

International Labor Migration: A Vision for Shared Prosperity

LABOR MIGRATION FEEDS THE GLOBAL ECONOMY. There are approximately 232 million migrants in the world, with the overwhelming majority migrating for work. They are domestic workers, construction and agricultural workers, teachers and professionals. They often travel long distances due to a lack of decent work at home to support their families, improve their income and build a better life. How these workers move and under what terms are critical questions for global economic and social development. As the economies of many origin and destination countries have come to rely on migrant workers and their remittances, politicians and corporate interests have sought to “manage” the movement of migrants like everyday commodities in temporary, seasonal and circular migration programs.

Supporters of labor migration management programs claim they provide migrants the ability to migrate safely, for a specified period of time, and improve their household income with higher wages and remittances. In reality, these programs mainly serve employer interests by providing a flexible, disposable workforce without adequate protections, without a voice at work and without permanent settlement options. Thus, migrant workers often find themselves in a captive and temporary employment relationship, within a system fraught with shockingly common forms of abuse on both ends of the migration experience. Migrants frequently toil in dangerous and isolated conditions, indebted to unscrupulous recruitment firms and tied to abusive employers through work visas. Their legal status as second-class workers with limited and ill-defined rights contributes to xenophobic sentiments in some countries that migrant workers are racially or culturally “different.” Moreover, the lack of decent work at home and inability to access long-term employment abroad forces many low-wage workers to migrate multiple times, but often does little to break intergenerational cycles of poverty.

This pervasive system of managed labor migration has been called many things—temporary migration, guestworker programs and, most recently, circular migration. No matter the

packaging, the impact of driving down wages and working conditions and limiting the rights of migrant workers is still the same. But there are alternatives. Trade unions have a vision of labor migration that would promote shared prosperity by lifting up and empowering workers in both origin and destination countries.

Exploitation Begins at Home: The Labor Recruitment Industry

Labor recruiters are in the business of selling dreams of decent work to people with limited options. In origin countries, labor recruitment agencies and other intermediaries charge legal and illegal fees, often between US \$1,000 and US \$20,000, for securing work visas and placements. The recruitment industry ranges in scale from large, registered firms—like Manpower Inc., which operates in 82 countries and places more than 4 million workers annually—to diffuse networks of unregulated subagents operating at the community level. Many workers borrow money at predatory interest rates or mortgage their land or homes to pay fees. Further, unscrupulous agents routinely misrepresent employment conditions, blacklist activist workers, promise nonexistent jobs and increasingly are finding lucrative gains in trafficking workers. Workers have little access to data on recruiters, employment terms, their rights or how to access justice.

Recruitment abuse and trafficking can occur in all sectors of the economy and at both ends of the migration process. More than 300 Filipino teachers report paying up-front fees of more than \$16,000 to a recruiter for placements in U.S. public schools. Instead of entering high-wage teaching jobs, they entered a trafficking racket. Through threats to family in the Philippines, seizing of passports and economic coercion, they were forced to sign a second contract in the United States committing them to pay an additional 10% of their salary to another agency.¹

These factors create an environment in which labor exploitation and trafficking thrive. For example:

- Guatemalan migrants report that recruiters regularly force them to surrender their property titles as collateral to ensure they fulfill the terms of their contracts despite any abusive working conditions.²
- Ninety percent of Nepalese migrant workers seeking work in Gulf States and Malaysia report being deceived by recruitment firms on employment terms, wages and even the existence of jobs.³
- Among the thousands recruited for the construction of the 2014 Sochi Olympics, Serbian workers report recruiters gave them fraudulent visas, placed them in squalid conditions, threatened them with force by armed guards and underpaid them by £3,400 when they demanded compensation.⁴

Temporary and Circular Migration Programs: Limited Rights and Rampant Abuse

Workers in temporary or circular migration programs have limited choices regarding jobs or employers, the timing of their stay or return, and whether they can travel with family. Moreover, they lack meaningful access to justice and have limited recourse when they suffer contract violations, unsafe work conditions or discriminatory practices. This dominant model allows countries to save on social protection costs by providing migrants with few rights, making it easier for employers to exploit workers and engage in flexible hiring and firing on their terms.⁵ Workers face retaliation for reporting violations, union organizing and collective action. This creates a vicious cycle whereby employers “import” workers who have little labor market bargaining power, rather than raising wages sufficiently to attract a permanent workforce, thus undermining wages for all workers. For example:

