

10. SKILLED IMMIGRATION IN OECD REGIONS

International migration is an important factor that contributes to demographic and human capital changes in many OECD regions. Information on the skill composition of migrants is important to understand its effects on local labour markets. Moreover, there is evidence that highly skilled migrants bring higher productivity, entrepreneurial assets and trading opportunities to host regions. The past decade has seen a substantial increase in the employment of immigrants with tertiary educational attainment, partly as a result of changes in migration policies to favour admission of highly qualified workers. Regional differences in the distribution of highly skilled foreign-born individuals across regions are particularly marked in Mexico, the United States, Spain, Canada and Germany (Figure 10.1). In Canada, the population of foreign-born individuals is on average highly educated. The result for Canada is partly explained by the large weight given to formal education in their immigration policies. Despite the large increases in recent inflows of low-skilled migrants from South America, Spanish regions have on average a similar proportion of highly skilled people compared to other Southern European countries such as Italy and Portugal.

In absolute numbers, highly skilled foreign-born individuals contribute heavily to the human capital endowments of regions in the United States, Canada and Australia. Paris and London are other poles for skilled immigrants. Weighting these numbers by the size of the host region, the picture of represented regions is similar, even if their rank changes significantly. Ontario, London and British Columbia are the regions that benefit most from skilled migration, the tertiary educated, foreign-born population being over 15% of the surveyed labour force (Figure 10.2).

Do foreign-born individuals increase the average education levels in host countries? The data show that this is the case in several OECD countries. In Ireland, Portugal, the Slovak Republic and the United Kingdom, the higher education level of the foreign-born individual with respect to the native-born is particularly evident. Higher rates of tertiary education among natives are observed in Nordic countries that have traditionally hosted larger numbers of refugees. Of course, these estimates need to be interpreted with caution as non-registered migrants may be under-sampled in censuses and labour force surveys, and these migrants tend on average to have lower education rates (Figure 10.3).

An important issue is whether regions that host highly educated migrants have competitive advantages in the competition for global talents. It is interesting to note that the correlation between skilled recent immigrants (having lived in the region for less than five years) and skilled established migrants (with more than four years of residence in the region) is much higher than the one between skilled recent and unskilled established immigrants

(Figure 10.4 for African migrants, similar findings hold for other origin groups). This might be explained by network effects that are specific to the highly skilled (e.g. skilled immigrants passing information on job openings or creating jobs for other skilled migrants). This suggests that it will be more difficult to boost skill endowments through immigration for those regions that are not traditional destinations for skilled immigration. A tighter co-ordination of migration policies and regional development policies might be needed to “take advantage” of migration as a lever for skill upgrading.

Definition

Skilled migrants are defined as the number of foreign-born labour force with completed ISCED 5-6 education levels, residing in the region in 2005.

Recent migrants are defined as persons who arrived in the country within the previous five years. Established migrants are those having resided in the country for five years or more.

Source

OECD Database on Immigrants (DIOC) and OECD Regional Database: <http://stats.oecd.org/WBOS>.

See Annex B for data, source and country-related metadata.

Reference years and territorial level

2005-06; TL2 and TL3. Data on immigrants by region are not available in Chile, Czech Republic, Iceland, Israel, Japan, Korea, Poland, Slovenia and Turkey.

Further information

OECD (2010), *International Migration Outlook 2010*, OECD Publishing. DOI: 10.1787/migr_outlook-2009-en.

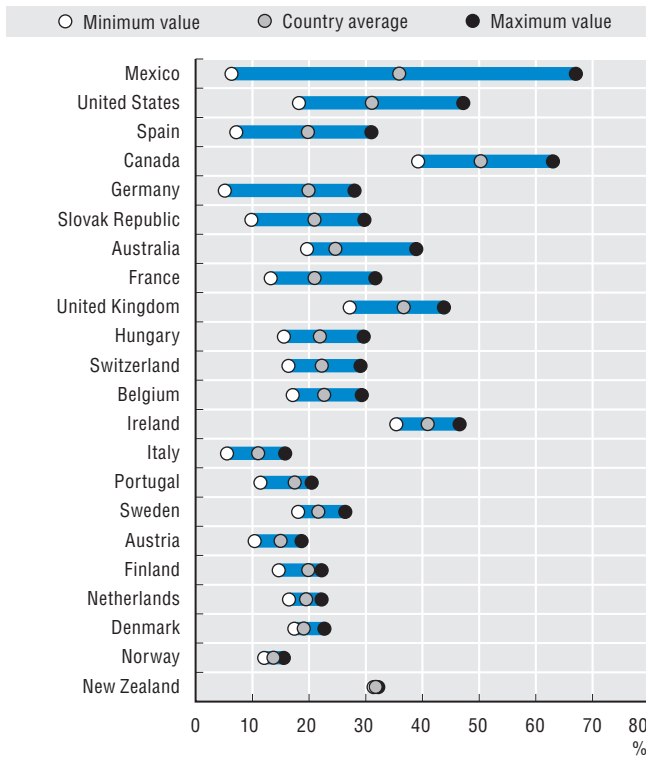
OECD (2010), “Determinants of localisation of recent immigrants across OECD regions”, www.oecd.org/dataoecd/61/49/45344744.pdf.

