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International Dialogue on Migration 2011

INTERSESSIONAL WORKSHOP ON  
ECONOMIC CYCLES, DEMOGRAPHIC CHANGE AND MIGRATION

**FINAL REPORT**

**INTRODUCTION**

Understanding migration in relation to economic cycles and demographic parameters is a major challenge for countries at all levels of economic development. With migration recognized as a major structural factor in the global economy and as an important element in addressing demographic realities, the 2011 second intersessional workshop of the International Dialogue on Migration (IDM) on *Economic Cycles, Demographic Change and Migration* offered an opportunity for IOM's membership to discuss experiences, exchange effective policy options and lessons learnt, and identify areas for capacity-building to meet current and future challenges. In the context of the IDM's overarching theme "The Future of Migration: Building Capacities for Change"<sup>1</sup>, the IDM brought together governments, members of civil society and experts for an open discussion on ways to best govern the interdependencies between migration, economic cycles and demographic change.

Migration, economic cycles and demographic change form a complex triangle whose elements obey different timescales and drivers while varying in terms of certainty and predictability. Cycles of economic contraction and expansion, for instance, tend to be measured in years, while population dynamics operate on decadal timescales. Migration flows respond to economic conditions, and thus also to economic boom and bust cycles, but such fluctuations do not generally affect structural issues relating to labour market trends, the size and composition of a country's labour force, and demographic factors. Indeed, the interactions between economic cycles, demographic change and migration coincide most visibly in the labour market: they influence – in a multitude of ways – labour shortages and surpluses, the demand for certain skills, or the ratio between the economically active portion of the population and those who do not participate in the labour market, to name a few. Migration can bridge areas experiencing labour shortages and labour surpluses, it can energize economies through the circulation of skill and talent, and it can contribute to attenuating demographic disparities.

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<sup>1</sup> The theme is based on the IOM World Migration Report (2010), entitled "The Future of Migration: Building Capacities for Change", available on the Organization's website [http://publications.iom.int/bookstore/index.php?main\\_page=product\\_info&cPath=37&products\\_id=653](http://publications.iom.int/bookstore/index.php?main_page=product_info&cPath=37&products_id=653). Covering a variety of themes, the report also devotes attention to the repercussions of the global economic crisis for migration.

The workshop took place against the backdrop of the 2008-2009 global economic crisis.<sup>2</sup> Among the many repercussions of the crisis were impacts on migrants and migration, such as public backlash against migrants, the vulnerability of migrants working in cyclical sectors of the economy, return of overseas workers to their home countries and evidence of the relative resilience of remittance flows in spite of the downturn. In short, the crisis generated a number of important lessons for policymakers in managing migration in recessions, but it also demonstrated the structural importance of migration for economies and labour markets worldwide.<sup>3</sup>

Policymakers are thus faced with the challenge of developing migration policies that reconcile demographic factors, economic pressures and labour market realities. Some of the central questions in this regard are:

- What is the role of migration in addressing questions of population dynamics, labour market needs and economic growth and development?
- Can migration be a “fix” for demographic challenges?
- How can migration be managed to respond flexibly to labour market upswings and downturns?
- How might labour mobility contribute to growth, development and competitiveness?
- What policy options are available for managing the relationship between migration and demographic trends, on the one hand, and between migration and economic cycles, on the other? And can migration policy integrate these two forces?

It is well recognized that migration holds many benefits both for developed and developing countries. Countries with ageing populations are able to replenish their labour markets, while countries experiencing large working-age populations combined with a lack of job opportunities can promote migration as means to reduce demographic pressures and open channels towards employment. The IDM workshop called for collaborative approaches to migration governance that bridge short- and long-term priorities, and balance the interests, needs and rights of migrants, countries of origin and countries of destination. Participants highlighted key policy areas and capacities needed to embrace the potential of migration in creating flexible and competitive labour markets. Furthermore, as countries around the world continue to feel the effects of the 2008-2009 economic crisis, participants also called for measures that incorporate migration in a long-term solution for global economic recovery.

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<sup>2</sup> Any references to “the economic crisis” or “the crisis” in this report refer to the global economic recession which began in 2008, unless specified otherwise.

<sup>3</sup> For more detail on the ways in which the economic crisis affected migrants and migration, the reader may wish to consult the research conducted by the Independent Network of Labour Migration and Integration Experts – LINET (with a focus on the European Union) <http://labourmigration.eu/research>; IOM (2011) *The Global Economic Crisis and Migration: Where Do We Go From Here?*; IOM (2010) *Migration and the Economic Crisis: Implications for Policy in the European Union*; IOM (2009) Migration Research Series No. 37 *The Impact of the Global Financial Crises on International Migration: Lessons Learned* (all available at <http://publications.iom.int/bookstore/>); Migration Policy Institute (2011) *Migration and the Great Recession: The Transatlantic Experience*, [www.migrationpolicy.org/bookstore/migrationandrecession.php](http://www.migrationpolicy.org/bookstore/migrationandrecession.php); Organisation for Economic Co-operation and Development *International Migration Outlook 2010*, [www.oecd.org/document/41/0,3746,en\\_2649\\_33931\\_45591593\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/41/0,3746,en_2649_33931_45591593_1_1_1_1,00.html).

## SCOPE AND PURPOSE OF THE WORKSHOP

The workshop on *Economic Cycles, Demographic Change and Migration* was the second of two workshops held as part of the 2011 International Dialogue for Migration.<sup>4</sup> More than 150 participants attended the event held in Geneva, Switzerland on 12 and 13 September 2011, representing over 60 countries and 23 international and non-governmental organizations.

The specific objectives of the workshop were:

- To bring together governments and other actors to share experiences and approaches in addressing the interactions between economic cycles, demographic trends and migration;
- To draw lessons from the 2008-2009 economic crisis and evaluate the impact of various migration policy measures taken in response to the crisis, placing them in the context of broader population and labour market trends in developed and developing, origin and destination countries;
- To identify priorities for capacity-building in order to strengthen the effectiveness of policy interventions in domains such as migration, labour, and development, with the aim of improving migration governance in the context of global and regional economic and demographic trends.