- The ITUC estimates at least 4,000 migrant workers in Qatar will die before the start of the 2022 World Cup. Under Qatar’s *kafala* system, employers have near total control of workers and can restrict them from changing jobs or even leaving the country. Migrants typically arrive indebted to a recruiter and reluctant to report abuses or assert rights for fear of retaliation and deportation.⁶
- Half of the migrant workers in South Korea report their actual working conditions and wages fall short of those promised. Many pay high recruitment fees, work long hours, earn less

than locals, and face abuse and retaliation. Employers restrict collective action by controlling workers’ visas.⁷

- In the United Kingdom, migrants from Eastern Europe dominate the temporary staffing agencies and are paid more than \$200 a week less than permanent staff due to loopholes in agency labor laws.⁸

An ideal program? Many observers have held up Canada’s Temporary Foreign Worker Program as a flexible, safe and well-administered program with strong protections for migrant and Canadian workers. However, migrant workers in Canada routinely report serious violations on both ends of the recruitment chain. For example, workers from the Philippines, Thailand and other countries report taking loans to pay fees up to \$20,000 for low-wage or nonexistent jobs in Canada, despite a Canadian law mandating that employers pay all recruitment fees.⁹ United Food and Commercial Workers in Canada discovered that Mexican consular officials blacklisted seasonal workers who were thought to be pro-union, preventing their re-entry into Canada’s seasonal farmworker program.¹⁰

A Global Migration Policy Agenda for Shared Prosperity

A different system is needed and a different system is possible. Trade unions put forward a rights-based shared prosperity agenda for labor migration in which employers and countries compete in the global economy on the basis of added value (improving productivity, efficiency and quality), not by putting downward pressure on wages. This strategy holds that the economy should raise global living standards by creating conditions for faster wage growth in industrializing economies, rather than reducing wages in industrialized nations. It also emphasizes that the human and labor rights of migrants must be respected and protected throughout the migration process and while they are working in origin countries. The principles of a shared prosperity agenda include:

- **Enhanced migration governance and equal protections:** International rights need to be codified into legal standards that provide migrants with protections equal to those afforded national workers, including the freedom of movement, freedom of association and collective bargaining, freedom from discrimination, and access to justice and legal services.

- **Social dialogue:** Trade unions and rights-based civil society organizations must be involved in the design and implementation of migration mechanisms. Unions and migrant communities and organizations should build alliances and develop a shared critique of migration processes. For example, the AFL-CIO, under the auspices of the U.S. government and with the support of allies, recently negotiated a pro-worker labor migration program with the business community—the “W” visa—that would be tied to demonstrated labor market needs, allow for worker mobility and family unity, and ensure a path to citizenship and equal protections, including the right to bargain collectively.
- **Strengthen labor inspection mechanisms and regulation of the labor recruitment industry:** There must be regulations in place that eliminate the economic incentives for exploitation in both the recruitment chain and in the workplace. Enhanced enforcement of regulations should target “bad actors” in the recruitment chain and punish employers and brands that profit from recruitment abuse through subcontracting, or commit violations themselves.
- **Information sharing, cooperation and enforcement across borders:** International organizations like the ILO, trade unions, rights-based NGOs and transnational migrant networks must disseminate knowledge, strategies and best practices and cooperate across borders to ensure human and labor rights are protected in the migration process. There must be tools in place for migrants to easily access information and rights in all stages of the migration process.
- **Data-driven policies:** Relevant and transparent labor market data is critical to accomplishing social, cultural and economic integration and developing sound policy. Governments should assess the impact that work visa programs will have on the labor market and adjust visa levels to ensure international hiring is based on real need rather than a desire for a flexible, low-wage workforce.
- **The right to stay:** States must expand opportunities for migration that provides citizenship routes and limit temporary migration schemes that deny rights, separate families and create a second-class of often racially or culturally “different” workers in the host country. Most importantly, *migration should be a choice*. No one should have to leave their family and community behind or be denied the right to raise their children for lack of decent work. Origin countries must abandon a development strategy based on remittances, which discourages investment in public services, infrastructure and training so necessary for long-term, broadly shared prosperity. Industrialized countries must stem their *addiction to cheap labor*, fight a growing jobs crisis with skills training, and welcome new migrant workers with equal access to rights, protections and justice.

Endnotes

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