



## 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. Current projections show a continuation of high unemployment rates despite a gradual return of global economic growth. The global unemployment rate in 2010 is projected at 6.5 per cent, with a confidence interval ranging from 6.1 to 7.0 per cent. The recession has already had an effect on immigration policy measures 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 as 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: adjusting numerical limits (quotas, targets, caps); tightening labour market tests; limiting possibilities to change status and to renew permits; applying supplementary conditions to non-discretionary flows (i.e. family unification and humanitarian flows); and promoting return migration. Further, a number of countries have intensified their efforts to curb irregular migration.

As concerns permanent immigration programmes, these seem to have changed very little. Traditional immigration countries such as Australia, Canada, New Zealand and the United States have retained their comparatively liberal entry policies, even if some temporary migration programmes in these countries were capped.

In the European Union, the countries that most hit the news with their restrictive policy changes were also the ones that had lately seen the biggest inflows of migrant workers and where migrants were having a significant effect on employment growth (the United Kingdom and Ireland, Southern European countries, the Czech Republic). For example, the UK strengthened the labour market test for high demand occupations such as civil engineers and nurses and tightened the criteria against which highly skilled migrants are judged; Italy and Spain lowered the number of work permits, essentially for foreign workers in low-skill occupations.

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 and promised not to come back for three years. Similarly in the Czech Republic, laid-off migrants in regular situations were offered air-fare and €500 to return to their origin country.

In the Russian Federation, a decree adopted in December 2008 reduced the annual migrant workers quota in order to retain jobs for Russian workers.

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



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unavoidable lay-offs, to fire migrants first. In Japan, a programme encouraging Latin American migrant workers of Japanese descent to return to their countries of origin was instituted in April 2009.

### C. Challenges

The implications of the economic crisis could be: fewer rights and social protection for migrants, an increase in discrimination and xenophobia, heightened labour market competition between native and migrant workers and increased protectionism of native workers. These implications have already started to take place in some countries and are visible in the revision of certain immigration policies.

### 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, can be helpful in devising sustainable policies that avoid short-sightedness and look beyond the crisis.

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.
- Where countries have put in place economic stimulus packages, they should make sure that regular migrant workers benefit from these programmes without any discrimination. This is in line with international labour standards; in the interest of an efficient operation of labour markets, the best utilization of available labour;

and a signal that an unfair treatment of migrants will not be tolerated.

- 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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