EXECUTIVE SUMMARY

1. This is the final paper in a series of four background papers drafted to support preparatory round tables organized to help prepare Permanent Missions at United Nations (UN) Headquarters for the 3-4 October 2013 UN High Level Dialogue on International Migration and Development. Its focus is ‘International and Regional Labour Mobility and its Impact on Development’.

2. Over 50 percent of the world’s migrants are economically active. While there are regional variations, regional labour mobility as a whole comprises an increasing proportion of international labour mobility.

3. The main driver of labour mobility at the international and regional level is the interaction of economic differentials and demographic trends. This interaction is likely to prompt more labour mobility in the coming years: On the one hand the labour force in the developing world is predicted to expand significantly and at a faster rate than employment will be created; while on the other hand the demand for migrant labour in the developed world is likely to increase as a result of demographic trends. A significant policy challenge is to match the supply of and demand for labour at regional and global scales.

4. There is no global mechanism for managing labour mobility. A significant proportion takes place as a result of bilateral agreements, although often such agreements are incompletely implemented and sometimes they do not fully respect the rights of migrant workers. Regional agreements are expected to become increasingly significant in promoting and facilitating regional labour mobility, but they also are currently not as effective as they might be in promoting labour mobility.

5. The impact of labour mobility on development is already significant at the individual, family, community, sub-regional, national, regional, and global levels.
6. In order fully to realize the developmental potential of labour mobility, a comprehensive policy approach is required, including: ensuring regular, orderly and safe labour migration; reducing labour migration costs including by ensuring ethical recruitment processes; reducing the costs of remittances; strengthening bilateral and regional labour mobility agreements; leveraging labour mobility for development; engaging private and other non-governmental stakeholders; and improving data and research.

7. Protecting migrant workers rights is integral to realizing the full development potential of labour mobility.

1. INTRODUCTION

This is the final paper in a series of four background papers drafted to support preparatory round tables organized to help prepare Permanent Missions at United Nations (UN) Headquarters for the 3-4 October 2013 UN High Level Dialogue on International Migration and Development. Together these four papers reflect the topics agreed for the round tables at the High level Dialogue.1 All four papers present a concise review of recent research, thinking, and policy developments; identify concrete recommendations and priorities as appropriate; and are supported by a targeted list of references and key sources to enable further information-gathering and analysis as required. They are intended to provide the basis for discussion and debate at the preparatory round tables, and thus identify key questions for discussion. Where appropriate cross-references are provided to earlier background papers in this series, which are available at: http://unobserver.iom.int/index.php/hld-series.

This paper focuses on ‘International and Regional Labour Mobility and its Impact on Development’, and is structured in four main parts. First, the paper provides a brief overview of recent international and regional labour mobility, including numbers and trends at the global and regional levels, the main current and future drivers for labour mobility, and the role of bilateral and regional agreements and processes in managing labour mobility. The second part of the paper establishes the linkages between labour mobility and development in both origin and destination countries as well as at the regional and global levels. The third part of the paper then turns to policies to enhance the developmental impacts of labour mobility at all levels. A final substantive section is devoted to protecting the rights of labour migrants, in recognition that rights are integral to realizing their potential for development.

2. INTERNATIONAL AND REGIONAL LABOUR MOBILITY

2.1. Global and regional trends

According to the International Labour Organization (ILO) over 50 percent of the estimated 214 million international migrants in the world today are economically active – and the figure is closer to 90 percent if their family members are also counted.2 The labour market profiles of international migrants are becoming increasingly diverse: for example almost half of the world’s international migrants of working

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2 ILO (2013)
age (15-59) are women, who increasingly are migrating for employment in their own right; while those aged between 18 and 29 are the most mobile among people of all ages.

Accurate data on labour migration flows are largely unavailable, especially in regions with high levels of irregular migration. But drawing on general global figures for regional migration, it can be safely assumed that regional labour mobility is significant. In 2010 it was reported that about 73 million international migrants who were born in the South were residing in the South, whilst around 80 percent of South-South migration has been estimated to take place between countries that share a common border. The vast majority of these migrants move for work. But there are also significant regional variations - in some regions (for example Africa, the Americas, and East Asia) labour mobility takes place predominantly within the region; whereas the majority of labour migrants in Europe and the Middle East, for example, originate outside the region.

