

# Special Issue: Skilled Immigration Trends

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## Current Policy Trends in Skilled Immigration Policy

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Over the last decade, skilled immigration has proliferated as a policy preference among governments. Skilled immigration policies target the supply of new immigrants into labour market gaps that result from economic shifts and structural ageing. At the same time, skilled immigrants are often viewed as less welfare dependent and more labour market ready than other forms of immigrants, including those entering through family reunification streams. International organizations, including the World Bank and the Organization of Economic Cooperation and Development (OECD), have also emphasized the growing importance of skilled immigration globally.

Notwithstanding this considerable attention by both international and domestic government agencies to skilled immigration, it is notable that to date there has been no single special issue produced on skilled immigration policies in comparative perspective. A number of important collected books have been edited on the topic (Bhagwati and Hanson, 2009; Boeri et al, 2012; Chiswick, 2010; Ruhs and Anderson, 2010; Triadafilopoulos, 2013). Yet, at present, we lack a special issue on this topic. This current special issue, bringing together many of the world's experts on skilled immigration policy, attempts to fill the gap. In the following introductory article, we briefly set out some of the major themes for contemporary skilled immigration policy globally, and discuss how these issues are addressed in the contributions in this Special Issue.

### WHO SELECTS?

The question of who selects skilled immigrants, and on what bases, is central to governance and control within skilled immigration policy. Given an increasing focus upon employer selection within skilled immigration policies, this question goes to the heart of state-employer relationships, and indeed, questions of state sovereignty over immigration selection.

Contributions in this Special Issue demonstrate that traditional selectors, federal governments, still play an important role in choosing skilled immigrants. However, the articles also identify the growing importance of sub-national governments, supranational institutions like the European Union, and, crucially, employers. The International Organization for Migration (IOM) and the OECD draw a distinction between supply and demand driven migration (IOM, 2012; Chaloff and Lemaitre, 2009). In a supply-driven system (also called the human-capital approach), governments

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usually devise a list of desirable characteristics (such as education, age, language, work experience) for potential immigrants who are selected by points. In contrast, a demand-driven system relies on employers to choose workers based on firms' actual labour needs. Koslowski (this issue) complicates this binary distinction and divides the various approaches to skilled immigration selection into human capital, neo-corporatist and market-orientated approaches and identifies Canada, Australia and the United States as exemplars. (Although, Koslowski notes, recent regulatory changes in these countries muddy this distinction further.)

The proliferation of regional-based government selection such as through the Provincial Nominee Programme in Canada should also be acknowledged. The importance of this Programme to meet economic needs in Canada is underscored by the prioritization of entrants through these visa streams in processing rules in Canada (Boyd, this issue). At the supranational level, Mulholland and Ryan (this issue) identify the importance of continued European Union variegation "in shaping the dynamics of intra-EU highly skilled mobility" through a focused case study on the position of highly skilled French living in London's financial and business sectors.

Finally, focusing on the increased role within selection for employers, the trend towards "two step" immigration is evident in current policy debates. This process occurs where initial temporary employed-sponsored migration is followed by permanent employer sponsorship, as innovated in New Zealand and Australia and now adopted through the Canadian Experience Class in Canada. Employers' associations and (to some extent) unions can influence policymaking in Europe as well (Cerna, this issue).

## PORTABILITY BETWEEN TEMPORARY AND PERMANENT MIGRATION

Related to the emergence of "two step" skilled immigration models, is increasing portability between temporary and permanent skilled immigration visas. Boyd and Lowell and Avato in their respective contributions to this issue acknowledge the importance of this development in Canadian and United States skilled immigration policies. Koslowski in this issue also argues that this trend in the United States can be attributed to legislative changes to the temporary H-1B visa first in 1990 and then again in 1996. Similar trends are observable in Australia as well (Mares, 2012; Tham and Campbell, 2011).

The distinction between temporary and permanent skilled immigration also holds broader implications for our analysis of economic immigration policy. As Boyd argues in this Special Issue, when categorizing overall immigration flow compositions as either "skilled" or "family reunification" focused, it is important to consider both temporary and permanent economic immigration, otherwise our findings about the relative composition can be skewed, misleading or simplistic. For instance, her analysis finds that temporary economic migration into the United States is between 5 to 11 times as great as permanent economic migration, somewhat altering the frequently identified bias towards family reunification in the US model.

