Ensuring fair recruitment for decent work

A MINI GUIDE FOR TRADE UNIONS

CLIMATE-FRIENDLY JOBS
WAGES
RIGHTS
SOCIAL PROTECTION
EQUALITY
INCLUSION

A New Social Contract
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How can trade unions advance fair recruitment?

It is important to emphasise that fair recruitment, as a determining step to secure decent work, is a key labour issue. Human and labour rights must be protected by governments and respected by businesses throughout global supply chains. Workers’ rights during a recruitment process are equal, regardless of whether the recruitment is through a national or transnational process.

Being the primary advocates of workers’ rights and interests, trade unions – as permanent, reliable, democratic and independent organisations responsible for protecting workers rights – play a crucial role as monitors, capacity builders and policy influencers. Trade unions are key actors in activities to combat unfair recruitment and its links to trafficking and forced labour.

Having a thorough understanding of the needs and issues faced by workers during the recruitment process, trade unions play a major role in not only maximising the positive aspects of fair recruitment, but also in minimising the negative ones, including protecting migrant workers from any negative consequences of unfair migration and unfair recruitment practices.

In order to ensure fair recruitment, trade unions must actively engage in social dialogue and tripartite discussions on the recruitment process, including recruitment of migrant workers, to influence national legislation and policies on fair recruitment and fair migration. At the field and shop floor level, they must create awareness and protect, inform and organise workers, as well as identify and report abuses and violence.

1. Strengthening social dialogue to promote fair recruitment

In 2014, the ILO launched the Fair Recruitment Initiative, a multi-stakeholder initiative implemented in collaboration with governments, representatives of workers’ and employers’ organisations, the private sector, and other key partners. It aims to support strengthening social dialogue as one of four key strategic objectives of the ILO for the enhancement of decent work (including fair recruitment), together with the promotion of labour standards, fundamental principles and rights at work, the creation of greater opportunities for secure and decent employment for both men and women, and the coverage and effectiveness of social protection for all. In 2021, the second phase of the strategy for the FRI was published, with new specific targets and a specific emphasis to move into concrete operationalisation of the general principles and guidelines for fair recruitment at different levels. A new set of targets has been identified, including on empowering and protecting workers.

Policies around recruitment and migration matters in many countries are largely the domain of ministries of interior, immigration, labour and foreign affairs. Institutionalised social dialogue on recruitment and migration therefore remains the exception rather than the rule. Bridging this
policy gap requires a stronger recognition that collaboration with social partners can bring legitimacy to governance of recruitment processes and labour migration policies by building public trust and support of these policies.

Trade unions should therefore include recruitment issues in social dialogue or collective bargaining and raise awareness of the practical and commercial realities of seeking a job overseas, and they should provide accessible and transparent information on recruitment options and rights during recruitment.

Governments need to design, implement and enforce necessary policy reforms to promote fair recruitment and cultural change in the private recruitment industry.

Employers and employers’ organisations need to encourage effective due diligence of employers’ labour supply chains, rewarding fair practices and sanctioning illegal recruitment.

Private employment agencies that implement fair recruitment practices in line with ILO principles should be rewarded, while illegal recruiters and those whose practices are exploitative should be effectively sanctioned.

Trade unions act as a watchdog regarding unfair recruitment practices and contribute to better transparency in recruitment processes. They can identify recruitment abuses and provide workers with targeted assistance and support, including legal support, and they can engage in social dialogue and lobby for policy and regulatory reform.

