

PART II

Regional aspects of migration¹

Summary

This chapter analyses the regional aspects of international migration. It does not pretend to cover the whole set of issues related to the regional aspects of migration; the aim rather is to address the question “Where do migrants live?” The existence of international differences in the geographic distribution of immigrants raises question about the factors that affect where immigrants decide to live when they arrive in the host country. Among these factors are: i) the presence of family members or of persons of the same ethnic origin; ii) the point of entry into the country and the proximity of the country of destination to the country of origin; iii) the economic attractiveness of the destination region.

The first part of the study examines the role played by the personal characteristics of immigrants (country of origin, reason for entry, age at the time of migration, duration of stay) but also by the characteristics of the destination region. The analysis focuses on the economic determinants of the choice of the region of destination. Secondary migration movements (secondary internal migration or departure to another foreign country) and their impact on the geographic concentration of the immigrant population are also considered.

The second part presents some features of regional migration programmes in Australia and Canada. The analysis examines the measures implemented to seek to attract immigrants to regions with different levels of economic development, as well as to large and intermediate cities. The links between regional development policies and migration policies are emphasised.

Introduction

A renewed interest for the regional aspects of international migration is emerging in several OECD member countries. This interest is motivated by the following:

- The increased weight of regions in migration policies (for example, in Australia, Canada, Italy or Spain). Regions demand to play a larger role in the process of the selection of migrants, particularly of skilled workers.
- Some governments are seeking to set up policies to encourage new immigrants, especially highly skilled immigrants, to settle in regions other than large urban centres in order to stimulate local economic development.
- In some countries, the concentration of immigrants in large urban centres creates pressure on public infrastructures, which may result in negative externalities. Furthermore, when it results in excessive “ethnic” segregation, the concentration of foreigners may be seen as an obstacle to long-term integration into the society. The latter question is, however, a matter of current debate.

These issues do not arise in the same terms in all countries but vary with the political organisation and the attributions of second-tier governments (provinces, *Länder* or other

administrative regions); the economic dynamism of the regions; and the distribution of wealth across regions, as well as geographic characteristics.

With no pretence to cover the whole set of issues related to the regional aspects of migration, the aim of this study is to analyse the concentration of immigrants at the regional level² and to review the regional features of migration policies in some OECD member countries. The first part of the study will compare the degree of concentration of the foreign population in several OECD member countries³ and try to assess the main determinants of the choice of residence of foreigners. Despite the limited data availability, it is also important to study secondary migration (secondary internal migration or migration to another country). In the light of the results of the first part, the second part will examine some regional aspects of migration policy in two OECD member countries, Australia and Canada, where regional programmes for migration have been designed to strengthen the links between international migration and local economic development.

1. The choice of residence of immigrants: an overview of the main issues

In strongly urbanised economies like the majority of OECD member countries, large urban centres have a high degree of attractiveness for the whole population and even more so for immigrants. As a consequence of the significant increase in migration flows from the early nineties on (OECD, 2002), several OECD member countries are becoming increasingly concerned about the capacity of their large urban centres to cope with migration. The issue is widely debated because some authors have pointed out the negative economic effects that may result, under certain circumstances, from an excessive concentration of immigrants. Chiswick and Miller (2002) show that “ethnic” concentration tends to delay the acquisition of and the investment in qualifications specific to the host country (in particular, linguistic skills) and to decrease the level of nominal wages of immigrants.

More recently, policies have been introduced to attempt to bring new immigrants to less populated or less attractive regions, especially rural areas and secondary urban centres, to foster their economic development. This is true for highly skilled foreign workers but also for semi-skilled or even low-skilled workers. In order to attract new immigrants in these regions, specific migration programmes, information campaigns or active recruitments at the regional level have been put in place in some OECD member countries.

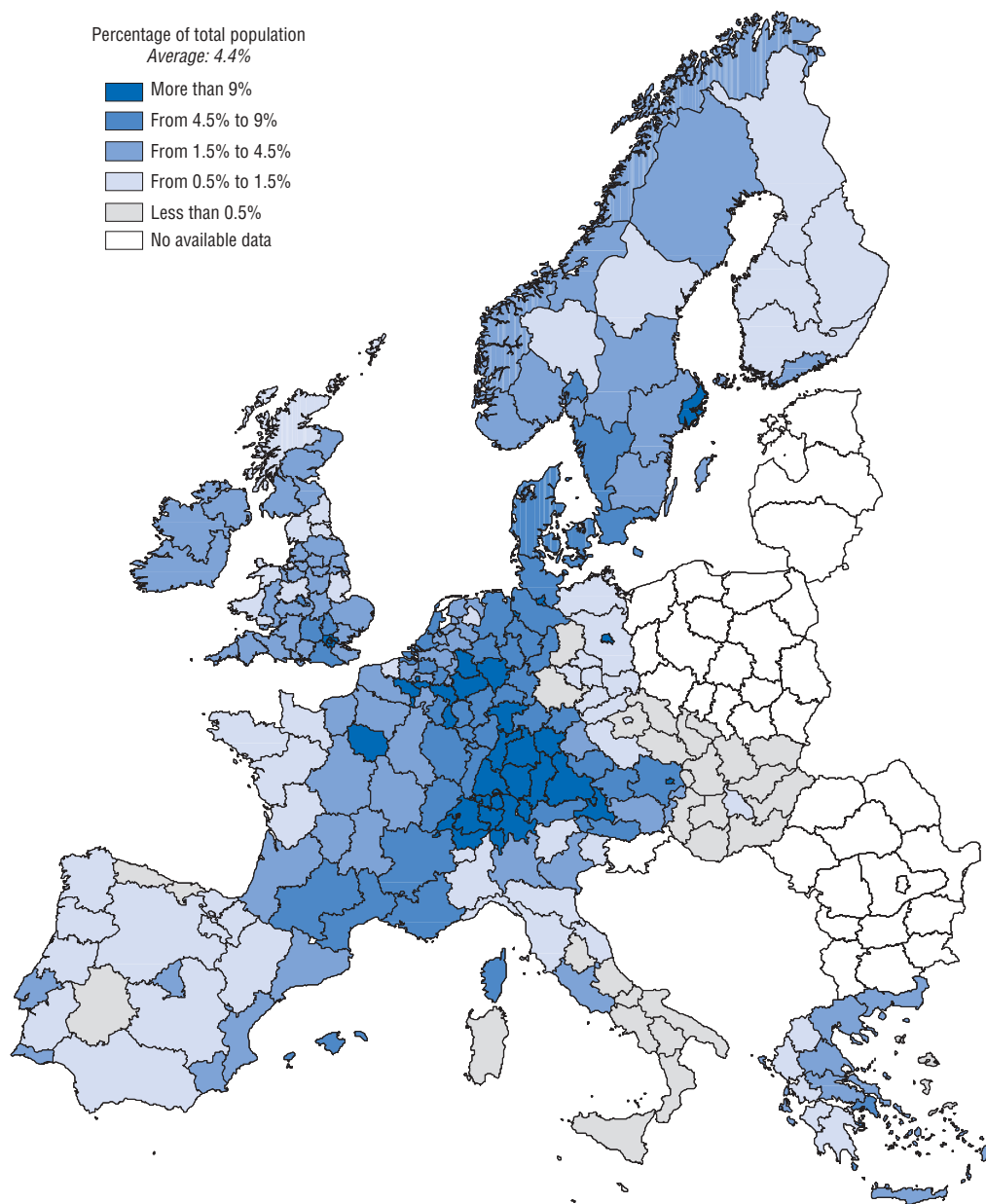
Traditionally, the geographic concentration of immigrants has been explained by one or more of the following factors: first, proximity to an entry point (“green” borders, a sea port in the past, an airport today); second, the presence of family members or members belonging to the same “community”; and last, but not least, the economic attractiveness of the place of destination in term of employment opportunities. While there is a widely held view that immigrants tend to settle where the demand for their skills is highest, some recent studies also have stressed the importance of the demographic and economic characteristics of migrants.

Where do migrants live?

