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Is there a Wage Premium for Returning Irish Migrants?

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Is There a Wage Premium for Returning Irish Migrants?

Higher rates of economic growth in recent years have led Ireland from being a country characterised by emigration to one where population inflows have become an important issue. This paper contains an analysis of one element of the current inflow. Drawing on data collected in 1998 on over 800 Irish individuals who had graduated from Irish colleges in 1992, we compare the wages of returned migrants with the wages of those who stayed in Ireland. In a recent paper, it has been argued that returned migrants accumulate skills and competencies while away that are rewarded on return to the home country. We find support for this argument for men. On average, returning males earn 10 percent more than men who stayed in Ireland, controlling for a range of factors. However, men who say that they originally migrated for labour-related reasons earn 15 percent more. No wage premium is found for female returning migrants relative to female stayers.

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INTRODUCTION

For most of its modern history, a dominant feature of Ireland's economic and social life has been emigration. A stark illustration of this point can be found in the following two data points: in 1841 the population of what is now the Republic of Ireland was 6.5 million; in 1961 it was 2.8 million. The 1950s was a particularly bad decade from the perspective of population decline. The annual average rate of net outward migration was 14.1 per thousand, which amounted to a net loss of over 400,000 people between 1951 and 1961 from a population of around 3 million. Given that the outflow was the result of economic stagnation, the government responded in the late 1950s and early 1960s by beginning the process of the modernisation of the Irish economy. This was pursued through policies such as trade liberalisation and the attraction of foreign direct investment. In the 1960s and 1970s, the modernisation policies began to lift the economic stagnation of the earlier decades. The annual average rate of net outflow fell to 4.6 per thousand between 1961 and 1971; in the 1970s, the outflow was reversed and Ireland experienced net inflows of 3.2 per thousand per annum between 1971 and 1981².

Many of those in the inflow of the 1970s were former emigrants returning and so in principle the issue under consideration in this paper could have been studied twenty years ago. To understand why this and other immigration-related issues did not become part of the research agenda in Ireland, it is necessary to take note of the economic and migration experience of the 1980s. With the return of a weak economic performance, net outflows resumed. Between 1981 and 1991, the rate of net outward migration was 5.9 per thousand; in such a context it is not surprising that the brief period of net inflows in the 1970s did not generate any volume of research.

In the 1990s Ireland is enjoying an exceptionally strong economic performance, with growth rates between 1994 and 1999 averaging 7.5 percent (CSO, 1999). This has generated new net inflows; in the years ended April 1998 and 1999, the rate averaged over 5 per thousand. This inflow is made up partly of Irish emigrants returning and

² For more on the economics of Ireland's migratory history, see Ó'Gráda and Walsh (1994); for a study focusing on the 1980s experience see NESF (1991).

partly of non-Irish immigrants. Given the projected continued growth of the Irish economy, it is likely that the net inflows will continue. In order to understand how the inflows will impact upon the Irish economy, it is important that immigration-related issues begin to be explored in Ireland, just as they have been elsewhere for many years.

This paper represents one effort to generate some insights into the nature of the immigration currently affecting Ireland. The precise focus of the paper is on people who graduated from Irish colleges in 1992 who have lived outside Ireland for at least six months since graduating but who have now returned to Ireland to work. By using a dataset which includes information on these "returners" and information on others who remained in Ireland since graduation it is possible to compare the wages of "stayers" and "returners" in 1998 and to ask if there is a wage premium for returning Irish migrants.

The paper is structured as follows. In the next section, we discuss some reasons why we might expect the earnings of returning migrants to differ from the earnings of those who never leave their home country. We then go on to briefly discuss the characteristics of recent Irish emigrants and returning migrants, as a lead-in to our description of the data used in the analysis. We then present the results of our analysis. Some conclusions are then offered.

REASONS FOR RETURN MIGRATION

Given the standard economic approach to modelling the migration decision, return migration might be viewed as an irrational pursuit. The standard model, as applied by Borjas (1987) and others, sees individuals comparing their expected lifetime earnings in their present and alternative locations and, adjusting for the cost of migration, moving to (or remaining) where their lifetime earnings will be maximised. In a sense, the costs of migration can be viewed as an investment, with the wage advantage being the return on this investment. By returning to the original location, migrants will not be able to reap the full return.

