



RIAL WORKSHOP ON “LABOUR MIGRATION AND LABOUR MARKET INFORMATION SYSTEMS”

Inter-American Network for Labor Administration (RIAL)

February 24 and 25, 2009 - Quebec City, Canada

SUMMARY OF THE WORKSHOP: MAIN IDEAS AND LESSONS LEARNED

Description

This Workshop is part of the IACML Calendar of Activities for 2008-2009, and it was jointly organized by the Ministry of Human Resources and Skills Development of Canada and the Organization of American States (OAS). It was funded by the Government of Canada, through the contribution it has provided to the RIAL.

The Workshop objectives were:

- To exchange best practices from across the hemisphere on the development of Labour Market Information systems
- To assess the impact of migration on sending and receiving countries in the context of the global economic crisis
- Gain a broader understanding of the dynamic between labour mobility, migration and labour markets by sharing perspectives among employer representatives, worker representatives, national governments, multilateral institutions and academics

Ministries of Labour from 22 countries were represented at the workshop, along with members of COSATE and CEATAL and specialists from ILO, IOM, OAS, the Inter-American Dialogue and the Inter-American Conference of Social Security, among others.

The workshop was divided into four thematic panels, moderated respectively by: Gloria Moreno-Fontes from ILO, Geoff Bowlby from Statistics Canada, Sarah Strapps from Human Resources and Skills Development Canada and Francisco Pilotti from the OAS. At the end of the event, the moderators presented a summary of the main ideas and lessons learned of their panels, which are contained in this document.

Summary of the main ideas and lessons learned, as presented by the moderators

Panel 1 – The global economy and labour markets in the Americas

- The moderator emphasized the importance of this workshop which, for the first time in the region, interconnected the topic of labour migration with that of labour market information systems.
- The speakers on the panel and the representatives of various countries who addressed the meeting all shared their concerns about the economic crisis currently facing the world, noting that while its causes are economic and financial, its effects are eminently social and labour-related. It was said that the ILO had forecast that the crisis could lead to an increase in unemployment figures of between 1.5 and 2.4 million in 2009, and that significant decreases in the numbers of wage-earners had already been reported in Brazil and Mexico.

- While it is not yet possible to estimate the impact of the crisis on migrant workers at the national level, and much less at the regional level, past experience shows that migrant workers could be among the most severely affected and most vulnerable sectors. The ILO's 2008 *Panorama Laboral* predicts a halt in immigration into certain countries, and even the return of immigrants to their home countries, which would bring even more pressure to bear on labour markets, particularly among the unqualified and low-income segments. In Argentina, Mexico, and Trinidad and Tobago – all countries that gave presentations at this panel – there is evidence that the crisis is more severely affecting workers with lower qualifications and is leading to increased levels of precariousness, with an expansion of the informal economy and unregistered work (Mexico reported a fall in the number of workers with social security coverage, for example). It could well be said that in the short term, the crisis is changing “good jobs” for “bad jobs.”
- The region's countries are acting swiftly to tackle the crisis and mitigate its effects, most particularly through various initiatives to create and preserve jobs. During the panel session, particular mention was made of the following actions:
 - **Measures to maintain or increase social protection among the most vulnerable sectors.** Increased health-care coverage for dismissed workers and their families (Mexico's case); increased allocations to the National Food Plan (Argentina).
 - **Increased efforts and investments in labour training and retraining.** Trinidad and Tobago is retraining workers laid off from the oil industry and other affected sectors. Recent stimulus and economic recovery measures in the United States include greater budget allocations for training and providing attention to young people and the unemployed, and a special increase for “green jobs.” In Peru, a “Labour Reconversion Plan” was adopted a few weeks ago.
 - **Strengthening public employment services.** Mexico's National Employment Service (SNE) is stepping up its actions in support of productive projects and other efforts to promote labour mobility, and it currently has a “discouraged repatriates” scheme for those Mexicans who return to their country and do not intend to return to the United States, who receive accommodation, work guidance, and information about vacancies after crossing the border.
 - **Attention for companies at risk of employee dismissals.** The session discussed initiatives in Argentina (REPRO) and Mexico, consisting of direct subsidies to enable such companies to cover part of their employee wage bills. In Argentina these efforts are assisted by the Crisis Preventive Procedure (PPC), which provides a series of measures for such companies.
 - **Increased public investment in infrastructure.** Related to infrastructure projects, including building roads, schools, housing, etc, with the objective of compensating with public investment the shrinkage of private investment, as well as creating jobs.
 - **Support for microenterprises, small and medium-sized companies, and cooperatives,** through increased funding, training, and access to government procurement (quotas).
 - **Creation or consolidation of national instances for productivity and competitiveness.** Examples of such instances include the National Productivity Council in Trinidad and Tobago, the Social Observatory for crisis monitoring within Argentina's Council for Productivity, Employment, and the Minimum Wage, and the Technical Commission for anti-crisis recommendations set up within the National Labour and Employment Promotion Council of Peru.
 - **Signing of national agreements with anti-crisis measures.** For example, Mexico's January 2009 signing of the National Agreement for Family Economies and Employment, with the support of state governments and the business, social, and labour sectors. The United States has also adopted a stimulus and recovery package, which is also supported by workers' and employers' organizations.