A background paper, provided to participants in advance of the workshop, outlined the principal concepts, policy challenges and areas of focus for capacity-building. The conclusions of the discussion were presented at the end of the two-day deliberations in form of a Chair's Summary. Both the background paper and the Chair's Summary are included in this report.

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<sup>4</sup> More information about the workshop, including presentations by speakers and background material, can be found at [www.iom.int/idmeconomiccycles](http://www.iom.int/idmeconomiccycles).

## DELIBERATIONS AND RECOMMENDATIONS OF THE WORKSHOP

The present report categorizes the experiences, policies and practices highlighted by participants at the workshop into five areas for capacity-building which received particular emphasis during the course of the discussions. Internet links are included wherever possible to provide the reader with access to additional detail on the policies and practices summarized in the following pages.

- 1) Capacities to align migration policy with priorities in other policy domains;
- 2) Capacities and policy options to promote circular and temporary forms of mobility;
- 3) Migrant-centred approaches, focussing on rights, skills and human capital;
- 4) Knowledge, data, monitoring and evaluation capacities in regard to labour markets, economic cycles and demographic trends;
- 5) Capacities to enhance cooperation and migration governance.

### ***1. Integrate migration into labour market and demographic policies as part of a comprehensive policy mix.***

Migration certainly plays an important role in the labour markets and demographics of countries around the world. Migration, however, is not a “cure-all” solution to skill or demographic deficits or labour surpluses or shortages – a message that rang loud and clear throughout the workshop. For example, many participants acknowledged that migration alone cannot offset demographic ageing, particularly in the long run. At the same time, migration should not be blamed for all problems afflicting labour markets; for instance, for skill shortages in countries of origin. In short, underlying structural factors (relating, *inter alia*, to fertility levels, workforce participation, prevailing wages and working conditions, and the balance between supply and demand) tend to have greater weight than migration in determining demographic and labour market dynamics. Participants thus concluded that migration should be one component of a larger set of policies which address the effects of demographic change and economic cycles. In this context, participants reminded each other that phases of economic downturn should not lead to undue migration restrictions: given the above-mentioned structural conditions shaping national markets, migrant labour is often needed for economic recovery, while many economies in countries of origin benefit from or even depend on their overseas workforce for remittances. Workshop participants also deliberated the relative predictability of demographic trends compared to the more erratic nature of economic cycles and the consequences for policymaking. Discussions highlighted numerous examples of policies which make migration a part of broader labour market strategies and population policies.

- **Enhancing regular migration channels** which take labour market needs into consideration. Much debate surrounded the question of timeframes and whether/to what extent migration channels should be adjusted to prevailing economic conditions. Generally, there was a consensus that abrupt closures of migration channels are likely to be counterproductive. The potential for migration solutions for countries with relatively young demographic profiles yet insufficient employment opportunities was also raised during the workshop.
  - The Spanish immigration law of 2002 made a conscious effort to link labour market needs and employment with immigration. When the economic crisis hit the country in 2008, Spain instituted a policy of financial incentives to encourage the voluntary

return of migrant workers to their home countries. It has been reported that approximately ten per cent of the targeted population responded to this programme.<sup>5</sup> Under the scheme, individuals are allowed to return to Spain three years after their departure, and importantly, are able to resume their previous status. For example, if someone held long-term residence status and decides to participate in the scheme by returning home, he or she will be able to enter long-term residence status again if he or she chooses to return to Spain after three years.

- Canada, by contrast, decided to maintain stable immigration levels during the crisis.
- **Complementing migration measures with other tools** in preparing labour markets to absorb demographic changes and economic shocks. In responding to economic downturns, in meeting labour market demands or in anticipating demographic developments, migration should always be one in an array of options that collectively create appropriate and lasting solutions.
  - The “3 Ps” – population, participation and productivity – were suggested by the speaker from Australia as an appropriate framework for analysing the relationship between immigration and economic growth. A range of policy options, migration being one of them, are available in each of those three categories and should be applied according to context and circumstances.<sup>6</sup>
  - Ghana’s interventions in the health sector include schemes targeting the out-migration of health professionals and their return from abroad. These programmes are complemented with initiatives to enhance salaries of health professionals, improve working conditions through better equipment, provide opportunities for skill upgrading and training, and increase the intake of medical students.
  - In Canada, migration is one policy lever in the government’s strategy to maintain economic competitiveness in face of demographic ageing. Other measures aim to increase birth rates, reduce underemployment and underrepresentation in the labour market of certain groups and minorities (e.g. Canada’s indigenous population), and modify the retirement age. The province of Québec, for instance, provides high-quality, affordable child care for parents and fully funds In-Vitro Fertilization treatments for eligible women.
- **Setting up transparent and efficient labour migration channels** which match supply and demand, respond to real needs and protect the rights of migrants. Countries have created different systems and have adapted them over time to find the most appropriate mechanisms. The main differences between those models, some of which were presented at the workshop, pertain to whether they are employer-led or State-driven and whether they work on the basis of labour market demands or human capital potential.
  - Over time, Australia has moved towards a “hybrid model” which combines a points-based system with a demand-driven one. Accordingly, this model responds to both the specific needs of employers and the macro-level needs of the economy. The programme focusses on skilled migrants with high human capital potential and is

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<sup>5</sup> IOM World Migration Report 2010, p. 198

<sup>6</sup> See *Australia to 2050: the 2010 Intergenerational Report*, Australian Treasury.  
[www.treasury.gov.au/igr/igr2010/report/pdf/IGR\\_2010.pdf](http://www.treasury.gov.au/igr/igr2010/report/pdf/IGR_2010.pdf)

designed to meet labour shortages, mitigate the effects of population ageing, secure high rates of labour market participation and boost productivity. A recent reform introduces a two-step procedure whereby individuals are asked first to submit an expression of interest electronically. Candidates are subsequently ranked using their points-test score and are invited to apply on the basis of the ranking.<sup>7</sup>