By introducing additional considerations into the standard model of migration, it is possible to model return migration as an economically rational decision or set of

decisions (for example, see Stark, 1991). For example, if an individual puts a higher value on consumption in the home country relative to the host, he might be prepared to move to earn more for a period of time and then to return to spend the additional earnings in the home country. Migration could also be seen as an information gathering exercise. The individual will have imperfect information about opportunities elsewhere. In this case migration can be seen in a job search context; if after searching the individual realises they will be better off at home they will return.

Another motivation for return migration has recently been put forward by Co, Gang and Yun (forthcoming) and it is their view that we will focus on here. They introduce the notion that working away from home can be part of the human capital accumulation process. By being exposed to different approaches to technical or management matters, emigrants may pick up skills and competencies that are then rewarded once they return to their home countries. Those who never left will then be observed to earn less relative to the return migrants, controlling for a range of factors. Co, Gang and Yun test their hypothesis with data on Hungarians. They find that return migrants do indeed earn a wage premium relative to those who stayed. The premium varies according to which countries the migrants had worked in. In addition, the size of the premium was sensitive to selection corrections, a point we will return to below.

While the story told by Co, Gang and Yun is plausible, we would add some considerations. First, while some may migrate for 'investment' purposes in an effort to add to their human capital, it is also possible that some migrate for largely 'consumption' reasons. By this we mean that some may go and work abroad mainly out of an interest in seeing the world or experiencing different cultures. In this case, while those who remain at home may be accumulating additional human capital through work experience, the migrants may not be doing so, especially if they are working in casual jobs whose only purpose is to support the migrant while travelling. If this story is true, we would expect to see return migrants earning less than stayers at least soon after their return.

A second consideration relates to a signalling story of wage determination as opposed to a human capital story. It could be that returning migrants will be seen to earn more because employers take working abroad as a signal of higher productivity. Even if the

migrants were doing lower level jobs, employers may admire the initiative and independence shown by those who go away. Employers may also believe the human capital accumulation story and pay more, whether or not it is true.

Finally, a self-selection story can also be told. If people who migrate are highly motivated risk-takers, it could be that any observed link between wages and migration is simply reflecting higher earnings for unobserved characteristics.

To summarise, there are reasons for believing that returning migrants will earn more than those who stay because: (a) they have accumulated additional human capital while away; (b) employers take time away as a signal for higher productivity; (c) those who migrate may have unobservable characteristics (such as initiative) which also lead them to be more productive.

It is, however, possible to reverse each of these stories and to suggest that returning migrants might be observed earning *less* than stayers. For example, their time away may have been for reasons of consumption and little or no human capital may have been accumulated during their time away. It may be that employers take migration and return as being a negative signal. It may also be that returners have unobservable characteristics (such as being fickle) which lead them to be less productive. Finally, if the timing of a return is related to family-formation or other such decisions, individuals may initially accept lower wages on return.

IRISH EMIGRANTS AND RETURN MIGRANTS

Before describing the data used in the analysis below, we will briefly consider the characteristics of Irish emigrants and return migrants. Up until the 1980s, Irish emigrants were typically unskilled. The main reason for this was the low level of educational attainment in general and the greater likelihood of the more educated remaining in Ireland. In the 1980s, this picture of Irish emigrants was reversed and the outflow began to look more educated. This can be explained partly by the rising level of educational attainment but also by the increased likelihood of the more skilled emigrating relative to the less skilled. This in turn has been partly explained by changes in the relative generosity of the Irish social welfare system and the relative severity of the taxation system in the 1980s (NESC, 1991).

Given that the outflow of the 1980s was relatively more educated than both previous generations of emigrants and the domestic population, it would be expected that the returning migrants in the 1990s, who would be drawn from this pool, would also have relatively high levels of education attainment. Barrett and Trace (1998) have shown this to be the case. Table 1 (which is taken from Barrett and Trace) shows the educational profiles of returning migrants and the resident population aggregated over the years 1994 to 1996. It can be seen in the table that the resident population has relatively higher proportions in the lower levels of the educational distribution while relatively higher proportions of the return migrants are found in the upper sections of the distribution. Barrett and Trace go on to present evidence that the returning migrants are not just more highly educated than the resident population; they also appear to be more highly educated than the group who emigrated in the 1980s.

