

### Proceedings of the Conference on Mobility and the Business Case for Migration



# Proceedings of the Conference on **Mobility and the Business Case for Migration**

December 2014 Federation of Indian Chambers of Commerce and Industry



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# 1 Executive Summary

Given the compelling need for easier international mobility of human Gresources to Industry all over the world and the subsequent need of bringing the objective voice of businesses to the high table of migration, the Conference on Mobility and the Business Case for Migration was organized by the Federation of Indian Chambers of Commerce (FICCI) in association with International Labour Organisation (ILO) and the International Organisation for Migration(IOM) on Thursday, 18th of December, 2014. The conference was supported by Oracle.

This signature event of FICCI which took up migration as a 'business issue' brought together captains of Industry, Academia, Governments, International Organisations, Inter-governmental organisations and NGOs to establish the case for freer mobility. Stakeholders across the board discussed a framework to address the challenges faced in the portability of skills, mutual recognition of qualifications and the importance of ethical recruitment and gave suggestions for the way forward in the short to medium term.

The Inaugural Session brought together important Government officials and Industry leaders to discuss, 'The Imperatives of the Business Case for Migration'. The importance of the movement of people was emphasized on in the context of a rapidly globalising world. The need for prescience in policy was highlighted along with the need for dialogue- dialogue among various stakeholders within countries and also across borders. There was a need expressed for various stakeholders to come together.

The first plenary session on 'Portability of Skills and Mutual Recognition of Qualifications' highlighted the barriers to mobility of labour due to the absence of common standards. This session suggested a way forward and offered options for the future for recognition of qualifications.

This was followed by the second plenary session on 'Transnational Ethical Recruitment Practices' which set itself the objective of showcasing the business



case for the inclusion of low-skilled workers in the technology driven recruitment business and how it is making, and has the potential to make, the international recruitment process more ethical.

The final session consisted of focused deliberations where the audience engaged in lively debateand discussion with panelists on portability of low and high skilled workers and issues of ethical recruitment. The audience contributed towards suggestions in the short to medium term for governments, industry members, and international organisations. These suggestions addressed consular issues, social security, mutual recognition of qualifications, the need for advocacy and capacity building and issues of transnational ethical recruitment practices.

# 2 List of Abbreviations

CSR: Corporate Social Responsibility

- ECR: Emigration Clearance Required
- ECNR: Emigration Clearance Not Required
- FICCI: Federation of Indian Chamber of Commerce and Industry
- GATS: General Agreement on Trade in Services
- GCC: Gulf Cooperation Council
- ILO: International Labour Organisation
- IOM: International Organisation for Migration
- MEA: Ministry of External Affairs
- MHA: Ministry of Home Affairs
- MOIA: Ministry of Overseas Indian Affairs
- MOLE: Ministry of Labour and Employment
- NASSCOM: The National Association of Software and Services Companies
- PGE: Protector General of Emigrants
- POE: Protector of Emigrants
- RAs: Recruitment Agents
- STEM: Science Technology Engineering and Math
- WEF: World Economic Forum
- WTO: World Trade Organisation

## 3 The Imperatives of the Business Case for Migration



The theme of the Inaugural session of the Conference was to establish objectively, 'the imperatives of the 'Business Case for Migration'.

In the welcome address delivered by the Secretary General, FICCI, the Conference on Mobility and the Business Case for Migration was defined as an *important and signature event for FICCI*. The event, a novel one, was amongst the first of its kind among Industry bodies to take up the issue of mobility as a business issue.

The Secretary General stressed that businesses as a whole believe in *competitiveness and correct policies* that facilitate easier interactions all over the world. The movement of human resources, therefore, must be looked at as a natural corollary to the movement of goods, capital and services.

In an effort to do this, FICCI has brought this forward in its endeavour to promote better policies to examine this issue. *The welcome address also specifically requested the various stakeholders present in the audience to come on board together to tackle this issue collectively.* 

The emphasis was on the importance of collective action where in this issue is discussed not only by Governments but also by Industry, NGOs, Academics and International



Organisations as this is an issue of the 21st century.

The Secretary General stated that the success of this century depends on the freer mobility of human resources.



It was Ms. Gabbard's maiden visit to India. The daughter of entrepreneurs and small business owners, Ms. Gabbard impressed upon the audience the importance of the success of businesses to our economics. It is important, she stated, that the voice of key stakeholders is taken into consideration in this conversation of the movement of people.

She spoke of immigration reform in the US. She acknowledged that even though the domestic issues are more controversial and tough, both parties have recognised and acknowledged that the vast majority of reforms are necessary. According to her, immigration reform is necessary for maximization of economic opportunity.

To illustrate her argument, Ms. Gabbard spoke of the H1-B issue reflecting an outdated immigration system. She said that there was an opportunity to bring about change in that regard. She informed the audience that moving forward, the Congress is taking a new direction with a handover in political parties because of the last elections.

Ms. Gabbard serves as a Democrat but has actively participated in building bipartisan relationships. She emphasized that the reform will be done in a way that looks at each of the different opportunities where legislation can be passed and policies amended to enhance economic opportunities and help businesses in the creation of jobs.



She mentioned, for the benefit of the audience present, and for the discussions lined for the day that there is an important distinction to be made between immigration policy and migration policy. She stressed the importance of the input of business leaders in the Congress and consequences of policy changes. This, she was of the view, is an exercise through which the negative, unintended consequences of a well-intentioned policy may be minimized while gaining perspective from the ground.

Ms. Gabbard remarked that listening to the conversation here in India was a useful exercise as she will be able to take back these inputs as the immigration reform cannot be carried out in silos. She was of the view that policies that share this common interest should be drafted with inputs and through a conversation in a two-way direction.

To this address by the US Congress woman, the Secretary General responded by saying that the immigration reform was important not only for Americans but also for Indian businesses who have a long and deep stake in the US economy. Competitiveness of these companies is incumbent on the reform that takes place in the US.



*Mr. Y.K. Modi, Past President, FICCI delivered the Keynote Address* 

In the Keynote address, Mr. Modi emphasized that this is an important topic not just for India or any other country of origin because of the huge inflow of remittances but also to the Countries of Destination because of the contribution of migrants.

He observed that there is still a marked resistance to the movement of human resources especially to developed countries whereas they should ideally be considered a natural corollary to the movement of goods, services and capital. He emphasized that this kind of an attitude contradicts what businesses stand for.



In addressing the compelling demographic realities the world over, Mr. Modi compared the demographic dividend in some parts of the world to ageing in others such as Europe and Japan. This, he said, will necessitate movement of people especially for in situ services.

He also emphasized the importance of not confusing temporary mobility with semipermanent or permanent immigration. Temporary mobility, he was of the view, is good for business and maximizes benefits for all.

He remarked that the new government's emphasis on skills is encouraging and that a large number of skilled manpower will be available to serve abroad as well as in India. Finally, commenting on the abilities of migrants, Mr. Modi said that migrants are known to work harder, take more risks and are more likely to be entrepreneurs.

In favour of freer mobility of people, Mr. Modi advocated movement of skilled people as imperative for successes of businesses.



