

# BUSINESS AND MIGRATION: From Risk To Opportunity

A report from International Business Leaders Forum, March 2010



“WE RECOGNISE THE IMPORTANT ROLE THAT COMPANIES CAN PLAY IN INITIATING AND DRIVING CHANGE IN SUPPORT OF HUMAN RIGHTS. WE WILL CONTINUE TO WORK WITH IBLF AND OTHER ORGANISATIONS TO ADDRESS THE CHALLENGES AND OPPORTUNITIES WITHIN OUR INDUSTRY AND OUR SUPPLY CHAIN BECAUSE WE BELIEVE THIS TO BE THE BEST WAY TO FIND SUSTAINABLE SOLUTIONS”

STEPHEN RUBIN  
CHAIRMAN  
PENTLAND GROUP PLC

## FOREWORD BY ADAM LEACH

### Chief Executive, IBLF

Despite the recent economic downturn, global labour migration flows continue to increase and the issue remains high on the socially responsible business agenda. Migration and migrants seem to attract only “bad news” stories, often therefore portrayed as risks to business. However, IBLF believes there are also huge opportunities for managing migration effectively, with benefits for both business and society. The balance of this argument is outlined in this report.

The following report marks the start of IBLF’s in-depth analysis of the issue of migration and the essential role that business can play in raising labour standards for migrant workers. Alongside government and civil society, companies can work to build a stronger awareness of migration challenges and solutions, and actively engage in increasing the protection of migrant workers.

I look forward to working with corporate partners, government representatives, members of international organisations, NGOs and academics on this important global challenge.



Adam Leach

## FOREWORD BY DAVID ARKLESS

### President of Global Corporate & Government Affairs, Manpower

Business can no longer afford to leave the issue of migration to governments to address. Companies are in a strong position to use their core competencies to influence positive change in the countries where they operate. As important investors, companies can leverage their influence to encourage governments to improve the regulatory frameworks protecting migrant workers and level the playing field across countries.

Furthermore, a policy of high standards with regards to all workers, including migrant workers explicitly, can boost companies’ competitiveness. A strong reputation based on fair policies can help to attract and retain good employees.



David Arkless

## EXECUTIVE SUMMARY

**From the international movement of professionals to the urban migration of unskilled rural workers, migration is a complex and multifaceted phenomenon characterised by risk but also opportunity for business and society.**

There is a strong business case for managing migration. Properly managed, migration offers substantial benefits to both employee and employer. Surplus labour in one country can help fill labour shortages in another to mutual benefit. The rights and status of migrants can be strengthened through responsible recruitment and employment practices and positive social inclusion measures beyond the workplace. Returning migrants can use new skills and wealth to contribute to the skilled labour pool and boost the sending economy, thereby creating a virtuous cycle. Remittances sent home by migrant workers provide developing countries with a vitally important external source of revenue that aids growth and boosts social infrastructure. Global migration can be a powerful catalyst for growth and development in both sending and receiving countries.

Poorly managed, migration can lead to exploitation, particularly of the more vulnerable. Unnecessary government bureaucracy and a lack of transparency can impede the movement of workers and economic opportunities may be lost. Unregulated recruitment agencies engaging in exploitative practices, such as the excessive deduction of fees, cause widespread debt bondage. The illegal retention of identity and travel documents by unscrupulous employers creates situations of bonded labour. An influx of migrant labour can put a strain on services in receiving communities. It can trigger social tensions between locals and migrants, sometimes resulting in discrimination and abuse. “Honey-pot” labour migration, for example to a major infrastructure or mining site, also exacerbates health risks, such as a higher incidence of HIV/AIDS among male migrant workers in these sectors.

Traditionally, managing migration has been the domain of government, with business viewed exclusively in the role of employer, or facilitator in the case of recruitment agencies. Today, however, the global scale and complexity of labour migration mean that companies come under increasing scrutiny for their treatment of migrant workers in their own operations and supply chains.

They are also under growing pressure to play a constructive role in the management of migration, for example, by sharing their experience of migration and using their influence with governments to encourage fair and responsible migration practices; to engage with civil society and trade unions to ensure respect for migrants’ rights in the workplace; and to actively promote social inclusion.

This report aims to draw together existing research and business practice examples to give an overview of the opportunities and risks associated with labour migration. It focuses on the positive impact business can have, both individually and collaboratively, through its three “spheres of influence”: core business activities, social investment and policy dialogue. The report also offers a framework for a business response to this complex and ever-evolving issue.

