



Preparing for a brighter future of work

Report for the 5th Ministerial Consultation of the ADD

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Abstract

In recent years, discussions on the future of work have taken centre stage in recognition of the rapid changes witnessed in labour markets caused by technological progress, demographic transitions, climate change and globalization. These drivers present both opportunities and challenges for migration and mobility, especially among ADD countries. While these changes are universal and profound, the impact on specific regions and countries will be diverse, subject to various factors including economic conditions social structures and policy responses. In response to these challenges, ADD countries are making efforts to formulate and implement innovative employment policies and other strategies. Good practices are evident across a range of policy domains, from lifelong learning and wage policies to strategies to create green jobs and maximize the benefits of new technologies. At this juncture, however, member States should further analyse economic and labour market trends and identify how the future of work drivers are impacting outcomes and, more importantly, develop scenarios on how these trends are likely to continue in the future. In line with the three pillars of the ILO Declaration for the Future of Work (investing in people’s capabilities, investing in the institutions of work, investing in decent and sustainable work), further strengthening of policies, institutions and capabilities will be needed to ensure that all countries can shape the future of work they want.

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1. Introduction

The pull of opportunities and the push arising from decent work deficits continue to drive international labour migration and mobility around the world. ILO estimates indicate that there are around 164 million migrant workers globally, representing over 73 per cent of all working-age migrants.¹ The majority of these workers are employed in high-income (67.9 per cent) or upper-middle-income countries (18.6 per cent). Almost 29 per cent of all migrant workers are located in the Arab States and Asia and the Pacific.

Turing to the member States of the Abu Dhabi Dialogue (ADD), investments and economic growth have generated demand for labour at all skill levels. Together with higher-paid jobs in destination countries², this demand has drawn in millions of workers from low-income and emerging economies in Asia to the Gulf Cooperation Council (GCC).³ The remittance flows from the GCC countries and Malaysia to ADD countries of origin reached almost US\$89 billion in 2017⁴ and have, therefore, made a substantial contribution to sustainable development through reducing poverty and increasing prosperity in these member states. At the same time, migrant workers have been a crucial supply of labour in destination countries, helping them grow and transform their economies.

While labour migration and mobility can provide significant opportunities, it also creates challenges in terms of protecting migrant workers' rights under international human rights and labour standards, especially for temporary migrant workers and those who have come through irregular channels or have become irregular because of a change to their administrative status. Challenges also arise from the coverage of labour market institutions, along with the extent there is equality of treatment and realization of fundamental principles and rights at work. There are also gaps for migrant workers in terms of accessing skills development schemes and getting their skills recognized, in addition to participating in and benefiting from social protection systems. To improve labour market outcomes, these policy domains have become key priorities at the national, regional and global level (Box 1.1).

Box 1:1: Global responses to challenges in international labour migration and mobility

Recognizing the substantial links of these dimensions to sustainable and inclusive development, ensuring safe and orderly migration and mobility was made a key feature of the 2030 Agenda for Sustainable Development, as reflected in Sustainable Development Goal (SDG) target 8.7 on freedom from trafficking and forced labour situations, and SDG target 8.8 on protection of labour rights and promotion of safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment. Migration management is also central to the SDGs as captured by SDG target 10.7 on facilitating orderly, safe, and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies.

Aligned with the SDGs, the Global Compact for Safe, Orderly and Regular Migration (GCM), which was adopted in 2018, covers important dimensions of decent work and labour migration, including

¹ Source: ILO Global Estimates on International Migrant Workers – Results and Methodology, https://www.ilo.org/global/publications/books/WCMS_652001/lang--en/index.htm

² Destination countries: Bahrain, Kuwait, Malaysia, Oman, Qatar, Saudi Arabia and United Arab Emirates (UAE).

³ Countries of origin: Afghanistan, Bangladesh, India, Indonesia, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, and Viet Nam.

⁴ Source: Bilateral Remittance Estimates for 2017 using Migrant Stocks, Host Country Incomes, and Origin Country Incomes (millions of US\$) (April 2018 Version), World Bank www.worldbank.org/prospects/migrationandremittances

improving data and evidence-based policymaking, strengthening opportunities for decent work in countries of origin, and promoting fair and ethical recruitment of migrant workers.

To support these global commitments, the ILO works to forge policies to maximize the benefits of labour migration for all those involved. For example, ILO's Fair Recruitment Initiative seeks to foster fair recruitment practices, prevent human trafficking and reduce the costs of labour migration.

In recent years, discussions on the future of work have taken centre stage in recognition of the rapid changes witnessed in economies and labour markets around the world. Technological progress, demographic transitions, climate change and globalization, among other trends, are impacting the world of work, threatening to displace certain workers, on the one hand, while benefiting specific groups, such as skilled workers, on the other. In response to this situation, the ILO Centenary Declaration for the Future of Work, which was adopted at the 108th session of the International Labour Conference in 2019, calls for three pillars of action: investment in people's capabilities; investment in the institutions of work; and investment in decent and sustainable work.

International labour migration and mobility are inextricably linked to the processes underpinning the future of work. However, the impact on specific regions and countries will be diverse depending on various economic, social and political factors. Ultimately, the effects for the member States of the ADD will be complex and multi-faceted.

For example, it is well recognized that aging populations will increase the demand for migrant care workers, the large majority of whom are women.⁵ However, the process of aging is accelerating not only in destination countries of the ADD, but also in some countries of origin. For example, by 2030, the share of older persons aged 65 and above is forecast to reach 15.4 per cent in Sri Lanka and 19.6 per cent in Thailand. While the share will grow in destination countries, only in the case of Malaysia is it expected to surpass 10 per cent in 2030. This scenario could potentially reduce migrant flows from the most affected countries if households have increased care responsibilities; however, whether this effect acts to dampen migration will depend on its magnitude, along with the impact of policies and other factors in countries of origin.

In addition to aging and the care economy⁶, a much-discussed dimension of the future of work is technology, which has generated great fear of jobs disappearing from the labour market. Indeed, technological change is leading to further automation in many (but not all) countries, which will reduce the demand for workers who are being "replaced" by machines (e.g. workers on the assembly line). At the same time, technological progress will increase the demand for more skilled workers (e.g. engineers and others who are needed to maintain machinery) and benefit the economy in more general ways through higher productivity and incomes. That said, evidence suggests that the disruption caused by technological progress varies across sectors and countries, and the narrative for a few advanced economies, such as Japan, Germany, the United States, Republic of Korea and,

⁵ ILO (2018) *Care work and care jobs for the future of decent work*.

https://www.ilo.org/global/publications/books/WCMS_633135/lang--en/index.htm

⁶ Overall, care work, both paid and unpaid, plays a critical role in shaping the future of work for ADD member States and beyond. The ILO 2018 report on *Care work and care jobs for the future of decent work* identifies that 269 million new jobs could be created around the world if investment in education, health and social work was doubled by 2030. In order to follow the "high road" to care work, ILO (2018) calls for increased public and private investment in care services, while recognizing, reducing and redistributing unpaid care work and achieving decent work for care workers, including domestic and migrant workers.

increasingly, China, is unlikely to apply to the situation in other economies, including ADD member States.

Overall, there are complex process and interactions between the future of work drivers, which will impact the quantity and quality of jobs in both positive and negative ways, depending on the economic, social and technological context in countries, along with the policies and programmes that are put in place. The different future of work dimensions cannot, therefore, be seen in isolation but require careful analysis on how they affect economies and labour markets at the sub-national, national, regional and global level.

As a follow up to a meeting of the Abu Dhabi Dialogue (ADD) Ministers at the World Government Summit in Dubai in February 2019, the ILO was invited to facilitate a full-day high-level symposium on the future of work back to back to the Senior Officials' Meeting (30 April). During this high-level symposium, ILO experts provided an overview of the ILO Global Commission Report on the Future of Work and outlined potential ways of integrating the report's three pillars of investment into national policies. The key elements of the presentations and of the ensuing discussion with ADD member States were adopted by Senior Officials in a Joint Communiqué.⁷ The ILO was subsequently requested to compile a report of good practices relating to the incorporation of Future of Work initiatives into national employment policies and other strategies, both within the region, and more broadly.

Towards this aim, the remainder of this report analyses current and future trends and their likely implications for the member States of the ADD, particularly in terms of labour migration and mobility, before turning to the three pillars of the Declaration for the Future of Work and good policy practices.

2. Economic and labour market trends in ADD member States and beyond: what implications for the future of work and labour mobility?

Migration and labour mobility snapshot

As mentioned above, Asia and the Arab States⁸ together host around 29 per cent of global migrant workers or over 47 million migrant workers. The majority of the close to 23 million migrant workers in the Arab States come from South and South-East Asia, comprising over 19 million men and close to 4 million women migrant workers. The destination countries of the ADD, particularly the GCC countries, have the highest proportion of migrant workers in the world: in 2017, over 40 per cent of workers in the Arab States were migrants, compared to well below 10 per cent in most regions; and the rate seems to be increasing (Figure 2.1).

According to ILO figures, there are more men migrant workers around the world than women: 83.7 million (55.7%) versus 66.6 million (44.3%) in 2013.⁹ However, the gender differences in labour force participation rates for migrant workers are less pronounced than for non-migrants due to higher participation rates of women migrant workers. Migrant domestic work is one sector that is dominated

⁷ Online available at: http://abudhabidialogue.org.ae/sites/default/files/document-library/10052019_ADD%20Joint%20Communique%CC%81.pdf

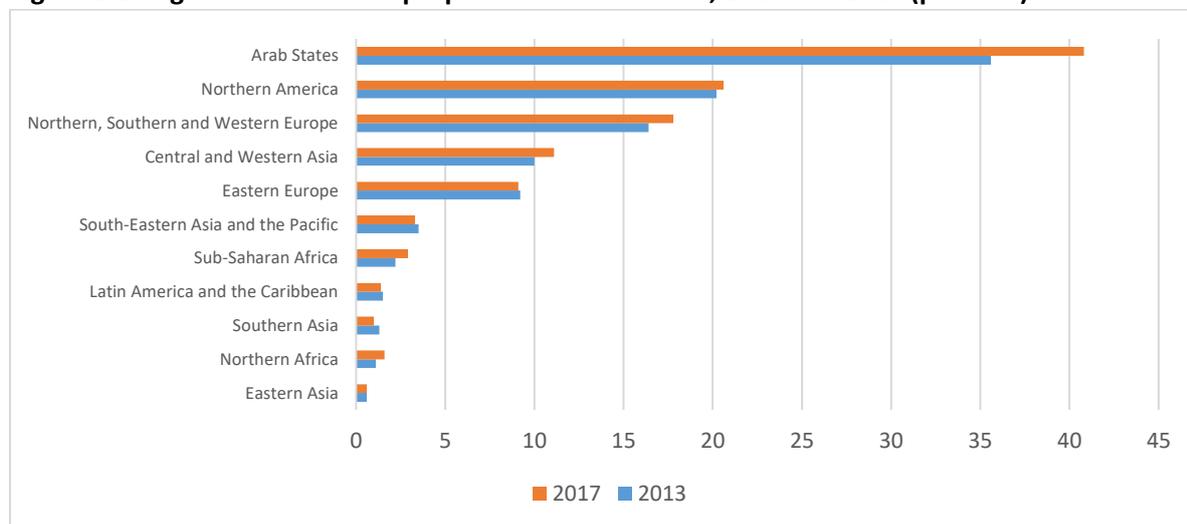
⁸ Arab States including Bahrain, Iraq, Jordan, Kuwait Lebanon, Occupied Palestinian Territory, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, UAE and Yemen

⁹ Department of Statistics, International Labour Organization (2018) *ILO Global Estimates on International Migrant Workers, Second edition (reference year 2017)*.

https://www.ilo.org/global/publications/books/WCMS_652001/lang--en/index.htm

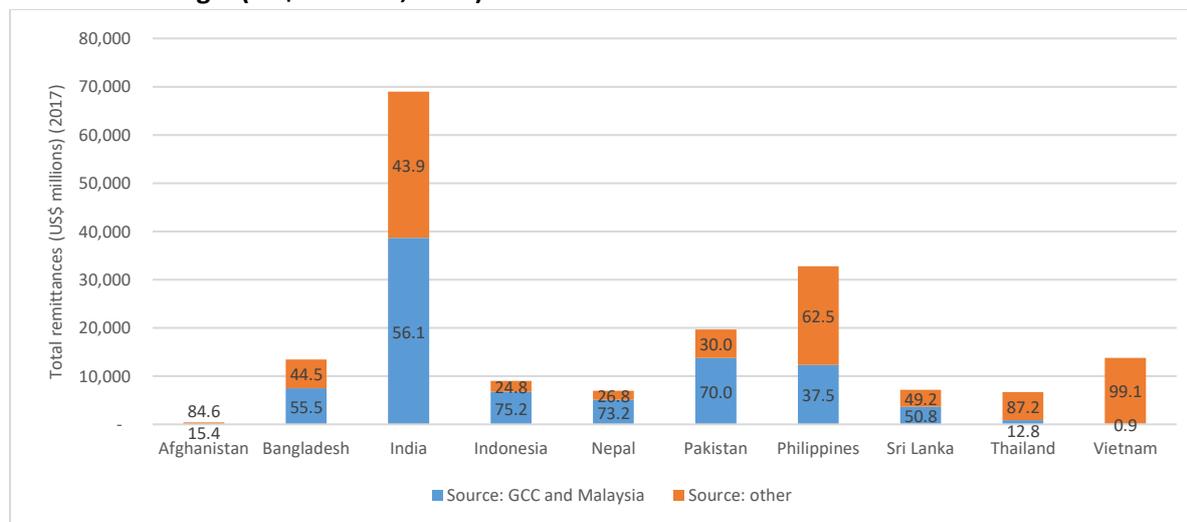
by women with ILO estimates indicating that about 73.4 per cent (or around 8.45 million) of all migrant domestic workers are women. South-Eastern Asia and the Pacific hosts the largest share, with 24.0 per cent of the world’s female migrant domestic workers, followed by Northern, Southern and Western Europe, with 22.1 per cent of the total, and the Arab States with 19.0 per cent.¹⁰

Figure 2.1 Migrant workers as a proportion of all workers, 2013 and 2017 (per cent)



Source: ILO (2018) ILO Global Estimates on International Migrant Workers: Results and Methodology, 2nd Edition.

