

THE INTERNATIONAL ORGANIZATION  
FOR MIGRATION IS COMMITTED TO  
THE PRINCIPLE THAT HUMANE No.12  
AND ORDERLY INTERNATIONAL  
MIGRATION DIALOGUE BENEFITS  
MIGRANTS AND ON MIGRATION  
SOCIETY IOM ASSISTS IN MEETING  
THE GROWING OPERATIONAL  
CHALLENGES OF MIGRATION  
MANAGEMENT MAKING GLOBAL  
ADVANCES LABOUR MOBILITY  
UNDERSTANDING A CATALYST FOR  
OF MIGRATION DEVELOPMENT  
ISSUES ENCOURAGES SOCIAL  
AND ECO-NOMIC DEVELOPMENT  
THROUGH MIGRATION UPHOLDS  
THE HUMAN DIGNITY AND WELL-  
BEING OF MIGRANTS



No. 12

INTERNATIONAL  
DIALOGUE  
ON MIGRATION

MAKING GLOBAL  
LABOUR MOBILITY  
A CATALYST FOR  
DEVELOPMENT



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IOM International Organization for Migration

**mpr**

IOM - Migration Policy and Research

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This book is published by the Migration Policy and Research Department (MPR) of the International Organization for Migration. The purpose of MPR is to contribute to an enhanced understanding of migration and to strengthen the capacity of governments to manage migration more effectively and cooperatively.

Opinions expressed in the chapters of this book by named contributors are those expressed by the contributors and do not necessarily reflect the views of IOM.

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ISSN 1726-2224

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*The primary goal of IOM is to facilitate the orderly and humane management of international migration... To achieve that goal, IOM will focus on the following activities, acting at the request of or in agreement with Member States:...*

*7. To promote, facilitate and support regional and global debate and dialogue on migration, including through the International Dialogue on Migration, so as to advance understanding of the opportunities and challenges it presents, the identification and development of effective policies for addressing those challenges and to identify comprehensive approaches and measures for advancing international cooperation... (IOM Strategy, adopted by the IOM Council in 2007).*

IOM launched its International Dialogue on Migration (IDM) at the 50th anniversary session of the IOM Council in 2001. The IDM works through the IOM Council and regional dialogues and pursues cooperation and partnership with governments, UN and other international and regional organizations, non-governmental organizations and other migration stakeholders.

The purpose of the IDM, consistent with the mandate in IOM's constitution, is to provide a forum for Member States and Observers to identify and discuss major issues and challenges in the field of international migration, to contribute to a better understanding of migration and to strengthen cooperative mechanisms between governments and with other key stakeholders to comprehensively and effectively address migration issues. This initiative is designed ultimately to enhance the capacity of governments to ensure the orderly management of migration, promote the positive aspects of migration, and reduce irregular migration. Other policy domains such as labour, development, environment, trade and health, are increasingly relevant to migration management and therefore are bringing migration onto the international agendas of other sectoral fora. The IDM encourages exploration of the links between international migration and these other sectors.

The IOM membership selects an annual theme to guide the IDM and also selects the topics of the IDM workshops. Each year the IDM and its accompanying activities have built upon the ideas

and perspectives brought out in previous sessions. The open, inclusive, informal and constructive dialogue that has developed, supported by targeted research and policy analysis, has indeed fostered a better understanding of contemporary migration issues. It has also facilitated the identification of effective practices and approaches through the sharing of practical experiences, perspectives and priorities. As important, the IDM has helped create a more open climate for migration policy debate and has served to build confidence between and among the various stakeholders in migration.

The International Dialogue on Migration Publication Series (or the Red Book Series) is designed to capture and review the results of the events and research carried out within the framework of the IDM. The Red Book Series is prepared and coordinated by the IDM Division of IOM's Migration Policy and Research Department (MPR).

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This publication includes the materials of the two-day workshop on "Making Global Labour Mobility a Catalyst for Development", held in Geneva, Switzerland on 8 and 9 October 2007. IOM would like to thank the Governments of Italy and the United States for making this event possible.

This publication was prepared under the overall supervision of Michele Klein Solomon, Director, MPR and Philippe Boncour, Head, IDM Division, MPR. It comprises two main elements. Part I contains the report of the workshop, which is based on the presentations and discussions. Special thanks for the preparation of Part I are owed to Françoise Moudouthe – the principal author – and to Ryszard Cholewinski. Part II includes the workshop agenda and background paper.

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MAKING GLOBAL  
LABOUR MOBILITY  
A CATALYST FOR  
DEVELOPMENT



**PART I:  
WORKSHOP REPORT**



# INTRODUCTION

Substantial cross-border movements of persons are a key feature of today's globalized world. The processes of globalization, liberalizing flows of capital, goods and services, have also resulted in the increased mobility of persons, facilitated by more efficient transportation, communication networks and financial transfers. Disparities in wages and working conditions between countries and evolving social networks among transnational communities are also important drivers of international migration. The number of persons living outside their country of birth has considerably increased over the last 35 years, and amounts today to over 190 million people.

The nature and quantity of international migration is changing as economies and societies become more integrated. More countries are affected by outward and inward migration than ever before, with migration flows from developing to developed countries, but also increasing "South-South" flows. As a consequence, almost all countries in the world simultaneously present characteristics of countries of origin, transit and destination, thus progressively making these categorizations obsolete.

One of the major impacts of globalization on migration is the amplification of the movements of persons from their home State to another country for the purpose of employment. There are approximately 95 million migrant workers today,<sup>1</sup> and mounting evidence indicates that labour mobility - whether temporary, circular or permanent - is set to grow in the decades to come.

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<sup>1</sup> The estimates shown are for 2005. UN General Assembly, *International migration and development*, Report of the Secretary-General, 18 May 2006, UN doc. A/60/871.

Faced with such essential changes in both the magnitude and the patterns of migratory flows, the international community has started to explore ways to maximize the benefits of such a major and largely inevitable phenomenon while minimizing its potential negative effects. It has come to acknowledge that labour mobility – a broader concept than but often used interchangeably with the term migration – if well-managed, can benefit both countries of origin and countries of destination, and individual migrants and societies.

The international community has recently shifted its perception of the linkage between migration and development. Where in the past migration was often regarded as a reaction to underdevelopment (e.g. poverty, socio-economic instability, population pressure) which can in turn have negative effects on development as a result of brain drain, depletion of the national labour force, rural exodus, etc., today there is a strong focus on the potential of orderly and humane labour migration for the human, economic and societal development of all concerned stakeholders. Such unprecedented attention to the potential positive links between labour mobility and development were recognized in the 2005 report of the Global Commission on International Migration and expressed at recent international events, including the *United Nations High-Level Dialogue on International Migration and Development* in September 2006 and the *Global Forum on Migration and the Development* in July 2007.

## THE WORKSHOP

Expressing this growing interest in the potential benefits of migration for development, the membership of the International Organization for Migration (IOM) selected **“Making Global Labour Mobility a Catalyst for Development”** as the theme for one of the two workshops held within the framework of IOM’s International Dialogue on Migration (IDM) in 2007. The workshop was held in Geneva on 8-9 October and was organized in collaboration with the World Bank, the Development Centre of the Organization for Economic Cooperation and Development (OECD) and the International Labour Organization (ILO).

With generous funding from the Governments of Italy and the United States, the workshop gathered approximately 170 participants from 65 countries, including government officials and representatives of inter-governmental and non-governmental organizations and the business sector. Panelists representing a wide range of viewpoints – countries of origin, transit and destination, migrants, employers, trade unions, academics – interacted with this engaged group of participants.

The workshop aimed at bringing together representatives of the various authorities involved in the management of labour migration, including policymakers and other stakeholders directly responsible for these issues. A second objective was to share experiences relating to labour migration management from the perspectives of migrants, public and private sector actors and other non-governmental entities. A final goal was to identify effective tools for managing the movement of people in the context of a globalizing economy.

In order to convey the main ideas that emerged from the workshop presentations and discussions, this report is structured around the policy principles proposed by the participants as central to managing labour migration in a way which maximizes its development benefits. First, the report sets the scene by introducing a number of understandings of the nature and evolution of labour mobility which served as the basis for the workshop discussions. The principal objectives of labour migration policymakers in countries of origin and destination are explored next, followed by a practical discussion of those policy approaches which were repeatedly proposed as tools to meet these goals. The report concludes with an exploration of the main challenges to be addressed and the key principles to be considered as a basis for further action.

