Statistics for SDG indicator 10.7.1

Draft *Guidelines* for their Collection[1]

I. Introduction

1. The United Nations 2030 Sustainable Development Agenda marks a milestone by mainstreaming migration as an integral component of development policy. It is the first time that migration-related indicators is incorporated into such an agenda. Goal 10.7 of the Sustainable Development Goals (SDGs) calls for facilitating orderly, safe, and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies. This goal includes the indicator 10.7.1: "Recruitment cost borne by employee as a proportion of monthly income earned in country of destination"[2]

2. The high economic and social costs incurred by migrants are increasingly recognized as serious impediments to realizing sustainable development outcomes from international migration. A critical role of migration policies is reducing the financial costs of recruitment incurred by migrant workers seeking jobs abroad. The high costs of recruitment paid particularly by workers for low-skilled jobs can be attributed to a convoluted and opaque processes in recruiting foreign labour. The presence of layers of brokers/ recruitment agencies and sub-agents providing job matching services, multiple requirements to obtain clearances for foreign employment abroad, illegal visa trading and excess demand for foreign low and unskilled jobs by workers coalesce into a potentially exploitative setting where recruitment costs and fees are borne by such workers. The Addis Ababa Action Agenda (4A) of the Third UN International Conference on Financing for Development affirmed the imperative to lower the cost of recruitment for migrant workers.

3. Since 2014, the Global Knowledge Partnership on Migration and Development (KNOMAD) of the World Bank and the ILO have been working on a methodology to measure recruitment costs. ILO and the World Bank are joint custodians of indicator 10.7.1. Several pilot surveys have been conducted in collaboration with local research institutions in selected origin and destination countries to shed light on the magnitude as well as the key factors that influence recruitment costs for low-skilled jobs paid by migrant workers. Survey countries included destination countries: Spain, Kuwait, South Korea, Russia, Italy, Malaysia, and Mexico; and origin countries: Ethiopia, India, Nepal, Pakistan, and the Philippines.

4. Migrant workers are overwhelmingly low-skilled or semi-skilled workers. Too often, migrant workers are subject to abusive practices in the workplace and pay high fees that can deplete their savings and make them more vulnerable during the recruitment and placement processes. Low-skilled migrant workers, especially in construction, agriculture and services (including domestic workers) are most likely to pay exorbitant costs to recruitment agencies, placement agencies, employers and manpower outsourcing agencies.

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[1] This note was prepared jointly by the World Bank and ILO. The draft has benefited from KNOMAD/ILO (2016) and Hoffmann (2018). For more information on KNOMAD/ILO recruitment cost surveys see e.g. https://www.knomad.org/data/recruitment-costs

[2] Cf. https://unstats.un.org/sdgs/indicators/Global%20Indicator%20Framework%20after%20refinement_Eng.pdf

5. KNOMAD-ILO surveys have in the past aimed at targeting low-skilled workers since they are the most impacted by relatively high recruitment costs. The 2030 SDG agenda, however, commits to seeing the Goals and targets met for all nations and peoples ensuring that "quality, accessible, timely and reliable disaggregated data will be needed to help with the measurement of progress and to ensure that no one is left behind".

6. Indeed, indicator 10.7.1 has been framed broadly, covering recruitment costs of all employees in countries of destination. Nonetheless, the SDG principle of leaving no-one behind requires a significant level of data disaggregation to ensure that the situation particularly of those most vulnerable are made visible.

7. The present Guidelines have been prepared in consultation with several national statistical offices[3] and other UN agencies to develop a recruitment cost indicator that can be monitored as part of the SDG agenda, drawing on the experience and lessons learned from the surveys jointly conducted by KNOMAD and ILO. This work is expected to contribute to identifying the size of, and setting a global target to reduce, recruitment costs globally. These Guidelines include discussions on objectives and uses of the indicator, definition, considerations on data collection items, programs and methods, as well as consideration on relevant tabulations.

II. Objectives and uses

8. The objective of this document is to provide *Guidelines* that may assist those aiming to produce the statistics needed to calculate the 10.7.1 indicator.