The majority of labour migrants who have moved within Africa have done so within their own regions. In West Africa, for example, progress in the application of the Economic Community of West African States (ECOWAS) Protocol on the Free Movement of Persons and the Right of Residence and Establishment has promoted regional labour mobility there, while labour mobility within Southern Africa has been promoted by the Southern African Development Community (SADC). Labour migration in the Americas (including North and South America) also occurs overwhelmingly between countries in the region. According to Census 2000 data the USA hosts over two thirds of Latin American and Caribbean emigrants and over 70 percent of Canadian emigrants. Migration towards Latin America and Caribbean countries is dominated by corridors between bordering countries – from Bolivia, Chile, Paraguay and Uruguay to Argentina; from Colombia to Venezuela; and from Nicaragua to Costa Rica. Labour mobility is also a significant trend in the Association of Southeast Asian Nations (ASEAN) region, comprising Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

Mobility within the European Union (EU) is relatively low, despite the high level of market integration. Free movement of labour is a right of all citizens and should allow them to move to where there is work available. Currently, however, only about three percent of working-age EU citizens live in a different EU country. Instead migration from outside the EU is much larger, with non-EU nationals accounting for about five percent of the working-age population in the EU. Nevertheless, the data do indicate that the recent EU enlargements (in 2004 and 2007) have boosted worker mobility. The Middle East is one

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4 UNDESA (2011)
5 UNDESA (2012)
6 Ratha and Shaw (2007)
7 UNDESA (2012)
8 World Bank (2011)
9 OECD (2009)
10 DRC (2007)
11 IOM (2010)
12 EU (2010)
13 OECD (2012)
of the fastest-growing destinations for labour migration worldwide. Within the region the main destinations are the Gulf Cooperation Council (GCC) countries and Israel; while very significant numbers of labour migrants from outside the region – and particularly from the Indian sub-continent– arrive in GCC countries each year. Finally, Oceania is the region with the highest proportion of international migrants. Around half of this migration is intra-regional. Emigration to destination countries outside the region is largely directed towards the USA and UK.

2.2 Drivers of labour mobility

At both the global and regional levels, there are two main underlying drivers for labour mobility (these are accelerated by other factors including the segmentation of labour markets in advanced economies, social networks, and revolutions in communications and transportation). The first driver can broadly be defined as disparities in development – on the whole international migrants move from poorer to richer countries or regions.\(^\text{14}\) Analysis of intra-regional migration in West Africa, for example, highlights the significance of economic disparities between and within states in that region in determining the scale and direction of labour flows, and explains why two thirds of labour migrants in the region are working in Nigeria, Ghana, and Cote d’Ivoire. Similarly South Africa and to a lesser extent Botswana are the main regional destinations for labour mobility in Southern Africa. In the EU one of the main drivers for cross-border labour mobility is income differentials, and movements show a strong correlation with relative GDP per capita. Patterns of labour mobility during and after the 2009-10 global financial crisis were also largely determined by differentials in job opportunities.\(^\text{15}\)

A second factor driving international and regional labour mobility over the past decade has been demographic trends, which are often interdependent with economic cycles. Often migration flows can be explained by demographic imbalances reflected in labour force surpluses and deficits; for example high levels of youth unemployment are driving migration patterns within and out of Europe at the moment. From a policy perspective it is important that while economic cycles and demographic change may be interdependent, they react to different stimuli and involve different actors: for instance, demographic trends are largely determined by personal choices and social norms, while economic cycles follow the logic of markets, demand and supply.\(^\text{16}\)

Further complexity is added when taking into account that migration not only responds to economic cycles and demographic trends, but can also influence them. Migration can energize economic upswings and promote recovery after a crisis. In addition, migration is already the principal driver of population growth in many countries, although the long-term demographic outcomes of migration vary depending on the size and duration of migration flows, the composition of the migrant population and on whether movement is temporary or permanent.\(^\text{17}\)

\(^\text{14}\) GCIM (2005)  
\(^\text{15}\) Koser (2011)  
\(^\text{16}\) IOM (2011)  
\(^\text{17}\) IOM (2011)
This complex interaction of demographic trends and economic cycles is expected to prompt more labour mobility in the coming years.\(^{18}\) The labour force in less developed countries is expected to increase from 2.4 billion in 2005 to three billion in 2020 and 3.6 billion in 2040.\(^{19}\) At the same time employment is expected to stagnate in many parts of the developing world,\(^ {20}\) because of factors such as structural unemployment, agricultural intensification, and industrial restructuring. These combined effects are likely to lead to a growing labour surplus in many developing countries, and demands for greater access to labour markets in the developed world and emerging economies.

