



NEW APPROACHES TO LABOUR MIGRATION IN THE OECD

*Making labour migration work: Identifying skills
shortages and attracting migrant workers as
part of the solution*

EMN, ESRI

Dublin 27 November 2015

Jean-Christophe Dumont
Head of International Migration Division
Directorate for Employment Labour and Social Affairs
OECD



*In the mind of
a policy maker*

- Short or long-term skills needs
- Settlement

- Who to admit ?
- Who is in charge of the selection ?
- How many migrants workers to let in ?
- For how long?

- Attractiveness
- Responsiveness
- Protection of domestic workers
- Risk of abuse





«Standard» labour migration policy framework



- Labour market tests
- Shortage occup lists
- Min criterias
- Num limits / quotas

European countries

Demand

Low skilled

Temporary

Supply

High skilled

Permanent



- Point systems
- Num. limits / targets
- Ex-ante assessment of foreign qualifications

Settlement countries



1. *Demand versus Supply driven systems*

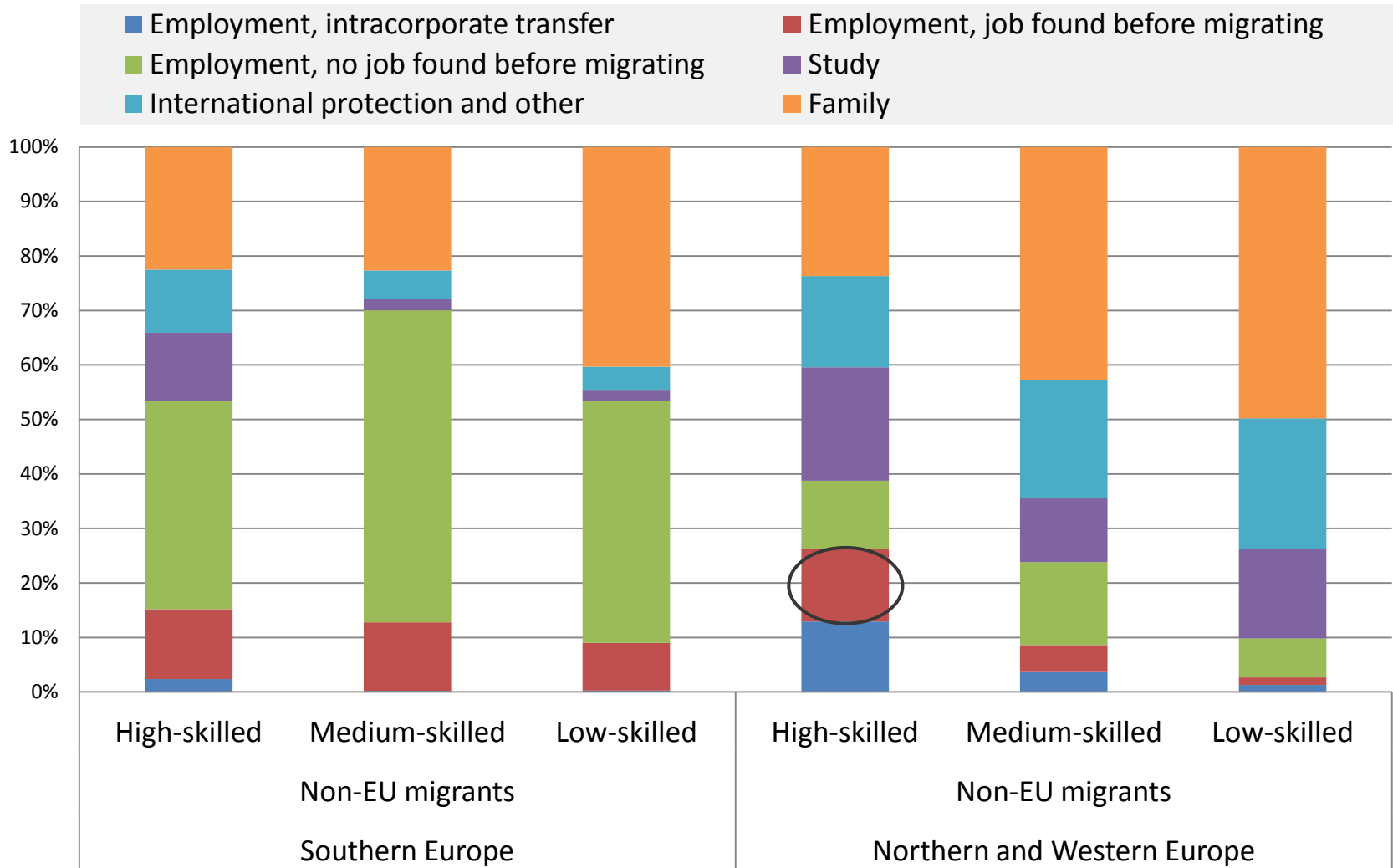
- Reward for having a job offer in supply driven systems in settlement countries
- Hybrid job-search visa systems
- Increasingly complex conditions placed in demand driven systems
- ‡ Other “supply” categories : investors, entrepreneurs, working holiday makers etc.

