

Chapter 11 Case Study

Migration, mobility and employment in a globalized context

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Different logics of different industries result in differently configured migration sub-systems, as employers seek supplies of suitable labour, which may not be nearby, while workers pursue opportunities, wherever those happen to be.

Migration in agriculture

Agricultural work lends itself to migration, because seasonal peaks depending on the growth cycles of particular crops mean there is a very high demand for labour at certain times of year in certain regions, but a much lower demand at other times. In industrializing societies during a certain period it was not uncommon to see annual rural migrants based on agricultural seasons, as farm labourers moved into industrial pursuits during the off-season for farming. In modern, developed economies, agricultural migration is often cyclical migration from the developing world. Because it is labour-intensive hard work, of the sort workers in developed countries are reluctant to do, employers recruit extensively among migrant workers from developing countries. Often, there are specific intergovernmental agreements in place to facilitate this. For example, in Canada, a 'Mexican–Canadian Seasonal Agricultural Worker Program', allows Mexican workers to come to Canada to work, while imposing a high degree of control, and imposing most of the migration and employment costs on the workers involved (Hennebry and Preibisch 2012). Migrants in illegal employment are sometimes preferred over legal migrants in agriculture because they have fewer job options, and can be paid less. One study discussing Albanian illegal migration to Greece notes 'the productivity and social security adjusted wages of legal immigrants are about 15 per cent lower than those of Greeks, while for illegal immigrants they can be up to 60 per cent lower. No wonder that there is high demand for illegal immigrant labour in Greece!'

Mobile workers and workplaces in maritime shipping

The very nature of seafaring as a profession means that seafarers have always been a form of migrant worker. However, the flag of the vessel and regulation by the flag state, have meant that, in some respects, seafarers who work on ships from their home country are not migrants. Nowadays, however, it is more common than not for seafarers in international trade to work on ships flagged in countries other than their own, so that shipping has become a migrant industry. The modern Flag of Convenience (FOC) system of ship registration has transnationalized employment relations and globalized labour markets in maritime shipping. Flying flags of convenience, shipowners have been able to select the regulatory framework most conducive to the business strategy they wished to pursue. In particular, they can hire crew from anywhere, and design employment relations on their ships without regulatory interference by national governments or trade unions. Despite initial efforts by trade unions and others to bring FOCs back under regulatory control, FOC shipping grew steadily in importance until the competitive dynamic of the industry came to be defined by the FOC institution (Lillie 2006). This situation is changing; much of the FOC labour force is now under union agreement, and a transgovernmental framework for labour regulation is emerging.

Under classic FOC arrangements, seafarers working on FOC vessels found themselves traveling between different national jurisdictions, working daily with multinational colleagues, for employers operating through off-shore company structures. The flag of the vessel would typically be from a country like Liberia or Panama, and the ship might be owned from one of many off-shore jurisdictions. The crew would then be hired from any of several seafaring labour supply countries, such as India, the Philippines,

or, after the fall of communism, Russia. Often, officers and ratings would be of different nationalities, to take advantage of differences in availability of skills and wage expectations. Different nationalities of owner prefer different nationality crew mixes; this also varies by market sub-segment and flag (Ellis and Sampson 2003). Under such conditions, discrimination in pay, working conditions, and career opportunities between nationality groupings is the norm (Alderton et al. 2004). Particular configurations of ethnic categorization are not stable, however, as labour market trends shift the job categories that national/ethnic groups are allowed to fill. For example, unlike in the past, Filipinos now fill junior officer ranks, suggesting that in the future there will also be large numbers of Filipino senior officers as this cohort progresses up the career ladder (Ellis and Sampson 2003: 17). Crewing arrangements of this sort are only possible with national regulatory frameworks held at bay.

The growth of FOCs resulted in the emergence of a global labour market for seafarers. Over time, a transnational public and private infrastructure emerged, including training schools, manning firms, trade unions and government agencies, assisting employers in locating suitable workers, training and certifying them, and regulating their treatment. Global collective bargaining and industry regulation has emerged, between the International Transport Workers' Federation (ITF), a London-based trade union body (Lillie 2006: 45). Shipowners have also organized at the global level to more effectively bargain with the ITF. There are also global standards for skill certification and state inspection of seafaring labour conditions, in the form of a 1995 International Maritime Organization convention on Standards of Certification, Training and Watchkeeping (STCW 95), and a 2006 International Labour Organization, Maritime Labour Convention (MLC) (Lillie 2006).

The global temp industry

International labour supply firms have grown up to facilitate international movement of labour – they match available workers in lower paid countries with available jobs in higher wage countries, and usually take a substantial portion of the arbitrage for doing so. They are particularly prevalent in the European Union, but also have a substantial role in the labour mobility in Asia. The global staffing industry has grown rapidly since the 1990s. Employers increasingly use transnational employment agencies to recruit migrant labour in order to fill labour shortages. Reluctant to pay higher wages, employers turn to migrant workers due to their low wage expectancy. Recruitment via transnational labour suppliers saves client firms fixed costs but also externalizes risks. The profit for transnational work agencies is generated through selling the labour of the workers to client firms and from extracting a portion of the workers' wages (Coe et al. 2010). Agencies place migrant workers in the high-skill as well as in the low-skill job sector but the placement in lower-skill jobs tends to dominate. The employment relationship is defined by a triangular connection between the labour supplier, the employee and the client firm. While the work relationship exists between the client firm and the worker, the employment relation is concluded between the agency and the worker (Peck and Theodore 2002). This arrangement denies the migrant worker job security, health insurance, training and promotional opportunities or paid vacation usually connected to employment by the firm. For the employer this is an attractive way to save costs and explains why firms increasingly use transnational labour suppliers all over the world. In the Netherlands agencies are the most important providers of migrant labour within the EU (Fellini et al. 2007). The total share of migrants in the agency workforce is 33% compared to 18% in the total workforce (Markova and McKay 2008). In East Asia large-scale international labour migration via transnational labour suppliers takes place from the Philippines to Hong Kong. Agencies are an active facilitator in this process and even target Filipino high school students in their recruitment strategy through pre-employment orientation seminars (Guevarra 2010). Transnational labour suppliers are thus not only an intermediary between the client firm and the migrant but also a facilitator of transnational labour migration.

Questions

- 1 Explain how/why shipping has become a migrant industry and seafarers a migrant group? Based on the discussion in the chapter, how might the multicultural work environment in the shipping industry be affecting group dynamics?
- 2 What are the reasons for the high demand for labour migrants in the case of agricultural work? Explain the benefits of illegal migration in agriculture.

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