The first issue to consider is whether migrants tend to settle in the same regions where the native population lives or to concentrate in a smaller number of regions (see Maps II.1-2-3-4). One synthetic indicator of the relative concentration of migrants is the Adjusted

Map II.1. Foreign population in the European regions, 2001

By NUTS 2 European region level

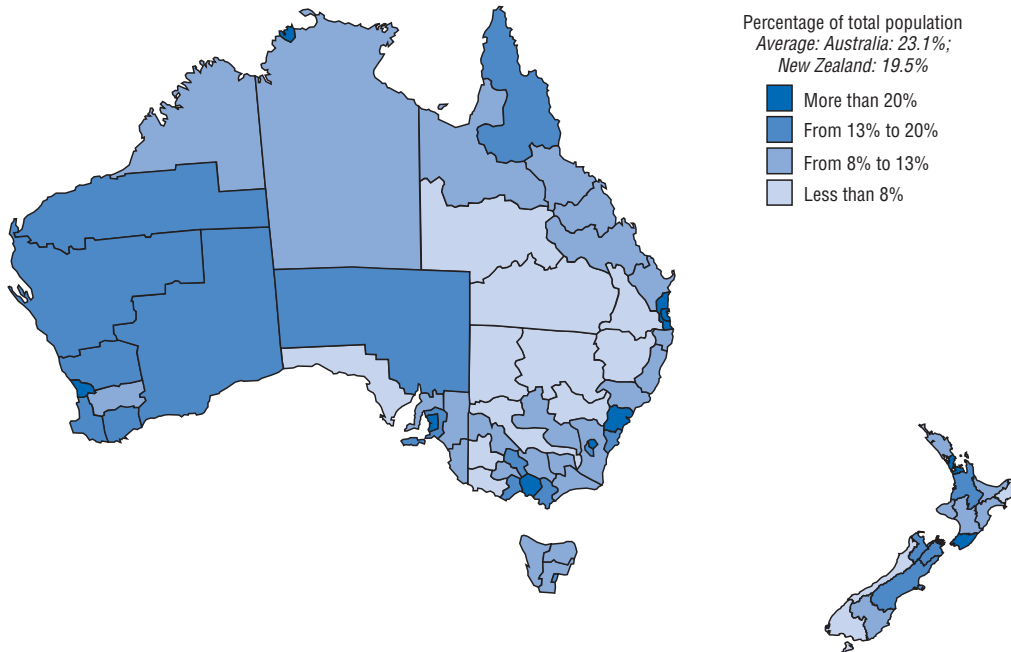


Note: Population aged 15 and over, except for Denmark, Luxembourg and Switzerland for which data cover the whole population. For those three countries data are not broken down by region. Data are not available for Iceland.

Sources: European Community Labour Force Survey (Eurostat); OECD Territorial Database.

Map II.2. Foreign-born population in the Australasian regions, 2001

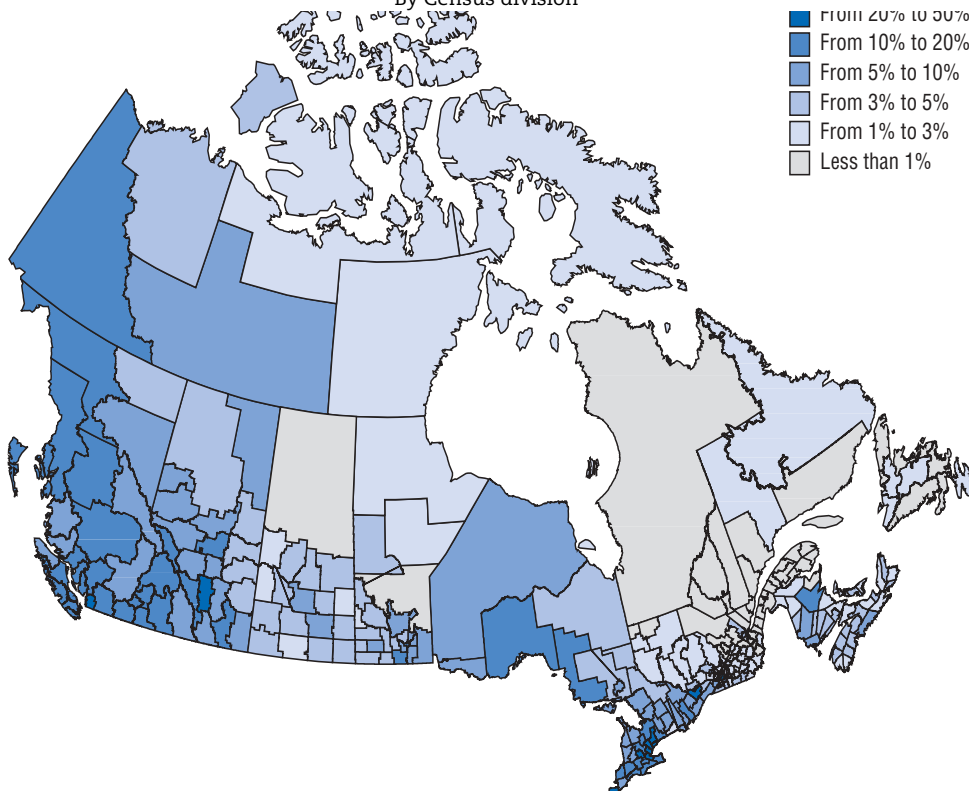
By statistical division (Australia) and regional council (New Zealand)



Sources: 2001 Population Census (Australian Bureau of Statistics, Statistics New Zealand); OECD Territorial Database.

Map II.3. Foreign-born population in the Canadian regions, 2001

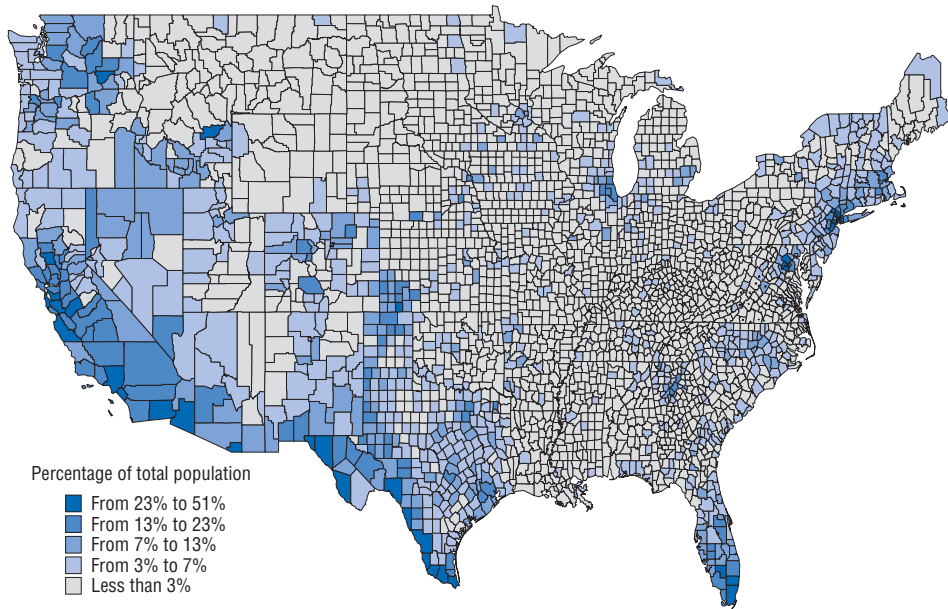
By Census division



Sources: 2001 Census (Statistics Canada); OECD Territorial Database.

Map II.4. Foreign-born population in the United States, 2000

By counties



Note: Not including Alaska and Hawaii.

Sources: United States Census 2000; OECD Territorial Database.

Geographic Concentration index (AGC), which measures the difference between the geographic distribution of the foreign population and the distribution of the native population (see Annex 1 for a more formal definition). The index ranges between 0 and 1: the higher its value, the more migrants are concentrated relative to the native population.

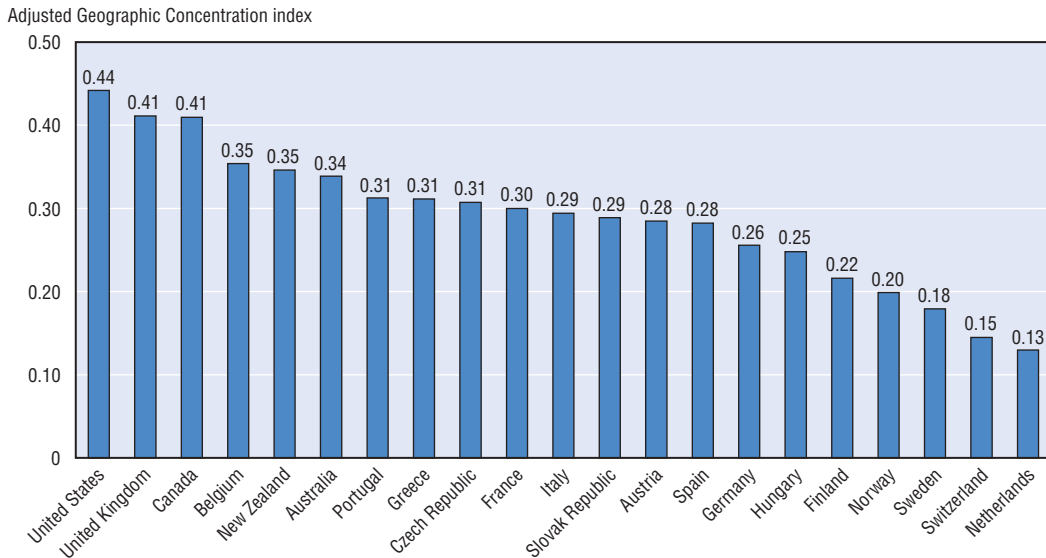
Chart II.1 reports the value of the AGC index in selected OECD member countries. For illustrative purposes, the last column of Table II.1 shows the ratio between the share of the foreign population in the region with the largest number of foreigners and the share of the foreign population in the entire country.