- Most of the employers are recruiting on-shore
- Skilled migrants are also coming through non-labour migration channels and are recruited in the country

Evidence suggest that ...



Distribution of skill levels by reason for migrating, recent non-EU migrants, Southern Europe and Northern and Western Europe, 2008.







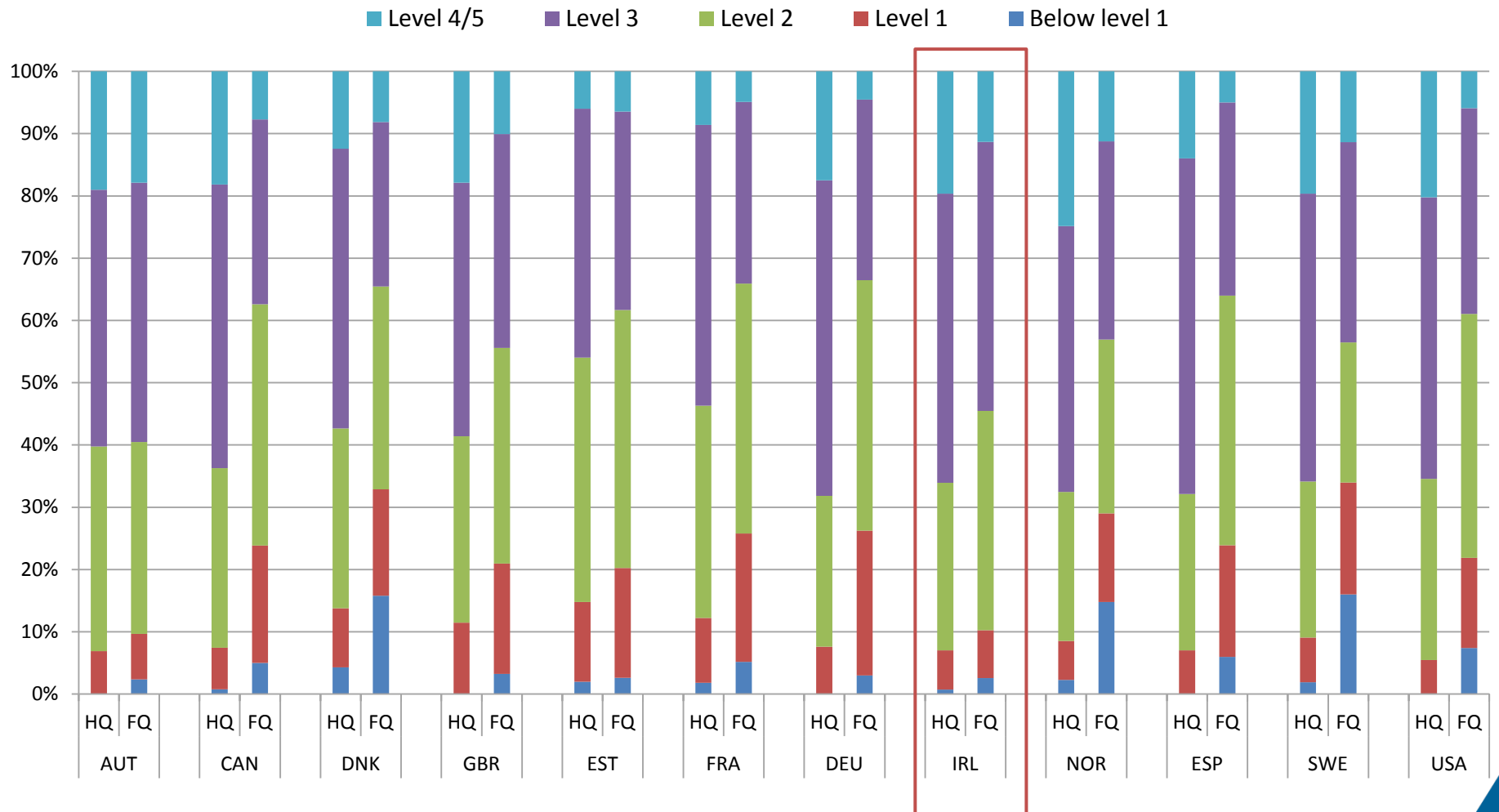
2. *Low skilled versus high skilled*

- Difficult to draw the line between the two categories (criteria, levels)