At the same time the labour force in more developed countries is projected to remain at about 600 million to 2050.\(^ {21}\) While demand for migrant labour is likely to grow across much of the developed world in the short term, for example in response to the combined effects of low fertility and population ageing, as well as in emerging economies, it will not be at a level sufficient to meet the excess supply of labour in developing countries. Furthermore the demand for migrant labour is likely to be selective, including a focus on migrants with skills in short supply in destination countries (for example in healthcare), and on highly-skilled migrants and students. In addition, alternative or complementary strategies, such as increasing the capital- or technology-intensity of production, relocating to countries where labour costs are lower, increasing the working time of currently employed workers, recruiting inactive workers, increasing female labour market participation, higher retirement ages, and switching to less labour-intensive services, are all trends that may limit the demand for migrant labour in some developed countries and emerging economies. Demand for labour in economically advanced countries at the lower skills level is expected to increase due in part to the increase in education levels of the native population.

### 2.3 Managing labour mobility

Future drivers for labour mobility will only exacerbate one of the primary policy challenges confronting labour mobility, namely how to match the supply of and demand for labour at a regional and global level.\(^ {22}\) Currently, there is no global mechanism for matching labour supply and demand, and labour mobility is largely managed at the bilateral and regional level.

At the bilateral level, labour mobility agreements have been identified as a promising mechanism for ensuring that the potential benefits of migration accrue both to origin and destination countries, as well as to migrants themselves. While some countries recruit labour on the basis of Memoranda of Understandings (MoUs), the majority now rely on bilateral agreements. The main difference between the two is that bilateral agreements are legally binding. There has been a significant increase in bilateral agreements in recent years. The reason that increasing numbers of countries are signing bilateral labour agreements is that they offer an effective method for regulating the recruitment and employment of foreign workers; they allow for greater state involvement in the migration process; they can be tailored

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\(^{18}\) IOM (2010)  
\(^{19}\) Martin (2009)  
\(^{20}\) ILO (2009)  
\(^ {21}\) IOM (2010)  
\(^ {22}\) IOM (2010)
to the specific supply and demand characteristics of the origin and destination countries; and they can provide effective mechanisms for protecting migrants.\textsuperscript{23} At the same time it has been noted that many bilateral agreements have not actually been implemented; while some bilateral agreements have been criticized for not paying due attention to the rights of migrants.

There is a multitude of regional organizations, associations and agreements, which pursue regional economic integration, including the Caribbean Community (CARICOM), the Central American Common Market (CACM), North American Free Trade Agreement (NAFTA), and the Southern Common Market (MERCOSUR) in the Americas and the Caribbean; the African Union (AU), the Common Market for Eastern and Southern Africa (COMESA), the Community of Sahel Saharan States (CEN-SAD), the East African Community (EAC), the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS), the Intergovernmental Authority on Development (IGAD), the Southern African Development Community (SADC), and the Maghreb Arab Union (UMA) in Africa; the Association of Southeast Asian Nations (ASEAN), the Pacific Islands Forum (PIF), and the South Asian Association for Regional Cooperation (SAARC) in the Asia-Pacific region; Benelux, the Commonwealth of Independent States (CIS), the Council of Europe (COE), the European Free trade Association (EFTA), NORDIC, the European Union (EU), the Eurasian Economic Community (EURASEC), the Organization for Democracy and Economic Development (GUAM), and the Economic Cooperation Organization (ECO) in Europe, Russia, and Central Asia; and the Gulf Cooperation Council (GCC) and League of Arab States (LAS) in the Middle East and Gulf regions. On the whole these bodies focus on regional integration in the context of trade in goods and services, and so their migration focus is on facilitating highly-skilled and business mobility. Some also pursue the free movement of labour.

Potentially such regional agreements may become an increasingly important focus for intergovernmental cooperation on migration management.\textsuperscript{24} One reason is that a significant proportion of global migration takes place at the regional level, as indicated above. Second, it is suggested that regional agreements are often easier to reach than global or multilateral frameworks – due to the smaller number of states and especially where they are at a roughly comparable level of economic development. In addition regional agreements may have certain advantages over bilateral agreements, especially as the latter usually do not envisage free movement.

