Labour Migration Management: Global Lessons and Challenges
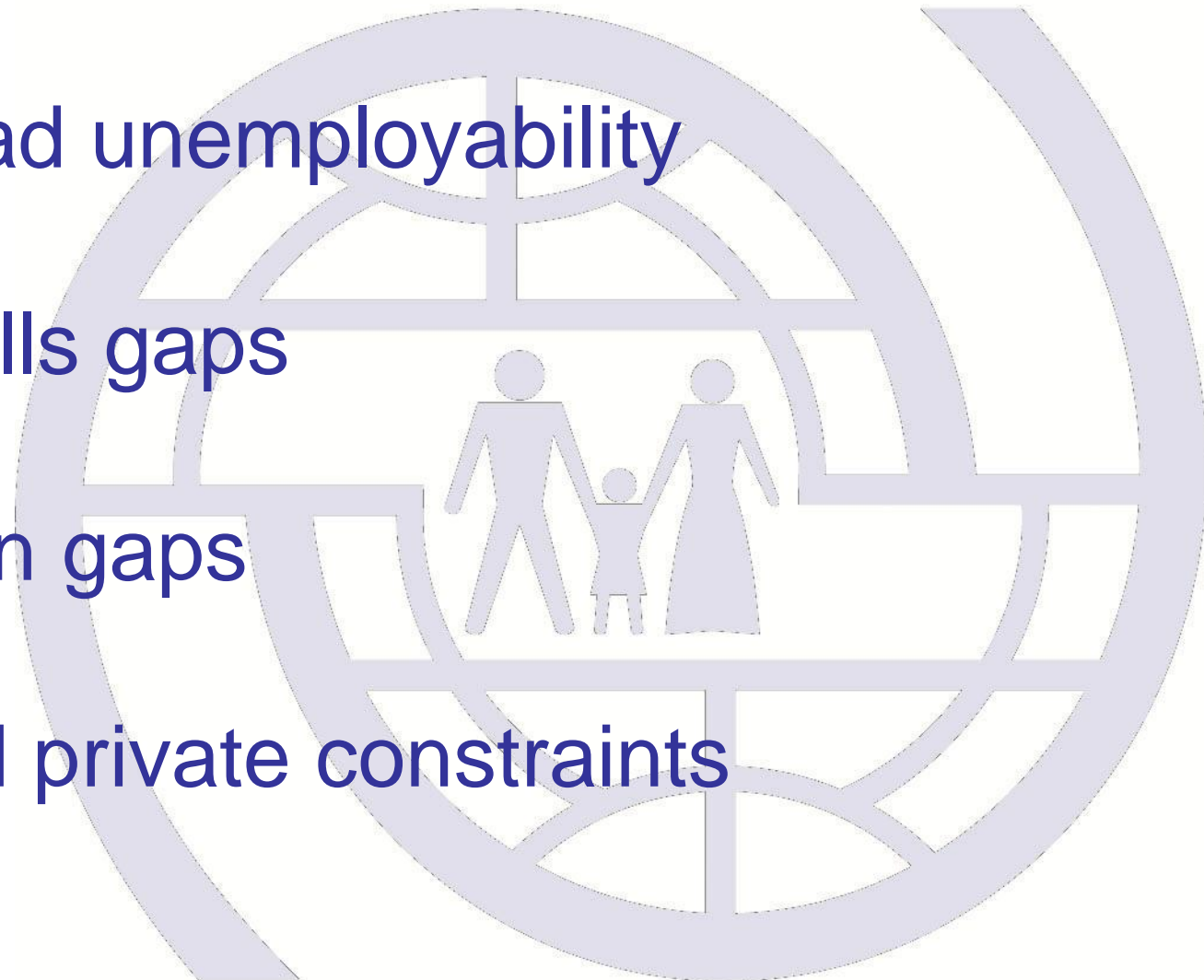
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Main policy issues

- Widespread unemployability

- Critical skills gaps

- Information gaps

- Public and private constraints

World Economic Forum, 2011

- What are labour and skill shortages and how these could be addressed in general?

- Can they be measured and how?

- How can labour market needs be reflected in migrant admission policies? What do we know about the existing policies and their outcomes?

Labour and skill shortages

- Ambiguous concepts that are hard to measure

- Occur when demand for a particular type of labour exceeds the available supply at the current wage and conditions of employment, and in a particular location

- Labour vs. skill shortages

- What causes and shapes shortages?

