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Olomouc

Highly skilled migration

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Who are highly skilled migrants?

- Other terms like expats, intra-company transferees...
- 'Global race for talent'
- No universal definition but often those with tertiary education
- Different types of visa categories
- Some countries define skilled migrants by:
 - Salary
 - Talent/merit
 - Points (Siegel, 2022)





Highly skilled migration

- The issue of brain drain (Bhagwati, 1976), brain gain (Lucas, 2005) and talent circulation (Saxenian, 2006)
- Moving away from education (Kuvik, 2012) and description according to occupation
- The CZ-ISCO classification (2019) includes 3 categories of employment at a highly qualified level:
 - senior management
 - researchers
 - technical, health and teaching staff



Definitions

- Highly-qualified or highly-educated migrants
- Not a universal definition
 - the level of education, rather than the salary scale is the appropriate measure (Smith and Favell 2006; Triandafyllidou and Gropas 2014)
 - Students are a special category, considered highly-skilled in some cases, yet not in others (She and Wotherspoon 2013; Raghuram 2013)
 - “expatriates,” “lifestyle migrants” (Benson and O’Reilly 2009), “cosmopolitans” (Brimm 2010), “Eurostars” (Favell 2011), “elite migrants” (Beaverstock 2005) or “knowledge migrants” (e.g. Ackers 2005)