9. A point of departure for this document is that such statistics should represent the experiences of all international migrant workers as defined in subsequent paragraphs (13-16). The statistics used could be recognized as official statistics by the proper authorities in the country producing them, e.g. the *National Statistical Office (NSO),* or the *Ministry of Labor (MoL),* or any other official agency within the overall system for national official statistics.

10. Many of the operational details for the data collection must be decided on the basis of detailed knowledge about national circumstances, including the resources and capacities available for producing the statistics to be used for estimating indicator 10.7.1.[4]

III. Concepts and definitions

Statistics needed

11. SDG indicator 10.7.1 is now defined as: "*Recruitment cost borne by employee as a proportion of monthly income earned in country of destination*", i.e. a ratio between a 'cost' measure and an 'income' measure. The indicator should be calculated on the basis of observations for individual migrant workers, and not on the basis of aggregate estimates of all relevant 'costs' and 'incomes'. This means that relevant statistics must be produced using observations of 'costs' and 'incomes' for (a representative set of) international migrant

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[3] Bangladesh, Germany, India, Indonesia, Israel, Jamaica, Korea Republic of, Lao PDR, Malaysia, Mexico, Nigeria, the Philippines, Senegal, Sri Lanka, Thailand, Tunisia, and Turkey.
[4] UN/ECE (2013) and later editions provide generic guidance on important steps in the statistical data collection process. Note, however, that it does not cover statistics primarily intended for administrative use

workers. **The recommendation in this document is that to the extent possible the statistics used for the numerators and denominators for indicator 10.7.1 should be based on costs and earnings observed for the same individuals.**

12. For both variables the statistics produced will present a distribution, thus it must be decided which parameters to use among those that describe these distributions. While the average value is most commonly used, both the 'costs' and 'earnings' of migrant workers are likely to have skewed distributions, i.e. the distributions are not symmetrical. This means that the median value may be a better parameter for representing the costs/earnings situation of a 'typical' migrant worker. Other percentiles, such as the fourth quintile, allows for highlighting cost that are in the upper-tail of the distribution which may be unduly influenced by a few outliers. **Thus, statistics should be produced and presented that make it possible to calculate both the mean/average, median values, and other percentiles for the costs and earnings distributions for the international migrant workers.**

International Migrant Workers

13. For the purpose of these *Guidelines* the term 'international migrant worker'[5] is to be understood to mean someone who leaves his/her country of usual residence with the documented intention to work in another country, as a wage/salary earner. [6]Thus the term's concept does not include those who leave their area of usual residence to work in another area in the same country, nor those who can commute for work across an international border, on a daily or weekly basis without changing the country of usual residence.[7] These draft *Guidelines* exclude consideration of other migrant workers whose usual residence may be hard to confirm, such as seafarers who work on a vessel registered to a country different from their country of origin.

14. The reference period for the measurement of the international migrant worker should be long, such as the previous 12 months or the previous calendar year. However, it has been agreed that each country will use their own reference period to identify international migrants, which has to be specified in the calculation of the indicator.

15. Thus, those who change their country of usual residence for other main reasons rather than work (e.g. for leisure, for tourism, to join a family member, to study or to seek international

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[5] Note that the *20th International Conference of Labour Statisticians (ICLS),* organized by the *International Labour Office (ILO)* in October 2018 will discuss a draft resolution for statistics on international migrant workers. However, the definition used by countries should refer to agreed international framework on migrant workers, or refer to a subset of those.

[6] Note that the Resolution concerning an integrated system of wages statistics, adopted by the Twelfth International Conference of Labour Statisticians (October 1973) says: "The concept of earnings, as applied in wages statistics, relates to remuneration in cash and in kind paid to employees, as a rule at regular intervals, for time worked or work done together with remuneration for time not worked, such as for annual vacation, other paid leave or holidays. Earnings exclude employers' contributions in respect of their employees paid to social security and pension schemes and also the benefits received by employees under these schemes. Earnings also exclude severance and termination pay. Statistics of earnings should relate to employees gross remuneration, i.e. the total before any deductions are made by the employer in respect of taxes, contributions of employees to social security and pension schemes, life insurance premiums, union dues and other obligations of employees."

