

ILO definition of recruitment fees and related costs

► Scope of the definition:

The definition recognizes the principle that workers shall not be charged directly or indirectly, in whole or in part, any fees or related costs for their recruitment.

► A. Recruitment fees:

Payments for recruitment services offered by labour recruiters (public or private); payments made in the case of recruitment of workers with a view to employing them to perform work for a third party; payments made in the case of direct recruitment by the employer; and payments required to recover recruitment fees from workers.

These fees may be one-time or recurring.

► C. Illegitimate, unreasonable and undisclosed costs:

Extra-contractual, undisclosed, inflated or illicit costs are never legitimate.

► B. Related costs:

Related costs are expenses integral to recruitment and placement. When initiated by an employer, labour recruiter or an agent acting on behalf of those parties; required to secure access to employment or placement; or imposed during the recruitment process, the following costs should be considered related to the recruitment process:



Scope



The definition is intended to support the **development, monitoring, implementation and enforcement of laws, policies and measures aimed at the protection of workers' rights**, taking into account the specific situation of migrant workers.



In addition, it **supports development and implementation of effective regulation of recruitment practices**, notably of public employment services and private employment agencies, to combat non-compliance, support transparency of recruitment practices, and enhance the functioning of labour markets.



Recruitment fees and related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties, and they should not be collected directly or indirectly such as through deductions from wages and benefits.

For the full scope of the definition [click here](#)

Scope

1. The definition of recruitment fees and related costs is guided by international labour standards and should be read together with the ILO General Principles and Operational Guidelines for Fair Recruitment. As such, it recognizes the principle that workers shall not be charged directly or indirectly, in whole or in part, any fees or related costs for their recruitment.

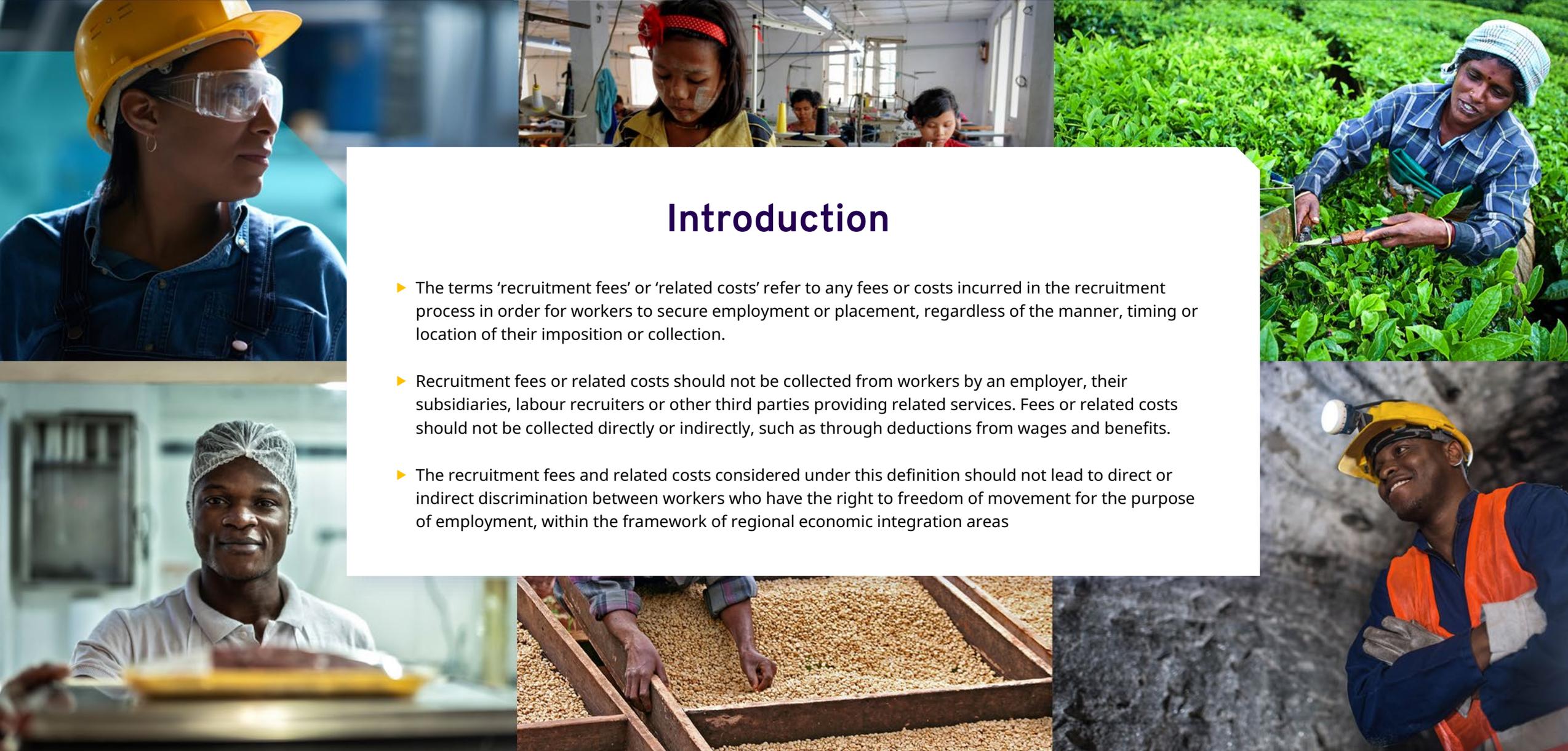
2. The definition is based on the findings of the ILO's global comparative research which analysed different member States' national laws and policies and international voluntary codes and guidance on recruitment fees and related costs. It takes into account the practical realities and context-specific conditions that workers, labour recruiters, enterprises and employers face.

