



Making labour mobility work

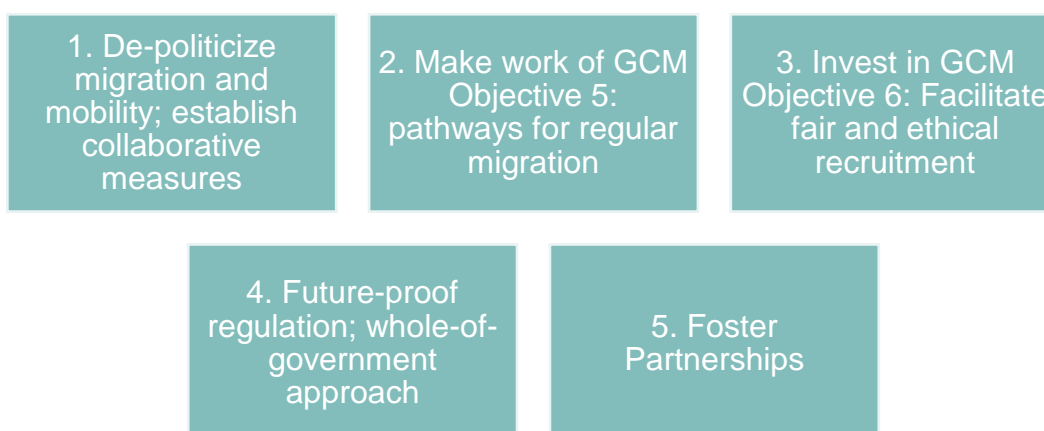
Why cross-border recruitment is an indispensable part of the solution to skills shortages

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Executive summary and Policy Recommendations

Local labour market policies are important to tackle skills shortages, but they are not enough. Especially climate change and digitalization have significant impact on labour market and migration trends and must be taken into account. Policy Makers must take measures that enable sustainable talent mobility. They should do so starting from a labour market perspective, looking at mobility as a solution to local challenges – as long as it takes place in a compliant and sustainable way. Luckily, countries do not need to reinvent the wheel; most of the work is now around implementation and enforcement of internationally agreed policies such as the **Global Compact for Safe, Orderly and Regular Migration**. The Adecco Group offers the following policy recommendations (see page 8 for more details):



1. Introduction

In historically tight labour markets, employers are scrambling to get access to talent. Re- and upskilling of local talent and other activation policies are clearly an important policy lever to invest in – one that the Adecco Group fully supports. It is clear however that this may not be enough. In an increasingly interconnected global economy, the ability to attract and retain international talent is therefore essential for sustained economic growth, innovation, and competitiveness.

While migration might be an economic necessity, there is a risk of negative side-effects that need to be addressed. Unfortunately, this is often not done well enough, which means that today, talent mobility and migration are mired in negativity. In the most recent [Eurobarometer](#), immigration was listed as 4th most important issue facing countries, before issues such as energy supply, education, or unemployment. On top of some of the existing challenges, misconceptions exist, and in the public eye mobile workers, regular migrants, irregular migrants, and refugees are often confounded¹.

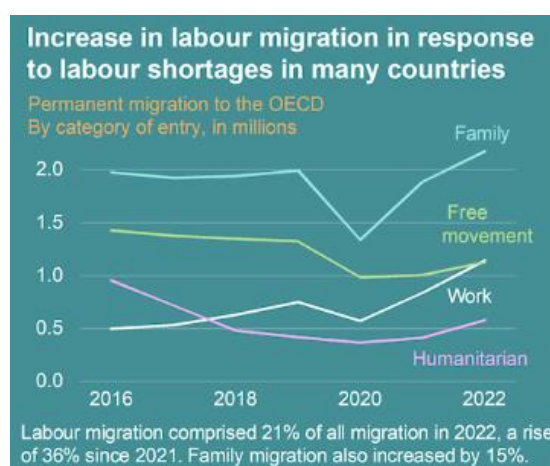
In this paper we set out the Adecco Group's vision on labour migration and we provide a set of policy recommendations. Taken together, those should help achieve sustainable talent mobility that can benefit all stakeholders involved – particularly with the involvement of a talent company like the Adecco Group. We also provide some real-life examples of well-structured mobility solutions..