THE DATA

In the preceding section, we have shown that returning Irish migrants are heavily drawn from the pool of third level graduates. For this reason, the data that we use are particularly useful for the analysis of return migration into Ireland.

The data come from a survey which was sponsored by the Irish Department of Education and Science and which sought to generate information on the labour market experiences of graduates from Irish third level colleges. Drawing on the records of colleges, a random sample of 3,000 individuals who graduated in 1992 was generated. In the summer of 1998, questionnaires were mailed to these individuals. About 1,300 responses were obtained. The questionnaire asked for information on a range of individual characteristics and labour market matters. Hence, we have information on age, sex and level of educational attainment. We also have information on labour market experience and gross wages.

As regards migration, the respondents were asked if they “have ever lived outside Ireland for a continuous period of more than six months *since completing third level education?*” (italics included in the questionnaire); they were also asked if they are currently resident in Ireland. Combining these questions we define “returners” as

those who answered “yes” to both and we define “stayers” as those who are resident in Ireland but who have not lived away for more than six months.

RESULTS

We now present the results of our analysis. We included in our analysis Irish nationals who said that their “present usual situation with regard to employment” was working for payment or profit. After eliminating other observations because of missing values, we were left with 670 stayers and 158 returners who provided information on all variables that are used in the analysis. In Table 2 we present the means of the variables across the two groups, along with indications of statistically significant differences.

It can be seen from the table that the two groups are quite similar. The returners are more likely to be living in Dublin and more likely to work in education. As regards age, education, labour market experience, gender and marital status, there are essentially no differences between returners and stayers. The variable of greatest interest is wage; here we find a difference between the two groups with the returners being paid about IR£150 more per month. This is a wage advantage of about 9 percent and the difference is statistically significant at the 5 percent level. Below, we will see if the difference remains when we control for a range of factors.

Before proceeding to the regression analysis, we present some additional information on the returners. A number of questions were asked of migrants concerning their reasons for and feelings about migration. In Tables 3 to 5, we show the distribution of responses to these questions. Table 3 contains the distribution of responses to a question about how the returners felt when they were first leaving Ireland. The most striking point from the table is that almost three quarters were either looking forward to going or delighted to leave. While emigration was viewed for a long time as being a national failing and a source of regret, the picture seen in this table is quite different.

The reasons for the optimism can be seen more clearly in Table 4 where the distribution of responses to a question on the reasons for leaving are presented. Only 13.9 percent answered that they left to get a job, implying that most emigration had a voluntary dimension. Of particular interest in this table is the fact that over 40 percent

left for reasons of “adventure”. Referring back to the discussion above, we take this as evidence that emigration for some has a consumption element that might impact upon wages on return to Ireland. The absence (or at least lesser importance) of labour market considerations are also seen in Table 5 which presents the distribution of reasons for returning. Over a quarter of the returners said that their main reason for returning was because they preferred the lifestyle in Ireland. While it is almost certainly the case that this lifestyle response is conditional on a threshold level of success in the Irish labour market, it nonetheless points to considerations other than solely labour market outcomes.

We now move onto our regression analysis of the wage differential between stayers and returners. In order to consider the relative wages of the two groups, we estimate standard OLS wage equations in which the standard controls are included and the dependent variable is the log of the monthly wage. Initially we include a dummy variable indicating if the individual is a returner or a stayer; in later regressions we differentiate between different lengths of time away and different types of returners. At this point we are taking a simple approach to the issue and in particular are ignoring selection effects; however, as will be seen below, we do not find evidence of sample selection problems.

The first results are shown in the second column of Table 6, where the full sample (i.e. both males and females) are included and the dependent variable is the logarithm of the gross monthly wage. Before looking at the returner wage premium we will consider the other variables in the regression. Experience, which is measured in years, is positive and significant, as would be expected. Typically, the square of experience is also included but this is unnecessary here because of the nature of the sample. As all individuals graduated six years prior to being surveyed, the length of their labour market experiences are short and similar. The next three variables represent education levels, with certificates/diplomas being the omitted category. Again, the coefficients are as expected. Those working in Dublin earn 10 percent more and men earn 16 percent more than women. The variable “partner” is one if the individual is living with a partner and zero otherwise; although the coefficient is negative, it is insignificant.

For the full sample, returners are found to have a wage premium of 5 percent relative to stayers but the point estimate is statistically insignificant. By looking at the results for men and women separately, we can see that the full sample result hides an interesting distinction between men and women. For men, the returner wage premium is 10 percent and is statistically significant. In contrast, women returners do not enjoy a wage premium.