Figure 2.2 Remittances from GCC and Malaysia account for a large share of remittances in most ADD countries of origin (US\$ millions, 2017)



Source: World Bank (www.worldbank.org/prospects/migrationandremittances), Bilateral Remittance Estimates for 2017 using Migrant Stocks, Host Country Incomes, and Origin Country Incomes (millions of US\$) (April 2018 Version).

Prevailing gender discrimination is an underlying cause of gender-segregated labour markets and gender inequalities in terms of jobs opportunities and access to decent work. Inequalities and occupational segregation continue to exist in international labour markets (e.g. migrant women mainly working as care workers and domestic workers, while migrant men tend to be in higher skilled occupations or in construction work).

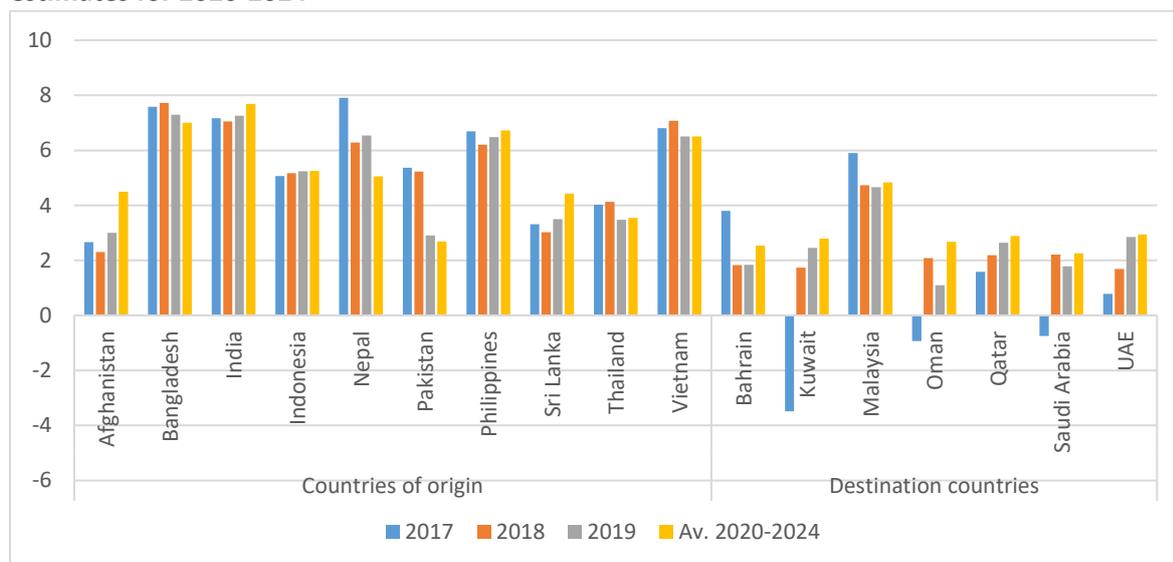
¹⁰ Source: ILO (2015) *ILO global estimates of migrant workers: Results and methodology*. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_436343.pdf

Looking at the positive impact of migration on countries of origin, migrant workers are sending back large amounts of remittances around the world, which outstrip other financial flows and are, therefore, vital for fighting poverty and underpinning consumption and economic growth in their countries of origin. According to estimates of the World Bank, global remittances reached US\$689 billion in 2018, up from \$633 billion in 2017.¹¹ Based on bilateral flow data of the World Bank (Figure 2.2), ADD countries of origin received almost \$179 billion in remittances in 2017, of which 49.6 per cent came from GCC countries and Malaysia. The share for individual countries ranges from 0.9 per cent in Viet Nam and 12.8 per cent in Thailand to 73.2 per cent in Nepal and 75.2 per cent in Indonesia.

Economic and labour market characteristics

Recent economic trends in ADD member States indicate weak but recovering growth in the GCC destination countries, which has been impacted by lower oil prices since 2015 (Figure 2.3). In 2018, these economies grew at between 1.7 and 2.5 per cent, while Malaysia's economy expanded more rapidly (4.7 per cent). Projections suggest a slight improvement over the coming 5 years (average of 3.0 per cent for the GCC destination countries). In comparison, ADD countries of origin include some of the fastest growing countries in the world: in 2018, the economies of Bangladesh, India and Viet Nam all grew above 7 per cent. However, economic growth in Afghanistan, Sri Lanka and Thailand has been more subdued due to conflict and political instability, among other factors. Countries of origin are expected to grow at 5.3 per cent on average over 2020-24.

Figure 2.3 GDP growth rates in ADD countries of origin and destination, 2017-2019 and average estimates for 2020-2024



Source: International Monetary Fund, World Economic Outlook Database, April 2019; accessed on 15 August 2019.

Overall, ADD countries of origin's economies are growing faster than those of countries of destination, reflecting a process of economic convergence. However, most countries of origin continue to be considerably poorer: the average GDP per capita in destination countries (GCC plus Malaysia) is US\$22,701 (2018 figures) compared to an average of just US\$2,369 for countries of origin.¹² Therefore, despite rapid growth, wage levels and job opportunities in poorer countries remain insufficient to meet the aspirations of many jobseekers in these countries, particularly the youth and women

¹¹ Source: <https://www.worldbank.org/en/news/press-release/2019/04/08/record-high-remittances-sent-globally-in-2018>

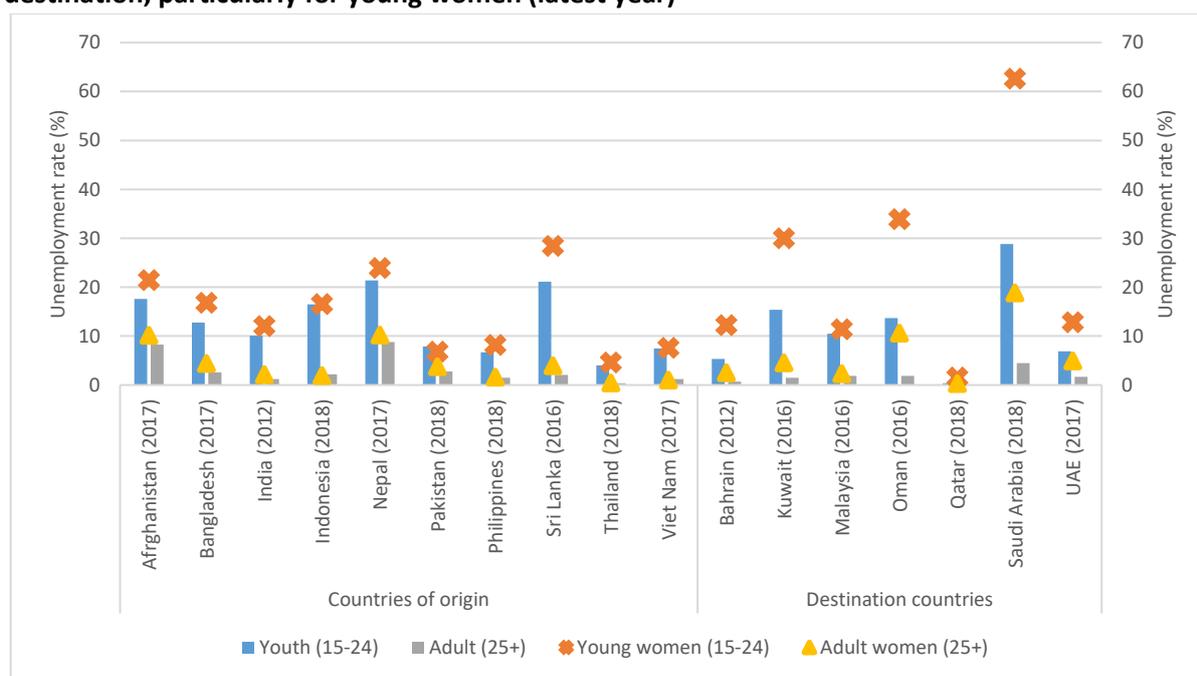
¹² ILO calculations based on the World Bank World Development Indicators.

workers. This differential continues to push people to migrate in search of better-paid and more decent employment.

Economic growth is viewed as a necessary condition to create jobs, but it is, typically, not sufficient to guarantee the creation of decent and productive employment. Some features of labour markets reflect long-term, structural factors, which persist despite strong aggregate growth (e.g. youth unemployment and skills mismatch). In this context, the labour markets of ADD member States cannot be categorized on the basis of a single indicator; rather, employment challenges exist in all, though there are some structural differences that affect the nature of jobs differently in the countries of origin, which are at lower levels of income.

Firstly, the youth unemployment rate (ages 15-24) is higher than for the adult population aged 25 and above in all countries (as found around the world). But, there is considerable variation in the youth unemployment rates across countries with the rate exceeding 15 per cent in Afghanistan, Indonesia, Nepal and Sri Lanka, along with Kuwait and Saudi Arabia (in the latter, it reaches almost 30 per cent). Unemployment rates are notably higher for young women in all countries apart from Pakistan. This gender gap persists into later adulthood: unemployment rates for women aged 25 and above is more than double the rate for the total adult population (aged 25+).

Figure 2.4 Unemployment is much higher for youth (aged 15-24) in both ADD countries of origin and destination, particularly for young women (latest year)



Source: National estimates, ILOSTAT, <https://www.ilo.org/ilostat>

In ADD countries of origin, the bulk of jobs are still found in agriculture and self-employment, which typically have lower productivity levels and, therefore, limits the ability for workers to earn a decent wage and provide for their families. The ILO estimates that the share of workers in agriculture in 2019 reached 42.1 per cent in Southern Asia and 30.9 per cent in South-Eastern Asia and the Pacific, compared to just 11.3 per cent in the Arab States.¹³ In Southern Asia, the share of workers in

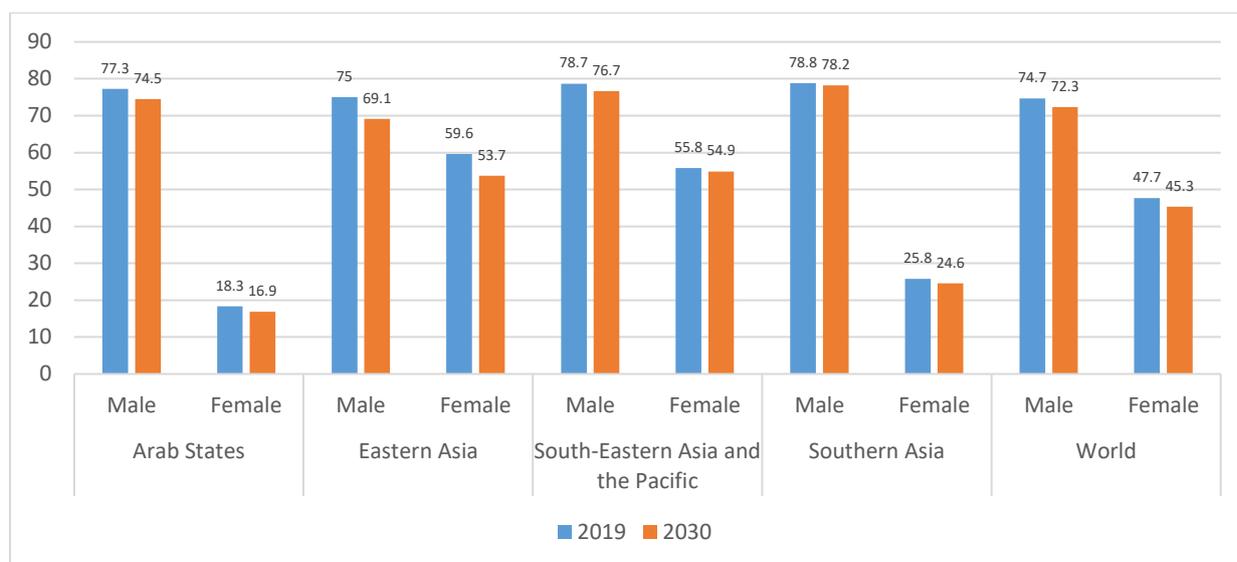
¹³ Source: ILO modelled estimates, November 2018, ILOSTAT database, www.ilo.org/ilostat

agriculture is significantly higher for women (58.1 per cent versus 37.2 per cent for men), while the gender gap is reversed in the other regions.

