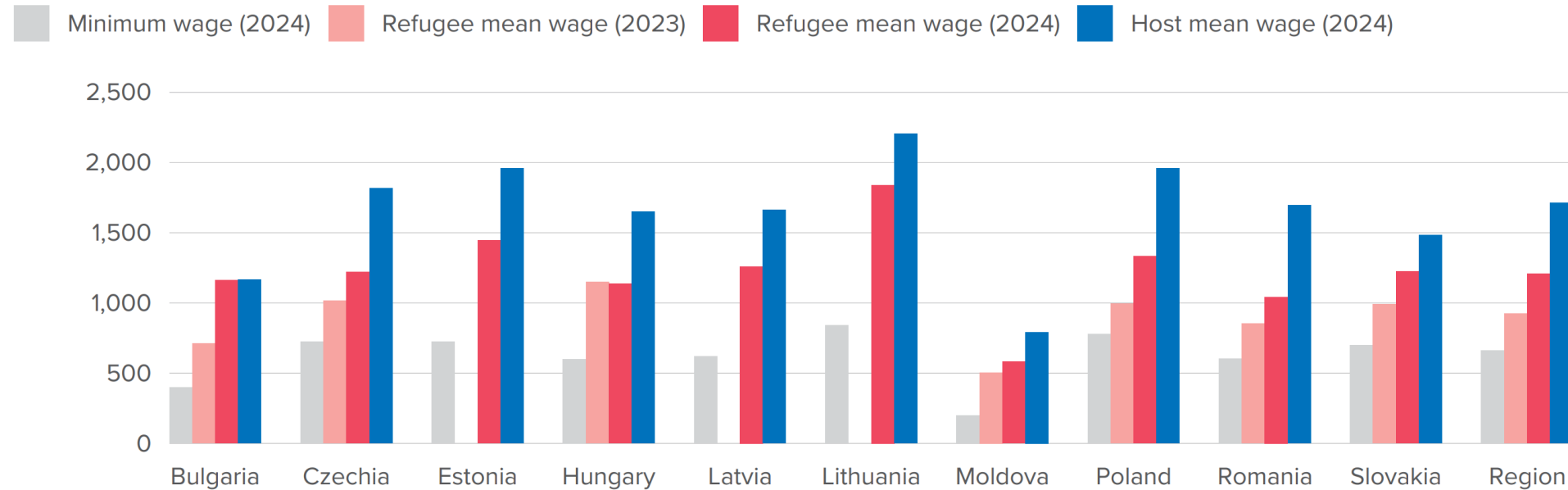


- Language barriers may be biggest impediment, devaluing higher skills. It is worse for women.
- Survey responses and data on labour underutilization indicate a care gap hindering female refugees' participation.
- This also expresses itself in reservation wages (cited more by women)



Improvements in wages, but still gaps to hosts

UKRAINE REFUGEE VS HOST GROSS MONTHLY WAGES, EUR/MONTH



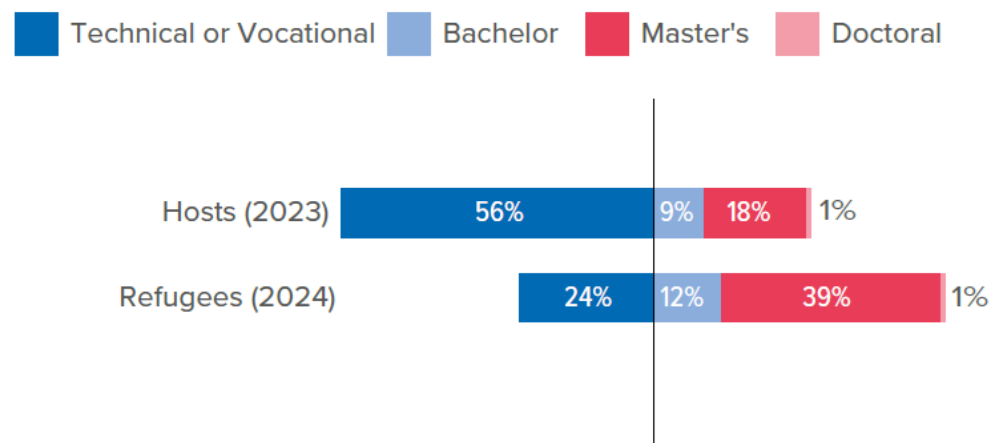
- 28% rise in wages from 2023, but still only at roughly two-thirds of host population
- Much lower wage premium for refugees with higher education (16% for refugees vs. 78% for hosts)
- Caveat: the wage data was derived from household-level income



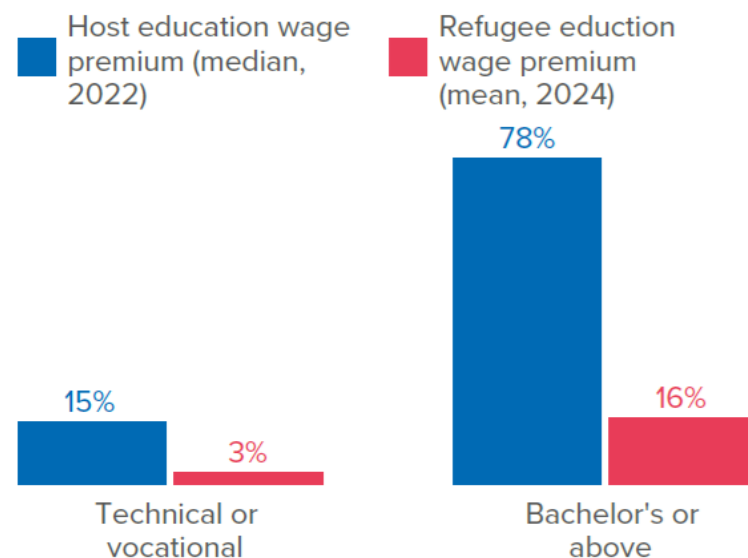
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Gap between wages and qualifications

DISTRIBUTION OF WORKING AGE POPULATION BY HIGHEST EDUCATION LEVEL ATTAINED



WAGE PREMIUMS FOR EDUCATION LEVEL GAINS: HOSTS VERSUS REFUGEES, %



Policy implications

- Improving labour market access is crucial for refugees to become self-reliant, can fill demand in host labour markets, and can have beneficial effects when refugees return to Ukraine
- To tackle language deficiencies, more investment in (flexible) language courses is needed
- To improve access for women to the labour market (including underutilization), stronger support to tackle the care burden is needed.
 - This may include (temporary) financial support for care services, expansion of early childhood care, etc.
 - Support to flexible work arrangements, such as telework, flexible working time (incl. overtime)
 - More support on skills matching through employment services
- More analysis is needed on individual wages, to better understand income dynamics and potential risks to labour rights. Statistical inclusion of refugees is crucial. Monitoring refugee wages compared to host wages is an important metric.

