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NEWS FEATURE

Workers On The Move In Asia

In recent years, almost three million workers in Asia have left their homes each year to work abroad, according to a new report for the ILO's Asian Regional Meeting [*/]. While the growing mobility has benefited sending and receiving countries as well as the migrant workers themselves, migration also poses enormous challenges for states of the region. Many still have to develop policies and programmes for regulating cross-border movements, protecting the basic rights of migrants, including those in an irregular status, and adjusting to the external shocks that globalizing labour markets often bring.

BANGKOK (ILO Online) – One of the greatest migrations of labour in history is underway in Asia.

Almost three million people in the region are leaving their homes every year in search of work, a new report says. Over the past two decades, gross emigration of labour rose at an annual rate of six per cent in the Asia-Pacific region as a whole.

Another new trend is that the region itself is absorbing an increasing proportion of these workers. Between 1995 and 2000, 2.6 to 2.9 million Asian migrant workers (both registered and undocumented) left home to work abroad, and an estimated 40 per cent of them went to other Asia- Pacific countries. In Singapore migrants now account for 28 per cent of the labour force and in Malaysia they are an estimated 12 per cent.

"This is a major change compared with the late 1970s and the 1980s, when more than 90 per cent of the migrants found jobs outside the region", explains Ibrahim Awad, Director of the Migration Programme of the International Labour Organization (ILO). In those decades the Gulf States and Europe were leading destinations.

Current admission policies still provide more opportunities for those willing to do the jobs that native workers vacate, whether in homes, farms or factories. But in some of the region's most advanced economies the need to compete with a worldwide demand for highly-skilled workers is breaking down established barriers that restricted access to foreign workers. The region is seeing more and more movements among professionals. Japan has opened up more spaces for foreign software engineers and nurses. Singapore is offering more permanent residence for academics, managers, and biotechnologists. For the future, the expectation is that China will also become a major competitor for highly-trained foreign managers and scientists.

Feminization of labour migration

The global trend towards the feminization of labour migration is most evident in Asia. Female migrants from the Philippines, Indonesia and Sri Lanka make up between 60 and 80 per cent of all migrants. South Asian women are increasingly moving to work, still mostly to the Middle East but now also to Malaysia, Hong Kong (China), Mauritius and the Maldives.

[*/] *Labour and Social Trends in Asia and the Pacific: Progress towards Decent Work*, International Labour Office, Bangkok, 2006.

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"The focus on strengthening communications and collaboration, for the benefit of both productivity and working conditions, is a central element of the FIP design. It is through collaboration between workers and managers that FIP attempts to create the virtuous cycle that supports long-term, sustainable change", said Charles Bodwell, FIP Chief Technical Advisor.

Women migrant workers still head towards a very limited number of female-dominated occupations, traditionally associated with their gender: mainly domestic work and the "entertainment" industry. While this work does not necessarily have to be exploitative, the circumstances of the jobs themselves often create a high degree of vulnerability to abuse and exploitation.

Fully reaping the benefits of labour migration requires good management of the three "Rs" of migration – recruitment, remittances, and return. In the absence of proper management of recruitment, migration can lead to fraud, trafficking abuses and mismatch of skills with jobs. Remittances have enabled migrant workers' families to have higher standards of living and better education and health for children, but inefficient systems for transferring their savings severely penalize migrant workers. The return of migrants to their home countries offers potential benefits in the form of technology transfer, but these opportunities may be lost when returning migrants cannot find work.

Workers' remittances to countries of the region have been larger than official development assistance and already represent a stable source of development finance. It is estimated that Asian migrants sent home a combined remittance income of more than US$40 billion in 2003. In 2004, the Philippines received some US$8 billion and India a massive US$23 billion. In the rural Indian state of Kerala, the impact of such remittances on poverty alleviation is already clear: where favourable investment prospects exist, they have stimulated faster economic growth and overall development.

Despite these financial benefits, there is concern that remittances may lead to the so-called "Dutch-disease", when remittances drive up the national currency, making a country's commodity exports less competitive, and when tough economic reforms are postponed because of expectations of a cushion of remittance money.

"Protecting the rights of migrant workers and ensuring fair conditions of employment in receiving countries are major concerns;" said Awad. "The large number of migrant workers in irregular status signals another aspect of the immense challenge of regulating migration".

Another concern is the so-called 'brain drain'. Between 1990 and 1999, the amount of foreign PhD graduates in science and engineering choosing to stay on in the United States after their studies was 87 per cent for China, 82 per cent for India and 39 per cent for the Republic of Korea.

However, as Asian employers themselves invest more abroad, and their companies become increasingly multinational, this 'brain drain' is no longer a one way channel; Asians are gaining experience overseas and bringing their talents back to the region, either as "intra-company transferees" for multinationals or for the increasingly wide range of Asian companies searching for cutting-edge skills.

All the indications are that labour migration in Asia will not only continue, but will grow in the years to come, driven by a mix of demographic trends and patterns of uneven social and economic development.

"This poses immense challenges and exciting opportunities for all countries involved", concludes Awad. "Depending on how well migration is managed, the rising mobility of the region's human resources, both skilled and unskilled, can become a unique source of comparative advantage in the increasingly competitive global environment".

[873 words]

Note: relevant photographs are available on request, from kwantawan@ilo.org or krisdaporn@ilo.org