

The role of a quality mobility industry in building systemic resilience

Commentary No. 1 of the [MigResHub](#) at the Migration Policy Centre, RSCAS, European University Institute

Migrant workers might play an important role for the resilience of countries and sectors during times of crises (Anderson, Poeschel and Ruhs, 2020)¹. A key factor determining the resilience of systems is their flexibility, implying that in times of crisis, labor mobility becomes especially relevant. In all times, but particularly in times of uncertainty and crisis, flexibility and the ability of workers to move where they are needed is critical to the adjustment of the economy. Evidence from the EU during the Great Recession suggests that migrant workers responded to changing labor shortages across EU states, occupations, and sectors more fluidly than native-born workers and this flexibility allowed them to contribute to stabilizing labor markets during and after the crisis.² This dynamic is repeating itself in the COVID-19 era; in New Zealand, for example, horticulture has been identified as the ‘ideal sector’ to spearhead the economic recovery, but labor shortages threaten to prevent this.³ As of September 2020, 5,000 workers in New Zealand’s Recognized Seasonal Employer (RSE) scheme were interested in staying on for spring horticulture work, implying that “if these workers can be easily shifted between employers and regions, then the industry’s RSE labour needs should be met.”⁴

However, the current migration systems generally fail to guarantee flexibility of migrant workers. COVID-19 has repeatedly highlighted this; for example, even without mobility restrictions within the US, restrictions on migrant employment kept 263,000 trained foreign-born health care workers from contributing to the COVID-19 response.⁵ Similarly, the dominant policy of tying visas to employers restricts both employers and workers from adapting to changing circumstances, a fundamental element of resilience in response to crises.⁶

Worker mobility requires well-regulated, flexible pathways to connect workers to jobs. Mobility systems need to be capable of re-allocating existing migrant workers within a country or to bring in new migrant workers. In practice, both these functions require (1) flexible legal frameworks for visa issuance and (2) quality mobility industry support connecting workers to labor needs. Making visa systems flexible requires two key features: that they be issued rapidly, allowing workers to move between countries as the crisis evolves (potentially modeled off the current visa systems used during humanitarian crises⁷), and that visas allow workers to switch employers and even sectors. In the COVID-19 era, several countries (including Australia, Qatar,⁸ New

¹ Anderson, B., Poeschel, F. and Ruhs, M. (2020). “COVID-19 and Systemic Resilience: Rethinking the Impacts of Migrant Workers and Labour Migration Policies”, RSCAS Working Paper 2020/57, European University Institute. <https://cadmus.eui.eu/handle/1814/68235>

² Kahanec, M. and Guzi, M. (2017). “How Immigrants Helped EU Labor Markets to Adjust during the Great Recession”, *International Journal of Manpower* 38/7, 996-1015. <https://doi.org/10.1108/IJM-08-2017-0205>

³ Bedford, Charlotte. “New Zealand’s seasonal labour shortage, and how to solve it. Australia National University Development Policy Centre. October 2, 2020. <https://devpolicy.org/new-zealands-seasonal-labour-shortage-and-how-to-solve-it-20201002/>

⁴ Ibid.

⁵ Batalova, J., Fix, M. and Pierce, S. “Brain Waste among U.S. Immigrants with Health Degrees: A Multi-State Profile.” Migration Policy Institute. July 2020.

<https://www.migrationpolicy.org/research/brain-waste-immigrants-health-degrees-multi-state-profile>

⁶ Smith, R. and Vukovic, A. “The Benefits of ‘Untying’: How to Move from Employer- to Occupation-Specific Work Permits.” Center for Global Development. July 26, 2019. <https://www.cgdev.org/blog/benefits-untying-how-move-employer-occupation-specific-work-permits>

⁷ Relief and Rehabilitation Commission (RRC). ‘Circular No. 1/2014.’ Republic of South Sudan. January 16, 2014.

<https://www.humanitarianresponse.info/sites/www.humanitarianresponse.info/files/documents/files/South%20Sudan%20Emergency%20Visa%20for%20humanitarian%20aid%20workers.pdf>

⁸ Pattison, P. “New employment law effectively ends Qatar’s exploitative kafala system.” The Guardian. September 1, 2020.

<https://www.theguardian.com/global-development/2020/sep/01/new-employment-law-effectively-ends-qatars-exploitative-kafala-system>

Zealand,⁹ etc.) have passed measures allowing temporary workers to switch employers.

Beyond changing visa laws, both new migrant workers and reallocated existing migrant workers need support matching with jobs and overcoming operational barriers. Workers may lack information about vacancies or find it difficult to access job search resources. This is likely to be particularly true during a crisis where the situation is rapidly evolving and information is frequently unclear, and where there are increased operational barriers for workers (such as health screenings, mobility restrictions, etc). Having a system for identifying potential recruits and matching them with essential vacancies, and assisting a recruit's migration process from beginning to end would support migrant workers in responding flexibly to crises. Existing workers switching jobs are likely to need similar support navigating the job search and transition process as well; for example, Australia has recently budgeted several million in relocation assistance for migrant workers as well as Australian jobseekers,¹⁰ and Germany has set up online platforms to connect jobseekers (including laid-off migrant workers) with jobs in shortage sectors.¹¹

This highlights a role for a quality mobility industry. Public employment and health systems in receiving and sending countries are overburdened in normal times, and even more so in times of crisis. Mobility industry actors, responsible for overseeing the mobility process from sourcing and vetting vacancies to placing workers and supporting them in work abroad, could ensure that arriving workers are COVID-19 free, as part of the recruitment and compliance functions they take on anyway. This is the cheapest and most efficient approach to screening, as it is then integrated with all other recruitment and placement activities, particularly when carried out in the sending country where costs are lower.

