



POPULATION, MIGRATION, AGING, HEALTH

Minutes

Workshop held on September 4th 2015

Université Libre de Bruxelles

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The Program

- 9.00** Presentation of COEURE (Marianne Paasi, Barbara Chizzolini)
- 9.15** A Survey: main features (C. Dustmann², G. Facchini, C. Signorotto,)
- 10.15** Discussion of the Survey
- Libertad Gonzalez, UPF
 - Bernt Bratsberg, Frisch Center for Economic Research
 - Peter Bosch, EC – DG Migration, Home
- 11.00** Coffee break
- 11.15** Expanding on the topic (Chair: Carlo Devillanova, Bocconi University)
- Hillel Rapoport, Paris School of Economics: *"Immigration, attitudes to redistribution and the future of the Welfare State in Europe"* (with Alberto Alesina and Johann Harnoss)
 - Alessandra Venturini, University of Turin and EUI : *"Aging, Migration and Migration Forecasts"*
- 12.00** Migration and aging (Chair: Alessandra Venturini, University of Turin and EUI)
- Patricia Cortes, Boston University
 - Jonas Fooker, JRC - EC
- 12.45** Lunch break
- 14.00** Further comments on the survey (Chair: Barbara Chizzolini, Università Bocconi)
- Tommaso Frattini , University of Milan
 - Giuseppe Ponzini , CNR Irpps
- 15.00** Migration policies: the stakeholders' viewpoint (Chair: Philip Verwimp, ECARES, ULB)
- Werner Sels, Entrepreneurs without Borders
 - Kadri Soova, PICUM
- 16.00** Coffee Break
- 16.15** Round Table: an agenda for future research
- Giovanni Facchini, University of Nottingham
 - Laurent Aujean, EC - DG Home-Legal Migration
 - David Coleman, Oxford University
 - Philip Verwimp, ECARES, ULB
- 18.00** Closing remarks

² Christian Dustmann will not be able to attend the workshop

The participants

Facchini Signorotto	Giovanni Cora	Principal Investigator Coauthor
Paasi Ivaldi Chizzolini	Marianne Marc Barbara	DG Research and Innovation officer, case officer Coordinator COEURE Project Member Executive committee, COEURE
Aujean Bosch Bratsberg Chen Coleman Contigiani Cortes Devillanova Fooken Frattoni Gonzalez Leszczynska Marion Mayor Moriconi Peña-Rey Ponzini Rapoport Salinas Sanchez-Robles Sels Soova Venturini Verwimp	Laurent Peter Bernt Li David Alessandra Patricia Carlo Jonas Tommaso Libertad Nastassia Mercier Eunate Simone Isabel Giuseppe Hillel Daniel Blanca Werner Kadri Alessandra Philip	EC - DG Home-Legal Migration Senior Advisor - DG Home-Legal Migration Frisch Center for Economic Research Oxford University Boston University Università Bocconi JRC - EC Università degli Studi di Milano Universitat Pompeu Fabra CNR - IRPPS Paris School of Economics Entrepreneur without Frontiers PICUM Università di Torino and EUI ECARES, ULB Administration

1. Introduction

Marianne Paasi and Marc Ivaldi present COEURE, its rationale, its aim, what has already been done and the next steps of the project.

2. Population, Migration, Aging, Health: the survey.

Giovanni Facchini presents the ample survey, by C.Dustmann, G. Facchini, C. Signorotto, of the economics literature on Migration as it relates to Population, Aging and Health in the destination countries.

