POLICY
ON
LABOUR MIGRATION FOR CAMBODIA
JUNE 2010
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Acronyms

ACRA  Association of Cambodian Recruitment Agencies
ADB  Asian Development Bank
AFTA  ASEAN Free Trade Area
AEC  ASEAN Economic Community
ASEAN  Association of Southeast Asian Nations
CAMFEBA  Cambodian Federation of Employers and Business Association
CIC  Citizenship and Immigration Canada
CEDAW  Committee on the Elimination of Discrimination against Women
CLA  Council of Labour Affairs – Taiwan (China)
CSO  Civil society organization
OCOM  Office of the Council of Ministers
CNCW  Cambodian National Council for Women
EPS  Employment Permit System – Korea (Republic of)
FDW  Foreign domestic worker
GCC  Gulf Cooperation Council
GDP  Gross domestic product
HRSDC  Human Resources and Skills Development Canada
ILO  International Labour Organization
IMTM  Inter-Ministerial Taskforce for Migration
IOM  International Organization for Migration
MNN  Migration NGOs Network
MOEF  Ministry of Economy and Finance
MOFA&IC  Ministry of Foreign Affairs and International Cooperation
MOI  Ministry of Interior
MOIF  Ministry of Information
MOJ  Ministry of Justices
MOLVT  Ministry of Labour and Vocational Training
MOP  Ministry of Planning
MOSVY  Ministry of Social Affairs Veteran and Youth
MTOSB  Manpower Training and Overseas Sending Board
MOU  Memorandum of understanding
MOWA  Ministry of Women’s Affairs
NEA  National Employment Agency
NGO  Non-governmental organization
NTB  National Training Board
SAWP  Seasonal Agricultural Workers Programme – Canada
SMEs  Small and medium enterprises
TVET  Technical and Vocational Education and Training
TU  Trade union
UNFPA  United Nations Population Fund
UNIFEM  United Nations Development Fund for Women
Kingdom of Cambodia
Nation Religion King

MINISTRY OF LABOR AND VOCATIONAL TRAINING

Foreword

International labour migration has been a long traditional and on-going phenomenon. It has been one of the coping strategies for the poor Khmers to move out from poverty. The increased needs for labour and the promising earnings in the fast developing countries in Asia and Middle east are the main pull factors for the unemployed and the underemployed Cambodian workers offering their skills in foreign countries, in spite of the fact that working abroad is fraught with many dangers in forms of labour exploitation, human trafficking and social discrimination in the labour receiving countries.

At the regional level, the free movement of labour has been widely recognized as one of the means for maximizing the allocation of human resource. Starting from 2010, the ASEAN Free Trade Area (AFTA) has already been set in motion. Not far from now, the regional single market inspired under the ASEAN Economic Community (AEC) blue print is set for 2015 when products, services, capital and skilled labour will be moving around the region freely. These developments would bring about the relocation of upstream and labour-intensive industries among ASEAN member countries. In this context, the Ministry of Labour and Vocational Training of the Kingdom of Cambodia has embarked on formulating the comprehensive policy on labour migration, with technical and financial assistance from the International Labour Organization (ILO) through the ILO/Japan Regional Project on Managing Cross-border Movement of Labour in Southeast Asia.

This policy document highlights the key issues and policy challenges confronting Cambodia on the cross-border movement of its workers. The policy challenges are grouped into the governance of labour migration, the protection and empowerment of migrant workers, and the harnessing of labour migration for economic development. The paper also examines the medium-term employment and demographic outlook in Cambodia, looking at the factors that make it essential for the country to utilize the opportunities rendered by labour migration.

While it has been recognized that labour migration provides opportunities for many families and individual workers to realize the improvement in their economic well-being, the Royal Government of Cambodia does not perceive labour migration as the only avenue for pursuing the long-term national economic and social development goals. The government will ensure that its nationals are migrating for employment out of their choice rather than out of necessity. Most importantly, the Ministry of Labour and Vocational Training will adopt the balance approach in promoting both domestic and foreign employment, and ensure the policy coherence in management of cross-border movement of labour.

I would like to express my gratitude to the ILO, government officials from the concerned ministries, workers’ and employers’ organizations, and civil society for contributing to the preparation of this policy document. While the Royal Government of Cambodia is committed to implement the policies from its own budget, technical assistance and contributions from the donor community including the ILO are essential for realizing the policy objectives.

Phnom Penh, .......................... 2010
Minister

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The General Department of Labour, Ministry of Labour and Vocational Training, Royal Government of Cambodia, initiated formulation of the national labour migration policy document. The formulation process has included a series of consultations involving working-group stakeholders, among these the concerned government agencies, i.e. the Departments in the Ministry of Labour including its Provincial Departments; the Ministry of the Interior; the Department of Immigration; the Ministry of Economy and Finance; the Ministry of Foreign Affairs and International Cooperation; the Ministry of Planning; the Office of the Council of Ministers; the Ministry of Women’s Affairs; and the Ministry of Social Affairs, Veterans and Youth. Stakeholders have also included UN organizations such as the International Labour Organization (ILO), the United Nations Population Fund (UNFPA), the United Nations Development Fund for Women (UNIFEM), and the International Organization for Migration (IOM); workers’ and employers’ organizations; non-governmental organizations (NGOs); recruitment agencies; and the media. The Ministry of Labour and Vocational Training would like to express its gratitude for all the valuable contributions to this endeavour by stakeholder representatives who are members of the working group. (Details regarding individual members of the working group involved in the formulation of the policy paper are provided in Annex 3.)

This policy paper would not have been realized without the strong support and commitment of the senior officials of the General Department of Labour, including H.E. Seng Sakda, Director-General of General Department of Labour, Mr. Hou Vuthy, Deputy Director-General of General Department of Labour, Mr. Chuop Narath, Deputy Director of Department of Employment and Manpower, and its dedicated staff members. The Ministry of Labour and Vocational Training would like to express its appreciation to Mr. Pracha Vasuprasat, Chief Technical Advisor, ILO/Japan Regional Project on Managing Cross-border Movement of Labour in Southeast Asia, for providing guidance and technical inputs throughout the process.
Executive summary

The labour migration policy document centres on cross-border migration for employment among Cambodian workers. Having described the general economic background, including employment trends, demographic transition, and cross-border movements of Cambodian migrant workers, the paper goes on to identify policy challenges confronting the Royal Government of Cambodia, and offers strategic considerations, policy options, and an action plan to be initiated by the concerned agencies. The policy document should also serve as a road map for the Government in its dialogue with donor communities, helping it to more effectively seek support for measures that promote migration’s positive development outcomes, while limiting its possible negative impacts.

Cambodia’s economy has enjoyed sustained growth, averaging 7 per cent annually for the period 1994-2004. It achieved even more remarkable annual growth of 11 per cent between 2004 and 2007. In 2008, favourable growth rates helped maintain and provide jobs for about 6.9 million workers. In 2009 and 2010, economic prospects have been overshadowed by the global economic crisis, which has reduced annual growth rates to 2.5 and 4 per cent, respectively. While fallout from the global financial crisis is expected to linger over the next few years, Cambodia should be able to resume its favourable growth over the medium term at an annual rate of 6-7 per cent.

Ironically, this robust economic growth has not achieved equivalent employment growth. While economic growth averaged 6.8 per cent between 1994 and 2004, employment grew by only 3.3 per cent. The scenario was even more disappointing between 2005 and 2007, when an average 10.5 per cent growth in GDP contributed to only 2 per cent growth in employment. In the medium term, every 1 per cent growth in output is expected to generate only a 0.428 per cent growth in employment. In other words, even a relatively high growth rate is unable to generate more jobs for Cambodian workers.