Another way to look at this structural feature of labour markets in countries of origin is informality: ILO figures reveal that 75.2 per cent of workers in South-Eastern Asia and the Pacific and 87.8 per cent of workers in Southern Asia are informally employed (including agriculture).¹⁴ The share of women workers in informal employment is higher, on average, than for men. Mirroring these features is the much higher share of wage and salaried employment in the Arab States (81.2 per cent) versus 52.1 per cent in South-Eastern Asia and the Pacific and 26.9 per cent in Southern Asia. In Southern Asia, just 22.4 per cent of working women are employees.

In many countries, female labour force participation rates are much lower than those witnessed for men (Figure 2.5), particularly in the Arab States and Southern Asia, which reflects both social norms and the ability to access jobs.¹⁵ Estimates for 2030 provide a rather sobering picture of declining participation rates, which imply continuing constraints on meeting the SDGs, unless concerted action is taken to promote greater gender equality in the labour market.¹⁶ In terms of disparities in wages, the ILO Global Wage Report 2018/19 finds that the factor-adjusted gender wage gap reached 13.1 per cent in North Africa and Arab States and 19.8 per cent in Asia and the Pacific (compared to a world average of 18.8 per cent).

Figure 2.5 Female labour force participation is projected to remain stagnant or decline up to 2030



Source: ILO modelled estimates, November 2018, ILOSTAT database, www.ilo.org/ilostat.

In summary, the availability of better-paid employment in destination countries will remain a key pull factor for both men and women migrant workers from countries of origin. Large infrastructure investments, such as the World Expo 2020 in the United Arab Emirates (UAE) and the World Cup 2022 in Qatar, will continue to underpin demand for low and semi-skilled workers from countries of origin.

¹⁴ Source: ILO (2018) *Women and men in the informal economy: A statistical picture*. Third edition. https://www.ilo.org/global/publications/books/WCMS_626831/lang-en/index.htm

¹⁵ Dasgupta, S. and S. Verick (2016) *The Transformation of Women at Work: An Unfinished Development Agenda*. Sage Publications/ILO, New Delhi/Geneva.

¹⁶ Though rates have fallen for men as well, this has been driven more by increased educational attainment (which also reduces female labour force participation rates).

At the same time, employment challenges exist, particularly for youth and women, which require more effective policy responses to realize the goal of decent and productive employment for all.

Future of work drivers

The economies of ADD member States are being buffeted by global economic forces, in addition to the effects of the longer-term drivers of the future of work, which have profound implications for the world of work. In this section, the implications of the key drivers of demographics, technological progress, climate change and globalization are explored.

According to UN estimates, the combined population of the 10 countries of origin that are member States of the ADD will grow by more than 267 million over the period up to 2030 (compared to an increase of 12.4 million in the ADD destination countries).¹⁷ Beyond the aggregate picture, demographic trends vary considerably across ADD member States. By 2030, the share of older persons aged 65 and above will reach 15.4 per cent in Sri Lanka and 19.6 per cent in Thailand, while it will be far lower in other countries of origin, most notably Afghanistan (3.1 per cent) and Pakistan (5.2 per cent). The share of older persons will grow in destination countries, but, as noted earlier, only in the case of Malaysia is it expected to surpass 10 per cent in 2030.

Another way to look at the implications of aging is the dependency ratio, which is measured as the ratio of the non-working age population (persons aged 0 to 14 and 65+) to the working-age population. In ADD member States, the dependency ratio is declining up to 2030 in Afghanistan, Bangladesh, India, Nepal, Pakistan and the Philippines, which are still experiencing a “demographic dividend”, while the ratio is already increasing in Sri Lanka, Thailand and Viet Nam, which are, as noted, rapidly aging. The ratio is on the rise in all destination countries except for Saudi Arabia where it is still declining due to the large share of youth, and Kuwait where the ratio is projected to remain more static over the coming years. The challenge for the countries with youthful populations is to create enough jobs to match the inflows into the labour force.

Aging populations around the world will continue to increase the demand for care workers, particularly in high-income countries, including the GCC economies. As observed earlier, ILO estimates that there were 11.52 million migrant domestic workers globally in 2013, of which 8.45 million were women.¹⁸ In the Arab States, there were 3.16 million migrant domestic workers, representing 27.4 per cent of the global total. The gender breakdown of migrant domestic work reveals an almost even split between women and men: 1.6 million women versus 1.56 million men. Drawing on more recent data, Tayah and Assaf (2018) report that GCC countries hosted around 3.77 million domestic workers in 2016, which has been growing on average by 8.7 per cent per annum.¹⁹ Saudi Arabia hosts the largest number of migrant domestic workers with 2.30 million in 2016, of which 1.54 million were men. In all the other GCC countries, the share of women migrant domestic workers is much higher, ranging from 51.0 per cent in Kuwait to 75.5 per cent in Oman (Tayah and Assaf, 2018).

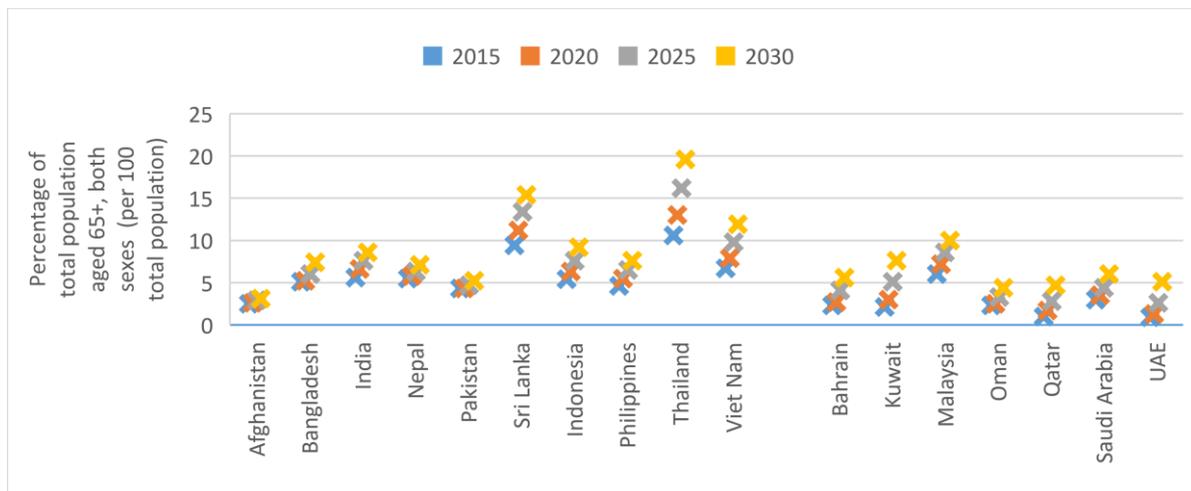
¹⁷ Source: ILO calculations based on UN (2019) World Population Prospects 2019, <https://population.un.org/wpp/>

¹⁸ Source: ILO (2015) *ILO global estimates of migrant workers: Results and methodology*. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_436343.pdf

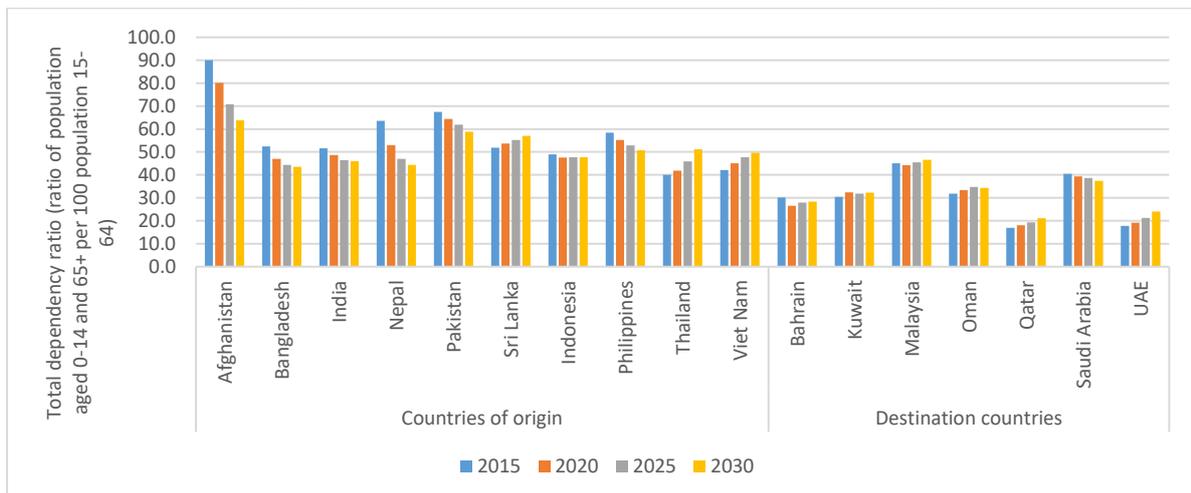
¹⁹ Tayah, M.J. and H. Assaf (2018) *The Future of Domestic Work in the Countries of the Gulf Cooperation Council*. A study commissioned by the Secretariat of the Abu Dhabi Dialogue among the Asian labour-sending and receiving countries. http://abudhabidialogue.org.ae/sites/default/files/document-library/2018_Future%20of%20Domestic%20Work%20Study.pdf

Figure 2.6 Where will the workers come from? The population in some ADD countries of origin is aging faster

(a) Share of the 65+ population, 2015-2030 (%)



(b) Total dependency ratio (ratio of population aged 0-14 and 65+ per 100 population 15-64)



Source: United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019, custom data acquired via website; access on 15 August 2019.

Turning to technological change, ADD member States are exposed to the impact of automation to different degrees. Malaysia is the only manufacturing powerhouse among the destination countries, which has also embraced a future based on industry 4.0, which is characterized by a range of new technologies that are radically reshaping production, including machine learning, robotics, 3D printing, and the internet of things (see the Malaysian policy in section 5). In general, technological adoption is happening at different speeds across countries

According to the International Federation of Robotics, robots are becoming more prevalent around the world, but this is concentrated in a few industries in mostly advanced economies, China being the key exception. Of the 381,335 industrial robots sold in 2017, 73 per cent were supplied to just five countries: China, Germany, Japan, Republic of Korea and the United States.²⁰ Though sales of robots are at much lower levels in the ADD countries, growth rates have been high in a number of economies.

²⁰ International Federation of Robotics, https://ifr.org/downloads/press2018/Executive_Summary_WR_2018_Industrial_Robots.pdf

In India and Thailand, for example, sales of robots in 2017 reached 3,412 and 3,386, respectively, and are expected to have grown in 2018 by 32 and 18 per cent.