Equally regional agreements entail certain weaknesses.\textsuperscript{25} First, their scope, range of activities, institutional arrangements, membership, and internal procedures vary considerably.\textsuperscript{26} Second, the extent to which such processes have implemented ambitions to promote regional labour mobility is in most cases limited. In the context of Southern Africa, for example, the 2005 SADC Protocol on the Facilitation of Movement of Persons, although now signed by a majority of member states, has only been ratified by four, which is far from the required two thirds for it to come into effect.\textsuperscript{27} Third, there

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\begin{itemize}
\item \textsuperscript{23} OECD (2004)
\item \textsuperscript{24} Deacon (2013)
\item \textsuperscript{25} Popp (2010)
\item \textsuperscript{26} http://www.cris.unu.edu/riks/web/.
\item \textsuperscript{27} Dodosn and Crush (2013)
\end{itemize}
have been concerns that in some cases regional initiatives do not fully incorporate the rights of labour migrants,\(^{28}\) and one reason is that different member states to regional processes have different national legislation on migrants’ rights (for example not every member of EAC has ratified the UN Convention on the Protection of the Rights of All Migrant Workers and Members of their Families).

Of all the regional initiatives that pertain to labour mobility, the provisions of the EU are the most advanced, and yet as observed above labour mobility within the region is still relatively low. Europe’s diversity has been cited as one reason for low cross border mobility, especially linguistic diversity as national languages play a dominant role in everyday life.\(^{29}\) There are also administrative obstacles to greater mobility. The legal rights enshrined in the Single Market are not always implemented in national laws or effectively enforced. The system for mutual recognition of documents (for example civil status documents) remains relatively weak – although a recent Green Paper published by the European Commission (EC) has proposed streamlining procedures.\(^ {30}\) Mobility is also hindered by the loss of pension entitlements, inaccessibility of certain public sector jobs, and differences in national regulations of professional qualifications. Housing policies may also be a factor, especially housing regulations and taxes on property transactions. It has also been found that cross-border information about job vacancies remains scarce in the EU.\(^ {31}\)

Furthermore, it has also been demonstrated that EU mobile workers tend to be over-qualified for the jobs they end up doing (and this is an observation that applies in other regional contexts too).\(^ {32}\) This is especially pronounced for workers from EU12 countries (Belgium, Denmark, Germany, Ireland, Greece, Spain, France, Italy, Luxembourg, the Netherlands, Portugal and the UK) but also applies to workers moving from one EU15 country (EU12 plus Austria, Finland, and Sweden) to another more generally. In contrast, migration from outside the EU has been found to be important for filling labour market gaps, particularly in low wage and low skill sectors, where the supply of native workers has been reduced by increasing educational attainment and the overall decline in the size of youth cohorts.\(^ {33}\)

Finally, as regards the management of labour mobility, it is worth noting the emergence of increased dialogue and cooperation between blocs of states. The EU has been a central player in many of these partnerships, in particular by developing mobility partnerships with major migrant sending regions and countries.

3. THE IMPACT OF INTERNATIONAL AND REGIONAL LABOUR MOBILITY ON DEVELOPMENT

Labour mobility impacts development in numerous ways and at a variety of levels. As explained in more detail in the first background paper in this series, most fundamentally migration can contribute to human development.\(^ {34}\) Through migration individuals can find work, increase their incomes, improve their standard of living, enhance their potential for example through better education, and secure their

\(^{28}\) Cernadas (2013)
\(^{29}\) Monti (2010)
\(^{30}\) EC (2011)
\(^{31}\) OECD (2012)
\(^{32}\) OECD (2012)
\(^{33}\) [http://www.labourmigration.eu/](http://www.labourmigration.eu/)
future. Remittances sent home by migrants, in turn, can lift individuals, families, and communities out of poverty, reduce and insure against future risks, contribute to human capital formation, increase access to education and health, and promote the empowerment of women. Equally it is important not to underestimate that labour migrants may be exposed to the risk of exploitation, underemployment and unemployment, deskilling, and so on.

Labour mobility also contributes to national development. In countries of origin, remittances sent home by labour migrants can help achieve national development goals and a positive fiscal balance, and provide resilience against natural disasters, conflict and economic downturns. Foreign employment can alleviate local unemployment and bolster wages, particularly among growing numbers of youth. The knowledge, skills, professional contacts and funds acquired abroad can assist an origin country to develop existing or niche economic sectors, strengthen exports and encourage foreign direct investment. Returning migrants can make invaluable contributions to critical human resource sectors, such as education and health care, often bringing investments, stimulating job creation, and applying market perspectives to better meet the needs and interests of the poor.

For countries of destination with aging populations and expected negative population growth, migrant workers may help meet critical labour shortages and enable the national economy to gain in efficiency, thereby lowering product costs for domestic consumers and enhancing the competitiveness of exports. Inward labour mobility may lessen recourse to outsourcing, which can reduce overall local job losses. And despite concerns to the contrary, evidence shows that migration has a minimal negative effect on wages and employment in host countries. Where properly managed labour mobility can therefore contribute to strategies to ensure the dynamism, flexibility and competitiveness of the economies in destination countries.