**A migrant worker is:  
“[a] person who is to be engaged, is engaged or has been engaged in a remunerated activity in a State of which he or she is not a national”**

**The UN Convention on the Rights of Migrants<sup>1</sup>**

---

1 [http://portal.unesco.org/shs/en/ev.php-URL\\_ID=3020&URL\\_DO=DO\\_TOPIC&URL\\_SECTION=201.html](http://portal.unesco.org/shs/en/ev.php-URL_ID=3020&URL_DO=DO_TOPIC&URL_SECTION=201.html)

# OVERVIEW OF MIGRATION

## Key Trends & Statistics

**Migration flows have reached unprecedented levels over the last decade. According to 2010 forecasts, there will be almost 214 million international migrants worldwide, an increase of over 18 million since 2005<sup>2</sup>.**

**Globalisation** is a key trend driving the demand for, and supply of, migrant labour. Increasingly mobile, millions of people migrate for work each year in search of better economic prospects, and generating in turn vital income for sending communities. The World Bank estimates that migrants generated remittances of over \$443 billion globally in 2008, \$338 billion of which flowed to developing economies<sup>3</sup>.

Migration is a **global issue**. The United States, Russia, Germany, Saudi Arabia and Canada currently receive the largest number of **international migrants**, with top sending countries including China, India and the Philippines<sup>4</sup>. A large number of international migrants move from developing to developed countries. However, an increasingly significant trend is the migration flows between developing countries, in particular from Asian countries such as Bangladesh, India, Pakistan and the Philippines to Malaysia, Saudi Arabia, the UAE and Jordan<sup>5</sup>. **Internal migration** has also risen dramatically, predominantly from rural to urban areas. The number of internal migrants is estimated to be four times greater than the number of international migrants<sup>2</sup>. In China as of the end of 2008, 140 million rural workers were migrating to work in cities<sup>6</sup>. Similar patterns have arisen in Bangladesh, Vietnam, Indonesia, Cambodia and Thailand, with rural women making up a large proportion of these internal migrants.

Migration impacts a **broad range of sectors**. Companies in the manufacturing sector draw a great deal of attention as they respond to a growing market for cheap consumer goods combined with downward pressure on costs, creating a strong demand for cheap

labour. However, other relevant sectors include the extractives, agriculture, construction and services, such as health care and the hospitality sector, particularly where there is a high demand for low-skilled labour.

Under international human and labour rights conventions, migrant workers should share the same rights as local workers. However, in reality insufficient protection under national laws as well as international codes leaves migrants **vulnerable to abuse**. These abuses can range from the deduction of recruitment fees pre-departure, to poor working conditions and discrimination, and, at the extreme, forced labour or trafficking.

Migration is proving resilient in face of the recent **global economic downturn**. Despite an estimated 6 per cent fall in remittances to developing countries in 2009, at a global level new migration flows continue to increase, with a small recovery anticipated in 2010 and 2011<sup>7</sup>. However, the downturn clearly has important implications for migratory activities as companies in many industries worldwide introduce large-scale employment freezes and contract their workforces. Sectors employing large numbers of migrants, such as manufacturing and construction, have been hit hard, with such migrants more likely to lose their jobs than domestic workers. Protectionist measures have also increased as governments prioritise nationals.

### KEY STATISTICS

- 214 million international migrants globally<sup>2</sup>
- 740 million internal migrants<sup>2</sup>
- \$443 billion in remittances in 2008<sup>3</sup>
- 49 per cent of global migrants are women<sup>4</sup>

2 UNDP Human Development Report 2009

3 The World Bank Migration & Remittances Data: Migration and Development Brief 11

4 International Organization for Migration - <http://www.iom.int/jahia/Jahia/about-migration/facts-and-figures/lang/en>

5 BSR International Labour Migration: A Responsible Role for Business, October 2008

6 China's National Bureau of Statistics - <http://www.cfr.org/publication/12943/>

7 The World Bank: Migration and Remittance Trends 2009 - <https://blogs.worldbank.org/peoplemove/migration-and-remittance-trends-2009-a-better-than-expected-outcome-so-far-but-significant-risks>

# THE BUSINESS CASE

## Maximising the Opportunities and Minimising the Risks

### Opportunities – Business and Society

Managed well, migration can benefit both business and society. Companies can gain directly from migrant workers as well as indirectly from a more sustainable operating environment. The key opportunities include:

#### Filling labour shortages

Migration is an effective mechanism for meeting labour market shortages. As an example, foreigners make up more than 40 per cent of the workforce in the Gulf region<sup>8</sup>. Low-skilled migrants are often willing to accept menial jobs that the local workforce is not prepared to undertake, meanwhile skilled migration can offer specialist skills and innovative ideas.