Mr. Soni gave a broad overview of the imperatives of the 'Business Case for Migration' as well as the perspective of the Government.

Providing an overview, the Secretary spoke of how globalisation has made the free flow of goods, capital and ideas a part of modern life benefitting the world. He elaborated on how global skills are used for helping consumers gain easier access to cheaper and better products. He explained why there are important reasons for developing countries such as India to support mobility of people. Along with the much treasured demographic dividend, there are high levels of unemployment in developing countries. At the same



time, demographic compulsions create the need for elder care, for example, which is an in situ service in the country of destination.

He was of the view that this issue is not only for governments to tackle but it also important for businesses that ultimately have a very strong role to play as they stand to gain the most from freer mobility of people.

So far, businesses have not explored how they may influence immigration policy. The Secretary remarked that the Conference brings together businesses on board for this issue. Businesses have shown proclivity to only take this up a personal case and not as a collective issue. It is the first time that such an initiative has been taken and therefore expressed enthusiasm that such an event has been organised.

The involvement of businesses is also important as businesses can help understand the issue on both sides to maximize benefits of migration. Businesses have a dual role to act as a **means of communication and facilitation**.

The Secretary was of the opinion that this case is not an easy one to make for the governments as they have to keep in mind local pressures. There are a host of reasons for this ranging from the slowing down of the economy to anti-migrant sentiment; minor political parties adopting xenophobic platforms in order to elevate their political standing; and the representation/exaggeration by the media of local unemployment. Indeed, there are many issues that need to be addressed.

He also highlighted the concerns in the source countries as well such as the issue of loss of skills for the host economy as well as subsidies in education favouring the economies of destination countries. However, temporary migration is good for both sides where all stakeholders can benefit.

In order to move forward, the Secretary offered the following suggestions:

- 1. *To create information systems* and not a one way-one country approach. For example, it is important, he said, to address concerns about cultural integration.
- 2. *Training* of potential migrants.
- 3. There is not only a need for skilled migrants but also for semi-skilled and low skilled migrants. Internationally accepted skill sets and certifications are important to achieve.
- 4. Conferences such as the one organised will guide businesses on how to move forward.

The Secretary asserted that he looked forward to working with FICCI in this area and also to the outcomes of the deliberations of the Conference.



Mr. Karl Cox, Vice President, Global Public Affairs, Oracle; Chair, AmCham EU; and Vice Chair, Global Advisory Council (GAC) on Migration, World Economic Forum (WEF) delivered the Inaugural Address



Mr. Cox, at the outset, was happy to note a coherence of views from members on the daisa liberal view on the importance of the movement of human resources.

Providing emphasis on the importance of globalisation, Mr. Cox remarked that it is one of the key concepts of the world we live in. He observed that goods, capital, services and information move freely but talent and labour mobility is more complex and very different from the movement of goods, services and capital. There are cultural and social challenges. The debate is open on the benefits of migration.

Mr. Cox referred to the idea at the World Economic Forum where human mobility is said to be the *unfinished business of globalisation as globalisation lags.* 

As a representative of a large global company in the software and hardware sectors, he stated that the biggest asset of his company were its people; the expertise and knowledge they brought to the Company are invaluable. However, he acknowledged that there is a need to manage these resources on a global basis. Due to the international nature of the mobility of these resources, the workforce that is attracted to Oracle is among the best and the brightest. He averred that this is critical to the success of Oracle Corporation as well as to the success of customers.

The Business Case for Migration is what the corporation is looking for-*talent, skills, jobs, growth, vitality and ambition.* 

Mr. Cox spoke of International migrants who represent 3 per cent of the world's population; this is a diverse group of people but they are generally acknowledged as motivated, risk-taking and ambitious. The characteristics that companies are seeking are embodied in international migrants around the world.



Amongst the benefits of migrations are that 40 per cent or just less than one half of the 500 largest companies as listed by the Fortune magazine are founded by migrants or their children (1<sup>st</sup> generation migrants). In the US, migrant owned businesses employ 1 in 10 workers.

However, benefits of migration may not be limited to host countries. To illustrate this, Mr. Cox stated the following examples:

- The remittance flows to developing countries far exceed the flows of foreign aid. For example, in the Philippines, remittances amount to 13.5 per cent of the GDP.
- Countries with large Diasporas such as India, Ireland and Israel understand the value of Diasporas especially with return migration which has recently experienced an upward trend.

Mr. Cox also spoke of maximizing the opportunities for migration wherein there is a need for leadership foresight stability and making the case to a skeptical public in favour of migration.

In conclusion, Mr. Cox emphasized the need for coherence. He suggested that too often there is a gap experienced between good policies and poor practice. He referred to this as the contradiction trap wherein policy makers may intellectually understand the need for labour mobility but the implementations of these rapidly invoke contradictory concepts. He elaborated as follows:

#### I. Contradiction of policy versus practice

These are manifested in restrictions that undermine mobility or business needs (quotas, labour market tests, and prior employment requirements)

#### II. Security versus mobility

Immigration is often under the mandate of either Justice or Interior/Home Affairs ministries all over the world who focus on security rather than economic and competitive aspects of immigration policy. *Mr. Cox was of the opinion that erring on side of security can hinder labour mobility.* 

#### III. Responsiveness versus Predictability

Governments usually respond to economic situations or political pressures through myopic policies. However, businesses make investment and resourcing decisions for the medium and long term. Rapid changes in migration policy, therefore, undermine the predictability which businesses, employees and clients require.



Mr. Cox asserted that *migration represents an opportunity.* The benefits are numerous in terms of talent, skills, jobs, growth, vitality and ambition. This is not only good for business and customers, but for individuals and societies as a whole. There are challenges to be addressed but immigrants bring many attributes to their host countries and economies. These are precisely the attributes which much of the world needs so badly today.



The Concluding Remarks were offered by Mr. Som Mittal, Former President and Chairman, NASSCOM

Mr. Mittal provided an overview of mobility of people in the technology sector in particular as shortages in technology jobs exist all across the world.

While referring to the debate on Science Technology Engineering and Math (STEM) in the US, Mr. Mittal spoke of how not enough youngsters are not taking up the study of STEM related subjects resulting in the creation of a gap. This has resulted in the technology sector creating more jobs than they are able to fill.

He also addressed some of the concerns that citizens of countries of destination may have such as – those of an impact on wages and if the migrants are taking away jobs from the locals. However, he provided statistics to prove that is not true as even during the highest peak of unemployment which happened in the US after the 2008 downturn, the most number of jobs that went away were in construction, retail and manufacturing. The result of this, which was an omnibus control on immigration, turned out to be negative for a lot of stakeholders. Currently, there is an overall unemployment rate of 5.8 per cent in the US economy but the unemployment in the technology sector is less than 3 per cent



(2014). 80 per cent of the Technology spending in India is of US origin. Companies such as Oracle, Microsoft, Accenture and others have business models similar to Indian companies that maintain competitiveness.

Mr. Mittal emphasized the importance of taking *long term decisions and* the need for prescience and not letting every short term change in the economy affect these long term decisions.