## SETTING THE SCENE

As a starting point for the discussion, the participants acknowledged two realities which need to inform efforts to enhance the benefits of international labour mobility for development, namely the expected future increase in labour migration and its development potential.

### **The expected future increase in labour migration**

The prediction that the volume of labour migration will increase significantly in the future was not contested. The convergence of several factors explains why labour migration is growing today and will be even more prevalent tomorrow.

First, increased inequalities worldwide are a driving force for migration. Migratory flows respond in large part to economic, demographic, human rights and environmental disparities. In the particular case of labour migration, **demographic and wage differentials across national borders drive greater international labour mobility**, particularly but not exclusively from developing to developed countries.

Developed countries are facing and will continue to face significant declines in the supply of national workers because of aging populations and negative demographic forecasts, while in developing countries more than 40 million workers are added to the labour force yearly. Labour migration therefore is one means to address chronic labour shortages in developed countries and critical underemployment in developing countries.

Increased wage disparities stimulate labour migration. The wide gap in income levels between developing countries and developed countries, in addition to demographic imbalances, encourages international migration for employment. As such demographic and economic disparities are expected to persist and widen, cross-border movements of workers are likely to increase in the decades to come.

Moreover, there is a wide consensus that **greater international labour mobility is an integral part – as well as a consequence – of globalization and must therefore be expected in the near future.** The process of globalizing the international economy has resulted in substantial liberalization of the movement of goods, capital and services, while comparatively fewer efforts have been focused on facilitating the movement of people. Liberalizing labour mobility is thus the last remaining item on the international agenda of globalization, and is all the more needed since the economic benefits and development gains that would be induced by greater cross-border human mobility for employment have been estimated to be considerable and beneficial to both home and host countries. In a model developed by the World Bank, a three per cent increase in the labour force in high-income countries through migration would lead to global gains of USD 356 billion – a 0.6 per cent increase in global income – greater than gains forecast from further liberalization of trade in goods and other forms of services, with the aggregate gains being even higher for developing countries.<sup>2</sup>

Greater labour mobility as an aspect of globalization is not only inevitable but also necessary. In developed countries, an increasing number of employers have chosen to compensate for labour shortages and reduce their production costs by outsourcing jobs to lower-wage countries. Yet projections show that in the near future, the labour demand will mostly concern low-skilled occupations in which the physical presence of the worker is required, for instance in the care sector, agriculture, construction and hospitality. The increasing scarcity of national workers willing to engage in low- or middle-skilled employment in industrialized economies will

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<sup>2</sup> World Bank, *Global Economic Prospects 2006: Economic Implications of Remittances and Migration*, Washington, D.C.

be a driving force for more transnational movements of workers in the coming years.

## **The development potential of labour migration**

There was general agreement during the workshop that greater and inevitable migratory pressures need to be managed in a positive and productive way which benefits the primary stakeholders – i.e. migrants and their home and host countries. In the particular case of labour migration, effective policies will leverage the significant development potential held by growing international labour mobility.

Labour migration can have a favourable impact on the human development of individual migrants and their families. By working abroad, migrants can secure higher incomes, and their families benefit from remittances, which allow for enhanced consumption, savings and investments. Migrant workers can improve their knowledge and skills, and benefit from the enrichment of discovering and living in a new culture.

In countries of origin, emigration can have development-friendly impacts in economic, social and political spheres. Labour migration can help alleviate underemployment and unemployment, and bolster wages. Remittances have the potential to contribute to poverty reduction and improve foreign reserves and the balance of payments. The transfer of knowledge and skills acquired abroad can stimulate specific economic sectors. The source country's economy may also benefit from migrants' personal and professional contacts made in the country of destination, for instance if these contacts lead to increased Foreign Direct Investment (FDI). The return of migrant workers to their home country can have decisively positive economic, social and political impacts, such as greater potential for small business development and entrepreneurship, empowerment of traditionally less-powerful social groups (women, trade unions, etc.), the introduction of new ideas in local institutions, and sometimes further democratization.

Labour migration holds great potential for the development of host countries' economies. High- and lower-skilled migrant workers can help meet labour shortages. They may bring opportunities for greater economic dynamism, flexibility and competitiveness, as well as increased creativity and diversity, while having only nominal negative effects on domestic wages and employment.<sup>3</sup>

### **Realizing the potential of labour migration for development through effective migration management**

Whether labour migration will have a positive or a negative impact on development largely depends on the way it is managed in both countries of origin and countries of destination. Not only does inadequate management of labour migration prevent migrants and their home and host societies from reaping the potential benefits of labour migration for development, but it also exposes them to significant potential negative effects. If not planned properly, labour migration may produce labour shortages in countries of origin, especially "brain drain" of skilled workers in strategic sectors of the economy, while countries of destination can face eroding social cohesion in the face of insufficient integration measures and efforts to positively shape public opinion with respect to migrants. Furthermore, deficient migration management measures expose migrant workers to situations which increase their vulnerability, such as their resort to irregular migration channels in the absence of sufficient options for legal/regular migration, and exploitation by unscrupulous employers.

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<sup>3</sup> World Bank, *Global Economic Prospects 2006*, op cit.

# PRINCIPAL OBJECTIVES

Discussions at the IDM workshop demonstrated that the major objectives decision-makers wished to realize in their efforts to foster development through labour migration management fall into two categories. A first set of measures aims at improving labour migration management strategies. The second set of actions is more specifically oriented towards the enhancement of the positive effects of international labour mobility for development.

## **Towards more comprehensive labour migration management**

**Labour migration is a composite process** which requires comprehensive migration management strategies by stakeholders dedicated to reaping its potential benefits for development. Far from forming a homogeneous group to which a general migration management strategy can be applied, migrant workers differ in their skill levels and are driven by many different intentions. Moreover, their mobility is increasingly diverse, with the rise of temporary and circular labour migration patterns. In order to effectively manage international mobility for employment purposes, policymakers therefore need to design comprehensive approaches which address all the facets of the phenomenon. The Government of Canada, for instance, has formulated an immigration policy which addresses the various aspects of foreign worker inflows, with programmes adapted to specific groups of migrants - including skilled workers, the low-skilled and entrepreneurs - and organized along two main streams, temporary and permanent migration.

A comprehensive approach to labour migration management needs to take into account the fact that **labour mobility is a process**, each phase of which poses specific policy challenges to countries of origin, transit and destination. From pre-departure orientation to recruitment, training, travel, employment, integration and in some cases return, every stage needs to be facilitated and regulated by well-crafted measures. Several countries of origin have made practical preparation an essential component of their overseas employment programmes. Language and skills training, but also the provision of information to nationals interested in employment abroad about their specific rights and obligations as well as the reality of their work and living conditions are examples of the important dimensions that need to be taken into account in order to make the migration experience successful. Moreover, in countries of destination, consideration is needed to a more even distribution of resources between border control measures and integration policies, as in the case of Italy.

As **labour migration is a cross-cutting field**, with linkages to many economic, social and political issues, its management needs to be consistent with the policies dedicated to the many other spheres that affect or are affected by it. Policymakers in destination countries need to consider those who cross the border for the purpose of employment not only as workers, but also as members of a host society, whether this is on a permanent, temporary or circular basis, who may resort to health or education services, and whose absence can be detrimental to their source communities – among many other aspects. The need for policy coherence, albeit relevant to most disciplines, is therefore particularly acute for labour migration management, not only to preclude measures taken in one domain from contradicting actions in another, but also to stimulate synergies that will allow for further efficiency in realizing the promise of labour migration.

**Policy coherence** is therefore required within governments and is best achieved through consultation and coordination among ministries working on labour migration and on domains which directly or indirectly involve labour migration. An increasing number of countries have recognized the benefits of intra-

governmental coherence. In the Republic of Korea, for example, labour migration policies are designed by the Foreign Workforce Policy Committee, which is established under the office of the Prime Minister and composed of 16 ministries whose work affects labour migration, such as the Ministries of Labour, Finance and Economy, Commerce, Industry and Energy, and Justice. Policy coherence is also ensured within the Canadian Government, which designs its labour immigration programmes in close collaboration with the provincial authorities. For instance, the Provincial Nominee Programme was set up to meet local labour market and demographic needs, and allows the provinces and territories to select immigrants on the basis of the specific skills needed to serve the local economy.

### **Leveraging labour migration for development**

To enhance the potential benefits of labour migration for development, comprehensive and coherent labour migration management strategies are necessary, though insufficient alone to achieve this objective; they need to be reinforced by a set of measures specifically designed to help labour migration improve development, which includes – but is by no means restricted to – harnessing the development impact of both remittances and temporary and circular labour migration schemes.