#### Boosting competitiveness

Migrants can help companies establish a competitive edge in the global marketplace, for example, by providing a cost-effective workforce where low-skilled labour is required or by increasing cultural diversity and with it the potential for new ideas. By investing in the fair treatment of migrant workers, firms can reap the rewards of a healthier, more stable and more productive labour force. Global corporate leaders recognise this opportunity, with 71 per cent believing that foreign workers give them competitive advantages<sup>9</sup>.



House building, Mexico

### Cemex: Construmex

Through the Construmex programme, construction firm Cemex has linked the billions of dollars of remittances flowing from its migrant workers in the US to addressing the lack of adequate housing in Mexico.

Based on the discovery that a significant percentage of remittances were sent to Mexico to boost construction at home, the programme enables migrants to send aid in the form of housing materials. It also involves architects to design homes and calculate what materials are needed. As a result, over 4,500 US-based migrants have built homes in Mexico<sup>10</sup>.

#### Economic stimulus

Well-managed immigration can boost receiving country economies via new spending, investment and tax contributions. In addition, skilled migration can stimulate business development and innovation. In sending countries, migration can be positively linked to development. Remittances boost local spending with positive knock-on effects, such as investment in public infrastructure and local enterprise development. In Bangladesh alone, remittances totalled almost \$9 billion in 2008, 10 per cent of Gross National Income<sup>11</sup>. Returning migrants with new skills also commonly initiate entrepreneurial activity, which can help attract further foreign direct investment, creating a virtuous cycle of economic growth.

8 International Organization for Migration - <http://www.iom.int/jahia/Jahia/about-migration/facts-and-figures/lang/en>

9 Western Union Global Workforce Impact Survey, December 2009 - [http://corporate.westernunion.com/global\\_migration.html](http://corporate.westernunion.com/global_migration.html)

10 Construmex website - [http://www.cemexmexico.com/se/se\\_co.html](http://www.cemexmexico.com/se/se_co.html)

11 Martin, P., Reducing the Cost Burden for Migrant Workers: A Market-Based Approach, August 2009



“Despite reports of growing protectionist and nationalistic sentiment prompted by the global recession, world business leaders believe that migration continues to be good for business and the economy”

Western Union Global Workforce Impact Survey, December 2009

#### New business opportunities

The particular needs of migrant communities can drive demand for new products and services in both sending and receiving countries, particularly in the financial services, information communication technology and travel sectors. Catering to the cultural tastes of migrant workers can create new business opportunities, such as for food and drink retailers and restaurants. In sending countries, returning migrants often bolster local SME development and represent potential new consumers for global companies. The more stable these consumers are, the greater the benefits for both business and society.

#### Skills and knowledge transfers

Skilled migrants can offer receiving countries access to professional qualifications that are not available in sufficient numbers domestically. In sending communities, returning migrants provide access to hitherto unavailable skills and expertise for firms based there.

#### Western Union: mobile remittance services

Western Union is working with the GSM Association (GSMA), a global trade group representing mobile phone operators, to develop innovative services for sending and receiving money transfers via mobile phones. The company is harnessing the global reach of mobile phones to offer migrant workers more convenient ways of transferring remittances home<sup>13</sup>.



Migrant workers in the UAE<sup>12</sup>

12 ©2010 Samer Muscati - <http://www.flickr.com/photos/sultan/>

13 Western Union website - [http://corporate.westernunion.com/news\\_media\\_MobileMoney.html](http://corporate.westernunion.com/news_media_MobileMoney.html)

## Risks - Business and Society

Managed poorly, migration can pose reputational and even legal risks for companies, in addition to threatening the welfare of individuals and communities concerned. Key risks include:

### Poor working conditions

Migrants disproportionately experience bad working conditions, including low pay, no holiday or sick pay, poor health and safety, and the confiscation of travel documents, which can result in high absenteeism, lower productivity and increased accidents. Workers are often unaware of their own rights due to language barriers and restricted access to trade unions. The scale of the problem is also difficult to measure given that many migrants are reluctant or unable to report such mistreatment.

### Exploitation by employers and other agencies

Low-skilled migrants can fall victim to employers who exploit their economic and educational vulnerability as well as social and cultural isolation. The Gangmasters Licensing Authority (GLA) highlights sector-specific examples in the UK, including the deduction of money for tools and equipment in construction and uncompensated travel time in social care<sup>14</sup>. Recruitment agencies are also frequently implicated in forms of exploitation, such as charging exorbitant fees for their services. At the extreme, migrants can become indebted labourers, dependent on their employers.