He was critical of the functioning of the H-1 B visas which still work through a lottery system as the number of applicants far exceeds the number of visas available. In today's world, this may not be completely justified.

He concluded by saying that the current migration discoursemay be termed 'political rhetoric', but it has a huge impact on how the administration and others in the security forces respond; what is spoken of in the political circles has an unintended impact. In fact, a large number of deportations and a high rate of rejections may be directly correlated to the influence of this political rhetoric and therefore platforms such as this Conference must address this. There are also issues of discrimination and social security has been a very major issue especially vis-à-vis the migrants that go to the US. Referring to the absence of a Bilateral Social Security Agreement between the India and the US, Mr. Mittal remarked that the costs of migration rise without eligibility for benefits.

Finally, he emphasized that movement of human resources is important both ways. India also needs skills. Governments in the past in India have put restrictions on the mobility of high skilled people. India must also make immigration easier and changes are needed to make mobility easier for skilled labour coming to India as well.

With visits like the US Congresswoman's and with Conferences such as the one on the day, Mr. Mittal was hopeful that there will be an improved and better communication and dialogue between the various stakeholders. He expressed hope that the US Congress woman would carry the message from this Conference and about the debate in India to the US.

### **4** Plenary Session- I Portability of Skills and Mutual Recognition of Qualifications



The first session was envisaged as a panel discussion with a couple of presentations. The session was chaired by **Ambassador (Retd.) Paramjit Sahai.** 

He introduced the subject to the audience with the following ideas:

- The role that businesses have to play must take cognizance of the Government of India's vision.
- There has been a marked shift on migration policy from controller to protector to a more liberal approach.
- The chair also asked if the current mood of the 'celebration of migration' by some governments over the world is in a limited context and restricted to welcoming the *'best and the brightest'.*
- Migration decisions are mostly taken by politicians with businesses playing a very limited role. Their *role has been reactive and not proactive.*

Connectivity may be imagined at the following levels:

- 1. B2G (Business to Government) Connectivity
- 2. B2B (Business to Business) Connectivity
- 3. B2M (Business to Migrants) Connectivity
- 4. B2A (Business to Academics) Connectivity





He began by stating genuine concerns in the mobility of human resources. Mainly:

- 1. Qualifications
- 2. Experience
- 3. Process of authentication

The session began by a talk by

and Chairman of NASSCOM.

4. Deviant behaviours (broad umbrella of security)

He remarked that high skilled migration is important to India and accordingly, there is a lot of emphasis on education with an equal emphasis on standards and equalization. There is no equalization formula that is ready and already exists.

Giving an example of a successful model, Mr. Mittal spoke of NASSCOM's National Skills Depository- a robust model where 2 million people registered with their personal, biometric details as well as their work history. This portal was readily accessible for verification. This enabled the US Consulate to easily verify degrees of potential employees through the click of a button. Technology, thus, allowed for these verifications and offers an opportunity for equalization of standards.

Mr. Mittal was of the opinion that standardised job roles and occupational standards already exist in the technology sector but we need to collectively work together on global standards to ensure that challenges for mutual qualification may be addressed.



Mr. Paul Comyn, Specialist on Vocational Training & Skill Development, International Labour Organisation presented on the 'Recognition of Qualifications: Current Initiatives and Future Options'.



He began his presentation by acknowledging that different arrangements for different skill levels highlighting that the issues of recognition of qualifications for skilled and unskilled professionals vary considerably.

He focused on ILO's work on skills and migration particularly in South Asia as well as some technical barriers.

Mr. Comyn highlighted the difficulties in mutual recognition of qualifications as follows:

- Across the board, one important problem is the lack of data and what skills are required in the countries of destination.
- In Gulf countries that take a huge number of migrants, there is no well-developed labour market information system. They also do not have a clear understanding of how migration flows connect with development strategies or with industrial development strategy. This is a weakness of the system.
- Outside the IT Sector, there is no real standard for skills or an internationally recognised standard that most countries sign up to. In fact, the further one moves down on the skill level, there are no clearly articulated standards which means countries of destination have to trust the quality assurance systems that operate in the Countries of Origin.
- Absence of Regional Qualification Framework in South Asia- an example of such a Regional Framework is the one in the EU, Southern Africa, the Carribean, ASEAN.
   Whereas in South Asia, every country is still developing a National Qualifications Framework(NQF) which facilitates bilateral talks but not regional integration.
- Complicated system of training systems that exist here which makes it hard to understand by the Country of Destination

Mr. Comyn concluded by stating that the long term goal is to achieve common regional standards.





Professor Binod Khadria, Senior Faculty, JNU made a presentation on the importance of portability of skills and the challenges that lie ahead of us

Professor Khadria highlighted the conflicts between Country of Origin and Country of Destination on agreeing to mutual standards for recognition of qualifications.

#### He introduced the framework of age, wage and vintage

<u>Age:</u> Demographic factors: There is a high turnover of professionals to balance out the demographic structure.

<u>Wage</u>- When migrant workers are younger there are lesser costs, no social selectivity, and competitive advantage of keeping the costs low.

<u>And Vintage</u>- Driving the mobility of students who are future skilled workers and carriers of latest technologies.

Professor Khadria spoke of permanent v/s temporary migration. He also addressed the importance of immigrants in India. He suggested that they may be considered an important constituency for Businesses. In conclusion, the Professor remarked that Businesses do not normally think of the long term or take long term decisions which is something they may like to reconsider in the context of international migration.



The presentations were followed by an interactive Q & A session:



*Question:* "On immigration to India especially to Indian Businesses, what are the regulatory barriers and what may be the policy prescriptions?"

**Answer:** "India lacks domain expertise and contextual knowledge especially in the technology sector and therefore immigration is important to India. However, the Indian government's knee-jerk reactions to difficult situations betray the lack of prescience. *The absence of the right spirit is the bottleneck and serves as a barrier to immigration in India.* Sometimes changes adopted by the Ministry of External Affairs (MEA) and Ministry of Home Affairs (MHA) do not reach the Missions. The requirement of certain qualifications by Indian standards may also serve as barriers. India isnot playing the game by the same rules that we are expecting of our counterparts."

It was also added that the term/idea/concept of 'brain drain' should be dropped as it is a specious idea; there is not enough evidence for this concept. The truth is that labour will move where there is a demand. The effort should be to protect this idea by weeding out the aberrations.

*Comment I:* Now that the WTO is active again, there is urgency for discussions on details of mutual recognition since bilateral agreements may be unworkable.

- II. Moving away from mutual recognition only for professionals, we must address the issue across the skills spectrum.
- III. Institutes that are involved in skilling have to take cognizance of the certification challenges and therefore tap into the developments in the Countries of Origin
- IV. There is a need to move from bilateral agreements to a more regional arrangement.
- V. Immigration reform is required within the country. A big chunk of remittances come from blue collared workers but we may not be doing enough for them. MOIA reported in 2009 about the fraudulence in the system of overseas recruitment and there is a need for institutional reform. There is a lack of communication between MOIA, MHA, MEA; deception of visa brokers; and need for pre-departure orientation programmes. The remedial measures would be to weed out the non-genuine RAs.

