

# Rural Migration News

## Blog 286

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### Migrant Recruitment Costs

The 2030 Agenda for Sustainable Development established 17 goals and created indicators to measure progress to achieve these goals by 2030. Sustainable Development Goal 10 is to reduce inequality within and between countries, and Target 10.7 is to: “facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.”

Almost two-thirds of the 280 million international migrants in 2020, some 170 million people, were in the labor forces of the countries where they lived. The International Migration Review Forum held in May 2022 called on governments to promote “fair labor conditions and decent work and uphold international labor standards.”

There are two indicators to measure progress toward achieving target

10.7, (1) recruitment costs borne by employees as a proportion of yearly income earned in country of destination, and (2) the number of countries that have implemented well-managed migration policies. A related Target 10.3 is to reduce to less than three percent the costs of remitting money over borders, with a special focus on remittance corridors where remittance costs are more than five percent of the amount transferred.

#### Recruitment 10.7.1.

International labor recruitment is the process of finding workers in one country to be employed in another. Employers set most labor migration in motion by recruiting workers in other countries to fill vacant jobs. ILO conventions and many national laws require these employers to pay all worker expenses to work abroad. The ILO says that “no recruitment fees or related costs should be charged to, or otherwise borne by, workers or jobseekers.”

Foreign jobs that pay 10 to 20 times more than workers would earn at home often attract more workers than jobs, so worker-paid fees are one way to allocate limited work visas among potential migrant workers. Requiring employers to pay all recruitment costs means that workers capture the entire rent or difference in wages between the sending and the receiving country.

The ILO and the World Bank supported studies that measured worker-paid recruitment costs as a share of earnings abroad, and found that worker-paid costs were high in particular corridors. For example, migrants leaving Vietnam in 2019 reported paying an average \$6,500 for their foreign jobs. Bangladeshi men had much higher worker-paid recruitment costs than Bangladeshi women.



The Vietnamese migrants went to high-wage destinations including Japan and Korea, so their recruitment cost payments represented about six months of foreign work at foreign wages of \$1,000 a month. The Bangladeshi men earned less in Gulf oil exporters, \$200 or \$300 a month, so they worked up to 18 months abroad to repay their recruitment expenses.

Further analysis of the Bangladeshi worker-payment data show that costs were high regardless of destination, ranging from a low of \$3,500 for migrants going to Oman to almost \$7,000 for migrants going to Singapore.

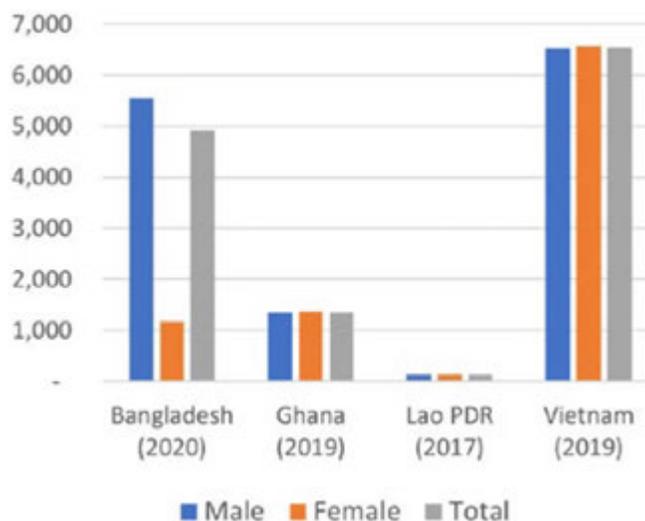
Unskilled workers had higher recruitment costs and earned less abroad, explaining why some had to work almost 20 months abroad to repay their recruitment costs.

The SDG goal is to have national governments incorporate recruitment cost questions into their labor force or migration surveys. Some governments interview departing and returning workers because monthly or quarterly household surveys do not find many migrants. The SDG recommends that countries collect worker-paid cost data from at least 1,000 migrants before publishing the data.