#### *Fostering the developmental impact of remittances*

The most immediate and well-known evidence of how labour migration positively impacts on development is remittances, namely the monies sent by migrants to their home countries. Migrant workers' remittances have substantially increased in recent years and have now become a major source of income for a number of developing countries, since their flows are often larger than the combined value of FDI and Official Development Assistance (ODA). According to the World Bank, recorded

remittance flows to developing countries in 2006 were estimated at USD 204 billion.<sup>4</sup>

Despite the evident need to deepen the existing knowledge on the actual impact of remittances on development, there is an experience-based consensus that countries and societies of origin draw great benefit from the monies transferred by their nationals working abroad. For the migrant workers' families and communities, remittances contribute to alleviating poverty by enhancing consumption, financing education and access to medical care, as well as the construction of houses. More sustainable uses of remittances which could benefit the national economy, such as savings and investments, are nonetheless insufficient.

Governments, especially in countries of origin, are faced with the challenge of capitalizing on the positive impact of remittances for their development without leading their economies into dependency upon remittance inflows - while also ensuring that their measures do not infringe on the private nature of such funds. Possible means to meet those objectives include efforts to reduce the transfer costs of remittances, which would allow for greater use of formal - and safer - transfer channels such as banks and other money transfer agencies. Incentive-based actions aiming at encouraging migrant workers to invest their earnings in the domestic economy can also help facilitate uses of remittances with a broader community development impact.

As one of the biggest remittance recipient countries worldwide, the Philippines have developed an innovative policy in that domain through implementation of a cluster of measures that have proven effective. To encourage more migrant workers to resort to formal money transfer channels, the government has initiated dialogues with banks and remittances agencies and has convinced them to reduce the fees and charges on cash transfers through bank and other formal channels. Philippine overseas workers are also able to send money to their relatives in an easy and practical way through transfer systems for remitting cash via a mobile phone through the short-messaging-system (SMS).

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<sup>4</sup> World Bank (2007), *News&Broadcast "Migration and Remittances"*, see <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20648762~menuPK:34480~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.

While remittances are a concern for most countries of origin, benefits would result from further implication of destination countries in this field. For instance, host countries can work to improve migrants' access to banking facilities. Cooperation between countries at both ends of the migration spectrum can be successful, as evidenced by the agreement between Spain and Ecuador involving the Caixa Española and the Central Bank of Ecuador, which comprises 53 Ecuadorian financial institutions, on minimizing the transfer costs of remittances.

### *Enhancing the development impact of temporary and circular migration*

Workshop participants discussed some of the benefits and challenges in the management of temporary and circular labour migration schemes, which have generated substantial attention recently but which continue to lack consensus definitions. For working purposes, IOM has described temporary migration as the movements of migrants to a destination country in which they stay for a variable but pre-defined period of time before returning to their country of origin. Circular migration, for its part, refers to migrants coming for recurrent stays of limited duration to their home country, as well as migrants with long-term status in host countries who return repeatedly to their country of origin.

One of the main reasons for the international community's growing interest in temporary and circular labour migration is that these approaches are seen to hold the greatest potential for both convergence of interests amongst all stakeholders and labour migration's contribution to the economic and societal development of home and host countries alike. Non-permanent migration schemes widen the possibilities for migrants to access the international labour market through regular/legal and safe channels. For countries of destination, better capacity to adjust to the labour market's changing needs and greater public acceptance make temporary and circular labour mobility an economically and politically palatable alternative to permanent migration. For countries of origin, the developmental benefits can also be substantial. As most workers engaged in temporary and circular

migration flows tend to move without their families, the volume of remittances is substantially more important, with greater benefits at the household, community and national levels. Concerning highly-skilled workers, brain drain – one of the main challenges of labour migration for development – is minimized and can even be replaced by brain circulation.

Nevertheless, temporary and circular migration schemes are not appropriate in all situations – they are particularly relevant for addressing labour needs that are not structural in nature. Moreover, they are not without challenges and should therefore not be regarded as a revolutionary remedy for all migration issues. Destination countries, for instance, need to increase their efforts to ensure the integration of workers in a society in which they stay even for a limited period, as well as the protection of their human and labour rights. Countries of origin are confronted with the potentially negative effects of temporary and circular migration, especially on the informal sector. Indeed, workers returning to their home country on a definitive or repetitive basis expect to be employed there and to earn wages more or less equivalent to those they used to receive while working abroad. As this can lead them to enter the informal economy, coherent policies are necessary not only to combat the informal economy but also to shape formal economies in origin countries to adapt to the changing nature of migration. Nonetheless, all actors are interested in ensuring the temporariness and circularity of these forms of regular/legal migration to protect workers from the dangers related to living as undocumented migrants, and to avoid public opposition and mistrust in host countries, as well as skill loss in home countries. Temporary and circular migration should thus be seen as only one of the various tools that can be used by states and other relevant stakeholders to manage labour migration for development.

Some policy measures aimed at the facilitation and effective management of temporary and circular labour migration schemes, as well as improvements to their potential for development, were cited by the workshop participants. A number of destination countries, such as Italy, France and Spain, have developed legislation to simplify admission procedures for seasonal workers and facilitate their return to and reintegration in their source countries, while the latter have developed pre-departure training

and dialogue with the diaspora. Complementary policies such as measures to improve the recognition of qualifications and the portability of social benefits were recognized as valuable tools. The vital role of cooperation was highlighted, at the bilateral level with twinning programmes between origin and destination countries including states, diaspora groups as well as employers and private recruitment agencies, but also at a multilateral level, as illustrated by the cooperation of the European Union with various countries of origin in Asia and Africa, which has resulted, for example, in the establishment of an EU-funded Migration Information and Management Centre in Bamako, Mali. Among other tasks, this centre provides information to persons interested in employment abroad about job opportunities and working conditions in EU countries, as well as the most effective remittances channels, but also about the risks and dangers of irregular migration.

A final common idea that emerged from the discussions on temporary and circular labour migration for development is that these migration schemes cannot substitute governments' development policies; instead, they have an added value and need to be managed in complement to them.



## **KEY POLICY ELEMENTS**

The workshop provided an opportunity for the participants to exchange information and good practices on various approaches they have utilized in their efforts to meet the objectives mentioned above. A strong case was made for the enhancement of the knowledge base on labour migration and development and for more cooperative approaches to labour migration management.

### **Improving the knowledge base on labour migration and development**

It is widely acknowledged that a natural starting point in managing labour migration for development is the collection and sharing of reliable data and information on the basis of which policymakers can structure their labour migration programmes. Countries of origin and destination both need enhanced knowledge on current and projected labour mobility trends, labour force needs and availabilities, as well as positive and negative impacts of labour migration on development. In addition, the rapid and widespread evolution of labour migration flows have led to statistics and research gaps which now need to be addressed, for instance concerning non-permanent labour migration schemes, cross-border movements of highly educated personnel, and the developmental effect of return migration. Effective labour migration management requires not gross statistics but refined and disaggregated data, according to inter alia the economic sector, occupation, skill level, gender and age group.

As labour migration becomes an increasingly essential feature of globalization, there is a pressing need to share and harmonize the gathered information on labour migration and development. One of the biggest challenges in that respect is the disparity in the capacities of states to collect data and undertake research, since the considerable technological and financial investments required are beyond some states' means. Moreover, national agencies in different countries use different working definitions and collection methods, and are guided by diverging priorities, which is another obstacle to data comparability. International organizations can play a crucial role in issuing more harmonized information, as for instance those forming the Global Migration Group (GMG)<sup>5</sup> which is working to avoid overlaps in research and data collection in this field.

Collecting and sharing relevant data is a necessary prerequisite, but the improved knowledge needs to be integrated into labour migration management and human resource development policies and strategies at national and international levels. Countries of destination can use statistics as a basis for their policies on migrant workers' admission, employment and residence status. In countries of origin, reliable and up-to-date data on the domestic and foreign labour markets can assist governments in the adaptation of the educational system to actual labour force needs, or to shape their overseas employment policies, as indeed is being undertaken by the Government of the Philippines, which has embarked on an intensive data-collection exercise to determine the exact demand for highly-skilled workers in order to ensure the viability of its migration programmes.