In Table 7, we move from using a dummy variable to indicate returners. Instead we use a measure of length of time away and set it equal to zero for stayers. As the questionnaire included a question on when the individuals first emigrated and when they returned it is possible to construct such a variable. We have to concede that in cases where multiple moves were taken, our measure will overstate the length of time away. However, as we are looking at a six year period from time of graduation to time of interview, we believe that the scope for such multiple moves is limited.

The time away variable is measured in years so the coefficient point estimate for the full sample in Table 7 indicates that returners earn almost 2 percent more relative to stayers for each additional year they were away. However, this estimate is insignificant, as are the corresponding estimates for men and women.

Our next set of estimates is presented in Table 8. Given that Co *et al* discuss return migration in terms of it representing an investment in human capital, it is of interest to consider if the wage premium differs according to the initial reason for emigration. Referring back to Table 4, we can see that the first five reasons can be viewed as indicating that emigration was for career advancement purposes. As such we group the returners who gave this response into a category who “left for labour reasons”; the other group, which is made up of those who left with family or for adventure, is then defined as those who left for “non-labour reasons”. In the regressions the coefficients on these dummy variables are measured with respect to stayers.

It can be seen in Table 8 that for the full sample there is evidence of a difference in the wage premium across the two groups of returners. While those who left for non-labour reasons earn the same as stayers, the wage advantage for the labour-related migrants is 8 percent (as the p-value is .054, we take this as being significant). The

gap is particularly large in the case of men; the wage advantage for men who migrated for labour reasons is 15 percent. For women we find no difference between the two types of migrants, who in turn earn the same as women who stayed in Ireland. For men, this would appear to indicate that the wage advantage is restricted to those who had explicit human capital motives for going, thereby adding support to the Co et al story. The question arises however of why the female experience should differ from the male experience.

Our next regressions are shown Table 9 in which we introduce the sector in which the individuals work. Our primary reason for doing this is to see if the premium is related solely to a particular sector, namely computers. As this sector has been growing particularly strongly and skill shortages are believed to have lead to large wage rises, we wanted to see if the premium was simply the result of a large inflow of computer scientists. Once again, the returner categories are measured relative to all stayers.

Looking initially at the "all" column in Table 9 we see that although those working in computers have the largest wage advantage (the point estimate is not significant, however), those in manufacturing also enjoy a wage premium. In general, little of statistical significance emerges from this set of regressions. This is likely to be because of the small number of observation in the sectoral cells. The important point is that high wages in the computer sector do not seem to be driving our results.

Our final set of regressions was aimed at establishing whether the returner wage premium was the result of a selection process. It could be that more able individuals migrate and return, and so would be observed to earn more whether they had migrated or not. We estimated a Heckman selection correction model in which we used the unemployment rate in each individual's county of residence in 1992 (i.e. the time the individuals were graduating) as a predictor of migration that would not affect the individuals' wages in 1998. The coefficients on the lambda terms in the wage regressions were insignificant and so we concluded that selectivity was not driving our results.

CONCLUSION

Although Co, Gang and Yun (forthcoming) hypothesise that return migrants will earn more than non-migrants due to human capital accumulation, we have pointed out that there are reasons to believe that the positive wage premium could exist for other reasons, or alternatively that returners could earn relatively less. Our empirical analysis has shown that among graduates of Irish colleges, returning males do earn more than males who stayed in Ireland. Little effect is found for returning women. For men, the wage premium appears to be related to a human capital investment strategy, along the lines proposed by Co et al. Although the computer sector has shown particularly strong growth in Ireland, the returner premium is not restricted to this sector.

These results have a number of implications. From a national labour market perspective, the return of people with high levels of education, as observed by Barrett and Trace (1998), is a benefit given the competitive requirements of a modern economy. That these highly educated people also appear to have accumulated additional human capital is a further benefit to the Irish economy. From a micro-perspective, the wage advantage enjoyed by returners points to the benefits that individuals can enjoy through working abroad at least for a period of time. Finally, the different results for men and women suggest another source of difference in the labour market experiences of each. Drawing on Mincer's (1978) terminology, it could be that the women we observed are "tied-migrants" in the sense that their moves are determined by the labour market considerations of their partners. We tested for this by including in the women's regression an interaction term for returners with partners. While the returners with partners were shown to suffer a wage disadvantage of 7 percent, the point estimate was not statistically significant.