- Russia has implemented a quota system which places the burden on employers to verify the skills of potential migrants. In general, migrants receive a three-year work permit, and accompanying family members are also permitted to work.
- Sweden's labour migration policy, adopted in 2008, is largely employer-driven. While vacancies have to be advertised nationally for a nominal period and "community preference" for nationals of European countries must be respected, employers have considerable freedom in the recruitment of foreign labour. There are no formal labour market tests or quotas, for example. The policy also recognizes the importance of considering family and gender dimensions: families of migrants are given access to the labour market and to the welfare system. Since the launch of the policy, 40,000 residency permits and 19,000 work permits have been issued.<sup>8</sup>
- **Remaining attuned to changing labour market conditions and demographic trends.** Many countries discussed their recent experiences in becoming countries of destination as well as countries of origin. Others observed that after decades of being net exporters of labour, they too find themselves confronted with shortages.
  - Recently Moldova, for the first time, began experiencing skill shortages, and as a result, is making greater efforts to match education and training to labour market needs.
  - In Mexico, youth cohorts entering the education system and the labour market are becoming smaller, resulting in reduced demographic pressures which used to fuel migration. At the same time, the demographic profile of Mexican migrants to the US is beginning to resemble that of the native population which means that the "demographic complementarity" effect is starting to dissipate.
  - Azerbaijan, also traditionally a country of origin, found that the economic crisis did not greatly affect migration patterns. On the other hand, the country has noted a growing demand for skilled specialists and is looking for ways to address this issue as part of the Azerbaijani State Migration Programme. This programme is also aligned with the State programme on the development of population and demographic affairs, thus encompassing labour market and demographic issues (among others).
- **Collaborating with and acknowledging migrant networks.** Migrants frequently resort to their networks in finding employment and navigating their destination country. While the unregulated nature of these networks creates the risk of abuse, they are also a source of information and a catalyst for transnational links between migrant communities and their countries of origin. States need to acknowledge the power of such informal networks, which may supplant formal efforts to manage labour migration

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<sup>7</sup> [www.immi.gov.au/skilled/general-skilled-migration/](http://www.immi.gov.au/skilled/general-skilled-migration/)

<sup>8</sup> [www.sweden.se/eng/Home/Work/Labor-market/Work-permit-legislation/Reading/Sweden-relaxes-labor-migration-rules/](http://www.sweden.se/eng/Home/Work/Labor-market/Work-permit-legislation/Reading/Sweden-relaxes-labor-migration-rules/) and [www.sweden.gov.se/sb/d/3083/a/114169](http://www.sweden.gov.se/sb/d/3083/a/114169)

and organize recruitment. Nonetheless, there are ways to engage with more formalized migrant associations for recruitment and information dissemination, especially where there are more established migration flows.

## **2. Enhance the mobility and circulation of labour and talent for flexible and resilient labour markets.**

Temporary and circular labour migration programmes have been subject to controversial debate in recent years. Nonetheless, the workshop participants supported the idea that true circulation and mobility of labour and talent could hold great potential for economies and individuals alike, in particular in responding to economic cycles. They also conceded, however, that the implementation of such mobility schemes remains complicated and imperfect in practice. Migrants should be able to benefit from the choice and flexibility to go back and forth between different countries; for example, in response to economic opportunities or family considerations, as circular and temporary migration entail lower separation costs. From the origin country's perspective, circulation could counterbalance a long-term loss of skills, promote development, increase skill exchange and maintain remittance flows. For destination countries, temporary and circular migration theoretically offer a flexible strategy to react to economic downturns and upswings (although recent events have demonstrated that when a recession of global proportions affects countries of origin and destination, migrants are more likely to stay put in the destination country, rather than return to potentially more difficult conditions). Therefore, numerous obstacles remain in fully realizing the circulation of labour and talent. The various presentations at the workshop contemplated the lessons that could be extracted from past experiences to enhance circular mobility and reviewed the various capacity-building efforts required throughout the cycle of circular and/or temporary migration, from pre-departure and insertion in the host labour market, to return and reintegration in the country of origin. Importantly, however, participants also insisted that structural issues cannot be resolved by temporary means, particularly insofar as demographic trends are concerned.

- **Contemplating circular mobility in the context of free movement regimes.** Past experience has shown that liberalized regimes for the movement of people are most conducive to circulation. These arrangements are often regional in nature and provide the institutional conditions that facilitate repeated moves between countries.
  - According to experts present at the workshop, the experiences of Poland and other countries which acceded to the European Union in 2004 demonstrates that circular mobility works best under conditions in which the free movement of persons is institutionally enshrined. Studies for the period from 2004 to 2007 have shown that migration of individuals from the new European Member States had large positive macroeconomic effects for countries of destination. Impacts on home countries were neutral or negative initially, followed by the positive results of decreasing unemployment and rising wages in the longer run.
  - In South America, by promoting greater freedom of movement among the countries of the Common Market of the South (MERCOSUR), the region saw a change in migration patterns. Argentina noted, for instance, that migrants from neighbouring countries moved more flexibly between countries, choosing temporary over permanent migration.
  - Mexico highlighted the lessons from a period of open borders and bilateral labour migration programmes between Mexico and the United States between 1960 and 1980, noting that there was very little in the way of permanent settlement of Mexicans in the US. This period, incidentally, came to an end as a result of an economic downturn. Mexico also reported on a new law to create greater freedom



of movement between Mexico and neighbouring Guatemala, in view of seasonal labour demand in the agricultural sector. Among its different features, the new law grants Mexican nationality to children of Guatemalan migrant workers born on Mexican territory.

