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# Private Employment Agencies in Ukraine

Ganna Vakhitova



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Ganna Vakhitova

ILO Decent Work Technical Support Team and Country Office for Central and Eastern Europe

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### **Project Brief: EU-ILO Project in Moldova and Ukraine “Effective Governance of Labour Migration and its Skill Dimensions”**

This project is implemented by the International Labour Organization in cooperation with Moldovan and Ukrainian tripartite partners, the International Organization for Migration and the World Bank. The project is in the framework of the European Commission’s thematic programme of cooperation with third countries in the areas of migration and asylum.

The overall objective of the project is to strengthen Moldova’s and Ukraine’s capacity to regulate labour migration and promote sustainable return, with a particular focus on enhancing human resources capital and preventing skills waste.

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## Foreword

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This study is carried out within the EU-funded large-scale project “Effective Governance of Labour Migration and its Skill Dimensions”, implemented by the International Labour Organization in collaboration with the International Organization for Migration and the World Bank in Ukraine and Moldova in 2011–2013. The project is a part of the European Union’s thematic programme of cooperation with third countries in the areas of migration and asylum.

The project aims at enhancing Moldova’s and Ukraine’s capacity to manage labour migration in a way which contributes to development, with a particular focus on enhancing human resources and preventing skills waste. It also seeks to improve policy making based on sound research and data. In this way the project contributes to protection of migrants’ rights and prevention of exploitation and exclusion, in line with the ILO labour standards (Conventions 97 and 143) and the principles and guidelines of the ILO Multilateral Framework on Labour Migration.

This research is aimed at *modus operandi* analysis of the private employment agencies in Ukraine licensed for mediation in employment abroad. The main objective of the study is to analyse the corresponding regulatory framework with references to the provision of the ILO Convention 181 on Private Employment Agencies (1997), to provide up-to-date detailed information on the licensed private employment agencies in Ukraine, to analyse their functioning and to assess their role in assisting migrant workers. The project neither aims to assess the proficiency of private employment agencies employees nor has it evaluated the quality of the provided services. Employment services to immigrants were not treated as a separate segment and only considered as a part of other services offered to all jobseekers.

This country report for Ukraine is prepared by Hanna Vakhitova, Assistant Professor and Senior Researcher at Kyiv School of Economics, in a close collaboration the Ministry of Social Policy in Ukraine, State Employment Service of Ukraine, and the ILO Decent Work Technical Support Team and Country Office for Central and Eastern Europe in Budapest. The author would like to thank Marina Lazebna, Head of the State Employment Service, for the support to legal analysis. The author gratefully acknowledges the work of Alena Goroshko, Natalia Kharchenko and interviewers of the Kyiv International Institute of Sociology (KIIS), which was subcontracted for the survey of the licensed private employment agencies. Special appreciation goes to Francesco Panzica, international expert

on migration and employment, for his support in development of the questionnaires and valuable comments and suggestions. The outstanding management and professionalism of Tetyana Minenko (ILO, Kyiv) is also appreciated. Finally, the author is very grateful to all participants of the validation workshop, held in September 2013 in Kyiv, especially to Maryna Yegorova (State Employment Service), Vasyl Gusechko (Ministry of Social Policy), Yuriy Kurylo (Trade Unions) and representatives of the Private Employment Agencies, for their active participation, comments and suggestions.

Antonio Graziosi  
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## List of Abbreviations

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CIETT	International Confederation of Private Employment Agencies
ELMS	External Labour Migration Survey, 2005–2008
ILO	International Labour Organization
LMS	Labour Migration Survey, 2010–2012
MENA	Middle East North Africa
MSP	Ministry of Social Policy, formerly Ministry of Labour and Social Policy in Ukraine
PES	Public Employment Service, also State Employment Service
PrEA	Private Employment Agency
SES	State Employment Service (see PES)
SSS	State Statistics Services
TEA	Temporary Employment Agency, also Temporary Working Agency, or Temporary Staffing Agency



## Executive Summary

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In today's fast-changing world labour force mobility can increase very fast, not only between companies but also between countries. Well-regulated and organized private employment agencies increase labour market participation, stimulate diversity, become stepping-stones to the labour market for disadvantaged populations and reduce undocumented and informal employment.

Although Ukraine has not ratified ILO Convention 181, by experts' estimations, 83 per cent of the requirements specified in the Convention are fully matched in various laws and other legal acts. Moreover, the majority of private employment agencies support the idea of Convention ratification.

Data on private employment agencies in Ukraine are practically absent. The number of licensed agencies is rather small and very unstable. Currently there are almost 700 licensed PrEAs in Ukraine, 301 of which were surveyed for this study.

For migrant workers, PrEAs are much more important than for the domestic jobseekers – migrants' surveys showed that about 10 per cent of overseas workers in 2005–2008 and 20 per cent in 2010–2012 referred to employment agencies for assistance in employment abroad.

Eighty-seven per cent of all individuals who found a job abroad with the assistance of licensed PrEAs were employed in the transportation and communication sectors, and the majority of them were mariners. Because of this, the destination countries of employment agencies' clients differ from the usual destinations of migrant workers. However, agencies that assist only migrants most often send them to Poland (19 per cent of firms), Russia (six per cent), Germany (four per cent) and USA (three per cent), which are among the most popular migration destinations.

Licensed PrEAs are also typically small: 84 per cent of them employ less than 10 people, and very few have more than 50 employees. This is also a young industry – about 20 per cent of currently operating PrEAs started in the last three years, and one-third of the companies were founded in 2005–2009.

Over 90 per cent of firms are involved in either one or both of the following activities: (1) recruitment of mariners and (2) recruitment for international companies (migration).

The geographical allocation of agencies is driven by (1) their main activities (about 50 per cent of agencies are concentrated in regions near the Black Sea); (2) region's population (another 25 per cent of agencies are concentrated in four large industrial regions – Donetsk, Dnipropetrovska and Kharkivska oblasts as well as Kyiv city; and by (3) migration intensity of population (seven per cent of agencies situated in migration-intensive regions of Western Ukraine).

Ukrainian overseas workers are employed in various countries but each particular destination is served by a limited number of PrEAs. About 63 per cent of agencies work with a single destination and 19 per cent work with two receiving countries.

The majority of firms recruiting mariners use their existing databases, while the firms recruiting for international companies prefer to proceed on *ad-hoc* basis only.

Firms attract candidates mostly through advertisements (80 per cent). Forty-five per cent of agencies use personal contacts and recommendations, and only about ten per cent rely upon cooperation with the State Employment Service, other private agencies or educational institutions.

Employment agencies select candidates mainly through interviews and CV analysis and they pay more attention to work experience and language skills rather than formal education. Although more educated people are more likely to find a job through a PrEA, it is unclear whether this is an effect of an agency's selection policy or of self-selection of candidates.

PrEAs report substantial imbalances in the labour markets. Over 40 per cent of agencies report difficulties in finding maritime crew members and 25 per cent struggle to find technical professionals. Agencies working with migrants also report a deficit of technical personnel (47 per cent of firms), especially skilled workers (35 per cent of firms). The prevailing number of interviewed agencies believes that major problems are related to the insufficient human capital of jobseekers. At the same time, 19 per cent of recruiting firms mentioned that vacancies stay unfilled due to poor terms and conditions offered by employers.

Similar to many other studies, the survey of PrEAs reveals that migration from Ukraine does not seem to enhance skills development. Only 25 per cent of recruiting agencies say that migrants look for jobs corresponding to their level of qualification.

Currently, and consistent with existing regulatory framework, less than a half of agencies sending migrants abroad have an agreement with other private employment agencies in the main destination countries. Some agencies have agreements with employers, but the majority focuses on serving individual clients.

About 60 per cent of licensed agencies claim to collaborate with the State Employment Service in some way. Among those who do not collaborate yet, 81 per cent do not wish to establish such connections, viewing as no use of such collaboration.

A typical recruiting firm offers a limited scope of services to migrants. About 80 per cent of agencies propose up to three services, with the most common one being simple assistance in finding a suitable vacancy (mentioned by 95 per cent of companies). Moreover, this is

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the only service to migrants in 37 per cent of agencies. The other two commonly provided services include assistance with signing a contract (54 per cent of agencies) and pre-departure training (20 per cent of agencies).

Among some of the findings, this study observed:

- About 60 per cent of firms recruiting for international markets charge mediation fees which is fully consistent with the current domestic law but not with ILO Convention 181.
- A vast majority of agencies (88 per cent) claim that they do assess the actual terms and conditions for workers whom they recruit.
- About one-third of agencies do not know what actions to be undertaken if they discover that workers who were sent abroad are abused or discriminated.
- Licensed private employment agencies in Ukraine do not offer any particular assistance to returning migrants.

Among the policy implications for Ukraine that require substantive action if employment abroad shall be regulated more comprehensively in future, this study suggests that:

- Ukraine should ratify ILO Convention 181 and make necessary changes in legislation.
- Maritime employment should be regulated by its own law and separated into a corresponding sub-sector: economically, statistically and legally.
- All employment agencies should be required to charge employers rather than jobseekers. ILO Convention 181 allows for some flexibility and exception here which have to be explored.
- The Ukrainian economy suffers from the education-labour market mismatch and a deficit of skilled workers. In the context of the general education reform, vocational education should be given a new breath, and educational after-school institutions should be made more responsive to the labour market needs.
- Policies stimulating agencies to provide a wider range of pre- and post-employment services should be introduced. Special attention should be paid to educating agencies to respond to the situations of abuse or discrimination of migrant workers.
- Services to return migrants, although badly needed, are almost not provided. Introduction of such services would be beneficial both for agencies and for migrants. Besides, such policies could turn some permanent migration into circular, which would benefit migrant families and Ukraine in general.



## CHAPTER 1

# Introduction

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In today's fast-changing world companies increasingly seek flexible and mobile staff to be able to respond quickly to upcoming challenges. At the same time millions of workers every year move across industries and borders searching for new job opportunities under various work arrangements. These new phenomena of the contemporary global labour market cannot be managed by the traditional Public Employment Services (PES) alone and the shortfall in services has proved fertile ground for private employment agencies (PrEA).

Private employment agencies' scope of activities and their role in the labour market have broadened substantially in the last two decades, especially in countries like Brazil, France, Germany, Japan, UK and USA. PrEAs are relatively new in Ukraine and this report pursues two objectives. First, this study of licensed private employment agencies in Ukraine offers up-to-date and detailed information on their functioning, actual practices, strengths and weaknesses. It provides an assessment of the existing regulatory framework with references to the provision of the ILO Convention 181 on Private Employment Agencies (1997). Second, it addresses current policy demands by focusing on how PrEA activities assist migrants. The report delves into the role of PrEA in migration process and offers evidence-based policy advices to Ukrainian authorities of how the functioning of PrEAs in Ukraine could be improved to benefit migrants as well as the entire country.

