

Chapter 2

Global Shifts in Migration Policy and Their Implications for Skills Formation, Nations, Communities and Corporations

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Abstract This chapter provides an overview of policy and trends that have shaped the nature and character of migration and more particularly skilled migration and its place in the dynamics of global mobility. I explore some of the theoretical underpinnings of the framing of skilled migration as well as some of the counter tendencies that have produced a backlash against the movement of foreign workers globally. I use some international case studies to illustrate the complexities of the role of the state in policy formation relating to skilled migration. I identify a contradiction between the state's role in mediating and brokering an influx of migrants and skilled workers and its role in sustaining a discourse of national unity. I also discuss the implications for corporations the new paradigm of skilled migration and its associated politics. I conclude with advice to corporations on how to negotiate a global market, suggesting that an informed and holistic approach to interpreting globalisation and settlement is essential in sourcing global talent.

The New Paradigm for Migration

Global mobility and migration is an ever-present feature of contemporary society and amongst the most contentious policy issues for the state to resolve. The International Organization for Migration has stated that there were 214 million migrants globally and predicts that this number will rise to 405 million in 2050 (Kukacs 2011).

An important feature of this global mobility is the large number of workers relocating either permanently or on a temporary basis to undertake employment in another country. Many developed nations such as Australia are aggressively competing for a share of this large pool of workers and have established new visas

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and regulations for the recruitment of migrant workers in both the permanent migration category and temporary worker visa categories. Of the 190,000 permanent migration places available in 2013 a total of 129,250 places were assigned for migrant workers (Phillips and Spinks 2012, p. 2).

According to Castles (2000) in the second half of the twentieth century international migration emerged as one of the main factors in the social transformation and development of all regions in the world. This trend towards global mobility is set to continue as a characteristic of the continued globalisation of the world economy, which promotes the seamless movement of capital, goods, services and people. This chapter documents some of the policy developments and the tensions and dilemmas that emerge from this in terms of the integrity of the nation-state project.

Migration is interpreted as the result of economic and social development and migration can contribute to further development and improved economic and social conditions. Yet Castles (2000) argued it can also result in inequality and stagnation and this is often dependent on the type of migration, its social and economic context, the stakeholders and the policy framework in which migration is undertaken. Castles identified several different forms of migration, which he explored in his book. They included:

- temporary labour migration, which involves men and women in limited employment for a contractual period. The period may vary from months to years;
- highly skilled business migration involving migrants with qualifications as professionals and managers with technical skills who are able to work with global corporations. Many of these workers enter countries under skilled or business ‘programs’.

These two categories represent a ‘new paradigm’ of migration, which departs from earlier migration programs that were based on building population through mass settlement as a means of economic and national development. The ‘new paradigm’ of migration emphasises the economic need of national economies within the paradigm of globalisation (Armitage 2012). In this context there is also a reversal from what is termed the ‘supply’ side where migration policy is framed around the characteristics and needs of migrants to one where immigration policy is reframed around the needs of the economy and those skills identified as needed by governments and industry to sustain economic growth. Phillips and Spinks summed up this shift in policy orientation to skilled migration:

The resulting changes to the skilled migration stream were designed to shift the balance of the program away from independent skilled migrants, without prearranged employment in Australia, towards sponsored skilled migrants with employment arranged prior to their arrival. (2012, p. 4)

This new paradigm has also seen a shift in migration policy to recruitment of short-term and temporary migration to fill identified shortages. Countries that have been ‘classical’ destinations for migration like Australia, the United States and Canada are shifting to adopt so-called German ‘guest-worker’ programs where people reside for a limited period of time, performing some form of employment as

a condition of entry. This change from the old paradigm is evident in Australia where skilled migrant arrivals in 2007–2008 totalled 110,570 people, surpassing the 108,500 permanent arrivals (Armitage 2012). This is also evident in the shift away from family reunions as a category for entry in Australia with these entries plunging from 50 % in 1996–1997 to 32 % in 2012–2013 (Phillips and Spinks 2012, p. 3).