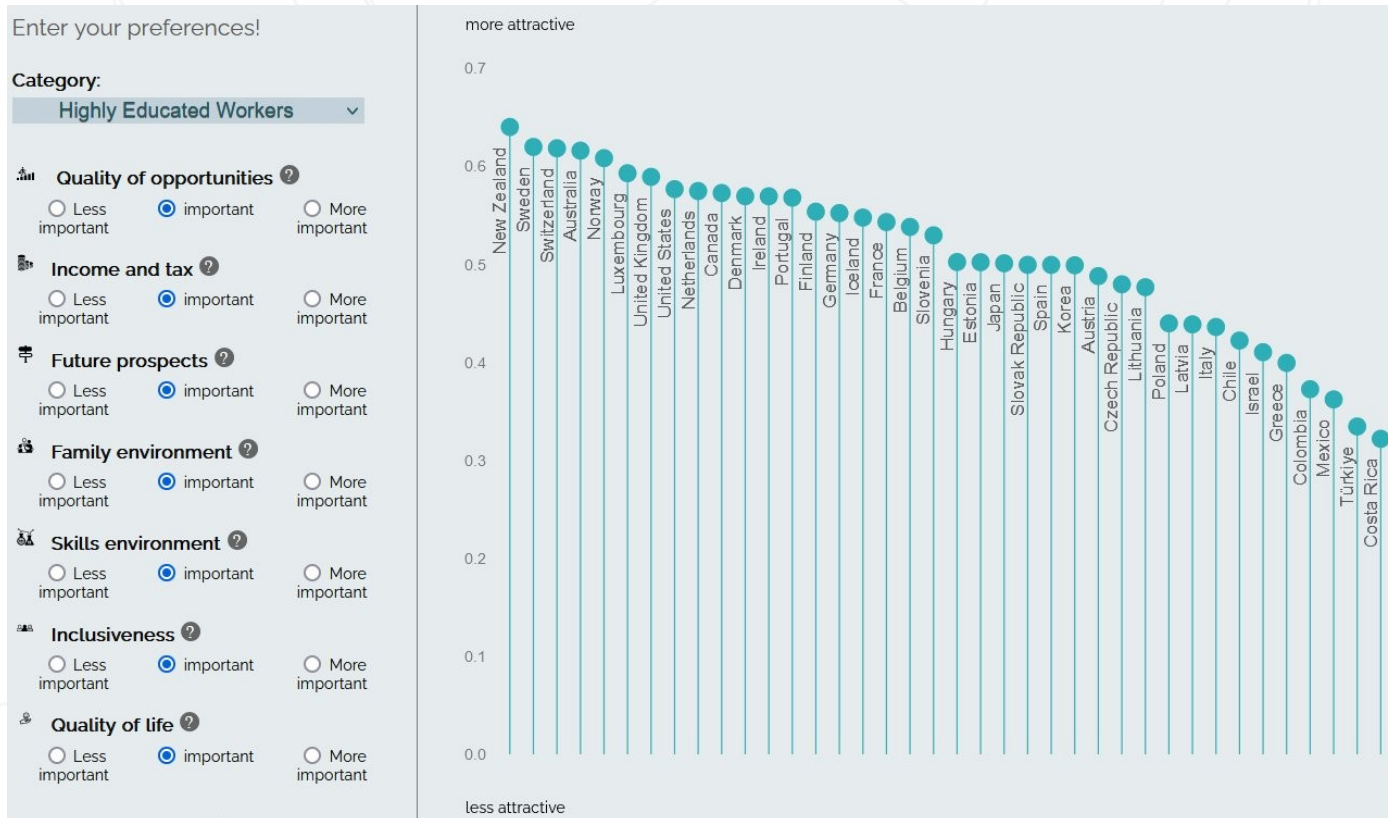


Highly skilled migration

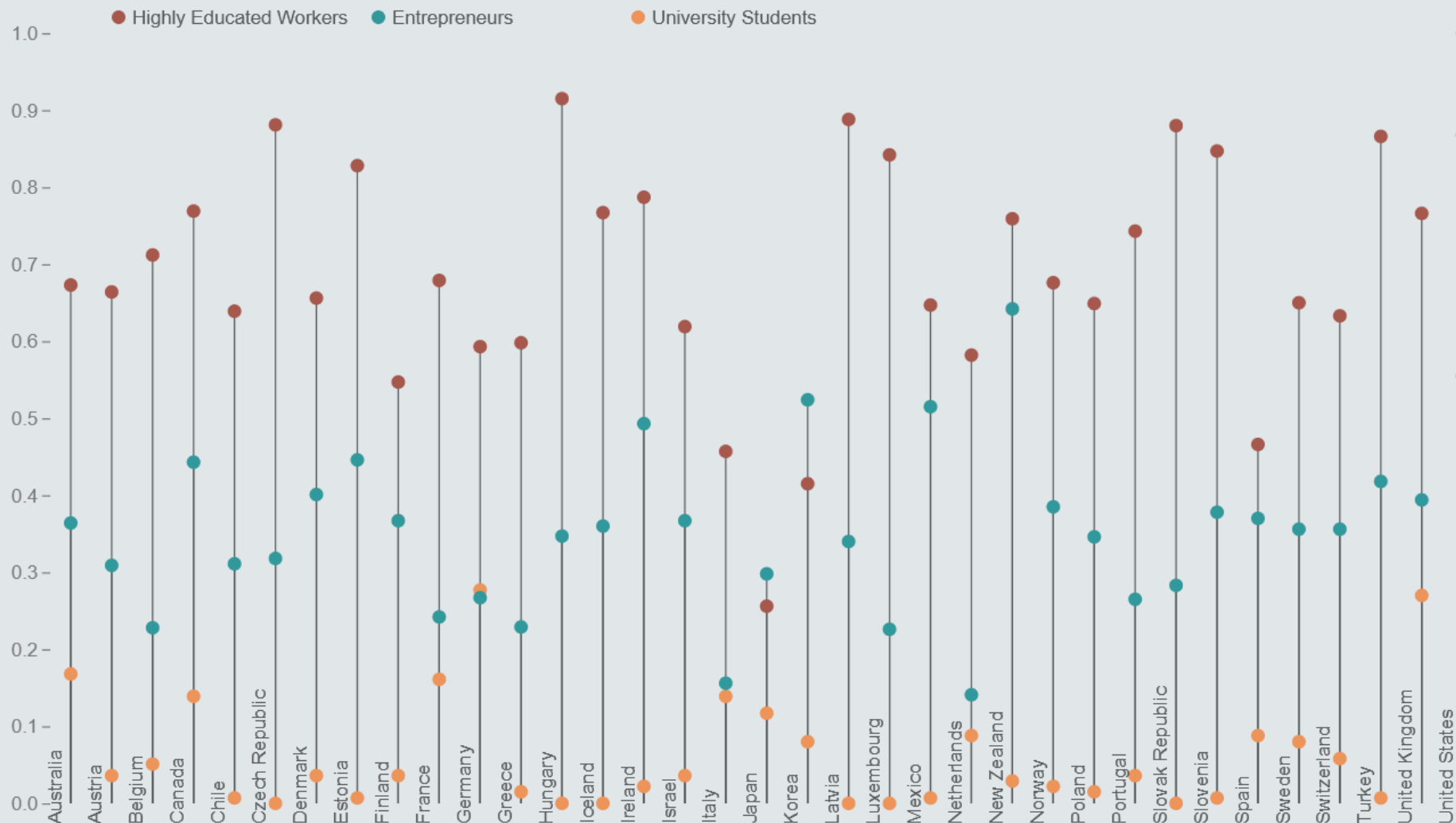
- Highly skilled workers generally welcomed by destination countries
- Still face deficits in terms of rights and hurdles in their transition to a long-term status (Triandafyllidou, 2022)
- Less attention to the local experiences of skilled migrants (Van Riemsdijk, 2014)
- Research on skilled women in STEM professions in Germany (Grigoleit-Richter, 2017)
 - though privileged compared with other immigrant women, face barriers in the highly gender-segregated German technology industry
- Migration and settling-in processes of highly skilled professionals and their families in Germany and the UK (Föbker and Imani, 2017)
 - the role of language, the establishment of new social networks and labour market participation