### 1.1 Private Employment Agencies Worldwide

Article 1 of ILO Convention 181 defines a "private employment agency" as any legal entity or physical person, independent of the public authorities, which provides one or more of the following services: (a) services for matching job seekers with firms looking for workers; (b) services of employing workers with a view to making them available to a third party ("user enterprise"); or (c) other services relating to job seeking, such as the provision of information which do not set out to match specific jobs offers to applicants. A

similar definition is presented in Ukraine's Law on Employment.<sup>1</sup>

Private employment agencies are becoming stronger actors in the labour market of many countries. They are competing with the State Employment Service in the areas where SES does not perform efficiently. Severe public budget constraints, rising unemployment, dominance of public interests (rather than profit maximization) and need to serve the entire community limit the scope of SES. In contrast, private employment services can target specific groups of jobseekers and employees, intervene rapidly, and address market demands in a more flexible manner. In many countries, well-regulated and organized private employment agencies seem to increase labour market participation by creating jobs that otherwise would not exist; they stimulate diversity, being a stepping stones to the labour market for disadvantaged categories of population and reducing undocumented or informal employment.<sup>2</sup>

Private employment agencies form an entire subsector. The International Confederation of Private Employment Agencies (CIETT)<sup>3</sup> estimates that there are over 140,000 PrEAs worldwide, with 179,000 branches, employing 863,000 internal staff. Over 46 million individuals got jobs through employment agencies in 2011, equivalent to 12.4 million full-time workers. The global market is very geographically fragmented consisting of several distinct segments with a high concentration of firms within each segment. The top ten agencies worldwide account for 30 per cent of the industry's global annual sales, which reached EUR 259 billion in 2011. Europe is the leading regional segment by total annual sales revenues, accounting for 41 per cent of the market. At the country level, the USA has the largest market share of the industry, with 23 per cent of total annual sales. Japan represents 17 per cent of the global agency work market, followed by the UK with 11 per cent. The main clients of the largest agencies tend to be large firms. Smaller agencies within the market usually specialize in recruitment for specific industries, which gives them a degree of service differentiation (Ahmed, 2011).

Since the mid-1990s this industry grew rapidly on a global scale. It doubled in size over the period 1994–1999 and again during 1999–2007. Now, after a short period of decline in 2008–2009 due to the economic downturn, it is again on the rise (ILO, 2011). Industry growth has been partially facilitated by labour market deregulation, constraints in the operations of public employment services, the growing practice of using networks for job search, outsourcing and offshoring activity, growing demand for talents and information technology development (Ahmed, 2011). Following globalization and an increase in temporary and part-time work, private employment agencies are called to facilitate skill-matching processes within domestic labour markets as well as across borders by promoting mobility and documented labour migration.

Given this rapid growth of private employment agencies and their increasing role in the functioning of labour markets, a need to create a mechanism protecting workers from

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1. Articles 1, 36 (part 2), 37 and 39 of the Law on Employment of Population, No. 5067–VI of 57 July 2012. See section 2.5 of the report for details.

2. Further discussion and examples are available in ILO (2011).

3. <http://www.ciett.org/index.php?id=153>

abuses and ensuring their basic rights became evident. To address these concerns, ILO adopted both the Private Employment Agencies Convention No.181 and Recommendation No. 188 (1997), as well as developed a guide to private employment agencies (2007).

## 1.2 Evidence from the Existing Literature

The role of private employment agencies in decent work promotion and improving the functioning of labour markets is widely discussed in reports by international organizations and in academic literature. These studies tend to examine regulation of private recruitment or analyse the effect of ratification of ILO Convention No.181 on PrEAs' activity. It should be noted that the number of countries that ratified the Convention is quite limited (see Annex).

Ahmed (2011) and Agunias (2012) show significant improvement in labour market operation in some Middle East North Africa (MENA) countries attributed to PrEAs. Other authors reveal contribution of PrEAs to increasing mobility and better skill matching. Particularly, Pennel and Freytag (2013) show that PrEAs provide an essential form of “flexicurity” by striking a balance between flexibility and work security in the labour market. Kuzgun concludes that PrEAs have been established as instruments of an active employment policy in Turkey.

**Temporary employment agencies (TEA)**<sup>4</sup> became recently the subject of many studies, as they grew in number and are even less regulated. Researchers who investigate the role of TEAs in labour market mobility wonder whether temporary agency employment serves as a bridge to regular employment, especially for immigrants. Jahn and Rosholm (2012) show that temporary employment agencies are particularly effective in Denmark for immigrants from non-Western countries since such employment helps to reduce information asymmetries concerning workers' qualifications. In contrast, Hveem (2012) shows that TEAs had a clear long-run effect on employment in Sweden. Nevertheless, they do not always work as a stepping-stone for regular employment because using a TWA decreases the probability of getting a regular job in the medium and long term. Yet TWAs also work as a way to escape unemployment, especially for women.

No reliable statistics are available on the number and scope of the PrEA in Ukraine. An explanatory note to the draft of the Law on Employment in 2012 mentions 14.5 thousand private employment agencies but such a figure is difficult to justify. Our study suggests that, in addition to legal entities, a large number of private entrepreneurs (who are not captured by general statistics) offer similar services. Moreover, plenty of companies register their

4. Also temporary working agency or temporary staffing agency – a particular type of private employment agency that focuses on offering client companies the services of temporary employees. This arrangement can provide a client company with needed help during peak demand periods, staffing shortages or the vacations of regular employees, without requiring the time, expense, and long-term commitment of hiring a new employee. Temporary employment firms typically undertake hiring and firing decisions, issue paychecks, withhold payroll taxes and make contributions for unemployment insurance, workers' compensation, and social security for the employees serving in their client's places of business. Client companies simply describe their staffing needs and time frame, then pay a set hourly rate to the temporary employment agency for the services of a “temp”. (<http://definitions.uslegal.com/t/temporary-employment-services/>).

main operations in several related sectors like educational services, insurance, travel and tourism and can legally offer the services of a private employment agency. Thus, the total number of private agents providing assistance in employment may be much higher than official statistics suggests. At the same time, a small group of agencies has to apply for a license and, as a result, submits some statistical reports.

There are no reliable descriptions of PrEAs (neither of the entire sector, nor of such a particular group as licensed PrEAs). Agencies are assumed to be undeveloped, small, heavily regulated but barely monitored and mostly originating from abroad (Kupets, 2010).

Very little is known about actual practices of private employment agencies in Ukraine. Their services are not frequently used by unemployed workers seeking a job. The most popular job search methods in Ukraine involve Public Employment Service (PES) and personal contacts. Based on the survey of State Employment Service of Ukraine, Kupets (2010) suggests that only 1.3 per cent of men and 0.9 per cent of women in Ukraine rely on PrEA. State Statistics Service of Ukraine reports that just one to two per cent of Ukrainian emigrants use officially licensed employment agencies to secure employment abroad. In contrast, migrants themselves report that about ten per cent of them in 2005–2008 and 20 per cent in 2010–2012 referred to employment agencies to assist in employment abroad.

Unless a PrEA provides mediatory services for employment abroad the company is not subject to any specific regulation. Those agencies that do provide mediation services in employment overseas are required to get a license.<sup>5</sup> As of 1 January 2013, there were 683 business entities licensed for mediation for employment abroad. Some of them recruit sailors and other personnel for cruise ship jobs, some target mainly the domestic labour market, others assist migrant workers; however, the statistics on all of them is very limited.

### 1.3 Methodology

This study was implemented in three major stages. The first stage included review of the existing literature on the subject (both worldwide and specific to Ukraine), preliminary analysis of legislation and administrative data. The general statistics was provided by the State Statistics Service of Ukraine and are based upon the corresponding annual statistical forms mandatory for all licensed PrEAs.

The second stage included a field survey. Kyiv International Institute of Sociology was subcontracted to interview 300 agencies using CATI method. A number of issues complicated the organization of this survey. Among them,

- a lack of reliable information about the firms offering assistance in employment abroad;
- a potentially large share of crewing companies in the MSP list of licensed firms;

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5. According to the new Law on Employment, beginning in 2013 the licensing authority was transferred from the Ministry of Social Policy (formerly Ministry of Labour and Social Policy) to the State Employment Service.

- an expected low response rate for this type of survey in Ukraine, given the availability and quality of the contact information.

Taking into account these limitations a random sample of firms was constructed from the MSP list of licensed private employment agencies. The sample is quoted by 26 regions including Kyiv and Sevastopol. The maximum standard error of the sample is 4.4 per cent for the confidence level 95 per cent. The interviews are based on the structured questionnaire with some open questions developed by Francesco Panzica, international expert on migration and employment, and finalized with the SES, MSP and country experts. The questionnaire consists of three sections. The first block of questions is common to all firms, and collects information of standard firms' demographics, most common practices and actual activities in the sector among others. The second and third blocks were only asked to agencies assisting migrants and return migrants respectively. These parts of the questionnaire cover migration specific issues. The average duration of the questionnaire-based interviews was not over 30 minutes. The fieldwork was carried out in April 2013.

Finally, at the third stage the results of the survey were analysed and compiled into this report. The findings were presented and discussed at a validation meeting on 5 September 2013 in Kyiv.



## CHAPTER 2

# Private Employment Agencies in Ukraine: *De Jure View*

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### 2.1 Brief Overview of the Sector

Many different channels are available in Ukraine to individuals seeking employment abroad. This may come as a consequence of business emigration (firm registration and investment of a specified amount abroad), professional emigration for selected occupations, repatriation, education or internship in a foreign country, family reunification, and finally, as labour migration.

How mediators involved in securing a job offer overseas varies substantially for many migrant workers. While the majority of individuals say that they organize the trip themselves, an individual may also refer to friends, relatives, Diaspora representatives or other helpers. Some individuals are assisted by a future employer, others look for a job with the help of an employment agency. Finally, some migrants refer to a travel agency and arrive into a foreign country as tourists to find undocumented or informal employment (Libanova, 2010).

According to the Labour Migration Surveys,<sup>6</sup> only a relatively small share of Ukrainian migrants (ten per cent in 2005–2008 and 20 per cent in 2010–2012) refers to employment agencies (and individual entrepreneurs) for assistance. The official statistics offers even a lower number of one to two per cent. Melnikand and Retivtsev (2013) explain such a low involvement of private employment agencies in the labour migration process as the following:

- the low qualifications of agencies' employees, driven by a lack of proper education and training;
- a lack of actual responsibility to migrants after they leave Ukraine;
- the presence of other companies on the market (consulting, legal, insurance and travel agencies) offering similar services of a higher quality.