# 5 Plenary Session- II Transnational Ethical Recruitment Practices



*Mr. Buhril, Protector General of Emigrants (PGE) and Joint Secretary- Emigration Division, MOIA delivered the opening address for this Session.* 

r. Buhril, in his opening address began by congratulating FICCI, ILO and Oracle for taking up the issue of the 'Business Case for Migration'.He remarked that it is extremely relevant as countries around the globe are trying to assess the development impact of migration and introduce ways to manage migration.

He gave a brief overview of the concerns on the subject and why migration takes place and how it may be managed.

The mobility of students, intra-corporate transfers, and movement of professionals seems effortless as they seem to know the processes involved in migration. However, the same cannot be said about migration to ECR countries which is mostly in the low skilled/semi-skilled category. The migrants through this category may be exposed to exploitation even though the MOIA through its emigration policy of 1983 ensures that the migration process should be safe, legal and humane.

*In the year 2013-14, 8.2 lakh Indians migrated under the ECR category.* The GCC countries continue to be the major destination countries.

RAs are mandated to follow rules and are registered. Foreign employers and also project



exporters can recruit workers following a due process. The due processes followed for RAs fall under the regulatory mechanism of the PGE. The role of intermediaries who are not registered and involved in unethical recruitment practices are the ones who sell dreams and paint pictures of imaginary jobs that do not necessarily exist. This may result in trafficking and smuggling.

#### *Mr.* Buhril also provided more information on the e-migrate project:

The e-migrate project is a web based portal which provides online services to facilitate migration. It is a comprehensive transformation of the emigration process that provides information to migrants and all other stakeholders including the offices of the Protector of Emigrants, the Bureau of Immigration, and Indian missions by bringing them all on one platform. This will address the problems faced in the recruitment process and ensure more transparency and more efficientdata management for Indian workers migrating abroad.

He provided an overview of the welfare measures by the Ministry of Overseas Indian Affairs for its migrant workers in the ECR category:

- OWRCs: Overseas Worker Resource Centres
- 24\*7 helpline in a number of Indian languages
- MRC: Migrant Resource Centres

These provide information on rules and regulations and are therefore instrumental in checking exploitation. Such programmes and policy interventions check the negative impact and maximize benefits.

While referring to skills, Mr. Buhril was of the view that the need for the right skills almost always come up in the discussions of recruitment. Most of developing countries are yet to negotiate on mutual recognition of qualifications with the Countries of Destination.

Presently, recognition of skills and matching is happening at the level of the recruiter and at times this may be assisted by the employer which leads to some kind of a nexus. Intermediaries may take advantage of this situation creating a recruiter- employee nexus compromising on the quality of recruitment.

It is the employee or the potential emigrant who bear the brunt of this situation. Irrespective of the type of emigration process involved or in the category of emigrant professional or otherwise, the problems in recruitment are universal in nature which are as follows:

- Deviation from contractual provisions mutually signed and agreed upon
- Promises made while signing the contract may not be kept



- Issues such as double contracting, change in occupation at destination, monetary repercussions on the breach of contract, lack of immediate legal assistance to immigrants and families and more so when they have unequal bargaining power because of their immigrant status in the host countries.
- There are instances of complaints from nurses and even from IT employees about salaries.

According to PGE, the Conference served a platform to debate and identify ways to initiate relevant outreach activities to migrants including awareness of rights and responsibilities of migrants at the time of consulting or using the services of recruitment agencies and about the benefits at the countries of destination. Likewise, stakeholders should examine ethical codes of conduct developed by UN agencies and other multilaterals for various kinds of professionals, workers for various occupations and various other compliance mechanisms.

He was of the view that it is critical for countries of origin and countries of destination to carry out dialogues to mutually agree, endorse, and arrive at common ground to implement codes of ethical conduct relating to Ethical Recruitment through employers and RAs. There is also a need to identify the institutional mechanisms that may be used to protect the rights of migrants.

He wished the Conference all success and expressed willingness to listening to the initiatives taken by panelists to work towards transparency and accountability in the recruitment process especially through use of technology in recruitment.



*Ms. Seeta Sharma, International Labour Organisation (ILO) who was the Chair of the session began the session by observing that the use of technology may make the recruitment process easier and more ethical. However, there is a challenge of bringing the potential employees/ migrants in touch with these technologies.* 





*Ms.* Radha Chellappa, Head of Office, International Organisation for Migration (IOM), presented an introduction to the International Organisation for Migration and its activities.

Ethical Recruitment, according to the IOM, implies that employers should bear the cost of recruitment, that the process should be transparent and that the rights of the migrant must be recognised.

Introducing the International Recruitment Integrity System (IRIS), Ms. Chellappa informed the audience that is a result of global partnership and was launched in March 2014. It is a consortium of international stakeholders. She also explained in detail how the IRIS works.

Warning that IRIS should not be considered a panacea for unethical recruitment practices, Ms. Chellappa offered that it is but one tool to address Ethical Recruitment issues.





He began by highlighting the importance of social networks for jobs in the informal sector; a better connected network helps accessing better job opportunities. Mr. Gibbons extended the idea of these networks to job adverts in newspapers, through intermediaries and middle men. However, these social networks are very often restrictive based on the people one knows. This is the gap that is identified by Baba jobs.

Baba jobs aggregates job opportunities and seekers and provide a match. This is research driven. To illustrate, most families move into a poverty cycle because of a health calamity in the family and the only way out of this is through income diversification or through getting a better paid job. Baba jobs serves the informal sector and the entry level formal sector. By providing better information about jobs, they serve to reduce inefficiencies of hiring in the informal sector.

It is a multi-platform system to reach people at the 'bottom of the pyramid'; there are a wide variety of approaches used for the creation of profiles for job seekers so that they make become visible to employers. A call centre, interactive voice response (IVR) system, missed call system wherein the caller gets a call back with prompts to create a profile directly on their phone; SMS job alert system, mobile apps, mobile web, desktop etc. All these services are provided free of charge to the jobs seekers and they are built because not only is it easy to scale digital technologies but also to overcome barriers of literacy, technology capability and technology access. Not everyone at the bottom of the pyramid can access the internet and therefore the call centre and the IVR system was thought of-in order to reach more people.

For employer access, there is an easy interface with a simple registration process. There is a screening process to ensure that employers find a good match for the jobs they are hiring for. They also offer a premium service or 'rapid hire'- employer based solution that gives them access to applicants directly (based on the various different plans). They help smoothen the interview process and try to make it as efficient as possible so that it is easier for job seekers and job givers to get connected.

Security measures are a serious concern and therefore Baba jobs carries out an email and mobile verification of employers. There is a tested approval method for verifying a job before putting it up online. They also have support staff dedicated to jobseekers and their concerns especially to complaints.

They started in 2007 and are based out of Bangalore with an office in Patna. They expanded to pan-Indian operations in 2009. They have a database of around 2.6 million jobseekers and work across the board in all types of skills and sectors especially in the informal sector and this is where they are a social enterprise with a goal of working to connect job seekers and employers for the benefit of both parties.