There is also evidence that labour mobility can impact development at the regional and global levels. In the EU, for example, many studies have shown that migration plays an important role in improving labour market efficiency, both by meeting demand in low-skilled sectors, but also by helping to fill gaps in high-skilled sectors such as in information technology (IT). The latter is especially important as in a knowledge-based economy such as Europe skilled human capital is the most valuable factor of production. Highly skilled migration has been demonstrated to increase innovation capacity and the availability of human capital in EU countries and in the U.S. Across Europe and also in the U.S., research has demonstrated that in most cases migrants do not have a negative effect on the job prospects or wages of nationals.

Outside the developed world there is less substantive evidence on the impacts of labour mobility on development in destination countries or across regions – and this was identified as an important research gap in the first background paper in this series - but scattered evidence suggests that it can be

\[34\] IOM/UNDESA/UNFPA (2013)
\[36\] Kahanec and Zimmerman (2011)
equally positive.\textsuperscript{37} At a global level, meantime, it has been estimated that migrant workers remitted some US$406 billion in 2012. Looking forward, the World Bank has estimated that an increase of three percent in the workforce in high-income countries through migration could increase global real income by 0.6 percent, or US$356 billion.\textsuperscript{38}

4. PROMOTING THE DEVELOPMENT POTENTIAL OF REGIONAL AND INTERNATIONAL LABOUR MOBILITY

As illustrated in the first section of this paper, in many cases institutional structures at national, bilateral, regional and global levels have yet to evolve at the pace required effectively to manage labour mobility and fully to unleash its undisputed development potential as identified in the preceding section. Lack of effective management of migration does not necessarily stop the movement of people; but it does limit the ability of states, societies, migrants and the global community to reap its benefits, and it exposes them to significant potential negative effects. Inadequate management of labour mobility can fuel irregular migration, the exploitation of migrant workers, and the ‘brain drain’ and ‘brain waste’. It may also result in lost opportunities for the improvement of individual livelihoods, social cohesion and economic growth as well as for partnerships in human resource development.

In an era of increasing mobility, enhancing the gains from labour mobility and facilitating their more equitable distribution, requires comprehensive and coherent governmental policies, significant capacity building, inter-state and multi-stakeholder cooperation and sustained confidence-building.\textsuperscript{39} This section outlines some of the key elements for such a comprehensive approach:

4.1. Ensuring regular, orderly and safe labour migration

A fundamental first step towards achieving the development potential of labour mobility is to ensure that migration is regular, orderly, and safe (this principle of course applies to all migration and not just labour migration). A comprehensive approach towards achieving this goal was identified in IOM’s World Migration Report 2010, and includes at least the following 10 key components: factoring migration into labour market assessments; regulating admissions and selecting migrant workers; determining conditions attached to employment permits; training of migrant workers and placement services; protection of migrant workers’ rights; reducing labour migration costs; strengthening bilateral labour mobility agreements; reducing irregular migration; combating migrant smuggling and human trafficking; and return and reintegration.\textsuperscript{40} In essence, better prepared, informed and managed labour migration improves its outcomes for individuals, their families and communities.

Each of these elements is considered in some detail in the second background paper for this series, which focuses on ‘measures to ensure respect for and protection of the human rights of all migrants, with particular reference to women and children, as well as to prevent and combat smuggling of

\textsuperscript{37} IOM/UNDESA/UNFPA (2013)  
\textsuperscript{38} DRC (2007)  
\textsuperscript{39} IOM (2011)  
\textsuperscript{40} IOM (2010)
migrants and trafficking in persons, and to ensure regular, orderly, and safe migration; and specific policy recommendations are provided in that paper.\footnote{IOM/UNDESA/UNFPA (2013)}

\section*{4.2 Reducing labour migration costs}

One of the main obstacles to the effective matching of labour supply and demand across borders is the upfront costs of labour migration, for example incurred in fees paid to recruitment agencies, obtaining information, documentation, health checks, pre-departure orientation and training, and paying for transportation. ILO and UN conventions call for employers to absorb the economic costs of migration.\footnote{Martin (2010)} Yet while employers generally pay these costs for professional and highly skilled migrant workers, the migrant-paid share of migration costs tends to rise as skill levels fall. One reason is that employers increasingly rely on intermediaries to identify foreign workers.