- The representative of CEATAL said that she didn't think deregulation of the labour market was part of the solution to the crisis, and that one of the most important functions of employers was to create jobs. She also said it would be a mistake to suspend all initiatives for facilitating labour mobility, since mobility will be crucial in placing workers in available jobs and will allow a swift return to sound, strong economic conditions. She finally said that the three major sectors demanding attention during the crisis were labour standards, worker mobility, and free trade, and the best responses to the crisis will be those developed through tripartite social dialogue.
- The representatives of COSATE noted the need for measures and mechanisms to monitor and inspect the working conditions of migrant workers, to ensure them labour protection, and prevent their exploitation in the workplace. They also said it would be preferable to offer permanent migration opportunities rather than temporary migration in order to ensure worker rights, and they underscored the need to work with other countries to ensure the transferability and portability of social security benefits. Finally, they noted the need to ratify international conventions for protecting the rights of migrant workers, in particular ILO Conventions 97 and 143 and UN Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. They also emphasized the need for clear migration policies that would guarantee the basic rights of migrant workers and prevent immigration irregularities.
- Some countries said that spite of the crisis, there was still an identifiable need for workers for certain jobs. Others said this was no longer so much a matter of a labour shortage as of a skills deficit, and they noted the need for bilateral social security agreements. They also underscored the importance of regulating migratory flows through bilateral agreements and the establishment of effective systems for protecting migrant workers, in order to avoid downward pressure on the working conditions of other workers, particularly their wage levels.
- In general, the participants recognized that social dialogue is essential for tackling the current crisis and defining what actions should be taken, and that together, governments and workers' and employers' organizations can work for a better management of job-related migrations. In this context, labour ministries have a key role to play in formulating and administering labour migration policies, defining mechanisms for coordination and consultation with social stakeholders, monitoring private placement agencies, and operating labour market information systems for guiding migration policy on the basis of labour market needs.
- Mention was made of the importance of strengthening regional ties in tackling the crisis, essentially because at the regional and subregional levels our countries are very interdependent (our countries' main trading partners are in the Hemisphere), of dialogue among sending and receiving countries, of exchanges of information about labour surpluses and shortages, and of the harmonization of labour migration policies. The crisis could have the positive outcome of creating new opportunities for cooperation and social dialogue on the harmonization of policies for regulating migratory flows and on special support measures for migrants among the region's governments and social stakeholders.

Panel 2 – Labour market information in the Americas

- It was recognized that having strong labour market information systems is crucial in designing and implementing labour market and migration policies. LMIS are particularly relevant in providing accurate information about occupational shortages and surpluses, labour conditions and wages, among others, that contribute to better management of labour migration. Reliable administrative

records allow for the monitoring of changes in the labour market and the definition of profiles and policies that can be adopted and used as indicators of a country's workforce.

