

**FOURTH COORDINATION MEETING ON
INTERNATIONAL MIGRATION**

Population Division
Department of Economic and Social Affairs
United Nations Secretariat
New York, 26-27 October 2005

HIGHLY SKILLED MIGRATION*

International Centre for Migration Policy Development (ICMPD)**

* The views expressed in the paper do not imply the expression of any opinion on the part of the United Nations Secretariat.

** Presented by ICMPD at the Fourth Coordination Meeting on International Migration, UNHQ, New York, 26/27. October 2005 in Preparation of the High-Level Dialogue on International Migration and Development in 2006

A. THE MIGRATION OF THE HIGHLY-SKILLED AS A NEW POLICY CONCERN

a. Background

In recent decades migration issues have moved closer to the top of the policy agendas of public authorities at all levels of government. Migration issues have become the subject of regular debates at local, regional, national, international and even supranational governing bodies, each of them addressing various migration issues from their own perspectives and with various concerns and interests. Common to most debates on the optimal formulation of policies for the regulation of *economic* migration are the underlying questions of how to enhance the benefits of migration, while at the same time minimizing the negative social and economic effects for one's own constituency. It is in this context that the topic of migration of the highly skilled has once again assumed great prominence both from the receiving and the sending side perspectives.

b. Perspectives on highly-skilled migration

Migration of the highly skilled has already been a hotly debated issue during the development debates of the 1970s, usually under the heading "brain drain". The newly found interest in highly skilled migration is more balanced, more concrete and is evident, for example, in the quest for the formulation of selective admission policies designed to attract and retain highly skilled migrants (e.g. through points systems or through Green Card schemes). The new concern with highly skilled migration on the receiving side is, once again, mirrored by an increasing concern about the loss of skilled workers on the sending side.

Not surprisingly, migration of the highly skilled has also raised interest among academics and at the level of international organizations. In recent years several studies on the topic have been produced by organizations like the OECD, ILO and UNCTAD. On the level of the EU, a supranational organization with increasing competence in the field of migration, a recent (2005) Green Paper on the Management of Economic Migration by the European Commission implicitly suggests an EU-wide "Green Card" system for certain highly skilled migrants.

Given the amount of attention paid to highly skilled migration it is easy to assume that the concept of the "highly skilled migrant" is a well-defined one and that everyone is talking about the same subject. Yet, this is far from being the case and the term "highly skilled migrant" still remains a "hazy" and ill-defined concept. The final (2005) report of the Global Commission for International Migration even suggests that "the traditional distinction between skilled and unskilled workers is in certain respects an unhelpful one" and proposes the use of the term "essential workers" instead. Yet, this is certainly not what most governments have in mind when thinking about the design of specific policies to attract talented immigrants.

A particular problem arises for policy makers when the intentions of their policies should be measured against concrete outcomes. Most often, in order to operationalize the concept of "highly skilled" for statistical purposes, the level of educational attainment (e.g. years of schooling or completed secondary/tertiary education) is used as a proxy for "highly skilled". In addition, even using this imperfect proxy for counting the "highly skilled" among migrant populations, there are substantial deficiencies and gaps in the statistical data available, "making it difficult to grasp the complex international mobility patterns of highly skilled workers", as the latest (2005) OECD SOPEMI report has pointed out.

Against these difficulties of even measuring the migration of the highly skilled it should perhaps not come as a surprise that the debate on the economic and social effects of highly skilled migration (both on

the sending and receiving side) has produced questionable and sometimes contradictory results. The emigration of highly skilled persons is sometimes denounced as “brain drain”, harmful to the economic development of sending countries; sometimes welcomed as “brain gain” or “brain circulation” through return migration; and sometimes viewed as a more neutral phenomenon in view of the high remittances generated. Similarly the immigration of highly skilled workers has been interpreted as outright positive, neutral or even harmful in view of the “de-qualification” of skills acquired abroad.

Rather than evaluating or commenting the various findings on the economic and social effects of skilled migration, the remaining paragraphs will suggest a few issues for consideration in the formulation of policies on skilled migration.

