

Title: High-Skill Migration to Canada and Switzerland: Retention, Attraction and Competition with the United States through Policy

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Research Question:

Are small countries like Canada and Switzerland able to attract and retain skilled workers (i.e., brains) in the face of the magnet role played by the United States?

Importance:

Industrialised economies have had to re-invent their comparative advantage to foster economic growth. To do so, they count on innovation and attracting foreign skilled workers. Between 1990 and 2000, the skill content of Canadian, Swiss and American expatriates in each of the three countries increased drastically; yet, the two smaller economies are worried about losing in the competition against the United States for brains. Immigration policy is one tool that has been used to attract brains under very different models: Canada has a supply-driven permanent settlement policy while Switzerland has a demand-driven immigration policy. Meanwhile, the United States is perceived as a natural magnet in part because of its stimulating work environment. Hence, other skill-oriented policies that foster innovations and likely play a role in influencing a brain's decision to move have also been used to attract foreign skilled workers. Some argue, however, that they have not been strategically developed and thus are inefficient. Both Canada and Switzerland are high-income economies with a large skilled labour force, and both have used skill-related policies along with their targeted immigration policy but not with the same intensity. Also, the two countries are linked together and with the United States by relatively large brain exchanges (two-way flow for a given occupation category) as well as brain gains/losses (one-way flow for a given occupation category). So the question is, what drives those flows and to what extent do they respond to skill-oriented policies? Alternatively, can Canada and Switzerland improve retention and attraction of foreign brains by using policies other than their immigration policy? And if so, are they doing it?

Research Findings:

The analysis of bilateral flows for twelve occupation categories of managers, professionals and technicians between the three countries shows that highly skilled people are attracted to Canada, Switzerland, and the United States for different reasons. The United States does act as a magnet, but some of the reasons why Canadian and Swiss brains move originate in their home country. Skill-oriented policies such as R&D spending by the two countries offer a win-win situation as they contribute to professional and technical skill retention/attraction. Yet, in the early twenty-first century, Canada seems to have lost ground in the race to attract skills as R&D spending declined. Finally, academics are irremediably attracted to the United States, especially when the quality of the research at home improves.

Implications:

Immigration policy, especially when supply-driven, is not sufficient to attract/retain brains, and skill-oriented policies like R&D spending can play a major role in combatting the attraction of the United States. Unfortunately, compared to Switzerland, Canada has not recently gone in this direction.