



The Global Voice of Business

POSITION PAPER

# INTERNATIONAL ORGANISATION OF EMPLOYERS



INTERNATIONAL  
LABOUR MIGRATION



November 2014

DEAR MEMBERS,

Sometimes described as the “unfinished business of globalisation”, labour migration issues raise complex and sensitive political, human rights, economic and social concerns, as well as an array of legal and regulatory challenges. Migration accordingly occupies a prominent place on both national and multilateral policy agendas, and in public discourse and debate.

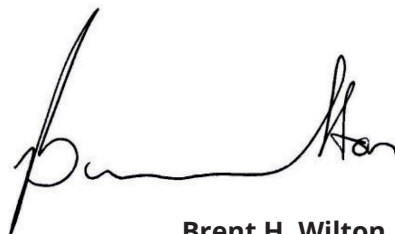
For this reason, the IOE has created a policy working group on international labour migration with the specific tasks of establishing the position the IOE will take in the debate and providing guidance to members.

This paper focuses on several aspects of international labour migration of immediate and practical concern to business.

We trust it will be useful for our members and partners as they engage in this area of policy debate, both with national governments and in international forums.

Your comments and feedback are invited and we are at your disposal for any questions you may have.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brent H. Wilton', with a stylized flourish at the end.

**Brent H. Wilton**  
Secretary-General



## Introduction

APPROXIMATELY 3 PER CENT OF THE WORLD'S POPULATION – SOME 232 MILLION PEOPLE – ARE LIVING (AND IN LARGE PART WORKING) IN A COUNTRY OTHER THAN THAT OF THEIR BIRTH.

Sometimes described as the “unfinished business of globalisation”, labour migration issues raise complex and sensitive political, human rights, economic and social concerns, as well as an array of legal and regulatory challenges. Migration accordingly occupies a prominent place on both national and multilateral policy agendas, and in public discourse and debate.

There is widespread evidence that over the long term migration not only provides economic opportunities for migrants and their families, but also fuels economic growth, and that migrants make a net positive contribution to the economies and societies in which they live and work. However, governments must often respond to the perceptions that foreign workers undercut wages and job opportunities for native workers, and that migration is closely associated with unacceptable labour conditions and abuses.

The demographic impetus for labour migration is clear. Developed economies are rapidly ageing. It will be difficult to replace the workers who will retire over the coming years and talent managers are already reporting significant skills gaps. At the same time, access to better education at home and abroad by citizens of developing countries has created a new cadre of skilled workers. Many OECD countries already rely upon sizeable numbers of highly skilled migrants to fuel their economies: the World Economic Forum has estimated that highly skilled migrants account for 12 per cent of the highly skilled workforce in the United States, 9 per cent in Germany and 22 per cent in Canada. The OECD has stated that “immigration will continue to play a vital role for OECD economies in the long term because of the need for extra workers to maintain growth and prosperity.”

Developing countries, on the other hand, are predicted to have more workers at all skill levels than their economies can absorb. Countries

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with projected labour surpluses in 2020 include: India (47 million), Pakistan (19 million), Mexico and Indonesia (5 million each), Vietnam (4 million) and Brazil (3 million). To the extent that migration is about seeking work, these demographics underpin increased flows of migrants in all skill categories. And, even with all these workers, these countries are expected to face their own skills gaps as education and training fail to keep pace with business needs. In this regard, opportunities to study, train and work abroad are important.

This paper addresses the Employers perspective on international labour migration'. It sets out IOE positions on two particular issues: facilitating the migration of highly skilled personnel, and combating abusive and unscrupulous practices for recruitment of low skilled workers. This paper also suggests action which can be taken by employers, and their representative organisations, including through the ILO, to facilitate the safe and orderly cross-border movement of people.

## The Business Stake in Migration Policy

EMPLOYERS REGARD MIGRATION AS A POSITIVE PHENOMENON - A VEHICLE FOR FULFILLING PERSONAL ASPIRATIONS, FOR BALANCING LABOUR SUPPLY AND DEMAND, FOR SPARKING INNOVATION, AND FOR TRANSFERRING AND SPREADING SKILLS.

Businesses are frequent and heavy users of national migration systems. Their experience with the practical workings of immigration laws, procedures, and policies, as well as knowledge of emerging market and staffing trends, can supply important information to governments and international organisations. Thus, the participation of the private sector is essential to the development of well-regulated migration systems.

Both employers and employees benefit from clear, transparent, and efficient national immigration laws and policies that permit the movement of workers when, and where, they are needed.

Overly complex, and sometimes frequently changing, systems hinder compliance with national laws and threaten labour market protections. They also make it difficult for migrants to pursue their careers and support their families.

However, the labour market needs and migration policy interests of the private sector vary greatly among companies, industries, countries and regions. Employers of highly skilled migrants and those recruiting large numbers of low skilled workers have differing needs and challenges.

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## Migration of Highly Skilled Personnel

CHANGES IN BUSINESS MODELS AND MARKETS, COUPLED WITH DEMOGRAPHIC REALITIES, INCREASINGLY REQUIRE BUSINESSES TO HIRE, TRAIN AND TRANSFER PROFESSIONALS ACROSS BORDERS.

