Do Skilled Migrants Compete with Native Workers? Analysis of a Selective Immigration Policy

RÉSUMÉ

In recent years high-skill immigration has been often encouraged by governments aiming to support their economy, but its impact on native workers facing a direct increase in competition is still debated. This paper addresses the question by taking advantage of a reform facilitating the hiring of foreign workers within a list of technical occupations. The analysis relies on administrative employer-employee data and applies a difference-in-differences approach. Results show that the reform was successful in boosting migrants’ hires without affecting native employment. Wages decrease following the supply shift but, in contrast with the standard model predictions, do so twice as much for migrants than for natives. I find that two channels explain this differential effect: imperfect degree of substitution in production and differences in bargaining power. Overall, this paper provides evidence that policies encouraging high-skill migration do not excessively harm the native labor force.

S’inscrire (https://www.google.com/url?q=https://us02web.zoom.us/webinar/register/YN_MO5JwMWVRs6ck5ycJk2ibQ&sa=D&usg=AFQjCNHqHnoOj4dOKtq2wFGkRhyKHzTkMw)