

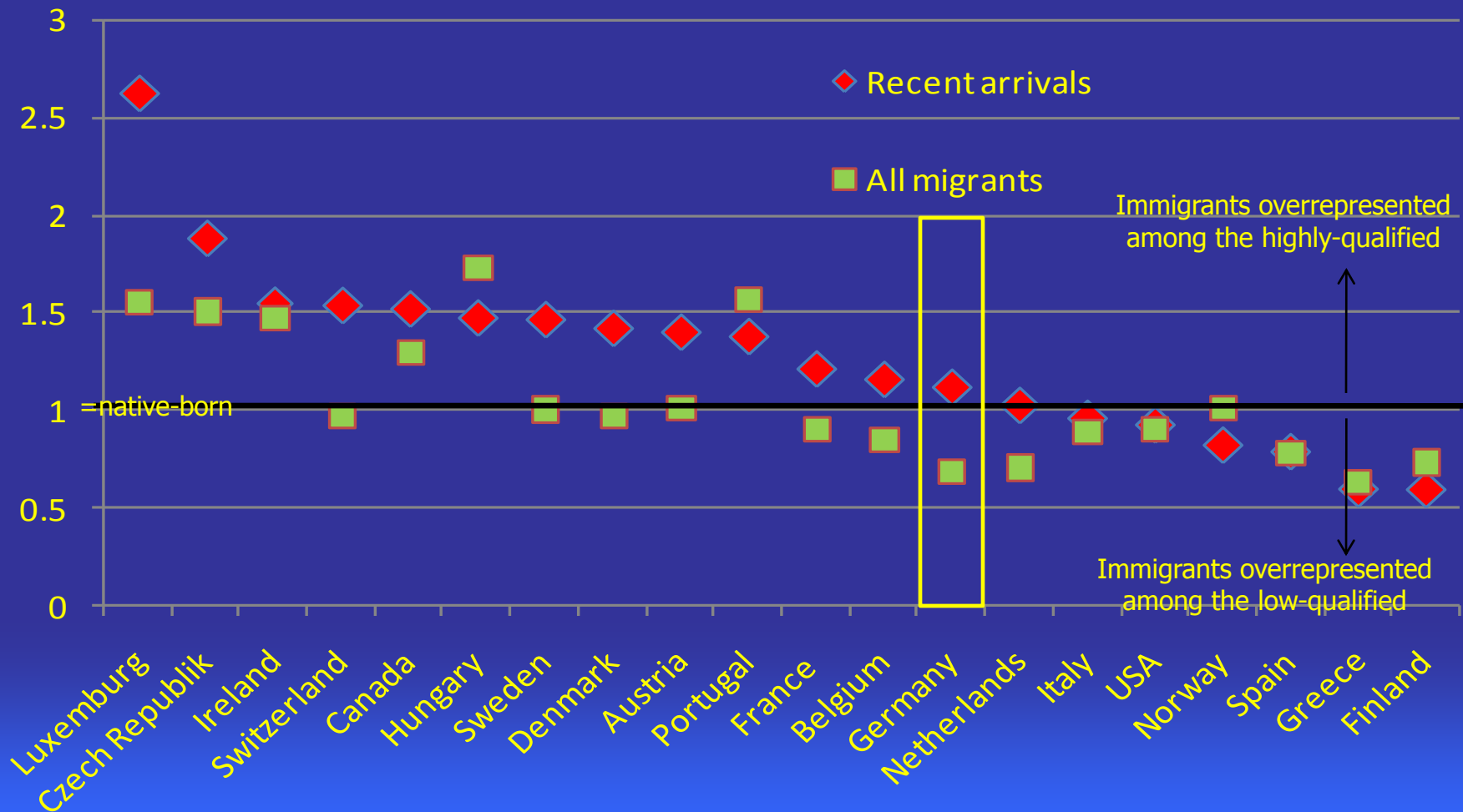
A Roadmap for Managing Highly-Skilled Migration

Thomas Liebig
International Migration Division
Directorate for Employment, Labour and Social Affairs
OECD

Mobility and Inclusion - Highly-Skilled Labour Migration in Europe
18 February 2010, Berlin