In the short run, such automation will reduce demand for workers in specific sectors that use robots (e.g. automobiles, pharmaceuticals); however, over the longer term, the key question is whether the expansion in output associated with automation will lead to more jobs in the sector and other parts of the economy (through multiplier effects). At the same time, technological change is unlikely to significantly affect the labour-intensive sectors of the GCC economies in the near future, namely construction, care economy and services.²¹

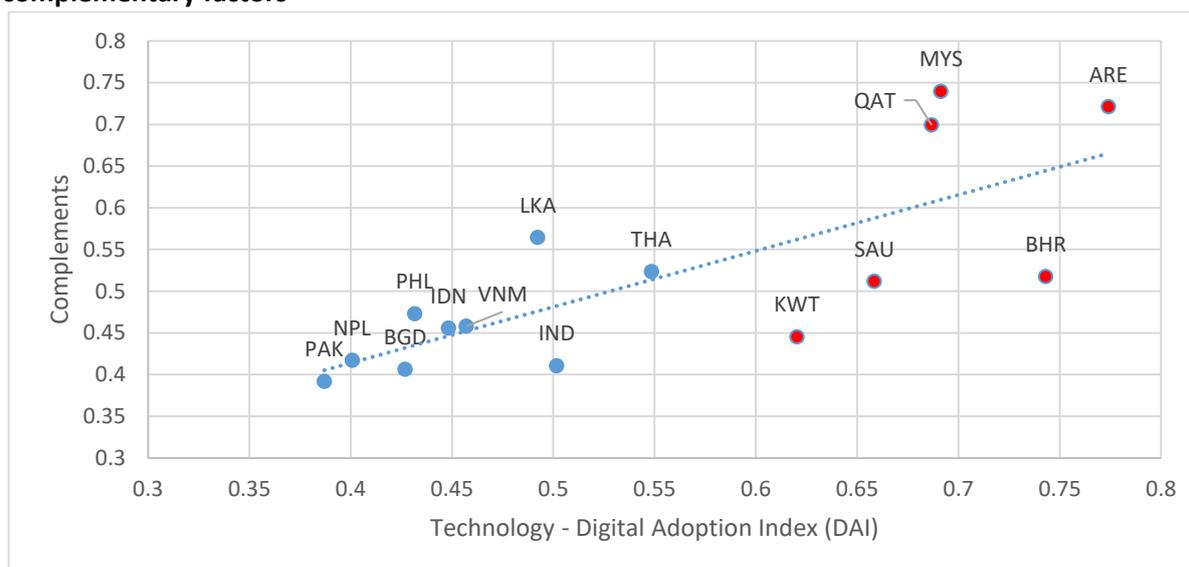
Moving from the specific focus on manufacturing to broader digital adoption, the World Bank's Digital Adoption Index (DAI) shows that access to the internet by individuals, online presence of businesses and the provision of online services by governments is the most advanced in ADD destination countries, most notably UAE, Bahrain, Malaysia and Qatar (Figure 2.7). Digital adoption is, in general, higher in countries with higher level of complements as measured by the ease of starting a business, years of education adjusted for skills, and the quality of institutions. These figures show that destination countries are ready for greater use of digital technologies in the economy beyond the manufacturing sector (i.e. also in the services sector).

Climate change is affecting the world of work in both countries of origin and destination. An increased risk of extreme weather will put pressure on local labour markets and reduce the availability of income-earning opportunities and jobs (especially in agriculture), which could lead to increased "distress migration". Warmer conditions in destination labour markets will effect migrant workers, particularly in the construction sector, who are exposed to the increased risk of heat stress. In this regard, the ILO estimates that the Arab States are particularly vulnerable to increased temperatures stemming from global warming and analysis of data suggest that these countries will lose 1.1 per cent of GDP in 2030 as a result of heat stress.²²

²¹ There have been advances in 3-D printing in construction in the GCC; see, for example, <https://www.techradar.com/news/3d-printing-opens-new-horizons-for-construction-sector-in-uae>

²² ILO (2019) Working on a warmer planet: The impact of heat stress on labour productivity and decent work. https://www.ilo.org/global/publications/books/WCMS_711919/lang--en/index.htm (see also Figure 4.2 below).

Figure 2.7 ADD Destination countries are more prepared in terms of both digital adoption and complementary factors



Source: World Development Report 2016, <http://www.worldbank.org/wdr2016>.

Notes: Country acronyms: AFG=Afghanistan, ARE=United Arab Emirates, BGD=Bangladesh, BHR=Bahrain, IND=India, IDN=Indonesia, KWT=Kuwait, LKA=Sri Lanka, MYS=Malaysia, NPL=Nepal, PAK=Pakistan, PHL=Philippines, QAT=Qatar, THA=Thailand, SAU=Saudi Arabia, VNM=Viet Nam; No data for Oman. “Technology” is measured by the Digital Adoption Index (DAI). DAI is based on three sectoral subindexes covering businesses, people, and governments, with each subindex assigned an equal weight: DAI (Economy) = DAI (Businesses) + DAI (People) + DAI (Governments). Each subindex is the simple average of several normalized indicators measuring the adoption rate for the relevant groups. Similarly, “Complements” is the average of three sub-indicators: starting a business; years of education adjusted for skills; and quality of institutions.

Turning to the process of globalization, the movement of goods and people across borders has been a part of the world’s economy for centuries. In recent decades, trade, foreign direct investment (FDI) and migration has been increasingly driven by emerging economies, particularly China. However, global trade has slowed in recent years and WTO forecasts that growth in global trade is likely to remain subdued in 2019 and 2020.²³ The implication of slower trade growth and continuing trade tensions is that commodity prices are unlikely to recover over the coming years, which, in turn, will negatively impact the economies of the GCC countries and other resource-rich nations. For ADD countries of origin, reduced trade flows may negatively affect economies, especially those that are export-oriented, which would further reduce the number of jobs available in these labour markets, though lower commodity prices benefit those who are large importers of resources (e.g. India).

The process of globalization has been supported by increased investment around the world, which has been spurred in recent years by a glut of capital. According to UNCTAD figures, global FDI flows fell in 2018 by 13 per cent to US\$1.3 trillion, but this was largely driven by large repatriations of foreign earnings by US multinational enterprises²⁴. On a more positive note, developing countries benefited from an increase in FDI flows from US\$691 billion in 2017 to US\$706 billion in 2018, with the largest share going to developing Asia. Overall, in an environment of low interest rates, countries are able to access capital cheaply to fund infrastructure and other types of investments and this is likely to remain the case over the short to medium-term.

²³ Source: WTO Secretariat for trade, consensus estimates for GDP, https://www.wto.org/english/res_e/statis_e/wts2019_e/wts19_toc_e.htm.

²⁴ Source: UNCTAD (2019) World Investment Report, <https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2460>

What are the implications of the future of work trends and other factors for labour mobility between ADD member States?

The future of work trends highlighted above – demographic transition, automation, climate change and globalization – have important implications for the economies of countries of origin and destination, along with the labour mobility and migration between the two (Table 2.2). These dimensions are complex and can either increase or decrease labour mobility with the final outcome depending on which factors dominate.

Table 2.2: Potential factors affecting labour mobility and migration

Increasing labour mobility	Decreasing labour mobility
<ul style="list-style-type: none"> + Mega projects in destination countries (e.g. UAE Expo 2020, Qatar’s World Cup 2022) + Aging populations in destination countries + Investment in skills development (including certification and recognition) + Persisting social preferences for certain types of employment in destination countries 	<ul style="list-style-type: none"> - Lower oil prices and economic growth in destination countries - Successful nationalization efforts in destination countries - Technological disruption (automation) - Aging populations in origin countries - Higher heat stress in destination countries (particularly GCC)

In terms of factors potentially increasing labour mobility over the coming years in ADD member States, the mega infrastructure projects in destination countries will continue to attract large numbers of low and semi-skilled workers to work in the construction sector. As highlighted by Tayah and Assaf (2018), aging populations, coupled with the preference for engaging domestic workers, will ensure that the demand for care work will remain strong. Efforts to improve certification of migrant workers and to increase skills recognition (e.g. through bilateral agreements) can facilitate labour mobility, particularly for semi-skilled and skilled workers.

Labour mobility between ADD member States may decrease in the foreseeable future due to various economic trends, national policies and future of work drivers highlighted above. Persisting lower oil prices affect investments in sectors where many migrant workers are employed in the GCC (e.g. the construction sector) and could dampen demand for migrant workers in certain sectors (i.e. resource-linked segments of the economy). Further nationalization efforts in the GCC countries is likely to reduce the employment of migrants in certain skilled and semi-skilled professions where they have been substituted by nationals. Increased heat stress in destination countries, particularly in the construction sector, has the potential to reduce flows of migrant workers. However, since change in temperature is relatively slow moving, it is unlikely that this will significantly impact migrant flows over the short to medium-term (in the longer term, it may be more pronounced). Moreover, GCC countries have taken a number of mitigation measures to reduce the effects of heat stress (see Box 4.2 below).

Automation is, in principle, labour displacing, but the overall effect on migrant workers is likely to be muted in destination countries since the majority are employed in construction and services, which are not significantly affected (yet) by such technological disruption. At the same time, increased investment in new technologies will increase demand for highly skilled migrant workers (e.g. data scientists) beyond the manufacturing sector. The final factor worth mentioning is the aging populations in countries of origin, most notably in Sri Lanka. This demographic trend is likely to increase the care responsibilities in such countries and may affect the ability of migrant workers, particularly women, to take up job opportunities in countries of destination. However, this would

depend on whether policies and institutions in countries of origin reduce the care burden for these workers and ultimately, whether the pull of higher wages outweighs these factors.

In summary, a range of factors is impacting ADD member States in terms of their domestic economies and labour markets, along with the mobility of migrant workers. In order to shape a future of work that provides better access to decent and productive employment, the ILO Declaration for the Future of Work calls on member States to accelerated efforts along three areas of action: investment in people's capabilities; investment in the institutions of work; and investment in decent and sustainable work (see Section III of the Declaration in Annex 1).

3. Investing in people's capabilities

In the light of current and future changes on the labour market, investing in people's capabilities is one of the three cornerstones for a brighter future as outlined in ILO's Centenary Declaration for the Future of Work, 2019. It will provide people with the opportunity to realize their full potential and to achieve the lives that they have reason to value. Investing in people's capabilities has four dimensions: First, it implies enhancing the employability of workers by enabling them to up-skill and re-skill over the life-course through lifelong learning systems. Second, people require support to manage the various transitions such as from school to work, from work to training, from job to job and from job to retirement. Adequate support will expand people's choices, provide them with the security to cope with change, and empower them to shape their working lives. Third, investing in people's capabilities requires equal treatment and opportunities for both women and men to allow them to unfold their full potential. Lastly, it implies universal access to comprehensive and sustainable social protection systems to enable them to navigate future transitions with freedom from fear and insecurity. The following sections elaborate on some of these dimensions in more detail.

Lifelong learning

Recognizing the need to shift to knowledge-based economies, many countries have made efforts to promote skill development and lifelong learning to prepare the national workforce for both opportunities domestically and around the world. In the GCC countries, many vision strategies²⁵ recognize the importance of a skilled workforce, particularly in light of the pressures stemming from low oil prices and the need to diversify economies.

Lifelong learning encompasses formal, non-formal and informal learning from early childhood and basic education through to adult learning, combining foundational skills, social and cognitive skills (such as learning to learn) and the vocational and technical skills needed for specific jobs, occupations or sectors. Many migrant workers have no or only limited access to training, often because of a lack of funding. Women migrants may be disproportionately affected. Individual training accounts could be a potential avenue to enable workers to participate in training, as shown in the example of Singapore (Box 3.1).

Box 3.1: SkillsFuture Initiative of Singapore

In 2015-16, Singapore introduced the SkillsFuture Initiative (SFI) in response to the increasing need for re- and up-skilling. SFI provides funding for the provision of, or taking part in, adult education and further education that is responsive to the needs of commerce or industry or employers. The aim was to achieve greater self-directed worker mobility by moving from an employer-sponsored training system to one which incorporates person-initiated training by putting credit into individual training accounts. SFI encourages individual ownership of skills development and lifelong learning by providing

²⁵ For example the Saudi Vision 2030, the Kuwait Vision 2035 or the Oman Vision 2040.

all Singaporean citizens aged 25 and over with an opening credit of S\$500 to be used on work-related training, regardless of their employment status. This opening credit can be topped up by the government and some courses are entirely free of charge for trainees with a certain profile (e.g. long-term unemployed).

The successful introduction of SFI has been possible due to the fact that it has at its foundation an existing continuing education and training infrastructure. That infrastructure includes features such as identification of jobs and occupational standards, partnerships with (private) training centres, a government subsidy for work-based learning, quality assurance and enforcement.

To address the quality of trainings and their outcomes, trainees complete a quality survey and six months after completion, they are asked about the outcome of their training. Employers are also surveyed regarding employees who have undergone training. Internal (unpublished) longitudinal studies have shown a significant positive impact in certain areas.

Since the introduction of SFI, training capacity in Singapore has increased both in quantitative as well as qualitative terms. Training participation has increased from 30 per cent to close to 50 per cent of adults who have participated in at least one structured training in any one year. The level of uptake has been higher than expected and it is mostly younger people using it. When older people participate in training, it is most often to acquire digital literacy skills. Although no gender disparities are evident in the SFI, there are special programmes provided for women returning to work.

There are a number of lessons to be drawn from Singapore, regardless of differences in a country's economy or governance structure: i) the recognition of lifelong learning as an entitlement and as a viable path to ensure employability on a fast-changing and increasingly automated labour market; ii) the importance of having all of the building blocks and learning infrastructure in place before introducing such a scheme; iii) the provision of sustainable and adequate funding (incl. possible top-up payments to beneficiaries); and iv) the design of objective indicators to assess the impact.

Source: Muriel Dunbar (forthcoming) Lifelong Learning Entitlement Report, Prepared for UNESCO and ILO, August 2019.