Migrant women are particularly vulnerable. In China, females are hugely overrepresented in unskilled, low-paying factory work, with employers preferring young, single women as they are seen as easier to control and less likely to know their rights<sup>15</sup>. In Thailand, girls migrating from rural areas to Bangkok looking for work in the tourism sector often end up as sex workers, either through economic necessity or as bonded labour.

## UAE: understanding the lives of labour migrants

A pilot project has been launched in the UAE to follow the lives of 3,000 migrants from India and the Philippines. Supported by the International Labour Organisation, Arab Labour Organisation and the International Organisation for Migration, the study will examine the entire migration process from recruitment and integration on arrival, to living and working conditions in the UAE, and reintegration on return. The sectors will include construction, hospitality and health. The aim is to increase transparency and to use the results to inform migration policies<sup>16</sup>.



Migrant workers, Mae Sot, Thai/Burma<sup>18</sup>

14 Oxfam Briefing Paper 'Turning the Tide', July 2009

15 China Labour Bulletin - <http://www.cfr.org/publication/12943/>

16 The National website - <http://www.thenational.ae/apps/pbcs.dll/article?AID=/20100131/NATIONAL/701309834/1010/FRONTPAGE>



**“Migrant workers in general, and female migrants in particular, who generally work in low-paid, labour-intensive sectors, are often subjected to long overtime hours, poor or unsafe working conditions, and frequently are owed back wages by employers”**

China Labour Bulletin<sup>17</sup>

#### Discrimination

Migrants face discrimination from locals in receiving communities who may view them as a threat to their levels of pay, livelihood and local culture as well as competitors for jobs, housing and services. The eruption of violence in Southern Italy against seasonal African migrants in January 2010 highlights this risk. Extractives firms in particular acknowledge that a rapid influx of labour migrants to an area, the so-called “honey-pot” effect, can exacerbate social tensions. “Ghettoisation” means that migrants remain segregated.

#### Health challenges

Poor living and working conditions combined with a lack of access to health care can make migrants more prone to illness. Violence as a result of social tensions can threaten the well-being of migrant workers. Of particular concern is the increased incidence of HIV/AIDS among temporary

male workers in mining and extractives communities, where prostitution brings with it problems associated with sexually transmitted diseases. According to The World Bank Group, 20 per cent of coal miners and 30 per cent of gold miners are HIV positive in South Africa, with serious implications for companies and communities, including lost productivity and lower life expectancy<sup>19</sup>.

#### Brain drain

While some migrants do return home, repatriating newly acquired skills, there is a risk that sending countries, particularly developing countries, will be deprived of educated workers as they are attracted abroad. More than half of all university graduates in parts of sub-Saharan Africa and Central America migrate to OECD countries, taking with them crucial learning in sectors such as education, health and engineering<sup>20</sup>.



Migrant sex worker, Mae Sot, Thai/Burma<sup>18</sup>

17 <http://www.cfr.org/publication/12943/>

18 ©2010 John Hulme - <http://www.flickr.com/people/jphulme/>

19 The World Bank: AIDS & Mining - <http://web.worldbank.org/>

20 OECD: Migration and the Brain Drain Phenomenon  
- [http://www.oecd.org/document/16/0,3343,  
en\\_2649\\_33935\\_39269032\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/16/0,3343,en_2649_33935_39269032_1_1_1_1,00.html)

## THE ROLE OF BUSINESS IN PRACTICE

Business can leverage the opportunities and mitigate the risks of migration, both individually and collaboratively, through its three “spheres of influence”: core business, social investment and policy dialogue.

### Impact Through Core Business Activities

#### Recruitment practices

The International Labour Migration (ILM) Focus Group in Malaysia<sup>21</sup> identified a more direct recruitment approach as a key way of reducing the exploitation of migrant workers<sup>22</sup>. It is common for employers in receiving countries to outsource the recruitment of contract workers to third-party brokers, creating a complex chain in which transparency and accountability break down. Companies can reduce this complexity by cutting out middlemen and encouraging suppliers to do the same. In addition, companies can cover placement fees for migrant workers, reducing the risk that they depart already heavily indebted. Manpower Asia has adopted a policy to encourage all receiving country employers to cover placement fees for their workers<sup>23</sup>.

#### Working conditions and exploitation

Business can promote better labour standards internally and work with suppliers to ensure that these are consistently upheld. Contractual obligations for suppliers to meet minimum labour standards, training, independent monitoring and transparent reporting can all contribute to protecting workers’ rights. In addition, companies can educate migrant workers about their rights by offering training and supplying educational materials in their native languages. Finally, firms can put in place clear grievance procedures, such as hotlines, so that workers are able to report poor conditions without fear of retribution.