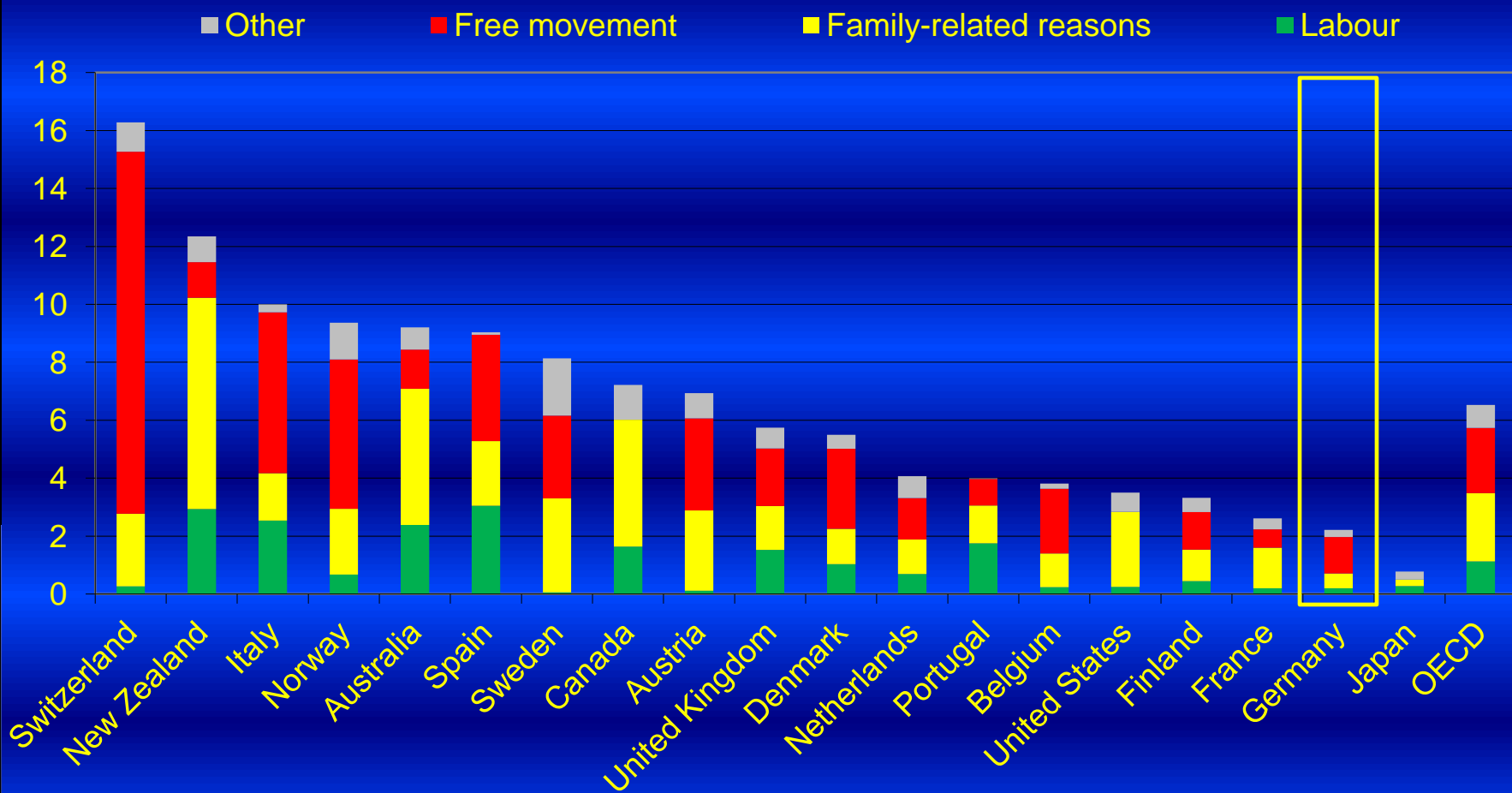
Recent arrivals tend to be overrepresented among the highly-educated

Highly-educated among all migrants and recent arrivals (up to 5 years of residence), relative to share of highly-educated among the native-born, 15-64 years old, 2007



Labour migration is only a fraction of total migration into OECD countries

Permanent-type legal inflows by category, per thousand persons in the population, standardised statistics, 2007



The selection of labour migrants

- ❑ All labour migration (excl. free movement) implies some “selection” – by the national admin., the employer, or both
- ❑ Demand-driven immigration
 - Employer-initiated with a job offer
 - Numbers regulated by employment testing and possible further restrictions
 - Education / wage minima
 - Facilitations for shortage occupations
 - Prevalent system in European OECD countries and the United States
- ❑ Supply-driven immigration
 - Application in response to host-country programmes
 - Often selection via a points system
 - No job offer necessary
 - Numerical limits (planning range)
 - Prevalent system in Australia, Canada, New Zealand; Increasing use also in European OECD countries (UK, CZ,...)