3. The definition identifies fees and related costs in recruitment practices. It is intended to support the development, monitoring, implementation and enforcement of laws, policies and measures aimed at the protection of workers' rights, including that workers

should not to be required to pay for access to employment. It is also intended to support the delivery of effective regulation of recruitment practices, notably of public and private employment agencies, to combat non-compliance, provide transparency of recruitment practices and enhance the functioning of labour markets.

4. It is also recognized that costs for workers recruited internationally can be significantly higher than those for workers recruited nationally due to a range of factors, including a lack of consistency and transparency on what these costs constitute in different national contexts. Furthermore, workers who are recruited across borders may find themselves in situations of particular vulnerability.

5. For the purpose of this definition of recruitment fees and related costs, the definitions of the General Principles and Operational Guidelines apply. The term "workers" includes jobseekers.



Introduction

- ▶ The terms 'recruitment fees' or 'related 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.
- ▶ Recruitment fees or related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties providing related services. Fees or related costs should not be collected directly or indirectly, such as through deductions from wages and benefits.
- ▶ The recruitment fees and related costs considered under this definition should not lead to direct or indirect discrimination between workers who have the right to freedom of movement for the purpose of employment, within the framework of regional economic integration areas

A. Recruitment fees



Payments for recruitment services offered by **labour recruiters (public or private)**; payments made in the case of recruitment of workers with a view to **employing them to perform work for a third party**; payments made in the case of **direct recruitment by the employer**; and **payments required to recover recruitment fees from workers**.



These fees may be **one-time or recurring** and cover **recruiting, referral and placement** services which could include advertising, disseminating information, arranging interviews, submitting documents for government clearances, confirming credentials, organizing travel and transportation, and placement into employment.

B. Related costs



Related costs are expenses integral to recruitment and placement within or across national borders, taking into account that the widest set of related costs are incurred for international recruitment. These costs are listed below and may apply to both national and international recruitment.



Depending on the recruitment process and the context, these cost categories could be further developed by the governments and the social partners at the national level.



It is recognized that the competent authority has flexibility to determine exceptions to their applicability, consistent with relevant international labour standards, through national regulations, and after consulting the most representative organizations of workers and employers. Such exceptions should be considered subject, but not limited, to the following conditions:

- ▶ they are in the interest of the workers concerned; and
- ▶ they are limited to certain categories of workers and specified types of services; and
- ▶ the corresponding related costs are disclosed to the worker before the job is accepted.

B. Related costs

When initiated by an employer, labour recruiter or an agent acting on behalf of those parties; required to secure access to employment or placement; or imposed during the recruitment process, **the following costs should be considered related to the recruitment process:**

- i. Medical costs:** payments for medical examinations, tests or vaccinations;
- ii. Insurance costs:** costs to insure the lives, health and safety of workers, including enrollment in migrant welfare funds;
- iii. Costs for skills and qualification tests:** costs to verify workers' language proficiency and level of skills and qualifications, as well as for location-specific credentialing, certification or licensing;
- iv. Costs for training and orientation:** expenses for required trainings, including on-site job orientation and pre-departure or post-arrival orientation of newly recruited workers;
- v. Equipment costs:** costs for tools, uniforms, safety gear, and other equipment needed to perform assigned work safely and effectively;
- vi. Travel and lodging costs:** expenses incurred for travel, lodging and subsistence within or across national borders in the recruitment process, including for training, interviews, consular appointments, relocation, and return or repatriation;
- vii. Administrative costs:** application and service fees that are required for the sole purpose of fulfilling the recruitment process. These could include fees for representation and services aimed at preparing, obtaining or legalizing workers' employment contracts, identity documents, passports, visas, background checks, security and exit clearances, banking services, and work and residence permits.

Enumeration of related costs in this definition is generalized and not exhaustive. Other related costs required as a condition of recruitment could also be prohibited.

These costs should be regulated in ways to respect the principle of equality of treatment for both national and migrant workers.

C. Illegitimate, unreasonable and undisclosed costs



Extra-contractual, undisclosed, inflated or illicit costs are never legitimate. Anti-bribery and anti-corruption regulation should be complied with at all times and at any stage of the recruitment process. Examples of such illegitimate costs include: bribes, tributes, extortion or kickback payments, bonds, illicit cost-recovery fees and collaterals required by any actor in the recruitment chain.