### Pentland: safeguarding migrant workers

Sports, outdoors and fashion company Pentland has, amongst its supply chain requirements, a policy against bonded or involuntary labour to reduce the risks of exploitation of workers. Pentland is committed to working with suppliers to help them meet local legal requirements and labour standards. It believes the key to safeguarding migrant workers’ rights is improving recruitment procedures in supplier factories and ensuring that all contracts are in the worker’s native language<sup>24</sup>.

### BP: addressing the risks of the “honey-pot” effect

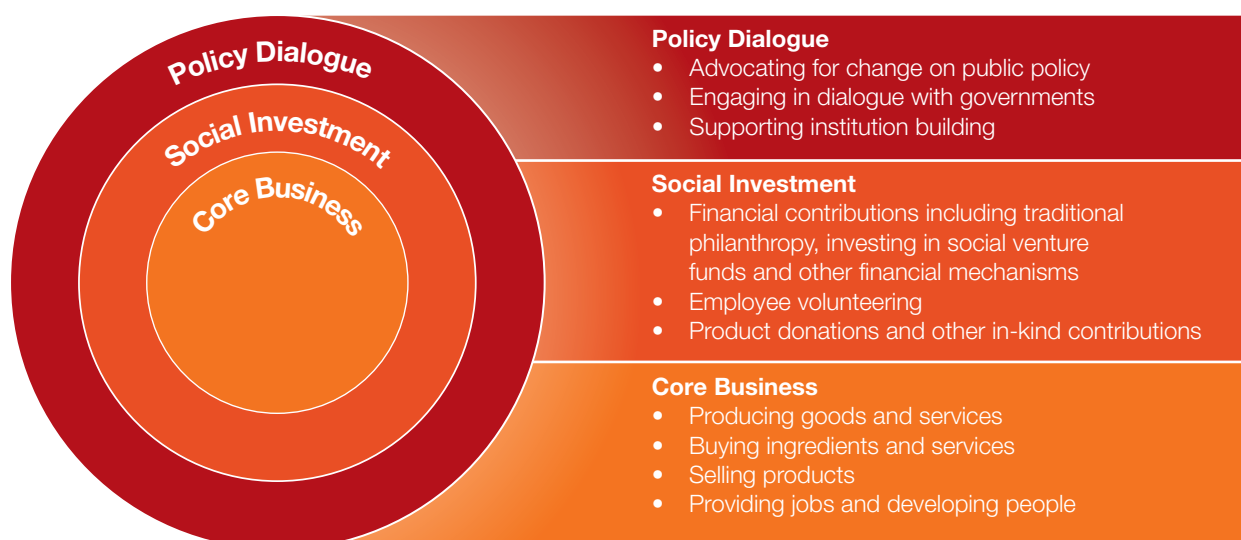
On the Tangguh LNG project in Indonesia, BP fully recognises the risks associated with the “honey-pot” effect and is making efforts to address these risks by focusing on workforce recruitment and management policies. A cashless site was established with the aim of minimising the possibility of financially-motivated crime. BP also provides migrant workers with on-site accommodation, reducing the pressure on the local infrastructure and minimising disruptions to the local community. At a regional and local level, the company arranges workshops to discuss and address in-migration issues with local community members, increasing awareness and understanding<sup>25</sup>.

21 The International Labour Migration Focus Group brings companies together to address issues at local, regional and global levels affecting international labour migrants in supply chains. The aim is to identify responsible roles for business in international labour migration. - <http://www.bsr.org/research/initiatives/ilm.cfm>

20-21 BSR International Labour Migration: A Responsible Role for Business, October 2008

24 Pentland website - <http://www.pentland.com/responsibility>

25 BP website - <http://www.bp.com/sectiongenericarticle.do?categoryId=9004769&contentId=7008850>



### Remittances and brain drain

Companies can increase the development impact of migration and reduce the dependence of sending communities on remittances by adopting policies that encourage the eventual return of migrants. Global firms with interests in both sending and receiving communities can actively support returning migrants. Through "localisation" policies – whereby returning nationals are appointed to senior management roles after having worked for the same company overseas - firms retain trained employees as well as extend the benefit of migration to sending economies. Alternatively, firms can promote the employment and training of nationals where possible, retaining the acquired skills in the local communities where the projects are based. Responsible long-term planning can ensure a phased withdrawal after project completion, supporting the redeployment of workers. Oil company ExxonMobil successfully implemented such a policy for the development of the oil pipeline across Chad and Cameroon, hiring, training and promoting local workers<sup>26</sup>.