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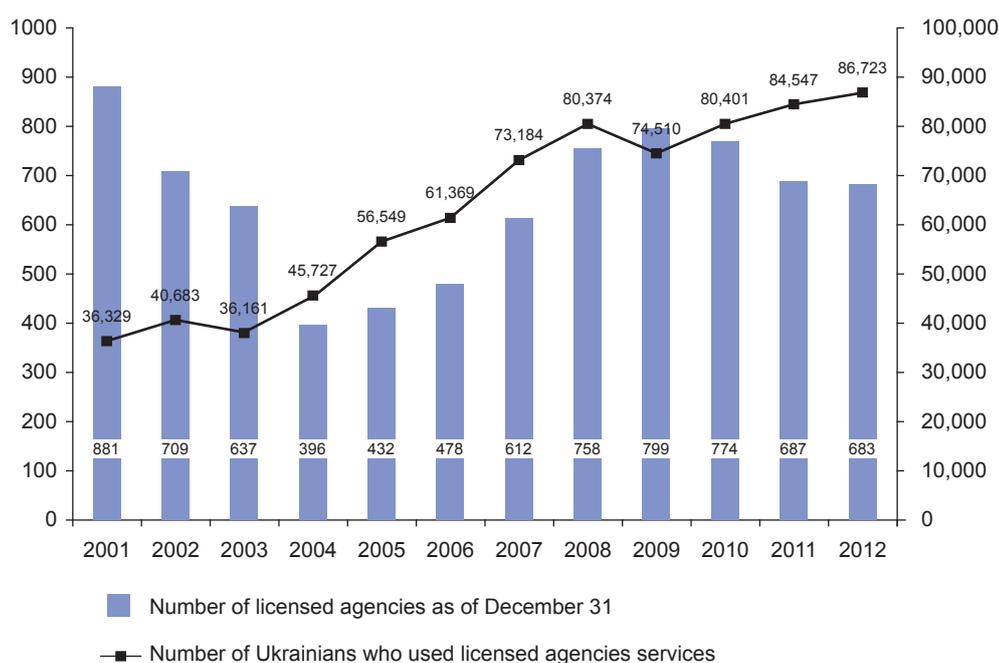
6. Libanova (2010) for the External Labour Migration Survey (2005–2008) and ILO (2013) for the Labour Migration Survey (2010–2012).

However, employment agencies are important for quality migration in Ukraine. Parallel studies (Vakhitova et al., forthcoming) reveal that, despite the variety of channels, employment agencies are the only mediators that substantially increase the probability of holding both residency and work permits for Ukrainian migrants. Thus, it is important to strengthen the role of private employment agencies in assisting migrants in Ukraine.

This industry has followed a volatile path during the last 15 years. According to the Ministry of Social Policy, in 2001 there were 881 officially licensed private employment agencies. By 2004 their number had fallen to 396. Growth since 2005 was interrupted by the global economic crisis in 2009 at the level of 799 agencies. During the last three years this sector has shrank to 683 agencies (see Figure 1).<sup>7</sup>

Despite this overall downward trend and fluctuation in the number of the licensed private employment agencies, the flow of migrants employed through this channel continuously increases. Official statistics says that in 2012 it has reached 87 thousand individuals – 2.4 times higher than in 2001 (see Figure 1).<sup>8</sup>

**Figure 1: Licensed private employment agencies in 2001–2012**



Source: State Statistics Service of Ukraine, form 1–TM.

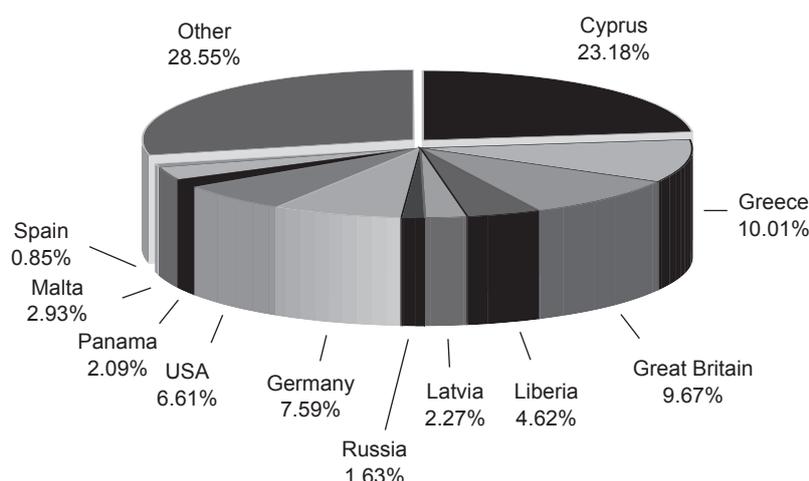
Data from statistical form 1–TM demonstrates that the destination countries for overseas workers who are employed through PrEAs vary substantially from the general Ukrainian

7. In informal discussions, representatives of the Ministry of Social Policy, which served as a licensing body till 2013, attribute the variation in the number of firms to the changes in the regulatory requirements.

8. Please notice that not all of them are migrants. See discussion below.

migration pattern. While typically Ukrainian migrants go to Russia (43.2 per cent of all migrants), Poland (14.3 per cent), Italy (13.2 per cent) or Czech Republic (12.9 per cent),<sup>9</sup> PrEAs also send individuals to work in Cyprus (23 per cent of all agencies), Greece (10 per cent), Great Britain (9.7 per cent), Germany (7.6 per cent), USA (6.6 per cent) and Liberia (4.6 per cent) (see Figure 2).

**Figure 2: Countries of employment through PrEAs in 2012**

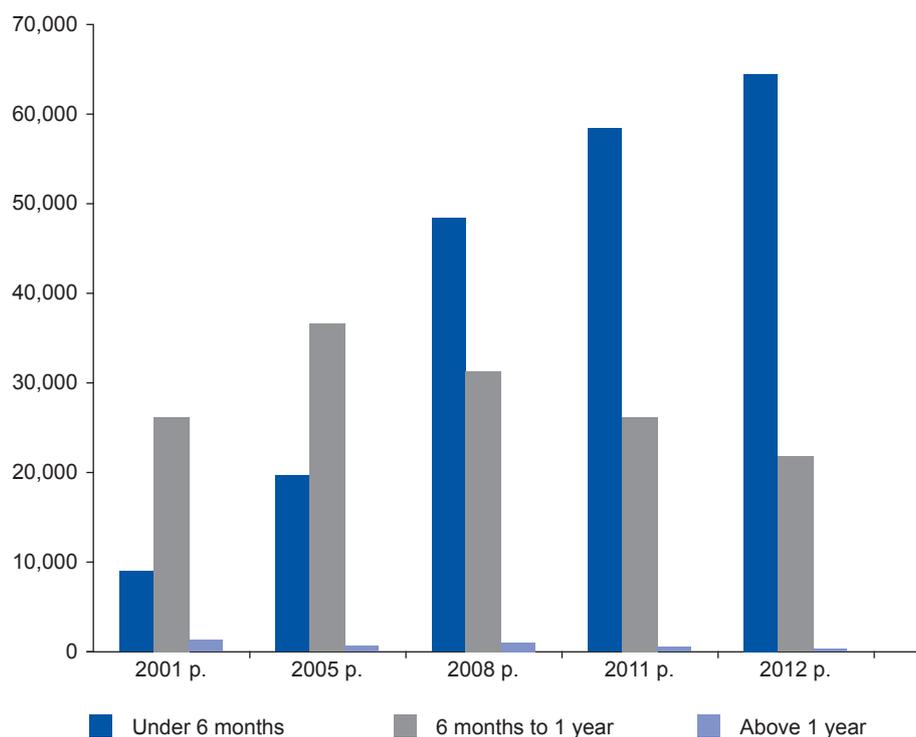


Source: State Statistics Service of Ukraine, reports 1–TM.

However, this difference is unsurprising given that seafarers are not considered migrants according to the definition of the United Nations. Thus, they are not included in the migration surveys. In contrast, the occupational and geographic composition of the PrEAs individual clients rather suggests that majority of them are not migrants but seafarers. Particularly, in 2012 about 80 per cent of all individuals got jobs abroad through the PrEAs located in the Odessa region (73 per cent) and Sevastopol (seven per cent). Odessa and Sevastopol are traditional ports with a large share of population employed as sea crew. Indeed, 87 per cent of all individuals who found a job with the assistance of PrEA were employed in transportation and communication sector.

According to the statistical reports from PrEAs, in 2001–2005 the majority of trips lasted six to twelve months, while 25–40 per cent of visits lasted less than six months. In 2007 this tendency reversed due to an upward trend in the number of short-term visits while the number of individuals staying abroad for six to twelve months declined slightly. As a result, in 2012 75 per cent of PrEA clients worked abroad for less than six months and 24 per cent – for the period from six to twelve months. Only a very small number of Ukrainians are employed abroad for longer than a year and their number declined to 204 individuals in 2012 (see Figure 3).

9. According to the Labour Migration Survey (2013).

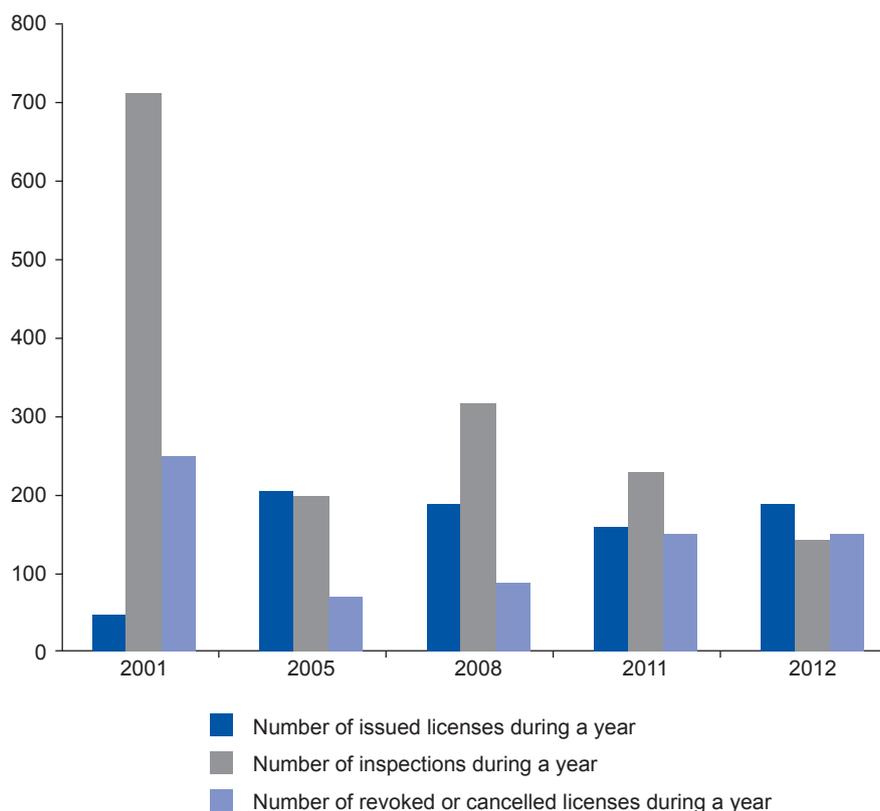
**Figure 3: Duration of trips, 2001–2012**

Source: State Statistics Service of Ukraine, reports 1–TM.