Unemployment among youth aged 15 to 24 years is becoming critical. The 2008 population census showed that youth unemployment, conventionally defined, stood at 3 per cent. It was a more serious problem in urban areas (8 per cent) than it was in rural areas (2 per cent). Skills mismatches were prevalent, and many youth were not qualified for the available jobs.

According to the 2008 census, the total population in Cambodia was 13.4 million. With an annual population growth rate of 1.54 per cent, and an estimated total fertility rate of 3.1, between 1998 and 2008, Cambodia’s population is expected to reach 19 million by 2020. Both the annual growth rate of the population and the fertility rate — 1.2 per cent and 2.2, respectively — are higher than average for Southeast Asia. At 61.2 per cent, Cambodia’s dependency ratio — or the number of persons 15 years of age plus the number of persons aged 65 years or older per 100 persons aged 15 to 64 years — is also higher than the 50 per cent average for Southeast Asia. As a result of a baby boom in the mid- to late-1980s, Cambodia’s population includes a large proportion of young, and they are entering the labour force at a rate of about 250,000 persons per annum.

Since economic growth and employment in Cambodia have been narrowly concentrated in the agricultural, garment, construction, and tourism sectors, the promotion of foreign employment through private and public employment services has provided a cornerstone for alleviation of unemployment, income enhancement, and poverty reduction. Thus, the current Ministerial Strategic Plan sets out the following main interventions: improved management of foreign employment; expanded protection of migrant workers; strong inter-ministerial coordination; and intimate international cooperation.

Next to the Burmese, Cambodian migrant workers comprise the second-largest group of foreign workers in Thailand. Following the regularization programme introduced in 2004 by the Royal Thai Government, 110,025 Cambodian migrant workers obtained work permits for
supposedly temporary jobs in Thailand. Many of these workers, moreover, were undergoing nationality verification to convert their status from quasi-legal to legal migrants. However, the recent official deployment of migrant workers to Thailand, as well as to other major labour-receiving countries, has been declining. In 2008, only 2,116 and 2,654 migrant workers were deployed to Thailand and Malaysia, respectively.

An ILO study of migrant workers’ remittances indicated that Cambodian migrant workers in Thailand sent home cash remittances of about 833 baht per month, lower than those migrants from Myanmar and the Lao People’s Democratic Republic. It is estimated that Cambodia migrant workers in Thailand sent home cash remittances of about 1.5 billion baht in 2008 (US$45 million). Forty per cent of Cambodia migrant workers in Thailand reported that remittances were the main sources of income for their family. Most remittances were spent for daily expenses, health care, and household appliances.

Three main policy challenges for labour migration are identified in the paper: governance of labour migration; protection and empowerment of migrant workers; and harnessing of migration for development.

**Governance of labour migration** includes issues relating to national labour migration policies and programmes, laws and norms, inter-state agreements, and multilateral processes.

Good governance of labour migration refers to coherence in the areas of legal, policies, and institutional frameworks involving labour migration management. Policy challenges for migration governance include the development of a sound labour migration policy, a legal framework, and the effective management of labour migration based on international instruments and social dialogue. The key policy recommendations are these:

a) strengthening existing government agencies with resources to promote foreign employment and to protect the rights of migrant workers while at home and abroad;
b) drafting comprehensive legislation governing the labour migration process and the protection of migrant workers;
c) ensuring adequate protection for migrant workers by posting labour attachés to Cambodian Embassies and equipping them with the resources necessary to perform their duties;
d) government adoption of the social dialogue approach and the involvement of key stakeholders, including government, employers’ and workers’ organizations, recruitment agencies, and civil society in formulating labour migration policy, programmes, and legislation; and
e) government review of its policy on mandatory cash deposits of US$100,000 (non-interest earning) by recruitment agencies.

**Protection and empowerment of migrant workers** includes protection against abuses, malpractice, and exploitation. To ensure well-informed migration, the Government needs to institutionalize pre-departure training and to disseminate information regarding the migration process, thereby enabling migrants to make informed decisions.

Policy challenges for the protection of migrant workers include the adoption of the rights-based approach to prevention and protection against abusive recruitment practices, and the enforcement of national law and regulations in accordance with international labour standards and applicable regional instruments. The key policy recommendations are these:

a) eliminating misleading propaganda and advertisements relating to labour migration, and establishing resource centres in Phnom Penh and the provinces to provide pre-employment information regarding the labour migration process;
b) implementing legislation and policies with effective enforcement mechanisms and sanctions to deter unethical recruitment practices, including provisions for the suspension or withdrawal of recruitment and placement licenses in cases of violation;

c) establishing a list of placement fees and documentation costs payable by migrant workers;

d) coordinating with labour-receiving countries for the adoption of standardized and enforceable employment contracts;

e) improving the position of Cambodian migrant workers in the labour market by enhancing worker skills through relevant vocational training, both increasing their employment opportunities and reducing their vulnerability to exploitation; and

f) providing effective remedies to all migrant workers in cases of rights violation, and creating accessible channels through which migrant workers can lodge complaints against abusive practices and fraud.

Migration can affect development and growth through three mechanisms: changes in labour supply; changes in productivity; and migrants’ remittances. For a labour-sending country, positive outcomes of successful deployment of workers include remittances, skills acquisition, lower unemployment, strong national foreign currency reserves, and poverty reduction.

Policy challenges regarding labour migration for development include (1) mainstreaming labour migration issues in national development plans and in the country decent work programme, (2) establishing a recognition system for skills gained from abroad, (3) promoting the productive use of migrant workers’ remittances, and (4) providing return and reintegration services.

The key policy recommendations are these:

a) mainstreaming labour migration in both the national strategic development plan and the national employment policy;

b) strengthening public and private employment services for counselling and matching demand for skilled labour and returned migrant workers;

c) negotiating with the labour-receiving country the coordinated registration for returned/repatriated migrant workers at border points to facilitate their readmission (overland and by air);

d) reducing costs of remittance transfers, and facilitating access to financial services; and

e) promoting the acquisition of new skills abroad and minimizing brain drain in key economic sectors.
Labour migration policy for Cambodia

1. Introduction

This policy paper focuses on cross-border movement of Cambodia migrant workers to other countries. The paper analyzes the economic structure, growth, employment trends, demographic transition, cross-border migration for employment, and gender dimension of labour migration. It further reviews the legal and institutional framework governing labour migration. The paper describes the main policy challenges confronting the Royal Government of Cambodia, and categorizes the labour migration issues and policies according to three key components: the governance of labour migration; the protection and empowerment of migrant workers; and the harnessing of labour migration and development. Finally, the paper outlines, under each component, the main strategic areas, policy options, and action plans. This policy paper has been prepared and adopted through a participatory approach that included a series of consultative dialogues comprising the concerned government agencies, workers’ and employers’ organizations, NGOs, and CSOs in Cambodia.

Labour migration provides opportunities for many families and individual workers to improve their economic well-being. But the Government should not perceive labour migration as the only avenue for sustained economic development and poverty reduction, and it should ensure that its nationals are migrating for employment out of choice rather than necessity. Most importantly, it needs to adopt a balanced approach in promoting both domestic and foreign employment, ensuring policy coherence in the management of cross-border movement of labour and in the pursuit of long-term national economic and social development goals. Hence, labour migration should be part of national strategies and plans for poverty reduction (National Rectangular Strategy), where donors and the Government can enter into dialogue regarding measures to promote positive development outcomes of migration while limiting possible negative impacts.

2. Overview: Economic growth and employment trends

Cambodia’s economy has enjoyed sustained growth for the period 1994-2004, averaging 7 per cent annually. Between 2004 and 2007, the country achieved an even more remarkable annual growth of 11 per cent. In 2008, as the global economic crisis began taking its toll on Cambodia, estimated growth slowed to 6 per cent. Overall, however, favourable growth helped maintain and provide jobs for about 6.9 million workers. In 2008, contributions to total output in the agricultural, industrial, and service sectors were 32, 24 and 38 per cent, respectively. In 2008, the share of total employment in the agricultural, services and industrial sectors was 53, 31 and 16 per cent, respectively.