- **Facilitating circulation and reducing entry and exit costs.** True circulation depends on more than open borders. At the top of the list are measures that consider the family situation of the migrant, such as easing the process of family reunification and allowing access to the labour market for accompanying spouses. Developing and providing multiple-entry visa options and ensuring portability of social security were also highlighted as good practices. Taxation schemes that avoid double taxation are also likely to make a difference in individual's mobility decisions.
  - Sweden's take on circular migration pursues development objectives for the countries of origins of migrants in Sweden. It therefore targets migrants already resident in Sweden – some of whom may have already become Swedish nationals. The country is considering the challenge of how to remove barriers to movement in order to encourage individuals to go back and forth between their country of origin and Sweden, as often as they wish.
- **Promoting mobility as part of regional partnerships.** In settings where significant political and economic ties exist between countries, migration schemes can be embedded in these broader political and economic relations and extended through supplementary provisions, for instance to further the development of the home country or guarantee the protection of migrants in the countries involved.
  - Moldova became the first country to enter into a Mobility Partnership with the European Union under the EU Global Approach to Migration. In addition to access to labour markets in the European Union for Moldovan migrants, the scheme included numerous other activities, such as PARE 1+1 in which each unit of Moldovan currency (the Leu) invested by a migrant back home is matched with one Leu by the State. There are also programmes to ensure adequate recognition of qualifications.
  - Moldova and Russia reported on the planned conclusion of a bilateral agreement between the two countries that grants social protections to migrants from both countries.
- **Easing the transition between temporary and permanent residency and work categories.** Retention of migrant workers was also discussed. Employers who have invested in the training of an employee may wish to prolong his or her stay. Likewise, the prospect of being able obtain permanent residence also increased the incentives for migrant workers to integrate into the new society, and eases the process of circulating between two countries. Lastly, targeting student migrants was highlighted at the workshop as a novel strategy to enhance human capital and ensure that the labour market is replenished with a young skilled labour force.
  - Canadian Experience Class is a programme open to skilled temporary foreign workers and international students who have Canadian work experience and meet

language requirements. This programme enables skilled migrants to transition from temporary to permanent status.<sup>9</sup>

- Sweden's new labour migration policy greatly facilitates the transition from temporary to permanent status: the initial temporary permit can be renewed several times, and if the individual is still employed after four years, permanent residence can be obtained without having to return home to apply. In addition, foreign postgraduate students in Sweden also have the possibility to apply for residence and work permits while in the country.
- **Developing flexible arrangements for specific labour needs.** Temporary and circular migration schemes have in the past been utilized to respond to labour shortage in specific market sectors, such as agriculture. While these programmes can be beneficial for employers, facilitate the flow of remittances and open up opportunities for less-skilled migration, concerns have also been raised in regards to the protection of human and labour rights of migrant workers under such schemes.
  - Canada's Seasonal Agricultural Worker Programme matches workers from Mexico and the Caribbean with Canadian farmers in search for temporary labour during planting and harvesting seasons. The programme carefully defines the conditions of the contracts to minimize the risk of abuses. In addition, as part of the scheme, workers are eligible for pensions. Canada's international social security agreements with Mexico and a number of Caribbean countries enable participating workers to collect pension benefits from either country.<sup>10</sup>
  - Polish seasonal migration to Germany during the 1990s and until 2004 when Poland joined the European Union was critical for labour markets in both countries. Some of the key factors explaining its success lay in geographical proximity, low travel costs, uncomplicated entry requirements, and readily available information through official channels and informal networks.
  - Mexico observed that while permanent migration from Mexico to the United States has slowed down considerably, mobility and circulation continues and is even set to increase further. US agricultural states in particular are devising ways to attract seasonal workers by means of temporary visas.
- **Supporting migrants pre-departure.** Advice on migration opportunities, visas, access to services, employment conditions and contracts, rights and obligations, recourse mechanisms in case of emergency, as well as practical information about life in the potential host country have long been recognized as useful measures in preparing migrants or potential migrants for the experience, while trying to minimize some of the risks associated with migration.
- **Designing policies to encourage and support the return of migrants, especially in times of crisis.** Growing numbers of countries are trying to spread the word to their overseas nationals about investment, business and entrepreneurial opportunities in the country of origin. Programmes to support migrants in saving financial capital while abroad and re-integration centres providing job counselling and referrals can ease the reintegration process and help inject new skills in the labour markets of home countries. However,

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<sup>9</sup> [www.cic.gc.ca/english/immigrate/cec/index.asp](http://www.cic.gc.ca/english/immigrate/cec/index.asp)

<sup>10</sup> [www.hrsdc.gc.ca/eng/workplaceskills/foreign\\_workers/ei\\_tfw/sawp\\_tfw.shtml](http://www.hrsdc.gc.ca/eng/workplaceskills/foreign_workers/ei_tfw/sawp_tfw.shtml)

return may also take place under difficult circumstances: even though the 2008-2009 economic crisis did not generate large-scale returns, many countries found themselves having to receive and reintegrate migrant workers who had left their destination countries due to the recession.

- In supporting the reintegration of its overseas workers during the economic crisis, the Government of the Philippines initiated livelihood programmes offering financial support for returnees as well as retraining opportunities. The Government also worked with the private sector and chambers of commerce in order to promote the reinsertion of overseas workers in the domestic labour market.
- **Targeting diaspora communities** to mobilize competencies acquired by migrants while overseas can deliver a range of benefits to the development of country of origin.
  - Programmes such as the IOM's Migration for Development in Africa (MIDA) assists African nationals in contributing to the development of their countries of origin. Through temporary returns of qualified nationals, individuals can support economic and social sectors (such as health care and education) by fostering the exchange and development of skills, knowledge and professional networks. One particular example highlighted at the workshop is MIDA FinnSom Health between Finland and Somalia, which has organized the temporary returns of health workers from Finland to their native Somalia. In its first phase in 2008-2009, for instance, the project facilitated 22 temporary return assignments, involving Somali medical doctors, dentists, nurses, midwives, and laboratory technicians. Importantly, the MIDA FinnSom Health project is demand-driven and based on priority needs identified by local authorities and project partners in Somaliland and Puntland.<sup>11</sup>

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<sup>11</sup> For more on the MIDA FinnSom Health project, see <http://www.iom.fi/midafinnsom> and IOM (2009) *Migration for Development in the Horn of Africa – Health expertise from the Somali diaspora in Finland*, available at [http://publications.iom.int/bookstore/free/MIDA\\_Health\\_book.pdf](http://publications.iom.int/bookstore/free/MIDA_Health_book.pdf). Additional information on MIDA more generally is available at: [www.iom.int/jahia/Jahia/mida-africa/](http://www.iom.int/jahia/Jahia/mida-africa/).