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<sup>5</sup> GMG is an inter-agency group consisting of 14 international organizations that are actively involved in international migration and related issues: the International Labour Organization (ILO), the International Organization for Migration (IOM), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the United Nations Department of Economic and Social Affairs (UNDESA), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Institute for Training and Research (UNITAR), the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Human Rights (OHCHR), the Office of the United Nations High Commissioner for Refugees (UNCHR), the United Nations Children's Fund (UNICEF), the United Nations Office on Drugs and Crime (UNODC), the United Nations Regional Economic Commissions, and the World Bank.

## **Building partnerships between all relevant stakeholders**

One of the most fundamental messages that emerged from the workshop is the value of concerted and coordinated efforts. Broad-based partnerships at all levels – national, regional and international – including all actors whose activities are related to the management of labour migration were defined as crucial to further the effectiveness, sustainability, safety and greater equitability of policies designed to improve the developmental impact of international labour mobility. Identifying the role and interests of each stakeholder, as well as the perceived obstacles, is required to ensure the success of cooperative approaches to labour migration policy issues and challenges.

### *Inter-state cooperation*

Having the primary responsibility to shape labour migration policies and ensure their successful implementation, governments in countries along the whole migratory spectrum understand only too well that no government alone can successfully manage all the dimensions of labour migration, and are engaging in partnerships, particularly at the bilateral and regional levels.

**Bilateral agreements** have flourished in recent years and have become the most widespread instrument for inter-state collaboration on labour migration management. They provide for regular/legal labour migration channels and preferential access to labour markets for migrants coming from the signatory countries, and entail shared responsibilities between home and host countries. One of the reasons for the recent burgeoning of bilateral agreements is the rise of temporary and circular labour migration programmes. Spain, for instance, has signed agreements with countries of origin such as Colombia and Ecuador, and has engaged in more flexible instruments with Peru and Senegal. Morocco has also multiplied its bilateral agreements with destination countries such as Egypt, France, Italy, Kuwait, Libya, Qatar, Saudi Arabia, Spain and Tunisia. Such instruments very often include a development or co-development section,

identifying the specific needs and challenges that can be met by well-managed labour migration flows.

Governments' interest in cooperative labour migration management **at the regional level** was highlighted during IOM's earlier IDM workshop on "Free Movement of Persons in Regional Integration Processes" in June 2007.<sup>6</sup> Moreover, regional consultative processes (RCPs) on migration offer informal and non-binding settings in which to exchange promising practices and to cultivate the confidence and information sharing required for greater regional and inter-regional cooperation in this field. The Colombo Process, which is the first RCP to focus specifically on labour migration, has improved liaison between recruitment agencies in Asia and employers and governments looking to employ Asian workers in safe and secure ways that ensure their protection. In the European Union, a general policy framework for migration called "The Global Approach to Migration" was tabled by the European Council in 2005, with the objective of enhancing cooperation on migration management between the European Union and third countries.

**At the global level**, however, no international legal instrument or binding structure regulates the flows of workers across borders. While Mode 4 of the World Trade Organization's General Agreement on Trade in Services (GATS) is the most formalized approach to international labour mobility, it is restricted to a very limited category of persons, namely temporary service suppliers, and so far has been utilized primarily for the most highly-skilled (i.e. intra-corporate transferees, executives and managers).

### *the roles of non-governmental stakeholders*

Although states play a leading role, they can benefit from intensive collaboration with other key actors such as representatives of the private sector, civil society and international

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<sup>6</sup> Information on this workshop can be found on IOM website at <http://www.iom.int/jahia/Jahia/policy-research/international-dialogue-migration/intersessional-workshops/free-movement-persons-in-regional-integration-processes-2007>.

organizations to improve synergies between the labour migration and development agendas.

Being directly concerned by inflows and outflows of workers, **private sector** actors are natural partners in managing labour migration for the benefit of all. The participation of **businesses** is critical to the shaping of labour migration policies, not only in host countries where they can help governments design policies adapted to the changing needs of labour markets, but also in home countries where their participation is essential to finding solutions to fill the gaps caused by emigration of lower- and high-skilled workers, especially in sectors like health care and education. Businesses can even initiate proposals to address labour market imbalances, such as the International Hotel and Restaurant Association which has proposed an International Mobility Programme designed to meet skills shortages in emerging markets and labour shortages in developed countries through a multilateral approach addressing specific challenges such as visa restrictions, security clearances, workers' qualifications and the high costs of transportation and lodging. Because they are able to cover the costs and arrangements for travel, as well as training and favourable working conditions for migrants, **private employment agencies** are valuable partners in harnessing the development potential of labour mobility.

The participation of **civil society** is also important. **Trade unions** work to ensure decent terms and conditions of employment for migrant workers, defend their rights and status during negotiations with contractors and governments, and campaign for informing both migrant workers about their rights and obligations and local workers about the actual impact of the presence of foreign workers on their own situation. **Non-governmental Organizations (NGOs)** from the migration and the development communities are central to mobilizing public support for improved labour migration management and advocating for greater integration of labour migration into development agendas at the national and international levels.

**International organizations** have a central role to play in fostering better awareness and understanding of the development potential of labour migration and advocating for greater

consistency between migration and development policies. In 2001, IOM launched the Migration for Development in Africa (MIDA) programme, which targets African professionals, entrepreneurs and experts in the diaspora who are willing and able to contribute their skills, finances and other resources to the development efforts of their countries of origin.

**Individual migrants and migrant associations** are essential partners for governments. The workshop participants agreed that migrants should be consulted and involved in all levels of decision-making on labour migration management. In Ecuador, the role of migrants was officially recognized with the creation of SENAMI, the National Secretary of Migrants, which administers all issues facing Ecuadorian nationals abroad. Diaspora associations can voice the actual needs of migrant workers and bring new perspectives to governments, and help them make innovative but often isolated projects broader in scope and more efficient. However, it is also important to remember that diasporas are not a homogenous group, and have diverse interests and concerns.

Because all these stakeholders have differing approaches to and roles in labour migration and its impact on development, they are valuable partners for governments. In Kenya, governmental action has benefited from the policy dialogue established with the Federation of Kenya Employers, the Kenya Private Sector Alliance and the Central Organization of Trade Unions on the one hand, and with IOM and ILO on the other. Associations among non-governmental actors can also help improve the positive effects of labour migration for development. For instance, the trade union Building and Wood Workers International (BWI) has built networks with NGOs, migrants groups, business associations and other trade unions for the promotion of equal and humane treatment of foreign workers and the enhancement of the development impact of labour migration.

To strengthen broad-based partnerships, it is essential to build trust among the various actors, institutionalize the partnerships and enhance information sharing between and among them. Devising incentives for stakeholders to be part of these partnerships is also crucial to the stability and effectiveness of the partnerships.

# MAJOR POLICY ISSUES AND CHALLENGES

The workshop participants discussed the main challenges they have encountered in managing labour mobility for development and shared their experiences and the measures they have devised to tackle them.

- Because labour migration is primarily about people, whose rights as human beings and as workers need to be respected, **protecting migrant workers' status and rights** is one of the greatest challenge facing policymakers involved in labour migration management. In order to reduce the risk of “commodification” of migrant workers, especially as the growth in irregular migration exacerbates migrant workers' vulnerability to exploitation and abuse, home and host countries alike have voiced their willingness to go further than the formulation and implementation of minimum standards of protection. Expressing its willingness to protect its nationals employed abroad against workplace abuse, the Government of Kenya has developed an innovative scheme associating regulation with more practical measures. In addition to forming a self-regulation tool called the Kenya Association for Private Employment Agencies Code of Conduct, it has created an accreditation procedure for foreign employment agencies, which ensures secure working and living conditions for its nationals employed abroad.
- Despite the growing recognition of the potential benefits of labour migration for development, **garnering public support** for expanded regular labour migration channels to meet domestic labour market needs remains an important

challenge, especially for countries of destination. In a context where migrants are welcomed for their contribution to the national economy but at the same time perceived as a threat to the wages and social cohesion of the national community, the lack of public acceptance ranks high among the reasons for sustained restrictive immigration policies. Governments are therefore faced with the complex task of preparing policies that are both politically acceptable and development-friendly.