There are three broad government responses to private recruitment costs. One is to step up enforcement to eliminate unscrupulous agents. A second is to encourage more legitimate agents to become involved in the migrant brokerage business so that competition gives migrants options and leads to effective self regulation and ratings to guide migrants toward better agents. A third approach is to try to increase the role of public employment service agencies in moving workers over borders in the hope that public agencies are most likely to ensure that minimum standards are satisfied in recruitment and deployment.

Responsibility for reducing labour migration costs lies with origin countries as much as with destination countries – indeed one of the gaps is the lack of harmonization between the regulation systems in countries of origin with those in countries of destination. The Philippines is considered a leader in regulating recruiters.\footnote{Martin (2010)} The government operates three agencies to serve and protect migrants: the Philippine Overseas Employment Administration (POEA) regulates recruitment and provides pre-departure orientation; labour attaches stationed at consulates abroad provide assistance to migrants while they are abroad, and the Overseas Workers Welfare Administration (OWWA) operates centers in areas with concentrations of Filipinos that cover the cost of emergency repatriation and provide various services to families left behind. Another initiative proposed in an important origin country for labour migrants, Bangladesh, is aimed at reducing pre-departure loan costs for migrants. The Bangladeshi government proposed at the Global Forum on Migration and Development (GFMD) in Brussels (2007) that donors consider expanding the country’s active microfinance industry to migrants leaving the country.

\section*{4.3 Strengthening bilateral and regional labour mobility agreements}

In response to some of the weaknesses of bilateral agreements identified in the first section of this paper, ILO has identified 24 basic elements that need to be addressed to improve them;\footnote{Gencianos (2004)} while IOM and the Organization for Security and Co-operation in Europe (OSCE) have developed a matrix of good
practice, and ILO, IOM and OSCE prepared a ‘Compendium of Good Practice Policy Elements in Bilateral Temporary Labour Arrangements’ for the 2008 GFMD. The challenge remains to implement these guidelines and models of best practice.

As also outlined earlier in this paper, challenges persist at the level of regional integration processes, especially with respect to policy design and implementation of provisions on labour mobility. The Organization for Economic Cooperation and Development (OECD) has made a series of recommendations to EU countries to enhance labour mobility there, including: improving the portability of public and personal pension entitlements; eliminating double taxation of cross-border pension benefits; developing more effective mechanisms for the recognition of professional qualifications; opening public sector employment to all EU citizens; and improving job-matching across borders.

In other contexts, and especially where there are significant disparities in the national legislation of states that are members of the same regional process, it has been suggested that these processes may provide the opportunity to share experiences and effective practice. A recent review of the Kenyan policy framework concerning South-South labour migration, for example, recommends that EAC member states should emulate the work of the Ministry of Immigration of the Government of Rwanda in developing partnerships with private organizations and the international community.

More widely, it has been suggested that regional consultative processes on migration (RCPs) may support regional processes, by offering informal and non-binding settings in which to exchange promising practices and to cultivate the confidence and information-sharing required for greater regional and inter-regional cooperation on labour mobility. For example, the Colombo Process has made headway in consolidating the efforts of recruitment agencies in Asia to better liaise with employers and governments looking to tap into the pool of Asian workers in safe and secure ways that ensure their protection.

4.4 Leveraging labour mobility for development

Besides ensuring that labour mobility takes place in an efficient and effective manner, and is well managed, there is a series of policy interventions that more directly may leverage labour mobility for development – and once again these are covered in more detail in the second background paper in this series.

The main target for these policies is to try to maximize the positive effects of remittances on poverty reduction and development, and minimize potential negative outcomes. While always recognizing that remittances are private monies, policy in recent years has tended to focus on: the monitoring, analysis, and projection of remittance flows; developing retail payment systems; reducing the transaction costs

45 http://www.iom.int/jahia/Jahia/pid/2056
46 GFMD 2008
47 ACP Observatory on Migration (2013)
48 IOM (2010)

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for remittance transfers; increasing financial access for individuals and households; and leveraging remittances for capital market access of financial institutions or countries.\textsuperscript{49}

Other development processes are also important besides remittances. Migrants can also make contributions to their countries of origin collectively, via ‘hometown associations’ made up of members from a particular geographical area of origin, professional bodies, spiritual and religious bodies, and federating bodies.\textsuperscript{50} The potential of diasporas as development actors is increasingly recognized in developing countries, and more and more efforts are being made to facilitate their engagement and contributions.\textsuperscript{51}