Figure notes

10.3: Country values are computed by aggregating TL2 regional values.

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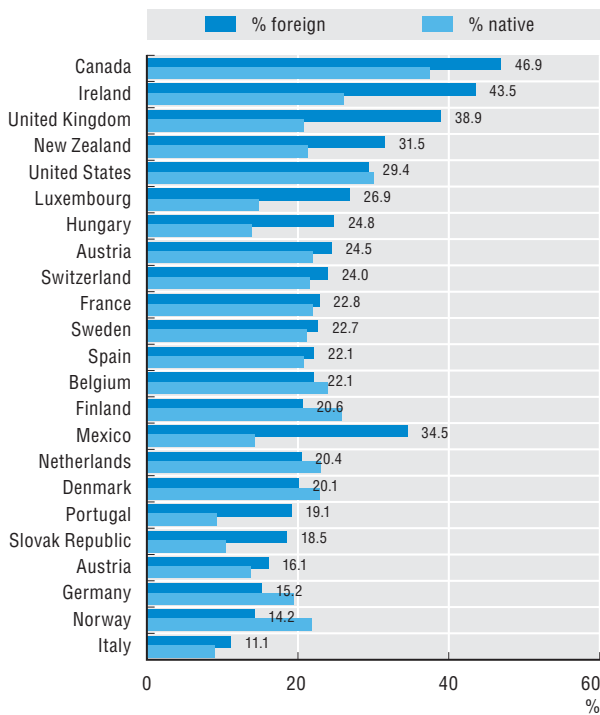
10.1. TL2 regional range in skilled migrants as % of total immigrants, 2005



10.2. Top 20 TL2 regions of skilled immigrants, 2005

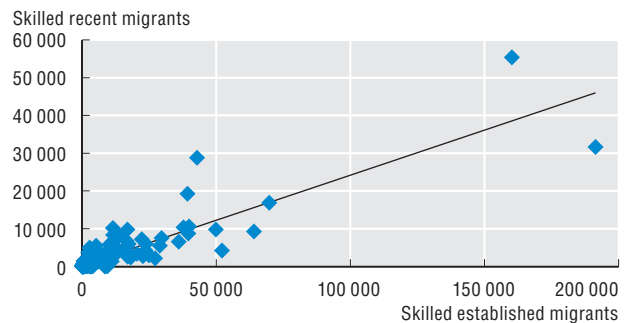
Rank by number of highly skilled immigrants	Skilled immigrants	Rank by highly skilled immigrants as % of labour force	Skilled immigrants as % of labour force
California	2 628 162	Ontario	15.50
Ontario	1 499 035	British Columbia	15.30
New York	1 341 895	London	15.30
Florida	1 060 243	Australian Capital Territory	11.90
London	932 560	Bruxelles/Brussels	10.10
Texas	752 027	Luxembourg	10.00
New Jersey	632 125	New South Wales	9.40
Illinois	510 517	California	9.30
British Columbia	509 985	New Jersey	9.10
Ile De France	494 161	Western Australia	9.10
New South Wales	483 865	Alberta	9.00
Quebec	371 120	Region Lemanique	8.90
Virginia	332 904	North Island	8.70
Victoria	329 221	New York	8.60
Massachusetts	327 303	Victoria	8.40
Nordrhein-Westfalen	307 732	Florida	7.20
South East	300 485	District Of Columbia	7.10
Maryland	298 746	Hawaii	6.80
Bayern	263 096	Maryland	6.70
Georgia	258 200	Yukon Territory	6.30

10.3. Share of labour force with tertiary education attainment, by place of birth, 2005

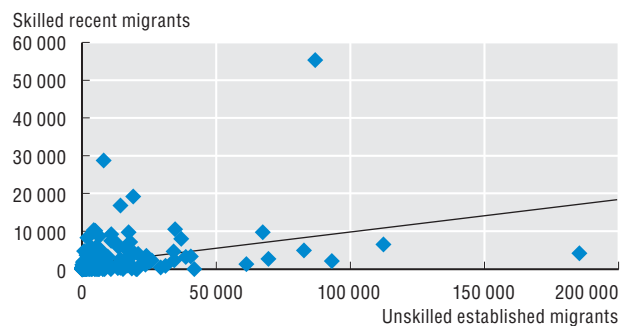


10.4. The specificity of network effects to education groups, immigrants of African origin, TL2, 2005

Network effects: skilled recent and skilled established African immigrants



Network effects: skilled recent and unskilled established African immigrants



StatLink <http://dx.doi.org/10.1787/888932439577>



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