Current and returning migrant workers are often confronted with numerous challenges in the labour market, including lack of recognition of their skills and competencies gained abroad or in their country of origin. The recognition of prior learning is a key factor for the smooth transition to decent work for migrant workers while reducing the risk of deskilling; yet it is all too often overlooked by the very institutions that can facilitate this process. Skills recognition systems aim to acknowledge skills acquired through different learning contexts. They can also help to improve the development potential of countries of origin, allowing returnees to successfully reintegrate into the domestic labour market. Building global skills partnerships, as one of the objectives of the Global Compact for Safe, Orderly and Regular Migration (GCM), should be considered in both countries of origin and destination.²⁶

Recognition systems work as enablers and facilitators of dialogues on three levels: First, they are enabling dialogue between individuals and employers, which may result in hiring, wage growth or career progress. Second, they are facilitating an exchange between individuals and education and training providers, which could open new learning pathways and make the learning process more efficient. Third, they facilitate dialogue between institutions in migrant origin and destination countries in order to ensure a match of labour demand and supply. A positive example of cross-border skill recognition systems can be found in the ASEAN region (Box 3.2).

²⁶ GCM, Objective 18, para. 34(e).

Box 3.2: Skills recognition in ASEAN

In 2003, the ASEAN Coordinating Committee on Services established an Ad-Hoc Expert Group on Mutual Recognition Arrangements (MRAs) under its sectoral business services group. MRAs aim to facilitate the movement of professional services and providers in the ASEAN region taking into account relevant domestic regulations and market demand conditions. Highly skilled professions include engineering, nursing, architecture, surveying, medical, dental, and accountancy. Mutual skill recognition for medium-skilled professions is taking place in the tourism sector where 32 job profiles are included, aiming for equivalence of tourism qualifications. Lastly, regional model competency standards were introduced as a “soft mechanism” to promote the harmonisation of educational and occupational standards.

Figure 1: The hub-spoke recognition procedure



As shown in Figure 1, the hub-spoke recognition procedure, applied for accountants, engineers, and architects, follows four steps (here illustrated for an engineer):

- 1) In the ASEAN, a professional who holds the nationality of an ASEAN member state is assessed by a Professional Regulatory Authority (PRA) of the country of origin. The list of PRAs by country is pre-established but can be amended at any time (e.g. in Thailand, it is the Council of Engineers).
- 2) In order to apply for an ASEAN Chartered Professional Engineer (ACPE) status, an engineer should be recommended to the ASEAN Chartered Professional Engineers Coordinating Committee (ACCPECC) by the PRA of the country of origin. In order to become an ACCPECC engineer, an engineer must (i) have completed an engineering degree, (ii) possess a current and valid professional registration or licensing certificate, (iii) have acquired practical and diversified experience of not less than seven years after graduation, (iv) be in compliance with the continuous professional development policy, and (v) have no record of serious violation of local or international standards.
- 3) The ACCPECC, acting as an oversight body at the regional level, then grants the ACPE status to the engineer in question.
- 4) Once registered as an ACPE, the engineer is eligible to submit an application to any of the PRAs in any ASEAN member States. The PRA in the country of destination is the body that accepts an application from the ACPE and allows the applicant to work in the country as a Registered Foreign Professional Engineer (RFPE). Independent practice is not allowed.

The hub-spoke recognition procedure combines features of harmonization and recognition. It leaves discretion for national authorities (recognition) and gives a quality assurance function to the regional authority (harmonization). Moreover, it is a centralized mechanism that deepens mutual

understanding and builds trust regarding the qualification systems, and is a useful procedure for developing regulatory capacities of both national authorities and ASEAN institutions. However, it faces two challenges: Political will at the national level and uptake. Sectoral organizations, for example, have challenged the development and implementation of further agreements for protectionist reasons.

By contrast, the mutual recognition arrangement of skills (MRS) in the tourism sector takes a different recognition approach. For the 32 job profiles, regional competency standards are developed, along with training programmes. National systems are adapting their training offer in line with the regional standard.

Migrating through a mutual recognition agreement in ASEAN still requires recruitment and a work permit in the country of destination. Without linking agreements to work permits, workers continue to face barriers to regular labour mobility, such as payment of recruitment fees and lengthy work-visa processes.

Source: ILO.

Social protection

Social protection is a human right²⁷ and one of the objectives of the GCM. It is essential to enable workers and their families to navigate future transitions. Life transitions, economic and societal transformations, along with increasing demands for labour from globalized labour markets, influence labour mobility pathways and affect migrant workers' access to social protection. Social protection is a productive factor helping people and economies to prosper. Both policies and systems need to adapt to current and emerging labour mobility trends and patterns and expand their scope to address the specific needs of migrant workers and their families (Box 3.3).

Box 3.3: Social protection for migrant workers

The Arab Charter on Human Rights, 2004 provides that the States parties shall ensure the right of every citizen to social security, including social insurance (article 36). It also provides that State parties shall ensure protection to workers migrating to its territory in accordance with its laws (article 34). The Gulf Cooperation Council's (GCC) *Unified Law of Insurance Protection Extension for the Gulf Cooperation Council State Citizens Working outside their Countries in any of the Council State Members*, ensures to nationals from GCC member States access to social protection when they work in another GCC member state by remaining subject to the social security legislation of their country of nationality.

The Unified Law, however, leaves unprotected the majority of migrant workers in the region since it does not apply to non-GCC nationals. In fact, only a limited access to social protection benefits is available to nationals from non-GCC countries residing and working in the GCC, often provided through private-sector based insurance mechanisms outside national social security systems. A common practice in many GCC countries is the provision of end-of service benefits, which does not have the advantages of a social insurance-based system in terms of risk pooling, solidarity and protection. In addition and in the absence of social security agreements, some countries of origin provide some social protection benefits through unilateral welfare funds. These benefits can include cash disability benefits for injuries, death and burial benefits, social assistance, education grants as well as pre-departure programmes, repatriation and reintegration services. Furthermore, some countries of origin facilitate migrant workers' access to health insurance (e.g. to "Philhealth" in the

²⁷ As specified in the Universal Declaration of Human Rights (Article 22) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) (Article 9).

Philippines) or old-age pensions (e.g. “Sesetha” in Sri Lanka). Access to more comprehensive and adequate social protection benefits, including both short- and long-term benefits such as health protection, maternity benefits, unemployment benefits, pensions, is required to protect migrant workers and their families throughout the life cycle and migration experience.

A wide range of policy options is available to policy-makers for a progressive extension of social protection to migrant workers and their families ensuring the application of the overarching principle of equality of treatment with national workers as well as mechanisms through which it can be ensured. Firstly, the conclusion of bilateral or multilateral social security agreements by countries of origin and destination represents the optimal manner of ensuring the maintenance of acquired rights and rights in course of acquisition and the portability of social security benefits thereby facilitating their stay as well as their return. This is the most comprehensive and commonly used option worldwide to extend social protection to migrant workers. The inclusion of social security provisions in labour agreements is also important to consider. Thus far, the scope of benefits in existing bilateral labour agreements with GCC countries remains quite limited as it primarily includes health and work injury benefits. GCC states could consider the enrolment of migrant workers in national social security schemes for short-term benefits (maternity, unemployment, health).

The concept of a social security clearing house can help to facilitate the extension of social security mechanisms as an alternative to end-of-service benefits and Mobility Saving Accounts. This “social security clearinghouse (SSC)” could be established to link employers/employees in GCC countries and the social security schemes in the origin countries of the employees. Employers’ and employees’ contributions for migrant workers would be paid to the SSC which would remit the contributions to the social security schemes in the origin countries of the employees (or to individual accounts in the absence of social security schemes), up to the maximum contribution payable under these schemes. However, SSCs would only provide a second-best option to coverage under the national social security scheme, as they do not provide for the same level of risk-pooling as national schemes.

Destination countries may also unilaterally provide equality of treatment between nationals and non-nationals as regards social security coverage as well as the payment of benefits abroad. In addition, countries of origin can provide a basic level of protection to their nationals working abroad through voluntary insurance. The establishment and extension of national social protection floors in countries of origin and destination, in line with the ILO Social Protection Floors Recommendation, 2012 (No. 202), should be considered to guarantee at least a basic level of protection to all. Financing modalities for extending non-contributory social protection measures to migrant workers can be identified in relation to migrant workers’ contribution to the economies of countries of origin and destination (e.g. earmarked indirect taxation in specific sectors or for specific consumption/income flows).

A progressive reform agenda with ambitious and inclusive social protection strategies ensuring comprehensive and adequate social protection benefits are critical for migrant workers and their families, countries of origin and destination alike, and to realize the Sustainable Development Goals (SDGs); particularly SDG targets 1.3, 3.8, 5.4, 8.8, 10.4 and 10.7. This agenda will contribute to addressing labour market needs, reducing unfair competition, building more sustainable social protection systems, and enhancing social cohesion.

Box 3.4: ILO Social Security Standards

The **Convention on Social Security (Minimum Standards), 1952 (No. 102)** sets global minimum standards for all nine branches of social security and establishes the principle of equality of treatment of non-national residents and how it should be implemented. The **Equality of Treatment (Social**

Security) Convention, 1962 (No. 118) aims at operationalizing the equality of treatment principle between national and non-national workers and their families and organizes the regime of reciprocity between ratifying Members. The **Maintenance of Social Security Rights Convention, 1982 (No. 157)** establishes an international regime for the maintenance of rights in the course of acquisition and its accompanying **Recommendation (No. 167)** contains in the Annex a Model Agreement for the Coordination of Bilateral or Multilateral Social Security Instruments. **Social Protection Floors Recommendation, 2012 (No. 202)** sets out the four basic social security guarantees which should at least be guaranteed to all residents and children in both destination and origin countries: i) access to a nationally defined set of goods and services constituting essential health care, including maternity care; ii) basic income security for children, at least at a nationally defined minimum level; iii) basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income; and iv) basic income security, at least at a nationally defined minimum level, for older persons.

Source: ILO.

4. Investing in the institutions of work

As outlined in the 2019 report by the ILO Global Commission on the Future of Work, *Work for a brighter future*, investing in the institutions of work are critical in ensuring that labour is afforded freedom and dignity, economic security and equal opportunity, which can be achieved through regulations, employment contracts, collective representation and agreements, and labour inspection systems, amongst others. These institutions ensure balanced and fair labour relations, while helping forge pathways to formalisation and reduce working poverty. When well-designed and operational, they can also increase the overall performance of labour markets and economies as a whole. Migrant workers, in particular, often suffer from the lack of appropriate institutions, which provide protection and rights at work.

Fundamental principles and rights at work

The ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998, commits the 187 member States of the Organization to respect, promote and realize fundamental principles and rights at work in four categories, whether or not they have ratified the relevant Conventions.²⁸ In addition, the ILO Centenary Declaration for the Future of Work, 2019 acknowledged that “safe and healthy working conditions are fundamental to decent work” and, in its accompanying Resolution, requested the Governing Body “to consider, as soon as possible, proposals for including safe and healthy working conditions in the ILO’s framework of fundamental principles and rights at work.” Table 4.1 shows the current ratification rate by ADD member States of ILO’s eight fundamental Conventions.²⁹

²⁸ These categories are: (1) freedom of association and the effective recognition of the right to collective bargaining; (2) the elimination of forced or compulsory labour; (3) the abolition of child labour; and (4) the elimination of discrimination in respect of employment and occupation.

²⁹ ILO supervisory bodies have commented extensively on implementation gaps in some countries, particularly regarding the application of the Forced labour Convention, 1930 (No. 29); the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) and the Worst Forms of Child Labour Convention, 1999 (No. 182) to the situation of migrant workers. At the same time, some progress has been made in ensuring rights at work for migrant workers (see for relevant observations by the CEACR: <https://www.ilo.org/dyn/normlex/en/f?p=1000:11000:::NO>).

Table 4.1: Ratifications of ILO’s fundamental Conventions by ADD member States

	Country	Freedom of association		Forced labour		Discrimination		Child labour	
		C087	C098	C029	C105	C100	C111	C138	C182
Countries of origin	Afghanistan				1963	1969	1969	2010	2010
	Bangladesh	1972	1972	1972	1972	1998	1972		2001
	China					1990	2006	1999	2002
	India			1954	2000	1958	1960	2017	2017
	Indonesia	1998	1957	1950	1999	1958	1999	1999	2000
	Nepal		1996	2002	2007	1976	1974	1997	2002
	Pakistan	1951	1952	1957	1960	2001	1961	2006	2001
	Philippines	1953	1953	2005	1960	1953	1960	1998	2000
	Sri Lanka	1995	1972	1950*	2003	1993	1998	2000	2001
	Thailand			1969*	1969	1999	2017	2004	2001
	Viet Nam		2019	2007		1997	1997	2003	2000
Destination countries	Bahrain			1981	1998		2000	2012	2001
	Kuwait	1961	2007	1968	1961		1966	1999	2000
	Malaysia		1961	1957	1958 (den.:1990)	1997		1997	2000
	Oman			1998	2005			2005	2001
	Qatar			1998	2007		1976	2006	2000
	Saudi Arabia			1978	1978	1978	1978	2014	2001
	United Arab Emirates			1982	1997	1997	2001	1998	2001

Source: ILO NORMLEX.