- It was also mentioned that LMIS gain even more relevance in light of the current economic crisis and the need to rely on timely and accurate information. There is an increase pressure on LMIS to speedily respond to the constant changes in the labour market (in the face of economic contractions) and to incorporate data on internal and international migration trends.
- As seen in the experiences presented by United States, Brazil and Barbados, LMIS are complex systems that have multiple sources, users, types of information and designs, etc. Their primary functions are to collect, analyse and disseminate information to facilitate more informed decision making at the government/national level, at the business level and the individual level. These decisions range from developing employment or migration policies to the basic job search at the personal level.
- Information on the labour market is produced by different institutions, mainly the Statistics authorities (Ministries or Departments) and the Ministries of Labour. In Federal governments, such as the United States, data collection and analysis are shared between central and sub-national authorities. The central government is responsible primarily for setting statistical policy and standards and operating statistical programs.
- The depth of information provided by LMIS depends on how developed the system is. Some countries have created their LMIS very recently, while others have decades of experience. Basic information includes population, employment and unemployment statistics and wages, disaggregated by industry, gender and occupation. More developed systems have a higher level of disaggregation and specificity of the data, count on geographic and mapping tools, are able to provide information more often and distribute it mainly through the internet. They are also more effective in making employment projections and more sophisticated analyses on employment dynamics.
- One good example of how LMIS contribute to policy-making is provided by the United States Bureau of Labour Statistics. Data provided by BLS is used in the definition of macroeconomic, budget and tax policies, as well as by investors and business decision-makers. It is also key in policy development and administration of immigration, workforce development and employment. The area within the Department of Labor that is responsible for granting labour certifications to foreigners employs BLS data as part of this effort.
- Another example of how LMIS contribute to migration policy is the RAISMIGRA (Migration component of the Annual Compendium of Social Information "Relación Anual de Informaciones Sociales" – RAIS) managed by the Ministry of Labour of Brazil. RAISMIGRA is used to monitor the geographical, sectoral, and occupational characteristics of workers' long-term career paths. It contains information on individuals' mobility and reincorporation into the formal labour market. Additionally, RAIS provides controls to the 2/3 Law, which states that two Brazilians should be hired for every foreigner, and it is recognized as an important tool for planning and evaluation of labour market and migration policies.
- Some particular challenges of the LMIS were highlighted as follows: 1) the need to produce user-friendly, accurate and timely information; 2) inadequate financial and human resources; 3) managing cross-agency relationships and improving collaboration between information producers (a concern in this regard is the application in some countries of various classification systems); 4) adapting to new technology for data collection, analysis, and dissemination; 5) responding to new topics and information needs (for example, "green jobs"); 6) developing a customer focus and

managing customer expectations; 7) maintaining response to surveys and reducing respondent burden; and 8) increasing awareness and use of LMIS among policy-makers and the general public.

- The Continuous Labour Migration Reporting System for the Americas (SICREMI), created by OAS was explained. It is a system for the generation of exact and timely information on migration, based on the SOPEMI model launched by the OECD for its member states in 1994. The information it gathers will describe migration trends, population changes, and the demographic profile of immigrants. The information will come from various national sources and the system will organize it in a homogeneous and standardized way. In order to create the SICREMI, whose pilot phase will begin this year, the OAS will have the technical support from OECD and ECLAC.

Panel 3 - Labour Market Information in Canada: tools for analysis and forecasting

- Timely, accurate information; transformed into useful and pertinent products for dissemination are invaluable to understanding the Labour Market in Canada. Panel 3 provided an opportunity to profile, from various perspectives, how Labour Market Information (LMI) is collected, extrapolated and shared with stakeholders in Canada.
- The surveys conducted by Statistics Canada include the Labour Force Survey, the Survey of Employment, Payroll and Hours and the Census and these provide much of the raw information from which can be extrapolated employment and demographic trends, and provide a full picture of the labour market in Canada. While there are still some gaps in our data, given the ever evolving demands of our statisticians, Geoff Bowlby, Director of Labour Statistics at Statistics Canada, was able to explain the strengths and areas for improvement within the Canadian system. The Labour Force Survey, for instance, is a very widely used tool and is valued by all stakeholders for its timeliness.
- The Canadian Occupational Projection System, presented by Gilles Bérubé, Director of Labour Market Research and Forecasting at Human Resources and Skills Development Canada (HRSDC) is a way to integrate historical data and trends, with current labour market conditions and demography to provide insight on where there will be gaps in certain professions and how immigration will contribute to the development of our labour force in the future.
- As presented by Allison Dixon, Director of Labour Market Information at HRSDC, the National Occupational Classification framework classifies jobs by sector and group, and also by skill level and skill type. In the past 20 years it has evolved to respond to new kinds of occupations and industries, but it has remained a constant frame of reference within which policy makers, human resource managers and individuals can make sound decisions based on established parameters.
- The Government of Canada works very closely with the provinces and territories. The presentation from Normand Roy, Director of Labour Market Information at Emploi Québec, provided an opportunity to see how Québec collects, manages, and disseminates LMI. Emploi-Québec has the mandate to collect information and provide services to help develop the labour force and skills base of people in the province. Information available on line is destined to the public and aims to be relevant and timely. Like many agencies, keeping the user interface up to date and attractive is part of ensuring that Labour Market Information is used by a wide range of people.
- There is a growing demand for responsive internet-based resources. Stakeholders in Canada are demanding more accessible services they can access from their homes and businesses.