[7] In principle such 'frontier workers' may experience recruitment costs as do the migrant workers. However they will not experience similar recruitment characteristics, and most likely not similar costs

protection from persecution) are also excluded, even if they after arrival in the destination country seek employment or do get a job.[8]

16. It was decided that commuters, frontier workers and seasonal workers will not be considered as international migrant workers for the purposes the calculating the recruitment cost indicator.

17. **These Guidelines recommend that the statistics/estimates on costs and earnings used to calculate 10.7.1 should cover all international migrant workers who have changed their country of usual residence in order to work in another country, whether they are engaged through formal or through 'informal' recruitment processes.**

The reference period

18. The duration of an employment period abroad may be both shorter and longer than the year implied by the 10.7.1 wording. For jobs/contracts that last for more than a year one has to decide which is the relevant 12-month period. Given the risk that a job/contract may be terminated before its agreed end-date, one may conclude that the total earnings in the first 12 months may be those most relevant for the 10.7.1 denominator.

19. As migration costs can also vary by year of departure for the same corridors, it would be advantageous to cover to the extent possible, migrants with recent departures (for example, in the 3 years prior to the survey year or less if the survey is done more regularly).

20. **These Guidelines recommend that the statistics/estimates on costs and earnings used to calculate 10.7.1 should refer to the first job obtained in the country of destination and the first year of employment abroad of the international migrant workers.**

The scope of 'recruitment costs borne by the employee'

21. Recruitment costs refer to '**any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection**' (ILO, 2016, Abella & Martin, 2014, Abella & Ratha 2014, Abella & Martin, 2016, KNOMAD, 2016). These are often understood to mean what migrant workers and/or their families paid to find, qualify for, and secure a concrete job offer from a foreign employer and to reach the place of employment.

22. Among the considerations determining the scope of 'recruitment costs' are the following:

- *Borne by the workers,* must be understood to mean that all payments should be included which are directly or indirectly paid by the worker and has been defined to

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[8] Also excluded from the discussion below are having an 'au pair' contract with a family in the destination country, even though such 'au pair' situations frequently involve an (actual) obligation to work almost full-time for the host family. Excluded from consideration in these Guidelines are also those workers who ask someone (a recruiter) to help them find a job abroad and who pay a fee for this service, but do not get a job. If they had been included in the statistics the fee paid would add to the total estimated costs for the group of migrant workers (the numerator for 10.7.1) without there being an addition to the total estimated incomes for the group (i.e. the denominator

be within scope for 10.7.1. This is regardless of when, by whom and how the costs are first paid: prior to departure, by relatives, or upon employment in the form of deductions from wages. This also include those costs that may have been advanced by the agent or employer, but later to be refunded by the worker, perhaps with accrued interest, directly or through deductions from (gross) earnings. If any of these costs to the migrant worker are financed by borrowing from a third party (e.g. a bank, a money lender, a relative), then all the associated cost of credit or borrowing, including interest to be paid, should be included (See KNOMAD/ILO 2017).

- *What training costs to include.* Only training expenses directly linked to the particular job to which the worker has been recruited, would seem relevant to include, even if costs have been incurred for the training needed to qualify for the type of job, but without being linked directly to the job actually obtained. Fees for "pre-departure briefings" are required for some types of jobs, and should be collected, as well as the cost of required pre-departure or post-arrival language training.

- *Recruiters' charges.* Include all fees charged by and paid to the recruiter and/or job broker

23. Costs linked to official contract approval should be included. Extra cost that may be imposed on the worker if/when an employment contract has to be terminated by the worker before it expires, should also be included.

24. Whatever the target population, recruitment costs should therefore generally cover items such as:

  (1) Recruiter/job broker charges
  (2) Visa costs
  (3) Inland transportation expenses
  (4) International transportation
  (5) Passport fees
  (6) Medical fees
  (7) Insurance fee
  (8) Security clearance fee
  (9) Pre-departure briefing
  (10) Language training
  (11) Skills assessment fee
  (12) Contract approval fee
  (13) Welfare fund fee
  (14) Interest payment on debt incurred to cover recruitment costs; etc.

25. Recruitment costs should therefore generally cover items such as the costs identified in the KNOMAD-ILO Surveys as components. It should be noted that information on cost components is important because some costs can be influenced by changes in policy and

regulations.