In general, the foreign population tends to be more concentrated in certain regions, with the degree of concentration differing significantly across countries. The United States, the United Kingdom, Canada and Belgium appear to be the countries where the concentration of foreigners is the highest, whereas the concentration is the lowest in the Netherlands, Switzerland and Sweden.

These international differences may be related to the size of the foreign population living in a country. In particular, one would expect that the geographic concentration of migrants would be lower in countries with a larger share of the foreign population. The reason is that a larger share of immigrants would be generally associated with a long-term accumulation of migration flows and duration of residence in the host country is an important determinant of access to information. As their duration of stay increases,

Chart II.1. **Geographic concentration of foreigners, 2001¹**

Adjusted Geographic Concentration index



Note: The Adjusted Geographic Concentration (AGC) index measures the difference between the geographic distribution of the foreign population and distribution of the native population. See Annex 1 for additional information on the AGC index.

1. Data from 2001, except for United States Census 2000.

Sources: For European countries, European Community Labour Force Survey (Eurostat); for Australia, Canada, New Zealand and the United States, Population Census.

immigrants become more aware of opportunities in other regions and may thus choose to move into a different region.

Chart II.2 illustrates the relationship between the relative size of the foreign-born or foreign population and its geographic distribution in selected OECD member countries. In general, the hypothesis that a larger share of foreign population is associated with a lower geographic concentration of immigrants does not seem to be supported. Some countries with a low share of foreigners (the Slovak Republic, Hungary, the Czech Republic, Italy, Finland, Spain, Portugal, Greece and Norway) also tend to show a low degree of concentration. Other countries (the United States, Canada, Belgium, New Zealand and Australia) have both a high share of foreigners and a high degree of concentration.

Furthermore, the geographic distribution of foreigners appears to be strongly affected by country-specific factors. For instance, foreigners seem to be much more concentrated in the United Kingdom than in Sweden, despite the fact that the percentage of the foreign population living in these two countries is almost the same. Similarly, the Netherlands and Switzerland show a similar degree of concentration, although the percentage of the population that is foreign in Switzerland is about six times higher than in the Netherlands.

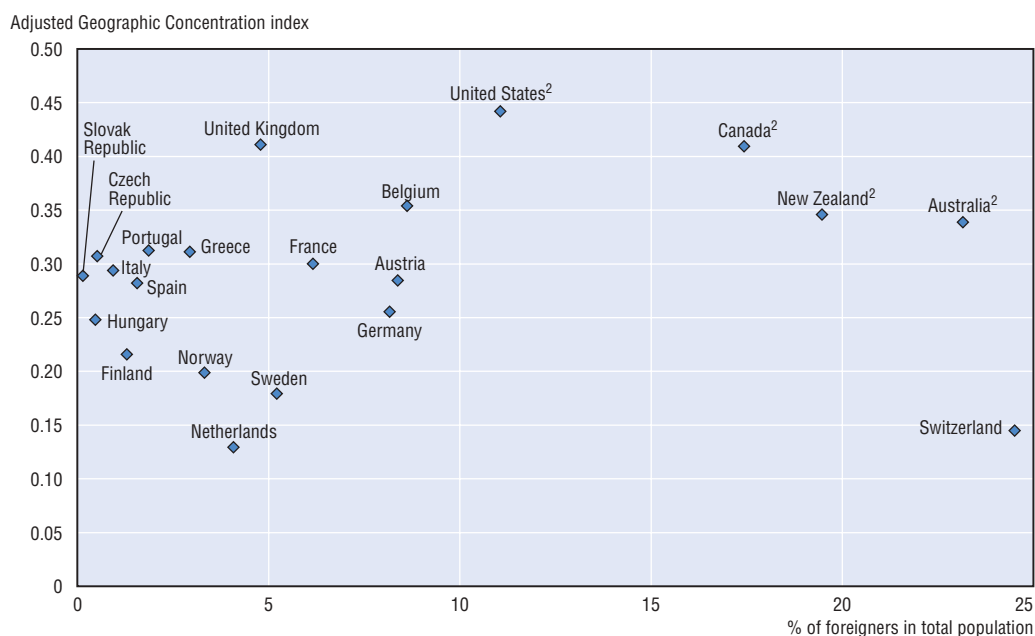
Table II.1. **Geographic distribution of foreigners, 2001¹**

	Concentration of foreigners	Region with the largest number of foreigners	
		Name	Incidence of foreigners ²
Australia	0.34	Sydney	1.7
Austria	0.28	Wien	2.0
Belgium	0.35	Bruxelles	3.0
Canada	0.41	Metropolitan Toronto	2.7
Czech Republic	0.31	Praha	2.6
Finland	0.22	Uusimaa	1.8
France	0.30	Ile de France	2.3
Germany	0.26	Dusseldorf	1.4
Greece	0.31	Attikiti	1.8
Hungary	0.25	Central Hungary	1.8
Italy	0.29	Lombardia	1.7
Netherlands	0.13	Zuid-Holland	1.3
New Zealand	0.35	Auckland Region	2.0
Norway	0.20	Oslo o Akershus	1.8
Portugal	0.31	Lisboa e Vale do Tejo	1.9
Slovak Republic	0.29	Bratislavski	3.1
Spain	0.28	Madrid	2.0
Sweden	0.18	Stockholm	1.8
Switzerland	0.15	Zürich	1.1
United Kingdom	0.41	Inner London	5.6
United States	0.44	Los Angeles County	3.3

1. Data from 2001, except for United States Census 2000.

2. Incidence refers to the ratio between the number of foreigners living in the region (% of total population of this region) to the total number of foreigners living in the country (% of the total population). For example, foreigners represent 16.9% of the regional population of Vienna while total foreign population represents 8.4% of total population of Austria. In this case, the incidence of foreigners in Vienna equals 2.

Sources: For European countries, European Community Labour Force Survey (Eurostat); for Australia, Canada, New Zealand and the United States, Population Census.

Chart II.2. **Size and concentration of the foreign population, 2001¹**

1. Data from 2001, except for United States Census 2000.

2. Data refer to the foreign-born population.

Sources: For European countries, European Community Labour Force Survey (Eurostat); for Australia, Canada, New Zealand and the United States, Population Census.

The concentration of foreigners depends on the attractiveness of regions...

Several factors may contribute to explain the observed concentration of foreigners in certain regions. A first factor is the attractiveness of the place of destination, where attractiveness refers to both the characteristics of the region (*e.g.*, quality of services, existence of amenities) and the economic opportunities available there. With regard to the first aspect, there appears to be a general trend towards the concentration of foreigners in major urban centres in OECD member countries. This trend is confirmed in Table II.2, which reports the relative distribution of the foreign population in non-rural regions, classified according to the OECD Regional Typology (see Box II.1).

In most countries, the concentration of the foreign population in rural regions is less than half of the concentration in urban and intermediate regions combined. This difference is particularly pronounced in Australia, Canada, New Zealand and the Slovak Republic, where the concentration of foreigners in rural regions is four times lower than in the other regions.

With regard to economic attractiveness, Table 3 shows the relative distribution of the foreign population in “rich” regions, defined as those regions having a level of GDP per capita⁴ above the national average. In most countries, the concentration of foreign population in “rich” regions is much higher than in the other regions. This difference is

Table II.2. Concentration of foreigners by type of regions, 2001¹

	Concentration in non-rural regions	Concentration in “rich” regions
Australia	4.2	3.7
Austria	2.2	2.8
Belgium	1.9	1.5
Canada	4.5	3.6
Czech Republic	2.2	3.4
Finland	2.5	2.5
France	3.0	3.0
Germany	2.1	2.1
Greece	2.7	2.5
Hungary	1.4	2.0
Italy	3.7	5.3
Netherlands	1.7	1.5
New Zealand	4.2	4.2
Norway	2.3	2.3
Portugal	1.8	1.8
Slovak Republic	4.2	4.2
Spain	1.4	1.9
Sweden	2.2	2.2
Switzerland	3.4	1.6
United Kingdom	2.6	2.0
United States ²	Note ³	2.6

Note: For example, in Australia, the number of foreigners living in non-rural regions (as a % of population in non-rural regions) is 4.2 times the number of foreigners living in rural regions (as a % of population in rural regions). Non-rural regions include predominately urban and intermediate regions. “Rich” regions are defined as having a level of GDP per capita above the national average. See Box II.1 for further detail on these definitions.

1. Data from 2001, except for United States Census 2000.

2. Excluding Puerto Rico.

3. In the United States, migration data are available for counties only, while the OECD Regional Typology is defined for Local Labour Market Areas.

Sources: For European countries, European Community Labour Force Survey (Eurostat); for Australia, Canada, New Zealand and the United States, Population Census.