- Rapid increase (and policy focus on) in tertiary educated migrant stock in the past ten years but ...
 - Increasing diversity within each category and notably at the higher end
 - Increasing skill mismatch

- Increasing diversity amongst tertiary educated migrants
- Most of the skills needs are actually at the intermediate level



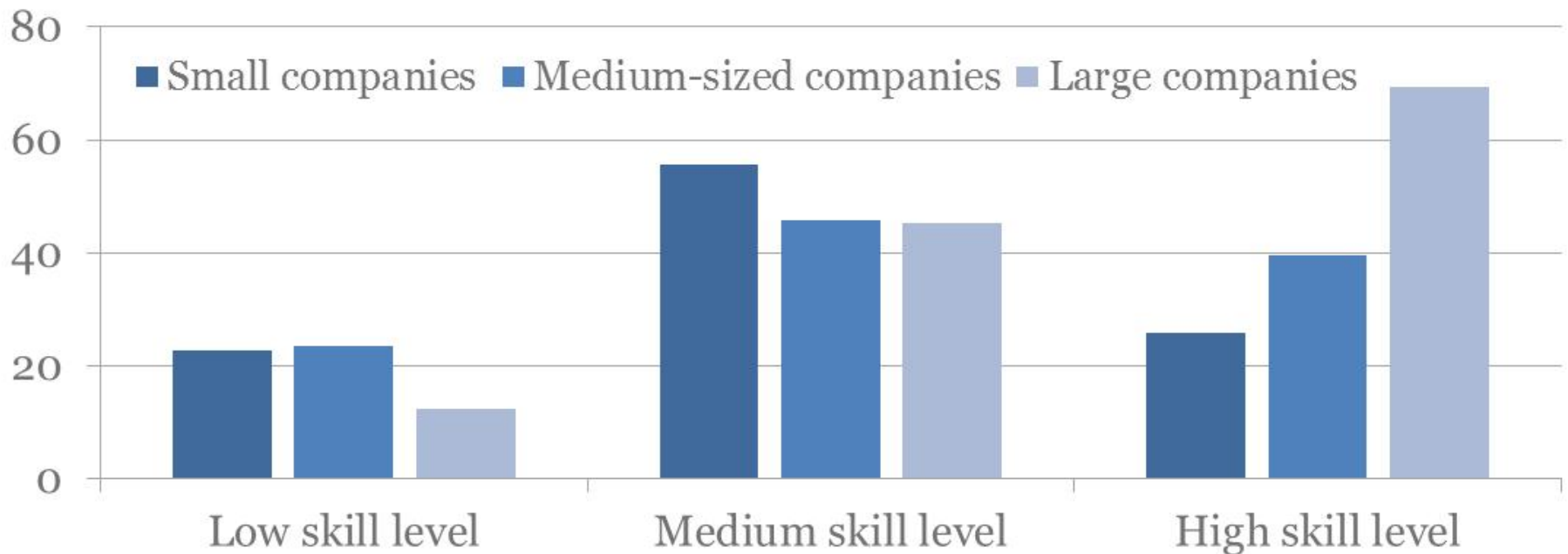
Literacy performance among tertiary educated foreign-born in selected OECD countries, 2010/11