Note: (*) Sri Lanka and Thailand have ratified the Protocol of 2014 to the Forced Labour Convention (C029).

The right to freedom of association for employers and workers was also one of the nine guiding principles of the ILO at its founding in 1919.³⁰ These fundamental rights are universal; they apply to all people in all states, regardless of the level of economic development. As shown in Table 4.1, there are significant gaps in the ratification of the Conventions related to the freedom of association (C087 and C098)³¹, especially in ADD countries receiving migrant workers.

Governance of labour migration and mobility, and protection of migrant workers

In principle, all international labour standards apply to migrant workers, unless otherwise stated. These include the ILO fundamental Conventions discussed in the previous section, and the specific instruments on migrant workers, which apply to the entire labour migration/mobility process and

³⁰ Appendix II General Principles (The Labour Charter).

³¹ While the ratification rates of other fundamental Conventions are much higher, there continues to be significant implementation gaps with respect to migrant workers; in particular regarding freedom from forced labour and non-discrimination (see CEACR and ILO NORMLEX: <https://www.ilo.org/dyn/normlex/en/f?p=1000:11000:::NO:::>).

include clauses on the provision of free information and services to migrants, protection of their basic rights, and equality of opportunity and treatment, amongst others.³²

With regard to non-binding guidance, a particularly useful tool for policymakers and non-governmental stakeholders is the Multilateral Framework on Labour Migration (2006).³³ More recently, the ILO has approved the General Principles and Operational Guidelines for Fair Recruitment (2016), supplemented by a Definition of Recruitment Fees and Related Costs (2019).³⁴ These Principles and Guidelines are becoming an international benchmark and have also been referenced in the Colombo Declaration of the ADD Fourth Ministerial Consultation in January 2017 and the ADD Senior Officials' Meeting communiqué in May 2018. Indeed, fair recruitment is one area where the potential of technology is being harnessed to achieve decent work for migrant workers, as also referred to in objective 6 of the GCM.³⁵

Box 4.1: The ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers

The Association of Southeast Asian Nations (ASEAN) *Declaration on the Protection and Promotion of the Rights of Migrant Workers* was adopted by the ASEAN heads of state in Cebu, Philippines in 2007. The Declaration calls on countries of origin and destination to ensure the dignity of migrant workers by outlining their obligations in the areas of: (i) protection from exploitation, discrimination, and violence; (ii) labour migration governance; and (iii) the fight against trafficking in persons. Following the signing of the Declaration, a Committee on the Implementation of the Declaration was set up to advance efforts in these areas. The Committee is currently in the process of drafting an ASEAN instrument on the protection and promotion of migrant workers' rights. As one of the Committee's recommended activities, ASEAN convenes a yearly Forum on Migrant Labour (AFML), which serves as an open platform for review, discussion and exchange of best practices and ideas between governments, workers' and employers' organisations, and civil society stakeholders on key issues

³² Migration for Employment Convention (Revised), 1949 (No. 97) and Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143), and accompanying Recommendations Nos. 86 and 151. Amongst ADD member States, Convention No. 97 has been ratified by Malaysia (1964) for the State of Sabah, and by the Philippines (2009), which has also ratified Convention No. 143. In 2016, the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) re-examined the migrant workers instruments and prepared a general survey on the impact and potential of these instruments, and on their application in law and in practice, including by non-ratifying countries. ILO (2016) *Promoting Fair Migration*, General Survey concerning the migrant workers instruments, Report of the Committee of Experts on the Application of Conventions and Recommendations, Report III (Part 1B), International Labour Conference, 105th Session, International Labour Office, Geneva, available online at https://www.ilo.org/ilc/ILCSessions/previous-sessions/105/reports/reports-to-the-conference/WCMS_453898/lang--en/index.htm. Several other international labour standards also refer explicitly to migrant workers and labour mobility, such as those addressing the regulation of private employment agencies (Private Employment Agencies Convention, 1997 (No. 181)), domestic work (Domestic Workers Convention, 2011 (No. 189)), and, most recently, violence and harassment at work (The Violence and Harassment Convention, 2019 (No. 190)).

³³ ILO (2006) *Multilateral Framework on Labour Migration: Non-binding principles and guidelines for a rights-based approach to labour migration*, International Labour Office, Geneva, available online at https://www.ilo.org/global/topics/labour-migration/publications/WCMS_178672/lang--en/index.htm.

³⁴ General Principles and Operational Guidelines for Fair Recruitment (2016), supplemented by a Definition of Recruitment Fees and Related Costs (2019), available online at https://www.ilo.org/global/topics/fair-recruitment/WCMS_536755/lang--en/index.htm.

³⁵ With a view to examining this issue more closely, the ILO and IOM are finalizing a study looking at the lessons learned and good practices of online recruitment platforms that include India's eMigrate system and Saudi Arabia's MUSANED platform on the recruitment of migrant domestic workers.

facing migrant workers in Southeast Asia. The Forum seeks to develop recommendations to advance the implementation of the principles of the ASEAN Declaration.

Ten years later, the ASEAN countries agreed on the *Consensus on the Protection and Promotion of the Rights of Migrant Workers* at the 31st ASEAN Summit in Manila. The consensus builds on the Declaration of 2007 and stipulates the general principles, fundamental rights of migrant workers and members of their families, specific rights of migrant workers, obligations and commitments of ASEAN member States.

Source: ILO.

Occupational safety and health

According to estimates from the ILO, occupational accidents and work-related diseases cause annually over 2.3 million fatalities, of which over 350,000 are fatal occupational accidents and over 2 million are the result of work-related diseases. In addition, there are approximately 300 million non-fatal occupational accidents (with at least four days absence) each year. Ensuring that workers are effectively covered by occupational safety and health (OSH) protections is difficult in practice. New risks have emerged as a result of new materials (e.g. nanotechnologies³⁶ and synthetic chemicals) and diverse working arrangements, as well as heat stress.

The ILO offers a number of relevant OSH standards, in particular the Occupational Safety and Health Convention, 1981 (No. 155), the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187), the Protocol of 2002 to Convention No. 155, and Safety and Health in Construction Convention, 1988 (No. 167). However, ratification levels in both countries of origin and destination are rather low.³⁷

Changes in work organization have occurred globally over the past several decades including the growing use of temporary contracts, disguised self-employment, and the widespread reliance on contractual arrangements involving multiple parties. Subcontracting in hazardous work environments has contributed to workplace disasters.³⁸ Moreover, the growing use of temporary foreign workers in industries, such as construction³⁹, agricultural harvesting, hospitality and manufacturing, exacerbates surveillance and regulatory oversight issues. Many migrant workers are either unaware of their rights or unwilling to raise OSH concerns for fear it will jeopardize their employment.⁴⁰ Moreover, new categories of workers, such as home-based work and multi-tiered subcontracting arrangements, are

³⁶ Nanotechnology concerns the manipulation of substances at the scale of 1 to 100 nanometres, influencing the mechanical properties of materials, such as their stiffness and elasticity.

³⁷ Among ADD destination countries, only Bahrain has ratified Convention No. 155 and Malaysia has ratified Convention No. 187; among origin countries, only China has ratified Convention No.167, while Indonesia, Vietnam and Thailand have ratified Convention No.187; China and Vietnam have also ratified Convention No.155.

³⁸ For instance, the explosion at the AZF chemical factory in France in 2001, the Brazilian Petrobras 36 oil rig sinking in the same year, the 2010 British Petroleum (BP) oil rig explosion in the Gulf of Mexico, as well as the May 2014 mine disaster in Soma, Turkey.

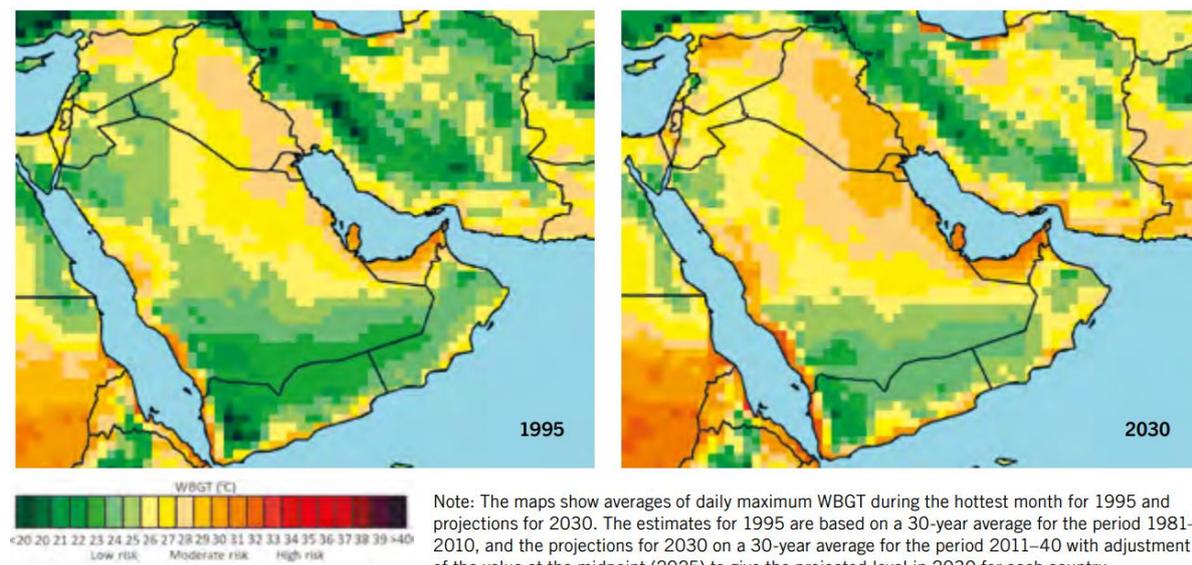
³⁹ ILO (2018) *Exploratory study of good policies in the protection of construction workers in the Middle East*. https://www.ilo.org/beirut/publications/WCMS_618158/lang--en/index.htm.

⁴⁰ K. Lippel and A.-M. Laflamme: "Les droits et responsabilités des employeurs et des travailleurs dans un contexte de sous-traitance: enjeux pour la prévention, l'indemnisation et le retour au travail", in: Service de la formation continue du Barreau du Québec (ed.): *Développements récents en droit de la santé et sécurité au travail* (Cowansville, Éditions Yvon Blais, 2011), pp. 267–360.

sometimes ambiguous or logistically difficult for inspectorates to address.⁴¹ The growth of non-standard work arrangements has also weakened the coverage and effectiveness of workers' compensation regimes.⁴² Deficiencies in regulatory oversight imply that many workplaces are never visited by an inspector, denying managers the opportunity to improve their OSH outcomes via interaction with inspectors, as well as forestalling the development of a culture of compliance.⁴³

The rise in global temperatures caused by climate change will make the phenomenon of “heat stress” more common. Heat stress refers to heat received in excess of that which the body can tolerate without suffering physiological impairment. Such excess heat increases workers' occupational risks and vulnerability; it can lead to heatstroke and, ultimately, even to death. As can be seen in Figure 4.2, large areas of Western Asia, including the Arab States, exhibit heat levels in the hottest month that are likely to affect labour productivity. However, heat exposure is most pronounced mainly in the coastal areas, where humidity is higher than in the inland desert areas.

Figure 4.2: Incidence of heat stress during the hottest month in Western Asia, 1995 and 2030 (projections)



Source: ILO estimates based on the HadGEM2 and GFDL-ESM2M climate models (using as input the RCP2.6 climate change pathway, which envisages a global average temperature rise of 1.5°C by the end of the century).

Average labour productivity in the Arab States is affected by heat stress to a small extent.⁴⁴ This can partly be explained by the fact that the agricultural sector makes up only a small proportion of the region's total employment. However, a number of countries with a high share of employment in the construction sector are affected to a greater extent. In 1995, for instance, Qatar and Bahrain lost, respectively, 2.3 per cent and 1.9 per cent of working hours as a result of heat stress, equalling some

⁴¹ S. Bernstein, K. Lippel and L. Lamarche: “Women and homework: The Canadian legislative framework”, Canada. Status of Women Canada (ed.) Ottawa: Status of Women Canada, 2001; D. Weil: *The fissured workplace: Why work became so bad for so many and what can be done to improve it* (Cambridge, Harvard University Press, 2014).

