

**DECENT WORK**

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International  
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# ILO-WB partnership on measuring recruitment costs: progresses on SDG indicator 10.7.1

## Fifteenth Coordination Meeting on International Migration

United Nations Headquarters New York  
16-17 February 2017

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# Context of migrant worker recruitment

- 150 million migrant workers
- Factors limiting positive effects of migration



- High cost of labour migration, including recruitment fees, for low-skilled migrant workers
- Risk of trafficking and forced labour
- Limited labour market integration - discrimination, low quality employment and/or exploitation
- Underutilization of skills - skills recognition and skills matching



# International initiatives

**SDG 8.8:** Protect labour rights and promote safe and secure working environments for all workers, **including migrant workers**, in particular women migrants, and those in precarious employment

**SDG 17:** the need for better quality data

**SDG 10:** Reduce inequality within and among countries

- **10.7.1** Recruitment cost borne by employee as a proportion of yearly income earned in country of destination
- **10.c.1** Remittance costs as a proportion of the amount remitted

## ILO General Principles and Operational Guidelines for **Fair Recruitment**

International Recruitment Integrity System (IRIS)

International initiatives to reduce remittance costs

The UN Global Compact (2018)

**8** DECENT WORK AND  
ECONOMIC GROWTH



**10** REDUCED  
INEQUALITIES





# Building the evidence base

## Measuring SDGs on labour migration and recruitment

- ILO Global estimates on migrant workers (2015)
- ICLS Resolution IV (2013) concerning further work on labour migration statistics
  - ILO convening experts **working group** to define **international standards on labour migration statistics**. Main tasks:
    - Recommend statistical concepts and definitions
    - Contribute to 2018 ICLS discussion on development of global international concepts and standards
- ILO/WB surveys on labour migration and recruitment costs
- ILO/WB custodians to develop methodology and testing for measuring SDG 10.7.1 on recruitment costs



# WB/ILO KNOMAD methodology to measure recruitment costs

- Recruiter /Job broker charges
- Visa costs
- Inland transportation expenses
- International transportation
- Passport fee
- Medical fee
- Insurance fee
- Security clearance fee
- Pre-departure briefing
- Language training
- Skills assessment fee
- Contract approval fee
- Exit approval fee
- Welfare fund fee
- Employer recruitment costs deducted from salary
- Debt repayments

**Note: there is not global definition of recruitment costs and fees, key for statistical purposes (SDG 10.7.1)**

# Worker-paid recruitment fees origin-destination countries relative to earnings at destination ILO/WB/KNOMAD



Destintion	Origin	Total recruitment costs		Average monthly earnings in destination (US\$)
		Average (US\$)	In months of earnings in destination (averages)	
Saudi Arabia	<b>Pakistan</b>	<b>4,395</b>	<b>10.6</b>	<b>469</b>
	Ethiopia	991	3.6	340
Qatar	India	1,149	2.0	592
	Philippines	480	1.1	469
	Nepal	1,054	3.3	339
Kuwait	<b>Bangladesh</b>	<b>3,136</b>	<b>9.0</b>	<b>347</b>
	India	1,248	2.5	494
	<b>Sri Lanka</b>	<b>319</b>	<b>0.9</b>	<b>339</b>
UAE	Pakistan	2,351	7.2	394
Spain	Bulgaria	201	0.2	1,300
	Ecuador	1,032	0.8	1,300
	Morocco	333	0.3	1,300
Korea	Indonesia	1,506	1.3	1,200
	Thailand	1,466	1.2	1,200
	Vietnam	1,582	1.3	1,200

# Costs due to deficiencies in conditions of work



Preliminary findings of ILO/WB survey



## Salary losses

- **24% of migrant workers experienced losses due to wage problems,** because they **received wages lower wages than those promised** before departure, or due to unforeseen deductions
- **14.7% of migrant workers** did not receive wages on time

## Contracts and OSH

- **30% of migrant workers:**
  - **Did not have contract** prior to departure
  - health-related problems, of which about **one in nearly seven had serious work-related injuries** – far above national averages
- 28% -- Did not have contract** prior to departure

## Working time/rest

- **25% of migrant workers**
  - reported systematically **not having any rest day per week**
  - the avg. number of **weekly hours is 71**, with sizeable gender disparities



# Measuring progress

## SDG 10.7.1 measurement methodology

- Aim of ILO/World Bank initiative is to work with national statistical agencies to develop a *recruitment cost indicator* (10.7.1) that can be actively monitored under SDG agenda.
- **2017 activities:**
  - Assessing existing methodology at national level -- first assessment report by end of April on experience in collection of the data (end April 2017).
  - Review existing definition(s) on migration and recruitment costs, update the definition -- second report with proposed questionnaire for stand-alone and a modular household survey and/or establishment surveys on measuring recruitment costs (end of May/June 2017).
  - Draft methodology on the collection of recruitment cost data through national surveys, including a sampling methodology for reliable national statistics, (end of June 2017; and
  - Final Methodology (end-September 2017).