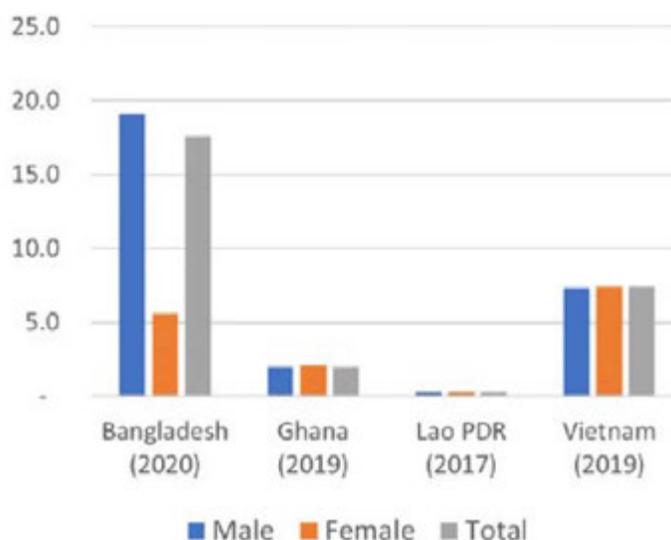
### Governance 10.7.2.

Determining the number of countries with migration policies that facilitate orderly, safe, regular and responsible migration and mobility of people requires definitions and value judgements. UN DESA codes responses to 30 items in six policy domains and averages them to determine whether a country's migration policies promote orderly, safe, regular and responsible migration.

**Vietnamese Migrants and Bangladeshi Men had the Highest Worker Paid Costs (Costs in USD on Y-axis)**



**Lower Wages Abroad Means that Bangladeshi Men Worked More Months Abroad to Repay Recruitment Costs than Vietnamese Migrants (Months of Foreign Work on Y-axis)**



Governments provide yes-no responses to 30 questions that ask whether they have policies covering particular issues.

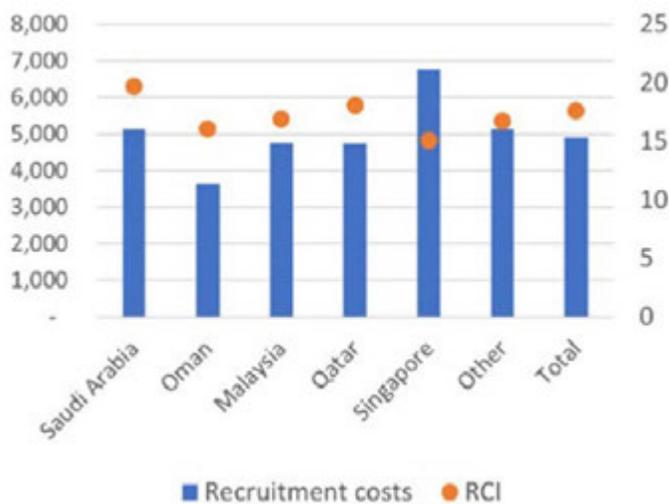
These self-assessments suggest that most governments believe they have policies that facilitate orderly, safe, regular and responsible migration. Globally, four percent of 138 countries fully meet the criteria for good governance, while 59 percent of countries meet the criteria, meaning they had policies on at least

80 percent of the 30 items asked. Partially meeting the criteria meant satisfying 40 to 80 percent of the 30 items.

### Perspective

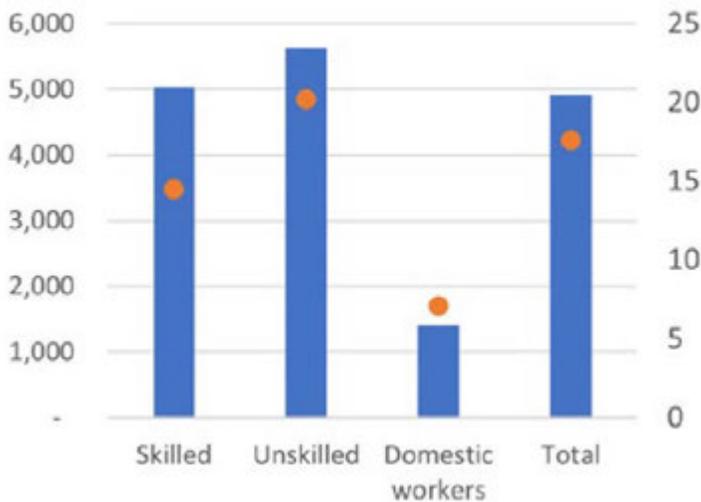
There is widespread agreement that the SDG goals and targets will not be achieved by 2030. The International Migration Review Forum in May 2022 allowed governments to review progress to achieve the migration-related SDG goals.

**Singapore was the Highest-Cost Destination for Bangladeshi Migrants but Migrants in Singapore Repaid Their Recruitment Costs Fastest (USD Cost on Left Y-axis, Months of Foreign Earnings on Right Y-axis)**



Advocates called for integrating migrants into the communities where they live regardless of legal status, opening more pathways for legal migration, and reducing migrant vulnerabilities. The concluding review asserted that governments “will strengthen our efforts to enhance and diversify the availability of pathways for safe, orderly and regular migration, including in response to demographic and labor market realities.”