- Working with stakeholders is essential to ensuring the relevance of LMI in Canada. The Advisory Panel on Labour Market Information is one way that experts from outside government have been contributing to the LMI system. The Advisory Panel will provide input and recommendations to the government in the coming months.
- There is, in Canada, an overarching challenge to evaluate the utility and uses of LMI. How users understand and use LMI is very important to making the case for investment in the LMI system. Ongoing evaluation and consultation will serve to strengthen the Labour Market Systems in Canada.

Panel 4 - The challenges of managing migration and mobility

- The panel identified a series of basic elements for the ordered management of migration: (1) a guiding framework provided by, *inter alia*, the ILO Conventions, (2) harmonizing national laws so they respond to international principles and commitments, and (3) the unavoidable need for information systems that can provide relevant and up-to-date information for guiding migration policy.
- In formulating migration policies, several issues at the macro level must be addressed: (1) differentiating temporary migration and permanent migration, which have different impacts on the labour markets of sending and receiving countries and which reflect the different interests of governments and employers' organizations, (2) addressing the growing level of worldwide demand for qualified workers (global competition for talent, brain drain), (3) analyzing circular migration and incentives for return, and (4) dealing with the labour rights of migrant workers.
- There are also issues at the micro level that must be taken into account in formulating migration policy, such as: (1) worker education and training, (2) certification of skills and competences, (3) documentation (civil registry), (4) labour contracts, (5) dissemination of information, (6) monitoring working conditions, (7) social security (pension portability).
- At the institutional level, it was recognized that few countries have specialized agencies for labour migration; they are also short on the capacity for selection and recruitment and need greater control over recruiting agencies. Ministries of Labour play a key role in connection with those matters.
- Labour migration policy is a part of migration policy in a broader sense and so is not defined by the Ministries of Labour alone. In that regard, mention was made of the need for greater inter-institutional coordination.
- The session heard about two interesting experiences in the area of temporary migration, which grew out of private initiatives: (1) the bilateral agreement between UOCRA (an Argentine trade union) and the IBB (a Canadian trade union) for temporary labour migration by Argentine construction workers to Alberta, Canada, and (2) the temporary labour migration program between Guatemala and Canada, which arose from an agreement between FERME (an employers' organization) and the IOM and which is run by the two countries' labour and foreign affairs ministries with technical support from the IOM. Notable strengths of these two experiences include: the absence of external recruiting agencies; recruitment of workers at the express request of the contracting company; the migrant workers are guaranteed the same working conditions as workers in the host country; and health insurance is provided to migrant workers and to their families in the country of origin.

- With regard to remittances, statistics were cited that demonstrate their importance at the macro level and also among the families that receive them. Studies indicate that remittances account for 65% of the incomes of remittance-receiving households; in addition, receiving households invest in asset-building projects, such as home improvements, and they also save more, which has an impact on local development and on poverty levels. COSATE spoke about a study by the University of Guadalajara that showed that there was no impact on poverty indicators.
- More information is needed on the impact of remittances on the economic development of the main remittance-receiving countries. The evidence available to date is largely anecdotal and the debate about the effects of labour migration on economic development is still inconclusive.
- Although remittances provide a very important bond between migrants and their countries of origin, other significant economic ties also exist: for example, the consumption of domestic goods and services (called “nostalgic products”), the donations that migrants make to their countries of origin through community associations (for example, Salvadorans donate around \$5 million per year), and investments in the country of origin (20% of migrants invest in housing or microenterprises).
- Since most remittances received by migrants’ families do not enter the banking system, the use of the financial system for managing remittances must be encouraged; addressing this situation could help increase the dynamism of the banking system and the economy in general. The IDB has been a pioneer in such efforts since early 2000.
- The adverse effects of migration must also be addressed: for example, family separations, the stigmatization of women whose partners emigrate, the impact on children who remain in the country of origin, and the loss of human capital.
- Mention was made of a number of experiences seeking to interconnect the topics of social welfare and migration, essentially through bilateral and multilateral social security agreements: for example, totalization agreements that enable workers to avoid paying social security contributions simultaneously in two countries and allow them to collect benefits regardless of where the contributions were made (pension portability). Particularly noteworthy in this regard are the Ibero-American Social Security Convention and Mercosur’s Single-Base Social Security mechanism. The Mercosur solution involves a system for the transfer and validation of data, simplifying the processing of welfare benefits for workers who have been employed in several member states.
- During the Panel a number of recommendations for improving labour migration policy in the Americas, were offered, such as: establishing training and skill-certification programs for migrant workers; entering into agreements for pension transferability; reconsidering foreign worker hiring quotas; gathering and exchanging more complete information about migrants and migratory flows; drafting a model bilateral agreement to encourage temporary migration by less qualified workers; and exchanging “best practices” for implementing temporary worker programs.