

**“Identifying and mobilizing migrants’ skills for development”**

**A conference organised by the Agence Française de Développement, the French Ministry of Foreign Affairs and the OECD**

**Introductory remarks by John Martin,  
Director for Employment, Labour and Social Affairs  
OECD**

**Paris, France**

**5 October 2012**

Ambassadors, distinguished participants, Ladies and Gentlemen:

It is a great pleasure to welcome you to the OECD today, for the Conference **“Identifying and mobilizing migrants’ skills for development”**, jointly organised by the Agence Française de Développement, the French Ministry of Foreign Affairs and the OECD. This conference is a concrete example of the excellent cooperation between OECD and the French Authorities on an important topic, that of mobilising the skills of migrants for the development of their countries of origin.

This conference could not be timelier for the OECD and its member countries. It is estimated that there are 214 million international migrants worldwide today, almost 140 million more than 50 years ago. 89 million of them live in OECD countries. These migrants bring with them a wide range of formal and informal skills, contributing an important asset for our economies and societies. But they also represent a major potential asset for their home countries, one that is often neglected and yet could serve as an important spur for development in the migrants’ countries of origin.

Emigrant remittances have been estimated by the World Bank at USD 372 billion in 2011; this large sum, which dwarfs ODA transfers, is an underestimate since it fails to account for remittances via informal channels. In addition, nearly a third of recent immigrants to OECD countries were university graduates compared with an average of less than 6% in their home countries, raising the spectre of a brain drain but also the possibility of a brain gain if they return to their countries of origin. Migrants can also be key players in fostering trade links between their home and destination countries and some of them initiate projects that can expand employment and infrastructure, especially at the local level.

The potential of these migrants’ skills, however, has not been fully exploited by origin and destination countries. The skills they bring with them are not always well identified

and recognised and as a result are only partially utilised in the labour market. Migrants who return to their countries of origin face similar challenges.

What can be done to tap migrants' potential? What policies can improve the matching between skills and jobs in both destination countries and upon return to origin countries? How can access to information be improved? How best to encourage return migration and make it beneficial for the country of origin and the migrant? What is the role of key actors? These key issues will be at the heart of our discussions to-day.

In order to support your discussions on these issues, today we are launching two publications prepared by the OECD with the support of France. First, a statistical publication with information on everything you've ever wanted to know about migrants: *Connecting with Emigrants. A Global Profile of Diasporas*. Secondly, a companion policy brief on *Harnessing the Skills of Migrants and Diasporas to Foster Development*.

### **How much and in what ways can migrants contribute to the economic and social development of their countries of origin?**

The answer to this question depends on a number of factors. First, on the number of migrants in question. Second on their personal characteristics, such as their education and skill levels, wealth and age. Third, on the degree of attachment of the migrants to their countries of origin. Finally, on the prevailing economic, social and political conditions at home, which are crucial determinants of whether a migrant will return to his or her country of origin or will send back remittances to support family members, local communities and the home-country economy.

To understand and promote the potential role of migrants for the development of their countries of origin, we need to know *who* these persons are, *where* they are located and *what* they are doing. **We need good and timely data to answer these questions.** Collecting and harmonising data across countries is one of the key contributions and

value-added of the OECD. Good quality data are a pre-condition for informed policy making in the area of migration and development.

That being the case, it is surprising how little information is available on a cross-country basis on migrants by country of origin. The OECD/ AFD publication on diasporas aims to fill this gap. It gathers a broad range of statistical information by origin country on migrant populations and their children, on their personal and labour market characteristics. The resulting OECD database is a particularly powerful tool to help guide policy makers.

If you want to know the number of highly-educated migrants from Latin America and the Caribbean living in a particular country, or the number of international students in OECD countries, or the increase in the number of migrants from the Middle East and North Africa in OECD countries over the past decade, or the labour force participation rate of migrant women from Asia and Oceania, then this database is the place to look. Answers to these questions and many more can be found in the new OECD/AFD publication, and for 140 countries of origin across the globe!

### **What can these data tell us about the potential of migration to assist in development?**

**There is first the question of numbers. People are on the move:** migrants are growing rapidly in numbers across the world. The fastest growth over the past decade is recorded by Sub-Saharan African migrant communities, which have recorded an increase of 39% in the number of their expatriates to OECD countries over the past decade.

Adding in the children of immigrants can make a major difference to estimates of the size of the diasporas. There are, for example, 11 million persons born in Mexico living in other OECD countries. If we add to this number, the children of Mexican emigrants, then

we reach 20 million people! This is also the case for many OECD and non-OECD countries of origin. The number of native-born children of immigrants living in OECD countries exceeds 1 million for Turkey, India, Algeria, the Philippines or Morocco. Many of these descendants have close ties with their parents' countries of birth and wish to contribute to their development. We should not neglect the potential of these large diasporas to foster the development of their parents' countries of origin.

**Next, migrants are more and more qualified.** 26 million immigrants in OECD countries hold a university degree and about one million are PhD holders. Many of these persons completed their studies in OECD countries. Indeed, there are today nearly 3 million international students enrolled in OECD countries, and some of them are likely to stay after the completion of their studies and enter the labour market.

Not only are highly educated emigrants numerous, their numbers are also growing. For some countries such as Ecuador, Malawi, Afghanistan and Bulgaria, the number of highly-educated emigrants to OECD countries doubled over the past decade.

**But there is a fly in the ointment.** Admitting highly-skilled migrants in our countries has not always meant fully utilizing their skills. Indeed, one out of three immigrants to OECD countries with a university degree works in intermediate or low-skilled jobs, resulting in brain waste.

A diaspora's contribution should not be measured merely in financial terms or as inputs of skilled labour, but also by its ability to build bridges between countries of origin and destination, bridges which help stimulate, not only economic activity, but transfers of knowledge and cultural and social norms.

Ambassadors, ladies and gentlemen, **a great source of talent is out there** and countries may not be benefiting from its full potential.

The Policy Brief we have released today addresses the question of migration and development, adapted to current economic and social conditions.

Countries of origin are changing and experiencing rapid economic growth. Some of them are becoming emerging economies. Traditional origin countries have become destination countries. Migrants are also changing, becoming more numerous, more diverse and more skilled. Women migrate today more than they did in the past. Transport costs are falling, as are the costs of communication across frontiers.

Our policies need to keep pace with these changes. Among others,

- We need to pursue the effort to improve available information on migrants' skills, in order to monitor ongoing changes in the composition of migration flows and in migrants' expectations.
- We need to identify and eliminate obstacles for return migration, with a view to fostering skill mobility for the mutual benefit of origin and destination countries.
- We need to reduce the cost of transferring remittances and offer sound investment opportunities to migrants in their home countries. Too often, we forget that it is migrants' hard-earned saving which are at risk and their home countries need to offer them profitable opportunities.
- We need to address the issue of skill mismatch in destination countries and upon return, with the objective to enhance the potential of migrants to support their families back home and to foster economic development in the countries of origin.
- Finally, we need to increase our support to development-oriented initiatives of the diasporas and to build on the vitality of migrants' social networks, especially professional ones.

We are here today to discuss these challenging questions, among others. I am happy to welcome to today's roundtables key actors who can play a key role in mobilising the

skills of migrants. You represent the host countries, the countries of origin and the migrants themselves. It is essential that we work together to improve our economies and the lives of people living in our countries.

Thank you very much.