Mr. Vivek Chandok, Vice- President-Mobility VAS Product & Portfolio, Tech Mahindra provided an overview of the 'Saral Rozgar' initiative.

The aim of the initiative by Tech Mahindra is to ease the employment process.'Saral' means 'easy' and employment is but one of the problems that they would like to tackle.

The objective of Saral Rozgar is to bridge the divide between job seekers and givers. They have over 150 job categories with close to 2 million subscriber base with more than 1.5 lakh job vacancies.

It is a 'first of its kind mobile job' market place for entry level and blue collared job seekers.

The country's first prepaid job card was launched by them in NCR. They even have opportunities such as 'Job Melas' or job fairs where through campaigning they create awareness.

Saral Rozgar also recognises a need for counselling. They will, in the future, also extend this technology for overseas employment.

Mr. Amit Saxena, Co-founder and CEO of Select Jobs presented the work of Select Jobs.





Select Jobs is a startup that caters not only to the domestic market for jobs but also looks at jobs in the Middle East. *Mr. Saxena presented the lopsidedness of the job market- the ones with the most access (white collared workers) are the ones who are best served by the job market (they are the ones who do not need help with recruitment).* 

Very few technology companies address the needs and the market information asymmetries of the blue collared workers.

Select Jobs also focuses on jobs and skilling. Along with this, the skilling system is also geared towards jobs in the Middle East. They address workers who cannot be found online. These are the workers that need assistance for around500 million jobs in India and approximately 1- 1.5 million jobs in the GCC each year.

According to Mr. Saxena, the elephant in the room is jobs and migration to the Gulf. The labour scarce GCC countries face structural attrition exacerbated by the sponsorship system. They also have long and opaque supply chains and the problem of intermediaries. The challenge of finding potential employees is that the new trend is that they increasingly come from the impoverished states in the North and from remote villages.

Select Jobs also uses technology through job melas, fabricated vans, newspaper subscriptions (print subscriptions in India are increasing).

Technology such as SMS registrations, call centre, missed calls, mobile apps etc. are also being used by Select jobs. The new skilling ecosystem combines technology and training to *offer a game changing solution to recruitment but the question is- who will fund this model?* 





The presentations were followed by an interactive Q&A session where the audience members interacted with the presenters on the Dais and also offered comments.

#### Comment I:

- Very few people recruited by RAs file complaints and the ones that are filed are mostly solved by the RAs themselves.
- The role played by the Indian missions abroad is minimal. They offer very little assistance or support to RAs in solving issues.
- MOIA should communicate to MEA for the need for a the assistance of RAs

**Response:** Indian missions do support migrants in the Countries of Destination.

- II. Minimum salaries are a deterrent to freer mobility of labour as compared to workers from Bangladesh and Pakistan
- Minimum Referral Wages are fixed in consultation with Indian missions and also taking into account the living costs in those countries. It may not be desirable to let workers migrate for a salary which may be paid in India.
- III. The e-migrate system seems outdated and irrelevant in the day and age of technology enabled job portals.

# 6 Plenary Session- III Recommendations



The last session of the day was on the 'Way Forward'.

As a result of lively and engaging discussions with the panel, the following recommendations were offered by audience members for the short to medium term:

- Minimum Wages : The Minimum Referral Wage (MRW) does not necessarily reflect market realities. Therefore, the specific suggestion was to follow a model such as that of the Philippines where if the salaries are higher than the minimum wages paid in the Philippines, the salaries are accepted.
  - Different embassies have different salary structures. The minimum wages mandated by the MOIA must be higher or the same as the minimum wages in India.
  - The *Nepal model* fixes a minimum salary across the Middle East.
  - The Indian missions should be able to agree upon a common salary for countries in the Middle East and strictly enforce it.
  - The Indian missions should be able to agree upon a common salary for countries in the Middle East and strictly enforce it which will enable the RAs to make a better case. The only concern might be about the impact on Indians losing jobs. The various stakeholders should be consulted before salaries are fixed.



- **Easier access to visas** at the place of transit for business people
  - **Currently, labour attaches** are not available to low skilled workers or even if they are, labour attaches are usually not from the Ministry of Labour and Employment (MOLE). The embassies and these attaches fall under the mandate of the Ministry of External Affairs. However, the Ministry of Overseas Indian Affairs (MOIA) is usually held responsible for international movements. Due to these discrepancies, the process of labour attaches in India is disjointed and should be seriously reconsidered.
  - **Training of labour attaches:** As labour attaches serve as point of contact between workers deployed in countries of destination and the embassy of their respective governments, it is an urgent need to train them.
- **Outsourcing** of welfare of migrants to a private organisation/society
- Social Security as a part of CSR: Included as a part of CSR to ensure business involvement
- Mutual Recognition of Qualifications under the service agreement of the **WTO**
- Developing of Global standards; executed through bilateral agreements.
- Agreement on a **minimum social security** for all migrants
- Partnership between the **IOM and FICCI**
- **Reduction in Visa fees** negotiations affects businesses with overseas operations
- Need for **stability** in migration policy and labour market policy
- Business bodies such as FICCI must advocate for human resource mobility partnerships.
- Assessment Studies:
  - A Study may be carried out to understand if social security agreements that have been signed in the past decade have had any significant impacts.
  - There may also be a study to understand if the insurance schemes of MOIA such as the Pravasi Bhartiya Yojana (PBY) have had a significant impact and benefitted migrants.
- Mutual Recognition of Qualifications may be done through a multilateral body such as the WTO



- Regional Recognition should be aggressively pushed for through professional bodies for setting standards.
- **Creating a level playing field** may be the biggest challenge that needs to be considered first. A demand driven model necessitates that the bargaining position needs to be utilized.
- India as a country must be more proactive in the bilateral and regional forums. It is time that India participates and contributes to these processes.
- Ethical Recruitment- Organisation of the Recruitment Agencies as an Industry. Recruitment Agents are scattered at the moment. There is no corporatization, no united voice and therefore they are not being heard at the moment even though they are huge players in the recruitment industry as they send out 8 lakh people out of this country at the moment. Recruitment cannot be managed without them- they are indispensable to the process. In fact, they play a strategic role - they bring business to the country. However, they are undervalued. It has been 'Business as Usual' for many years but things appear to be changing as displayed by the panel discussion on the use of technology to ensure transnational ethical recruitment practices. It is time to formulate it like an industry and move it forward with a code, a board and members who can negotiate. Without this, we are losing out on a very critical partner in the process of migration. A body like FICCI can take on this subject and assist in the process of institutionalizing such a body. This push may also come from the Government so that it gives the Recruitment Agents more negotiating power. Along with the 20000 INR that the RAs are allowed to charge, the potential migrant is also liable to pay a service tax at 12.36 % which should be waived or at least brought down substantially. This negotiating power can only come if RAs are united.
- It is also important that such a body should come with Standard Operating Practices, regulations etc. Along with this there should be a simultaneous effort towards raising awareness amongst people with Pre-Departure Orientation programmes.
- Responsibility to Immigrants in India: Immigrants in India especially from neighbouring countries, engaged in the informal sector, should be offered good working conditions with minimum salaries- This is already happening in Nepal through an association working together with the Nepalese Government.
- A space/ platform for Dialogue between the Government and the Recruitment Industry. Therefore, very often there might be directives from the Ministry without any consultation with the Recruitment Agents who may be more aware of the situation on the ground and may bear grave repercussions of such a decision/directives and this is what ultimately leads to a lot of unethical practices.