## 2.2 General Description of the Legal Framework

The legal framework for mediation services in employment abroad is mainly defined by three laws of Ukraine, namely the Law on Employment, No. 5067–VI of 2012, the Law on Licensing of Certain Types of Economic Activity, No. 1775–III of 2000 and the Law on Foreign Economic Activities, No. 959–12 of 1991 (current version of 2012). Accordingly, mediation in employment abroad includes several services: job search assistance to applicants according to vacancies supplied by employers as well as information provision and advisory services about employment opportunities, working conditions and wages, as well as the address and the name of an employer. Mediation in employment abroad can be combined with any other economic activities. However, this activity is subject to mandatory licensing. Thus, anyone willing to pursue this business has to apply for a license.

Till 2012, Ministry of Social Policy was in charge of licensing for mediation in employment abroad. In particular, these functions were put within the Department of Labour Market and Employment. The Department was responsible for issuing, renewal and revocation of licenses, issuing of a copy, keeping the licensing registers, monitoring agencies' activities for compliance with license conditions and monitoring of legislation inconsistencies and gaps.

**Figure 4: Monitoring and licensing of private employment agencies, 2001–2012**

Source: State Statistics Service of Ukraine, reports 1–TM.

Apparently, the services in charge of the above functions did not perform effectively the requested duties due to the lack of personnel and resources. Thus, according to the Law on Employment and Presidential Decree No.19 on State Employment Service, from on 16 January 2013, the authority and all responsibilities in the field of employment and labour migration, as well as licensing of mediation in employment abroad and monitoring compliance, were transferred to the State Employment Service. This state body can perform all the necessary activities using an extended network of local offices in every region of Ukraine. This reform is expected to increase the quality of administrative and monitoring services, increasing the protection of Ukrainian migrant workers.

## 2.3 Relationship with State Employment Service

The Law on Employment, which came into effect on 1 January 2013, for the first time establishes the legal basis for the cooperation of private employment agencies and the State Employment Service. Particularly, Article 36, part 2 says that employment mediation agencies are *required* to collaborate with the corresponding regional office of the State Employment Service. Article 37 details the forms of such collaboration, which includes:

- collaboration agreements in different fields including the sharing of vacancies databases;

- joint events and projects;
- counselling to improve professional practice and service to employers and jobseekers, including socially disadvantaged groups.

However, neither of the above can be forced, according to the Ukrainian law. As a result, private employment agencies cannot be compelled to share anything and no punishment is presumed for unwillingness to collaborate with the SES in forms described in Article 37.

Licensing is another aspect of relationship between the SES and private employment agencies. With the new Law on Employment from 2013, the SES is responsible for licensing and monitoring compliance. In this case, collaboration is mandatory. However, licensing only affects agencies aiming to provide mediation services in employment abroad and agencies assisting with employment within Ukraine are not affected.

## 2.4 Licensing and Operational Requirements

To obtain a license for mediation in employment abroad and to provide such service in full compliance with the law, any legal or physical entity shall submit the following documents:

- an application;
- a copy of the **foreign partner's permit to employ Ukrainians** issued by a foreign state (if applicable) or copy of the certificate verifying the foreign partner industry classification code (to confirm that the partner can be involved into employment and employment mediation activity);
- a copy of the **foreign partner's license on mediation in employment services** issued by a foreign state (if applicable);
- a certificate verifying the **foreign partner's registration** in a foreign state;
- a copy of the **collective union agreement** between a foreign partner and a labour union in a foreign state or a verification that such agreement was not signed;
- a copy of the **agreement with a foreign partner**;
- a sample of the **labour contract with a worker** signed by a foreign partner;
- information about the availability of the own or rented **office premises**;
- a copy of the document verifying that a foreign partner owns a **ship** or uses it on other legal grounds and / or controls (hires) a crew, for maritime employment.

All foreign documents (those required for licensing and further operations) should be officially certified and legalized by the Ukrainian Embassy or the Ministry of Foreign Affairs.

Licensing conditions impose certain operation requirements. Specifically, in working premises a licensee should publicly provide full contact information of the agency and the agency's director, agency's working hours, a copy of the registration documents, a copy of the license on mediation services, the list of the destination countries, phone numbers of the monitoring agency, a copy of licensing conditions and some other important

information.<sup>10</sup> These requirements are expected to reduce the probability of fraud and poor service through some information transparency.

Furthermore, a labour agreement should include contact information of the employer, description of work and employee's responsibilities, compensation, information about insurance, duration of the contracts, transportation cost and the conditions for contract's renewal and termination. The mediation agreement and labour contract should not violate the law or the relevant law of the destination country and should be apostilled or translated (with a notary verification) into Ukrainian.

A licensee should keep records of the employed individuals (form No.1–EM) and report annually to the State Statistics Service (form No.1–TM).

A licensee may be subject to a scheduled single annual control and monitoring inspections (up to five to 15 days long). An agency shall be notified about this inspection at least 10 days in advance. In addition, there may be unscheduled inspections in response to complaints about violations or inappropriate provision of mediation services.

A license may be revoked if an agency submitted untrue or falsified documents, transfers the license to another party, refuses control and monitoring inspections, is unable or unwilling to eliminate the identified violations or systematically violates licensing requirements.

## 2.5 National Legal Framework and ILO Convention 181

Overall, the Ukrainian legal acts regulating the activity of agencies, which provide mediation in employment abroad, correspond to ILO Convention 181 in its major aspects. By experts' estimations 29 out of 36 requirements specified in the Convention (83 per cent) are fully matched in various laws or other legal acts while the rest is matched partially or unmatched.

In particular, a similar definition of private employment agencies applies based on the Law on Employment (Articles 1, 36 (part 2), 37 and 39). Beginning with 2013, the services should be offered according to the vacancies from a foreign employer (or its representative) and within the agreement signed with this partner. Such agreement has to be supplemented with a mandatory sample of the labour contract, certified by a foreign party. The firm should keep a copy of this labour contract sample for three years. By law, an intermediary agency is responsible for any deviation from the employment conditions stipulated by the contract. The specific circumstances which limit or prohibit the activity of PrEAs in certain economic sectors, industries or toward certain type of workers (Article 2, part 4, item (b) of the Convention) are clearly outlined in the Law on Employment (Articles 39).

However, in some aspects the Ukrainian legal framework does not correspond to ILO Convention 181 in full or partially. For example, the Law on Employment, Article 37,

10. More details can be found in the Order of the Ministry of Labour and Social Policy No.272 (6 September 2010) "About licensing of the mediation services in employment abroad".

part 2 fully corresponds to the Convention in terms of fees for the mediation services offered by private employment agencies for **domestic** employment. Both the law and the Convention stipulate that these charges should be covered exclusively by an employer. An agency should assist individuals in matters of legal and social protection and inform them about the mechanism of voluntary participation in the state social insurance program. This program aims to ensure social protection of Ukrainian migrant workers during their employment abroad. In contrast, agencies offering mediation services in employment **abroad** are allowed to charge applicants. This norm is partially limited by the requirement to impose charges only after jobseekers obtain a labour contract and/or working visa (if needed) in the embassy or consulate of a foreign country (Licensing conditions, item 3.6.7) and after the service completion statement is signed by the worker (The Law of Ukraine on Employment, Article 38, part 2). However, in actual operation this requirement is easily ignored.<sup>11</sup>

Moreover, the maritime employment (Article 2 of the Convention) is not separated from mediation services to migrant workers. This happens mainly because Ukraine has not ratified the ILO Maritime Labour Convention (2006). Once this Convention is ratified, it is expected that a distinct law will regulate maritime employment.

Article 6, part (b) of Convention 181, which concerns the limitation of private information use, is not fully implemented and the corresponding mechanisms to guarantee such limited use are missing in the Ukrainian legislation. Articles 11 and 12 are also implemented only partially. In particular, Ukrainian laws do not require a foreign employer or mediator to guarantee overseas migrant workers equal access to education and training, or maternity/paternity benefits, or compensation in the case of bankruptcy. Article 13 – in part 2, item (b) of the Convention concerning the control over the use of public funds – is insufficiently articulated in the Ukrainian laws.

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11. <http://biz.liga.net/karera/all/stati/2210982-shtrafy-za-vakansii-komu-pomozhet-zakon-o-zanyatosti-naseleniya.htm>

## CHAPTER 3

# Private Employment Agencies: *De Facto* View

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### 3.1 General Description of Licensed Private Employment Agencies

This section is based upon the completely new survey of 301 licensed Private Employment Agencies conducted in Ukraine in 2013.

The era of private employment agencies in Ukraine started in 1991. Currently there are firms of all ages in this sector. Some of them have been on the market for a while and even saw the dawn of an independent Ukraine while others are new. About one-fifth of currently operating PrEAs started in the last three years. One-third of the companies started in the period 2005–2009.

**Table 1: In what year was the agency established?**

Year	Frequency	Per cent
1991–1999	87	28.9
2000–2004	45	15.0
2005–2009	108	35.9
2010–2013	58	19.3
No answer	3	1.0
Total	301	100.0

Source: Survey of Licensed Private Employment Agencies, 2013.

Licensed private employment agencies are typically small. The vast majority of them (84 per cent) employ less than ten workers. About 46 per cent of agencies are owned by private individuals, predominantly Ukrainians. However, there are also occasional companies owned by foreign citizens (three in the interviewed sample). The rest are mostly middle-size Ukrainian enterprises (42 per cent), with up to 50 full- or part-time employees. Firms above that size are rather exceptions. Only eight per cent of companies operating in this segment are foreign-owned.

**Table 2: How many employees are employed at your company (either part-time or full-time)?**

Firm size	Frequency	Per cent
Less than 10 employees	253	84.1
11–30 employees	35	11.6
31–50 employees	6	2.0
Above 50 employees	3	1.0
No answer	4	1.3
Total	301	100.0

Source: Survey of Licensed Private Employment Agencies, 2013.

**Table 3: Ownership structure of the industry**

Firm's owner	Frequency	Per cent
Individual, Ukrainian citizen	136	45.2
Individual, foreign citizen	3	1.0
Ukrainian company	126	41.9
Foreign company	24	8.0
Other	12	4.0
Total	301	100.0

Note: If there are several owners, information refers to the largest owner.

Source: Survey of Licensed Private Employment Agencies, 2013.

Six different activities are distinguished for the PrEAs, namely recruitment of seafarers, recruitment for international companies (migration), services to returning migrants, recruitment for Ukrainian companies, and, separately, head hunting and temporary employment. Two subsectors naturally dominate: recruitment of seafarers and recruitment for international companies (migration). Almost half of firms are involved in the former and slightly less than half in the latter. About 90.4 per cent of licensed firms are involved into either one or in both of these recruitment modalities. Additionally, licensed PrEAs recruit for Ukrainian companies (six per cent), pursue head hunting (6.3 per cent) or facilitate student movement through student exchanges, summer jobs and internships (4.7 per cent). Services to returning migrants and temporary works in Ukraine offer only a minor fraction of the firms. (It is interesting that out of five companies in the sample which are engaged in temporary employment, three firms are not involved in any other activities.) The vast majority of interviewed firms (80.4 per cent) concentrate on one activity.