### **3. Focus on migrants' skills and human capital and ensure protected conditions and decent work for migrants at all skill levels.**

Human capital has become a highly valued asset in the global economy. One strong message which emerged from the workshop discussion was that countries will increasingly find themselves competing for labour and talent, and this concerns not just the traditional industrialized nations, but also emerging economies. For example, the World Economic Forum reported at the workshop that 34 per cent of employers experience difficulties in filling open positions due to lack of available talent.<sup>12</sup> In the debate on the availability and distribution of human capital, participants stressed the importance of focussing on all skill levels. Participants cautioned against segmented approaches which treat high- and less-skilled sectors (and, consequently, highly skilled and less skilled migration) as though they operated independently of each other. In reality, the two are often contingent upon each other, as illustrated by the growing participation of women in high-end sectors of the labour market in developed countries, facilitated by the availability of less-skilled labour (often migrant labour) to take on domestic tasks. The workshop also highlighted that economic recovery of markets can be catalysed by ready access to both high- and less-skilled labour. Various arguments were put forward why migrants are of particular concern: first, too many migrants find themselves at risk of human and labour rights abuses, while principles of decent work<sup>13</sup> (which were highlighted at the workshop) are also often violated in the context of migration for work. Secondly and more specifically, migrants are typically the first to be affected during periods of economic instability, as they are more likely to lose their employment or be pushed into precarious conditions. Thirdly, migrants are an important target group in the investment in human capital and skills in modern labour markets around the world: on the one hand, migrants often possess important and much-needed skills. On the other hand, migrants often struggle to have their qualifications and skills adequately recognized, and experience underemployment and “brain waste” as a result. The discussions thus revolved around the links between migration policies and measures in the realm of education, training, up-skilling and skill recognition, as well as ways to reduce the various risks and vulnerabilities which migrants may experience in the global labour market.

- **Creating effective systems for the recognition of skills and qualifications and the transfer of licences and certificates.** This is a crucial element in integrating migrants into labour market and maximizing their human capital potential. Indeed, migrants and returnees who do not have their skills recognized may be unable to access employment that matches their skill sets. As the mobility of professionals is becoming an increasingly important component in labour markets around the world, participants suggested that governments, employers and educational institutions work together to evaluate the compatibility of credentials and standardize mechanisms for obtaining equivalent licences and certificates.
- **Facilitating skill-matching mechanisms.** Recognition of qualifications is one step of the process, but is not sufficient on its own to make the best use of the skills and qualifications in the labour market. Matching migrant profiles with jobs and employers requires measures that assist migrants in navigating labour markets and recruitment systems that they may be unfamiliar with, as well as supporting employers in accessing the migrant talent pool (in particular for small and medium sized enterprises).

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<sup>12</sup> [www.weforum.org/reports/global-talent-risks-report-2011](http://www.weforum.org/reports/global-talent-risks-report-2011)

<sup>13</sup> See the International Labour Organization's Decent Work Agenda [www.ilo.org/global/about-the-ilo/decent-work-agenda/lang--en/index.htm](http://www.ilo.org/global/about-the-ilo/decent-work-agenda/lang--en/index.htm)

- Upwardly Global is a US-based non-profit social enterprise which aims to connect employers with qualified migrants. The organization focusses on shifting attitudes and raising awareness about diversity in the workplace and the inclusion of migrant talent in the private sector. Upwardly Global also empowers migrants to overcome entry barriers by training migrants in job searching skills, developing interview techniques and supporting the creation of professional networks.<sup>14</sup>
- **Valuing the “global skills” of migrants.** Apart from their formal qualifications, migrants also often possess other attributes, such as cross-cultural competences, international work experience, language abilities, adaptability and transnational connections, which many private sector companies actively seek in their employees.
- **Building skills and keeping in mind the full range of skills required.** Participants discussed ways to combine migration and skill-building policies. A focus on education, training and “lifelong learning” was suggested, as was cooperation with universities and training institutions, even across borders. While much attention is devoted to attracting highly skilled professionals, most labour markets require workers at all skill levels.
  - For example, the Azerbaijani State Migration Programme envisages cooperation with universities and bilateral agreements in the sphere of education to increase the availability of needed skills.
  - The European Union’s EU 2020 Strategy recognizes that skills and knowledge constitute Europe’s most important competitive advantage and seeks to further this strategic objective through, *inter alia*, education, labour market participation, mobility (both within the EU and from third countries) and better labour market integration of migrants already present in the EU.
  - Sweden’s 2008 labour migration policy is explicitly non-sectoral, meaning that employers are free to recruit foreign labour at all skill levels. Seasonal workers have been in great demand, while IT, housekeeping, hospitality, arts, sports, architecture, and engineering emerged as some of the main categories in which employers have sought migrant workers, illustrating the full spectrum of skill levels.
- **Increasing migrant participation in labour markets in destination countries.** Many participants pointed out that policies should not only focus on enhancing labour migration channels, but also strive to better include migrants already present in the country. This is partly related to the recognition of skills to avoid underemployment and underutilization of potential available in the country. But policymakers may also wish to focus on the labour market opportunities and entry barriers of so-called non-economic migrants, such as those entering the country as refugees and asylum-seekers or through family reunification programmes, as well as descendants of migrants who often continue to experience obstacles to labour market participation.
  - In the US, the Northeast Ohio Healthcare Workforce Pipeline (NEOHWP) project by the Northeast Ohio Health Science & Innovation Coalition, Global Cleveland, and Upwardly Global works to increase participation of migrants in the Ohio healthcare sector. NEOHWP was developed to better manage the growing demographic disparities in the Ohio region. The project aims to replenish the Ohio healthcare

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<sup>14</sup> [www.upwardlyglobal.org/](http://www.upwardlyglobal.org/)

system with skilled young migrants to meet the challenges created for the expanding healthcare industry by the growing number of retirees.<sup>15</sup>