Points systems

- One possible tool for selecting labour migrants
- Flexible instrument which allows to trade off formal qualifications with other characteristics relevant for the labour market (e.g. work experience – particularly if acquired in certain shortage occupations; language knowledge; etc.)
- Often mistakenly equated with supply-driven migration
=> can be combined with demand-driven elements
- UK Points Based-System: Tier 1: supply-driven; Tier 2: demand-driven
- Migrant selection may take a lot of time
=> avoid backlogs

Growing attention towards international students as a source for labour migration

- ❑ Numbers of international students have increased by more than 50% since 2000
 - Increases are particularly large for educational institutions in Australia, New Zealand, the Netherlands, Japan, Korea and France
 - Increase in Germany has been below the OECD average
 - China and India are the two main origin countries
- ❑ Most countries now provide work opportunities for foreign students, both during and after studies
 - In Australia, 66% of Chinese and 38% of Indian students later become permanent residents
 - More generally, if Germany had the same enrolment and stay rates of international students as Australia, this would already imply about a five-fold increase in permanent –type labour migration from outside of the EU

Recruitment in multinational enterprises vs. SMEs

Advantages of multinational enterprises:

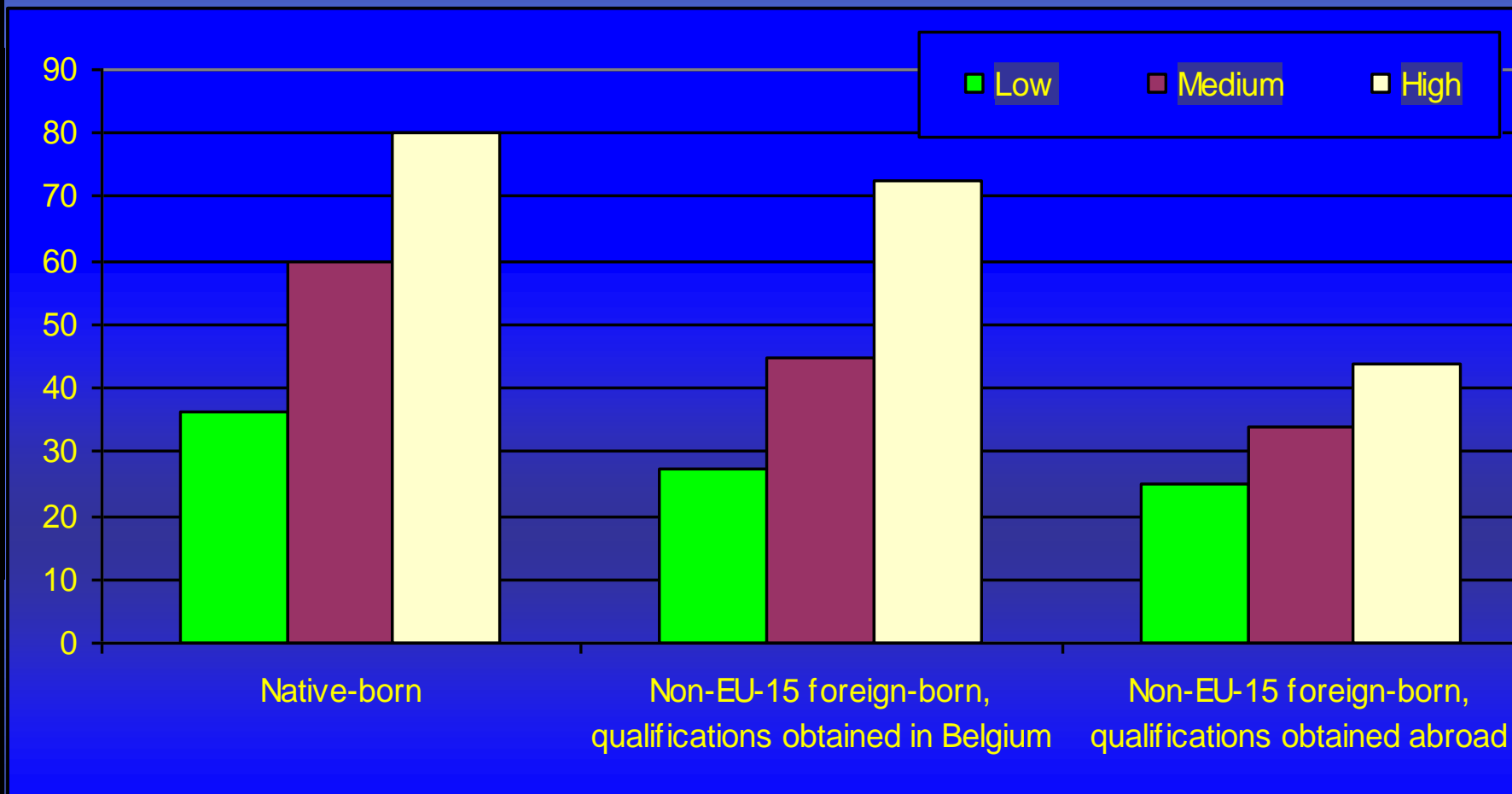
- English-language workplaces
- Other factors facilitating movements from abroad
 - Recruitment through affiliates
 - Intra-corporate transfers

