

12th GFMD Summit, Quito, Ecuador Official Opening Ceremony of the Summit

Opening Remarks by Roberto Suarez-Santos, Secretary-General, International Organisation of Employers

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Honorable Vice-President Mr. Sonnenholzner, Acting Minister Mr. Espinosa, Ambassador Chavez, Minister Mrs Ouafi, Ambassador Schauer, Director General Vitorino, Ministers, Excellencies, Ladies and Gentlemen,

I begin by thanking Amb. Cristian Espinosa, the (Acting) Minister of Foreign Affairs and Human Mobility, Ecuador, for hosting the 12th GFMD Summit and also thank you for this invitation.

Let me start by providing you with an important estimate. By 2030, the global talent shortage could reach 85.2 million people – costing companies trillions of dollars in lost economic opportunity. Demographic change is one of the most important challenges facing labour markets, economies and societies. These challenges range from ensuring a smooth transition from education to work for large numbers of young people, to promoting longer working lives as populations grow older.¹ The talent shortage, coupled with worrying thoughts of excessive protectionism, brings the business community to Quito this week.

As Secretary-General of the International Organisation of Employers, I talk on a daily basis to my member federations and partner companies, in nearly 150 countries. They are the representative and independent national business organizations of more than 50 million companies. They report the same recruitment concern: access to skills - whether low, medium, technical or high, to fill in job vacancies is becoming increasingly difficult. This is reported from Colombo, Sri Lanka to Berlin, Germany.

IOE celebrates this year its 100th birthday. Since its creation, the organization and its members share a strong commitment to (obviously) economic growth, but also and very importantly to social values. Our added value is not just the number of companies that

¹ Source: OECD, Adapting to Demographic Change, Paper for the G20, February 2019.

we represent, but the independence and capacity of our representative members to contribute efficiently to change domestic policy, including, of course, migration policies.

As many of you know, IOE hosts and coordinates the GFMD Business Advisory Group, a business network chaired by Mr Austin Fragomen. It was created five years ago to contribute to this forum actively. We have been consolidating and enlarging our network to bring more diverse and young actors.

Let me, on behalf of the Business Advisory Group, share our business perspective on migration.

The Business Advisory Group on Migration was an active participant in the multi-stakeholder process leading to the wide adoption of the Global Compact on Safe, Orderly and Regular Migration in Marrakech. The UN has substantially advanced the 2030 Agenda for Sustainable Development.

Now that we have moved from the adoption to the implementation stage, the role of the business community becomes more critical. This may seem a bold statement but much of the future of the compact depends upon the involvement of the business sector and the support for compliance necessary to effectuate its goals.

We have four priorities:

Our first priority is to **work with national governments to ensure the adoption of legal pathways to access the talent and skills in an environment that optimizes the full potential of the migrant.** Only the business community has the experience and expertise to advise on the necessary composition of the appropriate categories within an immigration system to address these skills gaps. Migration policies should be timely and flexible to accommodate new business models. Failure to adapt to changing patterns has historically been a major deficiency in migration systems. Within the employer community the consequence has been a disruptive factor in accessing global talent. Also, the consequence has not allowed access to less skilled workers to perform services that would otherwise go unfilled in the labor market. Employers find that labor market needs are too often frustrated by governmental policies.

Our second priority is the **assessment of migrants' qualifications.** This requires an assessment of educational systems and skills. The modern, preferred methodology of assessing skills goes beyond work experience and looks at competency. Employers recognise that this is the only legitimate methodology and must lead to a new and better way to recognise skills globally. Evaluation of education equivalency has progressed

considerably, and universally accepted standards have been adopted. Once competency is properly assessed, then skills can be matched to job opportunities. There are innovative digitalized systems to facilitate the placement of migrant workers on all skills levels with employment opportunities. Skills assessment and matching those skills to employment opportunities has been successfully used in different experiences. The role of the private sector is imperative and global skills partnerships between private sector employers and governments are critical to achieve this.

The third area of focus of the Business Advisory Group is **development and adoption of responsible recruitment practices**, in particular for lower-skilled migrants. Companies recruiting abroad and recruitment agencies should assure transparency in the process and advise migrants of the terms and conditions of their employment as well as avenues to redress if their rights are being violated. This being said, regulatory frameworks and institutions should be in place to allow companies to do so. National legislations should prohibit charging of recruitment fee to workers. If governments do not put in place the right frameworks, we see violations and the company efforts have limited impact. We have launched several initiatives to ensure fair recruitment policies.

Our final priority area is the **use of technology for migration management**. The process can be facilitated, cost reduced, and transparency provided. Using technology in the immigration process will encourage the development of innovative private sector solutions which will complement with governmental systems. Software design will allow a seamless process and eliminate overlaps and strengthen coordination of the agencies - Department of Labor, Immigration Authorities and other State Departments.

We have undertaken the efforts to provide business inputs. Through Regional Workshops, we have provided synergies between the government sectors and the private sector to discuss common issues. We plan to serve as a facilitator of this vital interface as we look at the 2020 ambitious GFMD agenda.

Finally, **the role of Employers and Business Organisations is also key**. They can effectively help to change the narrative. I would say, “Help us to help you better” – through a constant dialogue with the competent authorities at the global and local levels. We need a formal recognition of the role that business can play. This is not always the case. However, we have undertaken efforts to provide our inputs.

We invite you to attend our events and listen to our contributions throughout this conference and identify common solutions – innovation, technology and youth. We look forward to engaging in constructive discussions in the next few days. Thank you.