Creating jobs and employment are the principal routes out of poverty. According to the ILO, the most effective tool for poverty reduction is the provision of decent work, which leads to equitable, inclusive, and sustainable development. Decent work is defined as productive work, available to both men and women, in conditions of freedom, equity, security, and human dignity. To achieve the decent work agenda, a country needs to promote economic growth, investment, and entrepreneurship to produce quality jobs and employment.

Economic growth in Cambodia has been too narrowly based, however, relying mainly on a few industries, largely garments and footwear, that have together accounted for 18 per cent of total output. Construction’s share of total output averaged 7 per cent, while that of services averaged 40 per cent, of which tourism contributed about 4 per cent. The industry and services sectors accounted for the bulk of GDP growth over the last decade. The World Bank (2009)

1 The shares do not add up to 100 per cent because the tax on products less subsidies, which accounted for about 5 per cent of GDP, was not included.
estimates that, during the growth period, the agricultural sector created jobs for about 80,000 workers annually, whereas the industrial and services sectors each generated jobs for about 100,000 workers per year. But the global economic crisis is likely to dent prospects for economic growth and employment in Cambodia, possibly resulting in a dramatic increase in the number of unemployed, the working poor, and those in vulnerable employment.

In 2009 and 2010, as its economic prospects have been overshadowed by the global economic crisis, estimated annual growth in Cambodia has been only 2.5 and 4 per cent, respectively (ADB, 2009). The agricultural sector, which is expected to expand by 4 per cent in 2009, could be the saviour of overall growth and a source of employment for retrenched or redundant workers. An ILO study (2008) found agriculture was the most absorbent of additional workers, with a 1.025 employment elasticity of growth between 1998 and 2004. This suggests that every per cent increase in agricultural output generates an equal per cent increase in employment in the sector.

While fallout from the global financial crisis is expected to linger over the next few years, Cambodia should be able to resume its favourable growth over the medium term, achieving an annual average growth of 6-7 per cent. Diversification of the key economic sectors, particularly the industrial sector, will be the key to sustaining through the next decade. In the past, economic growth has helped to reduce poverty in both cities and countryside. Rural poverty has declined from 43 per cent in 1994 to 34 per cent in 2004, but the larger reduction has been in urban poverty, which fell from 37 per cent in 1994 to 21 per cent in 2004. It is still largely those in rural areas who live under the food poverty line.

Economic growth, however, has been accompanied by widening inequality, notably in rural areas. Unequal initial endowment of resources and property might be responsible, where some are much more able than others to avail themselves of opportunities related to economic growth. For example, those who have a chance to migrate to the capital city or abroad, and can afford the move, are likely to earn more and consume more than those who stay in their villages working on the farm, where they are at the mercy of weather and prevailing crop prices.

Robust economic growth in the past has not brought equivalent employment growth. Economic growth averaged 6.8 per cent between 1994 and 2004, but employment grew at an average of only 3.3 per cent. The figures are even more disappointing for the 2005–2007 period, when GDP growth averaged 10.5 per cent yet generated employment growth of only 2 per cent. The relative proportion of output and employment growth translates as the employment elasticity of growth, indicating how successfully the economy is creating jobs. Table 1 (below) provides estimated employment elasticity of growth in Cambodia for the period 1994-2007 and for the projected medium term. In the medium term, every 1 per cent growth in output is expected to generate only a 0.428 per cent growth in employment. In other words, assuming nothing changes, even a relatively high growth rate is not expected to generate many more jobs for Cambodian workers.

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2 “Sustaining rapid growth in a challenging environment: Cambodia Country Economic Memorandum” (World Bank, 2009) p. 44.
3 Based on a household expenditure survey and using a poverty line comprising “essential” food and non-food items.
Table 1: Employment elasticity of output growth

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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Aggregate output growth</td>
<td>6.8</td>
<td>7.1</td>
<td>10.5</td>
<td>7</td>
</tr>
<tr>
<td>Aggregate employment growth</td>
<td>3.3</td>
<td>3.4</td>
<td>2.0</td>
<td>3</td>
</tr>
<tr>
<td>Aggregate elasticity</td>
<td>0.485</td>
<td>0.479</td>
<td>0.190</td>
<td>0.428</td>
</tr>
</tbody>
</table>

*Assuming medium-term GDP growth of 7 per cent and employment of 3 per cent per annum.

Source: Promotion of employment in Cambodia: Analysis and options (Bangkok, ILO, 2007).

The 2008 population census shows 72 per cent of employed persons engaged in the agriculture, forestry, and fishing sectors, followed by trading and vehicle repair (8 per cent), manufacturing (6 per cent), and public administration (3 per cent). Except in public administration, women workers were found to dominate men workers in the agricultural sector, accounting for 75 per cent, followed by trading and vehicle repair (10 per cent), and manufacturing (8 per cent). Because Cambodia’s economy is characterized by the narrowly based manufacturing, the informal sector has assumed a very prominent role, with the majority of Cambodians depending on it for employment. According to the 2008 census, only 17 per cent of employed Cambodians were paid employees. Paid employment was significantly higher in the cities, at 52 per cent, against 9 per cent in rural areas.

Most of the workforce were engaged in own-account work (39 per cent) and unpaid family work (43 per cent). Among female workers, 61 per cent were in unpaid family work, whereas the equivalent figure for male workers was only 25 per cent. In urban areas, own-account workers and unpaid family workers accounted for 33 and 15 per cent, compared with 40 per cent and 50 per cent, respectively, in rural areas. Women tended to have less access to the labour market in urban areas, with 21 per cent of them unpaid family workers, compared with 8 per cent of men. This is also true for the rural areas. If informal-sector employment is defined as own-account and unpaid family work, then it accounts for 83 per cent of total employment in Cambodia, a slight decrease from 87 per cent in 1998.

The informal sector is commonly believed to provide relatively low earnings and to expose workers to much exploitation. The extent of the informal sector provides an indicator of economic and labour-market underdevelopment. Thus promoting broad-based industries in Cambodia would provide an important avenue for creating more jobs for wage earners.

Unemployment levels provide another measure of labour-market performance in Cambodia. Survey reports in 2000, 2001, and 2004, showed rather low unemployment rates (2.5, 1.8, and 0.8, respectively), as did the 2008 census (1.7 per cent). Among the unemployed, female workers were predictably harder hit, with an unemployment rate of about 1.8 per cent compared with 1.5 per cent among men. The low unemployment rate may be attributable to the fact that no one in Cambodia can afford to live without a job. The 2008 census showed that 52 per cent of the employed population also engaged in some kind of secondary activities. These included the population aged between 5 and 14 years. A slightly greater number of female workers were engaged in secondary activities, however — 53 per cent, compared with 52 per cent among men. Most were employed in unpaid livestock farming (26 per cent), followed by unpaid crop farming (16 per cent).

Attention has recently focused on the ability of youth to find decent employment, especially after they have completed compulsory education. The Cambodia Socio-economic Survey of 2004 indicates that unemployment rates among various age-groups, using the standard definition, did not appear to be a major problem, hovering as they did at around 2 per
cent. Under a broader definition\(^4\), however, unemployment rates among the youth population seemed relatively alarming. Those aged 15 to 24 had an unemployment rate between 7 and 8 per cent. It was even higher among females in this age group, running between 8 and 9 per cent. The 2008 census showed that youth unemployment stood at 3 per cent, under the conventional definition. Youth unemployment was a more serious problem in urban areas (8 per cent) than in rural areas (2 per cent). Skills mismatches are prevalent, and many of the youth are not qualified to fill the jobs that are available.