⁴² ILO (2016) *Non-standard employment around the world*. https://www.ilo.org/global/publications/books/WCMS_534326/lang--en/index.htm

⁴³ ILO (2011) *Work Improvement for Migrant Workers and their Employers (WIMWE)*. https://www.ilo.org/asia/publications/WCMS_168792/lang--en/index.htm

⁴⁴ ILO (2019) *Working on a warmer planet: The impact of heat stress on labour productivity and decent work*.

6,600 and 4,600 full-time jobs. Projections for 2030 suggest that the percentage of working hours lost due to heat stress will more than double in both Qatar and Bahrain, reaching 5.3 per cent and 4.1 per cent, respectively.

The Arab States region is estimated to have lost about 0.5 per cent of its average GDP in 1995 as a result of heat stress, and this productivity loss is projected to increase to 1.1 per cent in 2030.⁴⁵ The impact of heat stress varies among countries in the region. Qatar is the country most affected: it lost 2.3 per cent of its GDP in 1995 and is projected to lose 3.2 per cent in 2030. Bahrain and the UAE are also expected to lose more than 2 per cent of their GDP by 2030 as a result of heat stress. Other countries in the region are affected by heat stress to a lesser extent.

Box 4.2: Health measures in the GCC countries

The governments of the GCC countries have been developing measures to protect workers from OSH risks, including heat stress. A ban on midday work has been adopted by all GCC countries. This prohibits any outdoor work during the hottest hours in the summer (typically from June to August, though the exact dates and hours vary from country to country), with violations being punished by fines or business closures. Sometimes, however, temperatures are still extremely high outside of the banned hours, and limited labour inspection undermines the policy's effectiveness. Moreover, since climate change is expected to increase the frequency and intensity of heatwaves, fixed restrictions on working hours may not be enough to protect workers from heat stress in these countries. Consequently, the current ban on outdoor midday work in the GCC countries could be adjusted to reflect real-time temperatures, humidity and workload for all outdoor worksites. For example, in Qatar, the Supreme Committee for Delivery and Legacy, in 2016, mandated work-to-rest ratios based on a real-time heat and humidity index (the "Humidex" index, also used in Canada) for a limited number of workers on construction sites related to the preparations for the 2022 FIFA World Cup.

General OSH measures have been developed in most GCC countries. Bahrain, Kuwait, the UAE and Oman include exposure to extreme temperatures as a specific risk in their OSH frameworks. In Abu Dhabi, the "Safety in Heat" programme aims to assist and guide employers in the implementation of heat stress management procedures, and also to ensure proper control measures for the protection of workers from heat stress.⁴⁶ In Saudi Arabia, the National Strategic Programme for Occupational Safety and Health requires companies with 50 or more workers to have an OSH strategy in place; an additional legal instrument regulating noise, heat, lighting and personal safety was enacted in late 2018 (Muhammad, 2018). In Qatar, the Supreme Council of Health was established in 2005 to improve OSH governance and regulation.⁴⁷ Qatar's National Health Strategy 2011–2016 acknowledges the importance of protecting the health of migrant workers in the country, who have limited access to health-care services and work in hazardous environments. In addition, Qatar has already implemented several other heat stress management practices on its World Cup construction sites.

The ILO has launched a joint technical cooperation programme with the Government of Qatar with a view to the adoption and implementation of an Occupational Safety and Health National Policy, which would also address heat-related risks.⁴⁸ In the UAE, an ILO project that ran from 2016 to 2018 focused,

⁴⁵ Ibid.

⁴⁶ Abu Dhabi Occupational Safety and Health Center (2018) Safety in Heat programme.

⁴⁷ Mehmood, A. et al. (2018) Work related injuries in Qatar: A framework for prevention and control.

⁴⁸ ILO (2017) Technical cooperation programme between Qatar and the ILO (see https://www.ilo.org/beirut/projects/WCMS_620621/lang-en/index.htm)

inter alia, on strengthening the labour inspection system and the capacity of staff in the Ministry of Human Resources and Emiratization to address OSH issues.⁴⁹

Source: ILO (2019) *Working on a warmer planet: The impact of heat stress on labour productivity and decent work*.

A long-standing problem in the effective coverage of OSH relates to the resources devoted to national OSH systems, including resources for enforcement. In most countries, resources – both human and financial – for OSH programmes and inspectorates (numbers, training, strategies and powers) are inadequate, with resourcing not keeping pace with the growth in the workforce, nor the challenges brought about by new forms of work organization and emerging hazards. While traditional hazard and risk prevention and control tools are still effective when applied correctly, they need to be complemented by prevention strategies designed to anticipate, identify, evaluate and control hazards arising from a constantly evolving world of work.

Worker representatives play an important role in ensuring workplace health and safety. Trade unions and collective bargaining can help facilitate critical logistical support (resources, training and protection) for worker health and safety representatives and committees established by OSH legislation, as well as raise OSH issues with inspectorates. Collective bargaining is an important regulatory complement for extending protective terms in work arrangements (including call back times between shifts) and in facilitating the raising of health and safety concerns by workers through conventional industrial relations mechanisms.

Wage policies

Minimum wages are the minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period. The purpose of minimum wages is to protect workers against unduly low pay. They help ensure a just and equitable share of the fruits of progress to all. Minimum wages can also be one element of a policy to overcome poverty, reduce inequality (including between men and women), and address wage discrimination based on nationality/gender. Minimum wages can be set through law or they can be established through collective bargaining.

Box 4.3: The ILO Minimum Wage Fixing Convention, 1970 (No. 131) and the Equal Remuneration Convention, 1951 (No. 100)

The ILO Minimum Wage Fixing Convention (accompanied by Recommendation No. 135), calls on member States to “undertake to establish a system of minimum wages which covers all groups of wage earners”. The minimum wage should cover all those whose “terms of employment are such that coverage would be appropriate” (Article 1). The ILO General Survey suggests “exclusions should be kept to a minimum (...) particularly in relation to vulnerable categories of workers such as domestic workers”.⁵⁰ Moreover, the minimum wage should take into account: (i) the needs of workers and their families (taking into account the general level of wages in the country, the cost of living, social security benefits, and the relative living standards of other social groups); and (ii) economic factors (including the requirements of economic development, levels of productivity, and the desirability of attaining and maintaining a high level of employment).

⁴⁹ ILO (2018) Improved labour migration governance programme (see https://www.ilo.org/beirut/projects/WCMS_430384/lang-en/index.htm)

⁵⁰ ILO (2014) *Minimum wage systems*, General Survey of the reports on Minimum Wage Fixing Convention, 1970 (No. 131) and Minimum Wage Fixing Recommendation, 1970 (No. 135), Report of the Committee of Experts on the Application of Conventions and Recommendations, Report III (Part 1B) International Labour Conference, 103rd Session, 2014, Geneva.

The Equal Remuneration Convention, 1951 (No. 100) sets out fundamental principles of equal remuneration for women and men for work of equal value. Unequal and oftentimes low pay due to gender stereotypes and undervaluation of the work performed by women may be particularly prevalent in the case of women migrant domestic workers.

Source: ILO (2019) *Minimum wages and wage protection in the Arab States: Ensuring a just system for national and migrant workers*.

More than 90 per cent of the ILO's member States have minimum wages. The Arab States region has the lowest coverage of minimum wages globally, with coverage in approximately 73 per cent of the countries. In many of these countries, even if a minimum wage exists, migrant workers are often excluded (for example, in Oman and Bahrain). There is currently no minimum wage in UAE or Saudi Arabia, though Saudi Arabia has been receiving technical assistance from the ILO in order to formulate its national policy.⁵¹ Malaysia has made considerable efforts to progressively improve the implementation of its minimum wage system, including through improvements to the methodology for fixing and adjusting minimum wages over time (Box 4.4).

Box 4.4: Minimum wage policy in Malaysia

Malaysia revamped the minimum wage policy within the framework of the 11th Malaysia Plan as a mean to achieve four objectives: 1) to improve the livelihood of the bottom 40 per cent of the population, whose means of living are lagging behind the overall growth of the economy; 2) to reduce inequality; 3) to reduce the dependency of the productive sectors on cheap (mainly foreign) labour; and 4) to increase the share of skilled labour to improve the technological content of the value added.

The minimum wage policy was perceived as a key strategy to support Malaysia's effort to achieve the status of a high-income country. The other important characteristic, besides the tripartite framework for setting the minimum wage, is the definition of an innovative formula for the calculation and adjustment of the minimum wage that is aligned with the elements considered in ILO's Minimum Wage Fixing Convention, 1970 (No. 131), accompanied by Recommendation No. 135. Another important achievement was the ratification of Convention No. 131 in 2016 to show commitment to the minimum wage policy.

Source: ILO Regional Office Asia and the Pacific.

Despite the existence of international and national legal standards on the protection of wages, there continue to be important challenges in ensuring that workers are paid their due wages (including overtime pay, if applicable). Late, underpayment, or non-payment of wages continue to be endemic problems, particularly among low-skilled workers and migrants.⁵² To tackle this situation, GCC countries are implementing wage protection systems to ensure timely payments to migrant workers (Box 4.5).

⁵¹ ILO (2019) *Minimum wages and wage protection in the Arab States: Ensuring a just system for national and migrant workers*. https://www.ilo.org/beirut/publications/WCMS_660002/lang--en/index.htm

⁵² See ILO (2018) *Exploratory study of good policies in the protection of construction workers in the Middle East* (https://www.ilo.org/beirut/publications/WCMS_618158/lang--en/index.htm) and ILO (2017) *Addressing Governance challenges in a changing labour migration landscape* (https://www.ilo.org/ilc/ILCSessions/previous-sessions/106/reports/reports-to-the-conference/WCMS_550269/lang--en/index.htm).

Box 4.5: Wage Protection Systems in the GCC

A Wage Protection System (WPS) is an electronic salary transfer system that requires employers to pay workers' wages via banks, currency exchange centres, and financial institutions approved and authorized to provide the service. In an attempt to eliminate the unscrupulous practice of withholding wages (primarily of migrant workers) by some employers, GCC countries have introduced WPSs requiring employers to make payments to their employees into their bank accounts to ensure an official record of payment that can be monitored.

The UAE was the first to introduce a WPS in 2009 and subsequently upgraded it in 2016. Saudi Arabia also launched a WPS in 2013, then in 2014 Oman introduced its own system. Qatar and Kuwait introduced their respective WPSs in 2015, with Bahrain being the last Gulf country to announce one in 2018. While these systems have undeniably provided for greater stability in wage payments, limitations still exist, including, for example, a lack of effective enforcement in cases of breach. Furthermore, these systems alone do not guarantee full protection of workers' rights and need to be strengthened in certain areas, such as integration of contractual information and expansion to cover all workers including migrant domestic workers. They also need to be complemented by additional mechanisms, such as to protect workers' wages in cases of a company's inability to pay/bankruptcy. The UAE's Wage Guarantee System and the Workers' Support and Insurance Fund in Qatar are examples of such complementary mechanisms.

Source: Minimum wages and wage protection in the Arab States: Ensuring a just system for national and migrant workers - ILO Policy Advisory Committee on Fair Migration in the Middle East - Note for Policymakers. https://www.ilo.org/beirut/publications/WCMS_660002/lang--en/index.htm

5. Investing in decent and sustainable work

The 2019 ILO Declaration for the Future of Work calls upon ILO member States to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. For a number of decades, the ILO has supported member States to develop national employment policies, guided by the Employment Policy Convention, 1964 (No. 122), which has been ratified by 113 countries as of April 2019, including India, Philippines, Sri Lanka, Thailand and Viet Nam. A range of national employment policies and other relevant strategies have incorporated future of work issues, while a number of good policy practices can be shown in the areas of green jobs and technology.

Increased awareness of climate change has led to a growing number of global initiatives and national policy responses. Since 2007, ILO's member States have increasingly acknowledged the implications of climate change and low-carbon development for employment. The Resolution on Sustainable Development, Decent Work and Green Jobs adopted at the International Labour Conference in 2013 provided policy guidance, including on labour market and skills policies. Over the last decade, many countries have formulated policies focusing on the link between climate change/environmental sustainability and employment. One example of a comprehensive approach to promoting green jobs, including through the national employment policy, is the Philippines (Box 5.1).

Box 5.1: Green jobs in national employment policies: The case of the Philippines

As a country that is particularly vulnerable to climate change and the increased risk of extreme weather events, the Philippines started early to promote environmental sustainability and the creation of green jobs. As per the International Renewable Energy Agency figures, around 100,000 jobs exist already in renewable technologies in the country.