OECD talent attractiveness

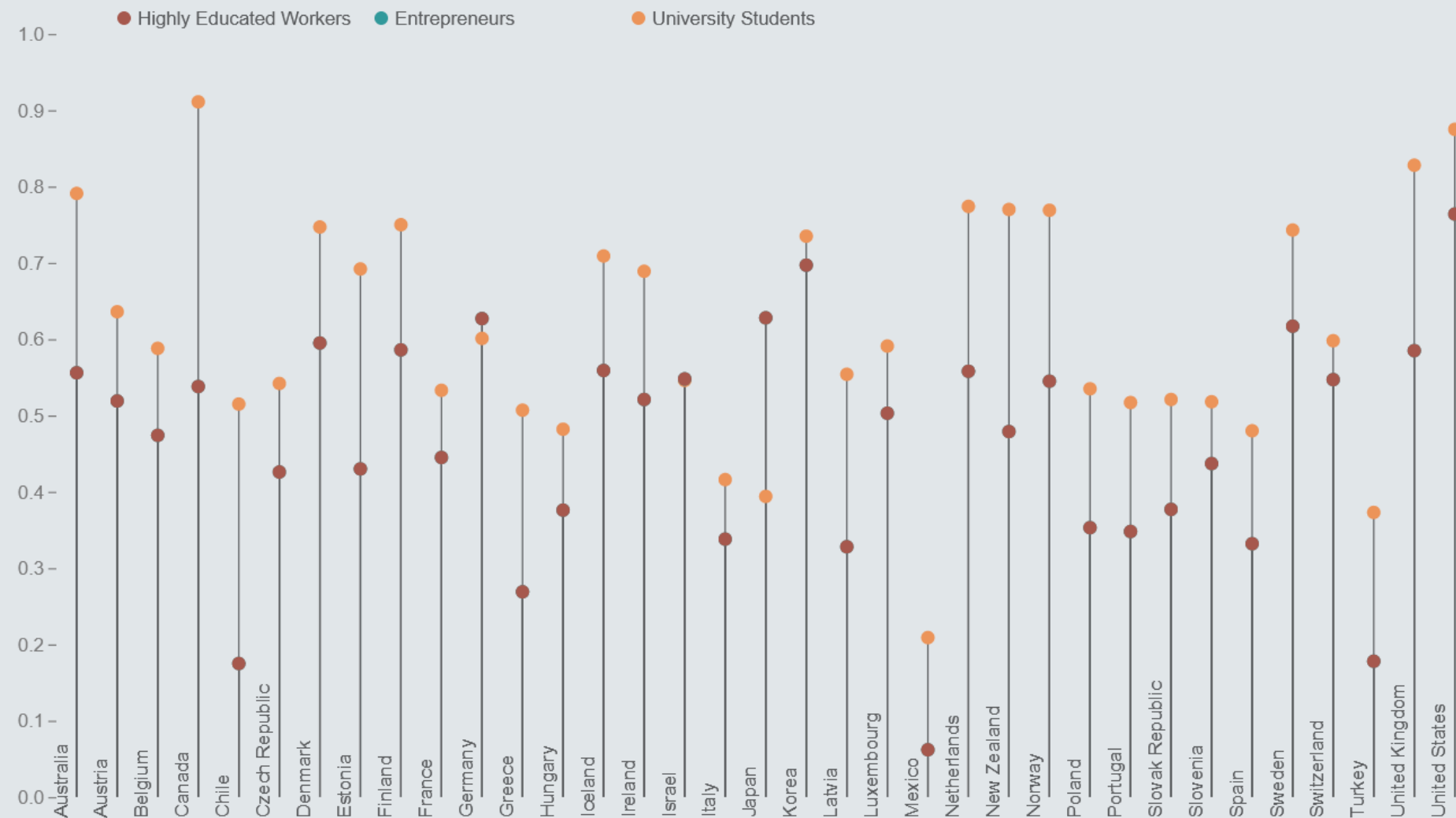


Quality of opportunities



Zdroj: Tuccio, M. (2019), "Measuring and assessing talent attractiveness in OECD countries", OECD Social, Employment and Migration Working Papers, No. 229, OECD Publishing, Paris, <https://doi.org/10.1787/b4e677ca-en>.

Skills environment



Zdroj: Tuccio, M. (2019), "Measuring and assessing talent attractiveness in OECD countries", OECD Social, Employment and Migration Working Papers, No. 229, OECD Publishing, Paris, <https://doi.org/10.1787/b4e677ca-en>.



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“Migration can be a powerful force for prosperity and development. When it is managed properly, it provides benefits for all people — in origin and destination societies.”

(World Development Report, World Bank, 2023)



Impact of skilled migration in the countries of destination

- Innovation = new idea, device or method
- It can be a catalyst for growth and development
- Steady increase of highly educated persons among total migration flows
- Circulation of scientists, researchers etc.
- Migration can help domestic innovative companies in overcoming labour shortages, diffusion of knowledge (or experience)
 - Higher rate of patents among migrants in the US



Mette Foged and Giovanni Peri (2013) Study on Immigration to Denmark

- Less skilled domestic workers moved into more complex occupations thanks to immigration
- Immigration raised the wages of the low-skilled domestic population
- No higher probability of unemployment was found for low-skilled Danes



Christian Dustmann and Tommaso Frattini (2014) The Fiscal Effects of Immigration to the UK

- 2000-2011: immigrants from EU countries contributed more than £20 billion to the UK budget
- Their human capital (education) was calculated at £6.8 billion.
- Those who arrived since 2000 were 43% less likely than Brits to be on welfare
- Migrants from EU-15 countries: handed over 64% more than they received in benefits
- Migrants from new member countries: contributed 12% more



OECD study (2014)

- The impact of migrants who have arrived in OECD countries over the last 50 years is almost zero
- Only rarely it exceeded the threshold of 0.5% of GDP (positively or negatively)
- Luxembourg and Switzerland - 2% positive contribution
- In most countries (except those with a higher proportion of older migrants), migrants contribute more in taxes than they receive in benefits



Mayda et al. (2022) The fiscal impact of immigration in the United States: Evidence at the local level

- An increase in the population share of immigrants of a U.S. county does not significantly affect, on average, local public revenues and expenditures
- Heterogeneity in terms of the impact of immigrants with different skill levels
- Inflows of high-skilled immigrants improve the fiscal health of local governments - by increasing county-level revenues and expenditures - while the arrival of low-skilled immigrants has the opposite impact
- Transfers to the county from the federal government (only) partially offset the local fiscal impact of immigration



Patricia Cortés (2023) Immigration, household production, and native women's labor market outcomes

- There are more than 12 million foreign domestic workers in the world
- They represent 7.7% of all migrant workers and 17.2% of all female migrant workers
- 70% Filipino migrant women migrate as domestic workers, 88% in Indonesia and 80% in Sri Lanka
- Low-skilled immigrants provide services that are close substitutes for household production and enable high-skilled native women to participate more actively in the labour market
- Migrant domestic workers have large positive effects on the labour supply of highly educated women's labor supply and on the gender pay gap for high-powered occupations



Highly skilled migrants and integration

- Literature on specific patterns of integration among highly-skilled migrants (Nohl et al. 2014; Duchêne-Lacroix and Koukoutsaki-Monnier 2016; Ryan and Mulholland 2014; Raghuram 2013; Piekut 2013; Fechter and Walsh 2010; Fechter 2007)
- Migration vs. mobility
- Skills often not recognised (spouses, refugees)
- Integration support in the host countries focuses on low-skilled immigration and the highly-skilled are often left to their own devices to create a life on their own (Buzdugan and Halli 2009; She and Wotherspoon 2013)



Integration paradox

- Various studies point to the fact that immigrants who have a better access to mainstream society report more discrimination
- Especially if they possess characteristics that distinguish them from the mainstream society and live in countries with a more open socio-political context of reception
 - **higher education,**
 - length of residence,
 - language skills,
 - news media consumption,
 - increased social exposure to mainstream members (Schaeffer and Kas, 2023)



Low skilled migration

- People working in jobs that do not require formal qualification
- People without qualifications
- People working in low-wage positions
- Semi-skilled workers (waiters, taxi drivers)
- Issue of the recognition of qualifications
- Employment-skills mismatch



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Unskilled migration?

