Migration and the Wage Curve: A New Approach to Measure the Wage and Employment Effects of Migration

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What are the questions?

- Does migration affect wages?
- Do capital stocks adjust in the long- and short run?
- What is the impact on (un-)employment in labour markets with wage rigidities?
- How are the gains and losses distributed across a labour force of heterogeneous workers?
- What are the consequences for migration regulation?

State of the literature

- Substantial empirical literature which tempts to identify wage and employment effects of migration using the variance across regions (Surveys: Borjas, 1995; Friedberg/Hunt, 1995)
  - Natural experiments (e.g. Card, 1990; Hunt, 1992)
  - Other controls for endogeneity (Borjas/Freeman/Katz, 1997; Grossmann, 1982; DeNew/Zimmermann, 1994; 1995; Hatizius, 1994; Pischke/Velling, 1997)
  - Small, insignificant effects on low-skilled wages and unemployment (Card, 1990; Friedberg, 2001; Lewis, 2005; Bauer, 1997; Hatizius, 1995; Venturini/Villosio, 2002)
  - Larger adverse effects (Borjas/Freemann/Katz, 1997; DeNew/Zimmermann, 1994; 1995)
  - Meta-studies: wage elasticity of -0.1 percent, insignificant unemployment effects (Longhi et al., 2006a; 2006b)

State of the literature (cont.)

- National level studies avoid endogeneity of locational choices using the variance across education and experience groups (Borjas, 2003; Bonin, 2005; Ottaviano/Peri, 2006)
- Employing different assumptions
  - Native and foreign workers are perfect vs. imperfect substitutes (Borjas, 2003 and Bonin, 2005 vs. Ottaviano/Peri, 2006 and Card/Lemieux, 2001)
  - Fixed capital stocks vs. capital stock adjustment (Borjas, 2003; Borjas/Freeman/Katz, 1997 vs. Ottaviano/Peri (2006; Brücker, 2007)
- Measuring partial elasticities vs. total effects (Borjas, 2003; Bonin, 2005 vs. Ottaviano/Peri, 2006)

This paper

- Presents a model which considers the employment and wage effects of migration simultaneously
  - Considers wages rigidities employing a 'wage curve' approach (Blanchflower/Oswald, 1994; 1995)
  - Uses a nested CES-production function which considers heterogeneity across education groups, experience groups, natives and migrants
- Simulates short- and long-run impact of migration on the German labor market
- Compares the findings with the US evidence from Ottaviano/Peri (2006)
- Discusses implications for migration regulation

Part I

Outline of the model

Outline of model

- Analysis is based on a structural model in the spirit of Ottaviano/Peri (2006), Boeri/Brücker (2005) and Levine (1999)
- Nested constant-returns to scale production function (CES)
- Heterogeneity of labour market: labour force is distinguished by education, experience, native and foreign workers (Borjas, 2003; Bonin, 2004; Ottaviano/Peri, 2006)
- Models wage rigidites employing a wage curve approach (Blanchflower and Oswald, 1994a; 1994b; Card, 1995)
- Considers capital stock adjustment

Production

- Aggregate production function:

$$Y_t = A_t \tilde{L}_t^{\alpha} K_t^{(1-\alpha)} \tag{1}$$

- First nest: education

$$\tilde{L}_t = \left[\sum_{q=1}^{4} \theta_{qt} \tilde{L}_{qt}^{(\delta-1)/\delta} \right]^{\delta/(\delta-1)}, \qquad \sum_{q=1}^{4} \theta_{qt} = 1, \tag{2}$$

- Second nest: experience

$$\tilde{L}_{qt} = \left[\sum_{k=1}^{8} \theta_{qkt} \tilde{L}_{qkt}^{(\rho-1)/\rho} \right]^{\rho/(\rho-1)}, \qquad \sum_{k=1}^{8} \theta_{qkt} = 1, \tag{3}$$