## Impact Through Social Investment

### Living conditions

Companies can make efforts to address the issues of poor living conditions and social exclusion through diversity training both internally and in the local community, and by providing adequate facilities for migrant workers, including affordable housing. By investing in respectable living conditions and the social and cultural integration of migrants into local communities, companies can increase the well-being of their workforce while promoting a more sustainable operating environment.

### Health

Social exclusion along with poor living and working conditions raise the risk of disease amongst migrant workers. These risks can spread as migrants travel across continents possibly carrying strains of communicable diseases.

Companies, therefore, benefit from investment in adequate health provision for their migrant labour force, their dependents and local communities, whether by supporting state provision or providing health care directly. Measures such as those recommended by The World Bank Group for mining companies in South Africa (see box) highlight how companies can contribute to health efforts and education around health.

## Mining companies in South Africa: investing in health

As part of the "IFC Against AIDS" programme, The World Bank Group has produced an HIV/AIDS Guide for Mining Companies, providing companies with practical advice based on the experience of South Africa. The guide outlines the following areas in which companies can make a difference:

- Due diligence: employee health surveys
- Workplace sensitization, counseling and education
- Cooperative efforts with national and international campaigns
- Condom availability and education in use
- Provision of STD treatment and other health care
- Provide accommodations for families
- Support community programs<sup>27</sup>

<sup>26</sup> ExxonMobil website - [http://www.exxonmobil.com/corporate/energy\\_project\\_chad.aspx](http://www.exxonmobil.com/corporate/energy_project_chad.aspx)

<sup>27</sup> The World Bank website - <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTOGMC/0,,contentMDK:20220933~menuPK:509396~pagePK:148956~piPK:216618~theSitePK:336930,00.html>

## Impact Through Policy Dialogue

### Collaboration with business

There is mutual advantage for companies in being transparent, sharing best practice solutions and seeking to establish a set of common standards to work to, both within specific industries and across different sectors. Companies can have a more powerful impact by working collaboratively, delivering a united message and increasing their leverage with suppliers, trade bodies and policymakers. **The International Labour Migration (ILM) Focus Group** demonstrates how companies can work together to strengthen their common policies and to engage with other key stakeholders. Participants include Apple, Hewlett-Packard, JCPenney and Nordstrom.

### Working with governments

Companies across different regions and sectors face migration issues on a day-to-day basis. Individually and collaboratively, business can share these experiences with governments in both sending and receiving countries, contributing to the formulation of policy and raising the level of protection for migrant workers at a more systemic level. In the UK, retailers such as Marks & Spencer have worked, and continue to work, closely with **The Gangmasters Licensing Authority (GLA)** to address the issue of controls on migrant labour providers.

### Cross-sectoral dialogue

A strong business voice is crucial in cross-sectoral dialogues between the private sector, public sector and civil society to better understand the challenges of migration and how to address these challenges. **The Hague Process on Refugees and Migration** involves a range of individuals and organisations with expertise in migration from governments to NGOs, academia and business. This multi-stakeholder initiative provides a forum for the exchange of information as well as generating innovative ideas and contributing to international policy.

## The Gangmasters Licensing Authority (GLA): the role of Marks & Spencer

As part of the Temporary Labour Working Group (TLWG), a cross-sector alliance in the UK, M&S worked with the UK government, industry and trade unions to tackle the exploitation of temporary workers in the UK agricultural and food processing sector. The aim was to improve controls on migrant labour providers and resulted in the UK Code of Practice for Labour Providers. This voluntary code led to the Gangmasters Licensing Act in 2006, which established a government-run gangmaster licensing system.

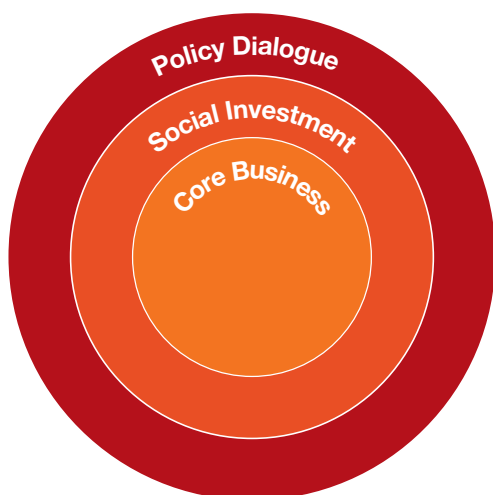
The GLA now licenses gangmasters in the food and agriculture sectors, using its power of revoking and refusing licenses to encourage a level playing field. There is evidence that this system has succeeded in improving standards and deterring exploitation by raising awareness of the risks to both agencies and workers of exploitative practices. The GLA continues to work constructively with gangmasters and retailers<sup>28</sup>.