3. Demographic pressure

According to the 2008 census, the total population in Cambodia was 13.4 million, comprising 6.5 million males (49 per cent) and 6.9 million females (51 per cent). With an annual population growth rate of 1.54 per cent and an estimated total fertility rate of 3.1 between 1998 and 2008, Cambodia's population is projected to reach 19 million by 2020. Both the annual growth rate of the population and the fertility rate are higher than the average for Southeast Asia (1.2 per cent and 2.2, respectively). At 61.2 per cent, Cambodia’s dependency ratio — the number of persons 15 years of age plus the number of persons aged 65 years or over per 100 persons aged 15 to 64 years — is also higher than the average for Southeast Asia of 50 per cent. Cambodia’s population has a large proportion of young; according to the 2008 census, those younger than 15 years of age comprised 34 per cent. A large number of young people are currently entering the labour force as a result of a baby boom in the mid- to late-1980s. The Government needs to respond to the challenge posed by the increasing number of youth seeking jobs.

Table 2: Population by age and sex in Cambodia, years 1998, 2010, and 2020 (projection)

<table>
<thead>
<tr>
<th>Age</th>
<th>1998</th>
<th>2010</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
</tr>
<tr>
<td>15-19</td>
<td>680,226</td>
<td>226,696</td>
<td>906,922</td>
</tr>
<tr>
<td>20-24</td>
<td>362,652</td>
<td>401,044</td>
<td>763,696</td>
</tr>
<tr>
<td>15-24</td>
<td>1,042,878</td>
<td>1,097,544</td>
<td>2,149,422</td>
</tr>
</tbody>
</table>

Source: National Institute of Statistics, the recommended population projection.

The 2008 census recorded the youth population at 2.8 million. Table 2 (above) presents a projection of Cambodia’s young population from 2010 to 2020. In 2010, the total number of youth is expected to reach 3.5 million, increasing at an annual growth rate of 4.3 per cent. Projected estimates for 2010 are 30 per cent of the population aged 10+ years and 35 per cent of the population aged 15+ years. The Government faces the challenge of equipping them with marketable skills, facilitating their mobility, and providing them with job-matching services. As we have seen, youth unemployment looms large in Cambodia. It is unlikely that the main engines of growth at present — garments, construction, and tourism — will be able to absorb the estimated 250,000 young job seekers entering the labour market annually over the next few years. Critical additional measures include boosting the level of economic growth, diversifying economic activities, and promoting domestic and foreign investment.

A rising population and need for jobs are closely interrelated. The 1980s baby boom is emerging now as a surge of young people entering the labour force. Even if population growth rates have declined recently, labour-force growth will not, and the economy has an uncertain capacity to generate sufficient jobs quickly enough. Figure 1 (below) shows the estimated percentage increase in labour force between 2007 and 2015. Cambodia’s projected labour force will grow by 22 per cent between 2007 and 2015, the second-highest rate among ASEAN

\(^4\) The broader definition of unemployment includes those who are not working but available for work, while the conventional (strict) definition counts only those actively seeking employment.
countries, next to Lao PDR, with the projected average ASEAN labour-force expansion at 14 per cent. In addition, the 2008 census indicated an increase in labour-force participation rate or economic activity rate from 55 per cent in 1998 to 62 per cent in 2009.

**Figure 1: Projected labour force growth in ASEAN, 2007-2015 (%)**

![Graph showing projected labour force growth in ASEAN, 2007-2015 (%)](image)


Figure 2 shows projected population pyramids for 2010 and 2020, illustrating the extent of demographic pressure and the need for the Government to create decent jobs for youth entering the labour force every year. High population growth would clearly interfere with Cambodia's efforts to achieve its poverty reduction targets and to sustain economic development. A larger population also means a greater need for food and public services such as education and health care. In summary, the demographic transition in Cambodia indicates that, while the fertility rate is declining to 3.1, it remains higher than in other ASEAN countries. Over the last decade, age dependency ratios have also declined, from 86 per cent in 1998 to 61 per cent in 2009. As a result, a growing number among the young population are moving toward the “intermediate age”, when they join the labour force in search of decent employment, especially in the formal sector.
Figure 2: Population pyramids, 2010 and 2020

Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>75+</td>
<td>0.3</td>
<td>0.9</td>
</tr>
<tr>
<td>70-74</td>
<td>0.4</td>
<td>0.6</td>
</tr>
<tr>
<td>65-69</td>
<td>0.6</td>
<td>0.8</td>
</tr>
<tr>
<td>60-64</td>
<td>0.8</td>
<td>1.2</td>
</tr>
<tr>
<td>55-59</td>
<td>1.0</td>
<td>1.6</td>
</tr>
<tr>
<td>50-54</td>
<td>1.5</td>
<td>2.0</td>
</tr>
<tr>
<td>45-49</td>
<td>2.5</td>
<td>2.4</td>
</tr>
<tr>
<td>40-44</td>
<td>2.5</td>
<td>2.8</td>
</tr>
<tr>
<td>35-39</td>
<td>2.4</td>
<td>2.7</td>
</tr>
<tr>
<td>30-34</td>
<td>2.8</td>
<td>3.1</td>
</tr>
<tr>
<td>25-29</td>
<td>4.8</td>
<td>4.9</td>
</tr>
<tr>
<td>20-24</td>
<td>5.4</td>
<td>5.4</td>
</tr>
<tr>
<td>15-19</td>
<td>6.2</td>
<td>6.0</td>
</tr>
<tr>
<td>10-14</td>
<td>5.5</td>
<td>5.3</td>
</tr>
<tr>
<td>5-9</td>
<td>5.8</td>
<td>5.3</td>
</tr>
<tr>
<td>0-4</td>
<td>6.4</td>
<td>6.2</td>
</tr>
</tbody>
</table>

2010

Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>75+</td>
<td>0.4</td>
<td>1.1</td>
</tr>
<tr>
<td>70-74</td>
<td>0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>65-69</td>
<td>0.7</td>
<td>1.1</td>
</tr>
<tr>
<td>60-64</td>
<td>1.0</td>
<td>1.5</td>
</tr>
<tr>
<td>55-59</td>
<td>1.5</td>
<td>1.8</td>
</tr>
<tr>
<td>50-54</td>
<td>1.9</td>
<td>2.2</td>
</tr>
<tr>
<td>45-49</td>
<td>1.8</td>
<td>2.7</td>
</tr>
<tr>
<td>40-44</td>
<td>2.2</td>
<td>2.5</td>
</tr>
<tr>
<td>35-39</td>
<td>3.8</td>
<td>3.9</td>
</tr>
<tr>
<td>30-34</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>25-29</td>
<td>4.8</td>
<td>4.3</td>
</tr>
<tr>
<td>20-24</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>15-19</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>10-14</td>
<td>5.1</td>
<td>4.9</td>
</tr>
<tr>
<td>5-9</td>
<td>5.8</td>
<td>5.5</td>
</tr>
<tr>
<td>0-4</td>
<td>6.2</td>
<td>5.9</td>
</tr>
</tbody>
</table>

2020

4. Labour migration: Current situation

The Government perceives labour migration as one avenue for promoting employment and reducing poverty among its workforce. It has yet to establish the necessary concrete enabling policy, however. The National Rectangular Strategy and the Strategic Plan of the Ministry of Labour and Vocational Training (MOLVT) 2006-10 place strong emphasis on domestic employment promotion. The Rectangular Strategy mentions the development of the private sector and the promotion of small and medium enterprises (SMEs) in creating jobs and ensuring improved working conditions. In addition, the MOLVT plans to establish a national agency for professions and employment, as well as employment centres in provinces/municipalities as mechanisms for dissemination of labour market information.

