### **MC/INF/264**

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# INTERNATIONAL LABOUR MIGRATION TRENDS AND IOM POLICY AND PROGRAMMES

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#### I. INTRODUCTION

- 1. Labour migration, or the movement of people across borders for employment, has in the twenty-first century moved to the top of the policy agendas of many countries of origin, transit and destination. The International Labour Organization (ILO) estimates that between 60 and 65 million persons are economically active in a country other than their own, with or without authorization, and are accompanied by as many dependants.
- 2. Three key determining factors will continue to fuel this kind of movement: the "pull" of changing demographics and labour market needs in many industrialized countries, the "push" of population, unemployment and crisis pressures in less developed countries, and established intercountry networks based on family, culture and history. A large proportion of labour migration occurs without authorization, with a clandestine, sometimes criminal, industry ready to abet it.
- 3. Many governments at both ends of the migration spectrum are increasing their regulatory capacities to manage labour mobility to the mutual benefit of government, society and the migrant. Many increasingly turn to IOM for expert support in the migration aspects of this activity, including direct assistance to the migrants. IOM's projects in this area are thus expanding in complexity and size.

#### II. TRENDS IN INTERNATIONAL LABOUR MIGRATION

#### **Easing of Restrictions on the Recruitment of Migrant Workers**

- 4. Approaches to labour migration are changing. In Europe, States have in the past been much less willing to facilitate the entry of foreign workers than the traditional countries of immigration in North America and Oceania. The key triggers for this change include: the dismantling of exit controls in Eastern Europe, a region of some 400 million people; the rapid ageing of Europe's populations and a lower dependency ratio between employed and non-employed; European Union (EU) enlargement; and labour market shortages. There is now a need for Europe to compete for skilled personnel on the global markets and to regulate employment of lower-skilled foreign workers in sectors experiencing serious difficulties in filling some low- and middle-skilled jobs.
- 5. The traditional immigration countries have also tended in recent years to place more emphasis than before on the recruitment of skilled workers and to encourage the movement of workers entering on temporary visas. Other countries of the Organisation for Economic Co-operation and Development (OECD) have taken migration measures to target employment in such sectors as information technology and health, to meet urgent labour market needs.

#### **Linking Legal Labour Migration with the Control of Irregular Migration**

6. An increasing and significant trend is the interlinking of legal opportunities with cooperation in controlling irregular migration. Bilateral labour agreements are not only seen here as a response to labour shortages, but also as an incentive for labour-sending States to counter irregular migration. For example, in Italy, the 2002 law which made major changes to the 1998 framework immigration law, introduced as an explicit foreign policy priority the rewarding of countries which "actively collaborate in the fight against undocumented migration" to Italy. One key goal is to sign agreements on readmission along priority migration axes between developing and developed States. A total of 28 such agreements have been signed and 21 ratified by Italy; and a number of partner States have received preferential quotas for labour migration.

#### **Intraregional Flows**

- 7. Labour migration is not exclusively a South-North or East-West phenomenon, but a South-South one as well, and can account for a significant part of intraregional migration. South Africa receives a large number of regular and irregular labour migrants from neighbouring countries, as do the Russian Federation and Thailand. The need for joint approaches to managing these flows can be critical for the economic, social and political stability of such regions.
- 8. Also significant is the emergence of new destinations for temporary labour migration, such as in South East Asia, alongside the more established destinations such as the oil-rich States of the Middle East.

#### **Protection of Migrant Workers**

- 9. The rights of migrant workers and their dependants are protected by international law. But some workers, for example female domestic workers, entertainers and the low skilled, warrant special attention because of their vulnerability to abuse and exploitation in some countries. Many female migrants are doubly disadvantaged through poor education, and employment in low-skill, low-wage sectors and activities not always covered by labour laws. States like the Philippines and Sri Lanka have introduced comprehensive laws and mechanisms to protect their workers abroad.
- 10. As at 26 June 2003, 22 States had ratified the United Nations International Convention on the Protection of the Rights of all Migrant Workers and Members of their Families, which came into force in July 2003. By providing a comprehensive set of standards for all migrant workers in a single instrument, and recognizing the needs of undocumented migrants, this represents a new approach, when compared to other relevant instruments, such as the ILO Conventions (of 1949 and 1975). Provided key destination countries sign and ratify the Convention, national laws should guarantee migrants their rights concerning conditions of employment and living.
- 11. A related urgent need is to ensure that host communities are receptive to the situation and needs of migrant workers, and that the potential for discrimination or conflict within multivalent communities is minimized through coherent integration strategies, including information/awareness campaigns. Another important need relates to access to health and social services: for example, migrant workers often face difficult socio-economic, legal, financial, geographic and cultural barriers to attaining health and social services. These barriers increase

the migrants' vulnerability to illness. Lower access to health services affects both the mental and physical health of the migrant worker. Protecting the health of migrant workers also protects the health of those who live or work with them, and the health of the communities to which they return home.