The scope of 'monthly income in country of destination'

26. Because the 10.7.1 indicator refers to 'monthly income' in the denominator it may be relevant to exclude from the target population of the survey those workers whose jobs lasted (or is to last) less than 12 months. However, doing so will result in an indicator which underestimates the actual burden of the recruitment costs to the group of migrant workers as a whole. Migrant workers going abroad for less than one year may comprise the majority of migrant workers from that country, and their exclusion would distort data findings that could have important policy implications.

27. It is therefore necessary to consider how to handle the earnings of workers in a job that lasted (or is to last) for a shorter period than 12 months. One alternative for migrant workers who have worked less than one year, is to multiply the monthly net earnings by the exact number of months they worked in the first year. Another alternative is to use monthly income in the denominator. This has been the basis for reporting recruitment costs statistics generated from KNOMAD/ILO prior surveys on migration costs.[9]

28. **The recommendation of these Guidelines is to collect information on the actual income received for the last month in the first job in the destination country, including bonuses and other earnings (e.g. for over-time work). Adjustments should be made for any deductions for destination country taxes and social security contributions, as well as for any deductions in wages made to recover any recruitment costs initially paid by the employer. The recruitment costs can be expressed in number of monthly earnings for the reporting of the indicator in order to illustrate the burden on the worker.**

IV. Data collection programme and methods

Data collection strategies

29. The most important considerations for choosing a data collection strategy for the 10.7.1 statistics are **coverage of the whole target population and operational challenges/costs**. This does have consequences for the choice of data collection and sampling strategy as well as for obtaining reliable information about costs and earnings from the defined target group.

30. Another important consideration is the location (country) and timing of data collection. Surveys can be conducted both in the country of origin and in the country of destination. **Direct collection from respondents** or other parties involved (e.g. in-country travel and recruitment agencies) if done in the country of origin – should preferably be not too long after the migrant workers' final return.[10] Direct collection from migrant workers in the country of destination may allow for targeting of respondents who have migrated over a given period, for example in the 3 years preceding the survey.

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[9] See for example the World Bank's Migration and Development Brief No. 28 and 29.
[10] In many origin countries, sample frames of returned migrant workers might not exist on the basis of administrative data, but may be generated through iterative waves of household surveys themselves.

31. In order to reduce the operational challenges/costs as much as possible, **the primary instruments for data collection should be household-based surveys** in order to rely on existing programmes carried out on regular basis by countries**; it could be complemented with establishment surveys for destination countries, and administrative records. In case where such data are not available, as a last recourse, traveller surveys** of migrant workers before departure, during to-and-from visits between the countries of origin and destination, and during/ immediately after the final return. The sampling strategy and the data collection instrument (questionnaire) should all be aimed at gathering representative statistics for the country or for the concerned "corridors", if major bilateral migration corridors are targeted.

Sources of data

32. In principle the use of all standard sources for statistics should be considered when planning the data collection of the observations for the statistics required for the 10.7.1 indicator, particularly:

- Household surveys, labour force surveys,

- establishment surveys,

- travellers' surveys.and

- administrative registrations,

33. The possible sources for this indicator should be chosen by the national statistical office in the country in order to avoid duplication, possible contradiction and to ensure coherence in the various sources.

Household surveys

34. Collecting the information needed about costs and earnings for migrant workers through a relevant **household-based survey, such as a labour force survey, household income and expenditure survey, or multi-purpose surveys that include questions on employment and migration,** will be best suited.

35. A general household survey strategy has two advantages:

- a survey of this type may already have been well established in the country of origin as well as in host countries; and

- this type of survey may already collect some of the relevant information from the members of the household (even from absent members in the country of origin).

36. However, in a country of origin the sampling strategy may have to be modified to over-sample in regions/villages from where migrant workers are most frequently recruited, to obtain a large enough number of target group respondents to make possible sufficiently precise estimates.

37. If the data is collected through a general household survey in a destination country, the sampling frame must be supplemented by (collective) households likely to serve as dwellings for (foreign) migrant workers. In both types of countries additional questions on the costs and earnings of migrant workers may need to be added to the existing standard questionnaire, such as by adding a migration module, or including survey questions on recruitment costs in the existing migration module.