Box II.1. The OECD Regional Typology

The OECD Regional Typology is based on two criteria. The first identifies rural communities according to their population density. A community is defined as rural if its population density is below 150 inhabitants per square kilometre (500 inhabitants for Japan because its national population density exceeds 300 inhabitants per square kilometre). The second classifies regions according to the percentage of population living in rural communities. Thus, a region is classified as:

Predominantly rural, if more than 50% of its population lives in rural communities.

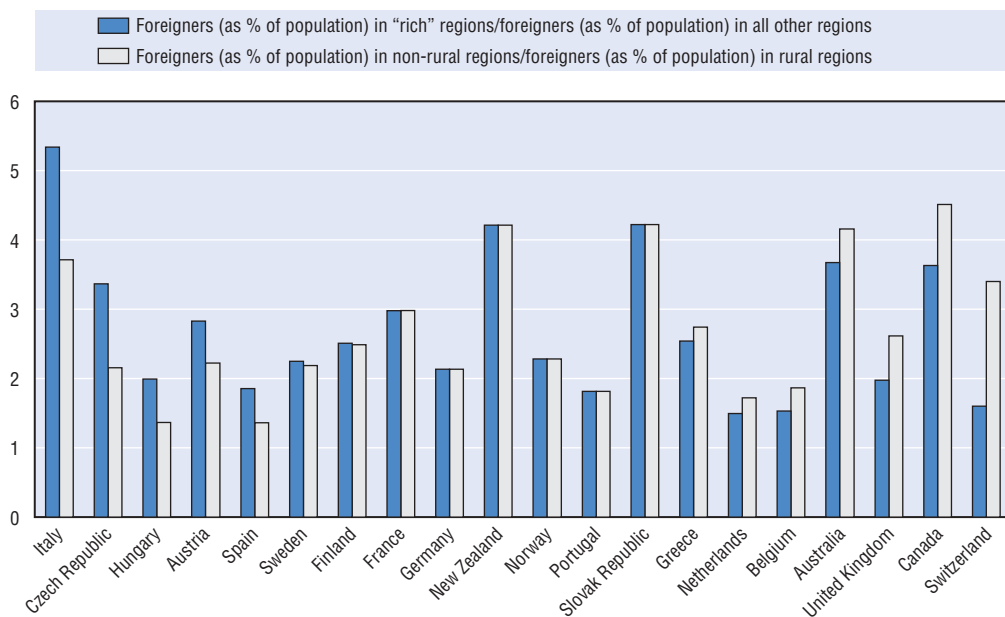
Predominantly urban, if less than 15% of the population lives in rural communities.

Intermediate, if the percentage of population living in rural communities is between 15 and 50%.

particularly pronounced in Italy, New Zealand and the Slovak Republic where the concentration of foreigners in “rich” regions is at least four times larger than in the rest of the country.

To a significant extent, these two aspects of attractiveness – regional type, on the one hand, and wealth, on the other – are, of course, overlapping. As urban regions tend to have a level of GDP per capita higher than average, one cannot easily disentangle the effects of one characteristic from the other. According to Chart II.3, this is the case of

Chart II.3. Regional attractiveness and concentration of foreigners, 2001



Note: “Rich” regions are defined as having a level of GDP per capita above the national average. “Non-rural” regions include predominately urban and intermediate regions; “rural” regions are predominately rural. See Box II.1 for further detail on these definitions.

Sources: For European countries, European Community Labour Force Survey 2001 (Eurostat); for Australia, Canada, New Zealand, Population Census 2001.

Finland, France, Germany, New Zealand, Norway, Portugal and the Slovak Republic, where the concentration of foreigners by regional type and level of GDP per capita are similar.

Nonetheless, a comparison of the degree of concentration in rural and “rich” regions shows that the smaller presence of foreigners in rural regions cannot be ascribed entirely to their lower economic attractiveness. In particular, in Belgium, Australia, the United Kingdom, Canada and Switzerland, the relative incidence of foreigners in non-rural regions is higher than in “rich” regions, suggesting that the lower attractiveness of rural regions is not simply explained by the lower level of wealth of these regions.

... and the regions’ proximity to the country of origin

Geographic proximity to the country of destination is a further factor affecting the choice of residence of migrants. In the European Union, for instance, despite low internal mobility in general (often explained by cultural and linguistic differences), cross-border movements, highly concentrated around some border regions, have a considerable impact on regions (see Box II.2).

Box II.2. Cross-border workers in the European Union

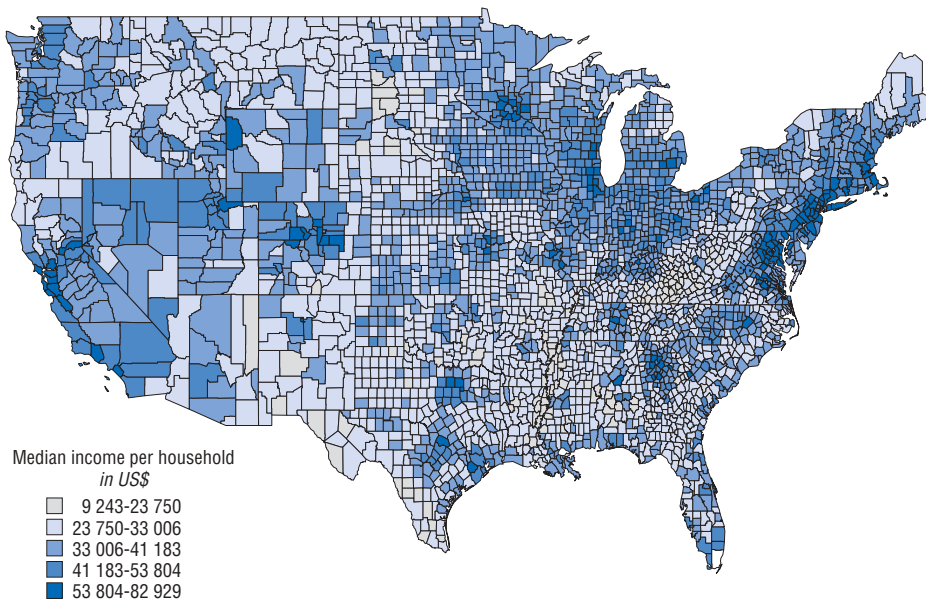
The importance of cross-border migration points out the central role of economic factors in explaining the size and the direction of international labour flows, particularly within the European economic area. According to a recent document by the European Commission (2001), 83% of cross-border movements of workers are concentrated in the border regions of France, Germany, Belgium and Italy. French cross-border workers alone represent about 50% of total cross-border movements. The polarisation of the countries of destination of these workers is even more pronounced: about 71% of workers’ movements are in the direction of Switzerland, Germany and Luxembourg. The border regions of the Benelux countries, Switzerland and the valley of Rhine are the regions where the concentration of cross-border workers is the highest.

Available data for Switzerland indicate that the industries that benefit most from cross-border workers are still agriculture and industry. Cross-border employment in services, however, is increasing. Over the period considered, cross-border workers with a university degree or above have shown the highest rate of growth. A recent study (Grossen, 2000) on Switzerland – where sixteen out of twenty-six cantons are border regions with strong cultural and linguistic links with the neighbouring countries – shows that cross-border workers are concentrated in the most dynamic regions. During the nineties, cross-border workers’ flows increased significantly, their level of qualification improved considerably and the share employed in services increased as well. More than three cross-border workers out of five were employed in an industry characterised as “structurally strong” and where the level of wages was relatively high. The only exception to this general trend is the region of Ticino where the large presence of cross-border workers is probably related to the relatively low level of wages.

In most countries considered in the present study, the excessive size of the geographic grids for which migration data are available does not permit a meaningful characterization of border regions. However, some indications on the importance of geographic proximity may be drawn from the case of the United States. Map II.4 depicts the distribution of the

Map II.5. **Income per household in the United States, 1999**

By counties



Note: Not including Alaska and Hawaii.

Sources: United States Census 2000; OECD Territorial Database.

foreign-born population as a percentage of total population. The foreign-born population appears mostly along the regions bordering with Mexico, in the south of Florida and around a few major metropolitan cities in the northeast. The choice of residence of foreigners, in fact, appears mainly driven by the geographic proximity to the country of origin or by the anchoring to a port of entry, rather than by the economic attractiveness of these regions (see Map II.5). The concentration of the foreign-born along the southern belt of California, Texas and Florida can be mainly ascribed to the geographic proximity of these regions to Mexico and Cuba, while the implantation of migrants around the metropolitan areas is related to the presence of major international airports.

Concentration also varies with the country of origin of immigrants...

A second possible explanation for the geographic concentration of migrants is related to the presence of family members or of persons with the same origin. For new migrants, the opportunity to benefit from the assistance of a family network is a major consideration in the choice of residence. In addition to this “network effect”, Bauer *et al.* (2002) have stressed the importance of “herd effects”: in a context of imperfect information, new migrants tend to imitate the behaviour of previous migrants from the same country and this contributes (at least in an initial period) to increasing “ethnic” concentration.

