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ILO EMPLOYMENT Podcast

Global challenges – Global solutions

Transcript for:

Skills for migration and employment: Do we need a new paradigm?

With Christine Hofmann, ILO Regional Skills Specialist for Africa

Welcome to the ILO Employment podcast series, Global Challenges, Global Solutions. I'm your host Tom Netter...and today we're going to talk about a big issue in the world today, skills and migrant workers.

With labour shortages on the rise and nearly four in five employers around the world reporting difficulties finding the skilled workers they need, labour migration, if managed properly, could help widen the pool of available skills.

But skills and migration are a complex issue. And anyone who's been watching the news lately can see that migration in general, and migrant workers in particular, are also huge issues.

Amid developing trends such as a shortage of skilled workers, an increase in ageing populations, the advent of AI and the impact of globalization, technology and climate change, international migration is growing rapidly.

Since the year 2000 it increased in more than 170 countries worldwide, climbing by 50 per cent. There were 169 million international migrant workers in 2019 according to ILO estimates, which are to be updated in December 2024, constituting nearly 5 per cent of the global labour force. Among migrant workers, women represented nearly 42 per cent in 2017, with many employed in caregiving, healthcare, and domestic work (ILO, 2018). Labour migration takes place across all regions of the

world, but just under half of all migrant workers are concentrated in North America and Europe, followed by the Arab States with just under 14 per cent.

It is in indeed a worldwide phenomenon. In destination countries, the issues are how to profit from the skills some migrants bring, and provide skills development, training and learning that migrants need to find decent jobs and find inclusive and secure livelihoods. But a key issue is the “brain drain” of migrants leaving their countries of origin. The ILO is helping to manage this issue, and provide resources to advise outgoing and returning migrants, which is especially important when migrants return home.

This episode looks at the skills dimensions of labour migration and examines employment and migration policies; skills needs anticipation and matching to improve the employment outlook for migrants; skills development for workers before, during and after migration; and skills partnerships for development between countries of origin and destination for social and economic integration and more inclusive societies.

And here with us today to enlighten us on all of this is the ILO’s Christine Hofmann, joining us from Abidjan, Cote d’Ivoire where she recently took up a new assignment as the Regional Skills Specialist for Africa.

Tom: Christine, it's good to have you with us and welcome to the podcast.

Christine: Hello, Tom.

Tom: So, let's start by defining what we mean by migration and how migrants are different from refugees. And also, can you give us a bit more on the extent of global labour migration?

Christine: Sure. Simply put, a migrant is someone who changes their usual place of residence. And we speak of an international migrant when they cross borders. International migrant workers do so to get a job, and hopefully a decent job. And that's the group of people the ILO is concerned with. Refugees are different because they were forced to move because of conflicts or natural disasters. There are 117 million forcibly displaced people currently globally. And many of them are internally displaced, so this means they have not crossed borders.

But let's talk about migrant workers and their skills. You already said that nearly 5 per cent of the global workforce are migrant workers. And this is 70 per cent of the overall migrant population. With regard to skills, globally, roughly one third of migrants is high skilled, one third is skilled, and one third is low skilled. But the picture varies a lot where we look at different countries or regions.

In the Arab states, for example, over 40 per cent of the workforce are migrant workers. In India, immigrants make up less than 0.4 per cent of the country's workforce. And in terms of skills, in Rwanda's migrant workforce, for example, the share of high-skilled workers is nearly seven times higher than the share in the national workforce.

And in Costa Rica, to give you another example, the share of low-skilled migrant workers is twice as high as the share among nationals. So, then we have migrant workers who work seasonally or only for short periods and regularly return to their country of origin. This is a common phenomenon in agriculture.

Other sectors where we typically find many migrant workers are construction, the care sector, including domestic work, and also in sectors with primarily skilled or high skilled workers like the ICT sector. And in some of these jobs, migrant workers might stay longer and build their career outside of their country of origin. And a last point maybe, unlike common perceptions, most labour migration happens within a region. In Africa, for example, 80 per cent of labour migration happens within Africa.

Tom: Well, that was a great overview, Christine, thank you. Now, in my introduction, I alluded to the evolving global landscape characterized by a host of new global trends. How are these trends affecting labour migration?

Christine: Indeed, labour migration is a growing phenomenon and many people would ask why. There are certainly demographic trends, ageing societies in one region and youth bulges in others that create attractive conditions to apply the so-called surplus workforce in sectors where we see skills in labour shortages, such as the care economy. Then, there are growing inequalities between some countries and regions that also make it attractive to look for jobs outside of national boundaries. Then, we have technological change, including ICT and artificial intelligence and the growing speed in which economies change and need new skills. So that is also accelerating labour migration, in particular, among higher skilled.