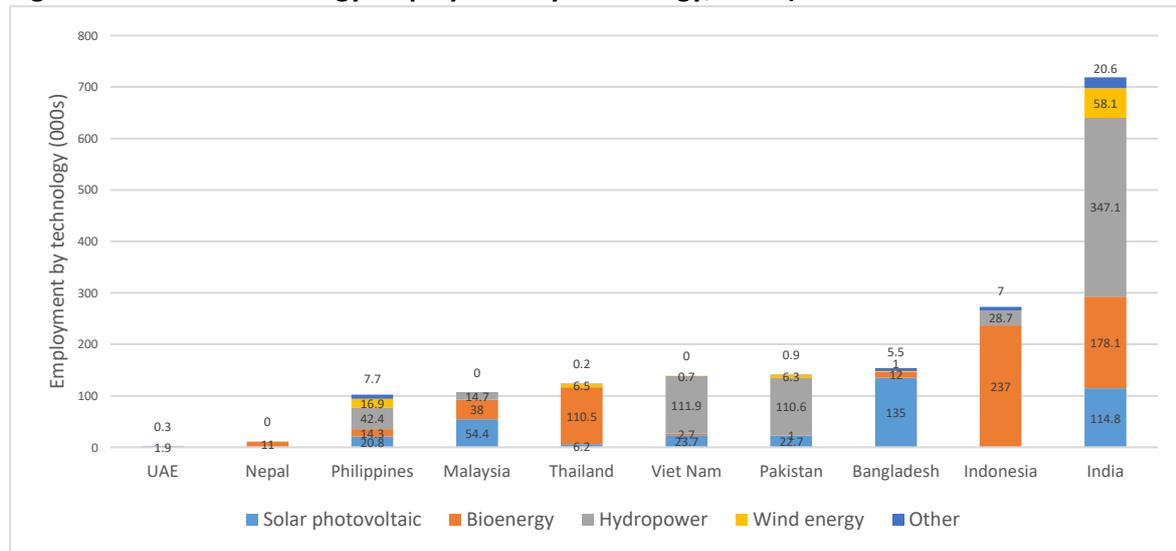
An early effort was the Philippine Labor and Employment Plan 2011–16, which calls for the mainstreaming of green jobs through labour market policies. In 2016, the Philippines ratified the Paris Climate Agreement before approving the Philippines Green Jobs Act (PGJA) 2016, which makes a clear link between climate change and labour market outcomes. The Act includes legislation concerning fiscal and non-fiscal incentives for enterprises that generate and sustain green jobs. This includes a special deduction from taxable income equivalent to 50 per cent for skills training and R&D expenses, and tax- and duty-free importation of capital equipment, in addition to incentives already granted under existing policies. The Department of Labour and Employment has taken a lead role in the implementation of the Philippines Green Jobs Act, including the drafting of the Green Jobs HRD Plan.

Over the last decade or so, the Government of the Philippines has demonstrated political leadership on this issue, backed up by strong research and policy advisory capacity within the Department of Labour, sustained social dialogue, long-term support from the ILO and capacity building of relevant officials.

Source: van der Ree, K. (2017) “Mainstreaming green job issues into national employment policies and implementation plans: A review”, ILO EMPLOYMENT Working Paper No. 227.

There is already evidence of the considerable potential to create green jobs, which provide a “double dividend” insofar that these jobs help achieve environmental sustainability, while providing decent work to men and women around the world. The International Renewable Energy Agency (IRENA) estimates that there were around 10.983 million jobs in the renewable energy sector around the world in 2018, of which 3.605 million jobs were in solar photovoltaics.⁵³

Figure 5.1 Renewable energy employment by technology, 2018 (ADD countries with available data)



Source: International Renewable Energy Agency, <https://www.irena.org/Statistics/View-Data-by-Topic/Benefits/Renewable-Energy-Employment-by-Country>.

In the ADD member States (where data is available), IRENA data reveal significant numbers of workers in renewable energy sectors. In India, there are 718,700 workers in these sectors with the majority in hydropower (347,000). Bioenergy (liquid biofuels, solid biomass and biogas) is the most dominant source of jobs in renewable technology in Indonesia and Thailand, while solar photovoltaics create most of the employment in the sector in Bangladesh and the UAE (this technology accounts for 1,900 jobs out of 2,200 jobs in renewable technologies in the UAE). In terms of the overall impact, the ILO

⁵³ Source: International Renewable Energy Agency, <https://www.irena.org/Statistics/View-Data-by-Topic/Benefits/Renewable-Energy-Employment-by-Country>

estimates that pursuing a more sustainable energy scenario will increase employment in Asia and the Pacific up to 2030 by 0.32 per cent, while it can lead to a decline in jobs in the Middle East by 0.48 per cent.⁵⁴

Another future of work dimension that has received widespread attention in policy, academic and broader public discourse is technology, especially the impact of automation on jobs. Beyond robotics, countries are investing and adopting other forms of traditional and digital automation (from mechanization to artificial intelligence). As noted above in section 2, countries are using digital technologies at different speeds with more rapid rates of adoption in such countries as the UAE and Malaysia. These two economies have taken a proactive approach to promoting technology adoption, digitization and preparation for industry 4.0.

Box 5.2 Harnessing the benefits of technological change and industry 4.0: the cases of Malaysia and the UAE

Over a number of decades, Malaysia has been a successful export-oriented manufacturer, particularly in the electronics segment, with the sector accounting for approximately 22 per cent of GDP in 2018 and 16.9 per cent of employment in 2016. In order to shift manufacturing up the value addition ladder, Malaysia launched a *National Policy on Industry 4.0 (Industry4WRD)* in October 2018. Industry4WRD sets the objective of: 1) attracting stakeholders to Industry 4.0 technologies and processes, and further increasing Malaysia's attractiveness as a preferred manufacturing location; 2) creating the right ecosystem for Industry 4.0 to be adopted and aligned with existing and future development initiatives; and 3) transforming Malaysia's industry capabilities in both a holistic and an accelerated manner. The National Policy defines broad strategies and identifies five action areas: 1) upskilling and reskilling; 2) inclusive involvement of SMEs; 3) innovation; 4) funding; and 5) digital infrastructure.

To promote upskilling and reskilling, the Policy's action plan includes efforts to: create Industry 4.0 Talent Competency and Technology Mentoring programmes to drive broader workforce development; establish skills certification programmes in Industry 4.0 areas; develop tailored training courses for the reskilling of transitioning employees; enhance classroom modules for intensive upskilling programmes by using augmented or virtual reality (AR/VR); and enable the availability of data on Industry 4.0 talent and labour pools for the government, academia and industry.

In contrast to Malaysia, the UAE do not have a large manufacturing sector – in 2018, manufacturing represented just 9 per cent of GDP in 2018, though the sectoral share has increased over recent years, with 4.9 per cent of employment in 2017. With a stronger focus on service sectors, the vision of the *UAE's Strategy for the Fourth Industrial Revolution* sets out a vision for the UAE "to become a leading global hub and an open lab for the Fourth Industrial Revolution's applications".

Under this Policy, the key areas of action include: innovative education to help advance science, nanotechnology and AI; adoption of intelligent and personal genomic medicine, robotic healthcare and research in nanotechnology; achieving future security of water and food supply by using bioengineering sciences and advanced renewable energy technologies; enhancing economic security by adopting digital economy and blockchain technologies in financial transactions and service; optimizing the utilisation of satellite data in planning future cities; and developing advanced defence industries.

⁵⁴ ILO (2018) *World Employment and Social Outlook 2018: Greening with jobs*.

https://www.ilo.org/global/publications/books/WCMS_628654/lang--en/index.htm.

The success of this Policy will depend on the availability of highly skilled workers, which the Policy seeks to put in place by preparing a national talent pool of professionals and entrepreneurs. It would also most likely require highly skilled migrant workers.

Source: Government of Malaysia, National Policy on Industry 4.0 (Industry4WRD) 2019, https://www.miti.gov.my/miti/resources/National%20Policy%20on%20Industry%204.0/Industry4WRD_Final.pdf; UAE Strategy for the Fourth Industrial Revolution, <https://government.ae/en/about-the-uae/strategies-initiatives-and-awards/federal-governments-strategies-and-plans/the-uae-strategy-for-the-fourth-industrial-revolution>

6. Summary

International labour migration and mobility around the world has created many opportunities for workers of all skill levels. Investment and economic growth in ADD destination countries has drawn in millions of workers from countries of origin. These jobs have helped workers send back significant remittances to their families, which have helped fund consumption and businesses. In addition to pulling households out of poverty, these financial flows play a critical role in supporting economic growth and development.

At the same time, challenges exist with respect to decent work for migrant workers and protection of their rights. Migrant workers often lack access to social protection schemes and skills development programmes and often don't receive formal recognition of their skills. In recent years, these dimensions have become policy priorities at the national, regional and global level, as reflected by the commitments made in the ADD, in addition to the Global Forum for Migration and Development and the more recent, Global Compact for Safe, Orderly and Regular Migration (GCM). Ensuring safe and orderly migration and mobility was made a key feature of the 2030 Agenda for Sustainable Development, as captured by targets 8.7, 8.8 and 10.7.

In recent years, discussions on the future of work have taken centre stage in recognition of the rapid changes witnessed in economies and labour markets around the world. Technological progress, demographic transitions, climate change and globalization, among other trends, are impacting the world of work, threatening to displace certain workers, on the one hand, while benefiting specific groups, such as skilled workers, on the other. In response to this situation, the ILO Centenary Declaration for the Future of Work, which was adopted at the 108th session of the International Labour Conference in 2019, calls for three pillars of action: investment in people's capabilities; investment in the institutions of work; and investment in decent and sustainable work.

International labour migration and mobility are fundamentally linked to the processes underpinning the future of work, acting as both a driver of changes to labour markets and an outcome of disruption occurring elsewhere in the economy due to technological progress, climate change, etc. Despite the perception that these changes are universal, the impact of future of work drivers on specific regions and countries will be diverse depending on various economic, social and political factors. Ultimately, the effects for the member States of the ADD will be complex and multi-faceted. Migration and mobility between member States will continue as migrant workers are drawn by better-paid jobs in more advanced economies. The task at hand is to further improve the quality of employment in both destination and origin countries, while also better regulating the movement of people between the two.

In response to these challenges, countries around the world are developing and implementing innovative policies. Good practices are evident in these domains, including the promotion of lifelong learning and skills recognition, while improving access to social protection. In parallel, countries have invested in better governance of labour migration and mobility to promote and protect the rights of

migrant works. Efforts to improve occupational safety and health, particularly in light of increasing heat stress, are beneficial for both workers and employers. A number of ADD member States have progressively improved their wage policies, including minimum wages and wage protection systems. Innovative policies to support green jobs will help countries achieve a “double-dividend” insofar as the measures will improve both environmental sustainability and access to decent and productive employment. Finally, in terms of technological disruption, some member States are putting in place policies to take advantage of opportunities arising out of new technologies.

At this juncture, member States need to further analyse economic and labour market trends and identify how the future of work drivers are impacting outcomes and, more importantly, develop scenarios on how these trends are likely to continue in the future. In line with the three pillars of the ILO Declaration for the Future of Work, further strengthening of policies, institutions and capabilities will be needed to ensure that all countries can shape the future of work they want.

Annex 1: ILO Centenary Declaration for the Future of Work

Section III

The Conference calls upon all Members, taking into account national circumstances, to work individually and collectively, on the basis of tripartism and social dialogue, and with the support of the ILO, to further develop its human-centred approach to the future of work by:

- A. Strengthening the capacities of all people to benefit from the opportunities of a changing world of work through:
 - (i) the effective realization of gender equality in opportunities and treatment;
 - (ii) effective lifelong learning and quality education for all;
 - (iii) universal access to comprehensive and sustainable social protection; and
 - (iv) effective measures to support people through the transitions they will face throughout their working lives.

- B. Strengthening the institutions of work to ensure adequate protection of all workers, and reaffirming the continued relevance of the employment relationship as a means of providing certainty and legal protection to workers, while recognizing the extent of informality and the need to ensure effective action to achieve transition to formality. All workers should enjoy adequate protection in accordance with the Decent Work Agenda, taking into account:
 - (i) respect for their fundamental rights;
 - (ii) an adequate minimum wage, statutory or negotiated;
 - (iii) maximum limits on working time; and
 - (iv) safety and health at work.

- C. Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all through:
 - (i) macroeconomic policies that have those aims as their central objective;
 - (ii) trade, industrial and sectoral policies that promote decent work, and enhance productivity;
 - (iii) investment in infrastructure and in strategic sectors to address the drivers of transformative change in the world of work;
 - (iv) policies and incentives that promote sustainable and inclusive economic growth, the creation and development of sustainable enterprises, innovation, and the transition from the informal to the formal economy, and that promote the alignment of business practices with the objectives of this Declaration; and
 - (v) policies and measures that ensure appropriate privacy and personal data protection, and respond to challenges and opportunities in the world of work relating to the digital transformation of work, including platform work.

Full text available online:

https://www.ilo.org/wcmsp5/groups/public/@ed_norm/@relconf/documents/meetingdocument/wcms_711674.pdf