The relevance of these two effects can be appreciated by considering the geographic distribution of the immigrant population, obtained by considering the nationality or the country of birth of immigrants. In the United States, where about half of all immigrants settle in California (26%), the State of New York (13%) or Florida (12%), the choice of

residence of Mexican and Cuban immigrants is clearly affected by the geographic proximity of the country of origin. Three-quarters of the people of Cuban origin settle in Florida, while about 70% of Mexicans move to California (49%) or Texas (18%). Geographic proximity does not seem to have a major impact on the choice of residence of immigrants from Canada, who appear to be distributed more evenly across the continental United States (see Map II.6). In order, the states of Florida, California and Texas, and the cities of New York and Washington are the favourite destinations of Canadian immigrants. The strong geographic dispersion is undoubtedly related to the profiles of different migrants (pensioners tend to settle in the South, while qualified workers look for a job in large American urban centres), as well as by the age of the various migration waves.

Canada represents an interesting example of a country with a very high concentration of immigrants. In 2001 (and with little change relative to previous years), about 59% of new immigrants settled in the province of Ontario, 15% in British Columbia, and about the same percentage in Quebec. In the same year, the number of immigrants to Ontario grew by 11% (43% from 1999). According to a study carried out by Citizenship and Immigration Canada (2001), the pattern of settlement of immigrants varies with the country of birth. Immigrants born in Northern and Western Europe as well as in the United States tend to be more dispersed than immigrants of Asian origin (in particular, immigrants from China and Hong Kong). Therefore, the increasing concentration of the foreign population in Canada is mostly explained by the fact that *“countries of birth whose immigrants to Canada show a strong tendency to settle in large centres account for an increasing share of new immigrants.”*

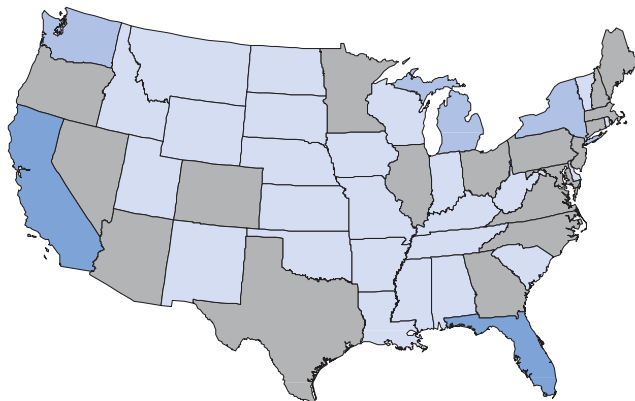
In Australia, the geographic distribution of immigrants presents some specific features, although the degree of concentration is lower than in Canada. According to 1996 Census results, the two most populous regions, both in terms of native- and foreign-born, are New South Wales and Victoria. Immigrants are slightly over-represented in New South Wales, in the regions of Victoria and in Western Australia. Nonetheless, patterns of settlement vary significantly with the country of origin. Immigrants from non-Anglophone countries are more concentrated in the two most populous regions. While the distribution of the population of German origin is very similar to that of nationals, Asian immigrants (in particular Vietnamese and Chinese) are much more concentrated. For instance, respectively 20% and 8% of the foreigners from Vietnam and Germany would have to be “redistributed” across regions for the geographic distribution of these two groups to equal that of the national population. These differences, however, may be more directly linked to the timing of migration waves than to linguistic ability.

Concerning European OECD member countries, the largest stocks of foreigners come from Turkey, Europe (Italy, Portugal and Germany) and North Africa (Morocco and Algeria). A brief examination of the regional distribution of these communities based on Eurostat data (Labour Force Survey, 2001) shows that the choice of destination of immigrants tends to vary significantly by country of origin. Algerian immigrants are mostly concentrated in the Paris region and, to a lesser extent, in the south of Spain and Italy; Turks are concentrated in Germany but also in the region of Vienna, in Rhône-Alpes (France) and in southern Netherlands; the Moroccan immigrant population is distributed along two broad corridors, one going from the southeast of Spain north to the Belgian coast, the second passing through the south of France and the north of Italy (see Map II.7). The pattern of residence of German immigrants is much more dispersed. German immigrants are present in the border regions of neighbouring countries but also in southern Austria, in the large

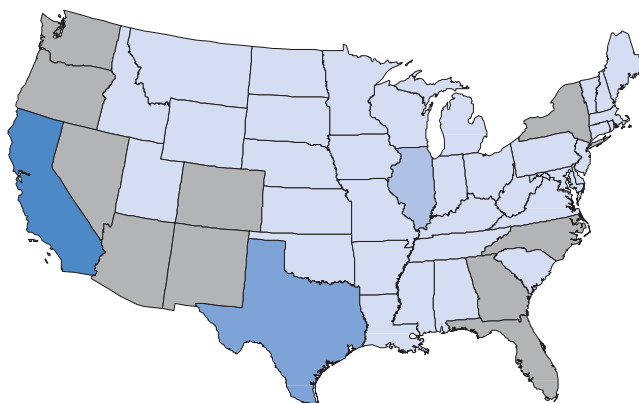
Map II.6. Distribution of the foreign-born population by state in the United States, 2000

Selected countries of birth

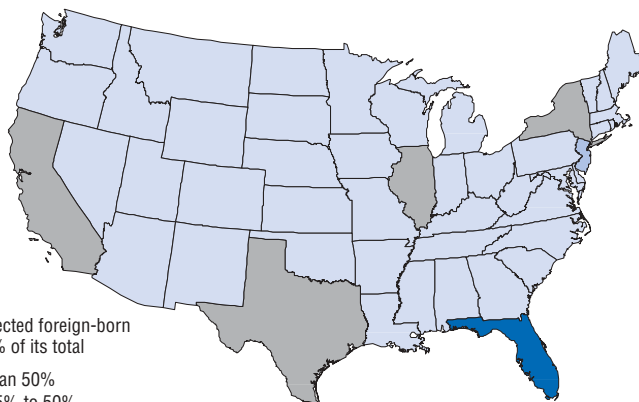
Canadians



Mexicans



Cubans



Percentage of the selected foreign-born population as % of its total

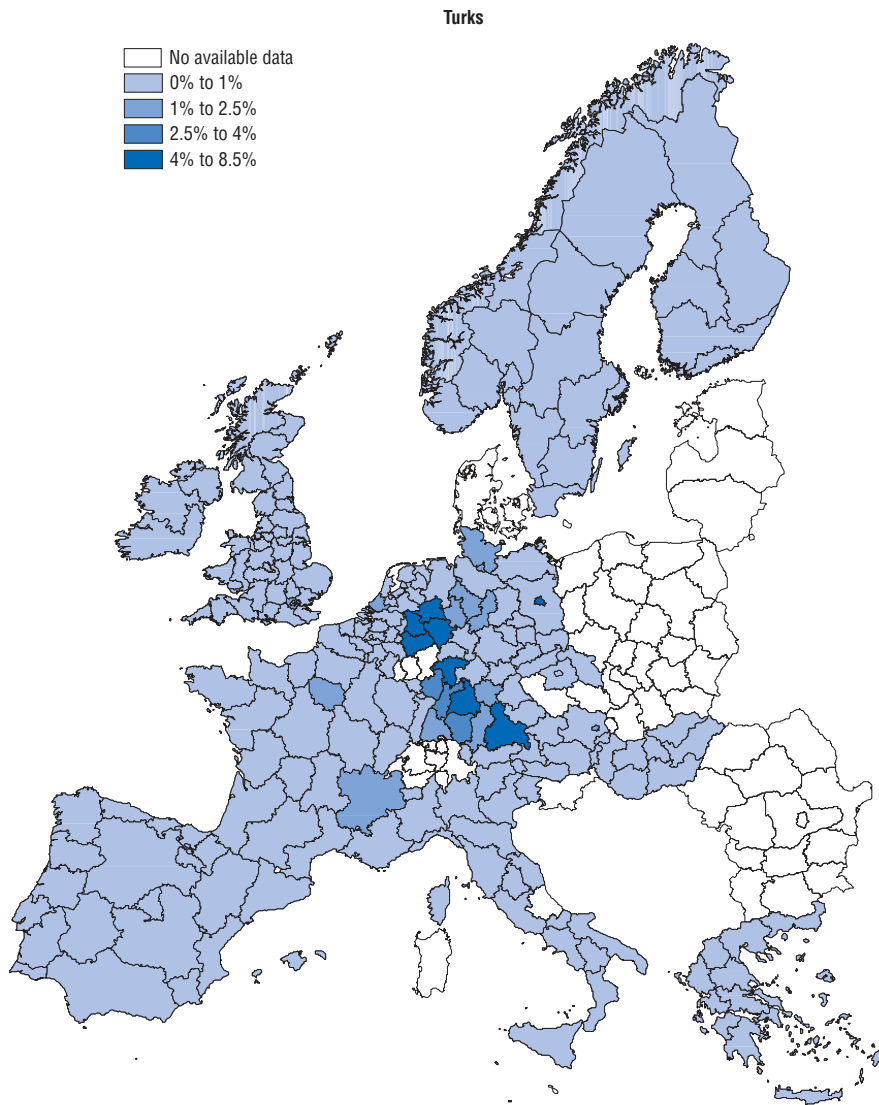
- More than 50%
- From 25% to 50%
- From 10% to 25%
- From 5% to 10%
- From 1% to 5%
- Less than 1%

Note: Not including Alaska and Hawaii.