'Britain is to close its borders to **unskilled workers**' was how *The Guardian* introduced the UK government's announcement of a new Australian-style **points system** in February 2020. *The Sun* predicted that 'unskilled migration from the EU' would **plummet by 90,000** per year, while *The Economist* worried, rather predictably, that fewer unskilled workers might put '**upward pressure on wages**'. Though the government policy documents do not actually use the term 'unskilled', it was used repeatedly in reports on the **points system** and on **migrants in low-skilled work** by the government's own Migration Advisory Committee (MAC). The fact that the experts on the committee use the term gives it a degree of legitimacy beyond whatever the media can bestow.

Patrick McGovern (2020). Who are you calling unskilled?

<https://blogs.lse.ac.uk/brexit/2020/03/06/long-read-who-are-you-calling-unskilled/>



Deskilling (brain waste)

- Work does not match the worker's qualifications
- Complexity of recognition of qualifications – formal education and previous work experience
- Also: underemployment (Jong and Madamba, 2001), downward occupational mobility (Bauer and Zimmermann, 1999), degrading of skills (Grande, 2008), over-qualification (Chen et al., 2010), over-education (Chiswick and Miller, 2009), job mismatch (Pecoraro, 2011) and skill erosion (Galgóczi et al., 2009)
- Valenta and Drbohlav (2018) describe the mismatch between the qualifications that skilled migrants have and the jobs they hold on the labour market in the Czech Republic



Impact of skilled migration in the countries of origin

- Remittances as a source of income to invest in technologies
- Social remittances = the transfer of knowledge, values and norms can lead to changing institutions
- Return migration – facilitating knowledge transfer and international cooperation
- Transnational networks and specific policies on diaspora engagement
- BUT it can also hinder the ability to innovate (brain drain)



Brain drain

- **Brain drain** (or human capital flight) is a phrase denoting the one-way migration of highly educated and qualified people
- In contrast to outflow, **brain gain** has mainly positive effects, both for the country in question and for the person in question
- **Brain circulation** – temporary migration, migrants return after some time with new knowledge or skills
- Triple-win situation



Skilled migration according to income level



Income Group Countries	Tertiary-Educated Emigration Rate	
	2000	2010
High-Income	6.3%	8.4%
Upper Middle-Income	14.1%	23.6%
Lower Middle-Income	16.3%	31.8%
Low-Income	8.1%	14.7%



Source: Brücker, Capuano, Marfouk (2013). Education, gender and international migration: insights from a panel-dataset 1980–2010, mimeo. Data is available online at <https://www.iab.de/en/daten/iab-brain-drain-data.aspx> (accessed 8 September 2019)





[map](#)

Share of a country's nationals with a university degree
living in an (other) OECD country

 Less than 2 %
 Less than 20 %

 Less than 5 %
 Over 20 %

 Less than 10 %
 Not included

* The depiction and use of boundaries shown on maps do not imply
official endorsement or acceptance by the OECD.