- **Demographic trends:** population, fertility, aging trends as both determinants and consequences of Migration.
- Most interesting issue: **Temporary versus permanent migration:** a dynamic approach. Temporary Migrants to EU on average more than to US (or Australia or UK). Ambiguous results on the determinants of the choice to return.
- General consensus on the **fiscal effects of migration** : net gain with highly skilled, young workers; effects are less clear cut in the presence of low skilled workers. Significant heterogeneity across destination countries – migrant’s behavior responds to incentives provided by the local welfare state.
- Analysis on policies based on selection of needed skills – point systems vs employer driven. But, **Skill shortages:** Commonly used concept, but what are they exactly? Often: Myopic approach in skill selective migration policies. (**Short run** plans). Once again, the effect of any migration policy depends strongly on the **institutional setting:** immigrant driven or Market + *credible* State driven. A lot of work needs to be done on which policy yields better results
- Large fractions of workers in the **Health Sector** (nurses and doctors) in the «destination» countries are migrants (US, but Western Europe too). Ethical issues: are **the countries of origin experiencing a brain drain?** It is anyway a **Short term solution** for the destination countries
- Amenity led **migration from Northern European countries towards Mediterranean coastal areas (“Floridization”)**: important consequences for the demographic structure, healthcare demand and the working of the welfare state in both source and destination countries. Besides location specific amenities, key drivers are represented by **tax and welfare policies in both source and destinations,** and by the portability of social security benefits. Existing studies indicate that retirement migrants make a **positive contribution to the host economy** through increased local demand and tax base. In the long term?
- Denounced **lack of data.** Request for standardized access to data across EU member states. Linking of EU Member States’ Immigration Registries?

3. Discussion of the Survey

Libertad Gonzalez. Very good survey but:

- Add characteristics to the migrant population. Composition of migrant population. Legal vs illegal. First generation vs second generation. Full life cycle of the migrants.
- Permanent vs temporary: what are the effects of policies? Are there policies to deal with this issue?

- Skill shortages? What are they? How do you define them? Not really the way to go about when looking at migration.
- Data on Floridization? What about south-north migration of young people (Brain Drain)? Are there data?
- Missing: 1) Costs of Migration. What are the concerns of anti-immigration groups? 2) Analysis entirely focused on destination countries. Nothing on effects of migration in countries of origin. 3) Policy implications.

Bernt Bratsberg

In the survey: Refugee crisis must be taken into account. Coordination of policies within EU, given the heterogeneity of the Member States? With 3rd countries?

Based on own work (Norway): When does immigration not help?

- Migrants do not adapt to new skills needed (because of education or language issues) → they go on welfare (very high unemployment benefits).
- Are migrants more affected by downturns in the economy?
- Suggestions: not just immigration policies, but also family, social and labor market policies. There is a need for ‘migration robust’ policies. Minimum wage seems to be working in some countries, but difficult to export in Southern European countries: the raise of min wage in Southern countries may exacerbate the issue of the informal economy.

Peter Bosch

- Different time horizon between policy makers and economists. And different aims.
- Suggestion: be very careful in the definition of migration. Take into account the “legal” definitions of the European Commission documents. Differentiate between intra EU mobility and migration with 3rd countries.
- Interdisciplinarity needed with lawyers, demographers and other migration specialists.
- Important to consider heterogeneity in labor market structures across EU countries.

Comments by other participants on fertility, as defined in the survey, (David Coleman) on fiscal effects of immigration and portability of pension contribution (Giuseppe Ponzini): institutional issues. Need to add something on access to education, housing and health by immigrants.

4. Expanding on the Topic

Alessandra Venturini

- Interdisciplinary approach is needed. In particular with demographers: definition of old age + take into account age of migrants. Reduction in skills of natives due to aging vs the influx of young migrants.
- There is a lack in the literature and in the ongoing studies on migration: Forecasts of migration flows.

- Policies for integration should take all types of migration into account: do not focus only on policies devised for migrants entering EU through the labor door . (Legal) doors to entry for migrants :
 - family reunification → 50%
 - labor → 30%
 - refugees → 20%
- Effect on integration in the destination countries of policies done in the countries of origin.

Hillel Rapoport

Immigrants affect the welfare state or **the attitudes towards the welfare state** in the host countries: You **cannot** take the welfare state and the institutions as an **exogenous variable**.

Empirical results: attitudes towards the welfare state change with immigration, but the amplitude of the change depends on size (number), diversity and skills of migrants.

- Educated natives (in terms of educational attainment) support more redistribution if immigration is relatively more educated
- Native citizens are less likely to support redistribution if the share of immigrants is high: a 1-standard deviation increase in the share of immigrants lowers natives preference to redistribute by 2% points
- This result holds especially for natives with negative views on immigration,
- No particular effects for Arab, Muslim or Sub-Saharan immigrants (if using only these immigrant groups individually and jointly)
- But simulation exercise results show: Group loyalty effect is stronger if immigrants culturally more distant and from poorer origin countries

5. Migration and Aging

Patricia Cortes. Own work on immigrant nurses in the US.

