

# **National Level Unilateral Approaches to Managing Movement and Temporary Stay of Workers**



# Managing Movement & Temporary Stay

- **No global system on labour migration**
- **Most temporary labour migration today:**
  - **Outside state-to-state agreements between countries of origin & destination**
    - **Definitions**
    - **Common features**
    - **Reasons for growth**
- **Most programmes to admit foreign workers:**
  - **Unilateral**
    - **Strengths**
    - **Weaknesses**



# Unilateral Approaches & Mode 4

## Understanding regulatory framework furthers Mode 4 discussions

Although schemes cover workers beyond scope of Mode 4  
(including sectors other than services)

- Their **experience, strengths and weaknesses** can provide valuable lessons for Mode 4
- Shows how **schemes focused on Mode 4 workers mesh with existing regimes**



# IOM Survey of Temporary Labour Migration Policies and Practices

## Contribute to GATS Mode 4 discussions by:

- **Assessing data sources:**

How much data on temporary movements is collected?

- **Surveying current national policies & practices on temporary entry of foreign workers**

- **Surveying current bilateral & regional agreements**

## Coverage:

**181 WTO and IOM member states and observers**



# IOM Survey of Temporary Labour Migration Policies and Practices

## Replies to the Questionnaire

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<b>Africa</b>	<b>5</b>
<b>Americas</b>	<b>6</b>
<b>Asia-Pacific</b>	<b>7</b>
<b>Central and Eastern Europe</b>	<b>5</b>
<b>Western Europe</b>	<b>5</b>
<b>Total</b>	<b>30</b>

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# Temporary migration trends

## Data Issues

- **Some countries (developing especially):**  
**Little or no data on temporary movements of labour**
- **Distinction temporary/permanent migration:**  
**Not always clear-cut**
- **“Temporary” entry:**  
**From 3 months to 5 years**
- **Temporary entrant:**  
**Many different categories**
- **Temporary entrants ► permanent migrants**  
**Type of entry does not indicate real length of stay**



# Temporary Work Schemes

## Common Features

- **Fixed-term employment contract for foreign workers**
- **One-year contract (or less) ties temporary worker to geographical area & employer**
- **Temporary worker must leave country on expiry of contract if contract not renewed**
- **Temporary contract may also prevent worker from changing employment**
- **Temporary workers often not entitled to family reunion**



# Entry regulations

## Migrant workers & protection of local workforce

- **Quotas/ceilings (country, regional or company)**
- **Labour Market Tests**
- **Use of economically oriented fees**
- **Individual labour market tests**
- **Regional/state level labour market tests**
- **Laissez-faire: relax or dispense with labour market tests and/or entry conditions/work permit regulations**





# Selecting foreign labour

## Recruitment System

### Demand-driven

- Aimed at high- & low- skilled
- Sponsorship duties  
(wage parity requirement,  
no adverse effect on  
local workforce)
- Restrictions on mobility  
and rights of migrant

### Supply-driven

- Aimed at high-skilled
- Points assessment
- Few sponsorship duties
- No restrictions on mobility  
fewer restrictions on rights



# National Policies Converge

## Main Trends

- **Main emphasis in developed countries:**  
**Recruitment of highly skilled,**  
**esp. IT and health sectors**
- **Among GATS Mode 4 movements:**  
**Fastest growth: mobility of**  
**intra-company transferees**
- **In developing countries, esp. Asia & Gulf:**  
**Temporary workers are mainly low and semi-skilled**  
**Kuwait: 500,000 of 700,00 foreign workers**  
**semi/low-skilled**
- **In OECD countries:**  
**Rise in no. of seasonal lower-skilled workers**  
**(e.g. US, Italy, Spain and the U.K.)**



# Growth in Temporary Labour Schemes

## Reasons

- **Development of info. & comm. technology:**  
**Increased demand for highly-skilled labour**
- **Free flow of trade in goods and capital:**  
**Increasing demand for employment  
& provision of training, expertise  
& services abroad**
- **Slow labour market adjustment:**  
**May cause shortages, esp. in  
low-skill occupations**
- **Ageing populations in some OECD countries:**  
**Mid-term, high demand for  
replacement labour**



# National Unilateral Approaches

## Strengths

- **Flexibility in adjusting to economic cycles**
- **“Trade commitments = predictability,  
Migration schemes = premium on flexibility”**
- **More acceptable to public opinion  
than policies of free movement**
- **Protection of:**
  - **Nationally important economic sectors;**
  - **Working conditions of national workers**



# National Unilateral Approaches

## Weaknesses

- **Difficult to select migrant workers in cost-effective manner**
- **Lack of predictability & transparency regarding regulations**
- **Many restrictions placed on temporary migrants:**
  - **Reduce availability of human capital resources;**
  - **Limit trade-led growth**
- **Limit ability of sending states to protect citizens abroad**
- **Difficult to enforce temporary stay of foreign workers**



# Conclusions

- **Demand for foreign temporary workers growing**
- **Factors driving increased immigration will not abate soon**

## Challenges facing policymakers:

- **Best manage growing temporary movement of persons**
- **Create appropriate temporary entry channels**