**Table 4: Sector of activity**

Activity	Frequency	Per cent
Recruitment of seafarers	155	51.5
Recruitment for international companies (migration)	139	46.2
Returning migrants	4	1.3
Head hunting	18	6.0
Temporary employment in Ukraine	5	1.7
Recruitment for Ukrainian companies	19	6.3
Other	14	4,7
Total	301	100.0

Note: Multiple answers allowed.

Source: Survey of Licensed Private Employment Agencies, 2013.

**Figure 5: Geographical distribution of licensed private employment agencies**

Source: Survey of Licensed Private Employment Agencies, 2013.

Consistent with the data from statistical forms collected by the State Statistic Service, the survey data reveals that the geographical distribution of agencies is largely driven by their major activities. Given that every other firm is involved in the recruitment of seafarers, almost half of such agencies are located in the Southern regions near the Black Sea, i.e. in Odes'ka oblast – 33 per cent of all agencies, AR Crimea – 11.6 per cent (of them, Sevastopol – 6.6 per cent), and Khersonska oblast – seven per cent. A substantial share of interviewed

firms concentrates in Kyiv city (11.3 per cent) and three large industrial regions, namely Donetsk (6.6 per cent), Kharkiv (3.7 per cent) and Dnipropetrovsk (3.3 per cent) oblasts. However, there are also recruiting agencies in two migration intensive regions, such as Ivano-Frankivsk (four per cent) and Lviv (three per cent) oblasts, although their share is relatively lower. So, it can be concluded that location of a licensed private employment agency is mainly determined by the presence of the ports and the size of population in the region. Migration intentions in the region also play a relatively lesser role for the location of PrEAs.

Since most of agencies are small and medium companies it is not surprising that 30.6 per cent of them operate within a single oblast. 54.5 per cent of agencies have branches in two regions and 7.3 per cent in three regions of Ukraine. Occasional recruiting firms open their offices in up to a dozen regions.

A very small share (5.3 per cent) of licensed recruiting agencies belongs to some kind of Business Associations. Among them respondents mentioned Ukrainian Maritime Alliance (<http://www.umaritime.org/> organized in 2005), Ukrainian Association of Recruiting Agencies (<http://www.arka.com.ua/> organized in 2004), and Ukrainian Union of Employers and Private Entrepreneurs ([www.uspp.org.ua](http://www.uspp.org.ua)).

Just over sixty-five per cent of licensed private employment agencies say that they are aware of the ILO Convention 181. Among them, 81 per cent of firms support the ratification of the Convention by Ukraine.

### **3.1.1 Relationship with State Employment Service**

About 60 per cent of licensed agencies claim to already collaborate with the State Employment Service. Among those who do not collaborate yet, 80.9 per cent do not wish to establish such connections. Half the opposing agencies provided their reasons for such a strong position. In particular, half of firms see no use in such cooperation. They doubt the qualifications of SES personnel as well as of the jobseekers that the SES is able to attract. While these “assessments” are completely judgmental and may not reflect the actual situation, it is disturbing that they are supported by such a high proportion of agencies. Another 34 per cent of PrEAs that answered this question see no need in the cooperation as they are satisfied with their own resources. In addition, eight agencies reported that the SES in its turn refused to collaborate, usually due to some legal obstacles.

Agencies that do not currently have but would like to establish collaboration with the SES (seven per cent of the total sample) hope to benefit from the access to the SES’s database of candidates directly or indirectly (by getting candidates’ contacts from SES employees). Other possible collaboration areas include joint trainings for the unemployed and exchanges of own personnel to increase its qualification. PrEAs also are willing to offer their services in attracting the most suitable candidates for government jobs.

## 3.2 Actual Practices

There are several phases in any (both public and private) employment agency activity. It begins by creating a pool of candidates and a pool of vacancies. Then it needs to match these two pools with each other. At the next stage the agency assesses the actual working conditions of the employed jobseeker. At the end, it provides post-employment services.

### 3.2.1 Attracting and Selecting the Appropriate Candidates

To build up a pool of potential candidate 25.3 per cent of firms use exclusively their existing database, while 30.9 per cent of all firms prefer to proceed on *ad-hoc* basis only. Additionally, 43.9 per cent of agencies apply both strategies. The first group mostly includes firms that recruit seafarers (71 per cent). In the second group firms recruiting for international companies (migration) dominate (66 per cent).

Firms mostly hope to catch the attention of an appropriate candidate through advertisement – 80 per cent of firms refer to this source to attract applications. The next very important channel of attracting jobseekers is the agency's network – about 45 per cent of firms use personal contacts and recommendation when looking for a specific profile. Eventually, around one-tenth of firms rely upon their collaboration with the State Employment Service, other private agencies or educational institutions.

There are substantial differences among the recruitment firms concerning the sources they use to fill vacancies. Firms that rely upon their database of potential candidates (mostly crew hirers) are significantly less likely to advertise in the media compared to agencies proceeding on an *ad-hoc* basis (migration-oriented). Only a negligible share of former firms participates in job fairs or contacts educational institutions. Firms practicing both methods are much more likely to refer to the State Employment Service and other private agencies, even compared to those firms that prefer to proceed on an *ad-hoc* basis only.

Licensed private employment agencies use various methods to identify the appropriate candidate from the existing or created pool. Interviews and CV analysis are the main methods, 68 per cent and 60 per cent of firms mentioned them. However, firms recruiting on an *ad-hoc* basis (65 per cent of which assist migrants) are less likely to check actual experience, to look at formal certificates or diplomas, to run tests or practical assignments as compared to those agencies that rely upon the existing database. These statistics suggest that the level of skills that firms expect (or require) from migrant workers is relatively lower, as compared to seafarers.

**Table 5: What sources do you use to attract candidates?**

Source of attracting candidates	Agency's main recruitment strategy			
	Use existing database only (per cent)	Proceed on ad-hoc basis only (per cent)	Use both strategies (per cent)	All agencies (per cent)
Advertisements	59.0	82.0	93.0	79.7
State Employment Service	8.0	7.0	16.0	11.0
Other private employment agencies	5.0	5.0	16.0	10.0
Personal contacts and recommendations	44.0	25.0	58.0	45.2
Educational institutions	2.0	12.0	12.0	9.0
Job fairs	2.0	4.0	8.0	5.3
Use only own database	10.8	0.0	0.8	3.7
People come themselves				3.3
Other methods	18.0	11.0	5.0	3.7
All sources	25.2	30.9	43.9	

Note: Multiple answers allowed.

Source: Survey of Licensed Private Employment Agencies, 2013.

**Table 6: What recruitment processes are used for identifying the appropriate candidates?**

Recruitment instruments	Agency's main recruitment strategy			
	Use existing database only (per cent)	Proceed on ad-hoc basis only (per cent)	Use both strategies (per cent)	All agencies (per cent)
CV Analysis	57.0	56.6	64.4	60.1
Formal certificates / diplomas	49.5	25.0	55.3	45.8
Documented experience	66.7	36.8	66.7	59.1
Interview	65.6	61.8	75.0	68.8
Tests	33.3	27.6	49.2	38.9
Practical assignments	12.9	3.9	15.9	12.0
Other	11.8	6.6	1.5	6.0
No answer				2,3
All sources	25.3	30.9	43.9	

Note: Multiple answers allowed.

Source: Survey of Licensed Private Employment Agencies, 2013.

### 3.2.2 The Role of Skills in Recruiting

Licensed employment firms in Ukraine seem to give a quite low value to formal education and skills. The dominant majority of firms rather trust work experience, both relevant

and general: 92.7 per cent and 88.0 per cent of firm respectively mentioned these factors to be important or very important determinants for the right selection of a candidate. If any skills matter these are language skills (mentioned by 86.8 per cent of agencies) and vocational qualifications (71.8 per cent). From the Labour Migration Survey (2010–2012), however, it is known that only a half of migrants could communicate relatively fluently in the language of the destination country. Moreover, almost 25 per cent of migrant workers did not speak this language and 14 per cent of them even did not understand it prior to the departure.

Many recruiting firms also put a lot of faith in recommendations: 78 per cent of agencies ranked them as important or very important. In contrast, there is no clear consensus among firms about the importance of other national and international qualifications and diplomas (e.g. university degrees), neither about quality and status of educational institutions nor even about IT skills. Around half of agencies consider these factors as least important or not important at while another half of agencies ranked them as important or very important for selecting the right job candidate.

**Table 7: Importance firms give to different skills when selecting new candidates**

Skills	Importance of the skills					
	Very important (per cent)	Important (per cent)	No.really important (per cent)	Not important at all (per cent)	Not relevant (per cent)	No answer (per cent)
Vocational qualifications	34.9	36.9	19.9	6.0	1.0	1.3
Other national and international qualifications and diplomas	17.9	33.2	32.9	10.3	3.3	2.3
Quality and status of educational institutions	15.9	31.2	41.5	9.3	1.0	1.0
Relevant work experience	69.4	23.3	4.7	0.7	1.0	1.0
General work experience	52.8	35.2	8.0	2.0	1.0	1.0
Recommendations	40.5	37.9	14.0	5.6	1.0	1.0
IT skills	18.3	30.6	37.5	9.3	3.3	1.0
Language skills	63.5	23.3	9.3	2.7	0	1.3

Source: Survey of Licensed Private Employment Agencies, 2013.

Concerning the second question, three levels of education, namely low (ISCED 1–2), medium (ISCED 3–4) and high (ISCED 5–6), have been considered. Each agency was asked to indicate up to three most typical contracts for each level of skills and overall. This information is summarized in Table 8 and Table 9.

**Table 8: Contracts most often finalized for the respondents in 2012, by levels of education (number of agencies)**

Type of contract	Low level of skills (ISCED 1–2)	Medium level of skills (ISCED 3–4)	High level of skills (ISCED 5–6)	For all levels of skills
Contracts to seafarers	35	107	138	114
Contracts to migrants	56	94	111	102
Contracts to returning migrants	4	4	7	3
Head hunting contracts	4	7	13	14
Temporary work contracts	2	3	5	3
Contracts to workers for Ukrainian companies	7	12	15	12
Other (please specify)	4	6	9	9
No such candidates	198	87	21	4
No answer	5	10	28	80
Sample size	301	301	301	301

Note: Multiple answers allowed.

Source: Survey of Licensed Private Employment Agencies, 2013.

**Table 9: Contracts most often finalized for the respondents in 2012, by levels of education (per cent of agencies)**

Type of contract	Low level of skills (ISCED 1–2) (per cent)	Medium level of skills (ISCED 3–4) (per cent)	High level of skills (ISCED 5–6) (per cent)	For all levels of skills (per cent)
Contracts to seafarers	11.6	35.5	45.8	37.9
Contracts to migrants	18.6	31.2	36.9	33.9
Contracts to returning migrants	1.3	1.3	2.3	1.0
Head hunting contracts	1.3	2.3	4.3	4.7
Temporary work contracts	0.7	1.0	1.7	1.0
Contracts to workers for Ukrainian companies	2.3	4.0	5.0	4.0
Other (please specify)	1.3	2.0	3.0	3.0
No such candidates	65.8	28.9	7.0	1.3
No answer	1.7	3.3	9.3	26.6

Note: Multiple answers allowed.