The contemporary role of government and the state since the 1980s has shifted towards a reliance on the unfettered power of market forces and a trend towards deregulation. Immigration policy within the new paradigm represents a reversal of this trend as governments have been simultaneously intervening to promote and facilitate migration and also erecting barriers and restrictions to migration. Governments have been enlisted to produce policies and programs that compensate for market failures in the supply and demand of labour and have been utilised by capital and industry to mediate the cyclic tendencies of scarcity and surplus that typifies the global labour markets of contemporary global capitalism. The state is also forced to adopt contradictory roles, which include facilitating, promoting and managing the mobility of labour to ensure that there is not a critical shortage of labour. The reproduction of a workforce that is capable of enabling nations to compete effectively in a global economy is now part of the political legitimacy around claims by governments about capable economic management. The metaphors of competition also frame the role of the state in positioning nations in a favourable position in what the OECD terms ‘a looming war for skills’ (Armitage 2012, p. 1).

Metaphors about national survival dominate the discourse of skilled migration. Governments are continuously under pressure, particularly from peak industry groups, to provide incentives for potential entrants and to provide the systems that would enable business to access imported labour under favourable conditions.

At the same time as the state is under pressure to source foreign workers, the state is also seen as having a role in preserving the social and cultural integrity of the nation-state in the face of an influx of foreign workers. The dilemmas around sustaining and affirming national unity and identity are key policy issues in contemporary social policy and politics and a global flashpoint in domestic politics. As mobility increases there has been a growth of anti-immigration sentiment within formal political institutions and also a growth of ultra-nationalist parties on the fringes of these institutions that are hostile to foreigners. This includes the emergence of ultra-nationalist parties such as the British Nationalist Party, the National Front in France and Finnish First in Finland, amongst others, who stridently promote reliance on a ‘home-grown’ workforce and urge the repatriation of foreign workers. There is a view promoted by many anti-immigration advocates, which is shared by some blue-collar workers in developing nations, that skilled migrants will take away jobs from local workers and undermine their wages and employment conditions. These right-wing groups have skilfully exploited these anxieties and created the impression that these sentiments are a concern of a majority of the population, even though as political organisations they hold minority positions. Their institutional power has been amplified beyond their numbers as they have held the balance of power in some parliaments.

Even the most benign and affluent nations that historically welcomed foreign labour like Singapore and Australia have experienced this backlash against migration. This has led to increasingly restrictive policies and qualifications on the entry of foreign workers and their dependents to placate the backlash. A consequence of this has been a conflation of categories of foreign entrants such as international students, temporary workers, skilled migrants and refugees. Recently skilled migrants and temporary workers have been confused with asylum seekers and those who also have legal claims as they have been placed in the same risk profiles as illegal immigrants and visa over-stayers. In some countries such as the UK this has led to restrictive policy settings where international students are included in the total quantum for all forms of migration and this has displaced legitimate skilled migrants from the limited positions available.

The pressures on skilled migration are a consequence of several interrelated factors. These include a growing global demographic pattern of a falling birth rate and an increasing ageing of the populations of the developed world. At the same time there is a growing population in the developing nations of the world. In the absence of employment opportunities migration becomes one of the few options for economic and social advancement. This is evident in the fact that all OECD members saw a drop in their population of young people between 1960 and 2010. This trend is evident in South Korea (−26.1 %), Poland (−19.1 %), Canada (−17.24 %) and Japan (−17.2 %) and among the G21 countries like China who recorded a decline of 20.2 %. This shrinkage is in sharp contrast to Africa where 60 % of the population are estimated to be under the age of 25 and this is projected to increase to 75 % in 2015 (OECD 2012, p. 19).