Policy reforms as a result of british trade unions’ influence

Under the impetus of the “Temporary Labour Working Group” – a consortium aiming to establish a set of minimum standards for employment agencies – trade unions supported the passing of the Gangmasters (Licensing) Act in 2004, which established the Gangmasters and Labour Abuse Authority. The role of the agency is to “protect vulnerable and exploited workers” by regulating the supply of workers in several industries and by imposing licensing on employment agencies. In 2009, trade unions supported amendments to the Coroners and Justice Bill (#71) that made slavery, forced or compulsory labour and servitude criminal offences. Read here a recent action plan of trade unions to reform labour market enforcement:


2. Organising and the representation of workers to ensure fair recruitment

In recent years, in support to calls for action against debt bondage, trafficking in persons, and forced labour, which happen more frequently to migrant workers, trade unions have actively promoted the ILO fair recruitment principles, guidelines and definition, and they have adopted promising initiatives with the aim of improving recruitment practices, including through the elimination of worker-paid recruitment fees and with the web tool to monitor recruitment: www.recruitmentadvisor.org. Migrant workers, who constitute an increasing percentage of the workforce in agriculture, construction, health care and domestic services, electronics, textiles, manufacturing, food processing and the hotel and restaurant trade, are often vulnerable to high levels of exploitation, low wages and poor working conditions.
Trade unions’ efforts in organising and increasing the representation of workers, including migrant workers, without a doubt are the most important aspect to ensure fair recruitment for decent work for all workers. By leading in promoting a rights-based approach to labour migration, trade unions that organise migrant workers strengthen their organisations. Global solidarity and cooperation among unions in origin and destination countries remain fundamental in building migrant workers’ collective power to protect their rights. Migrant workers, regardless of their status, are first of all workers, but above all human beings. As such, they have rights, including freedom of association – the right to form or join a trade union of your own choice. In far too many countries, unions still need to fight for freedom of association to be effectively protected in law and enforcement policy, and for migrant workers in particular.

An organised workforce cannot be enslaved, but when there is a governance failure and no law enforcement, then slavery can flourish. Together, we will stop unscrupulous recruitment practices, we will eliminate slavery in the supply chains and we will end modern slavery.”

Sharan Burrow, ITUC General Secretary.

Protecting the rights of migrant workers is the best way to protect the rights of national workers and avoid attempts to place migrant and national workers in competition with each other, as this would only serve the interests of unscrupulous employers and recruiters looking for cheap labour.

Floc organising for winning workers’ rights

Mexican farm workers in Kentucky, in the US, are entitled to a federal minimum wage of $10.92 an hour while the employer – the farmer in question – paid his workers only $7 an hour in 2015 and $8 an hour in 2016 and in 2017. Sometimes the farmer paid them at an even lower rate. After the workers discovered that the employer was cheating them, they contacted FLOC and joined the union. The union sent a letter demanding that the employer pay the workers back wages to reach the minimum wage. Given the response from the employer, dismissing the demand, the farm workers stayed put and went on strike. After about three weeks, the employer gave in and paid the workers $20,000 in back wages and attorney fees. The farm workers expressed commitment to help the union organise other migrant workers to ensure they are recruited fairly. Decent wage and working conditions for farm workers can only be realised if the large corporations give a fair price to the farmers and the farmers comply with regulation.

Read more here: https://aflcio.org/2017/11/20/mexican-farm-workers-win-historic-floc-backed-strike

3. Fair recruitment in the construction sector

Building and Wood Workers’ International (BWI) on joint inspections in Qatar

In Qatar, where the 2022 FIFA World Cup will be held, there are no local trade unions, and workers are prohibited from forming trade unions. In November 2016, the Supreme Committee for Delivery and Legacy (SC), the organisation responsible for delivering the infrastructure required for the 2022 FIFA World Cup Qatar™, signed a memorandum of understanding (MoU) with Building and Wood Workers’ International (BWI), the global trade union for construction workers, that aims to conduct joint labour and
accommodation inspections on World Cup projects in Qatar from January 2017. Every year since joint inspections began, the Joint Working Group (JWG) made a report that details the results of the inspections, assessments, and recommendations during the reporting period. The report fully discloses the findings of the inspections, explaining areas of non-compliance and observations, and noting whether such matters have been remedied.

In association with the Qatari Ministry of Labour, BWI has held community awareness forums, which offer a platform for social dialogue between migrant workers and the government. It has also trained paralegal officers, who can assist migrant workers to file complaints over employment violations.

