

Editorial

Managing Migration – A Delicate Balancing Act

With an increase in migration and developing labour shortages, migration has jumped up the policy agenda in OECD countries...

International migration has jumped up the policy agenda in most OECD countries over the past decade. There are several reasons for this. First, immigration flows grew rapidly during the 1990s and are now growing again, using at times irregular or unconventional channels (asylum seeking, tourism overstaying). There are currently close to three million long-term immigrants entering OECD countries legally every year, and even more temporary movements, if international students are included (see Chapter 1). And this does not count unauthorised movements. Secondly, with ageing populations and falling interest in certain occupations in OECD countries (sciences, building trades), it is expected that there will be need for more worker immigration in the near future.

This will only be possible if past and current immigrants, who are more and more numerous, are seen to be integrating without difficulty in the host country. Immigrant performance on the labour market, however, for both past and recent arrivals in many countries and even for their offspring, is not as favourable as in the past.

... but managing migration has become a difficult balancing act

Governments are thus faced with the delicate task of achieving a balance between openness to international migration with the hope of attracting the required skills to satisfy domestic needs, firmness in managing migration inflows to demonstrate to public opinion and to potential migrants that unauthorised movements are not tolerated, and the implementation of effective policies to ensure immigrant integration.

The right balance is difficult to achieve. It requires getting the right mix of selected and non-selected migrants, of temporary and permanent migrants, of high-skilled and low-skilled, and more generally of openness and control.

Selection of migrants is not straightforward, and not all migrants can be selected

First, the selection of migrants is not always straightforward. Indeed in all countries, there are significant immigration movements over which governments have limited discretion. This is because of recognised human rights (the right of residents to live with their families, or to marry or adopt whom they wish), or signed international agreements (such as the Geneva Convention on refugees, or free movement treaties). Such “non-discretionary” movements (see Chapter 2) are already sources of labour for host countries, but not always for occupations in demand. Satisfying the latter means increasing the total levels, to attract the right people with the right skills.

In some countries the selection is carried out on the basis of language proficiency, work experience, education and age...

How are immigrants to be chosen and in what numbers? Should immigrants be selected on the basis of their characteristics, with points given for language proficiency, work experience, education, age, and only those selected who have the required minimum number of points? This is what is done in Australia, Canada and New Zealand, and the

migration regimes of these countries are often pointed to as models for other OECD countries to follow. Some 60% or more of immigrants (including family members) are in the skilled migrant stream in these countries.

... while in others, employers do the selecting, so workers have jobs upon arrival

In practice, aside from persons moving under free movement regimes such as the European Union, legal immigrant workers are selected in all countries. The difference with Australia, Canada and New Zealand is that they are selected by employers, rather than national administrations. Governments, however, sometimes impose salary, occupational or educational criteria that limit the possibilities. And when they are selected by employers, immigrants have a job upon arrival, rather than having to fend for themselves in a new country. Historically, introducing selected immigrants into the labour market without prior jobs has worked for Australia and Canada. Recently, however, it is showing its limits, as employers attribute less and less value to foreign work experience and qualifications. So even these countries have started to give points to potential immigrants for job offers and to select persons already in the country on a temporary status.

Deciding on the number to let in is not obvious...

Letting in the right number of immigrants is another challenge: let too many in and some of them will have difficulty finding work; let too few in and labour market conditions may become tight. Some countries manage this by fixing numerical targets or limits (see Chapter 2). How these targets are determined is not always clear. They appear to reflect in part demographic objectives and in part past experience and political judgments about what the labour market and public opinion can absorb.

... and some countries do it by fixing pre-ordained targets or limits, to which they hold to themselves

Targets and limits have the advantage of demonstrating to public opinion that movements are being managed. But they need to be carefully fixed to ensure that they meet domestic labour requirements, not always a simple task. One risk is the possibility of backlogs, if the number of eligible applicants exceeds the number of available places. Backlogs can be a source of frustration, make the migration system less flexible and serve as an inducement to irregular entry or stay for otherwise eligible candidates.

Temporary migration is one way to solve some labour needs...

Some labour requirements can be filled through temporary movements and there have been successful past experiences in this area. These suggest that temporary migration can be managed if the work to be carried out is itself temporary in nature, if all stake-holders including employers are involved in recruitment, and if workers and employers have the chance to link up again in future years.

... but not those that are regular and on-going

Because it is easier to sell to a sceptical public opinion, most countries would prefer to have temporary migration for low-skilled workers. Such workers tend to be less adaptable in the face of a changing economy and their integration takes longer. But it is unlikely that on-going, regular labour needs can reasonably be satisfied by a cycling in and out of temporary workers. Employers want to keep reliable workers, not forever train new cohorts. So some low-skilled worker migration needs to be permanent.

If work permits are kept low in the face of strong demand, there is a high risk of irregular movements

If there is little possibility for low-skilled workers to enter, and no other source of labour supply can satisfy needs for low-skilled workers, there is a high risk that irregular movements will be generated. This is especially the case if control of irregular migration and work is weak. In some countries, the unauthorised immigrant population is estimated at over 3% of the total population. Illegal employment, however, is not inevitable. The experience of regularisation programmes suggests that employers, who often must supply proven job offers to potential candidates, do not necessarily have a preference for illegal workers. With an adequate work permit programme which ensures that permits are delivered quickly and in sufficient numbers, their needs could be met.

The migration of highly skilled persons may represent a serious loss to sending countries in the developing world

All countries want high-skilled immigrants. With virtually all OECD countries having become receiving countries, the competition to attract and retain the highly skilled in particular will increase. Language is clearly going to be a problem for countries whose national languages have no basin outside their own borders. And even high-skilled migrants have been encountering problems in the labour markets of OECD countries, often working in jobs for which they are overqualified. There is a growing trend towards the recruitment of finishing students, who may represent serious losses to source countries, especially in small countries, even if this is tempered by significant remittances (see Chapter 3). OECD countries need to weigh the benefits of this kind of recruitment (rapid integration) against any brain drain effects they may induce.

Public policy and discourse with respect to international migration need to be even-handed...

Difficulties in integrating immigrants in some countries have led to restrictions on entry and stay and, at times, a public discourse on migration that is ambivalent. The restrictions and discourse, if unbalanced, may have adverse impacts on attempts to attract the kind of migrants which the country needs, as well as on the integration of current immigrants and their offspring. Potential immigrants have many receiving countries to choose from, on the one hand, while labour market and educational outcomes may suffer in an atmosphere in which immigrants are not made to feel welcome.

... and countries that can manage the balancing act will come out ahead

In sum, receiving countries that demonstrate an even-handed management of migration movements that is at once welcoming but firm, and in accordance with national needs, will be in a more favourable position to profit from the benefits of international migration.

John P. Martin



Director for Employment, Labour and Social Affairs