- **Possessing the capacity to effectively manage labour migration** is crucial to making labour migration an instrument for development. Given their limited resources, this challenge is more likely to confront less developed countries; yet it is by no means restricted to them, as even governments in developed countries have to adapt to the rapid economic and social changes brought about by globalization. Areas in which labour migration management capacity needs to be built include – but are not limited to – administrative infrastructures, operational systems, data collection and analysis capabilities, regulatory frameworks and human resource management. The Government of Morocco, for instance, has created a national agency called ANAPEC (Agence Nationale de Promotion de l'Emploi et des Compétences), which is responsible for the effective implementation of the numerous labour migration agreements signed, in particular for placing Moroccan workers abroad. ANAPEC has elaborated a database which includes 300,000 profiles of candidates for foreign and domestic employment, and operates a network of 50 employment agencies within the country.

## CONCLUSION AND KEY PRINCIPLES

International labour mobility is a complex phenomenon which, as a result of the increasing globalization of the international economy, affects all countries as countries of origin, transit and/or destination. The IDM intersessional workshop on “**Making Global Labour Mobility a Catalyst for Development**” provided an opportunity for governments and other stakeholders involved in labour migration management and aware of the potential positive outcomes of international labour mobility for their economic and societal development to learn from each other’s experiences and innovative strategies designed to make labour migration serve development.

Although workshop participants acknowledged that there is no one-size-fits-all approach to the links between labour migration and development, three main ideas repeatedly emerged from the exchanges between the panelists and the discussants as key principles to make labour migration a catalyst for development

First and foremost, **the transnational and multidisciplinary character of labour migration requires a concerted and coordinated approach to labour migration management**, mobilizing all states on the labour migration spectrum, as well as the numerous non-governmental actors likely to contribute to the shaping and implementation of management strategies. Efforts need therefore to be multiplied in order to facilitate the effective engagement of private sector and civil society stakeholders from both the labour migration and development communities. The participation of all relevant stakeholders – including migrants – at all levels of decision-making is the cornerstone of inclusive,

effective and sustainable labour mobility management policies and strategies. During the workshop, the desire for inter-state and public-private partnerships was confirmed, as was the perception that now is the time to convert this new-found enthusiasm into concrete action.

A second key idea that came out of the discussions is that **there is much to gain from a renewed vision of labour migration management**. Because labour migration is often simplistically reduced to its most negative aspects - such as brain drain, irregular migration, migrant worker exploitation or national security problems - “manage” has too often been seen as a synonym for “control”, “contain” or “solve”. Yet labour mobility is an opportunity to be harnessed, not a problem to be solved. The complexity resulting from the recent diversification of labour migration flows requires a creative and flexible policy approach, based on a combination of regulatory norms and practical measures, as well as the identification and sharing of successful but also unproductive experiences.

Thirdly, the workshop participants agreed that **it is necessary to favour planning and long-term strategies rather than reactive policies**, since international labour migration is not an ad-hoc issue but a large-scale and structural phenomenon. Planning does not mean setting up rigid structures within which governments’ choices would be limited. There is therefore a need for a more flexible approach to ensure the ability to anticipate and adjust not only to frequent changes in migratory flows, but also to rapid variations in labour market demand and labour force supply. Moreover, planning allows for greater coherence between all the strategies adopted in the various policy domains that pertain to labour migration in a direct or indirect manner, as well as further coordination between all the stakeholders involved in labour migration management.

**PART II:  
WORKSHOP AGENDA AND  
BACKGROUND PAPER**





IOM International Organization for Migration  
OIM Organisation Internationale pour les Migrations  
OIM Organización Internacional para las Migraciones

INTERNATIONAL DIALOGUE ON MIGRATION  
INTERSESSIONAL WORKSHOP ON

**MAKING GLOBAL LABOUR MOBILITY  
A CATALYST FOR DEVELOPMENT<sup>1</sup>**

8 - 9 October 2007

**PROVISIONAL AGENDA**

<b>8 October 2007 DAY I</b>	
09:00 – 10:00	<i>Registration</i>
10:00 – 10:15	<b>WELCOME REMARKS</b> <b>Brunson McKinley</b> , Director General, IOM
10:15 – 10:30	<b>KEYNOTE PRESENTATION</b> <b>Cristina de Luca</b> , Under Secretary of State for Social Solidarity, Italy
10:30 – 11:00	<b>SETTING THE SCENE</b> <i>This introductory presentation will set the framework for the ensuing discussions by outlining the main characteristics of international labour migration flows, the major factors providing the impetus for mobility of labour and what can be expected in the future based on the existing projections. It will briefly address the complexity of the phenomenon of labour migration, which, while predominantly economically driven, is interwoven with a variety of social, welfare and human rights issues. The role of labour mobility in the global economy today and in future will also be highlighted, as will the linkages between labour migration and development at household and national levels and the distribution of the costs and benefits of this type of mobility amongst different stakeholders. The presentation will briefly introduce the current thinking on what can be done in migration management to move towards more sustainable solutions to current and projected demographic and labour market changes and to take advantage of the opportunities for societal and human development offered by labour migration while balancing the interests of all stakeholders involved.</i>

<sup>1</sup> As the International Dialogue on Migration (IDM) theme for 2007 mirrors that of *World Migration Report 2007* (WMR) on the topic of managing labour mobility in the evolving global economy, the research and analysis undertaken in connection with the forthcoming WMR has been used in the preparations for this year's IDM activities.

	<p><b>SPEAKERS:</b></p> <p><b>Lant Pritchett</b>, Professor of the Practice of Economic Development, Kennedy School of Government, Harvard University</p> <p><b>Michele Klein Solomon</b>, Director, Migration Policy, Research and Communications, IOM</p> <p>The following questions will be addressed:</p> <ul style="list-style-type: none"> <li>• What are the principal current and projected labour market trends and labour mobility patterns at national, regional, interregional and global levels? What are the implications for labour migration management?</li> <li>• How best to facilitate regular and needed labour mobility, while addressing domestic concerns, reducing irregular migration and ensuring respect for the human rights of migrants?</li> <li>• What are the key links between labour migration and economic and societal development at local, national and international levels?</li> <li>• What are key policy approaches and strategies for maximizing the development impact of labour migration and balancing the interests of relevant stakeholders?</li> <li>• What is circular labour migration? What is temporary labour migration? What are the main types and characteristics of these types of labour mobility? Their strengths and weaknesses in the context of making labour mobility work for the benefit of countries of origin, destination and migrants themselves?</li> <li>• How can human resource development complement labour migration management in responding to labour market trends and better take into account the interests of countries of origin and destination? How can national labour market, human resource development and migration policies be more effectively coordinated?</li> </ul> <p><b>General Discussion</b></p>
11:00 – 13:00	<p><b><u>Session I: Towards More Effective Labour Migration Management: Assessing Labour Market Needs and Labour Force Skills Profiles</u></b></p>
	<p><i>Effective management is necessary to channel labour migration into safe, legal and orderly avenues, necessary to realize the human and societal development potential of labour mobility and to meet the needs of the global economy today and in future. Devising effective human resource development policies and programmes and related migration policies in both countries of origin and destination requires thorough understanding of the dynamics of human resource needs and availability on national, regional and global levels. This session will discuss currently available data and statistics on labour market trends, labour force profiles and labour migration trends. It will then address approaches to improving knowledge of existing and projected labour supply and labour demand at national, regional and global levels and ways to better integrate such knowledge into the development of labour migration management strategies.</i></p> <p><b>MODERATOR: Ibrahim Awad</b>, Director, International Migration Programme, ILO</p>

	<p><b>SPEAKERS:</b></p> <p><b>Kreshna Bunjun</b>, Deputy Director General, Ministry of Finance and Economic Development, Mauritius</p> <p><b>David Arkless</b>, Senior Vice President, Global Corporate Affairs, Manpower, Inc.</p> <p><b>Jung Mino</b>, Labour Attaché, Permanent mission of the Republic Of Korea in Geneva on behalf of <b>Hyo-jung Hwang</b>, Deputy Director, Foreign Workforce Employment Team, Ministry of Labour, Republic of Korea</p> <p>The following questions are proposed to guide the discussion:</p> <ul style="list-style-type: none"> <li>• How could enhanced knowledge on the needed and available labour force and its dynamics at national, regional and global levels help devising national strategies on labour migration management?</li> <li>• What are the main methods currently employed or envisioned in countries of origin and destination to assess current and future labour market needs and labour force profiles?</li> <li>• What are the main data and research gaps? What are the key steps that could be taken to address the existing gaps, including in improving the compatibility and integration of migration and labour data, disaggregated, where relevant, by gender, age and skill? What are the implications for data and statistics collection, sharing and analysis on national and international levels? Which stakeholders should be involved?</li> <li>• What issues does sharing of information on national labour market profiles and trends between countries of origin and destination (at regional and global levels) pose? What are the implications for the development of migration management strategies and policies in this context? How could this information be used to assist in human resource development planning in countries of origin and destination?</li> <li>• How can better availability and exchange of information on national labour market trends, migration profiles and patterns be used for devising effective cooperative policy solutions aimed at maximizing the benefits of international migration and reducing its negative effects?</li> </ul> <p><b>General Discussion</b></p>
13:00 – 15:00	<i>Afternoon Break</i>
15:00 – 18:00	<b><u>Session II: Key Policy Elements in Comprehensive Labour Migration Management</u></b>
	<p><i>Labour migration is a cross-cutting and multidisciplinary field involving numerous stakeholders and has links to many economic, social, security and political processes and issues. To be managed effectively and for the maximum benefit of all parties involved, labour migration requires concerted effort and comprehensive approaches addressing all stages of the migration process and taking into account associated social, human rights and development issues. Despite progress over the</i></p>