Major changes to Qatar’s labour laws, following global campaigning led by the ITUC, have now eliminated the kafala system which tied workers to their employers, and a non-discriminatory minimum wage for all migrant workers is now in place. Other reforms include the establishment of a labour disputes resolution mechanism, transparent contracts of employment, measures to stop recruitment fees and the establishment of joint employer/worker enterprise committees where the workers elect their own representatives.


4. Promoting fair recruitment for migrant care workers

The Triple Win program recruiting Filipino care workers to Germany has trade unions from both the Philippines and Germany sitting on its monitoring committee.

While there is still a lack of multi-stakeholder involvement in developing and implementing a bilateral labour agreement, with the facilitation of the ILO, the trade unions from the Philippines as well as from Germany were invited to become members of the Joint Committee and to monitor the implementation of the bilateral agreement to formalise the migration of nurses from the Philippines to Germany in 2013. Trade unions provide guidance and specific advice to Filipino care workers both prior to departure and upon arrival regarding labour law and working conditions.

The Germany-Philippines Bilateral Labour Agreement on the Deployment of Filipino Nurses to Germany details important points that aim to ensure fair recruitment, such as:

- clear regulation on the deployment of Filipino health care professionals;
- preservation, promotion, and development of Filipino workers’ welfare, including coverage of all social protection entitlements;
- promotion of exchange of ideas and information, with the aim of improving and simplifying job placement procedures; and
- stipulation of the promotion of human resource development in the Philippines.

More importantly, the agreement contains a section on the set-up of a Joint Monitoring Committee (JMC), which, among other things, has the task of monitoring the implementation of the agreement. Members of the JMC are not only the signing parties but are also relevant stakeholders, i.e., trade union representatives from the Philippines (PSLINK) and from Germany (ver.di).

For many migrant workers, the pandemic has been synonymous with an increase in digital use, as several destination countries have made contact-tracing apps mandatory for workers. Technology affects labour migration and other recruitment actors; in this context, it is inevitable for trade unions to also increase the use of digital technology to reach migrant workers who are hard to reach face to face.

Since 2017, trade unions have started working on promoting fair recruitment using the Recruitment Advisor website, https://www.recruitmentadvisor.org/, that has been set up by the ITUC. Recruitment Advisor is a global recruitment and employment review platform providing migrant workers easy access to information about recruitment agencies and workers’ rights when looking for a job outside their home country. Currently the website is actively used by trade unions in the Philippines, Nepal, Indonesia, Kenya, Sri Lanka, Hong Kong and Bahrain.

Together with civil society organisations, the unions reach out to migrant workers with the mission to raise awareness on the rights of workers in relation to the right to be fairly recruited, based on the ILO general principles and operational guidelines for fair recruitment, and to encourage workers to share their recruitment experience and learn about fair recruitment from the Recruitment Advisor website.

The ITUC has also piloted the use of chatbots in English, Filipino, and Nepali for Recruitment Advisor to reach out to migrant workers through the social media messenger. More languages of migrant workers will be added. Watch here https://youtu.be/Inj83D-418Q a video on the milestones of the trade union effort to promote fair recruitment using Recruitment Advisor.

Up until the time of writing 17/06/2021, the unions had collected around 4000 reviews and the website had been visited by around 100,000 users. Check the website www.recruitmentadvisor.org to:

1. Check the rating of recruitment agencies based on worker reviews.
2. Check workers’ rights.
3. Ask for assistance when workers’ rights have been violated.

Trade unions who want to add their country to the Recruitment Advisor can send an expression of interest to tur@ituc-csi.org.

6. Useful source of tools to promote fair recruitment

a. Fair Recruitment Tool kit; https://readymag.com/ITCIL0/1131618/


e. Recruitment Advisor campaign materials https://trello.com/c/LQ1BJCd0/117-recruitment-advisor


g. https://www.ituc-csi.org/migration-and-slavery

h. https://www.recruitmentadvisor.org/
What is fair recruitment?