Source: Programme for the International Assessment of Adult Competencies (PIAAC)



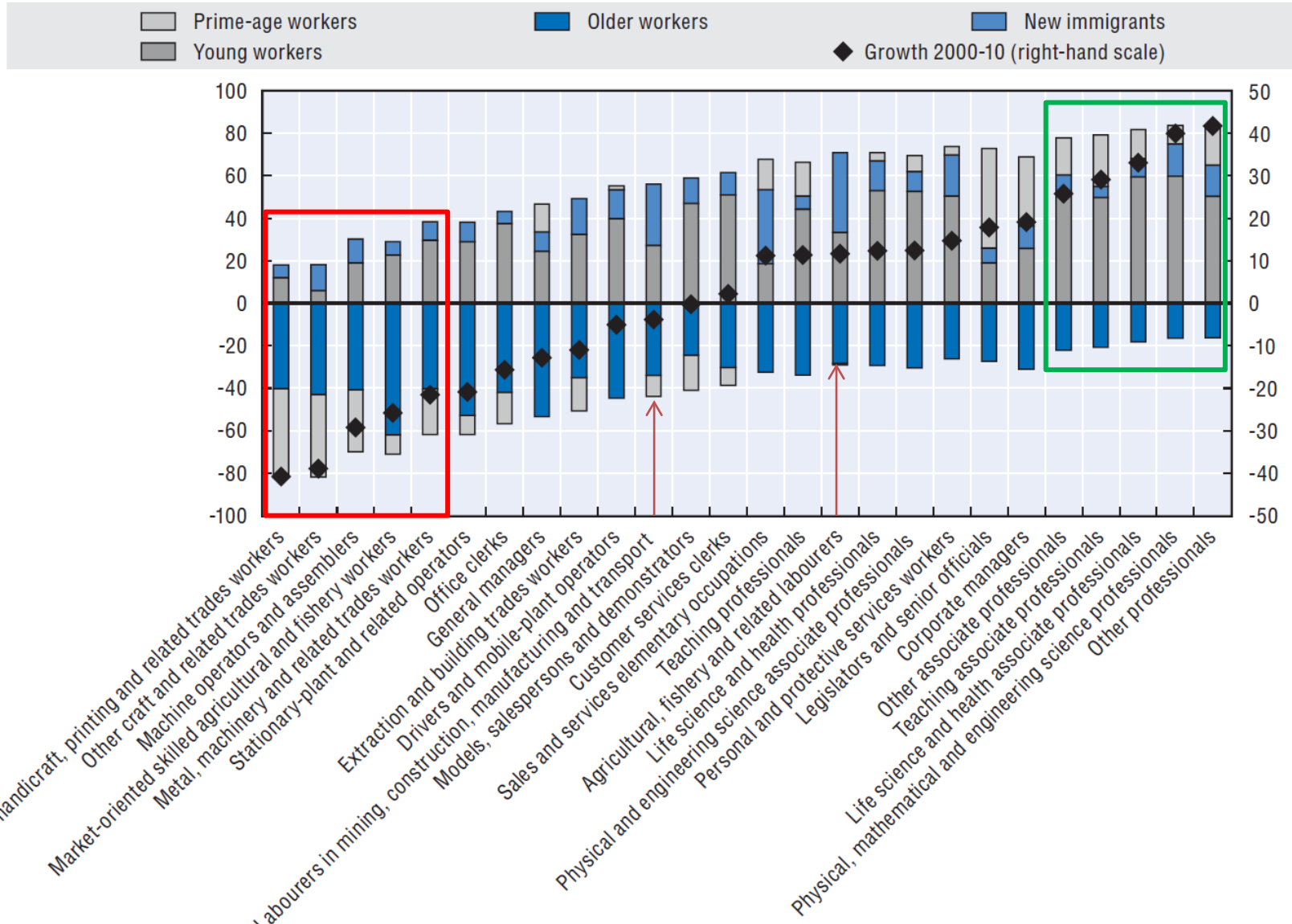
Percentages of German employers who reported unfilled vacancies (out of all employers with unfilled vacancies), 2011