- 40% of the immigrant nurses in the US are Philipinos. They earn higher wages than any other ethnic group, including natives. → higher quality of philipino nurses
- Specific policy in the Philippines to produce and export nurses (The economic determinant is the main factor in the choice to migrate)
- Ethical issue: is it ok to attract nurses away from their country of origin and “steal” that human capital?
- Some crowding out of native US nurses → they move from nursing to primary education jobs .
- It is anyway a **short term solution** of the aging and long term health care issue for the destination countries

Jonas Fooker

Information on JRC – EC, the Joint European Center of the European Commission.

From the EU-28 perspective:

- Aging is an issue also in the eastern European countries: young migrate and the remaining population is old

- Policies suggested by JRC focused more on prevention of the “effects” of aging rather than on dealing with the costs on the social health system ex post. Information on nutrition and active way of life (Silver aging) rather than e-health.

6. Further comments on the survey

Tommaso Frattini

Referring to the survey, Frattini again points out the lack of focus on Refugees, as well as the serious problems attached to designing migration policies on skill shortages: these cannot actually be measured. It is a **mistake** to design policies that maximize **short term benefits of migration** . A better study of integration patterns (through school, work, etc.) is needed, but **lack of data**.

There were comments by Philip Verwimp, Laurent Aujean, Marianne Paasi, mainly about stressing that policies should not be designed to only fulfill labor market requirements. Study Integration process by gender.

Giuseppe Ponzini

The Institutional setting is very relevant. Compare the implementation of Immigrant/State driven versus market driven migration policies : analyses of what works best under which conditions is needed.

Comments and suggestions from the participants: “Compare, rather, **absence of state** (Italy) and **market + credible State** (Sweden) and study what are the consequences for both immigrants and natives on the labor market and on the integration process”.

7. Migration policies: the stakeholders’ viewpoint

Werner Sels - Entrepreneur without frontiers

Reforestation in Burkina Faso. **Invest in reforestation** to provide local communities with wealth (crop plants yield income) and have, as an investor, a decent return from selling the rights to pollute (the reforestation reduces CO2). Such an investment gives local communities the **option not to migrate** towards the big towns (in the south of Burkina Faso) or other countries.

Kadri Soova – Platform for International Cooperation on undocumented migrants (PICUM)

PICUM is an interface between undocumented Migrants and the EU. Issues: access to housing, education, health , as well as reduction of number of undocumented migrants. The number of UM stays constant, that is it is not significantly different in time and across borders, including the most *efficient* countries.

UM must have access with a minimum of guaranteed rights into labor markets , and health, housing and education services. Lack of Data. **PICUM is “fighting” for the issuance of a “firewall” provision so that UM can access health and other social services (also police when victims of a crime) without being afraid of being referred to the migration police and sent back to their country of origin if not to prison.**

8. Round Table and final comments

David Coleman. Short comments, mainly on demographic issues . First of all: Aging is not a **problem** to solve!

Any analysis based on fixed work lives is unrealistic. If we want to talk about health in the third stage of life: measure correctly what this stage is. Introduce Education as a 4th demographic variable. Welfare and fertility à la Lutz....

Philip Verwimp suggests the issuance of a coordinated survey at EU level, possibly to be filled by migrants while applying for residence, with all their basic information.

Laurent Aujean points out that the May 2015 Agenda on Migration by Juncker is very open towards migration, and the Commission is very committed to this issue.

There exists a joint work EU-OECD on "Matching economic migration with labour market needs", (available [here](#)) , as well as a recently published report on indicators of migrants' integration (so called "Settling In" 2015), – freely [accessible](#) on line.

Comments and suggestions from the **EC perspective**: In the survey add a section on second generation migrants, and on integration mechanisms and policies. But, **Labor migrants** are the most important to study: migration policies linked to policies on labor markets are the ones that can be implemented more effectively.

In particular there is need of analyses on **Returns to education**: skilled migrants have lower returns to education than natives. Why? Language problems?

EU is not less attractive than other destination countries (US , Australia), but bad matching mechanisms in the labor market may make it so.

Giovanni Facchini and **Barbara Chizzolini** close the workshop.