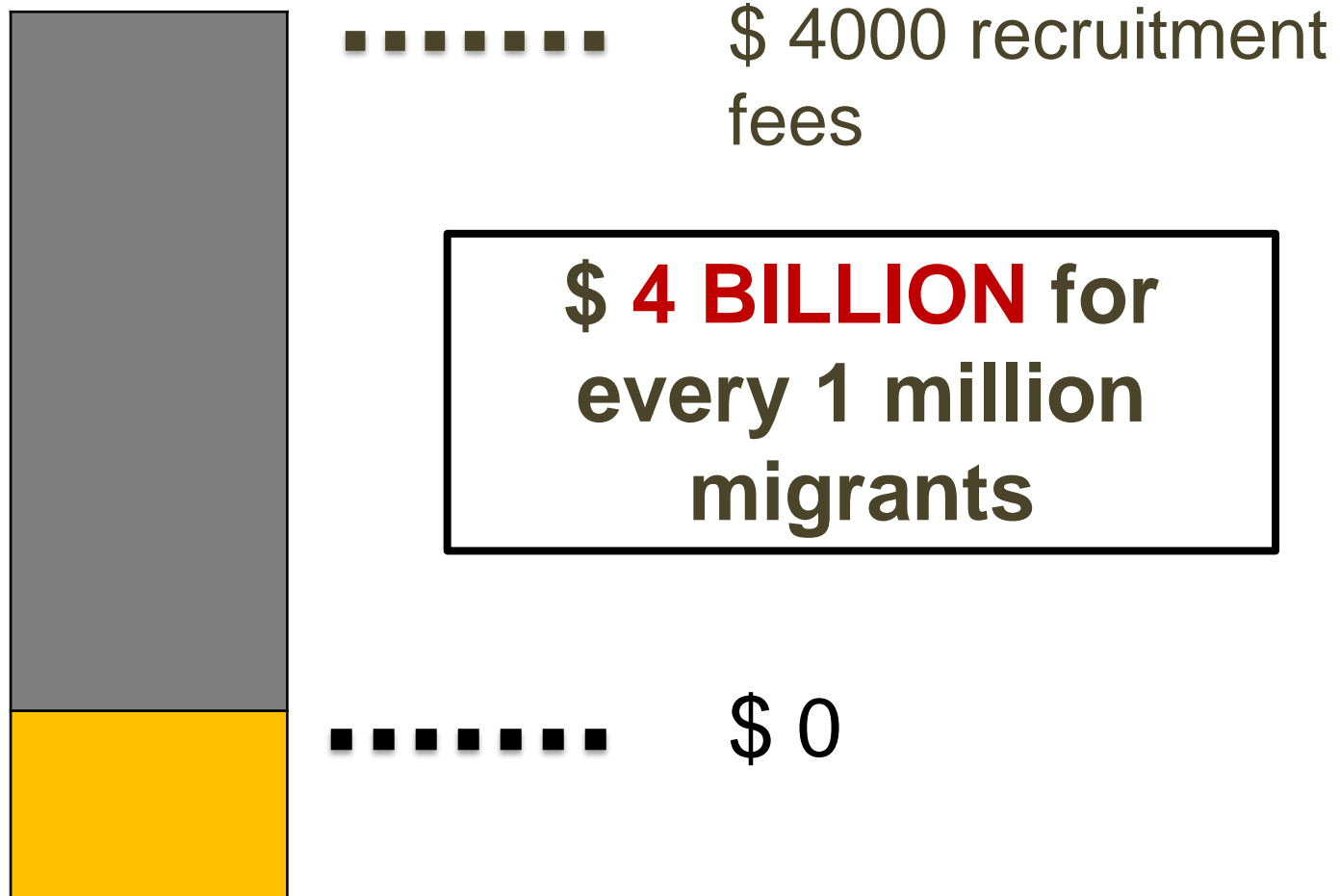


# Methodological questions



- **Coverage in migrant characteristics:**
  - Low skilled migrant workers /sector specific?
  - Short term and/or long term?
  - Migrants admitted past 3 years?
  - Regular or irregular?
- **In which migration corridors to test the methodology?**
- **Where to survey migrants – origin or destination countries?**
- **Survey households or establishment?**
  - Households based: more detailed interviews possible but harder to obtain accurate sampling frame
  - Establishment based: preferably with employees
- **Minimum sample size?**
  - Sufficient to capture gender differences and stratification by employment sectors (agriculture, construction, domestic work, services)
- **What statistics to present?**
  - Mean, median or focus on upper tail of cost distribution (e.g 4<sup>th</sup> or 5<sup>th</sup> quintile)

# Reducing recruitment fees





# Examples of policies to reduce migration costs

## *ILO's Fair Recruitment Initiative and Guidelines*

- **Zero recruitment fees** and related costs for workers
- **Equal treatment** in employment and working conditions
- **Bilateral agreements** to insulate employment contracting from influence of intermediaries
- Increase **labour market information**
- More scope for **direct recruitment**
- Rules requiring **transparency** in transactions
- Minimize regulations and red tape, including through **online / e-governance** processes
- Enforce stiff penalties for selling visas



# ILO constituents voice in consultations on the Global Compact on migration

*General Discussion on Labour Migration in Relation to Governance at National, Bilateral and Regional Level and Fair Recruitment, June 2017*



Inform GCM clusters on standards and good practices  
On decent work and labour mobility, recruitment, skills recognition, social protection and good governance



Thank you!

**[www.ilo.org](http://www.ilo.org)**

***Fair Recruitment Guidelines***

**[http://www.ilo.org/global/topics/fair-recruitment/WCMS\\_536755/lang--en/index.htm](http://www.ilo.org/global/topics/fair-recruitment/WCMS_536755/lang--en/index.htm)**

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