Source: OECD (2013), *Recruiting immigrants. Germany*



Contribution of different demographic groups to occupational growth, average over EU countries, 2000-10, percentages





3. *Temporary versus Permanent*

- End of dual-intent principle
- Two-step migration, for students and workers
- Increasing weight in the selection process for in-country experience or networks and specific skills (education, language, etc.)
- ‡ Emergence of new forms of mobility:
commuters ≠ cross border workers / mobile permanent residents

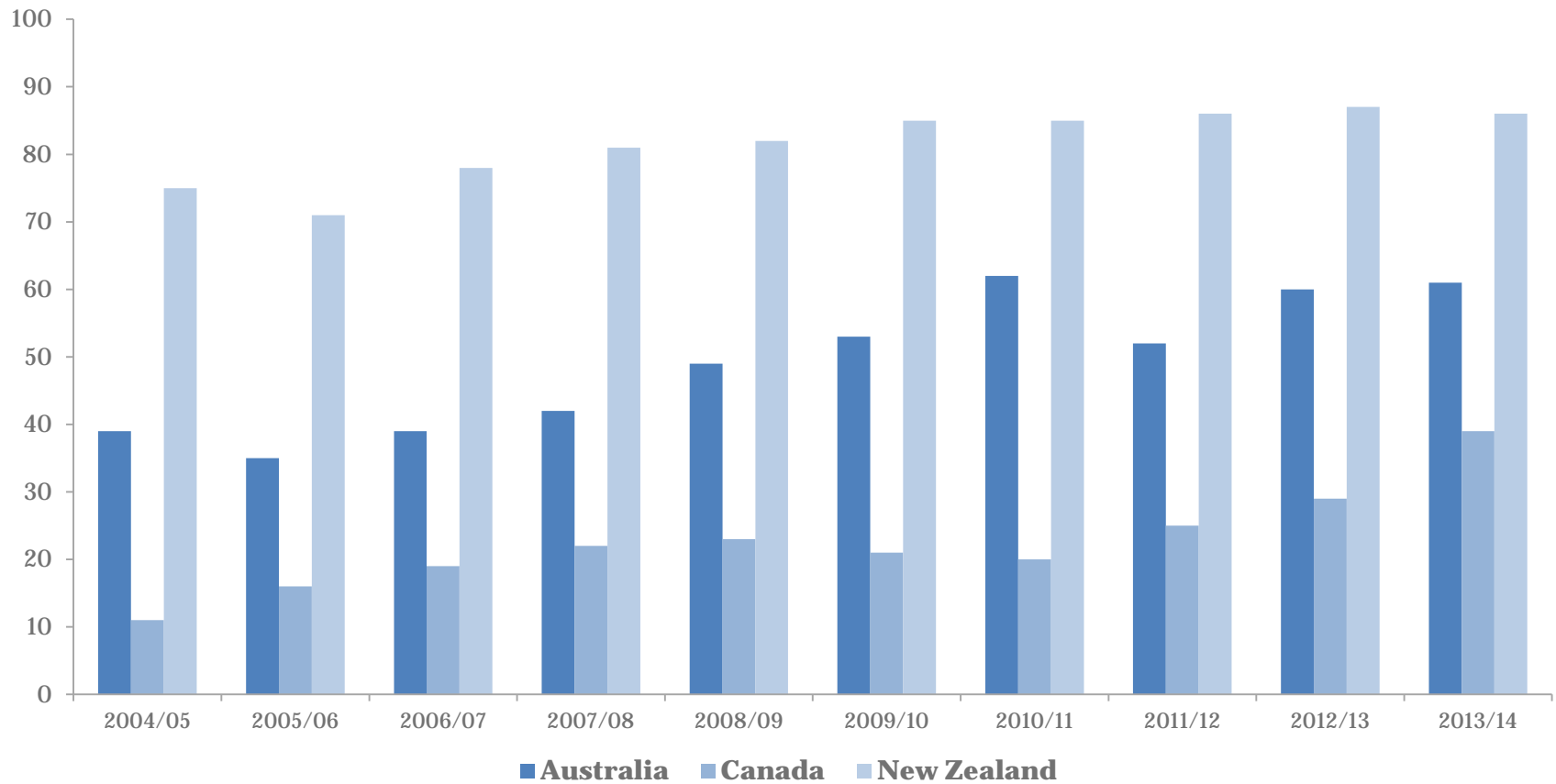
Evidence suggest that ...