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Table 1: *Educational Profile of Return Migrants and Non-Migrants by Age Category (Row percentages Shown)*

| Age | | No. Quals. | Primary | Junior/Inter | Leaving | Third Level/Non-University | Third Level/University | Higher University |
|-------|-----|------------|---------|--------------|---------|----------------------------|------------------------|-------------------|
| 20-24 | R | 0.5 | 4.0 | 11.0 | 36.5 | 22.5 | 22.5 | 3.0 |
| | N-M | 0.4 | 5.6 | 20.1 | 50.4 | 15.0 | 7.8 | 0.7 |
| 25-29 | R | 0.0 | 4.5 | 13.3 | 24.7 | 28.9 | 21.6 | 7.1 |
| | N-M | 0.5 | 7.5 | 25.8 | 37.1 | 16.3 | 10.7 | 2.1 |
| 30-39 | R | 0.2 | 8.6 | 19.8 | 21.8 | 23.7 | 20.9 | 5.0 |
| | N-M | 0.6 | 14.9 | 19.9 | 38.8 | 14.1 | 9.7 | 1.9 |
| 40-49 | R | 2.2 | 18.3 | 19.7 | 27.6 | 12.7 | 11.9 | 7.5 |
| | N-M | 0.6 | 29.4 | 28.4 | 24.0 | 8.9 | 7.1 | 1.5 |
| 50-59 | R | 1.2 | 32.5 | 20.0 | 17.8 | 13.6 | 10.4 | 4.5 |
| | N-M | 0.8 | 43.9 | 23.4 | 18.6 | 6.8 | 5.3 | 1.2 |
| 60-69 | R | 0.0 | 34.0 | 18.3 | 20.0 | 12.2 | 8.6 | 7.0 |
| | N-M | 1.2 | 58.9 | 17.3 | 14.2 | 4.2 | 3.4 | 0.7 |
| 70+ | R | 0.0 | 38.8 | 27.0 | 11.8 | 7.8 | 14.5 | 0.0 |
| | N-M | 2.2 | 70.8 | 12.1 | 9.3 | 2.8 | 2.4 | 0.4 |

Source: Labour Force Surveys 1994, 95 and 96.

R = return migrants, defined as Irish nationals who were born in Ireland but who were not resident in Ireland 12 months previously; N-M = non-migrants, defined as Irish nationals who were born in Ireland who were resident in Ireland twelve months previously. The percentages are based on 1,400 return migrants and 265,655 non-migrants.

No Quals = no educational qualifications

Primary = completed primary

Junior/Inter = a state exam taken approximately half way through second level schooling

Leaving = state exam taken at the end of second level schooling

Third Level/non-university = typically diploma and certificate courses in Regional Technical Colleges and the Institutes of Technology

Third level/university and higher university are self-explanatory

NOTE: As almost 80 % of the return migrants are in the first three age categories, greater attention should be focused on the proportions in the upper part of the table.

Table 2: Descriptive Statistics on Returners and Stayers

| | Stayers | | Returners | |
|-----------------------------------|---------|----------------|-----------|----------------|
| | Mean | Std. Deviation | Mean | Std. Deviation |
| Age (in years) | 28.32 | 2.76 | 28.19 | 2.0 |
| Experience (in years) | 4.72 | 1.62 | 4.82 | 1.26 |
| Education dummy variables | | | | |
| Certificate/diploma | 0.27 | 0.44 | 0.24 | 0.43 |
| Bachelor degree | 0.26 | 0.44 | 0.32 | 0.47 |
| Masters degree or equivalent | 0.43 | 0.50 | 0.38 | 0.49 |
| Doctorate | 0.037 | 0.19 | 0.063 | 0.20 |
| Dublin | 0.37** | 0.48 | 0.49 | 0.50 |
| Male | 0.51 | 0.50 | 0.6 | 0.50 |
| Partner | 0.64 | 0.48 | 0.70 | 0.46 |
| Sectoral dummy variables | | | | |
| Computers | 0.07 | 0.26 | 0.095 | 0.29 |
| Manufacturing | 0.20 | 0.40 | 0.24 | 0.43 |
| Real Estate, renting and business | 0.14 | 0.35 | 0.17 | 0.38 |
| Education | 0.19** | 0.39 | 0.10 | 0.30 |
| Health | 0.05 | 0.21 | 0.06 | 0.24 |
| Other sectors | 0.35 | 0.48 | 0.33 | 0.47 |
| Gross monthly wage (IR£) | 1675* | 699 | 1825 | 794 |
| | N= 670 | | N=158 | |