#### **Increased Engagement by Sending States in Promoting Labour Migration**

12. An increasing number of developing countries and countries with economies in transition are adopting policies, legislation and structures to actively promote the foreign employment of part of their workforce. The Philippines have provided a good example and now send over 800,000 workers abroad per annum. Private recruitment agencies can play an important role in job brokering, particularly where they are regulated. Foreign ministries and embassies of labour-sending States are key to pursuing bilateral labour agreements, tracking labour market opportunities and assisting migrants in need.

#### **Importance of Migrant Remittances for National Development**

13. The funds migrants send home can be an important source of foreign exchange, enabling a country to afford vital imports or pay off external debts. According to the World Bank, in 2001 workers' remittance receipts of developing countries amounted to USD 72.3 billion, exceeding both Official Development Assistance (ODA) and private debt and equity flows. ILO estimates that globally the value of remittances flowing through informal channels is as high as through official channels. It is generally agreed that remittances help to reduce poverty at the household level. Good practices in reducing transfer costs and enhancing the development impact of remittances have been developed in Mexico and elsewhere.

#### **Brain Drain and Diaspora Mobilization**

- 14. Despite the benefits of international labour migration, unmanaged and indiscriminate international recruitment of skilled workers can have a profound negative impact in countries of origin with fragile economies and skills shortages, particularly in such critical sectors as health. Concerned States and institutions such as the Commonwealth and the World Health Organization (WHO) are working to mitigate this problem, in close coordination with intergovernmental bodies such as the African Union and the Caribbean Community (CARICOM), in addition to international organizations such as IOM.
- 15. Various approaches are being tried by governments to alleviate the potential negative effects of skilled emigration on countries of origin, ranging from prevention to mobilization of the diaspora as a development force. Some destination countries have adopted codes of conduct for the health sector recommending that recruitment be conducted in consultation with countries of origin, to avoid the drain of essential skilled workers. Egypt has recently established an Integrated Migration Information System to gather reliable and accurate data on its nationals residing abroad, in order to better mobilize them as resources for the benefit of the country's economy. Some countries of destination are helping to strengthen the capacity of countries of origin to better plan their labour emigration.

#### Bilateral, Regional and Multilateral Arrangements for Labour Migration

- 16. For the effective management of international labour migration, benefiting all sides, inter-State cooperation is considered essential. Such cooperation is manifested at three levels: bilateral, regional and multilateral.
- 17. **Multilateral:** One of the few existing multilateral mechanisms to regulate inter-State labour migration is the General Agreement on Trade in Services (GATS), the purpose of which is to promote economic growth and development through the expansion of international services. The labour exchange of *natural persons* (Mode 4) between Member States is one of the four modes of supplying services recognized under GATS. To date, political realities in destination countries have not permitted a better symmetry between labour movements and the movements of goods and capital, despite the proven fact that such liberalization could bring gains for all parties.
- 18. **Regional:** Regional mechanisms for inter-State cooperation have been relatively more successful than GATS in facilitating international labour mobility. In Europe, the European Commission promotes the free movement of member nationals within EU borders (Schengen Agreement, 1985), and is seeking to extend such opportunities to third country nationals. The North American Free Trade Agreement (NAFTA) facilitates business travel and allows employment for certain categories of highly-skilled workers without a labour market test. In Africa, a Protocol on Free Movement and Residence was signed in 1979 by 16 members of the Economic Community of the West Africa States (ECOWAS), and a first provision for visa-free entry came into force in 1980, although its implementation has been slow and uneven.
- 19. **Bilateral**: Bilateral labour agreements are a more common mechanism to regulate inter-State labour migration. Labour agreements formalize each side's commitment to ensure that migration takes place in accordance with agreed principles and procedures. Agreements may provide for quotas. Furthermore, such agreements may also be motivated by political reasons, to reflect friendly relations or to reinforce cooperation in managing irregular migration. Agreements on short-term employment of less than a year (seasonal employment) exist between a number of countries.