4.1 National labour migration strategy

In the Strategic Plan 2006-10, the Ministry of Labour and Vocational Training set out a mission statement stressing its role in contributing to economic growth, equity, and improved living conditions among the Cambodian people. The Ministry has adopted four strategic areas: promotion of local and foreign employment; improvement in rights at work and better working conditions; creation of a national social security system; and development of technical and vocational skills for local and foreign labour markets.

Since economic growth and employment in Cambodia have been narrowly concentrated in the agricultural, garment, construction, and tourism sectors, the promotion of foreign employment through private and public employment services has been a cornerstone for the alleviation of unemployment, income enhancement, and poverty reduction. Thus, the Strategic Plan highlights the following measures: improved management of foreign employment, expanded protection of migrant workers, strong inter-ministerial coordination, and intimate international cooperation.

Apart from the Rectangular Strategy and the Strategic Plan, the ILO Decent Work Country Programme, under labour governance and rights, also emphasizes that a well-managed labour migration policy and a sound regulation framework can provide effective means for employment promotion, reduction of labour exploitation, and prevention of trafficking of women and children.

4.2 Labour migration trends and remittances

Many Cambodian workers see employment in foreign countries as a means of moving out of poverty and, in past years, many workers have migrated for jobs abroad. Increased demand for low-skilled workers in international labour markets such as those in Thailand and Malaysia has presented a strong pull factor for the unemployed and underemployed. A growing number recruited through both official channels and informal social networks are attracted by the higher income that may typically be realized in working abroad — this, despite concomitant dangers of exploitation and human trafficking.

In May 2003, the Royal Governments of Cambodia and Thailand signed a Memorandum of Understanding on Cooperation in the Employment of Workers. The MOU called for the legal and organized deployment of Cambodian workers to Thailand. Specifically, it aimed to establish (i) a bilateral administrative process that provides for a well-structured employment procedure; (ii) a mechanism for return or repatriation of migrant workers; (iii) guidelines for labour protection; and (iv) a mechanism for prevention of and intervention against irregular migration.

The ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers endorsed by the Heads of State in January 2007 in Cebu, the Philippines, called on both labour-sending and labour-receiving countries to promote “the full potential and dignity of
migrant workers in a climate of freedom, equity, and stability in accordance with the laws, regulations, and policies of the respective ASEAN Member Countries. And, apart from the out-migration of migrant workers, its vibrant economic growth has made Cambodia itself a receiving country of migrant workers from Viet Nam and the People’s Republic of China.

Table 3: Cambodian migrant workers by destination by gender

<table>
<thead>
<tr>
<th>Year</th>
<th>Malaysia</th>
<th>Korea</th>
<th>Thailand*</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>M</td>
<td>F</td>
<td>Total</td>
</tr>
<tr>
<td>1998</td>
<td>120</td>
<td>0</td>
<td>120</td>
<td>..</td>
</tr>
<tr>
<td>1999</td>
<td>86</td>
<td>0</td>
<td>86</td>
<td>..</td>
</tr>
<tr>
<td>2000</td>
<td>502</td>
<td>307</td>
<td>195</td>
<td>..</td>
</tr>
<tr>
<td>2001</td>
<td>846</td>
<td>342</td>
<td>504</td>
<td>..</td>
</tr>
<tr>
<td>2002</td>
<td>1,049</td>
<td>246</td>
<td>803</td>
<td>..</td>
</tr>
<tr>
<td>2003</td>
<td>573</td>
<td>73</td>
<td>500</td>
<td>756</td>
</tr>
<tr>
<td>2004</td>
<td>809</td>
<td>105</td>
<td>704</td>
<td>674</td>
</tr>
<tr>
<td>2005</td>
<td>1,776</td>
<td>467</td>
<td>1,309</td>
<td>468</td>
</tr>
<tr>
<td>2006</td>
<td>1,690</td>
<td>231</td>
<td>1,459</td>
<td>1,501</td>
</tr>
<tr>
<td>2007</td>
<td>3,219</td>
<td>174</td>
<td>3,045</td>
<td>584</td>
</tr>
<tr>
<td>2008</td>
<td>2,654</td>
<td>53</td>
<td>2,601</td>
<td>n/a</td>
</tr>
<tr>
<td>Total</td>
<td>13,324</td>
<td>1,998</td>
<td>11,326</td>
<td>3,983</td>
</tr>
</tbody>
</table>

Source: Ministry of Labour and Vocational Training, Cambodia, 2009.

Next to the Burmese, Cambodian migrant workers in Thailand constitute the second-largest group of foreign workers in the country. Following the regularization programme introduced by the Thai Government in 2004, 110,025 Cambodian migrant workers obtained work permits for supposedly temporary jobs in Thailand, with many undergoing nationality verification to convert their status from quasi-legal to legal migrants. Nevertheless, official deployment of migrant workers to Thailand, as well as to other major labour-receiving countries, has been recently declining. This may signal the problems inherent in the labour migration process, including the economic downturn that has reduced demand for foreign workers in destination countries (Table 3).

Aside from bringing back their skills and experience, migrant workers also send home remittances. Remittances increase the purchasing power of households, enabling them to spend on daily consumption, health, education, and debt servicing while also saving more. Remittances raise standards of living among recipient households and contribute to poverty reduction. According to a World Bank estimate, remittances and compensation of Cambodian employees from working abroad (see Table 4) have been rising from US$177 million in 2004 to $325 million, or about 3.4 per cent of GDP ($9.57 billion), in 2008. An ILO study of migrant workers’ remittances in late 2007 indicated Cambodian migrant workers in Thailand sent cash remittances of about 833 baht per month (less than those sent home by Myanmar and Lao PDR nationals). Cambodian migrant workers in Thailand sent home estimated cash remittances of about 1.5 billion baht in 2008 ($45 million). Most remittances were spent on daily expenses, health care, and household appliances. Forty per cent of Cambodia migrant workers in Thailand reported that remittances were the main sources of income for their family. At the same time,

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remittances sometimes encourage family members in Cambodia to stop working, thus leaving households more dependent on migration.

**Table 4: Workers’ Remittance, compensation of employees and migrant transfers**

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remittances</td>
<td>133</td>
<td>140</td>
<td>138</td>
<td>177</td>
<td>200</td>
<td>297</td>
<td>353</td>
<td>325</td>
</tr>
</tbody>
</table>

Source: World Bank

### 4.3 International labour migration: Gender dimension

Participation of women in international migration is preceded by the migration of young and single women from rural to urban areas. Given gender-based discrimination and women’s typically low skills and education, women are typically more vulnerable than men to abuse and exploitation. At the same time globalization, labour market imbalances between countries, and improved and affordable transportation and communications together have opened up opportunities for women to better their own and their families’ livelihood by moving beyond their national boundary. Cross-border migration is fraught with many dangers, however, not only for the women migrants, but also for the families they leave behind. Care of children and elderly parents is sometimes sacrificed, for example. Married migrant women are sometimes obliged to send money home to establish a family business to be run by her husband or other family members. Many single women have to deal with parents’ objections to their decision to migrate, leading to family tensions.

On the other hand, labour migration does supply opportunities to earn income and gain respect from the family, especially as breadwinners. In the Mekong Sub-region, women migrant workers account for almost half of total migration. Changing labour needs and accelerated industrialization in East and Southeast Asia create more demand for women migrant workers, especially as domestic workers. The share of women migrant workers in the region working in the manufacturing sector is also increasing.

Cambodian women workers have been deployed abroad legally and irregularly as domestic helpers, factory workers, labourers, entertainers, and food-processing workers. Women accounted for 85 per cent of total deployment to Malaysia between 1998 and 2008, while in Thailand they comprised 47 per cent of the total number between 2006 and 2008. In Malaysia, Cambodian women migrant workers are employed mostly as domestic helpers, but they also work in factories, grocery shops, plantations, and construction.