- **Considering gender specificities** in labour migration, employment and family policies, and differentiated vulnerabilities during economic crises. Participants noted that men and women have different experiences in the labour market and that the same is of course true for migrant men and women. Measures that aim to enhance the human capital potential of migrants or respond to the consequences of an economic downturn need to be sensitive to these differences.
  - Spain, for instance, remarked that the 2008 economic crisis overwhelmingly affected male migrant workers who were employed in the construction sector. Women migrants, by contrast, tended to work in non-cyclical sectors and were less likely to be out of work.
  - Similarly, the Philippines noted that female domestic workers rarely lost their jobs during the crisis compared to male migrants, particularly those working as seafarers.
- **Strengthening private sector capacities** to harness the talent available within the migrant community, including cross-cultural and linguistic skills, while raising awareness of some of the challenges faced by migrants in accessing the labour market. Building the capacities of human resource professionals and managers in recruitment in cross-cultural settings or in diversity management in the workplace, or devising schemes that enable migrants to gain work experience in their field of expertise can help break down some of the barriers between employers and migrants.
  - One particular programme discussed by Upwardly Global during the workshop was the Global Engineers in Residence (GEIR) project. Through GEIR, migrants with a background in engineering are able to gain valuable work experience and professional connections, while employers are introduced to the pool of talent available in the migrant community.
- **Promoting mechanisms for skill exchange and circulation of human capital.** In the workshop, countries of origin of migrant labour called on destination countries which seek to attract highly skilled migrants to consider the consequences for their home country economies. There are growing opportunities for countries of origin and destination to cooperate in helping migrants to transfer knowledge and exchange skills between the two societies.
  - In the health sector, the Government of Ghana's Human Resources Development Strategy has implemented international exchange programmes with the assistance of IOM, whereby Ghanaian health professionals abroad return to Ghana on a temporary basis to work alongside local colleagues. In turn, health professionals from Ghana completed temporary stays in healthcare institutions in the UK, Germany and the Netherlands. The programme aimed to stimulate cooperation and the flow of knowledge and build professional networks. To date, 150 temporary returns and ten exchanges with a European healthcare facility have been realized, benefitting 40 Ghanaian institutions.

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<sup>15</sup> [www.nohsic.org/programs/upwardly-global](http://www.nohsic.org/programs/upwardly-global)

- **Protecting migrants during times of economic crisis.** To prevent migrants from falling into irregular or vulnerable situations, countries of origin and destination can work together and engage with employers, to support, for example, job transferability programmes or repatriation.
  - During the 2008 economic crisis, the Government of the Philippines reinforced bilateral negotiations with governments to manage exit procedures for Overseas Filipino Workers who were forced to abandon their countries of destination. One main objective for the Government of the Philippines was to obtain re-entry guarantees for any migrant workers who left during the crisis. Following the crisis, the Government developed a “crisis monitoring system”. The objective is to produce an evidence-based early warning system through government attachés and overseas missions to identify changes in foreign labour markets and employers that could be vulnerable to economic fluctuations. This would allow for early interventions to minimize the impact on migrant workers and to agree on schemes for their re-employment once the situation has improved.
  
- **Providing migrants with full information on their rights, employment terms and obligations.** Information regarding domestic labour legislations, employment contracts, and obligations and rights can be a buffer against some of the risks and abuses faced by migrant workers. States can also develop and support information distribution mechanisms through migrant networks, ethnic media and civil society. In this context, participants discussed the role of recruitment agencies as conveyors of information as well as the need for careful monitoring and regulation of such agencies.
  - The Ghanaian Ministry of Health plans further steps to support Ghanaian health workers abroad, including monitoring work conditions and the creation of labour attachés who would serve as contacts in embassies and consulates.
  
- **Addressing the status of migrants in an irregular situation.** Irregular status poses significant risk for the protection of the human and labour rights of an individual. It also creates additional barriers to the effective inclusion of migrants into the labour market, social security and taxation systems. Implementing policies which regulate migrants in the workforce should be done in consideration of labour market demands and demographic pressures.
  - The Spanish regularization programme in 2005 regularized migrants’ legal status and brought jobs and employers which had operated outside the law within the purview of legal regulation. Migrants were required to provide evidence of a work contract and residence in Spain for a period of three years. The regularization programme brought irregular migrants into social welfare protection and increased the government’s capacity to implement effective taxation systems.

#### **4. Develop assessments, monitoring and data collection capacities on migration, labour market trends and demographic developments for well-informed policymaking.**

Policymakers grapple with considerable complexities and uncertainties in understanding and addressing economic cycles and demographic change. The 2008-2009 economic crisis, for instance, had taken many by surprise, while subsequent developments – rapid recovery in some parts of the world, a worsening of the situation in others – proved equally difficult to foresee. Demographic trends, by comparison, appeared more manageable to many who spoke at the workshop, yet population dynamics too are multivariate problems not readily influenced by policy interventions. Nonetheless, there was general agreement that more efforts are needed to understand and monitor migration in relation to demographic and labour market trends to create a more solid basis for policymaking in the future. The recent crisis, for instance, allowed experts and policymakers to reassess some of the common assumptions about the relationship between migration and recessions and to extract lessons for the future. Calls for better data on migration have been a consistent theme at this and previous IDM workshops as States rely on such data to inform the allocation of resources and national and regional migration strategies. More specifically, methodologies to assess labour markets, including current and future needs and potential shortages, have become more sophisticated: shortages, for instance are not always simply calculations where demand exceeds supply. Instead, they depend critically on the price of labour, as well as prevailing production processes, working conditions and employer perceptions. More and more countries are looking to develop such labour market assessments and integrate them with migration policies, but many also lack the capacity to obtain and apply such data.

- **Mapping future scenarios in migration, economic cycles and demographic change.** While firm predictions are unlikely to materialize, participants highlighted the importance of attempts to build scenarios based on population projections, different economic realities and a range of migration patterns and policies. This can be done at national or regional levels and can serve to outline possible futures to inform policymaking.
  - The World Economic Forum, in collaboration with the Boston Consulting Group, analysed demand and supply of talent in the global labour market in its 2009 Talent Mobility project. Involving a range of private sector and other stakeholders, the project identified numerous policy options and lines for action in the realm of economic diversification, youth employment, job creation, diversity in the job market, retraining and “brain drain”.<sup>16</sup>
- **Monitoring labour market trends.** A number of countries regularly carry out systematic macro- and micro-level analyses to better understand the national landscape of labour and skills in order to assess current and anticipate future needs. Possible components of such assessments, depending on its context and aim, include data collection on unemployment and underemployment, unfilled vacancies, skill profiles of those entering and leaving the country, the importance of the informal sector and its relationship with the formal economy, relevant gender aspects, skills available in the diaspora, and remittance flows. It was stressed as important to differentiate between cyclical and non-cyclical sectors, to consider both short- and long-term trends, and to pay attention to

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<sup>16</sup> <https://members.weforum.org/pdf/ip/ps/TalentMobility.pdf>



the experiences of employers to generate solid, evidence-based labour market assessments.

