DEVPOLICYBLOG

Immigrants and the public purse

by Jonathan Pryke 2 September 2013

The fiscal implications of migration – that is whether immigrants are a burden on, or net contributor to, the public purse – has been the basis of much public discussion on immigration. Studies and analysis using varying (and sometimes questionable) methodologies have been made supporting both sides of the argument. But now the OECD has thrown itself into the ring, conducting a ground-breaking cross-country analysis of 28 OECD countries (blogged about by the authors here and Michael Clemens here).

Their findings show that *employed* immigrants do have a positive impact on the public purse. This positive impact, however, is largely offset by immigrants that are *unemployed*. When the authors combine these two groups they find that "the [fiscal] impact of the cumulative waves of migration that arrived over the past fifty years in OECD countries is on average close to zero, rarely exceeding 0.5% of GDP in either positive or negative terms."

Author/s:

Jonathan Pryke

Jonathan Pryke worked at the Development Policy Centre from 2011, and left in mid-2015 to join the Lowy Institute, where he is now Director of the Pacific Islands Program. He has a Master of Public Policy/Master of Diplomacy from Crawford School of Public Policy and the College of Diplomacy, ANU.

Link: https://devpolicy.org/immigrants-and-the-public-purse-20130902-1/