Other factors that create the conditions for skills shortages include underinvestment in domestic training and vocational education in any sector experiencing growth. Countries such as Australia have experienced a situation where the overall number of students in training has increased and private expenditure in training has also increased but there are also gaps in aligning the graduates of the training system to unfilled vacancies and shortages. In short people are not training for jobs where there are vacancies and shortages. Other factors include reluctance on the part of the domestic labour force to undertake jobs that are considered low status, dangerous or low skilled and have poor pay. These factors also include remoteness and lack of incentives to undertake employment in rural and remote settings even though policies aim to promote regional employment. Restrictive policies by professional associations and professional registering authorities, and industrial relations structures that marginalise foreign entrants have all contributed to skills shortages and restrictions on the mobility of foreign workers. Overall the reasons for skills shortages are complex, multifaceted and involve interrelated factors. In Australia's case skills shortages can be partly attributed to restrictions on the mobility of workers from the Asia-Pacific region where there is a large potential workforce in a range of skilled and unskilled occupations. A key question for future Australian governments is why Australia is not capitalising on its proximity to the fastest growing region to obtain a workforce that can enhance connections with the region.

The OECD has outlined several policy lessons for skills development that incorporate encouragements for people to learn throughout their lives to acquire the skills needed for fulfilling lives but also meeting the demands of the economy. These factors are diverse and provide the environment where people are able to acquire and utilise skills in a productive way through their lives. The policy lessons include gathering information about the changing skills demands to guide action and planning and then engaging social partners in learning and skills development, as well as designing and delivering curricula and education programs to enable the development of both 'soft' and 'hard' skills. The OECD emphasises the importance of ensuring there are high quality training programs that promote access and equity by ensuring access to, and success in, quality education for all. This includes the need for governments to ensure that costs are shared, that the tax system does not discourage investment in learning and skills formation, and that the private sector is encouraged to invest in education and training (OECD 2012, p. 18). One other lesson is the need to maintain a long-term perspective that overcomes the challenges of cyclic economic conditions.

These internal policy lessons are juxtaposed with the need to foster international mobility of skilled people to fill gaps as they arise. The OECD identifies a need to facilitate the entry of skilled migrants and a need for efficient ways to enable entry and implement border control and workplace enforcement. Another approach is to design policies that encourage international students to remain after their studies. The advantage is they have qualifications that can be easily evaluated and they are familiar with the host country and its job market. Receiving countries should also make it easier for skilled migrants to return to their country of origin as a recognition of the need to build capacity in sending countries. According to the OECD, this can be done through assistance to municipalities to provide housing to returning migrants and also tax concessions particularly for higher level skilled migrants (OECD 2012, p. 19).

Part of the new environment for skilled migration is also the promotion of cross-border skills policies where developed nations are encouraged to invest in skills abroad and also in higher education with the objective of sourcing a wider talent pool in other countries. This has the advantage of providing well-trained workers for host countries and international companies based in other countries as well as reducing emigration (OECD 2012, p. 19). There is now a series of complex policy factors that influence the nature and character of immigration and more particularly skilled migration.

Analysing the factors that contribute to immigration is important in understanding how skilled migration might be optimised and also an explanation for some of the historic patterns that typify global mobility. Migration systems theory is an important theoretical tool to explain some of the influences that contribute to exchanges of population between two or more nations. Cultural ties influence decisions about migration destinations and these have also been stimulated by historic colonial legacies. Castles (2000) cited the examples of Caribbean migration, where residents of Jamaica have departed to Britain, residents of Martinique have departed to France, and those from Surinam go to the Netherlands. These initial movements have established what

Stahl (1993, cited in Castles 2000) called 'beaten pathways' where established networks with facilitators and institutional ensembles support migrants through these pathways (Jessop 1990). These links persist over several generations and ensure that these migratory chains are perpetuated in various forms. Migration systems theory provides some explanation for the narrow spectrum for sourcing skilled migration that typifies inbound migration in many countries and is also an explanation of the difficulties in expanding skilled migration recruitment in what are often seen as 'non-traditional sources'. In the case of Australia the dependence on English-speaking European sources such as the UK and Ireland in high-skilled professions has seen a diminished pool of applicants but there are difficulties in sourcing from alternative locations owing to an absence of connections and institutional ensembles that might create migration pathways with non-traditional sources in Latin America, China and Africa. The institutional ensembles that facilitate the recognition of qualifications from some countries such as the UK and Ireland might not be favourable to recognising qualifications and experience from other non-English speaking countries such as China and this acts as a brake on expanding the scope of recruitment.