Another way that migrants may contribute towards development in their origin countries is by returning there, either temporarily, periodically or permanently. There are numerous examples of members of overseas professional bodies, for example of engineers or doctors or education professionals, returning home to provide training, expertise, and support through secondment or sabbatical arrangements, either on a systematic basis or in response to a crisis or natural disaster. There is also a series of programmes, such as UNDP’s Transfer of Knowledge Through Expatriate Nationals (TOKTEN) programme, IOM’s Migration for Development in Africa (MIDA) and Temporary Return of Qualified Nationals Programmes which have been designed to engage diaspora and transnational communities in the development of their countries of origin, for example through temporary return or through the development of knowledge networks that allow the transfer of skills and expertise without necessitating a physical return (this is sometimes referred to as ‘virtual return’).

4.5 Promoting temporary and circular labour migration schemes

‘Circular migration’ was defined at the Global Forum on Migration and Development (2007) as ‘...the fluid movement of people between countries, including temporary or permanent movement which, when it occurs voluntarily and is linked to labour needs of countries of origin and destination, can be beneficial to all involved.’ Without underestimating challenges such as the protection of the rights of short-term migrant workers and the challenges of their reintegration back home, considerable political momentum has developed around promoting circular migration. In the specific context of development in origin countries, its advantages include the fact that human capital is not lost permanently, that circular migrants may be particularly incentivized to send home remittances to prepare for their return, and that when they do return they may bring back new skills and ideas. There has been significant policy attention to enhancing the positive impacts of circular migration in origin countries, including through labour matching and the transfer of knowledge, and establishing networks that promote trade and investment.

Capacity-building is required through the cycle of circular migration, from pre-departure, through insertion in the labour market, to reintegration in the origin country, to procedures potentially to permit periodic re-entry into the destination country to work. As part of an EU-Aeneas funded programme on

\textsuperscript{49} IOM (2010), UNDP (2011)
\textsuperscript{50} Siddiqui (2012)
\textsuperscript{51} IOM/MPI (2012)
circular migration between Colombia and Spain, implemented by IOM in collaboration with local partners, training and counseling sessions were provided for temporary migrants before their departure, along with the families, to prepare them for the process of separation, how to maintain family ties, conflict resolution, and team work. Counseling continued with family members after the departure of the migrant workers. The Mauritius Circular Migration Database (MCMD) is an online tool designed to store information on candidates interested in job opportunities abroad in order to match the local labour supply with demand of foreign employers for temporary workers. The MCMD also enables foreign employers to make an online selection of candidates who best suit their desired profile.

In destination countries, the main policy challenge in current debates concerns how to encourage return. Options to incentivize return include longer contracts which allow the migrant to pay off the transaction costs associated with migration and earn sufficient additional income; providing an option for re-entry through preferential visa regimes; guaranteeing portable social security benefits; and providing the option for permanent immigration or opening pathways towards dual nationality that would allow individuals to circulate freely between countries. It is generally expected that such incentives will be more likely to succeed if circular migration programmes also contain an element of enforcement, and proposals in this regard include imposing financial security bonds on either migrant workers or their employers; introducing mandatory savings schemes for temporary migrants; and the strict enforcement of employment and immigration laws.

4.6 Engaging private and other non-governmental stakeholders

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

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

52 Zapata-Barrero et al. (2008), IOM Colombia (2009).

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

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

4.7 Improving data and research for effective labour migration management

A final observation with regards to promoting the development potential of regional and international labour mobility is the need for both more and more compatible data on labour market and labour mobility trends. To this end, countries of destination and origin should be able to identify, respectively, current and projected labour supply shortages and surpluses by economic sector, occupation, region and province, and require the capacity to do so. Differentiating between labour shortages that are structural and those that are seasonal or otherwise temporary is important for designing and implementing effective labour migration policies. Better knowledge of existing and projected human resources and human resource needs at national, regional and global levels can inform not only migration policies but also the complementary human resource development policies in both countries of origin and destination, according to social and economic priorities.

5. PROTECTING MIGRANT WORKER RIGHTS

Any paper on international and regional labour mobility and its impact on development should address migrant rights, for at least three reasons. First, and as explained in the second background paper in this series, many labour migrants do not enjoy the rights to which they are entitled, and categories of particular concern are children, domestic workers, and those involved in ‘forced labour’. Second, there is a vigorous debate about how to strengthen the legal and normative framework for the protection of the rights of labour migrants, especially as regards ratification of the UN Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (ICRMW).