- Third nest: native and foreign workers

$$\tilde{L}_{qkt} = \left[\theta_{qkHt} L_{qkHt}^{(\sigma_q-1)/\sigma_q} + \theta_{qkFt} L_{qkFt}^{(\sigma_q-1)/\sigma_q} \right]^{\sigma_q/(\sigma_q-1)}. \tag{4}$$

Framing labour market rigidities

- Wage curve: wages adjust to changes of unemployment rate, albeit imperfectly (Blanchflower/Oswald, 1994a; 1994b; Card, 1995)
- Different theoretical motivations
  - Wage bargain: bilateral bargaining monopoly of trade-unions and employer federations fixes wage
  - right-to-manage: profit-maximizing firms hire labour until marginal product of labour equals wage rate
  - Alternatively: Efficiency wage considerations

Wage curves

- We allow wage curves to differ by labour market segments
  - Aggregate wage curve:

$$w_t = \phi(u_{qkit}), \qquad \phi' < 0, \tag{5}$$

  - Wage curve of education groups:

$$w_{qt} = \phi_q(u_{qt}), \qquad \phi'_q < 0, \tag{6}$$

  - Wage curve of natives:

$$w_{Hqt} = \phi_{Hq}(u_{Hqt}), \qquad \phi'_{Hq} < 0, \tag{7}$$

  - Wage curve of foreigners:

$$w_{Fqt} = \phi_{Fq}(u_{Fqt}), \qquad \phi'_{Fq} < 0, \tag{8}$$

Capital stock adjustment

- Stylized fact on economic growth: capital-output ratio is constant in the long-run (Kaldor, 1961)
- If this holds true, migration does not change labour productivity at the macro level in the long-run
- Empirical evidence
  - constant capital-output ratio in the US
  - small trend-growth in Germany (from 3.0 1960 to 3.15 2006)
- Impact of short-term labour supply shocks
  - small negative impact in the US (Ottaviano/Peri, 2006)
  - insignificant small negative impact in Germany (see below)

Aggregate employment impact

$$\begin{aligned}\frac{dL_t}{dF_t} &= \frac{\eta(1-u_t)^2}{\eta(1-u_t)(1-\alpha)\mu_t}\frac{dN_t}{dF_t} \\ &+ \frac{(1-\alpha)(1-u_t)}{\eta(1-u_t)+(1-\alpha)\mu_t}\frac{N_t}{K_t}\frac{dK_t}{dF_t} \\ &= (1-u_t)\frac{dN_t}{dF_t} + \frac{(1-\alpha)}{\alpha}\frac{1}{\eta}\frac{N_t}{\kappa_t}\frac{d\kappa_t}{dF_t},\end{aligned} \tag{9}$$

- if $\eta \to \infty$: then $\frac{dL_t}{dF_t} \to \frac{dN_t}{dF_t}$
- if $\eta \to 0$ and $\frac{dK_t}{dF_t} \to 0$: then $\frac{dL_t}{dF_t} \to 0$.

Disaggregate employment impact (natives)

$$
\begin{aligned}
\frac{dL_{qkHt}}{dF_t} = & -\left(\frac{\mu_{qkt}}{\rho}-\frac{\mu_{qkt}}{\sigma_q}\right)\frac{\eta_{qk}(1-u_{qkt})(1-u_{qkHt})}{\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkH}(1-u_{qkHt})+\frac{1}{\sigma_q}\right]}\frac{H_{qkt}}{N_{qkt}}\frac{dN_{qkt}}{dF_t} \\
& -\frac{\left[\frac{\mu_{qt}}{\delta}-\frac{\mu_{qt}}{\rho}\right]\eta_q(1-u_{qt})\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\sigma_q}\right](1-u_{qkHt})}{\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\delta}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkH}(1-u_{qkHt})+\frac{1}{\sigma_q}\right]}\frac{H_{qkt}}{N_{qt}}\frac{dN_{qt}}{dF_t} \\
& +\frac{\frac{\mu_t}{\delta}\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\rho}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\sigma_q}\right](1-u_{qkHt})}{\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\delta}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkH}(1-u_{qkHt})+\frac{1}{\sigma_q}\right]}\frac{H_{qkt}}{N_t}\frac{dN_t}{dF_t} \\
& +\frac{\frac{(1-\alpha)}{\alpha}\left[\eta(1-u_t)+\frac{\mu_t}{\delta}\right]\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\rho}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\sigma_q}\right](1-u_{qkHt})}{\eta(1-u_t)\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\delta}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkH}(1-u_{qkHt})+\frac{1}{\sigma}\right]}\frac{H_{qkt}}{\kappa_t}\frac{d\kappa_t}{dF_t},
\end{aligned}
\tag{10}
$$