May RAs may not have ill intentions but a lot of work is forced to go underground because there is no space to negotiate.

- **RAs are not eligible for benefits** for contributing to the country's FOREX
- **The e-migrate system** needs to flexible on the problems that it has created. For example, there may be a delay in receiving passports.
- Working towards a policy on Migration
- GAMCA (GCC Approved Medical Centers' Association) clinics are the only places where
  potential emigrants can get a health certificate from. They may have to pay 38004000 on average to obtain this certificate whereas the average costs for these tests
  may range from INR 2000-2500 in other medical centres. 60 per cent of these cases
  are declared medically unfit (mostly due to TB). The practices of GAMCA are
  monopolistic and restrictive and accreditation to other vendors is important.

# 7 | Epilogue

This Conference brought together a wide variety of stakeholders. We were heartened to note the attendance of over 100 participants in our very first signature event on 'Mobility and the Business Case for Migration'. We were also encouraged by the presence of policy makers not just from India but also from the United States as well as representatives of Industry from all over the world.

Businesses are impacted in diverse ways when people move transnationally. Some effects are in the short term but structurally, the effects are in the long term. There was an agreement that Governments and Businesses should work together in order to maximize the benefits of migration and minimize its negative impacts.

The Conference was unanimously identified as a good beginning to a healthy exchange on what constitutes the 'Business Case for Migration'. It marked a significant departure on how Industry may engage in issues of international migration. The Conference served as a platform for relevant topics that need immediate attention such as mutual recognition of qualifications and the importance of transnational ethical recruitment practices. It was also critical of myopic policy that stifles mobility of human resources across borders. We gathered a wide variety of suggestions for Governments, Industry members and International and Inter-governmental organisations for the short to medium term.

At the end of the dark tunnel of political rhetoric that overwhelms discussions on migration, we are proud to be the bearers of the light of an objective voice and platform for the mobility of people. We hope to continue this frank exchange of ideas and I personally hope that this has served to encourage many more advocates for promoting the 'Business Case for Migration'.

Alwyn Didar Singh, Secretary General, FICCI



## a. Agenda

Conference on Mobility and the Business Case for Migration 18th December: FICCI, Federation House, Tansen Marg, New Delhi

# PROGRAMME

| 0900-0930 hrs | Registration   |
|---------------|--|
| 0930-1030 hrs | Inaugural Session  |
|               | Theme: The Imperatives of the Business Case for Migration  |
|               | This session will be dedicated to traversing the key issues that permeate<br>the business case and are germane to industry and trade: consular<br>issues, social security coordination, portability of skills, mobility of<br>natural persons in services, and the mutual recognition of<br>qualifications. This session will also be used to sensitise industry and<br>trade on the need for a wider and critical appreciation of how<br>migration impacts business and what can be done. |
|               | • Welcome address by Dr. A. Didar Singh, Secretary General,<br>Federation of Indian Chambers of Commerce and Industry<br>(FICCI) & Chair, FICCI Taskforce on International Migration and<br>Diaspora   |
|               | • Address by Ms. Tulsi Gabbard,Vice-Chair of the Democratic<br>National Committee and United States Representative for<br>Hawaii's Second congressional district   |
|               | • Keynote address by Mr. Y.K. Modi, Past President, FICCI  |
|               | • <b>Special Address by</b> - Mr. Sunil Soni, Special Secretary, Ministry of Overseas Indian Affairs (MOIA), Government of India   |
|               | • <b>Inaugural address by</b> Mr. Karl Cox, Vice President, Global Public Affairs, Oracle; Chair, AmCham EU; and Vice Chair, Global Advisory Council (GAC) on Migration, World Economic Forum (WEF)  |
|               | • <b>Concluding remarks by</b> Mr. Som Mittal, Former President and Chairman, NASSCOM  |



| 4000 44481     |   |
|----------------|---|
| 1030- 1145 hrs | Plenary Session I- Importance of Portability of Skills and Mutual<br>Recognition of Qualifications to Industry  |
|                | (This session is envisaged as a panel discussion leading to an<br>interactive Q&A session)<br><b>Chaired by : Mr. T.K. Manoj Kumar,</b> Joint Secretary, Diaspora Services<br>Division, MOIA and CEO, India Centre for Migration(Brief overview of<br>portability of skills and mutual recognition of qualifications for both<br>high and low skilled workers)  |
|                | • <b>Mr. Som Mittal,</b> Former President and Chairman, NASSCOM (The importance of mobility to the knowledge economy especially India's spectacular success in IT as well as challenges)  |
|                | • <b>Mr. Paul Comyn,</b> Specialist on Vocational Training & Skills Development, International Labour Organisation (ILO)  |
|                | • <b>Professor Binod Khadria,</b> Senior Faculty, JNU (Mobility of High Skilled workers across all sectors and the importance of student mobility as an important pathway.)   |
|                | • Ambassador (Retd.) Paramjit Sahai, Honorary Principal<br>Advisor at Centre for Research in Rural and Industrial<br>Development(CRRID)   |
|                | Q&A   |
| 1145- 1200 hrs | Tea/Coffee Break  |
| 1200-1330 hrs  | Plenary Session II- Transnational Ethical Recruitment Practices   |
|                |   |
|                | The objective of the session is to showcase the business case for the<br>inclusion of low-skilled workers in the technology driven recruitment<br>business and how it is making, and has the potential to make, the<br>international recruitment process more ethical.  |
|                | inclusion of low-skilled workers in the technology driven recruitment business and how it is making, and has the potential to make, the   |
|                | <ul> <li>inclusion of low-skilled workers in the technology driven recruitment<br/>business and how it is making, and has the potential to make, the<br/>international recruitment process more ethical.</li> <li><b>Opening address: Shri Ruolkhumlien Buhril,</b> IAS. Position,<br/>Protector General of Emigrants &amp; Joint Secretary (Emigration</li> </ul>  |
|                | <ul> <li>inclusion of low-skilled workers in the technology driven recruitment<br/>business and how it is making, and has the potential to make, the<br/>international recruitment process more ethical.</li> <li><b>Opening address: Shri Ruolkhumlien Buhril</b>, IAS. Position,<br/>Protector General of Emigrants &amp; Joint Secretary (Emigration<br/>Services Division)</li> <li><b>Moderator: Ms. Seeta Sharma, International Labour Organisation</b></li> </ul>  |
|                | <ul> <li>inclusion of low-skilled workers in the technology driven recruitment<br/>business and how it is making, and has the potential to make, the<br/>international recruitment process more ethical.</li> <li><b>Opening address: Shri Ruolkhumlien Buhril,</b> IAS. Position,<br/>Protector General of Emigrants &amp; Joint Secretary (Emigration<br/>Services Division)</li> <li><b>Moderator: Ms. Seeta Sharma, International Labour Organisation</b><br/>(ILO)</li> <li>Ms. Radha Chellappa, Head of Office, International Organisation</li> </ul>   |
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|                | <ul> <li>inclusion of low-skilled workers in the technology driven recruitment<br/>business and how it is making, and has the potential to make, the<br/>international recruitment process more ethical.</li> <li><b>Opening address: Shri Ruolkhumlien Buhril</b>, IAS. Position,<br/>Protector General of Emigrants &amp; Joint Secretary (Emigration<br/>Services Division)</li> <li><b>Moderator: Ms. Seeta Sharma, International Labour Organisation</b><br/>(ILO)</li> <li><b>Ms. Radha Chellappa</b>, Head of Office, International Organisation<br/>for Migration India</li> <li><b>Mr. Amit Saxena</b>, Co-founder and CEO, Select jobs</li> </ul> |