⇒ *Challenges are greatest for small and medium-sized companies (SMEs) – and these account for the bulk of employment*

⇒ *The experiences of Norway and Denmark show that these challenges can be overcome if the labour market is tight, but some time may be needed for employers to adapt, and English may be needed as a transition language*

Foreign qualifications acquired in non-OECD countries are largely discounted on the labour market

Employment/population ratios by qualification level in Belgium, 15-64, women, 2001



Part of the observed discount is due to lack of language skills and actual non-equivalence of educational degrees

The employment of skilled immigrants

Challenges and responses by admission policies

❑ Overqualification

- Foreign qualifications are largely discounted and foreign experience is not valued on the labour market
=> increase onshore selection (e.g. students - see above)

❑ Qualifications vs. skills

- Qualifications from different countries are not necessarily equivalent, and do not always directly translate into skills
- Lack of systems for recognitions of qualifications / validation of skills
=> add wage level requirements; favour domestic qualifications
=> facilitate status changes from temporary to permanent-type

❑ Getting employment and remaining employable

- Employer-selected labour migration does not ensure adaptation to a changing economy
- Supply-based selection via a points system does not necessarily mean that immigrants have (good) jobs
=> provide extra points for people with job offers

 *growing "hybridisation" of supply- and demand- driven systems*

 *convergence of admission regimes*

Conclusions

- ❑ Labour migration needs to be linked to labour market needs, but it is not necessarily easy to identify these
- ❑ International students have become a key source of highly-skilled migration, but not all countries benefit equally from this source
- ❑ Possibility to introduce preferential treatment of international students studying in the host country language (=> CZ)
- ❑ The human capital of those migrants who are already in the country (and their children) or who enter by other channels (humanitarian, family reunification, etc.) also needs to be used better
(=> OECD "Jobs for Immigrants" Vol. 1 & Vol. 2)
- ❑ To make full benefit of the skills of migrants, quick and transparent assessment and recognition procedures are needed - particularly for regulated professions – and linked with bridging offers

Conclusions (cont.)

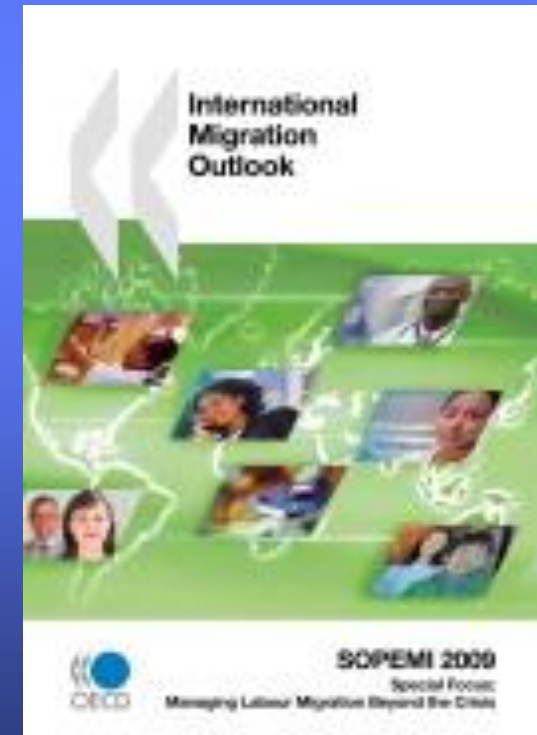
- ❑ Merely opening pathways for highly-skilled migration is not enough to attract such migrants and to retain them
- ❑ For countries whose language is not widely spread outside their borders, the language issue is a crucial one
- ❑ Significant investment into language training may be needed for highly-skilled migrants
- ❑ Employers' acceptance of migrant labour is a crucial element in ensuring success

Conclusions (cont.)

- ❑ In focusing on highly-skilled immigration, the need for low-skilled labour and the management of low-skilled migration should not be neglected
- ⇒ OECD 2009: A roadmap for managing labour migration (both high and low-skilled)

- ❑ The crisis provides the opportunity to prepare the terrain for the future

⇒ New series of OECD Country Reviews on the Management of Labour Migration



Thank you for your attention!

For further information on the Roadmap and the
OECD's other work on migration and the integration
of immigrants

www.oecd.org/els/migration