	<p><i>past decades, few countries have comprehensive labour migration strategies or the mechanisms to develop and implement them. This session will discuss the approaches used by countries of origin and destination, both unilaterally and in partnerships with other states, to manage labour migration. It will seek to highlight the key issues and policy areas that need to be part of a comprehensive and effective labour migration management framework, which would allow the realization of the full development potential of labour mobility.</i></p> <p><b>MODERATOR: Ricardo Cordero</b>, Senior Expert, Labour and Facilitated Migration Division, Migration Management Services, IOM</p> <p><b>SPEAKERS:</b></p> <p><b>Carlos López</b>, Under Secretary of Consular Services, Ministry of External Relations, Commerce and Integration, Ecuador</p> <p><b>Les Linklater</b>, Director General, Immigration Branch, Citizenship and Immigration Canada</p> <p><b>Carmen Perez Gonzalez</b>, Adviser, State Department of Immigration and Emigration, Spain</p> <p><b>Rebecca Calzado</b>, Assistant Secretary for Policy, Programmes and International Affairs, Department of Labour and Employment, Philippines</p> <p>The following questions are proposed to guide the discussion:</p> <ul style="list-style-type: none"> <li>• What are the approaches taken by countries of origin and destination unilaterally to facilitate regular labour migration at all skills levels? What are some innovative tools that can be applied?</li> <li>• How are considerations of safety, human rights and well-being of individuals and communities incorporated into labour migration policies and legislation? How can this incorporation be improved? What are the gender-specific challenges and opportunities related to labour migration and how can they be given adequate consideration?</li> <li>• In view of the limitations of unilateral approaches to labour migration management from a development perspective, which approaches based on bilateral, regional and inter-regional cooperation can be used for effective and humane management of labour migration? What are their respective strengths and weaknesses in design and implementation? What types of movement do these approaches predominantly facilitate? What are the implications for the labour migration and development nexus?</li> <li>• What innovative and cooperative strategies can be used to maximize the development potential of labour migration and minimize its negative effects as well as take account of the interests of migrants, countries of origin and destination?</li> </ul> <p><b>General Discussion</b></p>
	<p><i>End of Day One</i></p>

9 October 2007 DAY II	
10:00 – 10:15	<b>MIGRANT STORY</b>  <b>Syed Saiful Haque</b> , Chairman, WARBE Development Foundation, Bangladesh
10:15 – 13:00	<b>Session III: The Role of Private Sector and other Stakeholders in Making Labour Migration Work for Development</b>
	<p><i>Labour migration management needs to be comprehensive not only in terms of the types of issues it encompasses but also in terms of stakeholder participation: non-governmental actors, such as the business sector, diaspora groups, individual migrants and many others, have important roles to play in different aspects of labour mobility and need to be actively engaged in policy dialogue and programming. Businesses, individual migrants and migrant networks play major roles in driving labour migration and leveraging its development impact. Employers, trade unions and migrant associations are key to the protection of the human rights of migrants, ensuring their well-being and safeguarding their interests. In addition, the private sector, as the primary beneficiary of investment in human capital, might have a role in human resource development at national or global levels. This session will discuss these and other roles of non-governmental actors in labour migration and in policies and programmes to make labour mobility work for development while taking account of the interests of relevant stakeholders. It will also look at obstacles to the effective engagement of private sector and civil society actors in labour migration and development and ways to ensure more active involvement of these stakeholders, including through public-private partnerships as well as partnerships among non-governmental actors.</i></p> <p><b>MODERATOR: Antonio Peñalosa</b>, Secretary-General, International Organization of Employers</p> <p><b>SPEAKERS:</b></p> <p><b>Ghassan Aidi</b>, President, International Hotel and Restaurants Association</p> <p><b>Elijah Achoch</b>, Acting Director, Human Resource Management and Employment Department, Ministry of Labour and Human Resource Development, Republic of Kenya</p> <p><b>Tristan d'Avezac de Moran</b>, External Relations Director, Group Public Affairs Coordinator, Adecco Management and Consulting, S.A., International Confederation of Private Employment Agencies</p> <p><b>Tos Q. Añonuevo</b>, Education Secretary, Building and Wood Workers International</p> <p>The following questions are proposed to guide the discussion:</p> <ul style="list-style-type: none"> <li>• Who are the key non-governmental stakeholders in comprehensive labour migration management? What are their roles in the development and implementation of strategies for managing effectively the challenges and benefits of labour migration?</li> </ul>

	<ul style="list-style-type: none"> <li>• How can private recruitment agencies and employers as well as other stakeholders help to ensure that labour migration schemes are viable and of benefit to countries of origin and destination as well as migrants?</li> <li>• What is the role of ethical recruitment and employment practices in addressing the interests of countries of origin and destination as well as migrants? How effective are these practices? What can employers and recruitment agencies do to make these practices more effective?</li> <li>• How can employers, recruitment agencies and other non-governmental actors contribute to the effective protection of the human rights of labour migrants and ensure their well-being? Are there particular needs of female migrants in this context?</li> <li>• How to facilitate the involvement of non-governmental actors in different aspects of labour migration management and in needed human resource development? What are the key challenges and opportunities related to the development of public-private partnerships in this context?</li> </ul> <p><b>General Discussion</b></p>
13:00 – 15:00	<i>Afternoon Break</i>
15:00 – 17:50	<b>Session IV: Leveraging the Development Potential of Temporary and Circular Migration</b>
	<p><i>Much international attention today is focused on temporary and circular labour migration as these approaches are seen to enhance the positive contribution of labour migration to development and to offer the greatest convergence of interests amongst different stakeholders, in particular of countries of origin and destination and migrants themselves. Flexibility and greater public acceptance in host countries, remittance and skill transfers to countries of origin as well as the establishment of trade and business networks between countries of origin and destination, opportunities for personal and professional development for migrants coupled with lower social costs in comparison with longer-term migration are among the advantages of temporary and circular labour migration schemes. In the case of skilled labour migration, temporary and circular migration can minimize the risk of brain drain – one of the main challenges of migration for development. Moreover, circular migration creates opportunities for replacing brain drain with brain circulation. This session will analyse temporary and circular labour migration from a migration and development perspective. It will discuss the challenges and opportunities for countries of origin, destination and migrants specific to these types of labour migration. This session will also seek to identify tools for the effective management of temporary and circular labour migration and for maximizing the economic and societal development potential of these types of mobility. Amongst others, the role of and possibilities for bilateral agreements, better labour market planning, incentives for temporary and permanent return as well as return management, recognition of qualifications and portability of social benefits, and potential links with the development of needed human resources will be explored.</i></p> <p><b>MODERATOR: Richard S. Newfarmer</b>, Special Representative to the WTO and UN in Geneva, World Bank</p>

	<p><b>SPEAKERS:</b></p> <p><b>Jeff Dayton-Johnson</b>, Senior Economist, OECD Development Centre</p> <p><b>Andreu Peix Massip</b>, Director General, Pagesos Union of Catalonia</p> <p><b>Kristof Tamas</b>, Seconded National Expert, Directorate-General Justice, Freedom and Security, European Commission</p> <p>The following questions are proposed to guide the discussion:</p> <ul style="list-style-type: none"> <li>• What are the barriers and opportunities specific to circular and temporary labour migration at different skill levels?</li> <li>• What is the impact of circular and temporary migration on the development of countries of origin and destination?</li> <li>• What are the principal socio-economic challenges and opportunities of temporary and circular migration for migrants and their families (e.g. portability of benefits and pensions)? Do the challenges and opportunities differ for migrant men and women?</li> <li>• What are the main types of temporary and circular labour migration schemes at different skill levels? What are their weaknesses and strengths? What are some of the most promising practices and strategies for managing temporary and circular migration?</li> <li>• What are some of the migration policy options and tools for maximizing the benefits of temporary and circular migration for countries of origin, destination and migrants themselves? Which ancillary policy measures should be considered? How can links between temporary and circular migration and human resource development in countries of origin be strengthened?</li> </ul> <p><b>General Discussion</b></p>
17:50 – 18:00	<b>Wrap-up and Closing Remarks</b>
	<i>End of Workshop</i>



