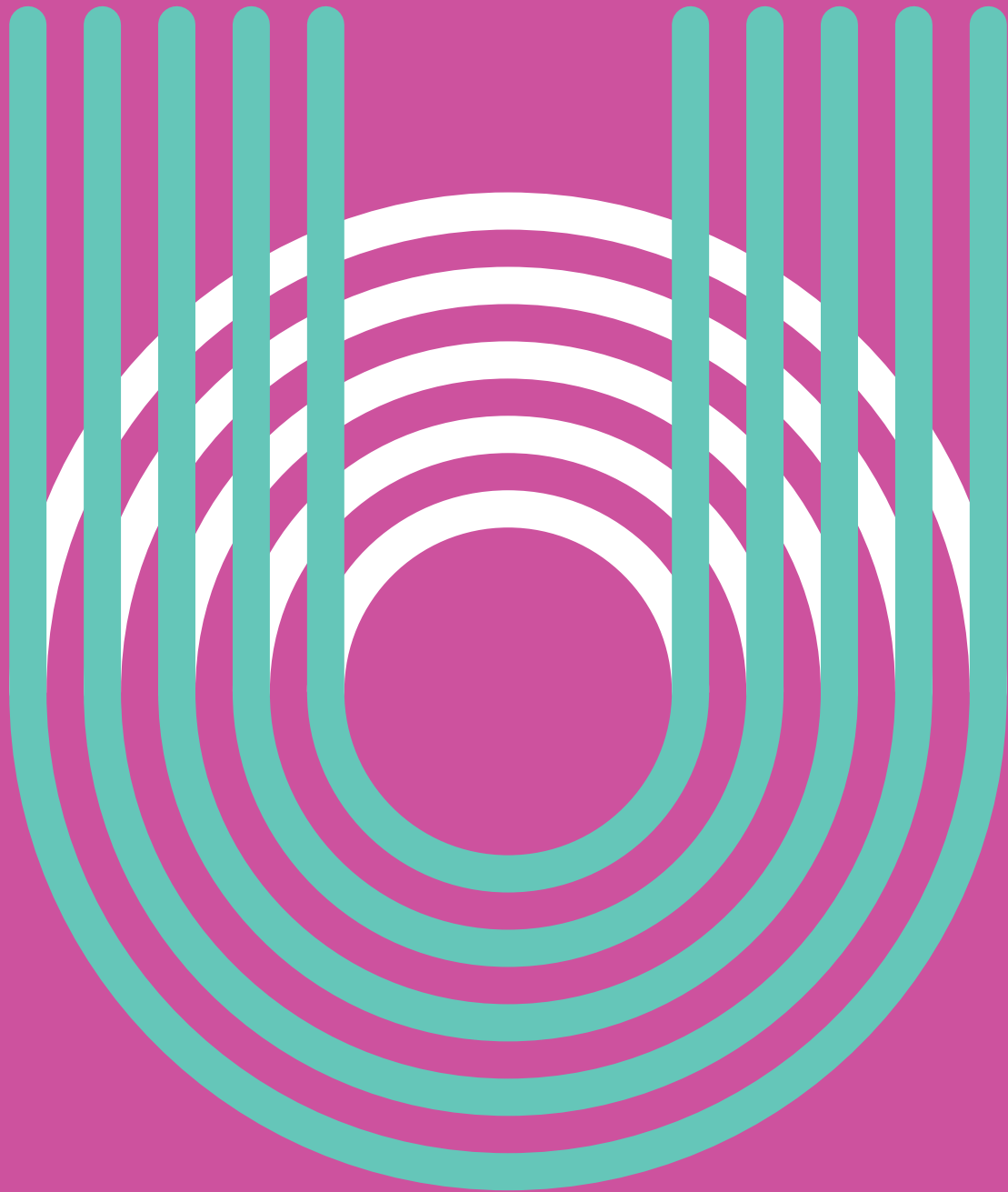


# Meeting of the OECD Council at Ministerial Level

Paris, 30-31 May 2018



**WORKING TOGETHER  
TO MAKE THE MOST  
OF MIGRANTS' SKILLS  
AND FOSTER SOCIAL  
COHESION**



# **Working Together to Make the Most of Migrants’ Skills and Foster Social Cohesion**

## **Background Document**

Humans have always moved across communities, states and continents since the very early ages. Migration flows have been rising over the past decades and will most likely remain high, given the large demographic and economic imbalances. In 2017, about 258 million people were living outside their country of birth globally, and about half of all these migrants were living in OECD countries.

The OECD has been monitoring international flows for more than forty years, and the most recent OECD International Migration Outlook shows that permanent migration has reached the highest levels on record. In recent years, about 5 million people moved permanently to OECD countries every year. While new migrants settling in OECD countries represent less than 0.5% of their total population, the focus on new arrivals tends to neglect the longstanding presence of settled migrants. Across OECD countries, foreign-born people represent on average 13% of the population. Considering also native-born descendants of immigrants, one in five persons in the OECD has a migrant background.

Migration is thus a key underlying characteristic of the OECD economies and societies. Well-managed, legal migration has the potential to make positive demographic, economic and social contributions to countries. Over the past decade, migrants accounted for 65% of the increase in the workforce in the United States and 90% in Europe. OECD work also shows that in most OECD countries, immigrants contribute more in tax and social contributions than they receive in individual benefits. Migrants bring skills, including entrepreneurial skills, and their dedication to fulfil their aspiration for a better future.