And in principle, countries could develop these skills within their own workforce, but that might take longer. And so, it seems easier to attract foreign workers to fill these skills gaps. In the last 20 years, the share of highly educated migrant workers went up from 28 to 38 per cent for those people that are born outside of OECD countries. And the share of lower educated ones went down, which is remarkable because globally only around 16 per cent of jobs require higher education. The big concern from a skills perspective is that migrant workers underutilize the skills they have, which means that a trained technician ends up working as a helper or a trained veterinarian as a taxi driver. And this is a phenomenon we often call brain waste.

Another concern would be that low-skilled migrant workers end up taking on so-called 3D jobs, dirty, difficult and dangerous, because these are jobs that nationals are less interested in. So here we need to think about better protection of migrant workers and promote better career pathways for them. In order to understand the complexity of the situation and the different

circumstances and challenges migrant workers face, we, however, need to look at specific migration corridors and specific skill needs in countries.

Tom: Well, thanks. That's really eye-opening information and it leads me to my next question. Let's talk about assessing the labour market needs of destination countries and mechanisms to address skills or lack thereof among migrants. What kind of skills related programmes for migrant workers are we seeing?

Christine: As you say, Tom, it's very important for countries to align their migration, employment and education policies and hence ensure that countries assess and determine the skills and occupations to be filled through migrant workers in a coherent way. So that means that their migration governance, that includes the work visa policies and other services that countries offer, align with the skill needs identified. You ask about programmes. So, countries can put in place systems to more easily recognize foreign qualifications. And that is happening in many countries. But countries can also implement or strengthen if they already have them, so-called recognition of prior learning systems and make these systems accessible for migrant workers.

To give you an example from Latin America, Chile “Valora”, so a programme in Chile, recognizes prior learning of any workers and awards formal qualifications that have a value in the labour market. Migrant workers can access the service just like any other worker, and they do. Then we have employment services or migrant resource centers, as they're called in some countries, that support migrant workers in navigating these skills recognition processes. And they also provide access to skilling courses, language courses, career development, or other types of upskilling programmes that would be required.

Then we see that some countries invest in so-called skills partnerships with selected countries of origin and invest in the skilling and upskilling of workers in countries of origin already. This is seen as one way to counter the brain drain when investments in skills not only benefits workers who migrate, but also benefits nationals who will stay in the countries of origin.

Now, all of these mechanisms are designed by destination countries. And it's these countries that determine the standards. But we also see regions where mutual recognition of skills and qualifications happens. In Asia, in ASEAN, for example, countries have agreed to mutually recognize qualifications for certain priority sectors or occupations. And the ILO has supported this process over many years.

In tourism, for example, countries together with employers and workers have developed joint regional standards that skills providers are now applying to train workers and to recognize their prior learning. So, qualifications in the system are valid in the whole region. To give you an example from another region, the Caribbean also has introduced regional qualifications that are mutually accepted by all.

Other mechanisms that aim to make skills and qualifications more comparable, but that are not recognition mechanisms per se, are regional qualification frameworks. We have them in Europe, in the ASEAN region as well, and they're starting in South Asia and in Africa. And there are also regional model standards for selected occupations that are developed, and they make it easier for countries to compare their skill standards.

Tom: In this context then, I'd like to ask you, what role does or can the private sector play?

Employers and their organizations are very important partners in all stages. They need to inform about skill needs for their operations because they are looking for talent, right? Be involved in discussions on labour migration policies and in the development of these skills partnerships as well, together with workers and their organizations.

Employers are also critical when it comes to skills recognition processes and the definition of skills standards. And we have already seen partnerships between employers' associations in particular sectors, like between France and some North African countries, which then increases the mutual understanding of skills and qualifications between these countries.

Tom: Well, you mentioned the origin countries and how they deal with the loss of these skilled workers to migration. So, what strategies can be implemented to mitigate this brain drain? And on the other hand, what is the ILO doing to help origin countries harness the skills potential of returning migrants to foster economic and social development?

Christine: Thanks, Tom. The loss of skilled and highly skilled workers in developing countries indeed remains a hot potato in the global migration debate. If a country of origin already experiences skills shortages in one sector, more emigration will make the situation worse and might also jeopardize the country's development.

For health care personnel, for example, the WHO issues a list of countries with health care personnel shortages that international recruiters should not source personnel from. And so, when countries are entering into skills partnerships or bilateral labour migration agreements, as the ILO would call them, it's very important to keep these skills shortages in both countries of destination and origin in mind. Yet, studies also show that skilled migration often has positive impacts on countries of origin.

