



## United Nations Economic and Social Council

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### Informal Preparatory Meeting on the Theme of the 2006 High-Level Segment of ECOSOC

**"Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all, and its impact on sustainable development"**

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#### **Issues Note for Roundtable 6 on: "The challenge of globalization: labour migration"**

##### **I. Introduction**

1. Recent globalization trends have been characterized by the greater integration of global markets for goods, services and capital across borders while their impact on the cross border movement of people and labour remains much more restricted, regulated by immigration laws and policies that uphold the principle of state sovereignty.<sup>1</sup> Yet globalization has had important implications for international labour migration. It has facilitated the linkages of international labour markets through vast improvements in information and communications technology. The demand for high tech skills has expanded opportunities for mobility of skilled labour. At the same time, expanded trade would reduce the need for migration by creating jobs in source countries. Virtual mobility enabled by ICT has similarly promoted outsourcing and more jobs in source regions.
2. At the same time, globalization has also led to widening disparities of employment opportunities, incomes and living standards across the globe.<sup>2</sup> In some countries, globalization has adversely affected jobs and livelihoods in traditional sectors. The failure of globalization to create new jobs where people live is a prime factor in increasing migration pressures. *"When people cannot find work at home in their communities and societies they look elsewhere."*<sup>3</sup>

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<sup>1</sup> See WCSDG (2004), *A fair globalization: Creating opportunities for all*. World Commission on the Social Dimension of Globalization and International Labour Office, Geneva, February 2004.

<sup>2</sup> Ibid; ILO 2004. Report VI *Towards a fair deal for migrant workers in the global economy* International Labour Conference, 92<sup>nd</sup> Session 2004, ILO Geneva

<sup>3</sup> "Dealing with the Global Jobs Crisis", Opinion piece by Juan Somavia (Director-General of the International Labour Office) at the World Economic Forum, Davos (25 January 2006)

3. Each year millions of men and women leave their homes and cross national borders in search of greater security for themselves and their families. Most are motivated by the quest for higher wages and better opportunities, but some are forced to do so because of famine, natural disasters, violent conflict or persecution.<sup>4</sup> Labour migration has increasingly become a livelihood strategy for women and men because of the lack of opportunities for full employment and decent work in many developing countries. Almost half of the international migrants are women, now mostly migrating on their own and not as family members. In the face of numerous immigration barriers in receiving countries, an increasing proportion choose to, or are forced to migrate in irregular status which has been a cause of concern for the international community.
4. Most of the world's migrants are migrant workers – those who migrate for employment- and their families. In 2000 economically active migrants were estimated to number some 81 million, and with their families accounted for almost 90 percent of total international migrants estimated at 175 million. Refugees and asylum-seekers account for about 10 per cent of migrants.
5. Global economic, social, political and demographic trends indicate clearly that international labour migration is to increase in the future, and not decrease. Thus the challenge is how to manage migration in such a way that the positive effects are maximized, making it a win-win phenomenon for all concerned.
6. In addressing international labour migration under globalization in the context of a discussion on “Creating an environment at the National and International Levels conducive to generating full and productive employment and decent work for all”, four issues should be highlighted: migration and development linkages, protection of migrant workers, international cooperation, and the role of the international community.

## **II. Migration and Development**

7. There is increasing international recognition of the links between migration and development, partly triggered by the phenomenal rise in migrant remittances. The UN Secretary General's annual reports to the General Assembly on international migration and development have played a pioneering role in promoting this debate.
8. Labour migration can serve as an engine of growth and development for all parties involved: host and source countries and the migrant workers themselves. In receiving countries, it has rejuvenated workforces, rendered economic many traditional sectors like agriculture and services, supported pension schemes, and met the demand for skills for emerging high tech industries. In the developing regions where they come from, positive contributions of migration are reflected in remittance flows, transfer of investments, technology and critical skills through return migration and transnational communities (Diasporas)<sup>5</sup>. In its report, *Global Economic Prospects 2006*, the World Bank predicted large gains in real income to destination and origin countries if the labour force of high-income countries were to be increased even by a modest level (3 percent by 2025) through migration.<sup>6</sup>

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<http://www.ilo.org/public/english/bureau/dgo/speeches/somavia/2006/davos.pdf>

<sup>4</sup> *Towards a fair deal for migrant workers in the global economy, op. cit.*

<sup>5</sup> ILO (2004), *A fair deal for migrant workers, op. cit.*; IOM (2005). *World Migration Report 2005: Costs and benefits of international migration*, IOM, Geneva.