However, for a positive impact of legal migration to materialise, it is a prerequisite that migrants and their children are well integrated. The results to date have been mixed, as the joint OECD-EC work on “*Settling In – Indicators of Immigrant integration*” shows. On the one hand, outcomes generally improve with the length of stay in the host country, and from one generation to the next. This is also because many countries made important improvements in integrating immigrants and their children into the labour market and social life of their country. For example, outcomes for immigrant adults have been recovering noticeably from the economic crisis in Southern Europe and the United States. Recent OECD work has also demonstrated that despite the adversities they face, many students with immigrant parents manage to overcome disadvantage, and display high levels of academic, social, emotional and motivational resilience.

On the other hand, undoubtedly many challenges remain, and a lot of potential is wasted, hampering both growth and social inclusion. On average, the unemployment rate of settled migrants – those who have been in OECD countries for more than five years – is 50% higher than for natives, and the outcomes of new arrivals are often much lower still. Perhaps surprisingly, it is among the tertiary-educated immigrants where the gaps in outcomes vis-à-vis the native-born are most pronounced. In many countries, vulnerable migrant groups, such as refugees, may take even 15 or more years to reach on average similar employment rates and native born and labour migrants<sup>1</sup>. What is more, unfavourable outcomes of immigrants extend in many countries to the native-born children of immigrants, who also often lag behind their peers with native-born parents. The OECD report *Resilience of Students with an Immigrant Background* shows that

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<sup>1</sup> The OECD is currently undertaking an horizontal project focusing on “Ensuring the effective integration of vulnerable migrants”

children with immigrant parents tend to underperform in school, particularly students who are themselves foreign-born. On average across OECD countries, around one in two foreign-born students failed to reach baseline academic proficiency in reading, mathematics and science, compared to around one in four students with native-born parents. This pervades generations, as native-born children of immigrants also lag behind on many fronts. The recent OECD publication *Catching Up? Intergenerational Mobility and Children of Immigrants* further explores the drivers behind this.

At the national level, the recent increase in humanitarian migration flows has prompted new approaches and significant innovation with respect to integration in the labour market and in the society as a whole. Specific examples include skills and qualifications assessment, where new tools of testing transferable skills have been elaborated, often in co-operation with the social partners. Indeed, social partners and local communities play a key role in promoting integration. There has also been a lot of policy innovation on fostering the integration of newly arrived children into the education system. Regarding the labour market, new fast-track programmes for the quick integration of refugees in the host labour market have been rolled out in both European and non-European OECD countries. However, training and employment of refugees can be more challenging in countries with high unemployment. ,

While domestic policies in the host countries play a key role in the integration of immigrants, both global competences and international cooperation can and should, as appropriate, also support the process. By supporting schools and teachers to adapt their pedagogical approaches and teaching, the OECD's Global Competency Framework can help build social cohesion and support employability of young people. There is also a strong case for proper international co-operation:

- First, the domestic issues related to a lack of integration also impact on the international front. Lack of integration bears along economic costs in terms of lower productivity and growth. It also entails political costs and instability, and more generally impacts negatively on social cohesion. All of this can have implications for national and international policy-making alike.
- Second, and closely related, the development of inclusive and cohesive societies can be expected to impact positively on international relations by promoting open-mindedness, tolerance and awareness of the global circumstances.
- Third, integration failure in one country has negative spill-overs for other countries, as they impact on the overall perception of settled migrants elsewhere. This is in part because negative stories spread quickly through the news, at times in a distorted manner.. By fuelling prejudices which tend to be the source of discrimination, this can negatively affect integration prospects of settled migrants – including in other countries. Poor outcomes of resident immigrants also constrain the political space to better manage future migration, both with respect to regular flows, especially for countries which seek to attract skilled labour migrants, and also regarding refugees.
- Fourth, international co-operation on labour migration can reduce the uncertainty regarding the transferability of migrants' skills that is often at the origin of poor outcomes, especially for the highly skilled. In particular, multilateral agreements on the assessment and recognition of foreign qualifications can save time and resources, and enhance international mobility of the highly-skilled. International co-operation can also make sure that future migrants are prepared for the move, enabling better and faster integration. In recent years, there has been significant

policy innovation in this respect, and the OECD – together with other international organisations - has notably supported G20 work on this issue.

- Finally, better integration outcomes are also a precondition for functioning of the migration-development nexus. There cannot be a positive impact of migration on development unless immigrants are well-integrated. In OECD countries, there are more than 10 million high-educated migrants who are not employed, including many with skills in high demand. This is a typical situation in which everyone loses: the host country, the origin country, and the migrant. A further 8 million high-educated are poorly matched in their job, a situation where Brain Drain is coupled with Brain Waste. If the skills of immigrants already in the country are well used, they will be able to remit more to their origin countries, and if they decide to return, they will re-integrate more smoothly.

The OECD has longstanding work on integration, both with respect to policies and outcomes. Its joint OECD-EC *Settling In* publication provides the most comprehensive international comparison of integration outcomes of immigrants and their children, and the *Making Integration Work* series identifies good practices in different countries and discusses how countries can learn from each other. The OECD is thus well-placed to support member countries with respect to exchanging and co-operating on integration issues. Countries may wish to further benefit from its expertise and knowledge about what works and what does not through in-depth country studies on integration of migrants in general (notably the series “*Skills and Labour Market Integration of Immigrants and their Children*”) and specific groups in particular, such as refugees (the new series *Finding their Way*). Several OECD countries have already benefited from these, and the OECD Secretariat stands ready to extend this country-specific support to further countries.

## References

OECD (2018), *The Resilience of Students with an Immigrant Background: Factors that Shape Well-being*, OECD Reviews of Migrant Education, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264292093-en>.

OECD (2017), *Catching Up? Intergenerational Mobility and Children of Immigrants*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264288041-en>.

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