The benefits of migration are generally assumed to flow to the destination where there is seen to be a transfer of wealth. The dominant interpretation is that skilled migration siphons off skilled labour and capable people from poorer countries. This view of migration has been incorporated in what has been termed the 'brain drain' effect in removing younger and more energetic people and reducing pressure for social change in poorer countries. Theories of development in the post-war era have assumed that temporary visitors and workers such as students returning to less developed countries would benefit those countries by contributing personal wealth and investment capacity when they return. However these assumptions are challenged by the globalisation of work and finance that allows the repatriation of funds to the developing world. The volume of overseas remittances from migrant workers has grown from \$US 2 billion in 1970 to \$70 billion by 1985. The World Bank (2013) has estimated that remittances to developing countries reached \$372 billion in 2011.

The assumption that temporary migrants and students will benefit their homelands on return fails to recognise the lack of sophisticated infrastructure and the failure of industrialisation in many parts of the developing world. In contrast to a short-term view of immigration as providing a temporary front-end stimulus to the development of a more advanced economy, some nations such as the Philippines have recognised the futility of trying to provide domestic jobs. This means that some nations that are unable to develop an industrial infrastructure become a net exporter of workers to the developed world. Developing nations such as Bangladesh, the Philippines and several Pacific Island nations have configured their activities in education, skills formation and languages towards supplying the developed world with workers at various levels in the occupational spectrum. This new view of mobility provides a benefit to the sending country as workers repatriate funds to their families and this is now recognised as a major source of foreign exchange and investment funds for economic development. In the Philippines the Overseas Workers Welfare Administration (OWWA) provides a range of services to assist workers to go overseas.

However the abuse and exploitation of temporary workers is an ever-present theme in contemporary migration. An estimated 2.5 million people are illegally trafficked with an estimated 1.4 million in the Asia-Pacific, which comprises 56 % of global trafficking. Trafficking is a global phenomenon involving people from 127 countries going into 137 destinations. It is estimated that 95 % of trafficked workers experience physical or sexual abuse and that 43 % of women and girls experience some form of sexual abuse (ILO 2007). Trafficking and exploitation are a spectre over legitimate programs sponsored by governments. Many legitimate recruitment schemes are subject to abuse by exploitative employers as well as organised crime.

Most recently in Australia the operations of the 457 temporary business visa subclass have been in the spotlight, attracting the criticism of the Australian union movement as well as former Australian Prime Minister Julia Gillard. This visa offers employers the opportunity to recruit foreign workers on a temporary basis when local labour is not available. This visa has attracted criticism that holders are exploited and not offered assistance with their employment rights. Trade unions have also criticised this visa, expressing concerns that employers have used it to undercut local wages and undermine working conditions (Phillips and Spinks 2012, pp. 10–11). In response to these criticisms the Australian government has reviewed this visa category and introduced new guidelines on the required level of English proficiency and the integration of market-based wage requirements to ensure award wages are not undermined. Many of the new measures are designed to protect the interests of local workers, with employers and applicants being required to undertake a skills assessment to prevent fraud. Employers who intend to use the 457 visa also have to make undertakings about local training requirements and a commitment to source local labour. Despite these reforms concerns about 457 visas persist even though Australian businesses must be accredited to use this visa. The controversies here highlight the tensions and risks that skilled migration creates for workers, business and government because these types of schemes, regardless of their viability and function, have been subject to the general backlash against immigration in contemporary times.

Consequent harsh and uncompromising restrictions and regulation of skilled migrants has also created a climate of instability and considerable uncertainty for potential skilled migrants and sponsoring employers. It is unlikely that entry requirements will be relaxed in this political climate as the discourse about immigration goes to the heart of the discussions about preserving jobs for ‘locals’, and maintaining a sense of national unity and is a hot political issue.