#### III. IOM POLICY ON LABOUR MIGRATION

- 20. IOM's purpose in labour migration is to facilitate the development of policies and programmes in labour migration that can individually and mutually benefit the concerned governments, migrants and society by:
- providing effective protection and services to labour migrants and their dependants;
- promoting further economic and social development in countries of origin;
- promoting forms of labour mobility as an alternative to resorting to irregular migration.

- 21. IOM's Constitution addresses the issue of labour migration in the contexts of providing migration services, taking into account the needs of developing countries, stimulating the creation of new economic opportunities in receiving countries, and inter-State cooperation (Preamble). Article 1 identifies IOM services relevant to labour migration: "... recruitment, selection, processing, language training, orientation activities, medical examination, placement, activities facilitating reception and integration, advisory services ...".
- 22. IOM's global network of offices positions it well to bring together all parties to establish labour migration mechanisms that balance the different interests. In these endeavours, IOM acts in concert with ILO and other relevant international agencies.

#### IV. IOM PROGRAMMES IN LABOUR MIGRATION

- 23. IOM's labour migration projects and programmes (see Annex for a summary) are growing and expanding geographically, upon demand by its Member and Observer States. Its activities include:
- government capacity-building training of officials, policy advice;
- pre-departure orientation and services for migrants assistance with visa issuance, travel preparations, health assessment; language and cultural orientation; and where necessary, some vocational training or skills upgrading;
- administering bilateral labour programmes particularly pre-selection and transport of migrants;
- integration of migrants in host countries e.g. through migrant resource centres;
- enhancing the development impact of remittances pilot projects to facilitate remittance transfers and enhance the development potential of remittances;
- facilitating intercountry dialogue among countries of origin and destination, particularly through regional consultative processes; and
- research studies on labour migration trends and issues, national surveys on, for example, remittances, and technical papers on effective labour migration practices.

Annex: IOM projects on Labour Migration in 2002-2003 (English only)

#### **Annex**

#### **IOM PROJECTS ON LABOUR MIGRATION, 2002-2003**

#### I. PROTECTING MIGRANT WORKERS AND MIGRANT SERVICES

#### I.1. Capacity-building in labour migration management

An increasing number of developing and transition countries seek to adopt policies, legislation and structures to promote the foreign employment of part of their workforce, and generate remittances, while providing safeguards to protect their migrants. Some middle-income countries are also destination countries, and are seeking ways to better manage their labour inflows. In 2002, IOM helped strengthen the labour migration management capacity of a number of countries in Asia and Africa.

#### • Bangladesh

A National Consultation Workshop on Labour Migration was held in November 2002, *inter alia* to discuss the findings of five studies funded by the United Nations Development Programme (UNDP) on such issues as: recruitment and placement of migrant workers, remittance utilization, cost benefits of labour migration and the contribution of returnees. The Workshop resulted in a set of guidelines for developing a Plan of Action for Managing International Labour Migration for Bangladesh, which were subsequently proposed to the Government.

#### • Thailand

A national seminar on the future of migration policy management in Thailand was organized by the International Labour Organization (ILO), IOM and the Ministry of Labour and Social Welfare in May 2002. It marked the completion of a broader ILO/IOM project on Improving Migration Policy Management, with a special focus on irregular labour migration in Thailand. The seminar concluded that there was a need to develop a cohesive policy on migrant labour to allow for flexible policy, and to better coordinate policy and management issues within the country and with countries of origin.

IOM has also been working closely with the Thai Government to explore policy options and pilot realistic mechanisms which can extend health and other social services to over a million irregular Burmese migrants who are considered as labour migrants in Thailand.

#### • Central Asia

IOM has in recent years been implementing a Capacity-Building in Migration Management Programme (CBMMP) for Kyrgyzstan which includes: research on trends and conditions of labour migrants in the Russian Federation; co-production of a documentary film on labour migrants to the Russian Federation; and advice on draft legislation. In Kazakhstan, IOM

MC/INF/264 Annex (English only) Page 2

supported the Eurasian Economic Community in drafting a common labour migration treaty. In Tajikistan, IOM has provided policy advice on labour migration, undertaken a study on labour migration trends and realities, organized a seminar and developed information brochures for migrants going to the Russian Federation.

#### • Ethiopia

In October 2002, IOM Addis Ababa organized a national capacity-building workshop on labour migration management to address the problems faced by migrant women domestic workers. International experts participated in the workshop and provided policy advice to the Ministry of Labour; and a plan of action was drafted.