1. Why does fair recruitment matter?

Workers are vulnerable to abusive recruitment, especially when they are seeking jobs in an environment of high unemployment that is now exacerbated by millions of jobs lost during and after the Covid-19 pandemic. When there is intense competition for jobs and when workers are not protected by strong and effective workers’ organisations and by clear laws and regulations for fair recruitment that are effectively enforced, they become vulnerable to exploitation. When workers cross international borders to access employment abroad, they might find themselves in a situation of exacerbated risks of exploitation due to poor labour migration governance, complex layers of intermediation and weak access to information and networks.

Workers, especially migrant workers, are at risk of a range of violations of human and labour rights during the recruitment process that could amount to forced labour and trafficking in persons:

- Charging recruitment fees to workers
- Underpayment or non-payment of wages
- Deceptive contracts and false information, including about working and living conditions
- Retention of identity documents to control workers
- Restriction of the freedom of movement
- Recruitment below working age
- Physical and sexual violence
- Threats and intimidation, including verbal and psychological abuse
- Lack of access to justice and dispute resolution mechanism
- Recruitment of workers into unsafe or hazardous work

Women, especially 70 million migrant women, face disproportionate risks of abuse in recruitment and placement. They are more likely than men to be subjected to discrimination and physical, sexual or psychological abuse, and they often have more limited access to accurate information on rights and regular migration channels.

While workers need a New Social Contract that delivers recovery and resilience based on the security of jobs, rights, universal social protection, these cannot be realised without equality and inclusion for all workers, including migrant workers, and without a fair recruitment process as the first act in establishing an employment relationship for decent work.

2. What is the legal and normative framework for fair recruitment?

The core legally binding treaties related to fair recruitment set forth the responsibilities of States in ensuring fair recruitment processes, and capitalise on the link between the cross-cutting theme of recruitment and areas of international law such as forced labour, migrant workers’ rights, violence
and harassment policy, employment policy, as well as conventions focusing on specific employment sectors:

- Protocol of 2014 to the Forced Labour Convention, 1930 – P029 (ILO)
- Protocol to Prevent, Suppress and Punish Trafficking in Persons – (Palermo Protocol)
- Employment Service Convention – C088 (ILO)
- Migration for Employment Convention (Revised) – C097 (ILO)
- Migration for Employment Convention (Supplementary Provisions) – C143 (ILO)
- Private Employment Agencies Convention – C181 (ILO)
- Maritime Labour Convention – C186 (ILO)
- Domestic Workers’ Convention – C189 (ILO)
- Violence and Harassment Convention – C190 (ILO)
- General Recommendation on Women Migrant Workers – R026 (CEDAW)

The general principles and operational guidelines (GPOG) for fair recruitment, a global guidance on fair recruitment, were adopted at the ILO by representatives of governments, trade unions and employers in 2016, outlining 13 principles and 31 guidelines addressing the precise respective responsibilities of governments, recruiters, and end-employers for achieving fair recruitment to ensure that workers’ rights are protected and respected. In 2018, the ILO Tripartite Meeting of Experts adopted a definition of recruitment fees, related costs and illegitimate costs that complemented GPOG and thus should be read together with GPOG. The definition, in line with the general principles, reiterated that recruitment fees and related costs should not be borne by workers or jobseekers.

The definition of recruitment fees and related costs, which is meant to cover both national and cross-border recruitment, indicates the following:

- The terms “recruitment fees and related costs” refer to any fees or costs incurred in the recruitment process in order for workers to secure employment, regardless of the manner, timing, or location of their imposition or collection.
- Recruitment fees or related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties providing related services. Fees or related costs should not be collected directly or indirectly, such as through deductions from wages and benefits.
- The recruitment fees and related costs considered under this definition should not lead to direct or indirect discrimination between workers who have the right to freedom of movement for the purpose of employment, within the framework of regional economic integration areas.

When initiated by an employer, labour recruiter or an agent acting on behalf of those parties; required to secure access to employment or placement; or imposed during the recruitment process, the following costs should be considered related to the recruitment process:

- medical costs;
- insurance costs;
- costs for skills and qualification tests;
- costs for training and orientation;
- equipment costs;
- travel and lodging costs; and
- administrative costs.