Sources: United States Census 2000; OECD Territorial Database.

Map II.7. Distribution of the foreign population in the European regions, 2001

Selected nationalities
Percentage of the total foreign population by NUTS 2 European region level



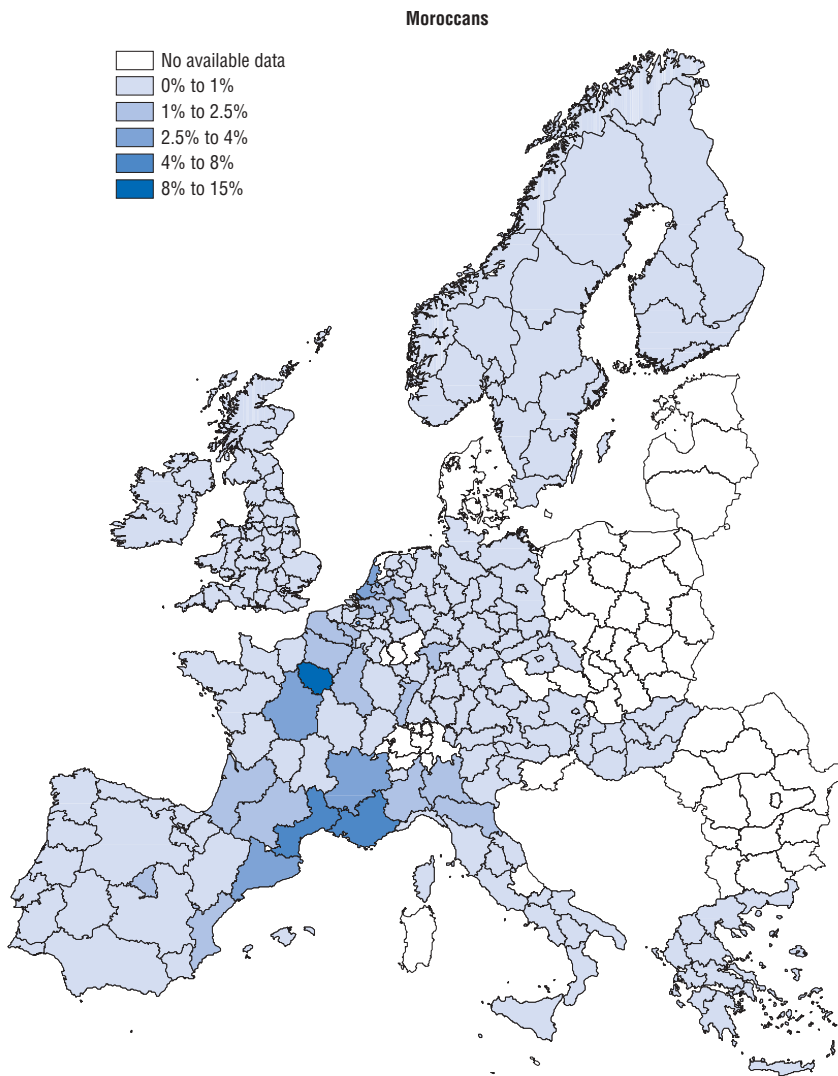
Sources: European Community Labour Force Survey (Eurostat); OECD Territorial Database.

European urban centres (Paris, London and Madrid), as well as in the south of the Scandinavian region.

A somewhat older study by Desplanques (1991) provides some interesting results for France. In particular, the study points out the effect of different waves in explaining the choice of residence of the foreign population. While “old” immigrants (Italians and Spanish) seem to have settled in regions that are close to their country of origin, the residence choice of “new” immigrants – such as immigrants from the Maghreb – is more affected by their proximity to industrial poles specialised in low-skilled activities (except in the case of Marseilles).

Map II.7. **Distribution of the foreign population in the European regions, 2001** (cont.)

Selected nationalities
Percentage of the total foreign population by NUTS 2 European region level



Sources: European Community Labour Force Survey (Eurostat); OECD Territorial Database.

In Austria, for example, employment data show that foreigners are more concentrated in the region of Vienna. On average, 34% of migrant workers reside in the region of Vienna (in 2001), as compared to 25% of total employment. The foreign labour force represents about 15% of the total labour force of the region. Also in Austria, the regional distribution of immigrants differs by nationality: immigrants from the former Yugoslavia as well as from Central and Eastern Europe tend to be more concentrated than others. The opposite is true for Turks and Germans. The latter group is relatively more dispersed, being present particularly in the west and the south (Carinthia and Styria) as well as in the region of Salzburg, the Tyrol and Vorarlberg. In addition to Vienna, immigrants from the former Yugoslavia reside mostly in the south (Styria, Carinthia) and the west (Salzburg and Upper

Austria). Given their traditional specialisation in the industries of textile and clothing, Turks are mostly concentrated in Vorarlberg, Tyrol and Lower Austria.

... and depends on the reason for entry as well as other personal characteristics of immigrants

For the United States, an examination of data for both permanent (*immigrants*) and temporary (*non-immigrants*)⁵ migration flows permits a differentiation of the choice of destination of the foreign-born population according to the “reason for entry” and the country of birth of migrants. Unfortunately, the data published by the INS (Immigration and Naturalisation Service, United States Department of Justice) do not make it possible to cross these two variables. California, New York and Florida are the three principal states of destination for both immigrants and non-immigrants (except visitors). In general, however, non-immigrants are more dispersed than permanent immigrants: about 50% of total immigrants live in these three states as compared to only 39% of non-immigrants.

By examining the geographic distribution of *non-immigrants* (per 100 inhabitants), it appears that regional concentration exists for all reasons of entry, although it is higher for workers than for family members. The interpretation of this result, however, would require a finer breakdown of the category “temporary workers” to see whether geographic concentration is negatively correlated with the level of qualification. The comparison of the degree of concentration of *immigrants* from the same origin country, but with different reasons for entry, confirms the result mentioned above: the concentration of immigrants of Mexican origin is higher than that of Mexicans with a temporary visa (*non-immigrants*).

Along the same lines, Jaeger (2000) presents an interesting differentiation according to the reason for entry. His results indicate that those people who entered the country either with a work permit (*employment preferences*) or within the framework of the Lottery program are more sensitive to conditions prevailing in the labour market (in particular, the rate of unemployment and the level of wages) than family members, whose region of destination is mainly determined by the size of communities and the effects of networks.

This result also suggests that the choice of residence of immigrants is not independent of labour demand. Borjas (2001) considers recent immigration in the United States as an element of labour market flexibility. The study shows that a number of new immigrants, for whom the cost of moving within the United States is lower than for nationals, tend to choose those places where the level of wages is the highest.

In the case of Australia, Chiswick *et al.* (2002) have pointed out that geographic concentration is negatively correlated with the age at the time of migration, the duration of the stay in the host country and, finally, the proportion of English speakers in the group.

The effects of secondary migration

It is often the case that immigrants, who at the time of their entry may have had imperfect information on the host country or limited mobility because of administrative rules, can later modify their initial choice of destination and engage in a secondary migration. This event, more difficult to track statistically, tends to reinforce geographic concentration around gravitational poles, particularly in those countries where the conditions prevailing outside large urban centres are less favourable. A comparison of flow and stock data permits a preliminary evaluation of the effects of secondary migration.

In the United States, the geographic distribution of new immigrants (those who obtained their green card in the current year) is not very different from the distribution of foreign-born persons, independent of the year of entry. Both groups tend to be equally concentrated (about 50%) in the three states with the highest share of the foreign-born population. Yet, an examination of migration flows by country of origin makes it possible to qualify this result. The concentration is higher for immigrants from the main Asian countries (China, Philippines and Vietnam) than for new immigrants from the same countries. The State of California remains the main destination: about 38% of the foreign population with Chinese origin is resident there, as compared to 29% of new immigrants from China (see Annex 2). The same applies for Filipinos and Vietnamese immigrants. The opposite is true for Mexicans. California and Texas remain the main destinations, even though the cumulated percentage of Mexicans living in those states is slightly lower for new immigrants. This result clearly suggests that geographic proximity to the country of origin remains a determinant of destination region for Mexican immigrants, independently of the duration of their stay in the United States.

In the case of Canada, Citizenship and Immigration Canada (2000) explored some results from longitudinal data. Out of all immigrants who were resident in Canada at the time of the survey, about 13% had engaged in a second migration. Ontario and British Columbia are the only provinces that benefit from these interregional movements. As these two provinces host the majority of new immigrants, secondary migration has increased further the geographic concentration of foreigners in Canada.