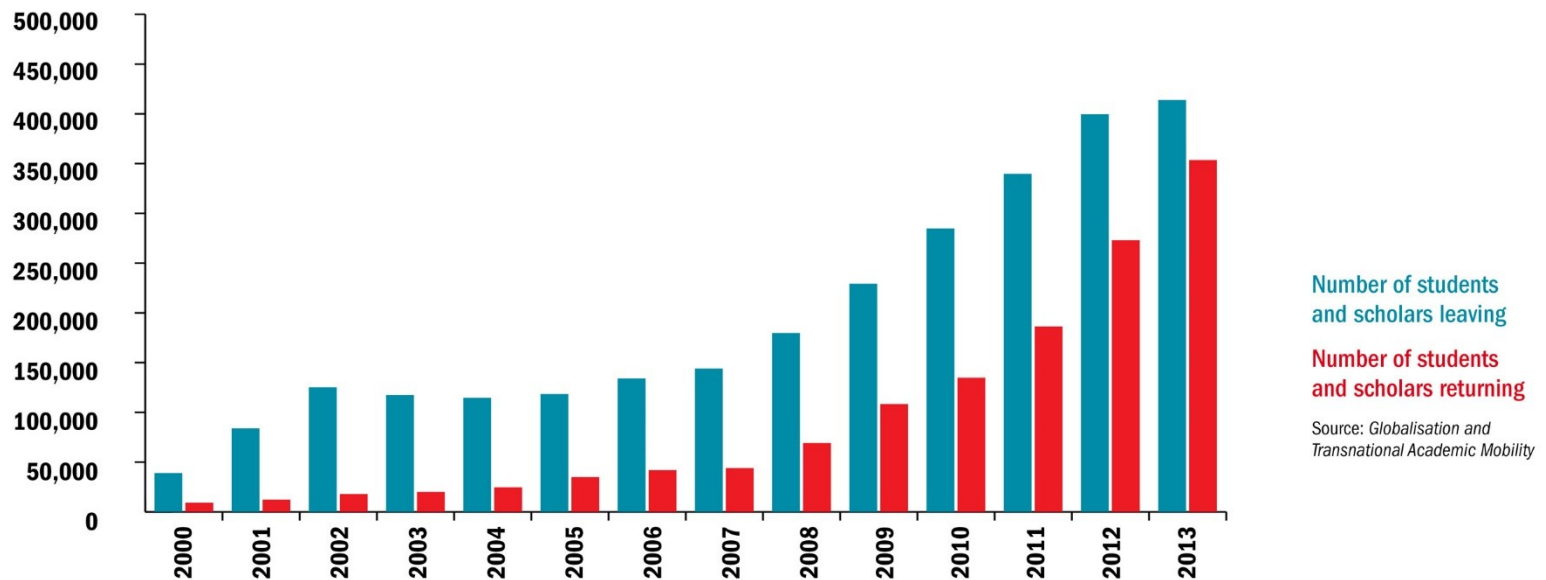


Reverse brain drain

- A form of brain drain where human capital leaves a more developed country for a less developed country
- Skilled workforce can further their education, gain work experience and then return to capitalize on that experience
- Some countries have active policies that support this form of (return) migration, e.g. China
- *“**Sea turtles**,” or haigui in **Chinese**, is slang for people who are born in mainland **China**, spend a few years abroad studying or working, and return home as high-skilled talent. (Sun, 2013)*



China and brain drain



Number of students
and scholars leaving

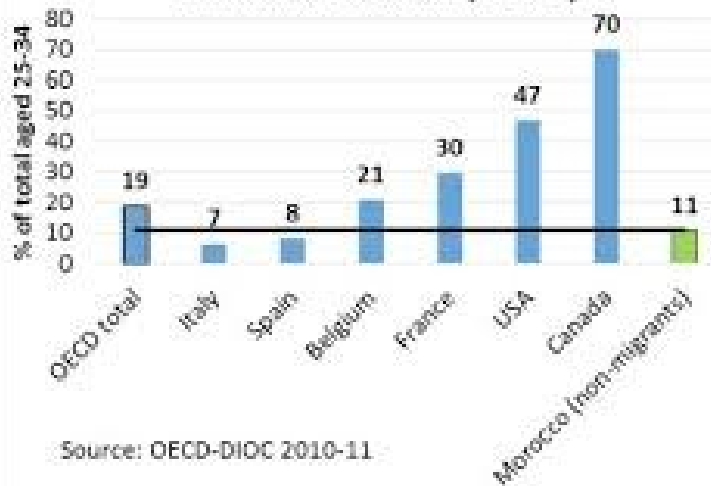
Number of students
and scholars returning

Source: *Globalisation and
Transnational Academic Mobility*



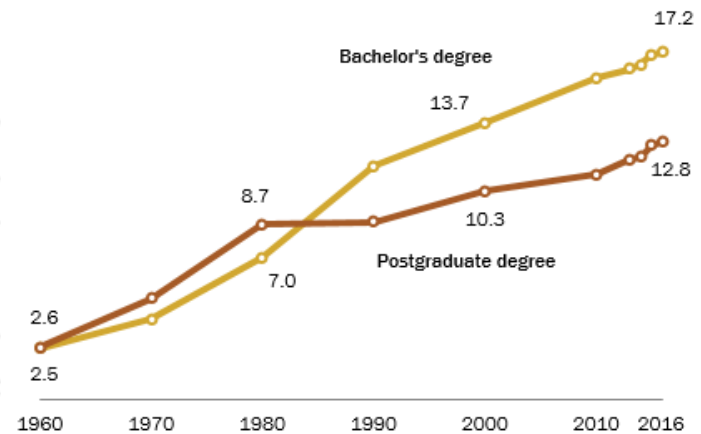
Morocco and USA - examples

Percentage of highly-educated Moroccan migrants in age group 25-34 years, various destination countries (c. 2011)



An increasing share of U.S. immigrants have a bachelor's degree or higher

% of immigrants ages 25 and older whose highest level of education is a ____, 1960-2016



Note: "Postgraduate degree" refers to those who have attained a degree higher than a bachelor's degree.

Source: Pew Research Center tabulations of 1960-2000 decennial censuses and 2010, 2013-2016 American Community Surveys (IPUMS).



USA

- “Give us your best, your brightest, your most energetic and talented” instead of “give us your poor, huddled masses” (Moore 1993)
- Silicon Valley: 30% of new companies between 1995-98 were founded by Indian and Chinese immigrants
- US National Research Council (1988): „a large fraction of the technological output of the United States is dependent upon foreign talent and such dependency is growing“
- 1 out of 3 engineers in the USA is an immigrant
- The US competitiveness also thanks to the ability to attract and retain talented workers from foreign countries
- More Russian Nobel prize winners live in the USA than in Russia



Immigrant entrepreneurship

- A small corner shop or transnational company...
- In Los Angeles: Koreans are 3x more likely to be entrepreneurs than other population
- Miami: businesses owned by the Cubans
 - 1967: 919
 - 1976: 8 000
 - 1990: 28 000
- An average business employing 2-4 workers
- The effect can be positive as well as negative (long work hours, neglecting the legislation...)