28 Oxfam Briefing Paper 'Turning the Tide', July 2009 and UN Global Compact website - [http://human-rights.unglobalcompact.org/doc/UNGC\\_MigrantWorkers.pdf](http://human-rights.unglobalcompact.org/doc/UNGC_MigrantWorkers.pdf)

# FRAMEWORK FOR THE BUSINESS RESPONSE TO MIGRATION

Business has so far been reluctant to engage in the complex issue of migration. However, as the various examples have shown, companies are in a strong position to raise standards for migrant workers both in their own operations and supply chains as well as at a broader systemic level.

The following steps framework offers business a way of approaching migration management. Based on the three “spheres of influence”, business can have a positive impact through its core business, social investment or policy dialogue, both at an individual company level and through collaboration with business peers, government and civil society. In order to do this effectively, business must firstly raise its own awareness and secondly, engage more actively in the key issues.



## Step 1: Build awareness

Companies must start by fully understanding the opportunities and risks for engagement associated with migration at an individual company level as well as through collaboration. Key steps include:

**Collecting the facts** to map the presence of migrant workers in the company and its supply chain, how they are recruited, their terms of employment and their level of protection under national laws and suppliers' policies.

**Assessing impacts, risks and consequences** with regard to the employment of migrant workers to identify the areas of greatest risk and where current policies and procedures are inadequate. Involve migrant workers in the process to fully comprehend the impact of current practices on their lives.

**Consulting with key stakeholders** including business, government and civil society to gain a broader understanding of the challenges being faced. Learn from best practice and find out about existing multi-stakeholder initiatives.

## Step 2: Actively engage

From a well-informed position, companies can actively engage in raising standards within their workplaces and supply chains, investing in communities and contributing to the broader policy debate. Key steps include:

**Defining policies and procedures** to include explicit references to the protection migrant workers' rights. Provide managers with the training needed to enable them to implement these effectively.

**Working with suppliers** to ensure that internal policies and procedures are clearly communicated and applied consistently within the supply chain. Seek to establish long-term and constructive relationships.

**Sharing experience** by communicating openly, both internally and externally, about lessons learned in order to contribute to the broader understanding of migration opportunities and challenges.

**Collaborating with government and civil society** to help improve international and domestic migration policies as well as to promote clearer and more consistent frameworks for migration management.



## NEXT STEPS FOR IBLF

The International Business Leaders Forum (IBLF) believes that migration should be a priority on the socially responsible business agenda for companies in many sectors. It plans to launch a consultation process with representatives from IBLF member companies and others in key industries, in both sending and receiving countries, to establish a more comprehensive picture of the challenges at stake. The likely sectors will include construction, manufacturing, financial services, recruitment and tourism.

IBLF and the Institute for Human Rights and Business (IHRB) have joined forces to form **The Business And Migration Initiative (BMI)**. BMI is launching a series of **Business and Migration: Roundtables for Collective Action** for companies, governments and civil society.

This report is a launch pad for this series, providing an overview of the labour migration issue and the current research and initiatives underway.

The Business and Migration series aims to drive forward the debate on the relationship between the private sector and migration in key hotspots around the world; to facilitate collaboration and to instigate collective action on critical issues related to the rights of migrants.

The first roundtable will take place in London in March 2010 to be followed by subsequent roundtables in emerging markets, developed and developing countries over three years. Each roundtable will lay the foundation for collaborative action by its participants.

A roadmap is needed for business to play a more constructive role in managing labour migration to achieve optimum outcomes for all parties. Some invaluable work has begun in this area through the Hague Process business roundtables and by the International Organization for Migration's (IOM) Business Advisory Board. Building on their findings, and bringing together key players in a series of small, regional meetings, IBLF and IHRB hope to identify specific ways in which business can play a more constructive role in contributing to improved labour migration that benefits both business and development needs.

Following the workshops, BMI plans to publish a second in-depth migration report, incorporating the learnings and innovative ideas that emerge through the workshop process and providing sectoral and regional frameworks, as appropriate.

For further details regarding the roundtable series, either for more information or to get involved, please contact [alice.ready@iblf.org](mailto:alice.ready@iblf.org).