In Thailand, they are largely employed in aquatic product processing, seasonal farming, and domestic work. A growing number are being employed in the manufacturing sector. Among problems commonly faced by Cambodian migrant workers are withholding of travel documents, delayed payment or underpayment of wages, harsh working conditions (long work hours, unhygienic working environment, extreme temperatures, both too hot and too cold), lack of freedom of movement and communication, confinement in factories or employers’ premises, limited access to health services, harassment by the security authorities, and sexual harassment.

Table 5 shows the sectors in Thailand where registered migrant workers from Cambodia were employed in 2008. Among female migrant workers, 18 per cent worked in the agricultural sector, 17 per cent were in household domestic work, and 14 per cent were in construction. The table also shows that the sectors dominated by female workers are domestic help (78 per cent) and making bricks (56 per cent). Cambodian workers working in the latter sector was a small proportion (19 workers). Overall, the share of Cambodian women migrant workers was 41 per
cent compared with 59 per cent for men. It should be noted that a sizable number of both male and female Cambodian migrant workers fall into the “others” category.

Table 5: Registered Cambodian migrant workers in Thailand, 2008

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>Female in sector as % of total females</th>
<th>Male (% of total in sector)</th>
<th>Female (% of total in sector)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishing</td>
<td>1 581</td>
<td>1 279</td>
<td>302</td>
<td>6.03</td>
<td>80.90</td>
<td>19.10</td>
</tr>
<tr>
<td>Fishery related</td>
<td>995</td>
<td>525</td>
<td>470</td>
<td>9.38</td>
<td>52.76</td>
<td>47.24</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2 181</td>
<td>1 305</td>
<td>876</td>
<td>17.48</td>
<td>59.83</td>
<td>40.17</td>
</tr>
<tr>
<td>Rice mill</td>
<td>34</td>
<td>27</td>
<td>7</td>
<td>0.14</td>
<td>79.41</td>
<td>20.59</td>
</tr>
<tr>
<td>Brick kiln</td>
<td>34</td>
<td>15</td>
<td>19</td>
<td>0.38</td>
<td>44.12</td>
<td>55.88</td>
</tr>
<tr>
<td>Ice factory</td>
<td>122</td>
<td>89</td>
<td>33</td>
<td>0.66</td>
<td>72.95</td>
<td>27.05</td>
</tr>
<tr>
<td>Transport</td>
<td>44</td>
<td>32</td>
<td>12</td>
<td>0.24</td>
<td>72.73</td>
<td>27.27</td>
</tr>
<tr>
<td>Construction</td>
<td>1 952</td>
<td>1 255</td>
<td>697</td>
<td>13.91</td>
<td>64.29</td>
<td>35.71</td>
</tr>
<tr>
<td>Mining</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>0.02</td>
<td>50.00</td>
<td>50.00</td>
</tr>
<tr>
<td>Domestic work</td>
<td>1 082</td>
<td>242</td>
<td>840</td>
<td>16.76</td>
<td>22.37</td>
<td>77.63</td>
</tr>
<tr>
<td>Others</td>
<td>4 067</td>
<td>2 313</td>
<td>1 754</td>
<td>35.00</td>
<td>56.87</td>
<td>43.13</td>
</tr>
<tr>
<td>Total</td>
<td>12 094</td>
<td>7 083</td>
<td>5 011</td>
<td>100.00</td>
<td>58.57</td>
<td>41.43</td>
</tr>
</tbody>
</table>


Currently, concerns are growing about unreported work-related injuries, fatalities and disabilities incurred by both men and women migrant workers. Few migrant workers are covered by national social security scheme or workmen compensation funds in the host countries, and they tend to receive very limited compensation from employers for workplace fatalities and injuries. Worse still, the use of chemicals in the agricultural sector and in plantations causes long-term damage to the health of women migrant workers, with symptoms often becoming apparent only after they return home, thus denying them the opportunity to claim compensation.

In Cambodia, the official minimum age for work abroad is 18 years (Sub-decree No. 57, Article 3), but some under-aged girls and boys have been illegally recruited for work abroad. Most women migrants have little formal education and knowledge of foreign languages. Their limited ability to make themselves understood by their employers has been a major source of frustration and isolation for some of the women, especially those working as domestic workers. Domestic workers tend to work in private homes and are dependent on their employers for shelter, food, and other support. With limited knowledge of the local language and limited protection under the labour law, they have little or no recourse in making claims regarding their legitimate rights at work.

Women’s migration for employment has generated concern about the well-being, including the stability, of the families left behind. What was originally intended to be temporary migration often becomes permanent migration after multiple contract extensions and delays in returning home. The tendency to re-migrate among women migrant workers and over-dependence on migration are common phenomena in many countries.

5. Policy challenges and key issues in labour migration

Given demographic pressures and insufficient quality domestic employment, labour migration policy in Cambodia should focus on promoting foreign employment for its nationals based on well-informed choice. While the Government does not perceive foreign employment as the only means of economic development and poverty reduction, it will facilitate migration for
employment, while equipping women and men migrant workers with basic technical and language skills to reduce the risk of labour exploitation and trafficking.

Labour migration is a cross-cutting issue, inter-connected with a range of other policies that often lie outside the control of the Ministry of Labour and Vocational Training. An ILO study of labour migration policy in Cambodia, published in 2008, and a series of stakeholder consultations have identified the key policy challenges for the government regarding international labour migration:

a) formulating a comprehensive legal and institutional framework governing labour emigration from Cambodia, i.e. replacing the ambiguous sub-decrees or regulations pertaining to labour migration;

b) mainstreaming the labour migration agenda within the national development agenda, especially in the Rectangular Strategy;

c) reviewing the effectiveness and costs of the legal labour-migration process;

d) examining the high incidence of Cambodian migrant workers who run away from employers and return prematurely to Cambodia;

e) disseminating details regarding the labour migration process, including the positive and negative effects of migration for the prospective migrant workers and their families, thereby assisting them making informed migration decisions;

f) entering into bilateral agreements/cooperation with other major labour-receiving countries to create a wider and more diversified foreign labour market for Cambodian migrant workers;

g) negotiating a standard employment contract with labour-receiving countries;

h) providing skills training and skill certification for migrant workers prior to deployment abroad;

i) institutionalizing pre-employment awareness-raising and pre-departure training, including occupational safety and health and financial literacy;

j) extending protection to migrant workers by posting labour attachés in major destination countries;

k) establishing a welfare fund or special insurance scheme for migrant workers to cope with contingencies;

l) promoting access to financial services by migrant workers and their families and supporting the productive investment/use of remittances; and

m) setting up systems for registration, reintegration, and skills accreditation for returning migrant workers.

These policy challenges can be categorized according to three components: governance of labour migration; protection and empowerment of migrant workers; and harnessing migration for development. The following sections discuss the key policy areas under each component, and present a matrix that elaborates strategic areas, policy options, and an action plan for the stakeholders in Cambodia.

5.1 Governance of labour migration

Governance of labour migration includes issues relating to national labour migration policies and programmes, laws and norms, inter-state agreements, and multilateral processes. It also includes international and national institutional frameworks regarding labour migration. Migration governance acknowledges the involvement of a diverse range of stakeholders, and
takes into account complexities, policy paradoxes, and the longer-term consequences of movements of people. The direct effect of governance on migration reflects the reaction of potential migrants and the public to the quality of government administration and political commitment of the government in the country of origin. Good governance of labour migration refers to coherent labour-migration management within legal, policy, and institutional frameworks. The institutional framework includes the government agencies and institutions involved directly or indirectly in labour migration management. These institutions are responsible for crafting the legal, regulatory, and policy framework for governing the labour migration process. One important means of improving governance is social dialogue between different government agencies, the social partners’ organizations, and civil society. Hence, labour migration governance is not the sole responsibility of government institutions. Private-sector organizations, trade unions, civil society, and local communities can also be powerful social forces in shaping the different aspects of the labour migration process, and thus its governance.