Surveys consistently find that chief executives regard having the right talent as the most critical factor for their business growth. Business leaders must therefore look decades ahead to align skills availability with innovation and market opportunities.

Human resource specialists tasked with meeting enterprise requirements recognise that new solutions will be needed to attract, retain, and deploy key talent globally. Many companies now support worker training from pre-school through

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graduate education. They seek diverse workforces comprised of people from all segments of society. And they consider not only the social, political, regulatory, infrastructure and market environments, but also the availability of an appropriately trained workforce, in order to determine where to locate new facilities. This calculation includes the ease with which talent can be moved either internally or across borders.

Most governments are aware of the need to attract skilled migrants

(and the enterprises that employ them) and have migration laws that provide for the entry of skilled foreign workers. Problems of implementation persist, however. Too often, cumbersome, unclear, or continuously changing procedures and regulations, often adopted in response to protectionist demands from domestic constituencies, make it difficult for enterprises to hire or to transfer skilled workers into their jurisdictions in a predictable and cost-effective way.

## Fair and Ethical Recruitment

AT THE OTHER END OF THE SPECTRUM, FEW GOVERNMENTS HAVE WELL-REGULATED SYSTEMS FOR THE LEGAL MOVEMENT OF LESSER SKILLED WORKERS.

This enables many such migrants to become the victims of abusive recruitment practices, which at their worst rise to the definition of forced labour. Overseas workers may be saddled with huge debts after paying extortionate fees to unscrupulous and often unregulated intermediaries to secure jobs abroad. Confiscation of passports or other documentation may leave them virtual prisoners.

Reducing these and other abusive practices in the recruitment process is necessary to protect migrant workers and domestic labour markets, and to ensure well-functioning immigration systems. The absence of fair and transparent recruitment also creates serious problems for employers, who often have no way of knowing what kind of recruitment practices are taking place overseas and what workers have been subjected to or promised by intermediaries. Furthermore, these practices undermine the reputation, impede the functioning, and may affect the competitiveness, of ethical and legitimate companies in the recruitment industry.

In an attempt to address these concerns, the IOE recently signed an agreement with the [International Organisation for Migration \(IOM\)](#), committing to work at a global level on reducing exploitative recruitment practices in international labour migration. The IOM's Public Private Alliance for Fair and Ethical Recruitment is designed to create a community of like-minded partners committed to finding practical and operational tools for use by governments and business to combat unscrupulous recruitment practices. One such tool is the [International Recruitment Integrity System \(IRIS\)](#), a voluntary accreditation system for recruitment intermediaries so that they can demonstrate their commitment to fair and ethical practices. Similarly, with the participation of the ITUC, IOE and the International Confederation of Private Employment Agencies (CIETT), the ILO has itself launched a Fair Recruitment Initiative, which aims to prevent human trafficking, promote safe migration, and reduce the costs of labour mobility.

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## Employer Engagement

EMPLOYERS HAVE EXTENSIVE EXPERIENCE AND EXPERTISE ON LABOUR MIGRATION ISSUES. THUS, THEY SHOULD BE FULLY INVOLVED IN MIGRATION DISCUSSIONS AND DEBATES AT NATIONAL, REGIONAL, AND INTERNATIONAL LEVELS.

In addition to its work with the IOM, the IOE is representing the private sector in the [Global Forum on Migration and Development \(GFMD\)](#), chaired in 2014-2015 by the government of Turkey, and is following the discussions of the UN High Level Dialogue on Migration and Development.

The UN Global Migration Group (GMG), which brings together 16 UN agencies and the International Organisation on Migration (IOM), is currently chaired by ILO Director-General Guy Ryder. In the ILO, the Employers' Group must ensure that the Office's rights-based approach to migration issues also takes into account labour market needs.

For example, an important dimension of the migration debate centres

on how to evaluate and recognise credentials and skills in a wide range of regulated and unregulated professions. The ILO has recognised expertise in the area of skills and training and should contribute widely to this discussion. Similarly, as the centre of expertise on labour and employment issues, the ILO should promote the recognition of labour mobility as a factor in sustainable economic growth in its engagement in the UN Sustainable Development Goals process.

The ILO can also play a role in the governance of labour migration, including the development of best practices and transparent policies to facilitate safe, orderly and regular labour migration. And it can promote positive public perception of migrant workers while combating xenophobia.

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## Conclusion

DEMOGRAPHIC REALITIES AND BUSINESS IMPERATIVES ARE DRIVING THE NEED FOR GREATER MOBILITY OF HIGHLY SKILLED WORKERS.

At the same time, the abuses associated with unethical recruitment practices are bringing attention to gaps in governance and failures of enforcement affecting large numbers of vulnerable people.

Employers have a vital interest in the development and promulgation of clear and consistent migration policies and practices that address both

issues. They also bring to the table essential experience and expertise.

The IOE is working to inform the migration debate at the international level, and to enable and assist its members to engage with it constructively at the national and regional level. Further information on the IOE's work in this area can be found on the [Migration page](#) of the website.

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The IOE is the largest network of the private sector in the world.  
With 150 business and employer organisation members in 143  
countries, it is the global voice of business.

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**The Global Voice of Business**

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