Disaggregate employment impact (foreigners)

$$
\begin{aligned}
\frac{dL_{qkFt}}{dF_t} &= \frac{\eta_{qkF}(1-u_{qkFt})^2}{\eta_{qkF}(1-u_{qkFt})+\frac{1}{\sigma_q}}\frac{dF_{qkt}}{dF_t} \\
&- \left(\frac{\mu_{qkt}}{\rho}-\frac{\mu_{qkt}}{\sigma_q}\right)\frac{\eta_{qk}(1-u_{qkt})(1-u_{qkFt})}{\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkF}(1-u_{qkFt})+\frac{1}{\sigma_q}\right]}\frac{F_{qkt}}{N_{qkt}}\frac{dN_{qkt}}{dF_t} \\
&- \frac{\left(\frac{\mu_{qt}}{\delta}-\frac{\mu_{qt}}{\rho}\right)\eta_q(1-u_{qt})\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\sigma_q}\right](1-u_{qkFt})}{\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\delta}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkF}(1-u_{qkFt})+\frac{1}{\sigma_q}\right]}\frac{F_{qkt}}{N_{qt}}\frac{dN_{qt}}{dF_t} \\
&+ \frac{\frac{\mu_t}{\delta}\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\rho}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\sigma_q}\right](1-u_{qkFt})}{\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\delta}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkF}(1-u_{qkFt})+\frac{1}{\sigma_q}\right]}\frac{F_{qkt}}{N_t}\frac{dN_t}{dF_t} \\
&+ \frac{\frac{(1-\alpha)}{\alpha}\left[\eta(1-u_t)+\frac{\mu_t}{\delta}\right]\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\rho}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\sigma_q}\right](1-u_{qkFt})}{\eta(1-u_t)\left[\eta_q(1-u_{qt})+\frac{\mu_{qt}}{\delta}\right]\left[\eta_{qk}(1-u_{qkt})+\frac{\mu_{qkt}}{\rho}\right]\left[\eta_{qkF}(1-u_{qkFt})+\frac{1}{\sigma_q}\right]}\frac{F_{qkt}}{\kappa_t}\frac{d\kappa_t}{dF_t}.
\end{aligned}
\tag{11}
$$

Disaggregate wage impact (natives)

$$
\begin{aligned}
\frac{dw_{qkHt}}{w_{qkHt}} &= \frac{1}{\delta}\sum_{n}\sum_{m}\sum_{j}\left(s_{nmjt}\frac{dL_{nmjt}}{L_{nmjt}}\right)_{immigration} \\
&- \left(\frac{1}{\delta}-\frac{1}{\rho}\right)\frac{1}{s_{qt}}\left(\sum_{m}\sum_{j}s_{qmjt}\frac{dL_{qmjt}}{L_{qmjt}}\right)_{immigration} \\
&- \left(\frac{1}{\rho}-\frac{1}{\sigma_q}\right)\frac{1}{s_{qkt}}\sum_{j}\left(s_{qkjt}\frac{dL_{qkjt}}{L_{qkjt}}\right)_{immigration} \\
&- \frac{1}{\sigma_q}\left(\frac{dL_{qkHt}}{L_{qkHt}}\right)_{immigration} + \frac{(1-\alpha)}{\alpha}\left(\frac{d\kappa_t}{\kappa_t}\right)_{immigration}.
\end{aligned}
\tag{12}
$$