The relative balance between temporary and permanent skilled immigration holds additional implications for broader labour market policy, as demonstrated by Lowell and Avato in their article in this Special Issue. Using data from the National Survey of College Graduates and focusing upon Science and Engineering graduates, the authors demonstrate that those former international students entering the US labour market on temporary H-1B visas command lower salaries than other immigrants entering through permanent employment streams. Further, there is a "path dependent" effect such that even for those immigrants converting from temporary student to permanent status, there is a lower salary penalty compared with those who enjoy permanent immigration status from the onset, and for those immigrants who enter on some other form of temporary visa. The policy implication is that employer portability is important for immigrants in order to increase their earnings

over the long run and that governments should enable visa portability options from temporary student status onto permanent employment based visas.

Continuing with this focus on the economic outcomes of skilled migrants, Mulholland and Ryan in this issue consider how differences in cultural practices in different cities can in turn inform the labour market integration of newly arrived skilled immigrants. Drawing upon original qualitative interviews undertaken with French financial sector professionals living in London, they find that the London financial scene is marked by a “toughness,” which brings both challenges and opportunities for new French immigrants. In particular, cultural differences in problem-solving and use of English as a lingua franca are essential for subsequent labour force participation.

Hawthorne and To (this issue) also examine the economic outcomes of former international students who transit onto permanent skilled immigration status. Employing unique data from the Australian context, they are able to compare the outcomes not only of international students compared with domestic students on the Australian labour market but also that of international students compared with other “off-shore” skilled immigration applicants.

### WHAT IS ‘SKILL’?

In skilled immigration praxis and policy debates, there is significant disagreement over what constitutes “skill.” For instance, World Bank definitions focus on skill as tantamount to tertiary education (i.e. Docquier and Marfouk, 2005; 7; Docquier et al, 2011; Chaloff et al., 2009; Boeri et al, 2012; Brücker et al, 2013). As Kofman also argues in this issue, a focus on knowledge is an important prerequisite in skilled immigration regimes across many Western European countries. However, there is considerable variation cross-nationally in how “skill” is defined. For instance, Boyd in this issue notes the growing importance of skilled trades, through the creation of a new Skills Trades class in Canada in 2013. This focus in this class is upon vocational training rather than formal university qualifications.

At the same time, many countries are shifting their definition of “skill” within immigration selection policies both to better manage skilled immigration inventories and to reduce demand from immigrant applicants globally. For instance, as Boyd notes, recent reforms in Canada introduce heightened language and educational requirements for immigrants entering through the permanent skilled immigrant class. These reforms were intended not only to increase the economic outcomes of entrants but also to restrict the pool of potential immigrants, which was creating massive processing backlogs in that country. It is necessary to differentiate between skilled and unskilled employment migration in understanding visa classes and differences across states (Boyd, this Special Issue). At the same time, it is important to acknowledge that once we accept that “skill” is a contested concept, the distinction between these classes of visas is in itself difficult to draw.

In a related fashion, some scholars have also investigated the gender, race, class and age implications of skilled immigration (Tannock, 2011 provides an overview). These critical approaches ask whether a focus on skilled immigration within immigration selection create winners and losers along these lines of identity? In this issue, Kofman provides one such examination and argues that the very focus on knowledge which is so central in Western European skilled immigration selection creates a “calibration and stratification of desirable knowledge” with clear gender implications. Further, the application of wages as a threshold criterion in most European skilled immigration selection models carries with it, she argues, clear gendered effects, with far fewer women entering as principal skilled immigrants than men (Kofman, this issue). In terms of policy prescriptions, Kofman’s analysis adds to an array of feminist voices within migration studies that calls for publicly available gender disaggregated data in order to better trace gendered processes and policies (see also Boyd and Pikkov, 2004 and Boucher, 2007).