The next section illustrates some of the contemporary debates associated with skilled migration and global mobility. The key feature of these international case studies is that political tensions are emerging from the global financial crisis as local economies are characterised by unemployment and job shrinkage and there is a simultaneous need for an inflow of workers aligned to the needs of the global economy. At the same time there is a domestic backlash politics where questions of entitlement, national unity and identity confront global mobility.

Confronting Global Mobility with Local Politics: The Case of Singapore

The tensions around skilled migration are well illustrated in the case of Singapore where until the global financial crisis skilled migrants were encouraged. As a developed and rich nation emerging from the postwar Asian economic miracle, Singapore has experienced a dropping birth-rate and has identified a need for a pipeline of migrant and temporary workers to meet critical labour shortages.

Population and immigration are now seen as the most volatile political issues in Singapore in the wake of the global financial crisis. The population of Singapore is predicted to grow from 5 million to 6 million in 2020 and to 6.5 million by 2030. Singaporeans are having fewer children and the rate of population increase from births is moderate (Banyan 2013). Already almost half of Singapore's population is born overseas and the predicted population growth is modest.

The Singapore government has adopted a strategy of innovation, entrepreneurial endeavour and migration to position itself within a global market framework. In education the Singapore government positioned itself under the notion of the 'global schoolhouse' where international higher education providers, international students and research will be combined to provide the impetus for innovation and economic growth (Kell and Kell 2013; Kell and Vogl 2012). Citizenship with short periods of qualification was used as an incentive to attract and retain migrant workers and their skills in industries such as finance, banking and international trade, which are vital for Singapore's future economic survival.

As a consequence of the tight economic conditions these relatively benevolent and generous entry requirements have been changed. The Singapore government has been under pressure from a growing tide of opposition to immigration, which coincides with shrinking support for the government. The government has tightened up entry requirements for migrant workers and expressed sympathy for Singaporeans who perceive that they are under threat from immigrants. The response from the Singapore government has been a concern to preserve the interests of 'core' Singaporeans, risking the consensus around multiculturalism and the importance of global connections for Singapore (Banyan 2013).

In many respects Singapore reflects a classic policy response to skilled migration where the erosion of political support for skilled migration has resulted in a reversal of policies designed to promote mobility. The Singapore government was formerly committed to cosmopolitan notions of nationalism but has been forced to revert to narrow notions of nationalism in order to placate perceptions that migrant workers are a threat to the interests of Singaporeans. Although the opposition have less than 10 % of seats in parliament, the potential for migration to trigger a political problem for the government indicates that, even in the most benign settings, recruiting for a global workforce is a sensitive political issue (Banyan 2013).

Border Protection Versus Free Enterprise: The Case of the United States of America

Immigration is also a key political issue in the United States and featured as a major source of differentiation between the Republicans and Democrats in the 2012 presidential election. Barack Obama was able to capitalise on this issue and appeal to many diverse groups, including Hispanic voting organisations and other groups, in forging a coalition for reform of US immigration laws. The United States, like Australia, has been a historic destination for migrants but the emergence of right-wing patriot and conservative groups linked to the extremist Tea Party have been a powerful force in calls to restrict immigration. While some conservative forces oppose immigration, others linked to industries such as agriculture in the southern states that share borders with Mexico are pressing for change to liberalise entry of foreign workers. These industries have been dependent on legal, as well as illegal, workers to provide a workforce in these labour-intensive industries. While these industries are seeking unskilled labour, other industries such as information technology are also seeking skilled workers. These proposals for change to immigration confront significant opposition to immigration that includes formidable barriers such as the security that protects the southern borders of the United States. This includes official border patrols mounted by the US immigration service supplemented by right-wing vigilante groups, promoted as patriotic organisations, who also patrol the border informally. These organisations stridently promote the view that immigration is 'out of control' and bad for the economy.