- The Philippines has begun developing a “global employment map” that looks at countries recruiting migrant workers in order to identify future opportunities for the country’s migrant workers in a targeted manner, engage in bilateral negotiations with relevant countries, and prepare migrant workers for the sectors which are likely to show high demand for labour.
- An example of a useful resource for statistical information on labour migration is the ILO International Labour Migration Database, which has been obtaining and storing relevant information since 1998.<sup>17</sup>
- **Monitoring and evaluating labour market outcomes for migrants and different migrant groups.** As previously stated, there is a significant risk that migrant talent and skills remain underutilized, even where there are shortages. Policymakers may wish to systematically analyse and monitor labour market outcomes for migrants to identify barriers to effective labour market integration. These can range from obstacles in having their qualifications recognized to discrimination. In addition, such evaluations need to be sensitive to differences within the migrant populations, for instance: gender, age, type of migration status, and area of origin.
  - Australia’s Department for Immigration and Citizenship carries out a Continuous Survey of Australia’s Migrants to gauge issues such as labour market inclusion and access to housing and services. The survey has revealed, for instance, that migrants selected via Australia’s skilled labour migration policy are uniformly more likely to be in full-time skilled employment than migrants entering via the family stream.<sup>18</sup>
- **Improving the protection of migrants through coherent data collection.** Monitoring mechanisms allow States to invest in the kind of capacity-building required to enhance protection and law enforcement in the area of employment. Data sourced from labour inspections can be particularly useful in this regard.
- **Enhancing capacities to understand migration trends.** Migration Profiles<sup>19</sup> go beyond simply compiling a statistical report on migration. They provide a framework for bringing together existing information from different sources, identifying gaps in the knowledge and understanding of migration and generating dialogue on migration among different national actors. Migration Profiles can also be targeted towards a particular policy goal, such as assessing migration’s potential for development, addressing the vulnerabilities that migrants experience, or integrating migration in labour market and population planning.
  - Moldova, as part of its Mobility Partnership with the European Union, has embarked on an “Extended Migration Profile” project. The tool aims to monitor migration flows in order to determine the needs of the labour market, and to develop coherent migration data and policies.

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<sup>17</sup> [www.ilo.org/public/english/protection/migrant/info/ilm\\_dbase.htm](http://www.ilo.org/public/english/protection/migrant/info/ilm_dbase.htm)

<sup>18</sup> [www.immi.gov.au/media/research/surveys/csam/](http://www.immi.gov.au/media/research/surveys/csam/)

<sup>19</sup> [www.iom.int/jahia/Jahia/policy-research/migration-research/migration-profiles](http://www.iom.int/jahia/Jahia/policy-research/migration-research/migration-profiles)

- **Evaluating policy outcomes.** Policymakers are increasingly recognizing the importance of assessing the impacts of policies in the realm of labour markets, labour migration, economic inclusion of migrants, and skills building, to name a few. One particular area that was highlighted as deserving more rigorous evaluation is that of the success and effectiveness of labour recruitment systems.
  - Sweden, for example, has requested the Organisation for Economic Co-operation and Development to conduct an evaluation of its 2008 labour migration policy, including the state of its implementation, its impacts, and areas for improvement.<sup>20</sup>

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<sup>20</sup> The OECD evaluation of the Swedish labour migration policy was released in December 2011 and is available here: [www.oecd-ilibrary.org/social-issues-migration-health/recruiting-immigrant-workers-sweden-2011\\_9789264167216-en](http://www.oecd-ilibrary.org/social-issues-migration-health/recruiting-immigrant-workers-sweden-2011_9789264167216-en).

## **5. Further the governance of international migration through broad partnerships and collaborative fora.**

The workshop drove home the message of the interconnectedness of migration, economic cycles and demographic change, but also the interconnectedness between countries of origin and destination in this context. Although there is widespread awareness that most States cannot achieve their migration management objectives unilaterally, the question of how to govern international migration remains subject to substantial debate, both in theory and in practice. A range of different notions of migration governance were put forward at the workshop: some focussed on results, such as making migration more orderly, fair and beneficial, while others prioritized the process of governance, including trust-building and the inclusion of a range of stakeholders. Migration governance can thus be conceptualized as a set of collaborative practices to maximize positive outcomes and minimize negative repercussions of migration. Collaboration can be global, but can also take place at the regional or even national level. Participants also highlighted that as many countries become countries of origin, transit and destination simultaneously, this has created a broader base of common experiences and thus better grounds for collaborative governance. Likewise, the shock of the global economic crisis has presented a “stress test” for any incipient migration governance mechanisms, creating risks such as isolationist and protectionist policies and xenophobic attitudes, and creating opportunities for incorporating migration into national and global recovery strategies. However, participants also ventured that a narrow focus on States as the only actors in migration governance may be misplaced. Negative public perceptions of migrants and migration, for example, were a concern for many countries, especially during the economic crisis. In fact, public rejection of migration not only destabilizes social cohesion in a country, but can also jeopardize economic vitality if it means that much-needed labour and talent is “kept out”. Integrating civil society, migrants and the private sector into the discourse should aim to generate a better appreciation of migration and its value and broadens the scope and capacities for innovative initiatives.