Establishment surveys

38. Establishment surveys may be suited for direct data collection of recruitment costs in destination countries, if the relevant questions are included in the questionnaire. Using establishment surveys has the following advantages: (i) Countries generally have the established data collection mechanism; and (ii) Reliable information on earnings may be obtained from the establishment surveys, including for migrant workers.

39. However, detailed questions that may be needed to collect data on recruitment costs of foreign workers may be difficult and too heavy to add. Even if an establishment survey is extended to include such questions, including these designed to identify the presence of foreign workers, most of establishment surveys are likely to cover only regular foreign workers, either because they only cover the formal sector, or because those irregular workers may be ignored even when they are inside formal establishments. This is true even if the survey did include small and medium sized establishments in all relevant activities.

Travellers' surveys

40. This survey should be the last recourse. The main advantage with this type of survey is that the target population may be more easily identified in a not much larger population than with e.g. a household survey. Thus, a smaller total sample size as well as a more limited set of questions may be needed. Note that to obtain representative 'national' estimates this survey strategy must cover all 'migration corridors' that are considered important for the country of origin or the destination country, and that it may have to be supplemented by relevant extensions of a general household survey[11]. For both types of countries, it is necessary to identify the most important ports of departure and arrival for each migration corridor, and the how well suited the ports of arrival and departure or the journey are for conducting a survey, as well as how to execute the survey to ensure a high response rate for all questions.

41. The first set of questions in the questionnaire should be designed in such a way as to determine whether the traveller is a migrant worker who is returning from (travelling to) a job abroad that belongs to the defined corridor, either for vacation or for an extended

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[11] Pilot surveys would be needed to determine whether the best strategy is to conduct the survey of workers who are returning home (or travelling to work in a host country) while they are travelling, at the point of departure or at the point of arrival, as well as the means of data collection. Those workers who depart to their place of work are less likely to know the all costs and the (net) income than those returning from a work period, but this may also be subject to piloting.

period.[12]

Administrative Registrations

42. Administrative registrations and establishment surveys are not as likely to be suited for the direct collection of the statistics needed for the 10.7.1 indicator as a general household survey. However, **administrative registrations may be suitable as a sampling frame** for interviews with

   - citizens in the country of origin who have registered for working abroad with the proper authorities or with a recognized insurance scheme designed to cover citizens working abroad; or
   - foreign workers in the destination country who have been given a work permit, or who are registered with the tax or social security authorities.

43. Whether in the origin or the destination country, to be useful as sampling frames the administrative registrations have to be kept up-to-date with information about the workers contact coordinates (mobile phone numbers, e-mail or similar electronic addresses as well as mailing addresses), and with dates of departure/arrival and termination/return. To understand whether this is the case it is necessary to learn the details of how information is reported to, registered by and stored in the relevant administrative registration systems.

General remarks on sampling strategies

44. The choice of a sampling strategy must be based on a good understanding of how the recruitment of migrant workers actually operates for jobs in foreign countries:

   - If using a general household survey strategy in a country of origin: from where in this country are workers typically recruited (originating) for work abroad?

   - If using a general household survey strategy in a destination country: (i) in which parts of the country are the foreign workers typically employed, and (ii) what types of accommodations are typically offered to (used by) foreign workers in the country?

   - What are the recruitment practices used for jobs in the relevant countries of destination and types of jobs? What are the regulations of the sending and receiving countries?

   - How does travel to and from the place of work typically take place, and to what extent are the travels organised?

   - When are migrant workers most likely to know and remember their cost of obtaining and having a job abroad and the earnings from that job?

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[12] As not all recruitment processes and migration corridors involve that a large number of workers travel together and through clearly defined and easily identified ports of departure and/or arrival (in either direction), a travellers' survey strategy may not be optimal. This may be the case when jobs are found in a neighboring country with which there are (fairly) open borders, and/or there is many air-, land- or sea-ports which are frequently used when individuals are travelling to/from the destination country.

The answers to questions like these are important for the choice of data collection and sampling strategies as well as for the choice of questions to ask.