- What are the possible solutions? How to pick them and prioritize? How does migration fit into the picture?
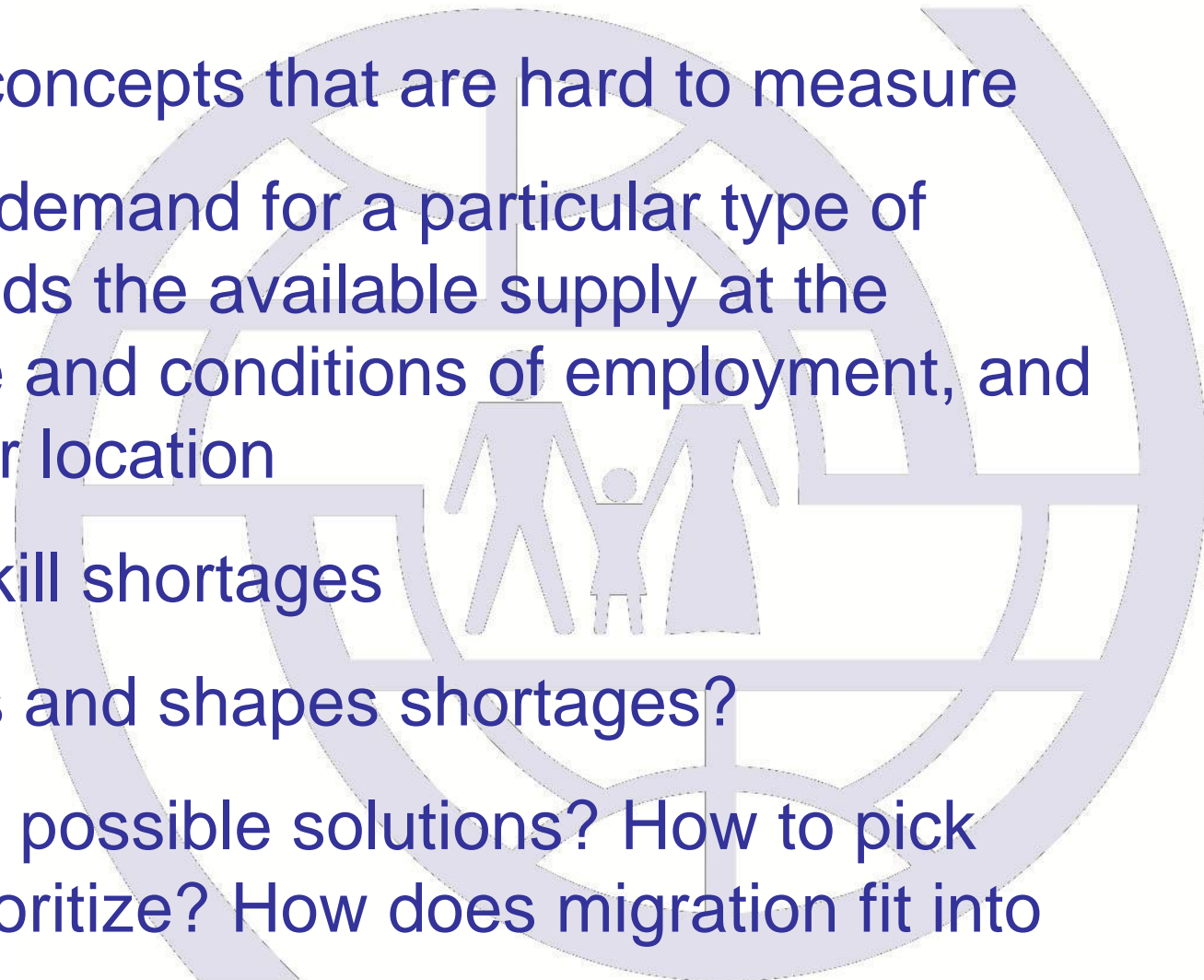
Measuring labour market needs

- Better labour market data – better informed decisions of policymakers, employers, workers, educational institutions

- Macro- and micro-level data to maximize the accuracy, but also to enable transparency and acceptance through stakeholder involvement

- But can be subjective and limited in the capacity to capture needs on time and at the necessary level of detail

Country examples

- Canada

- Australia

- United Stated

- United Kingdom

- Sweden

Labour market needs and migration policy

Difficulties in using immigration in response to perceived labour shortages in specific occupations:

• Accurately identifying the shortage

• Accurately predicting business cycle effects, adjustments in wages, firms' input mix, technology, process innovation, or labour sources

• Developing an admission mechanism that will succeed in selecting the desired migrants

• Altering immigration flows quickly in order to respond to a shortage in the timely manner

• Getting migrants to the region experiencing shortage

• Ensuring successful labour market integration and avoiding brain waste

Source: Riddell et al., IOM 2011

Labour market needs and migration policy

- Both countries with predominantly human capital and demand-driven immigration models take measures to adapt admission frameworks to improve a match with the labour market

