



Australian Population Association

13th Biennial Conference

Population Policy and Australia's Destiny

5-8 December 2006 - University of Adelaide

Head-content or Headcount? Short-term Skilled Labour Movements as a Source of Growth

Massimiliano Tani (m.tani@adfa.edu.au), UNSW@ADFA and IZA School of Business, The University of New South Wales @ ADFA, Northcott Drive, Campbell, ACT

This paper studies the potential growth effects of short-term international movements of skilled labour. Unlike traditional migration models, which focus on changes in net factor endowments, the analysis includes gross flows to measure the volume of interactions, and hence the possible knowledge exchanges, between workers of different countries. Nations unable to attract skilled workers on a permanent basis may still benefit from their ideas and innovations through short-term visits. A simulation based on US, British and Australian data on international business visits reveals that short-term skilled labour movements have a positive and not insignificant effect on growth.