- Status changes are more frequent than they were in the past
- Retention in the job, including for labour migrants



Increasing permanent status change happens onshore or in-country, in settlement countries

Onshore transitions to Permanent Residence (%), 2004-2014







Some key findings

Family and free movement migration play a greater role in most countries that labour migration in feeling labour market needs, including for the highly skilled

Roughly speaking, all skilled occupations are invested by all types of migrants, to a greater or lesser extent.

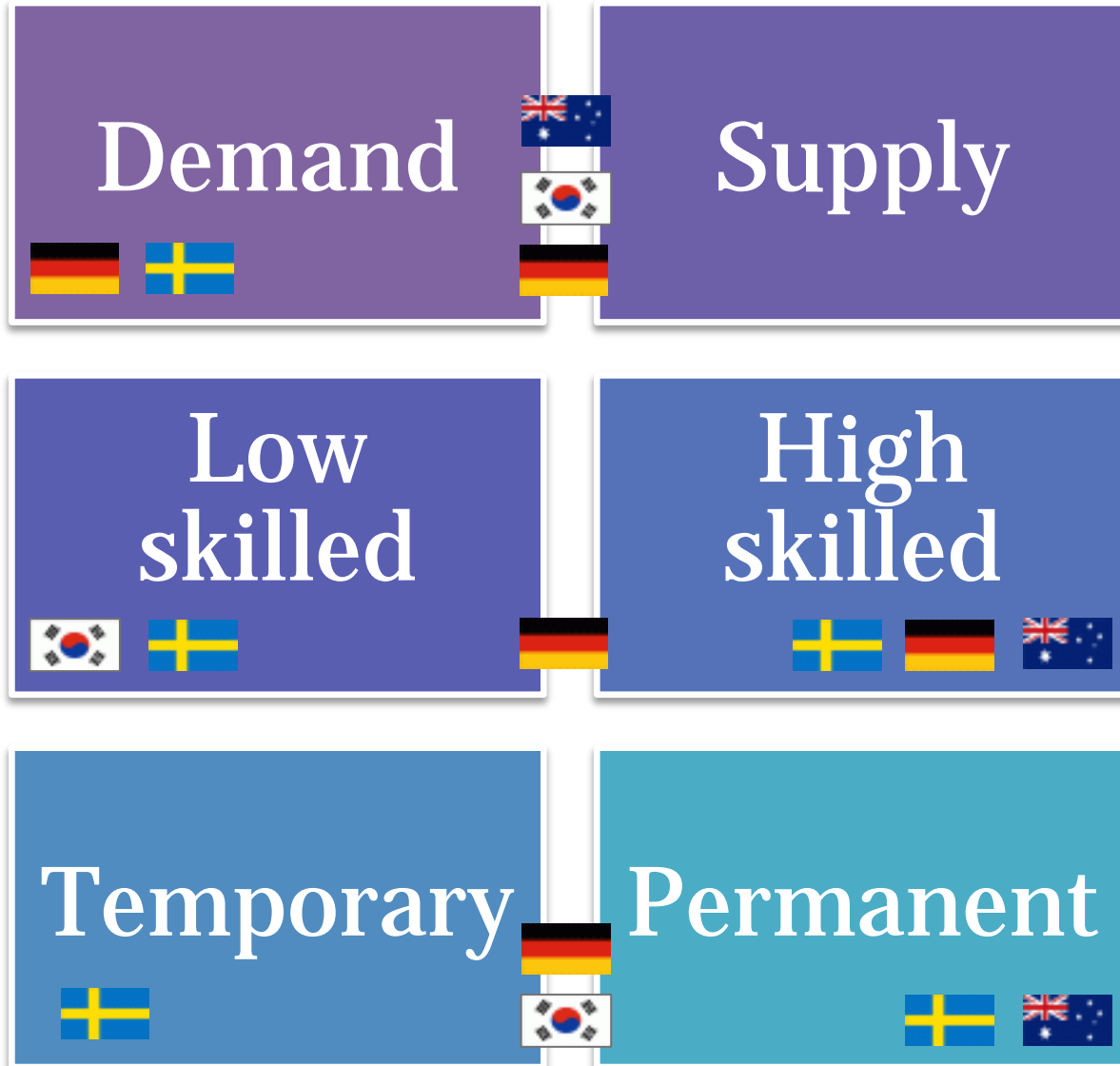
Skills are more difficult to identify by the education level only

Labour needs are not only /mostly at the higher end but increasingly for medium skilled workers, in medium size firms

Labour migrants who stay, do not stay long in the same jobs for which they were recruited



New approaches to managing labour migration challenge the standard framework





Core principles for a better management of labour migration

➤ **Adaptability**

- Consider different labour migration channels with different parameters for different objectives (attractiveness/responsiveness/protection)
- Take a broader approach to skills needs
- Build a flexible system with a long-term perspective

❖ **Matching**

- Engage with employers, notably in small and medium size enterprises.
- Facilitate skill matching and assessment of foreign qualifications
- Improve retention in the country (notably for students)

🕒 **Infrastructures**

- ❖ Build appropriate infrastructures [data/research/evaluation; information; processes] but do not overinvest



Thank you for your attention



For further information:

www.oecd.org/migration

jean-christophe.dumont@oecd.org



Labour markets

- Migrants accounted for 47% of the increase in the past ten years
- Migrants fill important niches both in fast-growing and in the native-born, young migrants are better
- Migrants contribute significantly to labour-market

The public purse

- Migrants contribute more in taxes and social contributions than they receive
- Cultural migrants have the most positive impact
- Employment is the single biggest determinant of economic growth
- Migration boosts the working age population
- Migrants arrive with skills and contribute to human capital
- Migrants also contribute to technological progress

Understanding these impacts is important if our public debates, in turn, are essential for designing and maximising the benefits of migration, especially by ensuring the policy mix will, of course, vary from country to country to maximise the benefits of migration, both for host countries and for immigrants in coming decades

Migration Policy Debates © OECD May 2015