| ICCI Banquet, 3rd Floor   |
|---|
| vard (focused discussions)  |
| onference Room, 2nd Floor   |
| ability of Low Skilled Workers (to be<br>erated/presented by Retd. Ambassador Paramjit Sahai)                             |
| ommendations for:   |
| onsular issues  |
| ocial Security  |
| utual Recognition of Qualifications   |
| ilateral/Multilateral Instruments to strengthen<br>artnerships)   |
| ability of High Skilled Workers (to be<br>erated/presented by Professor Binod Khadria)                                    |
| ommendations for:   |
| onsular issues  |
| ocial Security  |
| utual Recognition of Qualifications   |
| ilateral/Multilateral Instruments to strengthen<br>artnerships)   |
| al Recruitment (to be moderated/presented by Ms.<br>a Sharma, ILO)  |
| at needs to be done by countries of destination and countries igin through different instruments- bilateral/multilateral) |
| e groups are encouraged to give recommendations in the<br>I medium term for the:  |
| overnment   |
| Idustry   |
| on-Government/Multilateral Organisations  |
| ing Reception<br>ICCI Banquet, 3rd Floor  |
| i   |



b. Concept note

## Concept Note for the Conference on Mobility and 'The Business Case for Migration' 2014, New Delhi, India December 18, 2014

#### I. Introduction

International migration and the mobility of skills represent important facets of a rapidly globalizing world. They impact industry and business in myriad ways, no less than do international trade and finance. Yet, in much of the discourse on migration, industry and trade are missing from the high table.

The business case for migration is compelling. It can help meet labor supply shortages, access much needed skills, catalyze innovation and enhance productivity. Migration can benefit business and society. Equally, ensuring ethical recruitment, fair contract conditions, finding the right skill sets and protecting the rights of workers pose difficulties.

#### **II. The Objectives**

The conference will seek to drive the debate on the relationship between the private sector and international migration in key geographies around the world; facilitate collaboration and partnerships and to incentivize collective action on critical issues related to the interests of business - consular issues, skills shortages, labor supply gaps, the global hunt for talent, recognition of educational qualifications and skills, factor productivity, ethical recruitment, cultural diversity and not least innovation and entrepreneurship.

#### III. Target Outcomes

The target outcomes will be two-fold: to draw a road map of action that will build greater synergy between the imperatives of international migration and the opportunities for business and industry in chosen sectors. It will also seek to propose an institutional bridge that will foster international cooperation and coordinated action by and amongst the private sector players in business and industry.

#### **IV.The Participants:**

This conference aims to bring together captains of industry, business leaders, migration policy makers, academics, researchers and international organizations to share their experiences on issues at the intersection of migration, industry and business.

The conference will focus on key industry verticals and business sectors - information



technology, Biotechnology, healthcare, hospitality, and education - of the knowledge economy.

The conference will provide an effective and credible interdisciplinary and multidisciplinary forum for policy makers, researchers, practitioners from industry, business, government and the voluntary sector to present and discuss the most recent innovations, trends, concerns, the practical challenges encountered and the solutions adopted in the field of international Migration as might impact Industry and Business.

The conference expects to bring together 70-80 select participants from the higher echelons of the various participant verticals and segments.

### V. Timeframe

The Conference will be held on Thursday,  $18^{\text{th}}$  of December, 2014 at FICCI HQ, New Delhi, India



c. Background Note

#### **Background Note**

#### International Migration, Industry and Trade: The Business Case for Mobility

The importance of migration cannot be overstated. This being said, there is a widely held belief, even among the more well-informed ones, that the importance of migration stems only from its impact on the development stories of the countries in the global south. However, migration will be one of the most important processes, if not the only, impacting global economic growth rates.

Migration discourse continues to be driven by political rhetoric with populism, xenophobia, issues of security and the flag of sovereignty and nationality as its principal tools. The business case for migration is important because it can play a role in separating the migration rhetoric from reality. The voice of the private sector has the potential to objectively identify and support the imperatives and benefits of migration. The transnational mobility of economic migrants should be looked at as a natural corollary to the movement of goods and capital; the mobility of people is good for business.

Freer economic migration is good for business, catalyzing innovation, investment and entrepreneurship - the building blocks of sustainable development. There is evidence that these are a direct result of the mobility of people. International migration also spurs the investment rate, saving rate and the consumption rate which further serves to expand business and trade. Despite these obvious gains, an irony peculiar to our globalizing world is the noticeable absence of industry at the Migration High Table. The 'new thinking' in migration which is making its appearance in some policy circles advocates this change - a more persuasive and perhaps persistent voice for the private sector. Industry bodies like the Federation of Indian Chambers of Commerce and Industry's (FICCI) have advisedly responded to this new thinking by the constitution of a Taskforce on Migration and Diaspora.

The Indian Diaspora is the most successful in the world. In 2013, India was expected to receive \$71 Billion as remittances- the top recipient of officially recorded incomes for 2013. Yet the costs of remitting remain high. The Indian industry must find modes of engagement with the Diaspora that take advantage of the success they have achieved and use it as a force for development.

We are moving away from the 'brain drain', 'brain gain' paradigm towards a more positive 'brain circulation' phenomenon. To encourage this and to define the Industry's role in facilitating this is an important item on our agenda. The big issues though are that India has to earnestly work towards building an image of a welcoming country;



providing equal opportunities irrespective of race, gender, nationality etc. Along with this, India's ranking in 2014 is 134 among 189 world economies in the ease of doing business survey by the World Bank's International Finance Corporation. The solutions to these will necessitate the involvement of the Indian Industry.

But perhaps, one of Indian Industry's most important contributions can be through skill development of our youth with a gender focus. India is at that unique threshold where its demographic and economic transitions generate a surplus of workers in the economy. Also women are no longer migrating as dependents; they are increasingly migrating as workers, independent professionals and service providers. However, most emigration from India is still in the low-skilled category; 90 per cent of which is to the Gulf countries. A skilled workforce is necessary for industry upgrading; it stimulates innovation and helps countries move up the global value chain. Co-ordination between the main stakeholders in the skills market helps achieve the targets of industrial policy. To add to this long list of incentives, there are glaring labour shortages and skill gaps the world over. Industry also has a role to play in the harmonisation of the recognition of skills and their certification and in the facilitation of bilateral coordination for social security arrangements.