**Bangladeshi Domestic Migrant Workers Had the Lowest Worker-Paid Recruitment Costs and the Fastest Payback Period (USD Cost on Left Y-axis, Months of Foreign Earnings on Right Y-axis)**



Governments and NGOs highlighted the importance of migrants as essential workers, especially in food and health care systems, and noted that remittances to developing countries were almost \$600 billion in 2021 despite closed borders and lockdowns. The ILO called for tripartite dialogues between governments, employers, and labor organizations to ratify and implement ILO conventions in order to ensure that migrants moved under the terms of rights-based and gender-responsive migration policies

that guarantee equal rights to migrant workers.

Migration from less to more developed countries averaged almost three million a year between 2015 and 2020. Much of the IMRF discussion focused on the problems of migrants, decrying the paucity of legal pathways for migrants who are seeking safety and opportunity and calling on governments to do more to combat discrimination and xenophobia against the migrants inside their borders.

## Governments are Asked Whether They Have Policies, Not the Effectiveness of These Policies

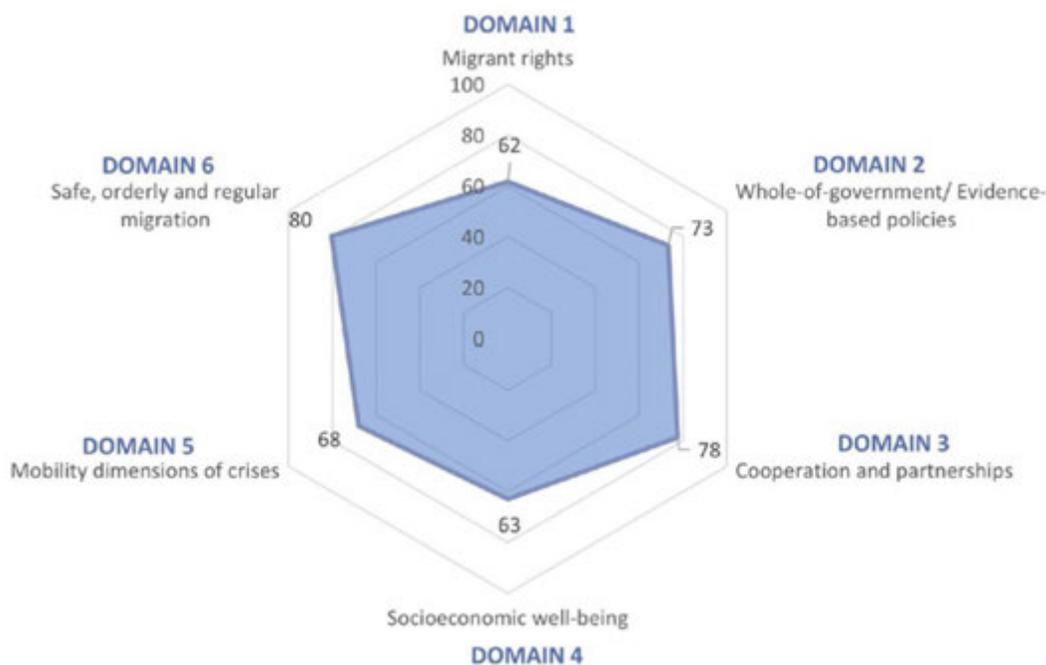
1. Does the Government have any of the following institutions, policies or strategies to govern immigration or emigration?

MEASURE	Yes	No
a. A dedicated Government agency <sup>1</sup> to implement national migration policy	<input type="radio"/>	<input type="radio"/>
b. A national policy or strategy for regular migration pathways, including labour migration	<input type="radio"/>	<input type="radio"/>
c. A national policy or strategy to promote the inclusion or integration of immigrants <sup>2</sup>	<input type="radio"/>	<input type="radio"/>
d. Formal mechanisms <sup>3</sup> to ensure that the migration policy is gender responsive <sup>4</sup>	<input type="radio"/>	<input type="radio"/>
e. A mechanism to ensure that migration policy is informed by data, appropriately disaggregated <sup>5</sup>	<input type="radio"/>	<input type="radio"/>