45. Sampling frames for probability sampling: In many countries the sampling frames used for general sample surveys, with oversampling of areas known to be areas of origin (or residence) for migrant worker may be the most realistic and feasible option. Different strategies could be used to design an adequate sampling frame including use of area sampling, use of electricity/mobile bills, combine the information from household surveys with establishment surveys and other administrative registries, where available. In countries of destination, institutional households (workers' residence, dormitories) should be covered in the sample frame and therefore adjustments to existing sample frames should be done if necessary. In cases where there are official administrative registries (like the ones from recruitment agencies) the information should be used to complement the sampling frame.

46. Non-probability sampling is quite commonly used by private survey organisations, mainly for reasons of costs. Quota sampling is one strategy which is considered to give adequate results when the quotas are defined for easily observable characteristics of the respondents (e.g. age and sex when surveying persons; size and types of activity when sampling establishments) that are known (or thought) to correlate strongly with the variables of interest. Other forms of non-probability sampling strategies include convenience and snowball sampling. The former is defined as including "whatever persons can be most easily be accessed to respond to the survey", and the latter "is often used when there are few members of the target population and their location is mostly unknown: members of the target population recruit other members of the target population for the survey".

47. With non-random sampling strategies the relationship between the (theoretical) target population and the survey sample cannot be determined and the potential bias is unknowable. Thus, this type of sampling strategy may not be suited for the statistics to be used when estimating the 10.7.1 indicator. However, this type of strategy may be useful for exploring an issue and for examining whether the results obtained are likely to be internal consistent.

Additional comments on collecting statistics for 10.7.1 in the destination country

48. When the indicator is estimated on the basis of data collected in the country of origin, the assumption is that NSOs are using existing household-based survey such as labour force survey, household income and expenditure survey, or multi-purpose surveys, to access individuals who have previously migrated (or in some cases, have taken time off their work abroad to visit their home country). However, this should not ignore the fact that it is equally relevant to obtain statistics that reflect more recent experiences of those workers who have yet to return to their country of origin.

49. Another reason may be the operational challenges in getting a representative sample of foreign workers. For those foreign workers who have a valid residence or work permit in the destination country it may be possible to use the relevant administrative registrations. If administrative registrations with the necessary contents are not available, or omit a great proportion of migrant workers, then the following possibilities need to be investigated:

- A general household survey can be used when there is national information such as from the population census or from any other national registration system, on where migrant workers are usual residents, so that a probabilistic sampling design can be implemented.

- A survey of foreign workers in establishments, provided a suitable sampling frame for establishments exists or can be constructed and the establishments' personnel files can be trusted to contain information making it possible to identify foreign workers[13]; However, in countries where the majority of the workers are in the informal sector, this possibility will not work.

- A survey of foreign workers in places where they congregate regularly (e.g. churches/mosques, cafés, social clubs), provided that these may be identified and sampled.

V. Indicators

50. As indicated earlier a correct measurement of SDGs Indicators 10.7.1 will need to provide statistics on both costs and earnings from the same source of data collection, as well as from the same migrant worker. While earnings are usually received in one single currency, most of the recruitment costs of migrant workers are likely to be incurred in a currency and at a time different from that of the earnings in the foreign job. It must therefore be decided which exchange rates to use when calculating the 10.7.1 indicator. Assuming that most of the earnings are to be used in the home country, **the recommendation of these *Guidelines* is to convert the costs and earnings to the currency of the country of origin, using the official exchange rate at the time of the (first) arrival to that country.**

51. *Average/median costs and average/median earnings:* should be among the indicators to be produced for the statistics on SDGs Indicator 10.7.1. These statistics will notably help to identify which corridors are the most expensive and for which occupations and skills. Care should be taken to ensure that bonuses are counted as part of earnings (this will likely be relevant only for a segment of skilled migrants). This variable should be also complemented with control questions such as: education levels, skills attained, remittances received in countries of destination, etc. **The recommendation of these *Guidelines* is that the statistics on costs and earnings should be collected for all types of international migrant workers, and that when calculating the indicator 10.7.1 any sign-on bonuses should be included among the earnings.**

52. *Recruitment cost indicator* is the main statistic to be produced for SDGs Indicator 10.7.1, and should be calculated for the same migrant worker as the proportion of recruitment costs in the monthly employment earnings from the destination country during the first year of work abroad.