In our approach to talent mobility, we are proudly aligned with the work of the [Business Advisory Group on Migration](#).

2. Labour Migration in a changing world of work

Importantly, not all migration is labour migration. As the OECD notes in its [International Migration Outlook 2023](#), labour migration comprised 21% of all migration in 2022 – although that share is rising, up from 19% in 2021. With that said, overall migration has risen as well and is at an all-time high. The 169 million Migrant Workers together make up around 4,9% of the global labour force².

Labour markets as well as migration patterns are in constant flux. With this in mind, there are two developments that deserve specific attention:



¹ See the IOM's list of Key Migration Terms for a good overview of terminology: <https://www.iom.int/key-migration-terms>

² [ILO Global Estimates on International Migrant Workers](#)

- **Climate change**
 - Climate change has a big impact on countries of origin, most notable as it drives push factors for migration such as desertification and potential reduction in the quality of life and the quality of work. Another element is potentially reduced economic activity such as in the agricultural sector³.
 - What should not be underestimated however is the impact on the entire economy, including in countries of destination. While the picture is complex, it is clear that this also leads to demand for new products and services, which has a big impact on skills requirements, as well as changes in supply chains, and where economic growth and decline takes place⁴.
- **Digitalization and remote work**
 - Both technological advancements as well as cultural changes (accelerated by the Covid pandemic) have made remote work a more realistic option for an increasing amount of professional roles. Already today, in several countries the Adecco Group supports its clients in getting access to remote talent instead of opting for talent mobility. At the Adecco Group, we have a clear expectation that this will only grow, and our experience is backed up by data from the [World Bank](#), as it notes that “firms are increasingly using online platforms to access a wide range of skills”, and that they “expect demand for gig work to continue to rise in the future”.
 - This development poses questions around the applicable regulatory framework. Taxation is an obvious matter, but policy makers should also consider social protection, responsibility for workplace health & safety, questions of intellectual property and more. It is important to ensure the interests of both workers and companies are equally protected in this novel environment.

3. The Adecco Group vision on Talent Mobility and Migration

Our vision on talent mobility can be summarized in three points:

1. We believe that a talent mobility journey should start with a **labour market perspective**. Skills needs can sometimes be solved locally, and sometimes via remote working – but in this era of massive talent shortages, migrants may also help to solve local challenges. This should become a more decisive factor in policy making than it often is today.

³ The 2023-2024 GFMD Presidency of France has chosen climate change as main topic, and the DG of the International Organization for Migration Amy Pope has also identified it as one of her focus areas.

⁴ Some countries are better prepared than others to the impact of climate change on labour markets. For further reading, have a look at the Adecco Group's latest paper, [Creating the Green Talent Pool For Climate Action](#).

2. **Talent mobility does not go at the expense of the local population.** Fears of labour market substitution (“migrants taking locals’ jobs”) are generally unfounded, as evidence shows that these effects are generally small⁵. At the Adecco Group, we strongly believe in the power of local activation policies⁶ to support labour market integration for all workers. This is not a panacea that will solve all shortages, and talent mobility can be complementary. After all: organizing talent mobility can be complex and costly, and so companies will generally prefer to hire locally. Only when that truly does not appear to be a realistic option will they resort to hiring foreign talent.
3. Talent mobility should take place in a **compliant and socially sustainable** way, with respect for workers’ rights. In the context of the solutions that the Adecco Group offers, we call this Fair Recruitment⁷. The Adecco Group adheres to the Principles as set out in the World Employment Confederation [Code of Conduct](#), including first and foremost the Principle not to charge fees to workers, set out in the ILO [Convention 181](#). Asking people to “pay to work” can lead to debt bondage and thus exploitation. The best way to enable compliant mobility is for governments to invest in efficient implementation and enforcement of existing rules.

4. The Adecco Group experience in organizing labour migration

As labour markets and regulatory systems vary greatly, so does our offering of labour mobility solutions. There are countries where we do not offer such solutions. In European countries, the first focus is often on intra-EU mobility. Although some challenges remain the same in that case, the regulatory challenges are vastly different from recruiting 3rd country workers – which nevertheless still happens as well. And finally, there are some countries where a significant portion of the talent that we place at clients is recruited abroad.