5.1.1 International instruments

Cambodia ratified all eight core ILO Conventions: the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); Right to Organise and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); Equal Remuneration Convention, 1951 (No. 100); Discrimination (Employment and Occupation) Convention, 1958 (No. 111); Minimum Age Convention, 1973 (No. 138); and Worst Forms of Child Labour Convention, 1999 (No. 182).

Cambodia is also a signatory to the UN Convention on the Protection of All Migrant Workers and Members of Their Families, one of the most significant Conventions relating to labour migration. It is unclear, however, what the obligations of the Government are upon signing the UN Convention.

The Committee on the Elimination of Discrimination against Women (CEDAW) reaffirmed that migrant women, like all women, should not be discriminated against in any sphere of their life. The Committee issued General Recommendation No. 26 (December 2008) on women migrant workers, which describes the obligations of States parties to respect, protect, and fulfill the human rights of women migrant workers, alongside the legal obligations contained in other treaties, the commitments made under the plans of action of world conferences, and the important work of migration-focused treaty bodies, especially the Committee on the Protection of the Rights of All Migrant Workers and Members of their Families.

Cambodia has not yet ratified ILO Conventions No. 97, concerning migration for employment (1949), and No. 143, concerning migrations in abusive conditions and the promotion of equality of opportunity and treatment of migrant workers (1975).

The Government was a signatory to the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers, adopted by the Heads of State on 13 January 2007, in Cebu, the Philippines.

5.1.2 National legal and regulatory framework

The national legal and regulatory framework governing labour migration in Cambodia is sporadic and limited. Sub-decree 57 on Sending Khmer Migrants to Work Abroad, issued in 1995, is the primary legal framework that aims to regulate the deployment of Cambodian workers abroad. The sub-decree recognized the lack of employment opportunities in the domestic market and the need to improve living standards through income generation and skills acquired by workers from overseas migration.
Prakas 108,\textsuperscript{6} issued in May 2006, on Education of HIV/AIDS, Safe Migration and Labour Rights for Cambodian Workers Abroad, aims to promote pre-departure training for migrant workers on health issues, safe migration, and labour rights to reduce their vulnerability to health problems.

Sub-decree 70, issued in July 2006, on the Creation of the Manpower Training and Overseas Sending Board (MTOSB), is designed specifically to regulate the sending of workers to the Republic of Korea. The MTOSB oversees the recruitment, training, and sending of workers to South Korea.

Prakas 012/2007 created a labour migration taskforce to formulate and implement policy and action plans, including the coordination of technical assistance in the area of labour migration.

Sub-decree 68/2009 regarding the cost of passports for migrant workers was issued in 2009, and formalized reduction of passport costs to US$20 and expediting passport issuance within 20 days.

5.1.3 Institutional framework

The General Department of Labour, Ministry of Labour and Vocational Training (MoLVT), is the primary body managing labour migration. The Department has five sub-departments: (i) labour inspections, (ii) labour disputes, (iii) employment and manpower, (iv) child labour, and (v) occupational health. The Department of Employment and Manpower is tasked with overseeing the administration of overseas employment. The Department is structured with six Bureaus responsible for (i) public relations, (ii) placement (domestic and foreign employment), (iii) alien control, (iv) alien management, (v) Khmer employee control, and (vi) employment and manpower statistics.

The Manpower Training and Overseas Sending Board (MTOSB) is a public employment agency tasked with recruiting, training, and sending workers to South Korea. It also comprises a special unit within the Ministry of Labour and Vocational Training facilitating government-to-government labour migration agreements.

Two Inter-ministerial Committees are also involved in labour migration issues. The Inter-Ministerial Working Group for the Implementation of the MOU with Thailand is a body formed to oversee the implementation of the employment MOU. The Inter-Ministerial Taskforce for Migration (IMTM) coordinates migration issues and provides recommendations to the Government.

The NGO community has established the Migration NGO Network (MNN), comprising 30 member organizations working on migration and human trafficking issues.

The Association of Cambodian Recruitment Agencies (ACRA), set up in 2008, promotes the orderly and safe migration of Cambodian migrant workers.

5.1.4 Policy challenges in migration governance

Policy challenges in migration governance include the development of a sound labour migration policy, a legal framework, and effective management of labour migration based on international instruments and social dialogue.

\textsuperscript{6} A prakas is a official notification issued by a Ministry.
5.1.5 Key policy areas

The weaknesses in the legal, regulatory and institutional framework of labour migration have contributed to incoherent policies and inconsistent practices in the labour migration process that have undermined, directly or through unintended consequences, the policies and programmes in other areas. The lack of effective migration governance has led to a large number of migrants venturing into irregular status. As these workers have no legal status in the host countries, their rights are subject to frequent abuse, putting them at the mercy of unscrupulous agents, employers, and officials. The key policy recommendations are these:

a) Strengthen the existing governmental agency to promote foreign employment and to protect the rights of migrant workers while at home and abroad. The Department of Employment and Manpower, which currently oversees migration management issues, is under-staffed and under-resourced, making it difficult to ensure the desirable outcomes of labour migration.

b) Consider the ratification of international instruments on labour migration, especially ILO Convention No. 97 on the Migration for Employment Convention (revised 1949) and Convention No. 143 on the Migrations in Abusive Conditions and the Promotion of Equality of Opportunity and Treatment of Migrant Workers Convention (1975).

c) Draft comprehensive legislation governing the labour migration process and the protection of migrant workers. Current administration of the labour migration process and regulations pertaining to recruitment and the protection of migrant workers are unable to cope with the complexities of prevailing cross-border migration situations.

d) Recognize the contributions of public and private recruitment agencies to the efficient functioning of the labour migration process. Vigorous oversight of recruitment and placement of workers for jobs abroad should be assigned to the specific government agency.

e) Strengthen private and public recruitment and placement services and the development of the foreign market for Cambodian workers. The Government should support the Association of Cambodian Recruitment Agencies in diversifying the foreign labour market, and in the recruitment of migrant workers.

f) Provide adequate protection for migrant workers by posting labour attachés in Cambodian Embassies, allocated them enough resources that they can perform their duties. The mandates of the diplomatic missions should be clearly defined to include protection during in-service and post-service periods, preparation for return and reintegration, and collection of labour market information.

g) Adopt the social dialogue approach and the involvement of multi-stakeholders, including the Government, employers’ and workers’ organizations, recruitment agencies, and civil society in the formulation of labour migration policy, programmes, and legislation.

h) Participate in multilateral debates and bilateral agreements or MOUs regarding employment with labour-receiving countries, aiming to formalize legal protection of migrant workers.

i) Promote the cross-border movement of skilled labour among ASEAN member States in the spirit of a single ASEAN community, set for the year 2015.

j) Review policy regarding mandatory cash deposits of US$100,000 (non-interest earning) by recruitment agencies. The ILO study of labour migration policy and institutions in Cambodia indicated that the deposit could be too high, raising the cost of doing business. It may also constitute an entry barrier for new recruiters.

k) Develop a comprehensive database on labour migration to monitor outflows and return migration.
5.2 Protection and empowerment of migrant workers

Migrant workers everywhere continue to report complaints, including non-payment or underpayment of wages, substitution of contracts upon arrival in the country of destination with much less favourable terms for wages and conditions of work, harassment by some government authorities, long work hours, confinement to the workplace, physical violence, sexual abuse, and problems of communication due to differences in language and culture. Those who enter through irregular channels or lose their legal status in foreign countries are more vulnerable to exploitation.