Source: Survey of Licensed Private Employment Agencies, 2013.

Several interesting outcomes are observed. First, at each level of education there are agencies which do not work with the candidates of a certain qualification. The share of such companies sharply declines with the level of skills, suggesting that more educated people are more likely to find a job through licensed private employment agencies. But the direction of causality is not obvious. It may happen that more educated individuals are

more likely to refer to agencies for a job search. But it may equally be a sorting policy of agencies, which may prefer to work with more educated candidates.

Second, with a rise of the skills' level the share of firms offering each type of contract proportionally increases. Thus, as a number of companies that work with candidates of a given level increases, these new firms “follow the crowd” with similar categories of contract. This result suggests that contract composition is likely to be independent of skills composition. The verification of this conclusion requires a more thorough investigation.

Third, at each level of education firms mostly assist with recruitment of seafarers and migrants. If we reconsider the pattern only for the agencies which do work with candidates of a given skills level, the distribution of contracts follows very closely the distribution of firms by the sector of activity (see Table 4). It follows in line with the previous suggestion that firms rather specialize by the sector than by the level of skills.

### 3.2.3 ‘Hot’ Vacancies

Licensed private employment agencies report substantial misbalance in the labour market. **About 75 per cent of agencies mentioned that they experience difficulties in filling certain job vacancies.** Each agency was asked to name up to five such vacancies. All the mentioned “hot vacancies” were grouped into four big categories (crew members, technical workers, service staff and white-collar positions).

Each category includes several smaller subcategories. The subcategory of “skilled workers” includes welders, turners, electricians, metallurgists, machine operators and seamstresses. In contrast to “skilled workers”, the category “workers” includes only the most basic unqualified blue-collar positions. Vacancies of teachers, natural science specialists, medical personnel and some others are coded as “other occupations”.

This information is summarized for all agencies (Table 10) and separately for agencies recruiting for international companies (Table 11).

As can be seen from Table 10, licensed private employment agencies most often have difficulties filling vacancies of crew members (42.5 per cent) and technical professions (25 per cent), which correspond to their main activities. Among mariners, agencies mentioned difficulties with recruiting officers (23.6 per cent) and mechanics (25 per cent of all firms respectively). In the category of technical personnel most PrEAs named skilled workers (18 per cent). Problems filling vacancies of service staff were mentioned by 9.3 per cent of agencies, and this category includes home personnel, artists and hotel and restaurant workers. About seven per cent of agencies mention economists, accountants, lawyers and IT specialists with good command of English. And finally, 10.3 per cent of agencies have difficulties to fill vacancies of teachers, natural science specialists and medical personnel, among others. It is worth mentioning that 16 per cent of firms said that they have no problem filling the vacancy.

**Table 10: What are the most hard to fill job profiles (all licensed agencies)?**

Vacant occupations, grouped	Frequency	Per cent	Vacant occupations, disaggregated	Per cent
Crew members	128	42.5	Maritime officers	23.6
			Mechanics	24.9
			Captains	10.6
			Sailors	6.0
Technical personnel	75	24.9	Workers	2.7
			Engineers	4.3
			Skilled workers	17.9
			Builders	3.0
Service staff	28	9.3	Hotel and restaurant personnel	6.6
			Artists	1.3
			Home personnel	1.3
White-collar workers	21	7	Managers	2.7
			IT	2.3
			Economists, accountants and lawyers	2.3
Other occupations	31	10.3		
No problems to fill vacancies	48	15.9		
No answer	25	8.3		
Sample size	301	100		

*Note:* Multiple answers allowed.

*Source:* Survey of Licensed Private Employment Agencies, 2013.

Recruiting firms recognize that both demand and supply contribute to the mismatch in the Ukrainian labour market. The prevailing number of interviewed respondents, however, believes that major problems are related to the insufficient human capital of jobseekers. Particularly, 65 per cent of firms say that candidates lack the required qualifications, experience or needed skills.

It is interesting that firms, which marked the quality of educational institutions and other than vocational qualifications as an important or very important factor for selecting an appropriate candidate, slightly more often complain about the lack of applicants with the required qualifications than overall in the sample (40 per cent vs. 35.5 per cent). With respect to experience, no similar tendency is observed.

At the same time, demand-driven inefficiencies are also present, though reported less often. Particularly, 19.3 per cent of recruiting firms emphasize that vacancies stay unfilled due to poor terms and conditions offered by employers (19 per cent). Also, 12.6 per cent of recruiting firms recognize that labour market mismatch is caused by employers' discriminatory requirements (mostly related to age of the candidate).

**Table 11: What are the main causes of difficulties in filling vacancies?**

Explanations	Frequency	Per cent
Too much competition from other employers	32	10.6
Age requirements from employers	36	12.0
Gender requirements from employers	9	3.0
Low number of applicants with the required qualifications	107	35.5
Low number of applicants with the required skills	84	27.9
Low number of applicants with requested work experience	106	35.2
Low number of applicants with the required job attitude, motivation or personality	21	7.0
Low number of applicants interested in doing this type of job	18	6.0
Low number of applicants generally	27	9.0
Poor terms and conditions (e.g. pay) offered for post	58	19.3
Job entails shift work/unsociable hours	1	0.3
Poor career progression / lack of prospects	1	0.3
Seasonal work	2	0.7
Other	40	13.3
No particular reason / Don't know	43	14.3

*Note:* Multiple answers allowed.

*Source:* Survey of Licensed Private Employment Agencies, 2013.

### 3.2.4 'Hot' Migration Vacancies

If we exclusively analyse the agencies assisting migrants in getting employment abroad (Table 12), a somewhat different pattern appears. First, a share of agencies experiences no problem in filling job vacancies is slightly higher among these companies. Second, job vacancies for technical personnel strictly dominate all other categories – 47 per cent of agencies struggle to find such employees. These are again predominantly skilled workers (35 per cent of all firms): welders, turners, electricians, metallurgists, machine operators, and seamstresses.

**Table 12: What are the most hard to fill job profiles (agencies recruiting for international companies only)?**

Vacant occupations, grouped	Frequency	Per cent	Vacant occupations, disaggregated	Per cent
Crew members	12	12.4	Maritime officers	8.2
			Mechanics	8.2
			Captains	5.2
			Sailors	1.0
Technical personnel	46	47.4	Workers	5.2
			Engineers	6.2
			Skilled workers	35.1
			Builders	8.2
Service staff	11	11.3	Hotel and restaurant personnel	4.1
			Artists	3.1
			Home personnel	4.1
White-collar workers	8	8.2	Managers	2.1
			IT	4.1
			Economist, accountants and lawyers	3.1
Other	16	16.5		
No problems to fill vacancies	21	21.6		
No answer	4	4.1		
Sample size	97	100		

Note: Multiple answers allowed.

Source: Survey of Licensed Private Employment Agencies, 2013.

Similar to many other studies, the survey of PrEAs reveals that migration from Ukraine does not seem to enhance skills development, at least, as interpreted by employment mediators. Given that a low wages and unemployment are the main pushing factors for Ukrainian migration, moneymaking opportunities (rather than human capital development) more often guide Ukrainian migrants.

As a result, about 45 per cent of recruiting agencies mention that candidates with all levels of education are striving for job which offers higher earnings regardless of education and skills held. Additionally, 17.3 per cent of agencies observe that candidates are happy to get any job at all. Only 25 per cent of recruiting agencies say that migrants look for jobs corresponding to their level of education qualification. Moreover, ten per cent of agencies report that migrants prefer to get a job in particular countries suggesting that reasons other than direct economic motives may stand behind a migration destination choice (for example, political or ecological).

**Table 13: What jobs are migrants willing to accept?**

Choice of job	Frequency	Per cent
Typically, migrants willing to accept any job offers regardless to their level of education	24	17.3
Typically, migrants more likely to accept job offers with higher earnings, regardless to their level of education	62	44.6
Typically, migrants more likely to accept job from particular countries, regardless to their level of education	14	10.1
Typically, migrants willing to accept job offers that correspond to their level of education	35	25.2
Aim to leave Ukraine	1	0.72
No answer	3	2.16
Total	139	100

Source: Survey of Licensed Private Employment Agencies, 2013.

### 3.3 The Role of Private Employment Agencies in Assisting Migrants

Eighty-five per cent of licensed PrEAs recruiting at international markets consider individuals as their main clients. In other cases, agencies mostly deal directly with foreign enterprises (11.5 per cent) rather than foreign employment agencies (three per cent).

**Table 14: What are agencies' main clients in migration related issues?**

Clients	Frequency	Per cent
Individuals (migrants)	118	84.9
Enterprises abroad	16	11.5
Private Employment Agencies abroad	4	2.9
Other intermediaries	1	0.7
Total	139	100

Note: As perceived by agencies themselves.

Source: Survey of Licensed Private Employment Agencies, 2013.

As it was mentioned above, 65.1 per cent of licensed private employment agencies say that they are aware of the ILO Convention 181 and 81 per cent of them support the ratification of Convention in Ukraine. However, the actual practices, identified by this study, do not closely correspond to the main requirements of the Convention.

#### 3.3.1 Agreement with Foreign Employment Agencies

Neither the ILO Convention 181 nor Ukrainian law requires private employment agencies to collaborate with similar agencies abroad. At the same time, it is not prohibited either. Clearly such collaboration may increase the quality of services that PrEAs can provide.

Currently less than a half of agencies, which are sending migrants abroad, claim to have an agreement with other private employment agencies in the main destination countries. Typically these are the countries where majority of firms send migrants, namely Poland and Russia. In part, this situation may be explained by a relatively recent (since 2010) introduction of an agreement with a foreign partner as a licensing requirement. Moreover, according to the law, this partner has to be a foreign employer directly.

**Table 15: Main destination countries of foreign partners with which agencies have agreements**

Destinations	Frequency	Per cent
Poland	33	11.0
Russia	10	3.3
Other	6	2.0
Lithuania	4	1.3
Germany	4	1.3
Czech Republic	4	1.3
Latvia	3	1.0
Estonia	2	0.7
USA	2	0.7
Belarus	1	0.3
Greece	1	0.3
Italy	1	0.3
Canada	1	0.3
Qatar	1	0.3
Cyprus	1	0.3
Turkey	1	0.3

Source: Survey of Licensed Private Employment Agencies, 2013.

### 3.3.2 Services Offered to Migrants

A typical recruiting firm offers a limited scope of services to migrants. About 80 per cent of agencies propose up to three services with the most common one being simple assistance in finding a suitable vacancy (above 95 per cent of firms named it). Moreover, this is the only service to migrants in 37 per cent of agencies. The other commonly provided service, assistance with signing a contract, is mentioned by 54 per cent of agencies. Every fifth agency offers pre-departure training, including language courses, and every sixth firm provides some assistance with legal issues or travel and accommodation abroad. Such services as vocational training, monitoring of the migrants' rights or support in the destination country supply only 10–15 per cent of licensed agencies.