Part II

Data

The data set

- IAB Employment Sample (IABS)
  - 2 % sample of all employees and unemployed derived from social security records
  - censored: 5,800 Euro income ceiling
  - no self-employed
- identification of foreigners by citizenship
  - we treat individuals as foreigners if they are once reported as foreign nationals
- we restrict sample to Western Germany (without Berlin)
- we exclude part-time workers since no information on working hours available
- we use the 1980-2004 period (25 time series observations)

Foreigner shares by education group

education	**1980**	**1990**	**2000**	**2004**
no vocational degree	0.313	0.336	0.480	0.477
vocational degree	0.051	0.053	0.082	0.087
high school + vocational degree	0.063	0.045	0.066	0.070
college or university degree	0.075	0.054	0.055	0.063

Part III

Estimation

Estimation strategy

Three steps:

- Impact of labour supply shocks on capital-output ratio
- Elasticities of production function
  - Elasticity of substitution between native and foreign workers
  - Elasticity of substitution between experience groups
  - Elasticity of substitution between education groups
- Wage curves

Capital stock adjustment

- Long-run impulse

$$\ln(\kappa_t) = \beta_0 + \beta_1 \ln(\kappa_{t-1}) + \beta_2 \ln(N_t) + \beta_3 \mathit{Trend}_t + \varepsilon_t, \quad (13)$$

- Short-run impulse

$$\ln(\kappa_t) = \gamma_0 + \gamma_1 \ln(\kappa_{t-1}) + \gamma_2 \Delta \ln(N_t) + \gamma_3 \mathit{Trend}_t + \epsilon_t, \quad (14)$$

- Ottaviano/Peri (2006) estimated second regression and obtained similar results

Estimation of long- and short-term adjustment

	long-run		short-run	
$\ln(k_{t-1})$	0.85	***	0.74	***
	(0.13)		(0.09)	
$\ln(N_t)$	0.04			
	(0.04)			
$\Delta \ln(N_t)$			-0.08	
			(0.07)	
adjusted R^2	0.61		0.61	
Durbin-Watson statistics	1.47		1.39	

The dependent variable is $\ln(k_{t-1})$. Each regression includes a constant and a deterministic time trend.

Elasticities of substitution

- Between natives and foreign workers:

$$\ln\left(w_{qkHt}/w_{qkFt}\right) = D_{kj} - \frac{1}{\sigma_{qk}} + \nu_{qkt}, \tag{15}$$

- Between experience groups:

$$\ln w_{qkt} = D_t + D_{qt} + D_{qk} - \frac{1}{\rho}\ln(\tilde{L}_{qkt}) + \upsilon_{qkt}, \tag{16}$$

- Between education groups:

$$\ln w_{qt} = D_t + D_q + \lambda_q Trend_q - \frac{1}{\delta}\ln(\hat{\tilde{L}}_{qkt}) + \vartheta_{qt}. \tag{17}$$

Elasticities of substitution: results

- Between natives and foreign workers: σ_q
  - all: 55^{***}
  - ed1: 37^{***}
  - ed2: 83^{***}
  - ed3: 30^{***}
  - ed4: 111
- Between experience groups: ρ
  - 200^{*}
- Between education groups: δ
  - 4^{***}

Estimation of wage curves

- total labour force:

$$\ln(w_{qkt}) = \beta_q \ln(w_{qk,t-1}) - \eta_q u_{qkt} + \gamma_q' \tau_q + e_{qkt}, \qquad (18)$$

- natives

$$\ln(w_{Hqkt}) = \beta_{Hq} \ln(w_{Hqk,t-1}) - \eta_{Hq} u_{Hqkt} + \gamma_{Hq}' \tau_q + e_{Hqkt}, \qquad (19)$$