<sup>6</sup> See World Bank, *Global Economic Prospects 2006, Economic Implications of Migration and Remittances*, Washington, D.C

9. Recorded remittances are now more than double the level of ODA, and have caught up with FDI flows. The World Bank estimates total remittances of about \$250 billion if informal flows are also included. Remittances have increased from \$31 to \$170 billion between 1990 and 2005, and by 73 per cent between 2001 and 2005. The volume of remittances sent to Asian and Latin-American regions has risen faster and represented over seventy per cent by 2005, while the inflow of remittances to the Sub-Saharan region has risen more slowly, and remained at only five percent of the flows to developing countries during the 1990s.
10. For some countries migrants' remittances constitute the main source of foreign exchange. The World Bank has described remittances as "*an important and stable source of development finance*". Increasing attention should be focused on reducing transfer costs of remittances, motivating greater transfers through the formal mechanisms, and mobilizing migrants' savings through financial intermediation. Yet it has to be stressed that remittances are private household transfers, and should not be viewed as a substitute for overseas development aid or FDI.
11. One important source of concern is the growing emigration of skilled persons from developing nations – the brain drain - which can have dire consequences for sustainable development in developing countries, especially the LDCs. Many countries, especially in Africa, can no longer maintain adequate public health services because of the exodus of health workers attracted by much better prospects abroad. At the same time there are many barriers to movement of low and semi-skilled persons, in which developing countries have a surplus, despite observed labour market demand for such workers in many receiving countries.
12. Temporary labour migration schemes have become increasingly popular in a number of receiving countries including those which traditionally welcomed settlement migration. These programmes open up more legal migration avenues and promote opportunities for circular migration – a mutually beneficial situation. Such schemes also can create opportunities for the deployment of low skilled workers as in seasonal worker programmes. They thus help in reducing irregular migration as well. The temporary movement of service providers under Mode 4 (movement of natural persons) of the General Agreement in Trade in Services has much potential in promoting temporary and circular migration. Current services trade negotiations under the WTO GATS (which covers all skill levels and occupational categories) can play an important role in liberalising Mode 4 commitments of developed countries to reap such benefits.
13. The following issues merit particular discussion in this respect.
  - What mechanisms can be developed for ensuring a more equitable distribution of benefits from international labour migration? This may involve policy interventions to monitor recruitment and promote ethical recruitment practices, to promote investments in critical skills, ensure recognition of skills, and to facilitate remittance flows, among others.
  - How can states develop the basis for cooperation to realize the potential for making labour migration a win-win phenomenon? How can current WTO negotiations to promote liberalization of the movement of temporary service providers (under Mode 4 of GATS) contribute in this respect?
  - What policies are needed to promote circular migration, return of skills and diaspora contributions? The roles of source and host countries need to be identified. How can migration and development policy agendas be better coordinated and what role can training play in this process?

- What policies can be promoted to generate productive employment and decent work in origin countries to reduce migration pressures?

### III. Protection of migrant workers

14. Despite the positive experiences of many migrant workers, a significant number face undue hardships and abuse in the form of low wages, poor working conditions, virtual absence of social protection, denial of freedom of association and workers' rights, discrimination and xenophobia, as well as social exclusion. These developments erode the potential benefits of migration for all parties, and seriously undermine its development impact. The most vulnerable workers to abuse of human and labour rights are women migrant workers, especially domestic workers, migrant workers in irregular status and trafficked persons. Low skills add to their vulnerability while skilled workers are better able to protect themselves.
15. Migrant workers can make their best contribution when they enjoy decent working conditions, and when their fundamental human and labour rights are respected in the host countries. Labour migration policies need to be supported by measures to prevent abusive practices and promote decent and productive work for women and men migrants. Such policies should also aim at eradicating all forms of discrimination and gender inequality and at tackling other vulnerabilities. The disruptive impact of women migration, especially mothers, on the family unit and on children and the social costs of such migration should also be addressed. The growing commercialization of migration processes makes it urgent to establish effective supervision and regulation of the activities of private recruitment agencies.
16. The proliferation of temporary migration schemes should not lead to the curtailment of the rights of migrant workers. Negotiations on the movement of temporary service providers under WTO GATS Mode 4 need to take into account protection of the rights of temporary service providers.
17. Integration is among the most difficult challenges raised by international labour migration today. Poor integration of migrants in host societies reflected in high unemployment rates of migrant workers, lack of recognition of their skills and experience, serious employment problems faced by second generation migrants, and high levels of discrimination and growing xenophobia. The growth of temporary labour migration in many parts of the world poses special problems about integration.
18. International instruments still constitute the most important building blocks for the protection of migrant workers at the international level. The two ILO Conventions on migration—the ILO Migration for Employment Convention, 1949 (No. 97) and the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143)—together with the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families provide a comprehensive legal framework for migration policy and practice covering most issues of treatment of migrant workers and of inter-State cooperation on regulating migration. The draft ILO multilateral framework has drawn upon these and other international instruments and best practices to compile a set of principles, guidelines and best practices on labour migration policies to guide countries.<sup>7</sup>