USA – selected companies founded by foreigners

<u>Company</u>	<u>Founder</u>	<u>Country of Origin</u>	<u>Employees</u>
– Intel	Andy Grove	Hungary	86,300
– Sun	Bechtolsheim/Khosla	Germany/India	34,900
– Yahoo	Jerry Yang	Taiwan	13,600
– Google	Sergey Brin	Russia	20,222
– eBay	Pierre Omidyar	France	16,200



USA visa types

- H1-B visa
- To work in a specialty field
- Post-secondary education of at least 4 year
- H1-B1 (for Chilean and Singaporean nationals)
- O-1 visa for individuals with extraordinary ability and achievements in different fields ('Einstein visa')
- L – intra-company transferees (managerial or executive capacity or specialized knowledge)



Canada and Australia

- Expression of Interest (Eoi) system, point-based system
- To address labour shortages, especially in healthcare, manufacturing, engineering, and trade
- In September 2022, Australia adjusted its planning levels upwards by 30 per cent, leading to a total of 142,400 visas for skilled labour in the upcoming year.
- In November 2022, Canada announced new plans to expand its highly skilled workforce by making over 300,000 visas available to highly skilled migrants through its federal Express Entry Programme between 2023 and 2025.
- Source: [ICMPD](#), 2023

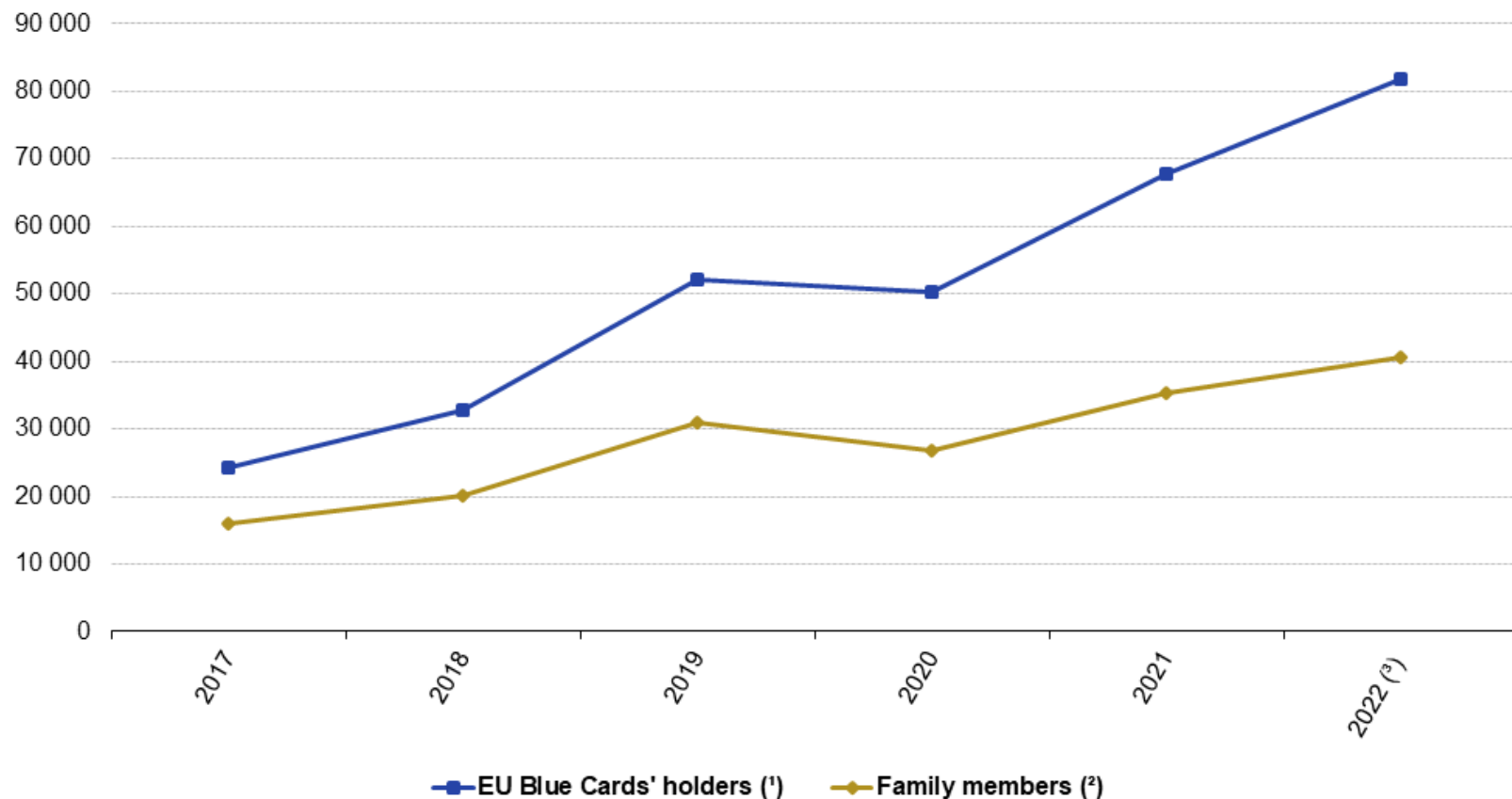


The Blue Card Directive

- Annual gross salary at least 1.5 times average national salary
- Contract for at least one year
- In 2021, first residence permits issued for employment-related reasons hit a record high of 1.3 million, with only 24,500 Blue Cards issued across the EU for highly skilled workers.
- The reforms introduce simplified procedures, lower requirements, and more favourable conditions, including better use of intra-EU mobility benefits

Blue Cards granted and admitted family members, 2017–2022

(number)



Note: Denmark and Ireland are not bound by the EU Blue Card Directive. Cyprus: quota set to zero by legislation.

(¹) 2017–2018: Greece no data available.

(²) 2017 and 2019: Greece and the Netherlands no data available. 2018: Greece, Hungary, the Netherlands, Portugal and Finland no data available. 2020: Germany no data available. 2021: Greece and Malta no data available. 2021: Greece no data available.

(³) Calculations include provisional data for France and Spain.

