





Unilateral Approaches & Mode 4

Understanding regulatory framework furthers Mode 4 discussions

Although schemes cover workers beyond scope of Mode 4

(including sectors other than services)

Their experience, strengths and weaknesses can provide valuable lessons for Mode 4

Shows how schemes focused on Mode 4 workers mesh with existing regimes





IOM Survey of Temporary Labour Migration Policies and Practices

Contribute to GATS Mode 4 discussions by:

Assessing data sources:

How much data on temporary movements is collected?

- Surveying current national policies & practices on temporary entry of foreign workers
- Surveying current bilateral & regional agreements Coverage:

181 WTO and IOM member states and observers



Trade

Temporary migration trends



Temporary Work Schemes

- **Common Features**
 - Fixed-term employment contract for foreign workers
 - One-year contract (or less) ties temporary worker to geographical area & employer
 - Temporary worker must leave country on expiry of contract if contract not renewed
 - Temporary contract may also prevent worker from changing employment
 - Temporary workers often not entitled to family reunion





Entry regulations

Migrant workers & protection of local workforce

- Quotas/ceilings (country, regional or company)
- Labour Market Tests
- Use of economically oriented fees
- Individual labour market tests
- Regional/state level labour market tests

Laissez-faire: relax or dispense with labour market tests and/or entry conditions/work permit regulations





Selecting foreign labour Recruitment System

Demand-driven

Aimed at high- & low- skilled

 Sponsorship duties (wage parity requirement, no adverse effect on local workforce)

Restrictions on mobility and rights of migrant

Supply-driven

Aimed at high-skilled

Points assessment

Few sponsorship duties

No restrictions on mobility fewer restrictions on rights





National Policies Converge

Main Trends

- Main emphasis in developed countries: Recruitment of highly skilled, esp. IT and health sectors
- Among G&
- In developing countries, esp. Asia & Gulf:
 - Kuwait: 500,000 of 700,00 foreign workers semi/low-skilled



Growth in Temporary Labour Schemes Reasons

Development of info. & comm. technology: Increased demand for highly-skilled labour

• Free flow of trade in goods and capital:

Increasing demand for employment & provision of training, expertise & services abroad

Slow labour market adjustment:

May cause shortages, esp. in low-skill occupations

Ageing populations in some OECD countries: Mid-term, high demand for replacement labour





National Unilateral Approaches Strengths

Flexibility in adjusting to economic cycles

Trade commitments = predictability, Migration schemes = premium on flexibility"

More acceptable to public opinion than policies of free movement

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National Unilateral Approaches

Weaknesses

- Difficult to select migrant workers in cost-effective manner
- Lack of predictability & transparency regarding regulations
- Many restrictions placed on temporary migrants:





- Demand for foreign temporary workers growing
- Factors driving increased immigration will not abate soon

- **Challenges facing policymakers:**
- Best manage growing temporary movement of persons
- Create appropriate temporary entry channels