## BACKGROUND PAPER

There are few remaining aspects of the global economy that hold as great potential benefits for all stakeholders than increased labour mobility, yet few stimulate as much public debate at both national and international levels.<sup>1</sup> One reason for both the attention and the controversy is the fact that labour migration is primarily about people – people who move between countries and societies – with all the social, economic and political complexities that this may entail. Another reason is the scale of this phenomenon. Among the more than 190 million persons living outside their country today, about half are in the labour force, that is, 95 million are migrant workers.<sup>2</sup> Regardless of their direction, migratory flows at all skill levels respond in large part to economic, demographic, human rights and environmental disparities. As many of these disparities will persist and grow, in particular the gap between the supply of and demand for labour and the wages it brings, international labour migration is set to rise.

As discussed at recent international events devoted to migration and development, including the *United Nations General Assembly High Level Dialogue on International Migration and Development* and

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<sup>1</sup> In a model developed by the World Bank, a 3 per cent increase in the labour force in high-income countries through migration would lead to global gains of 356 billion USD – a 0.6 per cent increase in global income – greater than gains forecast from further liberalization of trade in goods and other forms of services, with the aggregate gains being higher for developing than developed countries. World Bank, *Global Economic Prospects 2006*. Indeed, the greatest global welfare gains would result from greater mobility of persons in lower skilled jobs as this is where the greatest wage differentials exist between the developing and the developed regions of the world.

<sup>2</sup> The estimates shown are for 2005. UN General Assembly, *International migration and development*. Report of the Secretary-General, 18 May 2006. A/60/871.

the *Global Forum on Migration and Development*, human mobility and its management are intrinsically linked to human security, the welfare of individual migrants and the development of areas of origin and destination. In general terms, people move for better pay and for a better and more secure future. Opportunities abound for labour mobility to better serve human development needs at the individual and family level. Promising practices are evident, for instance, to enable remittances, as private funds, to enhance consumption, savings and investment at the household level. The same is true for innovative efforts to limit social and financial strains that may accompany a transnational family existence. Labour migration is thus fundamentally a means of human development for individual migrants and their families.

Yet, labour mobility as a development tool is also so much more. Just as the world seeks to realize the benefits of international trade for development through increased availability of affordable, quality goods and services, so too many States are exploring the broader social and economic development potential of labour mobility. For countries of origin,<sup>3</sup> foreign employment can alleviate unemployment and bolster wages, particularly among growing numbers of youth. The knowledge, skills, professional contacts and funds acquired abroad can assist a source country to develop existing or niche economic sectors, strengthen exports and encourage foreign direct investment. Returning migrants can make invaluable contributions to critical human resource sectors, such as education and health care, often bringing investments, stimulating job creation, and applying market perspectives to better meet the needs and interests of the poor.

For countries of destination with aging populations and negative demographic forecasts, migrant workers may meet critical labour shortages and enable the national economy to gain in efficiency, thereby lowering product costs for domestic consumers and enhancing the competitiveness of exports. Inward labour mobility may lessen recourse to outsourcing, which could reduce overall local job losses. Despite concerns to the contrary, evidence shows that migration has minimal negative effect on

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<sup>3</sup> Many countries are increasingly becoming, simultaneously, a source, transit and destination for migrants.

wages and employment in host countries<sup>4</sup>. Where properly managed, labour mobility can form part of strategies to ensure the dynamism, flexibility and competitiveness of economies of host countries.

Despite such under-tapped development potential that labour migration can bring, in most cases the institutional structures at national, bilateral, regional and global levels have yet to evolve at the pace required to effectively manage temporary, circular and permanent labour mobility to meet the needs of individual migrants and their societies of origin and destination. Lack of effective management of labour migration does not stop the movement of people; but it does seriously limit the ability of societies and the global community to reap its benefits and it does expose them to significant potential negative effects. Inadequate management of labour mobility can fuel irregular migration, the exploitation of migrant workers and “brain drain and waste.” It may also result in lost opportunities for the improvement of individual livelihoods, social cohesion and economic growth as well as for partnerships in human resource development. In a time of increased mobility, enhancing the gains from labour migration and facilitating their more equitable distribution, requires comprehensive and coherent governmental policies, profound capacity building, inter-state and multi-stakeholder cooperation and sustained confidence building.

## **Data and research for effective labour migration management**

A natural starting point is the need for both more and more compatible data on labour market and labour mobility trends. To this end, countries of destination and origin each need to identify, respectively, current and projected labour supply shortages and surpluses by economic sector, occupation, region and province, and require the capacity to do so. Differentiating between labour shortages that are structural and those that are seasonal or

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<sup>4</sup> IOM, *World Migration 2005: Costs and Benefits of International Migration*; World Bank, *Global Economic Prospects 2006*.

otherwise temporary is important for designing and implementing effective labour migration policies. Better knowledge of existing and projected human resources and human resource needs at national, regional and global levels can inform not only migration policies but also the complementary human resource development policies in both countries of origin and destination, according to social and economic priorities.

What are the most effective tools for such purposes? How do they relate to other governmental and private sector policies to address demographic and skills gaps, such as offshoring? And how do policymakers integrate statistics into flexible, inclusive, and therefore sustainable decision-making processes to govern the admission, employment and residence status of migrant workers? For countries that aim to source such labour, what means are available to integrate local and foreign labour market data into the design of programmes to educate, train and prepare workers for foreign employment in the context of national development planning? Similar assessment challenges arise with remittances. What can we learn from those governments that are working to mainstream questions of migration and remittances into national census data and complement this with migrant household surveys to better inform policy making?

## **Designing comprehensive labour migration policies**

Matching international labour supply and demand requires policy measures to facilitate and regulate mobility at all stages of the migration process – from recruitment to employment, integration and in some cases return – at all points along major “migration corridors,” or clusters of countries among which migratory flows circulate, at a range of skills levels, and for temporary and permanent stays. Doing so while ensuring the protection of the human and labour rights of migrants and their families is essential to orderly and dignified migration. While often referred to as “ancillary policies,” measures to facilitate the recognition of qualifications, to adjust education and training systems, and to allow social security and pension portability could make or break efforts to forge effective labour mobility strategies.

Approaches to holistic labour mobility management and to ensuring coherence with development and other policy areas will vary necessarily from country to country. At the national level, programmes exist that seek unilaterally to determine the number and type of migrant workers admitted amongst the broader composition of incoming population movements for foreign study, tourism, business travel, family unification and asylum. How can such schemes be tailored to meet labour migration needs and to address the potentially competing factors of economic efficiency and equity, social cohesion, and the development impact on countries of origin?

Various forms of inter-state cooperation, including bilateral labour agreements, can generate more predictable labour mobility flows and commitments of multi-stakeholder cooperation. Such cooperation can result in more efficient and effective recruitment and employment procedures, while enabling the monitoring required to limit migrant exploitation. Some States and regions are also exploring the use of inter-state labour mobility partnerships to achieve broader migration management goals. Where high levels of irregular migration exist, a commitment to confer preferential access to legal opportunities and/or to regularize the status of undocumented migrants for States that cooperate to stem irregular flows might be considered. How can such partnerships be crafted and what are the main challenges in their implementation?

At the regional level, as discussed at IOM's last IDM workshop on "Free Movement of Persons in Regional Integration Processes,"<sup>5</sup> some regions have achieved greater mobility of persons through regional integration or trade regimes than has been achieved to date under Mode 4 of the WTO's General Agreement on Trade in Services (GATS), which remains limited in scope and number of commitments to a select category of highly-skilled workers. While regional integration processes may serve as useful building blocks in efforts to facilitate and better regulate labour mobility, challenges persist with respect to policy design and implementation. With this in mind, regional consultative processes on migration (RCPs) offer informal and non-binding settings in which to exchange promising

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<sup>5</sup> Geneva, June 2007. To access seminar materials see <http://www.iom.int/jahia/Jahia/pid/1805>

practices and to cultivate the confidence and information sharing required for greater regional and inter-regional cooperation in this field. For example, the Colombo Process<sup>6</sup> has made headway in consolidating the efforts of recruitment agencies in Asia to better liaise with employers and governments looking to tap into the pool of Asian workers in safe and secure ways that ensure their protection.