#### • Southern Africa

IOM cooperated with ILO in a Tripartite Forum on Labour Migration in November 2002 that brought together governments, employers and workers' organizations from 14 countries in the Southern African Development Community (SADC) region. Participants agreed on increased cooperation among SADC, ILO and IOM to support labour migration activities by governments and social partners in the region. Further joint activities with the SADC Employment and Labour Secretariat and ILO are under way in data collection and policy harmonization.

#### • Africa/Middle East/Asia

In 2003, a study visit to the Philippines was organized for senior officials from ten West African, Middle Eastern and Asian countries to learn more about labour migration management and diaspora relations.

#### I.2. Pre-departure training and orientation of labour migrants

Many migrants face difficulties in host countries due to lack of preparation before departure. IOM offers pre-departure orientation services to inform them about their future living and working environment, including basic training in language and financial management, health counselling and human rights awareness raising. IOM has well-tried language training and cultural orientation curricula, trainers, established or upgraded training centres, and pre-departure manuals and other information tools to prepare migrants for life abroad.

#### • Tunisia

In 2002, IOM undertook with the Ministry of Employment and the Tunisian Employment Agency (Agence Tunisienne de l'Emploi (ATE)) a training of trainers project to improve the professional and sociocultural integration of Tunisian labour migrants aiming to work in Italy. Funded by the Italian Government, the project trained officials in the Tunisian Ministry of Employment, the Agence Tunisienne de l'Emploi and teachers of the Bourguiba Institute on sociocultural, legal, employment and linguistic aspects of life in Italy. A manual for trainers was designed and a team of local coordinators set up under the supervision of the Ministry of Labour and IOM Tunis to establish future training curricula. ATE (with IOM) has set up a link on its

web site for Italian employers to access the names and qualifications of 1,000 labour migration candidates.

#### • Philippines/Canada

The Canadian Government has long recognized the importance of pre-departure orientation seminars for Filipino migrants, including live-in caregivers. IOM offers special pre-departure orientation sessions to live-in caregivers to prepare them for the realities of living and working in Canada. IOM hopes to expand this kind of pre-departure service to other governments and migrants in the future.

#### • Sri Lanka

In 2002 and 2003, IOM helped strengthen the capacity of the Bureau of Foreign Employment to provide orientation and training to labour migrants. This was within the context of a larger programme funded by the European Union (EU) for the sustainable return and reintegration of Sri Lankan migrants, and for the mitigation of irregular migration through enhanced legal labour migration options.

#### • Pakistan

An information web site has been created by a partner non-governmental organization (NGO) to disseminate accurate and reliable information for nurses seeking employment abroad.

#### I.3. Reception and integration of labour migrants

Successful integration policies are critical to social harmony and cohesion. IOM has developed strategies and carried out programmes aimed at reinforcing the capacity of the civil society to better integrate migrants into the labour market and the host society, targeting local institutions, NGOs, and migrants and employers associations.

#### • Italy

In Italy, IOM works closely with employers' associations, central government and decentralized administrations, embassies and labour authorities of sending countries to organize professional and vocational training and job placements for labour migrants. The project "System Actions to Support Social Integration and Employment Policies on Behalf of Migrant Workers" was a first effort to manage the recruitment of a foreign workforce in accordance with the new immigration law adopted by the Government in 2002.

IOM is also an implementing partner in the project "Migratools", managed by Forema (Entreprise Training Pool of Unindustria Padova), which aims to prevent the exclusion of migrants from active labour policies and to enhance their integration into Italian, French and Spanish host societies. The project intends to develop innovative methods and interactive multimedia products for professional guidance to migrants and enhancement or acquisition of their basic skills, such as language and computer literacy.

MC/INF/264 Annex (English only) Page 4

IOM has also assisted a training centre to develop activities to facilitate the labour insertion of migrants and social integration of their families in the Province of Brescia. The project is sponsored by the Lombardy region and financed through the European Social Fund. IOM elaborated the Plan of Action for the "Laser" training centre, which will manage the project and undertake activities such as the assessment of migrant skills, orientation courses and job hunting. IOM will coordinate the monitoring and evaluation activities.

#### • Germany

A project was recently launched, in cooperation with the relevant counterparts in the German Government, to first provide a forum for "Open Dialogue" among representatives of government, political parties, business, trade unions and civil society to seek solutions to issues pertaining to labour migration and integration in Germany. Secondly, an "Integration Guide" or information service through a web page will be provided to support migrants during the process of orientation and integration in Germany, including specific information on living and working conditions as well as on existing integration services. Thirdly, an assessment will be carried out as to what labour migration services can be usefully provided by IOM to German employers.