These internal movements mainly concern people who entered the country for work reasons (25% of immigrants for “business reasons”) but also refugees (18.6%), skilled workers (15%) and, to a lesser extent, family members. On average, the level of wages of those who engage in a secondary migration is higher than for the other immigrants. In addition, a secondary migration seems to occur more frequently in the early period of residence in Canada, generally in the first three years. Finally, having examined the characteristics of immigrants who engage in secondary migration, men are more likely to move than are women, as are immigrants of working age in comparison to those of other age groups. Higher education and knowledge of both official languages also increases the likelihood of movement.

Main results from the analysis of the localisation of immigrants

The first part of this study has shown a significant degree of geographic concentration of the foreign population. Within the limits of the available data, the study has identified the following determinants of choice of residence among immigrants:

- The attractiveness of the place of destination, both in terms of the characteristics of the region (*e.g.* quality of services, existence of amenities) and its economic opportunities.
- The presence of family members or of people of the same origin.
- Anchoring to a point of entry and the geographic proximity of the host country to the country of origin.

2. Implementation of regional programmes for migration

OECD member countries have different views on the opportunity of implementing migration policies at the regional level. Switzerland, for instance, is interested in cross-border migration in view of the implementation of the free-movement agreement signed with the European Union. Canada is trying to encourage new immigrants to settle out of

the large urban centres to address depopulation in certain rural areas as well as to support and complement economic development in these regions. Australia seeks to improve the economic performance of its regions and to alleviate labour shortages by “selecting” new immigrants whose profile matches the needs of the local labour markets.

The experience of Australia

Since 1996 Australia has established an elaborate set of regional migration programmes. The objectives set by the federal government, in agreement with the states and territories, are to address labour shortages, to attract business people who establish new ventures and to encourage a better geographic distribution of skilled immigrants. The whole set of these initiatives is known as State Specific and Regional Migration (SSRM) Initiatives.

The programme presents two specific features: i) immigrants participating in the initiatives must have a sponsor. Potential sponsors include employers, relatives, or state and territory governments; ii) the definition of “regional” for SSRM Initiatives varies according to the initiative, as each has a different regional coverage. For example, the Skilled Designated Area Sponsored Category, under which the largest number of visas is granted currently, covers all Australian regions except Sydney, Newcastle, Wollongong, Perth and Brisbane.

The number of visas granted within this framework (about 25 000 since its creation in 1996-97) is steadily increasing. In 2002-03, the number rose by 92% (see Table II.3). Its importance in overall immigration, however, remains limited (about 108 000 visas were granted in 2002-03, excluding visas for humanitarian reasons). Nonetheless, the fact that about half of these “regional” visas are granted in only two states (Victoria and South Australia), as observed in Table II.4, makes the impact of this program considerable. Indeed, despite relatively small numbers, the contribution of these initiatives to regional economic, social and demographic development may be quite significant.

Table II.3. Visas delivered in the framework of the regional programmes, Australia, 1996-2003

State Specific and Regional Migration Initiatives

Sponsorship		1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
RSMS ¹	Employer	170	581	765	664	1 021	1 092	1 738
STNI/SMV ²	States and territories	..	16	169	9	85	257	794
SDAS ³	Relative	40	111	67	195	1 002	1 597	4 466
SAL ⁴	Relative	850	984	1 744	2 384	1 575	974	524
SSBS ⁵	States and territories	66	61	59	44	122	176	341
REBA ⁶	States and territories	..	0	0	13	41	40	78
Total		1 126	1 753	2 804	3 309	3 846	4 136	7 941

1. RSMS stands for Regional Sponsored Migration Scheme.
2. STNI stands for State/Territory Nominated Independent Scheme.
3. SDAS stands for Skilled Designated Area Sponsored Category.
4. SAL stands for Skilled Australian Linked Category. Refers to applicants under this category who obtained bonus points because their sponsor lived in a designated area.
5. SSBS stands for State/Territory Sponsored Business Skills Entry. Includes applications processed under offshore subclass 129 (State/Territory Sponsored Business Owner), offshore subclass 130 (State/Territory Sponsored Senior Executive), onshore subclass 842 (State/Territory Sponsored Business Owner) and onshore subclass 843 (State/Territory Sponsored Senior Executive).
6. REBA stands for Regional Established Business in Australia Category.

Source: Department of Immigration and Multicultural and Indigenous Affairs, Australia.

Table II.4. **Distribution of inflows and stocks of immigrants by states/territories, selected SSRM Initiatives, Australia, 2002-2003**

	RSMS	STNI/SMV	SDAS	SAL	SSBS	REBA	TOTAL	Inflows of immigrants	Stock of immigrants ¹	Total population ¹
New South Wales	14.2	0.0	7.0	5.1	7.0	10.3	7.8	39.0	36.0	34.0
South Australia	25.1	44.5	10.2	3.8	16.8	3.8	16.7	4.0	7.0	8.0
Victoria	15.6	55.0	66.6	78.8	11.1	17.9	52.2	25.0	27.0	25.0
Western Australia	10.8	0.0	5.0	6.9	38.2	10.3	7.3	13.0	12.0	10.0
Northern Territory	6.2	0.0	0.4	1.5	0.0	0.0	1.6	1.0	1.0	1.0
Queensland	13.3	0.0	7.7	2.9	7.0	42.3	8.2	17.0	15.0	19.0
Tasmania	5.6	0.5	0.7	0.0	15.8	10.3	2.5	1.0	1.0	2.0
Australian Capital Territory	9.2	0.0	2.4	1.1	4.1	5.1	3.7	1.0	2.0	2.0
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	Note ²	Note ²	Note ²
Total	6 031	1 330	7 478	9 035	869	172	24 915	93 909	5 342 665	18 972 350

Note: For more details on definitions, refer to the note at the Table II.3.

1. In these two columns, the totals refer to the 2001 Census and the distribution was provided by the source.

2. Percentages do not add up to one hundred due to rounding.

Sources: Department of Immigration and Multicultural and Indigenous Affairs; Australian Bureau of Statistics.

The experience of Canada

The conclusions of a recent meeting⁶ between the federal, provincial and territorial ministers illustrate well the current issues related to the regional aspects of migration in Canada. Ministers' discussions were focused on the means to extend the benefits from immigration to all regions of Canada, on effective regional strategies to reduce the geographic concentration of foreigners and on how to encourage new immigrants to settle in smaller centres.

The "regionalisation of immigration in Quebec" aims to attract new immigrants and encourage them to settle in cities other than Montreal. While the federal government is responsible for managing the flows of family members and asylum seekers, Quebec has control over the immigration of skilled workers, businessmen and a part of the refugees. The provincial authorities control more than 60% of immigration flows and have put in place policies to reduce the concentration of new immigrants (MRCI, 2002). The rationale for this regional program is both economic and social, i.e., to reinforce cohesion between Montreal, where "ethnic" diversity is high, and the rest of the Province, which has few interactions with immigrants. To attain these objectives, the Ministry has decentralised its activities into five regional departments. The specific objectives can be different: to facilitate the socio-economic integration of immigrants or to attract businessmen. As part of the immigration procedure, destinations other than Montreal are proposed to applicants and considerable efforts are made to match the local demand for labour with the characteristics of immigrants.

A recent document by Citizenship and Immigration Canada (CIC, 2001) presents strategies and instruments to reduce the concentration of immigrants in Canada. The document questions the idea that immigration could reverse the trend to depopulation in rural regions.⁷ Indeed, it points out the difficulties in influencing the behaviour of immigrants and the fact that economic development is the only way for a region to attract foreigners. As economic growth is mainly concentrated in cities, the document's recommendation is to rely on the attractiveness of smaller cities as an incentive for immigrants to settle outside the three large urban centres.

The involvement of second-tier governments in the process of immigration is fairly recent. In Canada, as well as in Australia, the challenge is to attract new immigrants away from large cities and to targeted regions. Since 1996, the states and provinces play a role in the admission of skilled immigrants by adopting regional variations of the national immigration programmes.

Clearly, migration alone cannot reverse demographic trends in regions affected by the departure of young people (both nationals and foreigners). Economic conditions and dynamic infrastructures are essential to encourage immigrants to settle in all regions. In this respect, promoting the dynamism of regions is preliminary to any policy aimed at influencing the choice of destination of new immigrants.

Conclusion

This contribution to the analysis of the regional aspects of migration has tried to answer the question “Where do migrants live?” An examination of the different situations observed in host countries has raised questions about the main determinants of the choice of residence of foreigners. The analysis has focused on the economic determinants of the choice of destination (the effect of taxation, however, has not been considered) without looking at either the economic performances of migrants or the effects of foreign workers on the regional economy. In order to do so, complementary studies at a much lower level of aggregation would be needed.

