



Fact-Sheet on the Impact of the Economic Crisis on Immigration Policies

A. Introduction

The global economic crisis has led to a serious slowdown in world economic growth and to considerable job losses. The ILO forecasts that global unemployment levels could reach 29 million to 59 million in 2009. This drastic slowdown in global economic activity and the loss of jobs has already been seen to have an effect on reforms in immigration policies in countries of destination.

Immigration policies tend to vary for skilled and low-skilled migration. Until recently, many countries' goal has been to attract highly skilled and professional migrants by providing incentives and benefits such permanent residence and family reunification. This has not been the case for low-skilled migrants, although policies of destination countries vary widely.

B. Key findings

A number of destination countries have responded to the crisis by taking steps to decrease the inflow of migrant workers, often as a result of public pressures during the economic crisis. Generally speaking, policy-makers have tried to regulate immigration inflows by: 1) adjusting numerical limits; 2) strengthening labour market tests; 3) limiting possibilities to change status and to renew permits; 4) applying supplementary conditions to non-discretionary flows; and 5) promoting return migration.

Further, a number of countries have intensified their efforts to curb irregular migration.

Many destination countries, such as the United States, the United Kingdom, Japan, Spain, and Australia introduced lower quotas, stricter immigration requirements, and voluntary return programmes. These measures affect both low- and highly-skilled migrants. For example, changes in the United Kingdom's points-based system were designed to reduce the number of non-EU highly-skilled migrants by half.

While Australia modified its policy towards highly skilled workers and adjusted immigration levels downwards, New Zealand has kept its targets to date in order to stimulate the economy.

In the European Union, member states have dealt differently with the economic crisis. Some have liberalized policies, such as Sweden in December 2008. However, the majority of member states have implemented more restrictive policies towards migrant workers.

In the Russian Federation, a decree adopted in December 2008 reduced the annual migrant workers quota in order to retain jobs for Russian workers. In Japan, a programme encouraging Latin American migrant workers of Japanese descent to return to their countries of origin was instituted in April 2009.

After decades of attracting migrant workers to Asia, countries in the region have responded to the economic crisis by restricting the entry of highly as well as low-skilled immigrants. They have sought to decrease the numbers of migrants by giving preference to their native workers, laying migrant workers off first and terminating certain migration programmes.

In Malaysia, the Government has frozen the issuance of work permits for migrant workers and has implemented a policy to terminate migrant workers' jobs first. The Government has also tasked its Labour Office to register all returning Malaysian workers in need of assistance in order to help its overseas workers.

In Singapore, the Government urged companies to avoid lay-offs by finding means to cut costs, but in the case of unavoidable lay-offs, to fire migrants first.

A number of countries have implemented 'return incentives', which apply in particular to low-skilled migrants. From November 2008, the Spanish government offered eligible migrants the total of their Spanish unemployment benefits (40 per cent prior to their return, and 60 per cent following migrant return) if they returned home



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and promised not to come back for three years. Similarly in the Czech Republic, laid-off migrants were offered air-fare and €500 (US\$704) to return to the origin country, but they were not prevented to return to the destination country in the future.

C. Challenges

The implications of the economic crisis and the reform of immigration policies could lead to: 1) fewer rights and social protection for migrants, 2) an increase in discrimination and xenophobia, 3) heightened labour market competition between native and migrant workers and 4) increased protectionism of native workers.

These implications have already started to take place in some countries, and are visible for example in the revision of immigration policies. In addition to competition for jobs, times of crisis are fertile grounds where migrant workers and their families are at risk to become victims of discrimination and to fall prey to violence and xenophobia.

D. Conclusions and policy recommendations

The current crisis may be an opportunity to improve immigration policies. International cooperation, including between countries of origin and destination, should be a major pillar among these procedures.

Specific measures that can be considered:

- Modified labour migration policies in countries of destination on encouraging voluntary return and on new admissions need to take account of labour demand in specific sectors and occupations. This is to ensure that labour needs of enterprises are met in conditions of regularity. Ignoring sectoral and occupational demand may result in inducing irregular migration. The involvement of social partners in the policy formulation will greatly enhance its effectiveness.

- The application of labour laws to migrant workers should be closely monitored so as to ensure that legal conditions of work are respected and rights arising from past work are protected. At all times, labour laws and labour migration policies should incorporate provisions of international labour standards ratified by the concerned countries. If standards have not been ratified, their principles may be drawn upon to guide policies.

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