**Table 16: What services do you offer migrants?**

Services	Frequency	Per cent
Recruitment selection	133	95.7
Signature of contract	76	54.7
Pre-departure training	30	20.1
Vocational training	14	10.1
Travel and accommodation abroad	22	15.8
Monitoring of the respect of migrants' rights	15	10.8
Support from a Private Employment Agency at the destination country	18	12.9
Legal assistance when necessary	23	16.6
Other	3	4.3

Source: Survey of Licensed Private Employment Agencies, 2013.

### 3.3.3 Service Fees

These services do not come at zero cost for migrants. Only 21.6 per cent of firms claim that they do not charge migrants. About 60 per cent of firms recruiting for international markets charge mediation fees, 34.5 per cent ask migrants to pay for assistance with travel and accommodation, 25.9 charge fees for help with documents needed for migration, and 18.0 per cent of firms shift the costs of medical check-up on individuals.

**Table 17: What kind of costs are paid by migrants?**

Costs	Frequency	Per cent
Mediation fees	84	60.4
Travel and accommodation	48	34.5
Assistance with documents necessary for migration	36	25.9
Medical check up	25	18.0
None	30	21.6
Other	8	5.8

Source: Survey of Licensed Private Employment Agencies, 2013.

If another private employment agency or an enterprise from abroad has requested recruitment, the mediation fee (if any) is typically charged to this foreign company. Particularly, only 35.3 per cent of firms said that do charge such a fee, and majority of them – 27.3 per cent of these 35.3 per cent – put it on the collaborating company, while five per cent ask the migrant to pay and two per cent charged it to both the company and the migrant. Forty-four per cent of Ukrainian agencies claim that they do not charge any mediation fee. Additionally, 18.7 per cent say that they do not collaborate with such agents.

**Table 18: If recruitment has been requested by another Private Employment Agency or an enterprise abroad, do you charge mediation fees and to whom?**

Mediation fee charges	Frequency	Per cent
Yes, typically mediation fees are charged to this company	38	27.3
Yes, typically mediation fees are charged to the migrant	7	5.0
Yes, typically mediation fees are charged to both the company and the migrant	4	2.9
No	61	43.9
Do not collaborate	26	18.7
Other	3	2.2
Total	139	100

Source: Survey of Licensed Private Employment Agencies, 2013.

### 3.3.4 Destination Countries for Migration through Employment Agencies

Employment agencies were asked to name up to five destinations where migrants who they assisted in 2012 went. This information is summarized in Table 19 below with listing of some results.

First, agencies which assist migrants solely most often send them to Poland (19 per cent of firms), Russia (six per cent), Germany (four per cent) and USA (three per cent). This list of countries differs a lot from the destinations emerging from statistical reports, which cover all licensed PrEAs (see Figure 2). The leading position of Poland is particularly interesting given its recent incentives on the liberalization of labour migration. This result is echoed in media publications in 2011–2013 that describe an increasing flow of short-term (mostly seasonal) Ukrainian migrant workers in response to the simplification of legal procedures related to labour migration. It also goes in line with the Labour Migration Survey, 2010–2012 (2013) which finds that Poland is the number one EU destination for Ukrainian migrants.

**Table 19: Destination countries for migrants assisted by employment agencies in 2012**

Country	Frequency	Per cent
Poland	57	18.9
Russia	18	6.0
Germany	11	3.7
USA	10	3.3
Greece	8	2.7
Czech Republic	7	2.3
Lithuania	5	1.7
Canada	4	1.3
Cyprus	4	1.3
Netherlands	3	1.0

Latvia	3	1.0
Spain	2	0.7
Italy	2	0.7
Qatar	2	0.7
Turkey	2	0.7
Estonia	1	0.3
Norway	1	0.3
Portugal	1	0.3
Other	41	13.6

Second, the agencies assisting migrants seem to have geographical preferences. About 63 per cent of them work with a single destination and an additional 18.7 per cent work with two receiving countries. Each firm tries to find an empty niche. Such specialization leads to the situation when Ukrainians work in various countries but only few firms send people to each particular destination. About 12 per cent of agencies said that they did not send individuals abroad in 2012.

### 3.3.5 Do Agencies Assess Actual Terms and Conditions for Workers

A vast majority of agencies (88 per cent) claim that they do assess the actual terms and conditions for workers whom they recruit. Most agencies (80.6 per cent) were able to specify how they actually do it. The majority of these respondents (65.2 per cent) assess conditions by various means of communication (e-mail, Skype, phone calls and photos). Unfortunately, about half of these agencies do not specify whom they contact. Some other companies rely on communication with their partners abroad or with a foreign employer. Such assessments cannot be treated as a strong verification mechanism. Only one-third of agencies in this category try to contact migrants' families left behind or migrants themselves during their stay abroad and/or upon return. Almost 20 per cent of agencies prefer to check conditions themselves by escorting migrants to the place of employment or during later visits of agency representatives. Additionally, 3.6 per cent of agencies rely on the third party (various external labour inspections). And finally, 11.6 per cent of agencies just rely on specifying properly all the necessary condition in the contract.

**Table 20: How agencies assess the actual terms and conditions for workers they have recruited**

Means of assessment	Frequency	Per cent
Communication	73	65.2
Personal observations	22	19.6
Rely on contract conditions	13	11.6
External control	4	3.6
Total	112	100.0

Source: Survey of Licensed Private Employment Agencies, 2013.

All agencies assisting migrants were also asked about what kind of action will be undertaken if they discover that some of the workers they have sent abroad are abused or discriminated. The responses are presented in Table 21. About one-third of agencies have no answer to this question because they are unable or unwilling to admit the problem. Almost 20 per cent of agencies prefer to offer some compensation or legal support to the victim. About 19 per cent of companies will try to inform some authorities, either in Ukraine or in a foreign country. And 16 per cent of agencies will try to undertake some other actions (mostly resolve this situation with an employer or local partner).

**Table 21: How will agency respond to abuse or discriminatory treatment of workers sent abroad?**

Agency response actions	Frequency	Per cent
Inform Ukrainian authorities (Ministry of Social Policy and/or SES)	3	2.2
Inform diplomatic representatives in the country in which the worker is present	7	5.0
Provide legal support	19	13.7
Provide repatriation support	2	1.4
Activate authorities of the country in which the worker is present	16	11.5
Will offer a new job	20	14.4
Don't know what to do	25	18.0
Will do nothing	9	6.5
It never happened	16	11.5
Other	22	15.8
Total	139	100.0

Source: Survey of Licensed Private Employment Agencies, 2013.

### 3.4 Services to Return Migrants

Based on this survey it can be claimed with confidence that licensed private employment agencies in Ukraine offer no particular services to return migrants. Only four companies indicated providing some kind of services to this category of population. Such low number of responses is statistically negligible and cannot be used for any statistical analysis of the sector.

## CHAPTER 4

# Summary and Policy Recommendations

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The number of private employment agencies grew very rapidly in the last two decades all over the world including Ukraine. While the average Ukrainian agency has typically started operating in the period 2005–2009, there is a whole variety of firms in this sector. On the other side, a licensed private employment agency is predominantly small and owned by a Ukrainian private entrepreneur. Thus, it is not surprising that these companies usually operate within a single region. However, despite the fact that almost a half of agencies assist migrants, there is no evidence of strong correlation between the location of PrEAs and migration intentions in the region. It is rather the size of the population that plays a larger role. Such finding cannot be explained by the agencies' attempts to diversify because 80 per cent of companies specialize in one activity.

The sector of licensed private employment agencies consists of two distinguished subsectors. Almost half of firms recruit mariners and slightly less than – recruit for international companies (migration). This dichotomy is observed in many aspects of actual operations. Firms use their existing database to build up a pool of potential candidates and mostly recruit mariners (71 per cent). Agencies that prefer to proceed on an *ad-hoc* basis are more likely to recruit migrants. Companies in the first group advertise in the media significantly less often when compared to agencies from the second group.

Interviews and CV analysis are the main methods to identify the appropriate candidate from an existing or created pool. The difference between the two groups of agencies also is evident here. Companies that rely upon the existing database (crew hirers) are more likely to check actual experience, to look at formal certificates or diplomas, to run tests or practical assignments as compared to firms recruiting on an *ad-hoc* basis (migration-oriented).

Finally, the agencies assisting migrants appear to have geographical preferences. Overall, agencies help Ukrainian migrants find jobs all over the world but only a few firms send people to each particular destination. Further development of the sector along this line may create unnecessary monopolization of services with respect to given destinations.

## 4.1 Legal Framework

Although Ukraine has not ratified ILO Convention 181 on Private Employment Agencies, more than 80 per cent of the requirements specified in the Convention are fully matched in various laws or other legal acts. Moreover, as this study reveals, 81 per cent of interviewed agencies also support the ratification of the Convention. Thus, ratification of the Convention is likely to contribute to further improvement of the legal framework in the sector of employment mediation services.

At this stage particular attention should be devoted to the important points of diversion. Particularly, maritime employment as a very specific phenomenon should be regulated by its own convention and separated into a corresponding sub-sector: economically, statistically and legally.

Another significant divergence deals with charges to jobseekers for mediation in employment abroad. In full agreement with Ukrainian law, only 21.6 per cent of firms claim that they do not charge migrants. It is recommended to extend the norm that prohibits charging applicants any service fees for the mediation of employment on services offered to migrants. However, for a smooth and efficient transition to employer-based charges, it is worth investigating the introduction of such norm for PrEAs operating in the domestic labour market since the beginning of 2013. In addition, it may be worth exploring the opportunities for exceptions and special treatment as provided by ILO Convention 181 to develop a practice that best fits the Ukrainian context.

It is also advisable to articulate better control over the use of public funds currently not specified in the Law on Employment.

Extra legal and administrative support is recommended to accelerate the transfer of power and responsibilities, as well as further necessary developments in the field of licensing for mediation in employment abroad and monitoring compliance to the State Employment Service. This reorganization is still in progress, which postpones the expected increase in quality of both public and private employment services.

## 4.2 PrEAs and Skills

Licensed employment firms in Ukraine seem to attach quite a low value to formal education. Instead, they rely on experience and recommendations. This result is very consistent with other studies suggesting that education does not offer substantial rewards in the local labour market (World Bank, 2009; Coupe and Vakhitova, 2010; Vakhitova et al., forthcoming). Such a situation may explain why migrants are not keen to look for jobs corresponding to their level of education, at least as seen by employment agencies. In contrast, about 45 per cent of companies mention that individuals searching for a job abroad put more value on higher earnings than on skills match. Additionally, 17.3 per cent of agencies observe that candidates are happy to get any job.

The results of the survey also indicate that more educated people are more likely to find a job through licensed private employment agencies. Once agencies were asked about jobseekers with various levels of education, and more companies reported that various types of contracts were concluded with more educated individuals.