US business proposes that an in-flow of some 200,000 workers annually will be required to meet the country's labour and production needs. In response to this the US is attempting to regulate this illegal inflow and also provide protections for the workers, many of whom are long-term residents in the US but are unable to access many of the services that citizens and permanent residents are eligible for. Recent attempts to reform US immigration law have, like in Australia, sought to boost the number of available visas for skilled workers, particularly IT workers and students who have completed their studies in the US. In addition the visa regulations for seasonal agriculture workers are being re-written and this involves negotiations between the peak union body the American Federation of Labour Council of Industrial Organizations (AFL-CIO), the United Farm Workers Union (AFW) and peak industry bodies (Economist [2013](#)).

Some of the criticisms are that illegal workers are 'underground', evading tax and the responsibilities of citizenship. The new legislation proposes the payment of outstanding taxes and passing other background checks and a compulsory civics test. This is meant to be the start of the journey towards full citizenship but many illegal workers find obtaining official and formal records of employment difficult and the bonds and charges required by government are too high for many unskilled and low-paid workers.

As the American economy has slowly recovered the pressure for reform has increased and the need for more flexible visa conditions has been urged as other countries such as those in Latin America compete for highly skilled workers. Many employer groups are arguing for increased visa options as well as opportunities to promote the benefits of temporary workers in the face of growing anti-foreign worker sentiments. In support of broader reforms, Steve Case, the founder of American Online and an advocate for entrepreneurial and business initiatives, points to the proportion of start-up companies founded by foreigners in Silicon Valley, which has dropped from 50 % 10 years ago to 42 % today, as evidence of the impact on business of restrictions on skilled migrants. Rather than siphoning off activity, and creating competition for local jobs, Case and others argue that many high-skilled temporary workers stimulate the economy through creating new businesses. The need for skilled workers in economic recovery is also evident in the need for the US to rebuild its eroded infrastructure including roads, bridges, ports, railways and utilities. The American Society of Civil Engineers has estimated that the US needs to invest in over \$3.6 trillion of infrastructure and capital works. The scarcity of both capital and qualified labour continues to be an impediment to economic recovery in the US (Economist [2013](#)).

The costs and delays of processing visas are identified as impediments for employers, yet the demand for the American business-sponsored H1BS visa exceeds the limited 65,000 visas that are available. In 2013 the applications for H1BS visas exceeded the allocated number in less than 5 days. At the same time as this debate rages in the US, Canada has announced a new business 'start-up visa' that costs \$US 74,000 for foreigners to create new businesses in Canada (Economist [2013](#)).

Reversing the Pathways of Global Migration: The Case of Latin America

These tensions in policy in some countries such as the US and Australia coincide with several global changes in mobility where countries that were previously the source of migrant workers are now destinations for workers. Latin America, traditionally a source of skilled workers, has seen spectacular economic growth in the last decade and is experiencing shortages of skilled workers. As many European and North American nations stagnate economically there are shifts in growth and opportunities in Latin America for potential migrants.

Even though there is a great frenzy over immigration from Mexico to the US, net migration has actually fallen to zero. The global movement is now from European nations such as Portugal and Spain to Latin American countries such as Brazil and Argentina. The net movement of capital from remittances is an indicator of this shift. For example remittances from Argentina to Spain total \$1 billion, which is four times the movement of capital the other way (Schumpeter [2013](#)).

Foreign corporations and global firms such as Volkswagen and L'Oreal are relocating production plants and service centres to generate a presence in Latin America. Brazil's growing economy has created over 12.5 million new jobs and recruitment companies are reporting that 71 % of Brazilian employers are experiencing difficulty in sourcing employees (Schumpeter 2013).

While Latin America is opening up to migrant workers, the opportunities for permanent settlement are limited by restrictions on property and citizenship. In contrast to countries like Australia and the United States, where a high level of the population was born overseas, Mexico has 1 % and Brazil has less than 0.3 % who were born overseas. At present these countries lack policy expertise around migration and have yet to respond effectively to the changing global balance after the global financial crisis (Schumpeter 2013).