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<sup>7</sup> ILO (2005). Draft ILO Multilateral Framework on Labour Migration: Non-binding principles and guidelines for a rights-based approach to labour migration - Adopted by the Tripartite Meeting of Experts. Geneva, Tripartite Meeting of Experts, 31 October to 2 November 2005, Geneva, International Labour Organization. (This document will be submitted to the GB March 2006 session.)

19. The following issues deserve particular attention:

- What measures and policies are needed to protect migrant workers under temporary schemes including GATS Mode 4 commitments?
- How can migration policies be adapted to address the special needs of women migrant workers?
- How can states be encouraged to ratify migrant workers instruments and draw upon their principles in formulating migration policies?
- What are good practices and effective approaches to integrating migrant workers and their families?

#### **IV. International cooperation and multilateral approaches to managing migration**

20. While states have the sovereign right to determine their own migration policies, closer cooperation among them, such as through bilateral agreements and multilateral treaties, can contribute towards more effective labour migration processes and promoting of employment leading to poverty reduction. As the UN Secretary-General stated: *“Only through cooperation – bilateral, regional, and global – can we build the partnerships between receiver and sender countries that are in the interests of both; explore innovations to make migration a driver of development; fight smugglers and traffickers effectively; and agree on common standards for the treatment of immigrants and the management of migration.”*<sup>8</sup>
21. Regional and bilateral cooperation can facilitate the development of policies and programmes that can benefit concerned governments, and migrant workers by providing effective protection and support services to migrant workers and their families; foster economic and social development; and promote legal forms of labour mobility as an alternative to irregular migration. Regional Consultative Processes including the inter-agency International Migration Policy Programme have emerged as a useful framework to address issues related to labour migration, technical capacity building, awareness raising, information exchange, and cooperation and consultation amongst governments. It would be useful to broaden them to include social partners and civil society organizations where it is already not provided for.
22. There is increasing convergence of ideas on the need for a multilateral framework to govern international labour migration. The report of the World Commission on the Social Dimension of Globalization, the activities of the Geneva Migration Group, the International Agenda for Migration Management of the Berne Initiative, the IOM International Dialogue on Migration, the report of the Global Commission on International Migration and the ILO Resolution on Migrant Workers (International Labour Conference 2004) have underlined the need for such a framework to maximize the potential benefits of labour migration and minimize its drawbacks. The non-binding ILO multilateral framework on labour migration addresses issues of governance, protection and development, and provides a useful tool kit for guiding labour migration policy. The International Organization for Migration has also been active in exploring and supporting the potential for the development of a fair migration governance framework and enhancing the positive impact of migration on development. Efforts to liberalize international trade in services through the temporary movement of natural persons, at the multilateral (GATS), regional and bilateral levels, also

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<sup>8</sup> UN Secretary-General's address to the European Parliament, 2004, op.cit.

can contribute to a global regime aimed at maximizing the benefits of labour migration. UNCTAD has provided analyses and technical assistance to build consensus at the international level on temporary migration, trade and development.<sup>9</sup>

23. The following issue needs to be highlighted.

- How can multilateral, regional and bilateral cooperation be promoted to ensure equitable sharing of gains from migration consistent with the protection of rights of migrant workers? The role of service trade negotiations may also be considered in this regard.

#### **V. Role of the international community**

24. The High Level Dialogue on International Migration and Development of the General Assembly of the United Nations to be held in September 2006 will create a unique opportunity to discuss the possibility of a multilateral cooperative framework encompassing the key issues of the facilitation of labour migration, and its linkage with development and protection of migrants, building upon recent international initiatives.

25. The following issues should be addressed:

- How can UN agencies, the donor community and other concerned organizations help member states in ensuring equitable sharing of benefits of migration – through capacity building for better management of migration programmes, information generation, promoting migration-development linkages, exchange of experiences and ‘best practices’ between regional consultation processes, and promotion of multilateral approaches?
- What can the international community do to ensure coordination and coherence between migration and development policy agendas, and capacity building and training policies and measures?

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<sup>9</sup> See for example UNCTAD reports on "Trade and development aspects of professional services and regulatory frameworks" (TD/B/COM.1/EM.25/2), and "Increasing the participation of developing countries through liberalization of market access in GATS mode 4 for movement of natural persons supplying services" (TD/B/COM.1/EM.22/2).