A quality mobility industry would offer a number of benefits that, beyond flexibility, further contribute to resilience. We define a *quality* mobility industry as one where: (1) 'core rights' are established as minimum

standards; (2) there are systems ensuring that these minimum standards and the terms agreed to prior to migration (on job terms and salary, rights, costs of migration) are adhered to; and (3) there is access to effective grievance redress when agreed terms are broken. It would reduce the administrative cost per migrant worker through operating at greater economies of scale than employers can achieve acting alone; in doing so, it would 'level the playing field' in allowing smaller businesses to afford to hire migrant workers, even in the midst of a crisis. In many of its roles, the mobility industry is augmenting the capacity of the state by easing the migration process on both sides of the border, vetting workers and employers, smoothing workers' integration, and addressing grievances as they arise. If delivered well, these functions can build trust between workers, employers, and states that the system will function as promised and their interests will be protected. Such trust is particularly crucial in times of crisis.

The role of mobility industry actors has been highlighted by existing temporary mobility programs during COVID-19. When Australia offered extended visas under the Seasonal Worker Programme in order to protect the supply of seasonal workers during COVID-19, experts suggested using existing services for jobs in horticulture, also for screening workers for COVID-19 and sourcing suitable accommodation.¹² Similarly, when workers in the Pacific Labor Scheme (PLS) were given the ability during the pandemic to change employers, this process was run by the Pacific Labor Facility (PLF) under Palladium. The PLF was responsible not only for helping laid-off workers to find new jobs, but also for providing pastoral care to all PLS workers in Australia throughout the pandemic.

However, outsourcing these critical roles to the mobility industry requires strong assurances for all involved that the actor can be trusted. Anderson, Poeschel, and Ruhs (2020) note that 'the relationship between flexibility for the employer (as potentially resilience enhancing) and precarity for the worker (which may undermine resilience) merits closer interrogation.'

⁹ Radio New Zealand (RNZ). "New visa, more investigators and harsher penalties part of \$50 million reforms to stop migrant worker exploitation." New Zealand Herald Hawkes Bay Today. July 27, 2020.

<https://www.nzherald.co.nz/hawkes-bay-today/news/new-visa-more-investigators-and-harsher-penalties-part-of-50-million-reforms-to-stop-migrant-worker-exploitation/WPAHHMA4UGH4ABWMJ6YZEO234Q/>

¹⁰ Government of Australia. "Joint media release with the Hon Michaelia Cash and the Hon David Littleproud MP - Vital labour support for Australian

farmers." October 9, 2020.

<https://minister.homeaffairs.gov.au/alantudge/Pages/vital-labour-support-for-australian-farmers.aspx>

¹¹ "Das Land hilft." 2020. <https://www.daslandhilft.de/>

¹² Curtin, R. "Allowing seasonal workers to continue to work in Australia: what more is needed." Australia National University Development Policy Centre. April 17, 2020. <https://devpolicy.org/allowing-seasonal-workers-to-continue-to-work-in-australia-what-more-is-needed-20200417/>

Mobility industry support certainly enhances flexibility for employers; however, the mobility industry in its current form has long been known to increase precarity for workers. This problem well pre-dates COVID-19, as bad incentives¹³ in the mobility industry have been responsible for worker abuse, excessive fees, and bad job matching. This has undermined the legitimacy of labor mobility in the past, and fed political opposition from both anti-immigrant and workers' rights factions.

Building resilience of mobility systems (and therefore resilience of broader systems) requires building a mobility industry which meets agreed standards of quality, tied to regular quality assurance and vetting that these standards are being met. Such a mobility industry would not only increase flexibility for employers, but would act as a safety net for workers, offering pastoral care and helping them navigate the uncertainties and constantly changing circumstances of crises. Garapich (2008) argues that the mobility industry has been especially responsive to the needs of migrants for information and access to institutions in the receiving country, thereby partially replacing traditional agents of civil society.¹⁴ Policymakers interested in

leveraging mobility towards systemic resilience should, as one step, work together with government counterparts, employing sectors, mobility industry actors, and migrant representatives to facilitate the emergence of a quality mobility industry.

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The Migrants and Systemic Resilience Hub ([MigResHub](#)) facilitates research and debates on how migrant workers affect the resilience of essential services during the Covid-19 pandemic and similar shocks in the future. MigResHub is a joint initiative of the EUI's Migration Policy Centre (MPC) and Migration Mobilities Bristol (MMB) at the University of Bristol.

¹³ Smith, R. and Johnson, R. "Introducing an Outcomes-Based Migrant Welfare Fund." Center for Global Development. January 16, 2020. <https://www.cgdev.org/blog/introducing-outcomes-based-migrant-welfare-fund>

¹⁴ Garapich, M. (2008). "The Migration Industry and Civil Society: Polish Immigrants in the United Kingdom Before and After EU Enlargement." *Journal of Ethnic and Migration Studies* 34(5):735-752.