* P<.05, ** P<.01

Table 3: How the Returners Felt about Leaving Ireland

| | Frequency | Percent |
|--------------------------|-----------|---------|
| VERY UPSET-SAD | 6 | 4.0 |
| UPSET-SAD BUT NOT BADLY | 14 | 9.3 |
| NOT TOO BAD | 19 | 12.7 |
| LOOKING FORWARD TO GOING | 90 | 60.0 |
| DELIGHTED TO LEAVE | 21 | 14.0 |
| Total | 150 | 100 |

Table 4: Reasons for Leaving

| | Frequency | Percent |
|-----------------------------------|-----------|---------|
| TO GET A JOB | 22 | 13.9 |
| TO GET A BETTER JOB | 19 | 12.0 |
| TO GET BETTER WAGES | 9 | 5.7 |
| TAX RATED TOO HIGH | 4 | 2.5 |
| TO CONTINUE FURTHER EDUCATION | 15 | 9.5 |
| FAMILY WAS LEAVING-LEFT WITH THEM | 2 | 1.3 |
| ADVENTURE,SEE THE WORLD | 66 | 41.8 |
| OTHER | 21 | 13.2 |
| Total | 158 | 100 |

Table 5: Reasons for Returning

| | Frequency | Percent |
|--------------------------------|-----------|---------|
| BECAME UNEMPLOYED ABROAD | 5 | 3.2 |
| RETURNED TO A JOB IN IRE | 45 | 28.5 |
| ACCOMPANIED SPOUSE | 3 | 1.9 |
| PREFERRED TO RAISE CHILD IN IR | 6 | 3.8 |
| OTHER FAMILY COMMITMENTS | 11 | 7.0 |
| PREFERRED LIFESTYLE | 47 | 29.7 |
| OTHER REASON | 41 | 26 |
| Total | 158 | 100 |

Table 6: Wage Equations with Returner Dummy Variable (Dependent variable: log of monthly wage)

| | All; N = 828 | | Men; N = 412 | | Women; N = 416 | |
|------------------------------|----------------------------|--------|----------------------------|--------|----------------------------|--------|
| | B | t-stat | B | t-stat | B | t-stat |
| Exp'nce | 0.07 | 8.24 | 0.08 | 6.07 | 0.06 | 5.08 |
| Bachelor degree | 0.28 | 8.13 | 0.26 | 5.08 | 0.31 | 6.62 |
| Masters Degree or Equivalent | 0.30 | 9.33 | 0.28 | 5.26 | 0.32 | 8.42 |
| Doctorate | 0.51 | 7.55 | 0.46 | 4.65 | 0.56 | 6.04 |
| Dublin | 0.10 | 3.96 | 0.06 | 1.32 | 0.15 | 4.73 |
| Male | 0.16 | 6.23 | | | | |
| Partner | -0.05 | -1.79 | -0.08 | -1.75 | -0.03 | -0.82 |
| Returner | 0.05 | 1.48 | 0.10 | 1.98 | -0.01 | -0.31 |
| Constant | 6.71 | 115.90 | 6.88 | 78.76 | 6.73 | 94.27 |
| | Adj- R ² = 0.22 | | Adj- R ² = 0.18 | | Adj- R ² = 0.23 | |

Table 7: Wage Equations with Time Away (Dependent variable: log of monthly wage)