To some extent, these two findings about the role of education do not seem to be consistent. However, there are several potential explanations. Agencies may not be faithful about reporting education as unimportant and in fact they prefer to work with more educated candidates. In contrast, it may be that individuals with higher levels of education are more likely to find jobs through PrEAs.

### **4.3 Labour Market Mismatch as Perceived by PrEAs**

Employment agencies report substantial misbalance in the labour market. Only 16–21 per cent of firms said that they have no problem filling a vacancy while 75 per cent of agencies mentioned that they do experience difficulties in finding an appropriate candidate. Particularly, 25 per cent of agencies report troubles closing vacancies for technical professions, mostly skilled workers: welders, turners, electricians, metallurgists, machine operators and tailors. Moreover, the share of such firms almost doubles if we consider only migration-oriented agencies.

While both demand and supply contribute to this misbalance, employment agencies mention the substantial dominance of labour supply inefficiencies. The majority of interviewed agencies believe that jobseekers lack the necessary education and experience. It appears that a lack of experience is a more general labour market phenomenon while the lack of appropriate education matters more for certain firms. Demand-driven inefficiencies are also present, though reported less often. These types of labour market inefficiencies are related to the poor terms and conditions offered by employers and to ageism.

These findings call for policy measures that will target both sides of the labour market with a deeper attention to the supply side. In particular, it is important to re-establish the attractiveness of vocational education. Needless to say, market forces have to be allowed to respond to such a deep shortage of technical professions and to pull students into that sector. In addition, it is warranted to modify the high school curriculum to include an introduction to blue-collar professions together with internships. Such changes have to be accompanied by the modernization of college education and practical training which produces needed specialists.

A stronger relationship between education and the actual needs of labour market continues to be a hot issue. This study also reflects the urgent demand for policy measures that would strengthen that relationship.

## 4.4 PrEAs and Migration

Despite a high level of support for ILO Convention 181 among agencies, the actual practices do not closely correspond to the letter and spirit of the Convention. In particular, 85 per cent of PrEAs recruiting for international markets still consider individual migrants as their main clients. As a result, less than a half of agencies sending migrants abroad have an agreement with other private employment agencies in the main destination countries. While some agencies may instead conclude such an agreement directly with employers, apparently, it is not enough to refocus agencies on the demand rather than supply side of the labour market. Thus, further efforts in this direction are advisable.

Another disturbing feature of actual operation deals with a limited scope of services offered to migrants. About 37 per cent of agencies only offer basic assistance in finding a suitable vacancy. Only half of employment companies help with signing a contract. Only 20 per cent of agency offers pre-departure training, including language courses, and 16 per cent of firms provides some assistance with legal issues or travel and accommodation abroad. Such services as vocational training, monitoring of the migrants' rights or support in the destination country are available in ten to 15 per cent of licensed agencies. Policies stimulating firms to extend the range of services are greatly recommended.

Most agencies (88 per cent) claim that they do assess the actual terms and conditions for workers whom they recruit. Unfortunately, in many cases such assessments cannot be treated as strong evidence. It is even more disturbing that 18 per cent of agencies do not know what kind of action may or have to be undertaken if they discover a violation of contract conditions, abuse or discrimination. This lack of awareness and willingness to protect migrants' rights may substantially reduce the quality of employment for overseas workers. Thus, a special information campaign and trainings (maybe in a form of a public-private partnership) are warranted to increase the ability of PrEAs to reduce discrimination and abuse of migrants.

## 4.5 Services to Return Migrants

This study suggests that licensed private employment agencies do not offer any particular services to returning migrants. Despite that neither the ILO Convention 181 nor Ukrainian legislation requires private employment agencies to offer such services, it is recommended to motivate agencies to follow up with migrants upon their return. Such follow up may be beneficial both for agencies and migrants. It encourages a long-term relationship and a better match between migrants and foreign employers, thus reducing the information costs for the agency and improving its quality of services. It also may turn long-term migration into circular or seasonal movement. And finally, an endorsement of the informal training or skills received by a migrant while working abroad will benefit the migrants themselves as well as promote skills and technology transfers to Ukraine.

## 4.6 Private-Public Partnership and Collaboration Among Stakeholders

The current study was not specifically targeting the issue of collaboration among the sector's stakeholders; however, several important features were observed from the survey and were part of further discussions during the validation meeting.

Currently private employment agencies are required by the Law on Employment of Population to collaborate with the State Employment Service. However, no entrepreneurial activity can be forced in Ukraine. Moreover, there is no punishment in the law for unwillingness to collaborate with SES. Thus, to presume the integrity of the legal framework it is suggested to adjust the language of the Article 36, part 4 of the Law on Employment.

The current proportion of PrEAs which partner with SES in some way is quite high. While the essence and depth of this relationship was not studied, the discussion during the validation meeting apparently reveals joint interest in further developing such collaboration. However, PrEAs should introduce, discuss and implement their own initiatives more actively rather than passively wait for the SES propositions.

Additionally, the discussion during the validation meeting revealed a “new” rising stakeholder in the sector of employment mediation services. Trade unions seek to play a more active role as a protector and monitors of workers' interests, including migrants. Particularly, the agreement between Ukrainian, Moldovan and major Italian trade unions signed in May 2013, with technical support of the ILO project, opens new opportunities in that direction. This agreement may be turned into an instrument for assessments of actual terms and conditions of the migrants in one of most popular destination countries for Ukrainian migrants. This approach may substantially reduce the cost of such assessment and improve the employment conditions of migrants.

Finally, there is a misperception concerning the participants' role in the sector. Some stakeholders consider an individual seeking a job as the only “client” of private employment agencies (while all others are “partners”), a foreign employer as the only (main) partner required and job matching service as the only service (all others being additional services). While to some extent such an opinion can be fostered by the language of the Law on Employment of Population, international experience suggest that a broader view offers more flexible and productive forms of collaborations.



## ANNEX

### Countries Ratified the ILO Convention 181 (1997)

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**Table 22: The Status of the ILO Convention 181 by countries**

Country	Date	Status
Albania	30 Jun 1999	In force
Algeria	06 Jun 2006	In force
Belgium	28 Sep 2004	In force
Bosnia and Herzegovina	18 Jan 2010	In force
Bulgaria	24 Mar 2005	In force
Czech Republic	09 Oct 2000	In force
Ethiopia	24 Mar 1999	In force
Fiji	21 Jan 2013	Not in force
Finland	25 May 1999	In force
Georgia	27 Aug 2002	In force
Hungary	19 Sep 2003	In force
Israel	04 Oct 2012	Not in force
Italy	01 Feb 2000	In force
Japan	28 Jul 1999	In force
Lithuania	19 Mar 2004	In force
Moldova, Republic of	19 Dec 2001	In force
Morocco	10 May 1999	In force
Netherlands	15 Sep 1999	In force
Panama	10 Aug 1999	In force
Poland	15 Sep 2008	In force
Portugal	25 Mar 2002	In force
Serbia	15 Mar 2013	Not in force
Slovakia	22 Feb 2010	In force
Spain	15 Jun 1999	In force

Country	Date	Status
Suriname	12 Apr 2006	In force
The former Yugoslav Republic of Macedonia	03 Oct 2012	Not in force
Uruguay	14 Jun 2004	In force

Source: [www.ilo.org.com](http://www.ilo.org.com).

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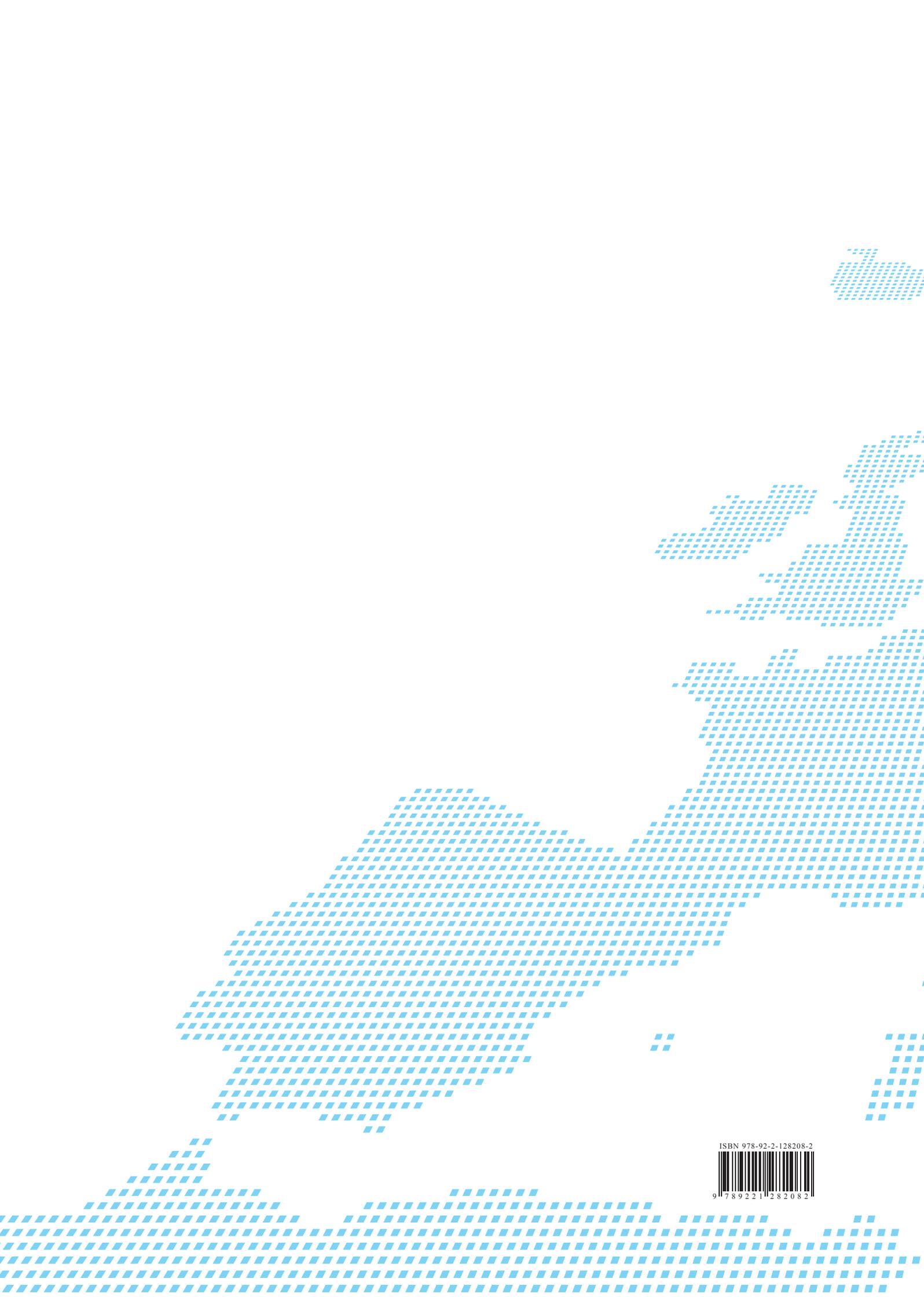
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