## IMPORTANCE OF POLICY PROCESSES IN SHAPING POLICIES

Moving away from the economic and social implications of skilled immigration policies to the processes by which they are achieved, this field raises classic public policy questions about the importance of centralized government in achieving skilled immigration policy goals. Analysis in this Special Issue suggests that the difference between centralized bureaucratic control and diffuse legislative decision-making for policy outcomes is considerable. As Boyd notes in her comparison of the United States and Canada, recent attempts – and potential failures – of Comprehensive Immigration Reform in the United States relate to “[c]hecks and balances implied in the presidential system of government facilitate this opposition-based paralysis.” This stasis in the US system in turn contributes to the enduring path dependency of earlier legislative achievements, such as the 1965 Hart-Cellar Act. In contrast, in parliamentary systems, there is strong capacity for the centralization of decision-making powers within the immigration minister, a phenomenon that has occurred in Canada in recent years (Boyd, this Special Issue) and in other parliamentary systems like Australia, most importantly through ministerial instruction powers and subordinate legislation (see also Boucher, 2013).

However, institutional features alone do not sufficiently explain policy outcomes: the role of corporatist actors in the policy process is also important. As Cerna argues in this Special Issue, high-skilled immigration policies vary and change due to shifting coalitions between disaggregated sectors of native high-skilled labour, low-skilled labour and capital. These actors are represented through unions, employers’ associations or the state. Several European countries have experienced considerable policy changes in recent years. For instance, Sweden became more open since the link between unions and the Social Democrats in power was broken when a right coalition with links to employers came to power. In contrast, the United Kingdom’s policy became more restrictive because representatives of high-skilled labour could push for more restrictions.

## CONCLUSION

It is clear from the contributions in this Special Issue that highly skilled immigration is here to stay both as a policy preference and as a source of global competition for the “best and the brightest” immigrants across selecting states. These articles explore key issues related to governance in the skilled immigration field, the relationship between temporary and permanent skilled immigration, the definition of skill and skill immigration processes. We need to understand in more detail what skill means, and how policy processes determine policy outcomes cross-nationally, as well as why countries adopt different policies. Are states becoming obsolete in migration policies? As noted earlier, there is an increasing role of non-state (such as employers’ associations and unions) and supra-national actors (such as the European Union). This Special Issue has offered a first comprehensive overview of these issues and also raises questions for future analysis.

A final note: Immigration is a fast moving area of policy reform and for this reason, it is important to note that immigration laws and policies are stated here as they stand at September 2013. However, at the point of publication, some areas of policy – especially in parliamentary systems such as Australia and Canada – will be superseded and the references in this Special Issue should not be relied upon as a statement of law at the point of publication.

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The draft Skilled Immigration Act is intended to create a framework for the workers our economy urgently needs: university graduates and skilled workers who have completed quality vocational training, but not un- or low-skilled workers. The main points of the draft Skilled Immigration Act. New: The proposed legislation would introduce a single term for skilled workers (Fachkräfte) which includes both graduates of higher education and workers who have completed quality vocational training. This is intended to end the current two-tier system which gives preference to graduates over skilled workers without a higher-education degree. 2015. Immigration Policy and the Search for Skilled Workers: Summary of a Workshop. Washington, DC: The National Academies Press. doi: 10.17226/20145. The first panel session of the workshop focused on immigration trends and provided a brief summary of changes in immigration policies in Canada and Australia. Jean-Christophe Dumont, head of the International Migration Division in the Directorate for Employment, Labor, and Social Affairs at the Organisation for Economic Co-operation and Development (OECD), gave a broad overview of recent trends in high-skilled immigration to the United States and other OECD countries. Federal Skilled Workers are persons with suitable education, work experience, age and language abilities under one of Canada's official languages and who are selected under the Express Entry Immigration system to apply for permanent residence. To qualify for admission to the Express Entry Pool as a Federal Skilled Worker, applicants must meet the following conditions A collection of the current Immigration Rules. For Skilled Worker purposes, occupation code 2119 includes researchers in research organisations other than universities. Operational research scientist Research associate (medical) Research fellow Researcher Scientific officer Scientist Sports scientist University researcher. \$33,000 (\$16.27 per hour). Civil servant (grade 6, 7) Company secretary (qualified) Policy adviser (government) Registrar (government). \$33,700 (\$16.62 per hour). \$30,330 (\$14.96 per hour). The Skilled Immigration Act, is a new law which expands the possibilities for qualified professionals to come to work in Germany. Now, it's easier for skilled workers with vocational, non-academic training from non-EU countries to migrate to Germany in order to work. The current conditions for qualified professionals with university degrees will remain in place, with some relaxations of the rules. What changes does the new law introduce? The new law expands the framework under which qualified professionals from non-EU countries can come to work in Germany. The key changes are as follows: Quali