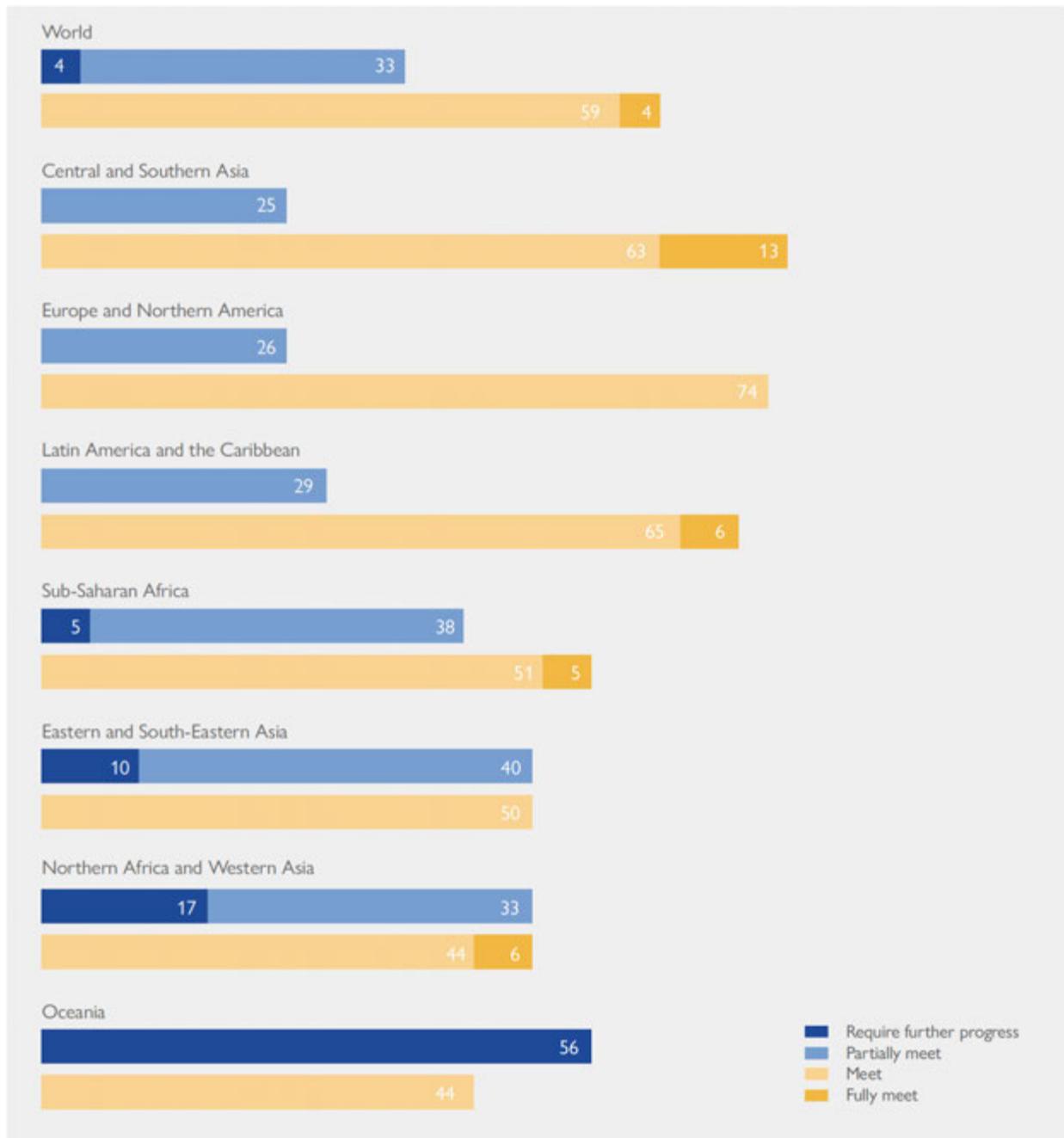
4. Does the Government provide non-nationals equal access to the following services, welfare benefits and rights?<sup>18</sup>

CATEGORY	YES <sup>19</sup>		No
	REGARDLESS OF IMMIGRATION STATUS	ONLY FOR THOSE WITH LEGAL IMMIGRATION STATUS	
a. Essential and/or emergency health care <sup>20</sup>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Public education <sup>21</sup>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Equal pay for equal work <sup>22</sup>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Social protection <sup>23</sup>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Access to justice <sup>24</sup>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## The Percentage of Governments with Policies in Each Domain was Highest for Safe and Orderly Migration and International Cooperation



**Central and Southern Asian Countries Were Most Likely to Report that Their Policies Fully Meet Criteria for Orderly, Safe, Regular and Responsible Migration**



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