

STEM Immigrants: The New Mobile Labour

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Primary Principles of Immigration Policy

1. Reunification of Diaspora
(Israel, Germany, Japan)
2. Family Reunification
(United States)
3. Providing Refugee Status
(Sweden)
4. Economic Contribution
(Canada, Australia, New Zealand)

High-Skilled Immigrants (STEM Workers)

Fields: Scientific, Technical, Engineering, and Mathematics

Skills: Multidimensional

Formal Schooling – Degrees and licenses

Occupational Experience/Training

Language Proficiency

Age – Not too young and not too old

Canada: Combine into a point system

US: Reliance on Employer Petitions

Special Treatment for those with PhDs and other advanced training
in the US and Canada

Visa Category, Permanent Resident Status

Canada and the United States, 2011

<u>Visa Category</u>	<u>Canada</u>		<u>United States</u>	
	<u>Number*</u>	<u>Percent</u>	<u>Number*</u>	<u>Percent</u>
Family	56.4	22.7	688.1	64.8 [#]
Economic	156.1	62.8	139.3	13.1
Refugee	27.9	11.2	169.5	16.0
Diversity	—	—	50.1	4.7
<u>Other</u>	<u>8.3</u>	<u>3.3</u>	<u>14.9</u>	<u>1.4</u>
TOTAL	248.7	100.0	1,062.0	100.0
(% of population)	(0.7 %)		(0.3%)	

* Number in Thousands

Immediate relatives of citizens, 42.7%. Other family-sponsored, 22.1%.

Legal Immigrants by Region of Origin

Canada (2009/10) and the United States (2011)

(Percent Distribution)

<u>Origin</u>	<u>Canada</u>	<u>US</u>
Africa	12.5	9.5
Asia	56.7	42.5
Europe	15.6	7.9
Canada/US	3.6	1.2
Other America	10.8	38.3
Oceania	0.7	0.5
<u>Other and Unknown</u>	<u>0.2</u>	<u>0.2</u>
TOTAL	100.0	100.0

Foreign-Born as Proportion of Population

Canada (2006) – 20 percent
(Highest level in 75 years)

United States (2013) – 13 percent
(Up from the low point of 4.7 percent in 1970)

Immigrant Workers

Early 20th Century

1. Low-skilled workers
Expanding industrial and mining sectors
2. Little Public Concern about Income Distribution
Little income redistribution

Early 21st Century

1. High-skilled workers
High-technology sectors, Universities, Health Professionals
2. Low-skilled workers
Elder care and child care
Some agricultural sectors
3. Much income redistribution to help the poor

STEM Worker Impacts

1. Capital Stock – Augment Native Human Capital
2. Inequality – Narrow wage differentials
3. Fiscal – Pay more in taxes than use in Public Services
4. Entrepreneurial – Decision-making skills facilitate entrepreneurship
5. International Trade – Often with foreign connections, networks
6. Innovation – Use skills to create new products or use existing products in new ways. (e.g., Silicon Valley)

Points System – Canada

1. Points System
 - Evaluates formal schooling, English/French language proficiency, age, etc.
2. Schooling and Language Proficiency
 - Enhance occupational status and earnings
3. BUT are workers “correctly matched” in the labor market?
 - High rate of return to correct matching
 - Mismatch if workers have more schooling and proficiency than required by occupation
 - Over-qualified: lower earnings, lower morale
4. Will the worker be able to practice his/her occupation?
5. Will there be information, networks, training opportunities to reduce extent of “over-qualified” workers?

Immigrant Enclaves

1. Enclaves

- Blessing: Facilitate Initial Adjustment
- Curse: Slow long-term Adjustment and Create Tensions with Natives

2. More likely in more populous regions

- Difficult in thinly populated areas

3. Enclaves can attract immigrants with lower-cost ethnic goods.

4. Policy can help create/enhance enclaves

- Provincial advertising and recruiting
- Subsidizing/Facilitating ethnic-specific goods
(e.g., social clubs, houses of worship, cultural events)

STEM Workers Highly Mobile

1. International Transferability of Skills

Increasingly STEM workers across the globe read/study the same technical books and articles.

2. Lingua Franca

Increasingly STEM workers across the globe have some proficiency in English or French.

3. Dual/Multiple Citizenships

Increasingly countries are allowing dual and multiple citizenships.

4. International Competition for STEM Workers

Countries are modifying immigration and temporary worker policies to attract STEM workers.

(Even the US has its H1-B visa program!)

Two Public Policy Issues

1. How to attract STEM workers?

What policies will bring immigrant STEM workers?

2. How to keep Immigrant (and Native) STEM workers from leaving?

Once attracted to a destination, how are they retained?

What is the effect of immigrant STEM workers on departure or retention of native-born STEM workers?

Items:

Quality of technological environment?

Quality of schooling and cultural life?

Quality of ethnic goods?