- **Targeting the “change agents”.** Migrants and migrant networks, the private sector and youth were recognized as among the key players who will decisively shape the global migration landscape of the future: migrants and the networks through which they organize themselves have major social and economic impacts on the societies they interact with; the private sector is already looking to global talent and labour to maintain a competitive edge; and younger generations are growing up in a world in which international mobility, cross-border connections and global aspirations are increasingly commonplace. According to the representative from the International Catholic Migration Commission which also coordinates civil society representation at the Global Forum on Migration and Development, governments must find new avenues to engage with these groups.
- **Recognizing migrants as decision makers.** Following from the above, policymaking needs to take greater account of the fact that the power over migration decisions ultimately rests with individuals and households. Surveys, migrant-centred research, and other methods can introduce novel “bottom-up” consultation mechanisms. Engaging with diasporas networks through internet-based platforms, for example, can produce useful frameworks for States to develop policies in consultation with migrants.
- **Drawing in the private sector.** Involving the private sector in both home and host countries is increasingly being noted as an important step in building new strategies that enhance and sustain the benefits of migration. The role of employers and the private

sector in general in identifying labour needs, monitoring economic cycles, recognizing qualifications, organizing recruitment and protecting migrants' rights was underlined. A number of participants, however, also acknowledged problems that may arise where business practices are not sufficiently regulated, for instance, in recruitment or when a migrant's work permit is tied to one single employer.

- **Engaging different levels of government.** Migration policy need not be formulated exclusively at the national level. A number of countries reported good experiences in engaging with local governments in assessing labour needs and managing migration. In fact, some regions and cities actively seek to attract migrants to revitalize stagnating economies.
  - Under Canada's Provincial Nominee Programme, a province or territory can nominate persons who possess appropriate skills, education and work experience for permanent residence and immediate inclusion in the workforce.<sup>21</sup>
- **Increasing inter-State dialogue and regional collaboration.** Greater exchange of experiences and coordination of practices was favoured as a basis for further developing migration governance. In particular, cooperation between neighbouring countries in policy formulation can enhance regional capacities in managing migration, help integrate migration within broader regional economic dynamics, and bolster regional economies.
  - As part of regional integration in South America, MERCOSUR member countries opted for open and reciprocal migration policies to facilitate cross-border movement, reduce irregular migration and include migrants in the formal labour market and systems of social protection. Around the time of these reforms and possibly boosted by them, the Argentinean economy witnessed unprecedented levels of job creation and growing productivity which allowed for greater inclusion of both migrant and native workers into the formal economy.
- **Enhancing inter-ministerial coordination.** The complex relationships between migration, economic cycles and demographic factors require approaches which usually cut across the portfolios and expertise of a number of ministries and government agencies. Strong coordination between the areas of labour and employment, family and population, education and training, development, and migration and integration, to name a few relevant spheres of action, is fundamental in producing coherent policies.
  - Azerbaijan, now a destination country as well as a country of origin, took various steps to strengthen its capacities in the area of migration governance. To improve coherence and communication between the diverse migration-related ministries, Azerbaijan developed the State Migration Service (SMS) in 2007 which combined the Ministry of Internal Affairs and the Ministry of Labour and Social Protection. A migration information system was set up to facilitate information sharing between different ministries. The SMS allows for more effective coordination between central and local government structures as well with international and non-governmental organizations. The main purpose of the SMS is to analyse and

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<sup>21</sup> [www.cic.gc.ca/english/immigrate/provincial/index.asp](http://www.cic.gc.ca/english/immigrate/provincial/index.asp)

forecast migration trends, to create a database system on migration, and to promote international cooperation on migration.<sup>22</sup>

- **Forming broad partnerships with civil society, trade unions and the private sector.** Working in coordination with all parts of the labour market is central in devising crisis-resilient policies and can yield innovative solutions to multiple aspects of the issues at hand. Early and consistent consultation with these players can also smooth the implementation of and adherence to policies later on.
  - In the Swedish employer-led labour migration policy, trade unions are consulted during the review process by the Swedish Migration Board to ensure employment standards are respected, although trade unions do not have the power to veto the selection made by an employer.
  - Spain also reported on the strong role taken by social partners in the development of its 2004 migration policy, while acknowledging that it was a learning process for both the government and the social partners. For example, trade unions at the time were only starting to develop their positions vis-à-vis migrant workers in Spain.

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<sup>22</sup> <http://migration.gov.az/index.php?section=001&subsection=001&lang=en>

## CONCLUSION

Demography and demand for labour are among the two strongest forces acting upon contemporary global migration flows. Neither one, however, is a static or easily predictable variable, nor are they independent of each other. Instead, the interaction between population dynamics and disparities on the one hand, and economic fluctuations on the other hand, has a variety of impacts on migration, often mediated through changes in labour market needs and structures.

The second IDM intersessional workshop of 2011 strongly reaffirmed the notion that migration has become a structural factor in labour markets and economies around the world. Furthermore, its importance has been sharpened by demographic imbalances which are leading to greater competition among nations for labour. As a result, the workshop called for new approaches to better govern the global distribution of labour and talent in humane and effective ways. Migrants are not just factors of production and not mere figures in population statistics, but human beings endowed with talent, agency and aspirations, whose rights and well-being should remain firmly at the centre of any policy approach. Countries of origin and destination, in turn, need to build consensus on questions of migration governance and find collaborative mechanisms to balance their respective interests and needs.

The workshop discussions revolved around five areas of focus and action for policymakers and practitioners at national, regional, and international levels. The first area concerns primarily national policymaking and the recognition that synergies between migration policies and other domains yield the best results in addressing structural labour market issues. Migration is not a panacea in this respect, but works best in a policy mix with measures on labour force participation, support for families, education, and training. Secondly, circular and temporary forms of mobility were identified as promising options in relation to labour market needs, especially in areas of cyclical demand, but capacities and cooperation need to be reinforced to maximize the potential of these modalities. A third area for action entails enhanced investment in human capital, in particular in harnessing the skills and potential of migrants, while also recognizing their heightened vulnerability during times of economic downturn. Fourthly, governments need to strengthen knowledge, data, monitoring and evaluation capacities for labour markets, economic cycles and demographic trends (for instance, regarding assessments of the skill profiles available among native and migrant populations and barriers to labour market participation). Lastly, there are clear signs that unilateral and State-centric traditions in migration governance are giving way to more comprehensive and collaborative approaches that are inclusive of a variety of voices, but the process of building a global consensus on migration governance has only just begun.