The Adecco Group and the India NSDC

To further build on our global talent pipeline, we have recently signed a partnership agreement with the Indian National Skills Development Center, aimed at enhancing international mobility for skilled and certified Indian candidates. The partnership will start in various countries, including Germany, Spain, Canada and Australia. The key sectors of focus will include healthcare, IT and engineering, logistics and other sectors identified through collaborative efforts.

⁵ See for example the [Labour Migration Observatory at the University of Oxford](#); or [this article](#) by the OECD.

⁶ These include re- and upskilling, career guidance and counselling, and other support measures for workers with a distance to the labour market.

⁷ The Adecco Group is strongly engaged in work to promote Fair Recruitment both at the [World Employment Confederation](#) and at the [ILO](#).

Despite these differences, the primary reasons clients rely on the Adecco Group across geographies often align. Adecco Group colleagues around the world report that clients rely on us to deal with the complexity of visa and administration procedures, but also for the strength and reliability of our existing network in countries of origin, and our experience in solving logistical challenges. As a Talent company, we prominently also offer support in the skills assessment of candidates, which is cited as a significant challenge for clients.

Unfortunately, rather than embracing the expertise of Talent Companies, several countries have opted to restrict or even outright ban our sector from recruiting 3rd country nationals⁸, for example by preventing agencies from acting as a sponsor for a migrant worker. This is shortsighted and counterproductive. If countries are serious about tackling talent shortages, they would do well to change course and enable bona fide experts like the Adecco Group to play a positive role on the labour market.

IT & tech skills in Singapore

- Adecco structurally supports a major client in the financial industry with a need for IT and tech talent.
- Although we always aim to hire locally, talent is hard to find and very sought after. We have thus hired up to 300 people abroad since 2017.
- Although talent is initially hired for a year, most (90-95%) renew their contract and stay for 3-5 years.
- The hiring process is relatively easy with a good online portal, but still takes up to 3 months.

Adecco Japan Global Career Program

- In an ageing workforce, skills are increasingly hard to find.
- Adecco set up a specific program to support companies to hire foreign workers.
- Services include language training and a personal coach to support workers with integration in Japanese society.
- Companies receive a full immigration support package.

Adecco Poland - automotive

- roughly 20% of the Adecco associates in Poland (over 10K workers) are foreigners. Many are Ukrainian, but we employ over 50 nationalities
- Adecco generally offers workers a job as well as accommodation (paid for by the client company). In some cases, workers get an allowance instead.
- In one project for a large automotive company, we support Ukrainian and Belarussian workers. Up to a third of workers placed were hired permanently by the client after their initial 6 month contract.
- Immigration policy is a barrier: the process generally takes about 4-5 months.

Adecco Middle East/UAE

- Every year, Adecco hires over 1000 workers from abroad for a wide range of roles, mostly mid- to high-skilled.
- Adecco has set up dedicated sourcing centers in countries of origin like India.

⁸ Including Germany, Japan, Romania.

5. The existing international legal framework on migration

At the international level, the strategic importance of talent mobility is increasingly recognized. We see this in political statements, as for example by the President of the European Commission Ursula von der Leyen, or in the discussions in the context of the Global Compact (see below) and the Global Forum on Migration and Development. In some limited cases, this sentiment is translated into policy interventions, such as on the EU Talent Pool, and lifting of some immigration restrictions in Australia, Italy and Germany. Unfortunately, all too often countries show no sign of political readiness to put in place a structured and collaborative approach to tackling the effects of talent migration and mobility.

International migration policy got a significant boost when in 2018 the UN adopted its [Global Compact for Safe, Orderly and Regular Migration](#) (GCM), identifying 23 objectives. The implication is that there is now broad international consensus on the key ingredients for safe, orderly and regular migration, and that there is a strong international legal framework in place:

“The existing body of International Labour Standards and international human rights law provides a strong international legal framework protecting migrant workers. These documents lay out human rights applicable to migrant workers including fundamental principles and rights at work which apply to all workers, regardless of their migration status. (...) Additional dedicated labour migration-related standards, as well as a range of other relevant ILO standards including those on wages, employment, social security, private employment agencies, labour inspection, violence and harassment, domestic work, nursing personnel, or agriculture lay out specific considerations for migrant workers”.⁹