## **Leveraging labour migration for development**

The most well documented economic benefit that migrant workers bring to their home countries and the one on which international attention tends to focus is remittances. The sheer flow of migrant financial transfers, or remittances, has risen substantially of late.<sup>7</sup> For many developing countries these inflows are larger than the combined value of Foreign Direct Investment (FDI) and Official Development Assistance (ODA). Especially in times of crisis, remittances tend to be stable or even rise whereas FDI and ODA may decrease. At the household level, remittances contribute to better standards of living among their recipients, supplement their income and provide them with funds that can be used for consumption, savings, or investment including in the health and education of their children. Remittances may also fund risk diversification, as migrants invest in assets and relationships to enable sustainable return should the migrant wish to return or find him or herself unemployed in the host society.

How can the private and public sector enable remittances to better serve migrants and their communities, while respectful

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<sup>6</sup> The Colombo Process, focusing on the Management of Overseas Employment and Contractual Labour for Countries of Origin in Asia, is the first to focus specifically on labour mobility, and now brings in as observers destination countries from the Gulf, Europe, and other key regions. The United Arab Emirates (UAE) will host the next Ministerial meeting. See <http://www.colomboprocess.org>.

<sup>7</sup> According to the World Bank, recorded remittance flows to developing countries in 2006 are estimated at USD 204 billion. The actual size including unrecorded transfers through formal and informal channels is believed to be significantly larger. World Bank (2007) *News&Broadcast "Migration and Remittances"*, see <http://www.worldbank.org>.

of the private nature of such funds? Efforts are underway to increase the availability of affordable transfer services in remote migrant sending and receiving areas by making the remittance market more competitive. Other initiatives include efforts to “bank the unbanked,” including migrants and to tailor transnational insurance and mortgage services to their profiles. As migrants may have limited funds to divert from household consumption and to devote to community development, several governments and international partners are seeking to help by offering to match migrant funds channelled collectively towards development projects.

Beyond remittances, labour migration offers a host of additional benefits for the development of countries of origin. Although the non-financial potential of migrant workers is harder to measure, qualitatively, it may have a more significant developmental effect. Migrants may return either temporarily or permanently to apply newly acquired skills and knowledge, bring productive investments, stimulate job creation and develop innovative products and international networks for trade, research and development. However, traditional responses to an outflow of human capital through migration have centred mostly on preventing the exodus of talent and encouraging permanent returns.

### **Temporary and circular labour migration schemes**

In contrast, much is now being made of the potential for temporary and circular migration to offer “triple wins” – for migrants, communities of origin and destination – and the largest development benefits. *Temporary migration* schemes, in which migrants stay in the destination country for a pre-defined period, learn from the shortcomings of previous guestworker programmes and can be a more politically palatable policy option to permanent migration. Such programmes could also allow more migrants to benefit from limited numbers of foreign employment opportunities. This being said, temporary mobility may be best suited to meet labour needs that are not structural in nature, as

the latter merit more sustainable solutions, potentially in part through permanent migration.

*Circular migration*,<sup>8</sup> for its part, includes various forms of movement that stimulate circulation among countries of origin and destination, while affording migrants at all skill levels an opportunity to form a more long-term livelihood strategy. Circular migration thus refers to workers benefiting from recurrent stays of limited duration in the country of destination. At the same time, migrants with long-term residence status in host countries also engage in circular migration by repeated returns to their country of origin.

Which incentives and disincentives are being explored by countries of origin and destination to facilitate temporary and circular mobility arrangements for lower and middle-skilled migrants? Some have sought to encourage returns upon contract expiration by enabling migrants to more quickly recover their front-end and back-end migration costs, while facilitating the multiple entry of certain groups of migrants such as seasonal workers. Similarly, in cases of private sector competition for limited temporary work permits, preferential treatment may be afforded to employers and private recruitment agencies with a demonstrable track record in reducing recruitment fees for migrants, in facilitating their return and in protecting the human and labour rights of all employees.

Circular migration can also serve to combat “brain drain.”

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<sup>8</sup> There is no agreed definition of “circular migration.” The European Commission broadly defined circular migration as “...a form of migration that is managed in a way allowing some degree of legal mobility back and forth between two countries,” while expressing an intention to arrive at a more precise and operational definition. See the *EC Communication “Circular migration and mobility partnerships between the European Union and third countries.”* EC, May 2007. The following definition was used in preparations for the first meeting of the GFMD: “Circular Migration is the fluid movement of people between countries, including temporary or more permanent movement which, when it occurs voluntarily and is linked to the labor needs of countries of origin and destination, can be beneficial to all involved”. GFMD, *Background Paper Roundtable 1 “Human capital development and labor mobility: Maximizing opportunities and minimizing risks”*, Belgium 2007.

Countries of origin and destination may form multi-stakeholder partnerships to encourage qualified migrants to return home on a voluntary basis – either temporarily, permanently or virtually – to provide short-term assistance and expertise in various fields and to transfer knowledge, skills and technology. Some States have also promoted the use of ethical international recruitment codes for personnel from sectors under stress.

Ensuring broader complementarities between such labour migration policies and human resource development will be essential, especially in those sectors where the demand is projected to increase, such as for care workers and educators. As labour markets become more and more global, the development of human capital is further becoming an international issue. New partnerships, such as twinning programmes, will be needed among countries of origin and destination, bringing in the private sector, to ensure the preparation and availability of adequate human resources. Yet, as the scarcity of professionals in many States is also attributable to causes other than international migration, human resource development efforts need also to explore more sustainable forms of recruitment and deployment that keep professionals within the system.

### **The role of private and other non-governmental stakeholders**

The private sector, diaspora associations, workers' organizations and other non-governmental stakeholders have an essential role to play in both managing labour migration for the benefit of all and in supporting human resource development. Through consulting these stakeholders, governments can design labour migration policies that respond to sudden changes in local labour markets and identify new markets and innovative practices. For instance, temporary staffing agencies are at the forefront of efforts to ensure the international labour mobility required to facilitate foreign direct investment in transitional economies and developing States. In countries of origin, similar multi-stakeholder cooperation can result in labour migration schemes that support national economic

and labour force restructuring, where relevant. Where migrants opt to return, the private sector is essential to facilitating their productive reintegration.

Non-State actors are also key to a regulated recruitment industry that serves to reduce “brain drain,” migrant worker exploitation and human trafficking and smuggling. Securing the support of private employment agencies, for instance, can make for more effective international recruitment codes. Trade unions, for their part, can work to ensure that the interests of migrant workers are taken into account in their activities to support local workers. Thus, where employers and unions are fully engaged, labour inspectors can better ensure adequate wages, working and living conditions for migrant workers.

Migrants themselves are promoting home country development through forming Hometown Associations in some countries of destination and other forms of diaspora associations. Identifying and supporting the most promising of these is of growing interest to international financial institutions and organizations that seek to magnify the multiplier effects of remittances and other diaspora contributions to social capital and job market growth. Towards this end, diaspora dialogues can serve as fora at which to better engage migrants in managing the development potential of labour mobility.

International and non-governmental organizations, along with other private actors, can help to mobilize public support for improved labour migration management. They can also assist with information campaigns to encourage employers and migrants to avail of legal migration channels and to comply with associated regulations and safeguards.

## **The way forward**

As is evident, humane and orderly management of labour migration for the benefit of all in a rapidly evolving global economy is more than ever a policy challenge of substantial importance. This workshop therefore seeks to enable governments to build on the excellent work of the Brussels meeting of the GFMD to progress in meeting this challenge. It will explore how to tackle issues raised in developing and implementing comprehensive strategies for labour mobility management and human resource development. Equally important, countries of origin and destination will be encouraged to highlight their capacity building needs for such purposes and innovative practices employed to date.

In recognition of the many benefits to be gained from greater engagement of the private sector and other non-governmental stakeholders, this workshop will also continue the dialogue on how best to leverage their contributions. With ever greater mobility, joint investment to meet the human resource needs of countries of origin and destination is one area for particular attention in this regard. When working in concert, the needed public confidence can be generated for labour mobility to be managed and to better contribute to personal development for migrants and their families and to the development of host and home communities.

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