Third, and of particular importance for this paper, is that realizing the rights of migrant workers is integral to achieving the development potential of labour mobility (as emphasized at Round table 3.2 of the 2012 Global Forum on Migration and Development).54 In this regard it is worth mentioning a recent debate in the context of low-skilled migrant workers concerning the ‘trade-offs’ between numbers and rights. Put simply, the more it costs an employer to hire a migrant, in terms of the rights the migrant worker accrues, then the fewer migrant workers the employer is likely to employ.55 Three strong

54 GFMD (2012)
55 Cummins and Rodriguez (2010)
arguments can be made to uphold the rights-based approach to labour migration. The first is a domestic argument, according to which protecting migrants also protects local workers by discouraging employers from hiring migrants because they have fewer protections. Second, there is a strong correlation to be made between the rights of migrants and their ability to contribute to development. Large numbers of migrants alone do not necessarily lead to development, what matters is the protection of the individual’s rights, well-being and health to enhance the ability of the migrant to access decent work, develop his or her potential, and save money to remit home. Third, a differentiated treatment of migrant and local workers would undermine the basis of societies that are constructed on foundations of non-discrimination and human rights, and especially multi-cultural and multi-ethnic societies.

Against this backdrop, this final section briefly summarizes a more detailed discussion in the second background paper for this series concerning how to protect the rights of migrant workers to enhance the contribution of regional and international labour mobility to development.

First, it is important to note the rights to which labour migrants are entitled. All international migrants have rights under the core human rights treaties currently in force. Labour migrants are also provided specific protection in the UN Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (ICRMW), adopted by the UN General Assembly in 1990, and also one of the core human rights treaties. Migrant workers are also provided rights under international labour law, which includes two specific ILO Conventions concerned with the protection of migrant workers (Nos. 97 and 143). ILO labour standards have also had a significant impact especially on domestic law in ILO member states. Migrants’ rights are also protected under regional treaties (for example under the European Court of Human Rights and the Inter-American Court of Human Rights) and by national laws.

Second, it is worth being reminded that despite the existing legal and normative framework, and the extensive institutional framework in place to implement it, many migrant workers still do not enjoy the rights to which they are entitled. According to some analysts, the existing framework is insufficient. But most commentators, in contrast, think that the legal framework is sufficient. For some the problem is that the most comprehensive legal instrument on the human rights of migrants – ICRMW – has not been widely ratified. The Convention has been ratified by 46 states and signed by 17 states, but none of them is a major developed country of destination for migrants. But even in many signatory states to the ICRMW migrants still face significant challenges in the labour market. The same is however also true in non party states to ICRMW where measures to try to ensure that domestic law and regulations conform to international human rights standards have at times been ineffective. According to this analysis the real challenge is actually delivering the rights contained in the legal instruments to which states are party. Lack of political will; capacity; and resources have all been identified as reasons for the incomplete implementation of the existing legal framework.

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56 Kuptsch and Martin (2011)
57 UN General Assembly (2013)
58 http://www2.ohchr.org/english/bodies/cmw/
59 Newland (2010)
Third, a range of measures are being adopted to try to fill the gap between the legal framework and the full realization of migrant workers’ rights. International organizations support institutional capacity-building around the world to promote the rights of migrants. Efforts are being made to enhance national protection, for example through national courts applying international human rights law and case law and advisory opinions from regional bodies to cases that come before them. It has also been proposed that supplementary and complementary mechanisms for protection need to be developed. In this regard an enhanced role for UN Special Mechanisms has been proposed: the Special Rapporteur on the human rights of migrants has a role in improving knowledge of the circumstances of migrants, establishing dialogue with governments, and giving practical effect to human rights principles. At the same time it is acknowledged that the international mechanisms that implement UN human rights treaties remain under-funded.

6. CONCLUSIONS

This paper is intended to provide the basis for a round table discussion to assist Permanent Missions at UN Headquarters prepare their contributions and participation at the 3-4 October 2013 UN High Level Dialogue on International Migration and Development, where one of the four agreed round tables will focus on international and regional labour mobility and its impact on development. The paper draws the following main conclusions: The majority of migrants worldwide move to work; and movements within regions comprise an important proportion of international labour mobility. The development potential of labour mobility – at the local, national, regional, and global levels - is significant; and yet remains unfulfilled. A range of policies can contribute to realizing this development potential, ranging from policies targeted on ensuring regular, safe, and orderly labour migration, to policies specifically intended to leverage its development impact. Integral to achieving this development potential is to protect the rights of migrant workers.

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