- Combining elements of both models:

  - Attracting migrants with characteristics that place them in a favourable position for labour market insertion, and have the potential to generate spillover effects on growth and innovation

  - Employer-led schemes to respond to growing temporary and long-term demand in certain areas

  - Pathways from temporary to permanent employment and residence, including for lesser skilled migrants

- Adjustments based on the labour market evidence and continuous evaluation of policy outcomes
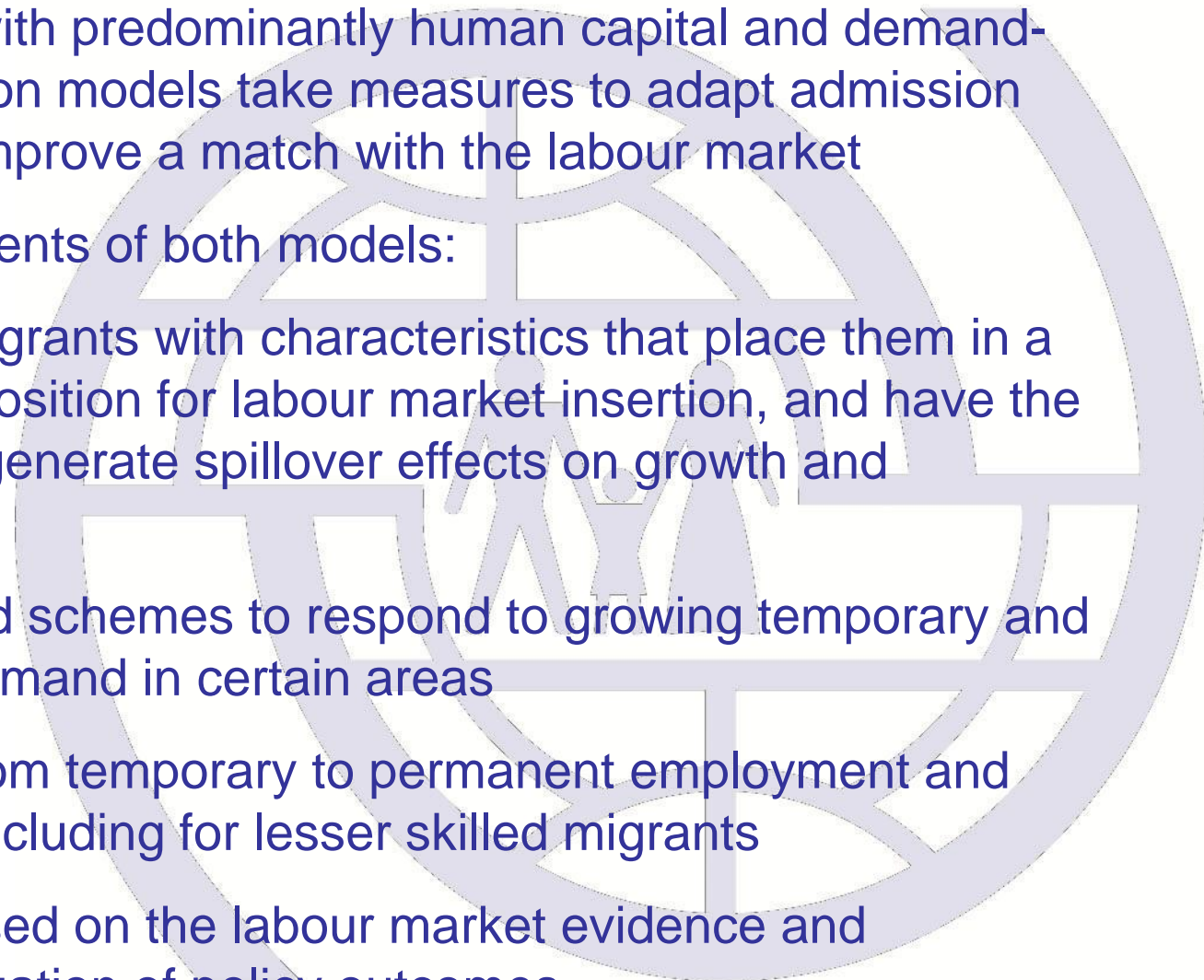
- Possibilities to reflect labour market considerations both within employer-led and human capital models

- Role of stakeholder dialogue

- Role of the regional and local level, and addressing labour market geographical mismatches through migration

- Improving links between labour market and non-economic immigrant inflows

Challenges of less skilled migration

- Tendency to focus on the highly skilled in the context of the debate on labour market needs and migration

- Meeting demand through other admission channels

- Tacit approval of irregular migration

- Existing legal economic immigration channels for the low-skilled are often temporary or seasonal

- But demand could be permanent or of the cyclical nature that is hard to capture by uniform scheme

- Are spillover effects on growth and job creation a prerogative of the highly skilled?