| | All; N = 828 | | Men; N = 412 | | Women; N = 416 | |
|------------------------------|----------------------------|--------|----------------------------|--------|----------------------------|--------|
| | B | t-stat | B | t-stat | B | t-stat |
| Exp'nce | 0.07 | 8.21 | 0.08 | 6.10 | 0.06 | 5.11 |
| Bachelor degree | 0.28 | 8.10 | 0.26 | 5.05 | 0.31 | 6.59 |
| Masters Degree or Equivalent | 0.30 | 9.26 | 0.27 | 5.16 | 0.32 | 8.43 |
| Doctorate | 0.51 | 7.47 | 0.45 | 4.54 | 0.56 | 6.02 |
| Dublin | 0.10 | 4.01 | 0.06 | 1.41 | 0.15 | 4.63 |
| Male | 0.16 | 6.15 | | | | |
| Partner | -0.05 | -1.76 | -0.08 | -1.67 | -0.03 | -0.84 |
| Time away | 0.02 | 1.61 | 0.03 | 1.44 | 0.01 | 0.51 |
| Constant | 6.72 | 116.18 | 6.89 | 78.53 | 6.73 | 94.67 |
| | Adj- R ² = 0.22 | | Adj- R ² = 0.18 | | Adj- R ² = 0.23 | |

Note: Time away for stayers is equal to zero.

Table 8: Wage Equations with Reasons for Leaving (Dependent variable: log of monthly wage)

| | All; N= 828 | | Men; N = 412 | | Women; N = 416 | |
|------------------------------|----------------------------|--------|----------------------------|--------|----------------------------|--------|
| | B | t-stat | B | t-stat | B | t-stat |
| Exp'nce | 0.07 | 8.22 | 0.08 | 6.15 | 0.06 | 5.09 |
| Bachelor degree | 0.28 | 8.15 | 0.26 | 5.15 | 0.31 | 6.61 |
| Masters Degree or Equivalent | 0.30 | 9.29 | 0.28 | 5.25 | 0.32 | 8.42 |
| Doctorate | 0.51 | 7.45 | 0.45 | 4.55 | 0.56 | 6.04 |
| Dublin | 0.10 | 3.96 | 0.05 | 1.29 | 0.15 | 4.71 |
| Male | 0.16 | 6.08 | | | | |
| Partner | -0.05 | -1.79 | -0.08 | -1.74 | -0.03 | -0.79 |
| Left for labour reason | 0.08 | 1.93 | 0.15 | 2.47 | -0.01 | -0.24 |
| Left for other reason | 0.01 | 0.13 | 0.002 | 0.03 | -0.01 | -0.24 |
| Constant | 6.71 | 115.90 | 6.88 | 78.76 | 6.73 | 93.85 |
| | Adj- R ² = 0.22 | | Adj- R ² = 0.18 | | Adj- R ² = 0.23 | |

Note: Returning migrants categories are measured relative to stayers.

Table 9: Wage Equations with Sectors (Dependent variable: log of monthly wage)

| | All; N= 828 | | Men; N = 412 | | Women; N = 416 | |
|------------------------------|----------------------------|--------|----------------------------|--------|----------------------------|--------|
| | B | t-stat | B | t-stat | B | t-stat |
| Exp'nce | 0.07 | 8.25 | 0.08 | 6.14 | 0.06 | 5.18 |
| Bachelor degree | 0.28 | 8.08 | 0.26 | 5.03 | 0.31 | 6.44 |
| Masters Degree or Equivalent | 0.30 | 9.48 | 0.28 | 5.36 | 0.33 | 8.45 |
| Doctorate | 0.54 | 7.79 | 0.50 | 4.95 | 0.58 | 6.10 |
| Dublin | 0.11 | 4.03 | 0.06 | 1.40 | 0.15 | 4.54 |
| Male | 0.15 | 5.92 | | | | |
| Partner | -0.05 | -1.87 | -0.08 | -1.87 | -0.03 | -0.94 |
| R-computer | 0.16 | 1.70 | 0.11 | 0.76 | 0.21 | 1.70 |
| R-manufacturing | 0.13 | 2.16 | 0.13 | 1.56 | 0.09 | 1.06 |
| R-Real estate etc. | -0.02 | -0.27 | -0.03 | -0.23 | -0.04 | -0.45 |
| R-education | -0.16 | -1.68 | -0.27 | -1.13 | -0.15 | -1.61 |
| R-health | 0.09 | 0.78 | 0.40 | 1.00 | 0.06 | 0.51 |
| R-other | 0.04 | 0.80 | 0.15 | 1.84 | -0.07 | -1.01 |
| Constant | 6.71 | 115.39 | 6.88 | 78.28 | 6.73 | 93.73 |
| | Adj- R ² = 0.22 | | Adj- R ² = 0.18 | | Adj- R ² = 0.24 | |

Note: R-(sector) indicates returning migrants in each sector; stayers are the omitted category.