

Migration

# Migrating as a professional?

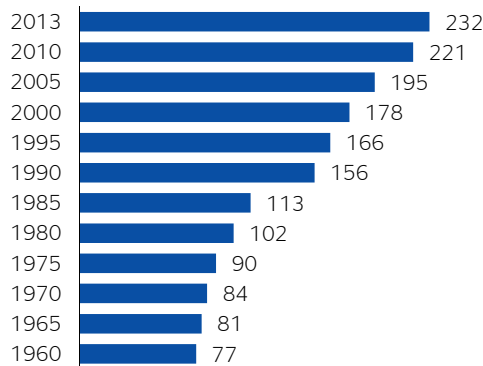
Juan José Li Ng

- The United Nations has decided to proclaim 18 December International Migrants Day. The organization estimates there are close to 232 million migrants in the world, of whom 11.7 million were born in Mexico (5.0%).
- The search for better economic and living conditions is driving international migration, which is targeted mainly at developed countries, and includes professionals.
- However, when they arrive, migrant professionals face difficulties in their integration which may translate into lower rates of employment (-12.5pp, percentage points) and a greater risk of being over qualified (+23.0pp).

In 2013, according to the UN, there were 232 million international migrants, i.e. 3.2% of the world's population. Of these, most are in the productive age range of 20 to 59 years old (69.0%), 52.0% of them male and 48.0% female. Economics/labor is the main factor driving this movement of people, so it is no surprise that 80.6% of all international migrants comes from developing countries, and that 64.2% of the total is directed towards developed countries.

Mexico plays an important role as a source of migrants. Estimates as to their number vary, but our calculations, using the *Current Population Survey (CPS)* and other international sources, indicate that in 2014 there were around 11.7 million international migrants born in Mexico, representing a little over 5.0% of total world migration. The vast majority of Mexican migrants, 11.5 million, live in the United States.

Chart 1  
**International migrant population (Million)**



Source: BBVA Research, BBVA Bancomer Foundation and CONAPO. Yearbook of Migration and Remittances, 2014.

Table 1  
**Mexican migrants by region and/or country of destination, 2014**

Destination	Mexican migrants
United States	11.5 million
Canada	71,000
Europe	98,000
Central America & Caribbean	41,000
South America	37,000
Asia and Oceania	10,000
Africa	< 5,000

Source: BBVA Research with figures from the Current Population Survey (CPS) and the UN.

A wide range of data and figures has been published on the occasion of International Migrants Day. The *Mexico Migration Flash* selects some of the figures calculated by the Organization of Economic Cooperation and Development (OECD) on the employment opportunities and working conditions of migrants with tertiary education (professionals) in OECD member countries.

**Migrating as a professional**

The search for better economic and living conditions is one of the main drivers of international migration into developed countries, even among professionals. The annual salary in these countries, adjusted for purchasing power parity, is much higher than in Mexico. Table 2 illustrates how the wage gaps are very significant, in some countries up to four times the salary they would be paid in Mexico, which creates incentives for emigrating there, as well as the improvements in quality of life.

However, the reception market for professionals migrating to developing countries is very competitive. Language barriers, the disadvantage of having to learn rapidly how the host country's institutions and administrative bodies work, as well as the specific labor restrictions, are some of the main factors affecting how migrants integrate, find their niche in the workplace and are paid.

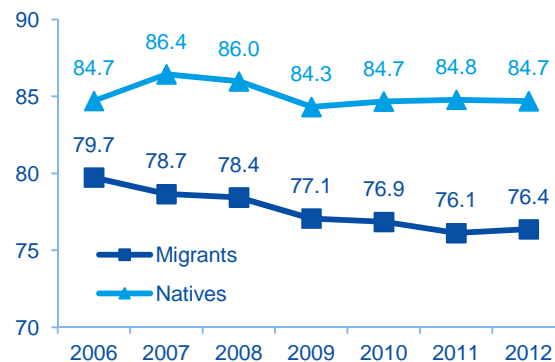
In OECD countries, on average the employment rate among professionals who are migrants is lower than it is among their own nationals. In 2012, 84.7% of native professionals were employed, while the figure for migrants was 76.4%, and given that the rate of participation is very similar between both groups, this indicates that their unemployment rate was higher and that they face relatively greater difficulties in joining the workforce.

Table 2  
**Annual salary in US dollars\*, 2013**  
**(Selected countries)**

Country	Dollars
United States	56,340
Switzerland	54,236
Netherlands	47,590
Canada	46,911
Germany	43,682
United Kingdom	41,192
France	40,242
Spain	34,824
Italy	34,561
Mexico	12,711

Source: BBVA Research using OECD figures.  
\* Note: Adjusted for purchasing power parity, 2013 dollars. For Mexico, the most recent figure is given.

Chart 2  
**Employment rate\* among the population with tertiary education (OECD average, %)**



Source: BBVA Research using OECD figures.  
\* Note: Employees in the total population

**Migrant professionals: more obstacles to joining the workforce and over-qualification**

The OECD's *International Migration Outlook 2014* presents the results of a study analyzing whether migrants with tertiary education have disadvantages in the workplace, as a result of having qualified abroad. This is an important figure, given their lower integration in the host country in comparison with migrants who studied there and the native population. Thus, the research quantifies the disadvantage suffered by those who qualified in their native country (or elsewhere) and who migrate in order to join the workforce of a developed country.

Among the most significant estimates from the countries selected, in Spain, the Netherlands and the United Kingdom, those professionals who did not go through tertiary education in the host country have on average 26.8, 21.9 and 13.8 percentage points less probability of being in employment.

In addition, in all the statistically significant results, there was a greater probability that, in the event of getting a job, those migrant professionals who studied abroad are over-qualified for the job they are doing, which to an extent is the same as being paid less than the native workforce and than migrants who studied in the host country and have equivalent qualifications.

Thus, migrant professionals are driven by the better salaries and living conditions mainly towards developed countries, but when they arrive they face obstacles in their integration which translate into lower rates of employment (-12.5 percentage points) and a higher risk of being over-qualified (+23.0pp).

Table 3

**Probability of being employed and over-qualified, those born abroad and highly educated outside their host country, 2012**  
(percentage points)

Country	Probability of being employed	Risk of being over-qualified
Austria	5.2	28.2 *
Belgium	6.4	0.8
Canada	0.4	12.9 *
Czech Rep.	-0.3	-3
Denmark	2.3	14.0 *
Estonia	12.4 *	14.8
Finland	-16.0	5.6
France	0.4	13.9
Germany	8.6	14.4
Ireland	-4.4	5.5
Italy	0.3	31.3
Netherlands	-21.9 *	25.4 *
Norway	8.0	3.5
Spain	-26.8 *	21.6
Sweden	8.0	34.8 *
United Kingdom	-13.8 *	2.4
United States	0	8.9

Source: BBVA Research with figures from the OECD.

Note: \* Significant to 5%, excluding professionals in education. Population between 16 and 64 years old

**Disclaimer**

This publication is a joint initiative between the BBVA Bancomer Foundation and BBVA Research's Economic Research Department, Mexico. It aims to make new contributions in the field of Migration studies that add to knowledge of this important social movement. It has been prepared on their own behalf and is for information purposes only. The opinions, estimates, forecasts and recommendations contained in this document refer to the date appearing in the document, and, therefore, they may undergo changes due to market fluctuations. The opinions, estimates, forecasts and recommendations contained in this document are based on information obtained from sources deemed to be reliable, but BBVA does not provide any guarantee, either explicit or implicit, of its exactitude, integrity or correctness. This document does not constitute an offer, invitation or incitement to subscribe to or purchase securities.