- foreigners

$$\ln(w_{Fqkt}) = \beta_{Fq} \ln(w_{Fqk,t-1}) - \eta_{Fq} u_{Fqkt} + \gamma_{Fq}' \tau_q + e_{Fqkt}, \qquad (20)$$

Wage curve: Results for total labour force

dependent variable ln *wage*	ln *wage*$(t-1)$		unemployment rate short-run		long-run	R^2
all	0.82	***	-0.17	***	-0.96	0.91
	(0.03)		(0.03)			
no vocational degree	0.70	***	-0.23	***	-0.79	0.93
	(0.06)		(0.03)			
vocational degree	0.69	***	-0.34	***	-1.08	0.94
	(0.07)		(0.06)			
high school with vocational degree	0.57	***	-0.16	***	-0.37	0.88
	(0.07)		(0.06)			
university or college degree	0.31	***	-0.01		-0.01	0.93
	(0.11)		(0.05)			

Wage curve: Results for native labour force

dependent variable ln *wage*	ln *wage*$(t-1)$		unemployment rate short-run		unemployment rate long-run	R^2
no vocational degree	0.75	***	-0.21	***	-0.86	0.94
	(0.05)		(0.04)			
vocational degree	0.70	***	-0.34	***	-1.13	0.95
	(0.07)		(0.06)			
high school with vocational degree	0.56	***	-0.17	***	-0.39	0.89
	(0.07)		(0.06)			
university or college degree	0.30	***	-0.01		-0.01	0.93
	(0.11)		(0.05)			

Wage curve: Results for foreign labour force

dependent variable ln *wage*	ln *wage*$(t-1)$		unemployment rate short-run		long-run	R^2
no vocational	0.45	***	-0.25	***	-0.49	0.89
degree	(0.06)		(0.03)			
vocational	0.52	***	-0.25	***	-0.52	0.89
degree	(0.07)		(0.03)			
high school	0.38	***	-0.02	***	-0.04	0.38
degree	(0.07)		(0.07)			
university	0.40	***	0.04		0.07	0.77
or college degree	(0.09)		(0.08)			

Estimation: Summarizing

- Capital stock adjustment
  - No long-run impact of labour supply on capital-output ratio
  - No significant or small impact of short-term labour supply shocks
- Elasticities of production function
  - Native and foreign workers imperfect substitutes
  - Experience groups almost perfect substitutes
  - Education groups imperfect substitutes

Estimation: Summarizing (cont.)

- Wage curve
  - Total elasticity very similar to findings in international literature (-1.1)
  - High elasticity of no vocational training group
  - Average elasticity of vocational training group
  - Low elasticity of high school degree group
  - Zero elasticity of university and college degree group!
- The flexibility of labour markets is thus declining with education!
- Do efficiency wages matter?

Part IV

Simulation of results

Simulation assumptions

- Marginal impact: simulation of a 1% increase of labour force through migration
- Using the sample average of the foreigner share for assessment of labour shock by skill and experience groups
- Short-run scenario: considering short-run semi-elasticity of wage curve and (small) negative impact on capital-output ratio
- Long-run scenario: considering long-term elasticity of wage curve and complete capital stock adjustment
- Comparing with the US: Wage results from Ottaviano/Peri (2006) calculated at 1% of workforce (1/11)

Simulation results: total labour force

	short-run results		long-run results	
	wages	unemployment rate	wages	unemployment rate
	wages: change in % at an immigration of 1% *unemployment rate: change in %-points*			
all	0.07	-0.20	0.10	-0.17
no vocational degree	-0.04	1.60	-0.20	0.99
vocational degree	0.08	-0.27	0.14	-0.10
high school degree	0.12	-0.14	0.18	-0.01
college or university degree	0.20	-3.31	0.23	-3.28

Simulation results: native labour force

	short-run results		long-run results	
	wages	unemployment rate	wages	unemployment rate
	wages: change in % at an immigration of 1%			
	unemployment rate: change in %-points			
all	0.08	-0.46	0.12	-0.38
no vocational degree	-0.01	0.20	-0.16	0.59
vocational degree	0.08	-0.36	0.15	-0.17
high school degree	0.13	-0.56	0.19	-0.36
college or university degree	0.20	-3.68	0.22	-3.60