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[13] The *Australian Bureau of Statistics (ABS)* has for many years used this strategy for some of its employment and wage statistics. However, such personnel files are not likely to include recruitment cost information (however defined).

53. Given the objective of the international community that the international migrant workers should not cover any recruitment fees[14], **the recommendation in these Guidelines is that SDGs Indicator 10.7.1 should be supplemented by** *the percentage of migrant workers who did not have to pay any fees of recruitment as identified in the data collection process.*

VI. Data collection items

Consideration on data items that should be in the questionnaires

54. Many existing household base surveys have already a number of data items or questions on migration, including those to determine the target group that should be asked questions on the recruitment costs. Whether some exist already or may need to be included in existing questionnaires, the following will be required to measure SDGs Indicator 10.7.1:

    a. Demographic characteristics (usually included in general household or labour force surveys), including education and training
    b. Country of birth (part of usual migration surveys)
    c. Citizenship (as key criteria used to define a migrant worker)
    d. Current place of usual residence
    e. His/her place of work in the country of destination
    f. His/her place of previous residence in the country of origin, for surveys in destination countries
    g. When s/he first started working in the place identified by the replies to (e) and (f) (if this was a long time ago, testing may be needed to determine whether respondents are likely to remember the answers to questions designed to be used to determine recruitment costs and initial (net) earnings)

    h. His/her type of work ('occupation') in the country of destination (for precise coding this normally will require separate questions on tasks and duties as well as a job title, and a comprehensive coding index will be required). ISCO classification levels of disaggregation will follow what countries usually use in their household surveys programs.
    i. His/her contractual situation ('status in employment') in the country of destination, e.g. if the contract or work permit implies that the worker has limited possibilities for leaving the employer for an extended period (depending on the institutional arrangements and links that may exist between the recruiting agency and the effective employer, this may require several questions)
    j. The type of activity ('industry') of the place of work in the country of destination (i.e. the effective employer). ISIC classification levels of disaggregation will follow what countries usually use in their household surveys programs.
    k. Duration of work in the first job when working in the country of destination.
    l. Recruitment costs questions for the first job in the country of destination, such as payment to recruitment agent, language and other training, travel documents, debt repayment and interest, work permit, and travel costs. Additional costs associated with subsequent migration episodes may be collected but, it will not be included in

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[14] See e.g. ILO (2016b)

the calculation of the recruitment cost indicator.

m. Monthly net earnings, i.e. earnings of the last month of the first year of work in the country of destination in the first job.

n. Additional questions designed to determine whether these were typical for monthly earnings during the first period of employment.

o. Probing questions could be asked to determine if the international migrant worker is documented.

p. Questions on the channels used to obtain the job (formal and informal) should be also included and channels used to migrate (formal and informal).

55. The frequency of data collection will follow the usual practice at the national level in their statistical data collection system for household surveys. The reporting will be annually done by the national statistical office and compiled by the custodian agencies. It may not be feasible to collect data annually for all countries, but the report will include the latest information available for each country. If regional and global estimates are required, the custodian agencies will be modelling the exercise and consult national statistical offices for validation.

56. As the understanding of the specific questions included in the household surveys could be difficult to generalize, the guidelines recommend that cognitive testing at the national levels is undertaken in order to choose the appropriate wording for the questionnaire.

VII. Tabulation and analysis

Recommended disaggregation from the SDGs

57. The international community recommends that Sustainable Development Goal indicators should be disaggregated, where relevant, by income, sex, age, race, ethnicity, migratory status, disability and geographic location, or other characteristics, in accordance with the Fundamental Principles of Official Statistics (General Assembly resolution 68/261). **The recommendation in these Guidelines is that the statistics for the 10.7.1 indicator should be published by the recommended overarching disaggregation by the SDGs global indicator framework as well as by the disaggregation categories explained in paragraphs 59 to 61.** The indicator should be widely disseminated with national authorities in order to promote actively the use of it by policy makers.