The transnational movement of people should necessarily be looked at as a natural corollary to the movement of goods and capital. Bali, 2013 brought with it hope of boosting global trade worth \$1 Trillion. It has been celebrated as a victory of 'multilateralism'; as a triumph of globalization; of various interests coming together and agreeing to pursue the 'greater good'. However, the real victory will be when we reach a consensus on the fact that the mobility of people is good and even necessary to maintain global economic growth rates. The globalization of everything but labour will not work for too long.

Finally, whether or not Indian Industry partakes in the facilitation and advocacy of freer economic migration, it will continue to take place. Changing the perceptions about migration, not overstating its negatives and understating its positives, will be a good place to begin with.



d. Concept note: Using Technology for Ethical Recruitment

This concept note serves as the background to the session on Ethical Recruitment to be held as part of FICCI's Business Case for Migration

The recruitment business globally is worth 130 billion<sup>1</sup> and has moved to the digital world at an unprecedented rate over the last decade. From advertising vacancies on social media sites to the use of online application forms and candidate selection software, the process of recruitment and selection has changed considerably over the past few years.<sup>2</sup>

The objective of this particular consultation, to be held in Delhi on 10 December 2014 as part of FICCI's Conference on the Business Case for Migration, is to showcase the business case for the inclusion of low-skilled workers in the technology driven recruitment business and how it is making, and has the potential to make, the international recruitment process more ethical.

The assumption underlying this concept is that it will make recruitment more ethical with increased transparency, bringing employers and potential employees in closer contact with each other while reducing the dependency on sub-agents. It is expected to bring better matched workers to jobs through faster processes, resulting in a more efficient labour market. The result of such innovation is expected to accrue to the worker as efficient processes that lead to reduced recruitment costs and reduced exploitation of workers.

However, many recruitment consultancies appear to be adopting a "business as normal" approach without recognition of the change that digital technology brings.<sup>3</sup> This is true to the international recruitment industry in India, especially those targeting the low skilled workers, as outreach and other factors have not been easy to address and the demand from the bulk of the Gulf employers (which is the destination for most of these workers) for use of digital processes is still at a nascent stage. However, technology is producing seismic shifts in terms of how candidates and clients interface with the recruitment industry and it is critical for the recruitment sector to become proactive.<sup>4</sup>

In India, the increased penetration of technology (mobile penetration estimated to be at 900 million<sup>5</sup> and internet at 198.30 million<sup>6</sup> ), and widespread use of mobile phones amongst the bottom of the pyramid workers provides a primed platform for the industry

<sup>&</sup>lt;sup>1</sup> Forbes.com (2012): LinkedIn is Disrupting the Corporate Recruiting Market

<sup>&</sup>lt;sup>2</sup> (2013) "Recruitment goes virtual: Use web?based technology intelligently for best results in recruitment", Human Resource Management International Digest, Vol. 21 Iss: 3, pp.19 - 21

<sup>&</sup>lt;sup>3</sup> Lewis, Adam : Innovate CV blog

<sup>&</sup>lt;sup>4</sup> Lewis, Adam : Innovate CV blog

 $<sup>^{\</sup>scriptscriptstyle 5}$  Internet and Mobile Association of India Report 2012

<sup>&</sup>lt;sup>6</sup> Business Today, December 2013



to explore the use of technology in recruitment of such workers. However, applying new technology to reach out to the low skilled, largely uneducated worker, in remote rural areas, and matching a job and preparing a person to join the job, specially a job overseas, continues to pose a challenge. While opportunities exist, there are obstacles as well. Some of the obstacles include - reaching out to the potential workers, getting them to input correct data, getting employers to use technology based systems etc. Yet, some of these obstacles have been overcome or have potential to be overcome by these innovations.

We will start by the ethical framework being developed of IOM - IRIS, and move onto specific work with international (Gulf-based) recruitment portal - naukrigulf. We will then move on to two specific successes at the national level - Saral Rozgar and Babajob) from which a clear takeaway would be the experiences in outreach. These national interventions have been included as they provide successful models of reaching out and creating the database of workers, through various linkages with existing government skilling interventions etc. The last case is still in the making but we will showcase it as it attempts to take a page from these successful national models and link it with jobs not just the national, but at the international market.



#### The presenters (10 minutes each)

| KOM - OIM                     | - IOM's International Recruitment Integrity System (IRIS) is an<br>international voluntary "ethical recruitment" framework that will<br>benefit all stakeholders in the labour migration process. IRIS will<br>provide a platform for addressing unfair recruitment and bridge<br>international regulatory gaps governing labour recruitment in<br>countries of origin and destination. Job seekers will have better<br>information regarding ethical recruitment though an information<br>portal and publicly available roster of accredited IRIS members<br>internationally |
|-------------------------------|---|
| Cnaukrigulf.com               | - is a highly successful job portal linking job seekers with<br>employers in the Gulf. It has been very successful for the highly<br>skilled workers but has limited outreach for the bottom of the<br>pyramid worker.  |
| babajob                       | - With over 2.5 million job listings and 80,000 employers,<br>Babajob.com is India's largest entry level job search site, catering to<br>a range of job categories including bottom of the pyramid jobs like<br>domestic workers, drivers, cleaners, cooks, guards etc for national<br>jobs.  |
| £ <sup>n</sup> %sSaral₹ozgar' | - is a registered job seeker base of close to 2 million and reached 1<br>Lac job openings in-country. What is unique about Saral is how it<br>has partnered with e-governance companies for expanding the<br>reach to the hinterlands and with NSDC partners for engaging<br>trained youths to entry level jobs.  |
| ∗Xselect Jobs                 | - is attempting to combine some of the Saral experience of outreach but also linking jobs to the overseas market.   |

The presentations will be followed with a 30 min Q and A session with the audience which will comprise of recruitment agencies, manpower agencies, relevant government officials and interested industry representatives.



## About FICCI

Established in 1927, FICCI is one of the largest and oldest apex business organizations in India. FICCI's history is closely interwoven with India's struggle for independence, industrialization and emergence as one of the most rapidly growing global economies. FICCI has contributed to this historical process by encouraging debate, articulating the private sector's views and influencing policy.

A not-for-profit organization, FICCI is the voice of India's business and industry.

FICCI draws its membership from the corporate sector, both private and public, including MNCs; FICCI enjoys direct and indirect membership of over 2,50,000 companies from various regional chambers of commerce and through its 70 industry association.

FICCI provides a platform for sector specific consensus building and networking and is the first port of call for Indian industry and the international business community.

#### **Our Vision**

To be the thought leader for industry, its voice for policy change and its guardian for effective implementation.

#### **Our Mission**

To carry forward our initiatives in support of rapid, inclusive and sustainable growth that encompasses health, education, livelihood, governance and skill development.

To enhance the efficiency and global competitiveness of the Indian industry and to expand business opportunities both in domestic and foreign markets through a range of specialized services and global linkages.

# Federation of Indian Chambers of Commerce and Industry

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