Simulation results: foreign labour force

	short-run results		long-run results	
	wages	unemployment rate	wages	unemployment rate
	wages: change in % at an immigration of 1%			
	unemployment rate: change in %-points			
all	-0.06	2.25	-0.11	1.77
no vocational degree	-0.14	2.92	-0.30	2.07
vocational degree	-0.02	1.16	0.05	1.12
high school degree	-0.01	7.06	-0.01	6.07
college or university degree	0.28	3.05	0.32	2.39

US simulation results (Ottaviano/Peri, 2006): wage effects

	native wages		foreign wages		all	
	short-run	long-run	short-run	long-run	short-run	long-run
	change in % at an immigration of 1%					
average	0.06	0.16	-1.90	-1.80	-0.10	0.00
high-school dropouts	-0.20	-0.10	-1.58	-1.48	na	na
high school graduates	0.12	0.21	-2.24	-2.14	na	na
college dropouts	0.21	0.31	-1.22	-1.12	na	na
college graduates	-0.03	0.06	-2.30	-2.20	na	na

German simulation results: perfect labour markets

	native wages		foreign wages		all	
	short-run	long-run	short-run	long-run	short-run	long-run
	change in % at an immigration of 1%					
average	-0.01	0.02	-0.32	-0.29	-0.04	-0.00
no vocational training	-0.50	-0.46	-0.64	-0.61	-0.54	-0.50
vocational training	0.05	0.08	-0.06	-0.02	-0.04	0.07
high school graduates	0.08	0.10	0.31	-0.33	0.05	0.09
university graduates	0.15	0.18	0.36	0.40	0.16	0.19

Part V

Summary and conclusions

Summary of estimation results

- We find strong evidence for capital stock adjustment
- We find relatively high elasticities of substitution between native and foreign workers, experience and education groups – at least compared to the US evidence
- We find evidence for existence of a wage curve in Germany
- Elasticity between wages and unemployment declines with education levels
- Elasticity between wages and unemployment is smaller for foreign workers
- This has important implications for migration effects

Summary of simulation results

- We find that immigration *reduces* aggregate unemployment by 0.2%-points and *increases* aggregate wages by 0.1%
- Migration into the the low-skilled sector involves higher employment of skilled workers
- Only moderate wage effects due to wage rigidities
- The native labour force gains from less-skilled immigration
  - unemployment rate: -0.46 %-points (short-), -0.38%-points (long-run)
  - wages: +0.08% (short-), +0.12% (long-run)
- The foreign labour force suffers from less-skilled immigration
  - unemployment rate: +2.25 %-points (short-), +1.77%-points (long-run)
  - wages: -0.06% (short-), -0.11% (long-run)

Comparing with the US

- Ottaviano/Peri (2006) find larger wage effects for the US:
  - native wages: +0.06% (short-), +0.16% (long-run)
  - foreign wages: -1.90% (short-), -1.80% (long-run)
  - total wages: -0.10% (short-), 0.00% (long-run)
- Comparing the results with perfect labour market scenario for Germany yields comparable results in the aggregate, but smaller differences between education groups and natives and foreigners
  - native wages: -0.01% (short-), +0.02% (long-run)
  - foreign wages: -0.32% (short-), -0.29% (long-run)
  - total wages: -0.04% (short-), 0.00% (long-run)
- Future research: estimating wage curve model for the US

Conclusions

- Consideration of labour market rigidities can change our views on migration impacts
- Countries can benefit from immigration, if migrants move into labour market segments with higher wage flexibility
- Interestingly enough, this is the low-skilled segment in Germany
- If the estimates of the wage curve are correct, high-skilled immigration would increase unemployment in Germany
- Regulation of migrant influx by skill levels has to consider therefore labour market conditions carefully
- Evidence from other countries needed