Going forward, countries clearly do not need to reinvent the wheel when it comes to the protection of migrants. Rather, the bulk of the work is now in the efficient implementation and enforcement. This though is a political choice, linked to national agenda-setting, which therefore often does not

EU Talent Pool

Ursula von der Leyen clearly identified labour migration as a political priority in her State of the Union in 2023: *Labour shortages hinder the ability to innovate, develop and prosper. (...) we need skilled labour immigration.*

Subsequently, the EU Commission presented its proposal for an EU Talent Pool. The proposal seems like a good start to get more transparency in the supply and demand of labour. On the other hand, the proposal does not address the biggest hurdle for 3rd country migrants coming to the EU: the visa and permit process. This will remain a Member State competency.

⁹ The 2023 background Paper to the Global Forum on Migration and Development's Round Table on Labour Migration.

take place. It also becomes clear that a fair consideration of the economic activity and the labour market needs in these international standards as well as in national legislation are still mostly missing.

The Adecco Group is an active participant in global discussions on labour migration. Among other things, an Adecco Group representative acts as co-chair to the above mentioned GFMD Round Table on behalf of the [Business Advisory Group on Migration](#).

6. Policy Recommendations

Based on the considerations laid-out, the Adecco Group suggests the following policy recommendations:

1. **De-politicize migration and mobility. Drive a positive migration agenda based on facts, not myths.**
 - a. Drive positive campaigning on the value-add of migrants and mobile workers for the national labour market, clearly differentiating labour migration with (irregular) other forms of migration.
 - b. Proactively engage with sending countries on a mutual agenda.
 - c. Implement and enforce existing standards on labour migration and mobility.
2. **Make work of GCM Objective 5 – “Enhance availability and flexibility of pathways for regular migration”.**
 - a. Allow Talent Companies like the Adecco Group to play a leading role in cross-border recruitment and where applicable end restrictions and prohibitions for recruitment agencies relating to 3rd country migration.
 - b. Simplify and streamline visa processing and administrative burdens for companies and workers.
 - c. If needed, rather than focusing on all migration, consider creating skills partnerships and dedicated migration corridors.
3. **Invest in GCM Objective 6: Facilitate fair and ethical recruitment and safeguard conditions that ensure decent work.**
 - a. Ensure ratification and compliance with ILO Convention 181 on Private Employment Agencies, prohibiting fee-charging to jobseekers.
 - b. Create a better business case for fair recruitment by investing in enforcement of existing labour market regulations by labour inspectors, taking a risk-based approach. Support self-regulation initiatives by compliant companies while cracking down on known offenders.

4. Future-proof regulation

- a. Enable a whole-of-government approach to migration (with a strong role for the ministries of economy and labour), bringing together migration with economic policy, skills and activation policy, social policy, and more. This should not only apply at the national level, but also at the global, where intergovernmental organisations (like the GFMD) and UN bodies (like IOM and ILO) should ensure they align in a broad context.
- b. Ensure ongoing policy discussions on remote work and on cross-border recruitment are connected rather than taking place in silos.
- c. Consider the specific impacts climate change might have on national economies and labour markets; adjust migration policy accordingly.

5. Foster Partnerships

- a. Encourage collaboration between recruitment agencies, employers, and relevant government departments to create a coordinated approach to recruiting foreign workers that aligns with national workforce development goals.
- b. Collaborate internationally to prevent social dumping through hybrid cross-border work and promote the international transferability of benefits for training and other social benefits (such as pensions)

7. Conclusion

In today's landscape of talent scarcity paired with acute effects of geopolitical and climate-related migration waves, the lack of political decisiveness is reckless and short-sighted. Policy makers of all walks have the responsibility to elevate migration and mobility related issues to the highest point on their agendas, ensuring that a constructive and inclusive narrative accompanies the structured measures.

Governments are not alone and should combine forces with all relevant partners, at a minimum to combat illegal and unfair cross-border recruitment practices.

Empowering recruitment agencies to take a central role in recruiting foreign workers can drive tangible economic growth, address skill shortages, and enrich our workforce's diversity. By implementing streamlined policies and fostering collaboration, policymakers can position the country for sustained success in an increasingly interconnected global economy.