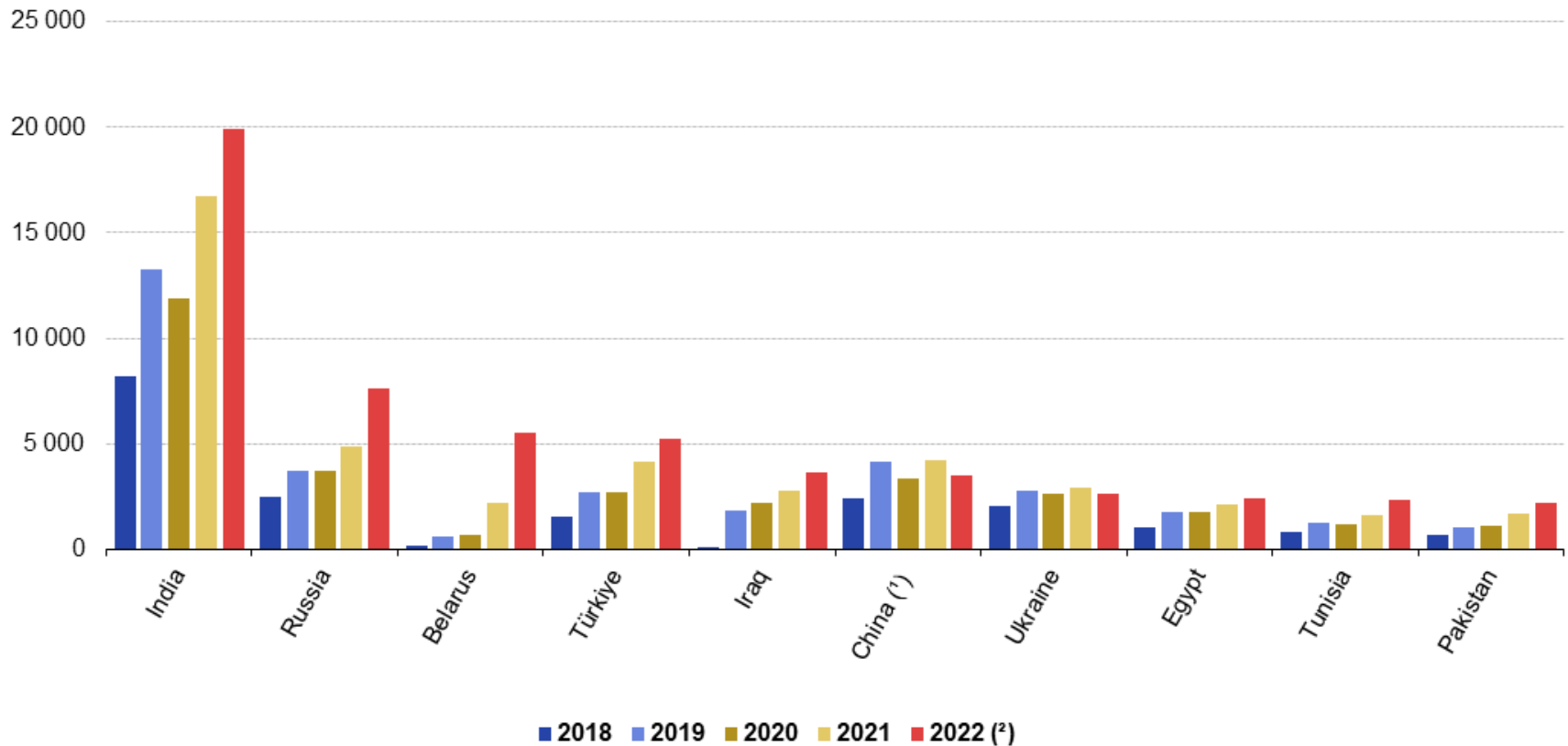
Source: Eurostat (online data codes: migr_resbc1 and migr_resbc2)



Blue Card

- Germany issued 63 200 EU Blue Cards in 2022
 - 77 % of all EU Blue Cards issued (Eurostat, 2023)
- In 2022, the majority of EU Blue Cards issued in the EU were issued in four countries:
 - Germany (63 242, 77.3 % of the total),
 - Poland (4 831, 6.0 %),
 - Lithuania (3 924 or 4.8 %),
 - France (3 876, 4.7 %)

Top 10 countries whose citizens were granted EU Blue Cards, 2018–2022 (number)



Note: selection and ranking based on 2022 data. Denmark and Ireland are not bound by the EU Blue Card Directive.

(1) Including Hong Kong.

(2) France: provisional.

Source: Eurostat (online data code: migr_resbc1)



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EU talent partnerships

Talent Partnerships



Reinforcing cooperation between the EU, Member States and partner countries to boost international labour mobility and skills and talent development



Tailor-made cooperation to address labour market and skills' needs in the Member States and partner countries in a mutually beneficial way



Combining **direct support** for various types of mobility schemes for work or training, including vocational training and professional exchange schemes. Mobility schemes can be **temporary**, **long-term** or **circular** in nature, as agreed by both sides



Targeting all skills levels in various economic sectors including ICT, science, engineering and health



Czech Republic

- Czech Republic as a country of immigration
- More than 800 thousand employed foreigners in 2021
- Approximately **124 thousand immigrants worked in jobs requiring a high level of skills** as of 2020, and the numbers of highly skilled migrants have tripled over the past decade (CZSO, 2021)
- Quality of opportunities for highly skilled workers (OECD, 2023)



Employee card

- Established in 2014
- Open to all foreign nationals
- Issued for 2 years
- Salary must not be lower than the basic rate of the monthly minimum wage
- The majority of Employee card holders come through the Qualified employee programme



Top 3 nationalities (2022)

111,287
Employee card holders in 2022

CZECH REPUBLIC

Work permit

- Allows working but additional residence permit is needed
- Valid only for a specific employer
- Application is submitted through the Regional Labour Offices

7,822
holders in 2022

Blue card

- Open to all foreign nationals
- Issued for 3 years
- Annual salary amounting to at least 1.5 times the gross annual salary in the Czech Republic

1,710
holders in 2022

unknown

1,313
visas issued in 2018

Since 2019, there has been a special work visa for the citizens of Ukraine valid for up to 12 months. However, it is suspended as of 2022.