The definition provides details and examples for each of these categories.
3. How does fair recruitment contribute to achieving the Sustainable Development Goals?

Sustainable Development Goal 8 (SDG 8) on decent work and economic growth includes targets that are intimately linked to fair recruitment as an indispensable means of creating decent work and promoting sustainable development, such as full and productive employment for all, eradication of forced labour and modern slavery, and protection of labour rights, including those of migrant workers.

Secondly, establishing fair recruitment will also clearly contribute to the achievement of Sustainable Development Goal 10 (“Reduce inequalities within and between countries”) by facilitating orderly, safe, regular and responsible migration as well as to reducing the transaction costs of migrant remittances to less than three per cent. One of the indicators under SDG 10, indicator 10.7.1, specifically refers to the elimination of recruitment costs expressed as a proportion of income at destination. The ILO and the World Bank are co-custodians of this indicator and have developed a methodology to collect statistical data to measure this indicator.

Finally, fair recruitment will also promote Sustainable Development Goal 17 (“Strengthen the means of implementation and revitalize the global partnership for sustainable development”) with indicator 17.3.2: volume of remittances as a proportion of total GDP.

4. What are the legal and structural gaps leading to high recruitment costs in global supply chains?

In a global context of increasing transnational labour mobility and global supply chains, labour recruiters play an increasing role in matching labour demand and supply across borders. The transnational recruitment landscape today is complex, owing to the fragmented global governance system of labour migration and the large number of actors involved: from private employment agencies to the multiple levels of sub-agents, to whom work is passed by the main agencies. The revenues generated by the industry come from fees charged for temporary staffing, search-and-placement and corporate training services.

Public and private employment agencies, when appropriately regulated, play an important role in the efficient and equitable functioning of labour markets by matching available jobs with suitably qualified workers. At the global level, recruitment agencies associations (e.g., World Employment Confederation) have adopted internal policies that prohibit fee charging to workers. However, concerns have been raised regarding unscrupulous recruiters who continue to take significant resources away from migrants and other workers through the charging of recruitment fees and broader economic exploitation.

**Origin and destination country approach**

Destination country governments have a history of paying little attention to routine problems with recruitment, which usually occur out of their sight and beyond their jurisdiction. Their policy efforts have largely focused on catching traffickers and organised criminals who recruit migrants into situations of forced labour, de facto leaving largely unaddressed the situation of millions of migrant workers who continue to suffer from recruitment-related abuse.

Origin country governments are often in the position of having to legislate as if labour migration were a local process rather than a transnational one. They have no jurisdiction over the employers in destination countries who drive the demand side of the recruitment market, and therefore no
capacity to require those employers to obey any laws they make about maximum fees or the use of licensed recruitment firms.

When destination country rules on recruitment are in conflict with origin country regulations, this creates loopholes that unscrupulous recruiters and employers are able to take advantage of.

**Bilateral labour agreements**

To remedy the difficulty of unilateral regulation of a transnational system, many origin countries have sought bilateral agreements with destination governments that set terms for temporary labour migration. The ILO’s Migration for Employment Convention (Revised), 1949 (No. 97) requires States, whenever necessary or desirable, to conclude agreements for the purpose of regulating matters of common concern.

Despite their potential, as described in the ILO Multilateral Framework for LabourMigration, the effectiveness of bilateral labour agreements has been challenged. While a number of agreements have been signed, and some of those include recruitment and employment standards, such documents are largely intended to open markets to new migration flows rather than to protect workers. Participation of workers’ organisations in the design, monitoring and evaluation of such agreements is largely absent, in spite of its criticality.

**Subcontracting model of recruitment**

The subcontracted structure of the global market for the supply of workers is one of the main reasons for the “ungovernability” of labour migration. Except in the cases where a large firm does its own recruiting, most employers of migrants contract an outside agent to do their recruitment.

The employer-recruiter contracting relationship sits in the middle of a complex network of subcontracting arrangements. The recruitment firm manages a network of subagents who extend its reach into far-flung rural areas and offer services like training, money lending, transportation, and accommodation along the worker’s route. These local actors at the bottom of the “labour supply chain” hold a status and trust within their communities in remote areas that make them invaluable to recruitment businesses as brokers who can deliver migrants to the agency at the top. Employers may also use one of their migrant workers as a recruiter.