The Clash Between Training, Migration and Local Jobs: The Case of Australia

In developed nations there is a collision between the need to maintain a sustainable and viable training infrastructure and a skilled migration program. When there are perceptions that this balance is unequally weighted this has the potential to trigger the political crises that are described in this chapter. I have previously described the political consensus developed at the turn of the twentieth century in Australia as:

A consensus between Australian labour and capital that the establishment of the training system would remove the need to import cheap labour if the state paid for training. Using training as a protection for Australian workers was one of the foundations of the White Australia Policy and has remained intact in public policy even in the face of Australia's commendable record as a destination for migrants. But this training and migration nexus has been an uncomfortable consensus that has now shifted because of progressive cuts and underinvestment in the training sector. (Kell 2012)

The shift in the balance has changed as the state has underinvested in training and this has created a position where the training systems cannot meet the demand for skilled workers in industry. Shortages are compounded by other deficiencies in the training system where there is wastage of training effort on cheap low-level courses that give quick profits to providers and do little to meet skills shortages. This is also at the expense of general education programs that are important for giving students and workers pathways to higher-level qualifications.

At the same time high-level qualifications that are useful in a more complex post-industrial economy based on knowledge and high-tech manufacturing are in the minority. As I have mentioned,

Too much of the training effort in the past few years have been directed to the 'jobs of the past' and those that are subject to technological change or economic and seasonal cycles such as retail, tourism, hospitality and low-income jobs. (Kell 2012)

Training providers, in both vocational education and training and higher education, have indulged in a race to the bottom of the skills profile, seeking to reduce costs of training and improve turnover. This means that high-cost courses in areas such as engineering have been assigned a ‘niche’ course status and this has meant that the supply of workers and professionals in these areas is dwindling. Policies based on a concept of a training market have operated in Australia without sufficient consideration for the labour market and long-term labour workforce planning.

As the training sector has failed to provide a supply of workers, the state has been forced to mediate over this market failure and facilitate skilled migration. In Australia this has major political implications as it triggers a backlash from those in the community who feel threatened by foreign workers who, even though there are shortages, might be seen to take their jobs away. The former Australian Prime Minister Julia Gillard drew attention to what has been called ‘rorts’ or abuses by employers of the short-term 457 visas, demonstrating this political sensitivity. Gillard singled out employers in the IT industry in particular for special criticism for being deficient in their use of these visas, saying that in one state 1 in 20 imported workers were workers in information technology. In a spectacular display of local politics, Gillard claimed that employers had used these visas and had not sought to recruit local Australian workers.

Matt Barrie, the Chief Executive Officer of Freelancer.com who is an advocate for the IT industry, defended the role of skilled worker visas, saying that: ‘There wouldn’t be an IT industry in Australia if it wasn’t for the fact that we could draw from overseas labour. The bigger problem is the government has under-funded and ignored the technology industry and education in particular’ (Moses 2013). Barrie and others accused the former Australian Prime Minister of blatant vote mongering and of attempting to placate the trade union movement. This dispute illustrates the bitter political tensions and dilemmas that have arisen as a consequence of the increased global mobility of workers. This situation has greater symbolic value in Australia owing to the former historic consensus involving a nexus between training and migration in Australian society, but is not unique as this is a global trend as a consequence of the new paradigm of immigration.

What Are the Implications for Human Resources Management in the Corporate Sector?

The environment that human resources operate within is now shaped by the global competition for professional workers across the spectrum of occupational profiles. A global outlook is now the new default position for all corporations and they need to reorient their outlook from a limited national and regional perspective to an expansive global perspective. In the earlier sections of this chapter I have identified the inability of national skills formation policies to fulfil labour requirements and the limitations that developed from short-term policy combined with the

consequence of an ageing demographic. This is unlikely to change as governments, in the face of austerity, reduce the funding to skills training and the demographics of developed nations become entrenched. The rhetoric of the importance of skills training has not been supported by an expansion of the Australian training system and future growth is most likely to come from private expenditure and fees.