58. While the Guidelines recommend that statistics on 10.7.1 should cover all migrant workers, particular **corridors of interest** should continue to guide both the selected methodology and the tabulation of the indicator. **The recommendation in these Guidelines is that the statistics for the 10.7.1 indicator should be published by <u>major countries of destination</u> when the survey covers return migrants in the country of origin, and by <u>major countries of origin</u> when the survey cover current migrant workers in the country of destination. Such disaggregation will allow analysis covering key specific corridors of policy concern.**

Specific disaggregation for the recruitment costs of migrant workers

59. Recruitment costs for jobs in the same destination country may differ for different groups of workers (age, education, gender, etc.) and therefore it needs to be captured in the surveys.

60. For some groups of migrant workers, mostly those recruited to jobs in occupations classified to ISCO[15] skill levels 4 ('professionals') and 3 ('associate professionals'), as well as to many jobs in ISCO major group 1 ('Managers'), the so-called 'high-skilled' jobs, it seems that 'costs' to the worker are relatively small .This is when the employer (sometimes through a recruitment agent) pays the worker a 'sign-on' bonus, possibly to partly compensate for the costs of moving to the new place of employment.[16]

61. For the migrant workers who are recruited to jobs in occupations classified to ISCO skill levels 2 and 1, there may be considerably higher recruitment costs to the workers in addition to any recruitment costs initially covered by the employer. Thus, for some countries the main interest may be the costs and earnings of migrant workers who are recruited to jobs classified to ISCO skill levels 2 and 1, so called 'low-skilled' jobs. However, the recruitment costs and earnings of workers recruited to jobs classified to occupations in ISCO skill level 3 or 4 may also be of interest. **The recommendation in these *Guidelines* is that the statistics for the 10.7.1 indicator should be published by major occupational groups, and separated into the two high-skill and low-skill groups.**

62. The ILO-World Bank experience with KNOMAD programme has also shown that recruitment costs of migrant workers vary considerably depending on in which industry these migrant workers are recruited. Many low-skilled workers are recruited in agricultural plantations or as domestic workers, while others with better skills are recruited in construction industry. High-skill workers will most likely be recruited in high skill demanding industries such as IT, financial, tourism, as well as real estate. **The recommendation in these Guidelines is that the statistics for the 10.7.1 indicator should be published by major groups of industries, with a focus on key industries of policy concern at national level such as agriculture, construction, retail, and domestic work.**

Concluding remarks

63. For reasons of costs the methodology used to collect data for the numerator and denominator of SDG indicator 10.7.1 is likely to be for a sample of the target population. Preferably this sample should be representative of all international migrant workers from the country of origin (or in the destination country), and large enough to give estimates with the needed precision for each of the target migration corridors and types of work (occupations). It is also necessary to cover as many of the relevant cost items as possible and to avoid including in the survey operations, many persons/workers who do not belong to the target population.

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[15]ISCO = *International Standard Classification of Occupations.* An electronic version of ISCO-08 is available on e.g. https://www.cbs.nl/NR/rdonlyres/B30EE525-22DB-4C1B-B8D5-6D12934AF00A/0/isco08.pdf

[16] Employers frequently choose to pay recruitment agents for assisting them in finding candidates for jobs classified to ISCO skill levels 3 and 4, or to major group 1. Such recruitment costs do not seem relevant for SDG indicator 10.7.1, given its title, unless the employer finds a way to recover these costs from the employee recruited.

64. It has been stressed that for choosing a data collection strategy that may give the statistics needed for the 10.7.1 indicator, coverage of the target population and operational challenges/costs are the most important concerns that need to be considered. The main strategy to consider, depending on national circumstances and resources, is to over-sample households that have migrants in a general household or a labour force survey. However, other data collection strategies may alternatively be considered, e.g. using registrations of workers abroad or foreign workers admitted as sampling frames. If neither possibility is possible with the available resources, then surveys of returning travelers in the main corridors of interest may still represent a viable option.

65. When tabulating data and producing indicators, statistics on SDGs Indicator 10.7.1 should be presented with the advised overarching disaggregation by the SDGs Global Indicator Framework. In addition, and more particularly these *Guidelines* recommend that statistics for the SDGs Indicator 10.7.1 should be published separately for high- and low-skilled migrant workers, as well as for all major migration corridors from the country of origin. Where feasible, the statistics should also be disaggregated by year of departure as destination and origin countries policies may affect costs incurred by workers.

66. National and industry circumstances and the resources available for statistics must decide which strategy to choose.

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