In most jurisdictions, the law excuses the actors at the top of the chain from responsibility for the violations that take place lower down, even though those abuses reduce labour costs and deliver greater profits to them.

**Volume-based business model of private recruitment**

The core income of many recruitment agencies around the world is derived from the service fee paid by the employer and potentially the recruitment fee paid by the worker for each deployment. The more deployments they conclude, the more income they generate. This means that regardless of the source of the income, recruitment firms are reliant on:

• maintaining a steady turnover of new recruits; and
• generating sufficient contracts with clients so that they can place their recruits in employment.

It is unlikely that a fair competition will be seen among compliant recruiters and recruiters that can send a large volume of workers in very short time; these recruiters de facto will have a short limit of time to comply with regulation in the due diligence. Instead, the large volume recruitment incentivises corruption and reliance on a large network of subagents or brokers that becomes another issue related to the “quality of recruitment service”. Given the perception of employers in sectors such as domestic work and agriculture on the value attributed to the work, employers are not
ready to recognise the need for workers with the appropriate skills and hence not ready to pay for recruitment agencies that provide quality service in terms of identifying and selecting workers with the right match of skills for the job.

Arguably a business model that is based on the volume of people who migrate creates a financial incentive for recruitment firms to mobilise as many people into migrating as possible and is one of the main reasons why unethical and exploitative business behaviour exists. With volume driving the industry, recruiters lack an incentive to invest in ethical recruitment practices that would make the rights of migrant workers central to their business.

**Gaps in regulation and enforcement mechanisms**

Without effective enforcement mechanisms, even the most clearly defined recruitment-related legislation will do little to establish ethical recruitment practices. A general lack of enforcement by the authorities can contribute to unethical behaviour by recruitment firms that operate legally and can encourage the appearance of illegal recruiters. Lack of financial capacity and funding for enforcement activities hampers effective regulation of the industry. The essential role of labour inspection in monitoring and enforcing recruitment regulations and address recruitment abuses is key to ensuring fair recruitment, in cooperation with unions, to identify and report cases of abuses at workplaces.

**Employers’ and jobseekers’ behaviour and expectation**

In contexts where the legislation allows the collection of fees from workers, there is an expectation on the part of employers that they can reduce their costs by passing them on to workers. For an effective change in practice, countries should prohibit the collection of fees and effectively enforce such prohibition in order to effect a change in employers’ expectations.

However, it is not only employers who expect workers to pay. In certain national contexts, recruitment fees remain so pervasive that they seem to be an integral part of the culture of labour migration. The expectation that jobseekers should pay something to get a job is now so entrenched that workers see recruitment agents as providing a service. In order to change jobseekers’ expectations and their acceptance of a culture in which workers pay for jobs, there should be a combination of both practical strategies (including awareness-raising campaigns) and regulatory ones.

**5. What are emerging policies and practices to prevent and redress recruitment costs being borne by workers?**

a. Government initiatives to promote fair recruitment in supply chains
   - Government to government recruitment
   - Licensing and monitoring of recruitment agencies
   - Standard employment contract
   - Government-led approaches to chain liability

b. Employer-led initiative to promote fair recruitment
   - Due diligence
   - Risk assessment
   - Social audit
   - Recruitment agencies’ initiative, such as code of conducts and piloting fair recruitment process

c. Organising approach to chain liability
Government regulation mandating due diligence is key to creating pressure on end users to take responsibility for the violations of their labour providers. Worker organising and consumer boycotts also play an important role. Supply-chain organising strategies have become a particular focus in the agricultural sector.

IUF, FLOC and international allies press British American Tobacco on union rights. “Poverty wages and basic rights denial are a global problem, but the future of agriculture lies in our ability to get the global manufacturers like British American Tobacco to respect the freedom of association.” Baldemar Velasquez, FLOC President.