If remittances are sent and used for investments of business growth at home, if diaspora workers create business links with local firms, they foster technology trends for all. When they come back, they contribute to the skills transfer. And that's what we usually call brain circulation. So, you asked about what the ILO is doing. Not all skills, that people acquire when they are working in another country will be useful when they return to the countries of origin because sectors are different, skill needs are different. And it's often not easy for people to reintegrate into their old communities because people change, because the community might have certain expectations of what migrant workers have achieved or have not achieved.

So, what the ILO does is to support countries of origin in offering counseling, services, advice, and also skills training for a successful reintegration, including how to make best use of the skills they acquired. To give you a concrete example, after a legislative change in Saudi Arabia, a large number of domestic workers from Ethiopia, mostly women, were sent back home.

Domestic work was not so much in demand in Ethiopia, yet women had acquired many skills they could utilize in the national labour market, from childcare, elderly care to food,

preparation, hairdressing. Overall, in this programme, 12,000 workers received upscaling courses in Ethiopian TVET centers and obtained certificates.

They could also enroll in entrepreneurship courses if they were interested in opening a business. And one of the beneficiaries made use of the IT skills she had learned in the household where she worked. So, through business training and a startup loan, she could open an internet cafe where she now employs three staff and plans to expand further. So that's a very nice success story.

Tom: That's really an amazing story. It leads me to a question, which is my last question here: What are some of the most promising policy options for addressing the employment outcome outlook for migrants available today? Or do we need to develop new ones as the nature of migration evolves?

Christine: I think we've already touched upon many of them. I mean, the ILO's role is not to promote labour migration per se, but to help make it fair for workers, employers, and governments. And skills play a very important role in ensuring that labour migration brings benefits to workers, employers, and governments alike in both countries of origin and destination.

So first, we need good labour market information and skills anticipation systems to formulate migration policies that meet the skills demand and that don't aggravate skill shortages in countries of origin. Second, we need to make sure that migrant workers have access to information and advice, including education and training services, before they migrate in countries of destination and also in countries of origin when they return.

This group of services then can help workers protect them from discrimination and the poor-quality jobs that we often see lower skilled migrant workers in. All the skills and employment services available need to be inclusive and accessible for all participants, including for migrant workers. Third, we need to make skills more portable through more effective skills recognition systems and systems that facilitate the comparability and the transparency of skills, occupations and qualifications. And here, digital solutions will play a much more important role in the form of skills logbooks or skills passports, for example.

In addition, we need more mutual recognition of skills and qualifications, and stronger recognition of prior learning systems. The ILO and OECD is currently responding to a G20 request, and is assessing the feasibility of a global taxonomy for skills and occupations that is indeed working in this direction. And fourth, when countries enter into these skills partnerships I mentioned before, they absolutely need to be based on social dialogue and negotiated with workers' and employers' organizations in both countries. Many of the pilot schemes put in place by different organizations until now have not really seen a tripartite engagement, and hence, I would question their sustainability over the long run.

So, while the idea of investing in skills development in countries of origin is intriguing because of the lower cost and the possibility of benefits for local labour markets, this equation only works if skills are indeed relevant for the countries of origin and if skills training is not becoming a hidden recruitment cost for migrant workers.

So let me also mention that the ILO partners with the International Organization of Migration, with UNESCO, the International Trade Union Confederation and the International Organization of Employers, under what we call the Global Skills Partnership on Migration. And we jointly explore ways to make skills partnerships on migration more beneficial for all and assist countries in making migration fair with the help of better skills and lifelong learning systems.

Tom: Well, Christine, that was great. And I want to thank you for joining us today and providing your fascinating and really valuable insights on this issue of growing importance around the world.

So, "brain waste," 3D jobs? Brain waste meaning migrants whose qualifications are underused due to lack of recognition of credentials or barriers like discrimination and language skills, or who get so-called "3D jobs" such as, dirty, difficult, and dangerous jobs with limited legal protections....

Those are the parts we don't always hear about in the news about labour migration.

The ILO is working to address issues arising from the flow of migrants out and back to their origin countries, as well as mitigating the exploitation and protecting their well-being.

As we've just heard new, innovative policies are needed to address these issues. Let's hope that as the global tide of migrant workers increases, so does the policy response.

I'm Tom Netter, and you've been listening to the ILO EMPLOYMENT podcast series, "Global Challenges, Global Solutions". For more on skills and migration and some useful links, go to www.ilo.org/employment. Meanwhile, thank you for your time.