Migrant workers queue for transport

## KEY RESOURCES

### Reports

- BSR International Labour Migration: A Responsible Role for Business, October 2008
- Martin, P., Reducing the Cost Burden for Migrant Workers: A Market-Based Approach, August 2009
- Oxfam Briefing Paper 'Turning the Tide', July 2009
- UNDP Human Development Report 2009
- Western Union Global Workforce Impact Survey, December 2009

### Websites

- ASEAN Taskforce on the Protection of Migrant Workers <http://www.aseanmigrant.org/>
- Colombo Process <http://www.colomboprocess.org/>
- Ethical Trading Initiative (ETI) <http://www.ethicaltrade.org/>
- Gangmasters Licensing Authority (GLA) <http://www.gla.gov.uk/>
- Global Forum on Migration and Development (GFMD) <http://www.gfmd-fmmd.org/>
- International Business Leaders Forum <http://www.iblf.org>
- Business and Migration Initiative <http://www.business-migration-initiative.org>
- International Labour Migration (ILM) Focus Group <http://www.bsr.org/research/initiatives/ilm.cfm>
- Institute for Human Rights and Business <http://www.institutehrb.org/>
- ILO International Migration Programme (MIGRANT) <http://www.ilo.org/public/english/protection/migrant/>
- The World Bank Development Group: Migration & Remittances <http://www.web.worldbank.org/>
- International Organization for Migration <http://www.iom.int/>
- OECD <http://www.oecd.org/>
- Philippines Overseas Employment Administration <http://www.poea.gov.ph/>
- UN International Migration Convention [http://www.portal.unesco.org ~ /shs/en/ev.php-URL\\_ID=1513&URL\\_DO=DO\\_TOPIC&URL\\_SECTION=201.html](http://www.portal.unesco.org/~shs/en/ev.php-URL_ID=1513&URL_DO=DO_TOPIC&URL_SECTION=201.html)


### Acknowledgements

The Business of Migration: A report from International Business Leaders Forum © IBLF 2010  
Contributions from Frances House, Caroline Ersmarker, Hanniah Tariq and Desiree Abrahams  
Edited by Lucy Amis and Alice Ready

Cover Image:

©2010 John Hulme - <http://www.flickr.com/people/jphulme/>

Chiang Mai Thailand, In an area called "Kamtieng" each morning several hundred day laborers mostly Burmese but also from local Thai minority groups gather in the hope of getting a days work, pick-up trucks stop only to recruit the workers they need, most are employed in construction and gardening, with the completion of two new Hotels job's are scarce, and wages are being reduced, and each worker has to negotiate the terms before getting on board.



“Migrant workers are an asset to every country where they bring their labour. Let us give them the dignity they deserve as human beings and the respect they deserve as workers”

Juan Somavia, Director General of the ILO

## About IBLF

The International Business Leaders Forum works with business, governments and civil society to enhance the contribution that companies can make to sustainable development.

Founded by HRH The Prince of Wales, IBLF is an independent, not-for-profit organisation currently supported by over 100 of the world's leading businesses. IBLF provides strategic counsel to companies to enable them to understand and respond to the development challenges that they face, particularly when operating in transition and emerging economies. As well as managing a number of programmes that provide businesses with opportunities to directly enhance their impact on society, IBLF helps businesses connect with other organisations and develop successful cross-sector partnerships.

Since 1990, IBLF has worked in over 90 countries, its work benefiting from long-term relationships with regional networks across the world, many of which IBLF has helped to establish or strengthen. Current areas of work include raising sustainable business standards, improving prospects for enterprise and employment, and enabling companies to contribute to health and human development issues.

For more information please visit [www.iblf.org](http://www.iblf.org)

### **IBLF's London HQ**

International Business Leaders  
Forum  
15-16 Cornwall Terrace  
London  
NW1 4QP  
United Kingdom

+44 20 7467 3600  
[info@iblf.org](mailto:info@iblf.org)  
[www.iblf.org](http://www.iblf.org)

### **IBLF's New York Office**

International Business Leaders  
Forum  
51 Madison Avenue, Suite 2510  
New York,  
NY 10010  
USA

+1 415 887 8280  
[www.iblf.org](http://www.iblf.org)

### **IBLF's Moscow Office**

IBLF Russia  
25 Ermolaevsky  
Office #201a  
Moscow 123001  
Russia

+7 495 916 6054  
[further.info@iblf.ru](mailto:further.info@iblf.ru)  
[www.iblf.ru](http://www.iblf.ru)

### **IBLF Asia Pacific Office** Unit

D, 24th Floor  
China Overseas Building  
139 Hennessy Road and 138  
Lockhart Road  
Wan Chai  
Hong Kong

+852 2520 2188  
[www.iblfasiapacific.org](http://www.iblfasiapacific.org)