#### • Portugal

In Portugal, IOM worked closely with central government institutions responsible for the rights of women and equality in labour and employment and a national trade union, to promote non-discriminatory policies and practices in employment. Working as an interlocutor in the development partnership of these two entities, IOM completed a diagnostic study and a proposal for wider partnership in developing innovative approaches to combating discrimination. The wider partnership would include two transnational partners – Netherlands and Spain – in jointly developing these approaches. Under the Community Programme Initiative EQUAL, and cofunded by the Portuguese Government, implementation of the proposal commenced in the municipality of Vila Franca de Xira, with the collaboration of ten institutions linked to the municipality.

## II. EXPANDING ORDERLY LABOUR MIGRATION AND ENHANCING ITS DEVELOPMENT IMPACT

#### II.1. Administering selective migration programmes

Increasingly, States needing foreign labour are seeking bilateral labour agreements with partner States that can at the same time fill their labour gaps and undercut the usefulness of irregular migration. Once established, these programmes require special administration to ensure their smooth operation, including: promotion of the programme in countries of origin, recruitment, testing and certification of applicants for the programme, timely data sharing among the governments, migrants, and consular offices, and efficient travel logistics. IOM supports such government efforts, and provides the necessary services for bilateral selective migration programmes.

#### • Spain/Ecuador/Colombia

Spain and Ecuador have signed a bilateral labour agreement under which IOM assisted the first group of labour migrants to travel to Spain and work in the hospitality sector in 2002. Candidates were selected by Spain on the basis of the skills and experience recorded in IOM's database. IOM also assisted with the contracts and the travel arrangements of the migrants.

IOM also provides transportation assistance to Colombian labour migrants travelling to Spain.

#### • Italy/Albania

In accordance with an agreement between Italy and Albania, from 2000 to 2002 IOM developed, with the Italian Ministry of Labour, a pilot mechanism to manage labour migration from Albania. IOM assisted with skills assessment and selection of the migrants in Albania, interviews to assess professional qualifications, and verification of migrants' credentials and proficiency in the Italian language. A database on selected candidates was developed and transferred to the Italian Ministry of Labour for further dissemination to employment offices and other concerned government bodies.

#### • Netherlands/Poland

IOM is monitoring the recruitment, employment and return/reintegration of nurses from Poland to the Netherlands within the framework of a bilateral labour arrangement between the two countries.

#### • Egypt

With the assistance of IOM and the Italian Government, the Ministry of Manpower and Emigration of the Government of Egypt has recently launched an Integrated Migration Information System (IMIS). IMIS has three web-based modules. The first is the Job Opportunities module that will facilitate matching between employers in Italy and labour migrants in Egypt. The second module will facilitate the contribution of the Egyptian diaspora to country of origin development and the third module will provide information on migration concerning Egypt and the main countries of destination. IMIS was launched in October 2003.

#### II.2. Labour migration and development

The most direct link between migration and development in countries of origin is through remittances – the funds migrants send home. IOM is in the process of developing a pilot project in Guatemala on channelling remittances on a voluntary basis for investment and development purposes, involving diaspora communities, village communities and financial institutions.

Countries with sizeable *émigré* populations are increasingly taking steps to link their diasporas with origin country development, and looking to IOM for support.

MC/INF/264 Annex (English only) Page 6

#### • Uruguay

In 2001 to 2002, this project aimed to establish closer ties between Uruguayans living and working abroad and Uruguayan institutions. Through the exchange of ideas, knowledge and experience, it was expected that the diaspora could contribute to the economic, cultural and social development of the country. A database of highly-skilled Uruguayan *émigrés* wishing to contribute to the development of their country was established on the Internet, and 500 posters on the programme were distributed in Uruguayan embassies and consulates worldwide.

#### • Argentina

In 2002, the Argentine Government initiated a technical cooperation project to better coordinate and channel the support given by Italy to ethnic Italians in Argentina. A study was undertaken of Italians in vulnerable social situations, other Italian associations and family enterprises in Argentina. The study has provided the basis for further project activities to assist Argentine inhabitants of Italian descent to resettle and receive appropriate labour training.

#### III. PROMOTING REGIONAL DIALOGUE

In response to requests from several Asian labour-sending countries, IOM organized ministerial-level consultations for Asian labour-sending countries in April 2003 in Colombo. Hosted by the Government of Sri Lanka, the consultations enabled Asian labour-sending countries to share experiences, discuss issues and make 22 recommendations for more effective protection and services to their labour migrants. Participating countries included Bangladesh, China, India, Indonesia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Viet Nam.