In adopting a global outlook management needs to look beyond traditional sources of labour and outside the 'beaten pathways' and tap into developments in growth regions across the globe. This means that traditional source nations such as the UK and Ireland might need to be complemented with programs that capture labour in places experiencing booms but patchy employment opportunities such as China, Brazil and other parts of Latin America, and others experiencing political uncertainty and turmoil such as in the Middle East. It is worth noting that graduate unemployment is very high in China even though the economy is experiencing growth.

Business and corporations are in a political struggle with opponents of migration and the growing ultranationalist movements in many host countries. The latter have dominated the policy debates virtually unchallenged and shaped the regulatory environment of skilled migration of escalating restrictions and disincentives. There is an important role for corporations to advocate for the recognition of global mobility as a policy norm. This means corporate representation and advocacy need to move away from divisive claims that the minimum wage in Australia is too high for Australia to be globally competitive and that lower wages are an attraction for skilled migrants. This is counterproductive to the broad interests of enterprise and business. It is also not a position that will generate a consensus between organised labour, government and the community to support skilled migration.

Corporations need to be advocates for the normalisation of global mobility and be prepared to advocate for skilled migration and migrants themselves. Business and those charged with promoting skilled migration also need to reconceptualise skilled migration away from narrow instrumental goals associated with work and build a more holistic vision of migration and settlement, like those captured in earlier migration programs. These themes may revisit some of the ambitions of the past that are associated with a desire for a better and more secure life, opportunities that promote a sense of affiliation with and most importantly a sense of creating a new way of life. These sentiments, often centred on emotions, have far more drawing power than instrumental aspects of careers and jobs.

To do this effectively corporations, and more particularly the human resources sections of these organisations, need to have specialist advice on skilled migration that appreciates the instrumental aspects of employment as well as the social and emotional aspects of resettlement. This advice also needs to have a high level of skills in interpreting and implementing national policies on skilled migration and the nature of the global skills market. Whether this will be an in-house or contracted service will depend on the importance assigned to this task. It will however need to adopt a holistic view of the needs of potential migrants to incorporate the needs of inbound professional workers that includes assistance, advice and support in areas such as housing, schooling, acculturation and financial assistance for set-up

costs in a new homeland. This has become very important as skilled migration is becoming increasingly feminised. Customised and multifaceted services are needed that are not just front-ended for pre-departure and arrival but are also framed within a longer-term period of several years to ensure retention.

The most numerous, and in most cases underutilised, source of skilled migrants is international students. They are a prime source of potential skilled labour that has the advantage to corporations of having already self-funded the front-end costs of their arrival and experienced a new cultural context. Corporations need to develop closer relationships with international higher education providers in a strategic and systematic way to source this rich vein of potential talent in the overseas student population.

No corporation that claims a global status can ignore the importance of adopting strategies that actively source high-level labour across the globe and the need to configure its human resources section to capture and source talent in this context. Corporations need to work in partnership with government, unions and the community to overcome the tide of anti-migration hysteria and to avoid industrial relations and labour policies that spawn this backlash politics.

Conclusion

Global mobility will increase as the differentiated impact of globalisation exacerbates the divisions between rich and poor nations and fuels migration. This differentiation happens within and across societies in the developing world. In the developed world the combination of underinvestment in training and vocational education, an ageing demographic and sustained economic growth, even in tough times, provide pull factors that will continue to influence mobility. While globalisation promotes the transfer of services and goods including capital and creative resources across borders with minimum regulation, this does not apply to the mobility of workers. In developed western nations the state occupies a contradictory position of simultaneously promoting skilled migration and mobility to maintain a supply of workers to industry while also having to maintain the perception that an inflow of foreign workers will not compromise working and living standards of locals and the integrity and unity of the nation. The state has to mediate and broker skills formation on behalf of industry and also manage the cultural politics of national identity. This means that policy associated with skilled migration cannot be separated from other public policy issues in areas such as industry policy, regulation, citizenship, regional development and population. In preserving its legitimacy the state has used administrative and legislative functions to escalate the regulation and monitoring of the activities associated with migration and the influx of foreigners but also the politics of national identity and entitlement. How these contradictions and tensions are managed by the state in developed nations will shape the future of skilled migration.

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