- Pathways towards permanent settlement

- Protection of rights
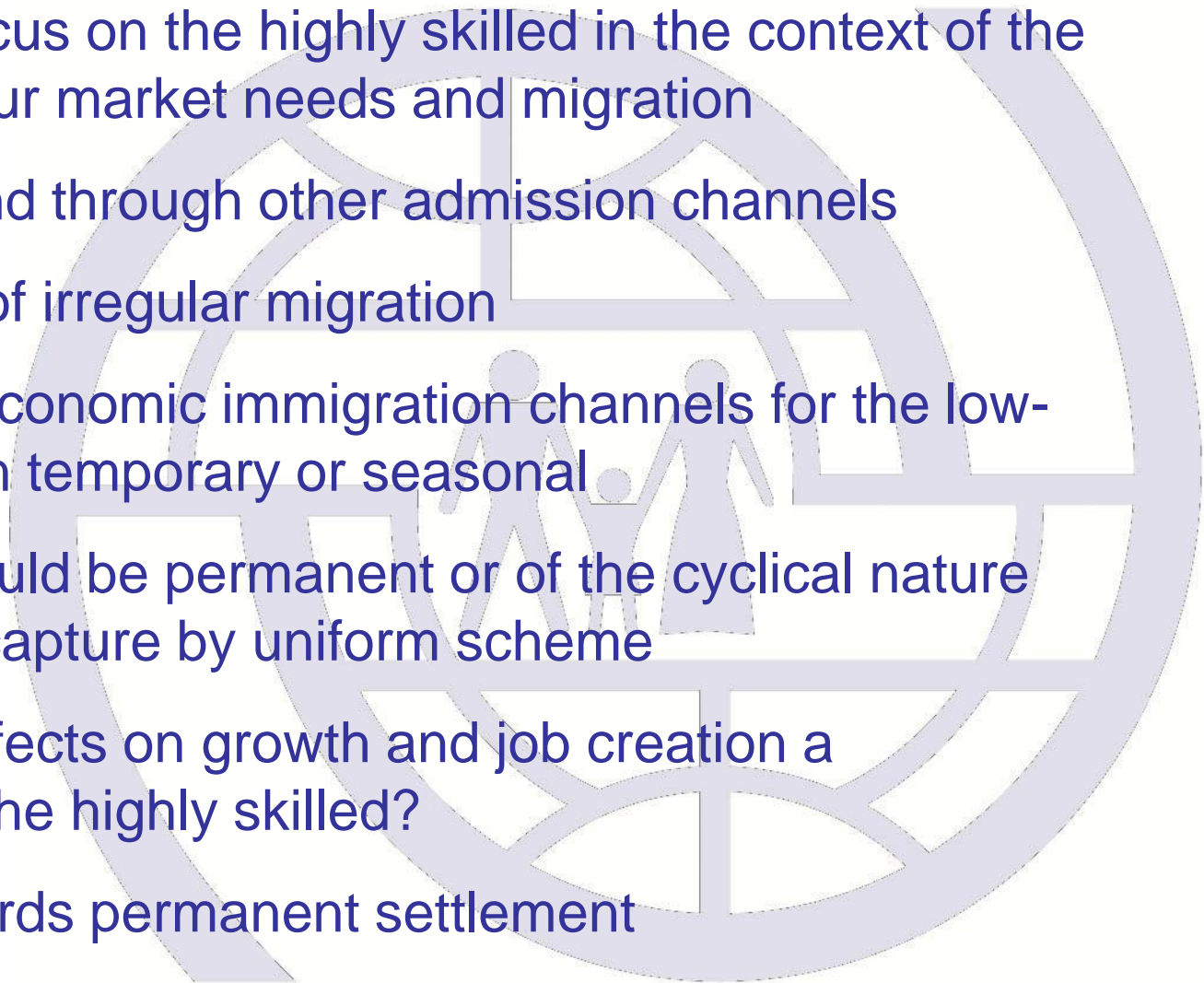
Ultimate challenge - integration

Do admission policies reach their aims?

- Individual characteristics

- Labour market and sectoral conditions

- Conditions for innovation and entrepreneurship, such as the state of venture capital industry

- Discrimination

- Recognition of qualifications

- Challenges of wider societal integration

- Openly valuing diversity

Integration potential and overall environment are key elements in attracting new migrants, particularly highly skilled – not enough to introduce a favourable admission scheme

THANK YOU!

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