The second part of the study has presented a comparative analysis of some migration programmes at the regional level, mainly in Australia and Canada. The analysis has considered the measures implemented to seek to attract immigrants to regions with different levels of economic development, as well as to large and intermediate cities. The links between regional development policies and migration policies have been briefly considered, though the issue would deserve a more comprehensive analysis, especially in OECD member countries where these links are not sufficiently regarded. Other directions for research could be explored, in particular partnerships between origin and destination regions on the recruitment of specific categories of workers.

Notes

1. This chapter has been prepared in co-operation with the Directorate of Public Governance and Territorial Development (GOV).
2. Some further analysis at a much lower level of aggregation would be necessary to identify and quantify the links between the local concentration of foreigners, their integration into the labour market and their economic role [see *Immigrants, Integration and Cities. Exploring the Links* (OECD 1998)].
3. Includes European countries for which data are available by regions (provided by EUROSTAT at the NUTS 2 level) as well as Australia, Canada, the United States and New Zealand. Note that data for European countries do not refer to immigrants per se, but rather to persons of foreign nationality. The concept of “foreigner” excludes naturalized immigrants and may include persons who were born in the host country and never migrated. The concentration of “foreigners” nonetheless does generally reflect that of “true” immigrants.
4. Since GDP estimates are not available at the territorial level employed in the current analysis, the classification of regions in Australia, Canada and the United States is based on median income.
5. Unfortunately, the Secretariat does not have sufficient data to extend this type of analysis to other OECD member countries.
6. Winnipeg, October 15-16, 2002.

7. In 1996, immigrants represented only 6% of the population in largely rural areas, as compared to 27% in urban regions. This trend is even more pronounced for immigrants who arrived after 1981. In 1996, they represented less than 2% of the population in rural areas, but more than 12% of the population in largely urban regions. According to this study, the challenge for rural communities, therefore, is not only how to attract immigrants but also how to keep them (Statistics Canada, 2002).

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ANNEX 1

The Adjusted Geographic Concentration index (AGC)

The low international comparability of sub-national data represents a major obstacle to the comparative analysis of the regional aspects of migration. The size of regions varies significantly both within and between countries so that the degree of geographic concentration of migrants depends on the very definition of a region.

In order to increase the international comparability of regional data, the OECD has developed an Adjusted Geographic Concentration index.* The index is based on the following measure of Geographic Concentration (GC):

$$GC = \sum_{i=1}^N |m_i - p_i|$$

where m_i and p_i are, respectively, the shares of total foreigners and of the total population of nationals in region i , and N stands for the number of regions in a country.

The main drawback of this index, however, is that it tends to underestimate the geographic concentration of foreigners when regions are large. In fact, the index reaches its maximum when all foreigners are concentrated in the region with the smallest population of nationals:

$$GC^{MAX} = \sum_{i \neq \min} p_i + 1 - p_{\min} = 1 + 1 - 2p_{\min} = 2(1 - p_{\min})$$

where p_{\min} is the population share of the region with the smallest number of inhabitants that are nationals.

A natural correction for this bias is provided by the Adjusted Geographic Concentration index (AGC), defined as:

$$AGC = GC/GC^{MAX}$$

As a result of this adjustment, the AGC index lies between 0 (no concentration) and 1 (maximum concentration) in all countries.

* "Geographic Concentration and Territorial Disparity in OECD Countries", OECD, Paris, 2003.

ANNEX 2

Immigrant and non-immigrant flows and stock of foreign-born persons: distribution of immigrants by state of intended residence, for various admission categories and places of birth, United States, 2000

Top five states where immigrants wish to settle (flows), where they reside (stock)

Immigrants			Non-immigrants			Non-immigrants (excluding visitors)			Stock of foreign-born persons		
Total	Cumulative %		Total	Cumulative %		Total	Cumulative %		Total	Cumulative %	
Total	844 036										
California	217 753	25.8	Florida	5 864 828	21.2	California	434 203	15.6	California	8 864 255	28.5
New York	106 061	38.4	California	4 709 415	38.3	New York	380 766	29.4	New York	3 868 133	40.9
Florida	98 391	50.0	New York	4 250 362	53.7	Florida	271 048	39.1	Texas	2 899 642	50.3
Texas	63 840	57.6	Hawaii	1 989 970	60.9	Texas	191 424	46.0	Florida	2 670 828	58.8
New Jersey	40 013	62.3	Texas	1 900 839	67.7	Massachusetts	135 689	50.9	Illinois	1 529 058	63.8

<i>Non-immigrants by category</i>																	
Temporary workers			Fianceses			Intracompany transferees			Students			Exchange visitors			NAFTA		
Total	Cumulative %		Total	Cumulative %		Total	Cumulative %		Total	Cumulative %		Total	Cumulative %		Total	Cumulative %	
California	88 238	16.8	California	4 554	20.1	California	44 458	15.8	California	114 620	17.8	New York	42 820	14.5	California	18 307	17.5
New York	86 240	33.3	Texas	1 777	27.9	New York	39 608	29.9	New York	76 206	29.7	California	37 704	27.2	New York	8 966	26.1
Florida	46 262	42.1	New York	1 715	35.5	Florida	33 668	41.9	Massachusetts	50 244	37.5	Massachusetts	21 976	34.6	Michigan	8 567	34.4
Texas	37 209	49.2	Florida	1 426	41.8	Texas	30 333	52.7	Florida	46 345	44.7	Pennsylvania	13 339	39.1	Texas	8 471	42.5
New Jersey	31 246	55.2	Washington	914	45.8	New Jersey	16 140	58.4	Texas	35 174	50.1	Illinois	12 168	43.2	Massachusetts	6 016	48.2

<i>Non-immigrants by country of birth</i>														
Japan			Mexico			United Kingdom			Canada			China		
Total	Cumulative %		Total	Cumulative %		Total	Cumulative %		Total	Cumulative %		Total	Cumulative %	
Hawaii	1 651 685	44.6	Texas	1 079 241	35.2	Florida	1 439 513	32.6	California	31 402	14.8	California	315 322	41.8
California	671 013	62.7	California	582 836	54.2	New York	776 799	50.2	New York	24 640	26.5	New York	79 750	52.4
New York	297 550	70.8	Florida	285 790	63.5	California	577 505	63.3	Texas	14 934	33.5	Hawaii	44 957	58.4
Nevada	294 024	78.7	Arizona	197 852	69.9	Massachusetts	176 477	67.3	Michigan	14 249	40.3	Texas	31 543	62.5
Florida	145 309	82.6	Nevada	162 998	75.3	Nevada	157 250	70.8	Florida	12 680	46.2	New Jersey	29 860	66.5

Immigrant and non-immigrant flows and stock of foreign-born persons: distribution of immigrants by state of intended residence, for various admission categories and places of birth, United States, 2000 (cont.)

Top five states where immigrants wish to settle (flows), where they reside (stock)

Immigrants by country of birth

	Mexico		China		Philippines		India		Vietnam		Canada						
	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %					
California	85 551	49.2	California	13 232	29.1	California	16 773	40.8	California	9 313	22.2	California	10 251	38.3	Florida	2 011	12.4
Texas	31 211	67.2	New York	8 930	48.7	Hawaii	3 053	48.3	New Jersey	4 364	32.6	Texas	2 275	46.9	California	1 999	24.8
Illinois	8 600	72.1	Texas	2 293	53.8	Illinois	2 738	54.9	New York	3 581	41.1	Washington	1 216	51.4	Texas	1 270	32.6
Arizona	6 301	75.7	Massachusetts	2 023	58.2	Texas	2 025	59.8	Texas	3 528	49.5	Florida	994	55.1	New York	1 153	39.7
Florida	4 597	78.4	New Jersey	1 862	62.3	New York	1 927	64.5	Illinois	3 239	57.2	Massachusetts	902	58.5	Washington	936	45.5

Stock of foreign-born persons by country of birth (2000 Census)

	Stock, Mexico		Stock, China		Stock, Philippines		Stock, India		Stock, Vietnam		Stock, Canada						
	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %	Total	Cumulative %					
California	3 928 701	42.8	California	570 487	37.6	California	664 935	48.6	California	198 201	19.4	California	418 249	42.3	California	141 181	17.2
Texas	1 879 369	63.3	New York	301 735	57.4	Hawaii	102 063	56.0	New Jersey	119 497	31.1	Texas	107 027	53.2	Florida	99 139	29.3
Illinois	617 828	70.0	Texas	69 654	62.0	New York	72 408	61.3	New York	117 238	42.5	Washington	40 879	57.3	New York	54 876	36.0
Arizona	436 022	74.8	New Jersey	66 424	66.4	New Jersey	69 773	66.4	Illinois	83 916	50.7	Virginia	30 730	60.4	Michigan	49 515	42.0
Georgia	190 621	76.8	Massachusetts	54 450	70.0	Illinois	67 072	71.3	Texas	78 388	58.4	Massachusetts	30 457	63.5	Washington	47 568	47.8

Sources: Immigration and Naturalization Service Yearbooks and 2000 Census.