B. SHAPING A NEW POLICY OF REQUIRED-SKILLS MIGRATION

a. The impact of skilled immigrant selection policies

Contrary to widespread perceptions among policy-makers, the influence that specific admission policies can have on the actual skill composition of its immigrant population is at best limited. So much is evident in the (imperfect) data on the skill composition of immigrants: In most industrialized countries there is a bi-polar skills distribution of immigrants with disproportionate shares of migrants in both the low-education and the high-education categories. Both have come about less through deliberate policy choices and more through market forces and free choices of individual migrants.

Future policy choices, too, will at best have a limited effect on the actual skill compositions of future immigrant cohorts. Governments will continue to be constrained by various, sometimes competing, demands and interests in immigration policy making and the share of migrants selected solely for their specific skills will necessarily remain limited, while other considerations (humanitarian, family-reunification, security, etc.) will continue to play a role.

Having said this, governments still retain important room for manoeuvre. Real-life migration selection mechanisms do shape the skill composition of important sub-groups of total immigrant admissions. And different mechanisms produce differential results, as evidenced by the high shares of skilled migrants admitted through the largely skills-based admission mechanisms of Canada and Australia. In Europe, too, governments have developed a new interest in skill-based admission systems and in some cases special quotas and incentives to attract highly skilled migrants have been put in place.

In no cases, however, are skill levels (i.e. the amount of schooling completed) the sole criterion for selecting qualified immigrants. In European countries, the most important criterion is usually the concrete offer of a job that, together with certain other requirements (e.g. minimum level of education or salary threshold), should lead to the selection of qualified immigrants. In addition, in many European countries highly skilled immigrants, like other labour migrants, need to pass an “economic needs test”, demonstrating that a concrete job offer cannot be filled by domestic applicants. In the case of “points-system” admission mechanisms, too, the educational attainment is but one criterion which, together with professional experience, occupation, age, language skills, family ties etc., should align labour market requirements with new labour supply generated through immigration.

b. Shifting the focus of skilled immigrant selection policies

Whether admission systems are based on individual economic needs tests, based on unfilled job offers, or not, the basic aim of selection mechanisms for skilled immigrants should be the **long-term employability** of qualified immigrants once admitted. There is no point in recruiting highly specialized

qualified immigrants for acute skill-shortages only to find them laid off in the short term and with poor job prospects in other sectors of the economy.

Short-sighted admission policies are harmful not only for the skill requirements of highly dynamic advanced economies but also for the qualified migrants themselves who may quickly find their unused skills deteriorated and eventually obsolete. To illustrate: a (2001) study by the City of Malmö, Sweden's third largest city, found that 44 per cent of the city's immigrant taxi drivers had academic degrees. Thus, the proverbial academic taxi driver from a low-income country in the streets of any western city may find her/himself trapped between the poor prospect of returning home with no job or savings and staying on with little hope of upward mobility.

What is needed therefore, is a sharpened focus in selection mechanisms on the **continuous employability of skilled immigrants** ensuring their continued labour market success even in case they lose their first jobs in their host country. Thus, selection criteria need to place more emphasis on a broad range of skills providing enough flexibility to stay involved in a highly dynamic work environment.

A selection system for highly skilled migrants focusing on employability and flexibility should then not be burdened by employer-sponsored work permit criteria. While the selection mechanism may include a concrete job vacancy as one of the criteria for admission, continuously tying work and residence status to an employer would be counterproductive for the career development of highly skilled migrants. It may even make them more vulnerable to pressures exerted on them from their employers, thereby placing them in uneven competition to other employees. Thus, once admission on the basis of a well-defined list of required qualifications is granted, a secure and flexible long-term residence and work status (provided, for example, by a special "Green Card") is preferable to employer-tied systems.

A final observation should be provided on the range of stakeholders to be included in the design and implementation of any kind of skilled immigrant selection system. Migration policies are usually formulated on the national level, while the primary responsibility for implementation, and the most immediate points of contact for the migrants, are at the local level. Therefore, to devise a coherent set of migration and integration policies, the involvement of local authorities from the very start of the planning process is required, in this as in other areas of migration policy making.