Top 3 nationalities (2022)

- Established in 2023
- Open to nationals of Australia, Japan, Canada, the Republic of Korea, New Zealand, the United Kingdom, the USA, and Taiwan

Digital nomad

- Established in 2017
- Selected sectors only
- Two kinds of visa valid for up to 3 months and up to 9 months

Seasonal work permit

SKILL LEVEL



Various skill levels Lower-skilled levels Mid/Lower-skilled High-skilled

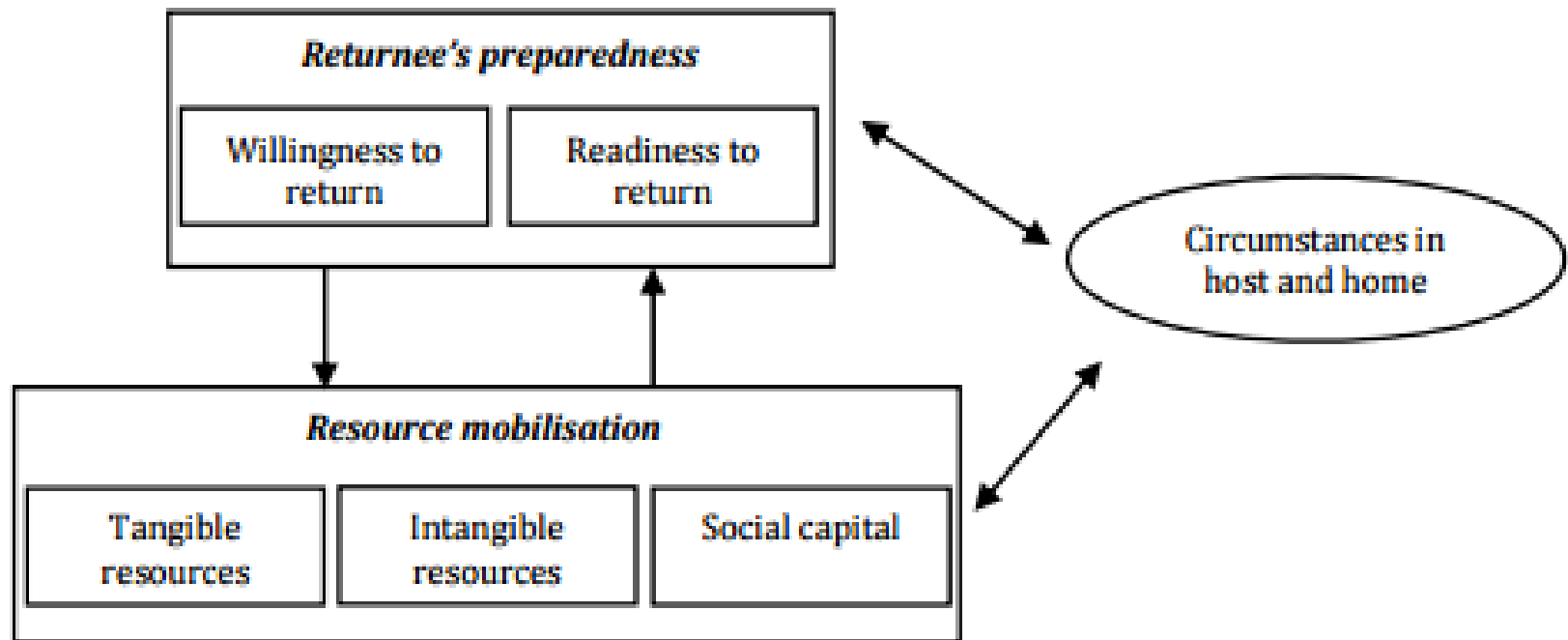


Return migration

- “the movement of a person returning to his or her country of origin or habitual residence usually after spending at least one year in another country” (IOM, 2011)
- **Voluntary** vs. **Forced** return
- Criticism that the link between return migration and development is often taken for granted and not critically interrogated (van Houte and Davids 2008)
- The impact of return migration depends on the magnitude of the flows and selection of participants (Radu and Straubhaar 2012)



Cassarino (2004)





What can be the benefits of return migration?

- Remittances (investment and social remittances/innovations)
- Occupational choices or returnee entrepreneurship (Wahba and Zenou 2012; Dustmann and Kirchkamp 2002).
- Brain-circulation (Docquier and Rapoport 2011; Saxenian 2006) or increase in the human capital/productive skills (Adams 2006; Adams and Page 2005; De Coulon and Piracha 2005)
- Dependent on **skill level**? (Klagge and Klein-Hitpaß 2010)
- In the Netherlands, highly skilled migrants are in a better position to contribute to the development in their countries of origin, by the way of economic and social remittances (Sturge, Bilgili, and Siegel 2016)



Returnee entrepreneurship

- **Work experience abroad** is the most significant predictor of entrepreneurial activity among return migrants.
- Other factors included **savings, reasons for return as well as frequency of home visits** (Black and Castaldo, 2009).
- Qin and Estrin (2015) found that peer influence shapes the likelihood of returnee entrepreneurship.



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TOKTEN Programme

- *Transfer of knowledge through expatriate nationals*
- Created in 1977 by UNDP
- Operated in 50 countries and recruited 5 000 experts
- Connects migrant professionals to specific programmes in their countries of origin
 - Advantage: knowledge about the local circumstances
- Some volunteers end up returning to home country permanently



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Returnee entrepreneurship