The foremost concern for all labour-sending Governments is to ensure the well-being of their migrant workers, especially women. They do this by ensuring that workers receive decent wages and other basic services, and are safe in their working environment. There is no perfect system for regulating labour migration. However, countries of origin have a range of policy strategies that can extend the scope and improve the efficiency of their regulatory mechanisms and support services. For a labour-sending country, protection of migrant workers has two elements: (1) protection of prospective migrant workers prior to departure, and (2) protection while they are abroad.

Migrant workers are vulnerable to exploitation within their home country and in countries of destination. With little economic alternative, and because of misinformation compounded by the complexity of migration processes in their home countries, many migrants have been venturing into irregular status. To protect prospective migrant workers from exploitative recruitment and abusive treatment, the Government needs to disseminate information about benefits and risks of migration at the pre-employment stage. Pre-employment information is fundamental to the migration decision. Distorted perceptions and insufficient information about the realities in receiving countries are prevalent, and underscore the importance of providing migrants with access to such information. Most migrant workers are unaware of the practical, legal, social, and economic consequences of migration to other countries. This lack of awareness puts migrants at risk and undermines orderly migration.

Protection of migrant workers against abuses and malpractice remains a high priority. Protection means the elimination of exploitation and the fostering of respect for basic human rights and the rights at work of all migrant workers. The most vulnerable categories of migrant worker are female domestic workers and entertainers, trafficked persons, and irregular migrant workers. In face of iniquities or mistreatment, migrant workers generally know little about what their rights are or how to assert them. Hence, the main obstacle to the protection of the rights of migrant workers is ignorance, which labour-sending countries can address by providing well-structured orientations before deployment.

To ensure well-informed migration, the Government needs to disseminate information on the migration process and to institutionalize pre-departure training. Pre-departure orientation should target migrant workers who have secured employment contracts, imparting practical knowledge about their future living and working environments. It should cover such topics as basic language skills, culture, financial management, health counselling, human rights awareness, and employment contracts.

5.2.1 Policy challenge on protection and empowerment

Policy challenges in the protection of migrant workers include the adoption of the rights-based approach to prevention of, and protection against, abusive migration practices; and the application and enforcement of national law and regulations in accordance with international labour standards and applicable regional instruments, including the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers, 2007.
Key policy areas

Cambodia ratified all eight ILO core Conventions, and signed but did not ratify the UN Convention on the Protection of All Migrant Workers and Members of Their Families. The Government is obliged to follow the spirit and the provisions of these international instruments, and thus should introduce policies and measures to protect the rights of Cambodian migrant workers at the different stages of the migration process. The key policy recommendations are these:

a) eliminate misleading propaganda and advertisement relating to labour migration;
b) establish resource centres in Phnom Penh and the provinces to provide information about the pre-employment labour migration process, including its risks and obligations;
c) set up one-stop recruitment and placement services in accordance with a standardized system of licensing and certification;
d) apply legislation and policies with effective enforcement mechanisms and sanctions to deter unethical recruitment practices, including provisions for the suspension or withdrawal of recruitment and placement licenses in case of violation;
e) institute measures to ensure that recruitment and placement services do not recruit, place, or employ workers in jobs that involve unacceptable hazards or unethical, abusive, or discriminatory treatment of any kind;
f) list placement fees and documentation costs chargeable to migrant workers;
g) offer incentives to recruitment and placement services that meet recognized criteria for good performance;
h) coordinate with labour-receiving countries in adopting standardized and enforceable employment contracts;
i) improve the labour market position of Cambodian migrant workers, upgrading skills through relevant vocational training to enhance employment opportunities and reduce vulnerability to exploitation;
j) promote recognition and accreditation of migrant workers’ skills and qualifications in receiving countries; where that is not possible, provide ways of having their skills and qualifications recognized before departure from Cambodia and after returning;
k) establish a system of protection, such as insurance or bonds paid by recruitment agencies, to compensate migrant workers for any monetary loss where a recruitment or contracting agency fails to meet its obligations;
l) prohibit the practice by receiving-country employers of retaining identity documents against the will of migrant workers;
m) apply effective sanctions against those responsible for violating migrant workers’ rights;
n) provide effective remedies to all migrant workers in cases of rights violations, and create effective, accessible channels through which migrant workers can lodge complaints regarding abusive practices and fraud, seeking remedy without discrimination, intimidation, or retaliation;
o) provide legal services, in accordance with national law and practice, to migrant workers involved in proceedings related to employment and migration; and
p) facilitate migrant workers’ departure and journey by providing—in a language they understand—information, training, and assistance prior to departure regarding their rights, terms of employment contract, and general living conditions in the destination country.
5.3 Harnessing labour migration for development

Migration and development are interconnected. Migration can be both a cause and a result of development, while underdevelopment, at least in the short term, can be either alleviated or exacerbated by migration. Migration can affect development and growth through three mechanisms: changes in labour supply; changes in productivity; and migrants’ remittances. For a labour-sending country, the positive outcomes of successful worker deployment include remittances, skills acquisition, lower unemployment, strong national foreign currency reserves, and poverty reduction. On the other hand, migration may preclude local development and perpetuate conditions of underdevelopment, where lucrative migration activities may drain migrant sending areas of labour and capital, crowding out local production of tradable goods.

Persistent migration improves information about employment opportunities in destination countries, and reduces the information gap and transaction costs related to migration. Reduced migration costs, in turn, encourage family or community members to join earlier migrants. Households also start using migration as a strategy to improve their livelihood, encouraging those left behind to start investing in the skills required to find work abroad.

Remittances affect countries of origin at both the household and national levels. Remittances increase the purchasing power of households, enabling them both to spend more on daily consumption, health, education, and debt servicing and to save more. Remittances raise the standard of living in recipient households and contribute to poverty reduction. For instance, in Cambodia over 35 per cent of remittances were reportedly spent on daily consumption. Only a small proportion was used by households in entrepreneurial activities. At the national level, remittances allow a country easier and cheaper access to funds that can be channelled to development purposes. On the other hand, remittances may also create moral hazards, for example allowing the Government to forego needed economic reform or, at the household level, discouraging participation in the local labour market among family members left behind. Migration, in general, may have other negative consequences, including brain drain and neglect of productive local activities such as agricultural production. National development plans and policies need to critically assess and address the overall impact of migration and remittances.

5.3.1 Policy challenge on migration and development

Policy challenges in labour migration and development include (1) mainstreaming labour migration issues within the national development agenda, especially in the national employment policy, the national development plan, and the country decent work programme; (2) establishing a system of recognition for skills gained from labour migration; (3) promoting the productive use of migrant worker remittances for community development; (4) providing worker return and reintegration services; and (5) establishing support linkages with the diaspora.

5.3.2 Key policy areas

Having been exposed to relatively more advanced economies, migrant workers have likely sharpened existing skills or acquired new ones beneficial to the home country upon their return and reintegration into the domestic labour market. These returned migrants can serve as a pool of human capital from which the country draws support for its infrastructure and industrial development. To reap this benefit, Cambodia needs a well-established employment service network to provide placement and counselling assistance to returned workers. The labour-receiving country can play a role by improving skill levels among migrant workers by providing pre-employment training and pre-repatriation skills development. Examples abound of returned migrant workers who fail to find jobs for which they have gained experience, and who are subsequently compelled to re-migrate.
Measures to ensure the full benefit of remittances in the home country include reducing transaction costs for sending remittances; offering matching resources/funds for community investment; creating special saving schemes; providing access to banking facilities (in home and host countries); linking microfinance institutions/saving programmes to remittances; and influencing the productive use of remittances. The key policy recommendations concerning migration and development are these:

a) mainstream labour migration in the national strategic development plan, the employment policy, and where feasible, in the community development plan;
b) promote and provide incentives for enterprise creation and development, including transnational business initiatives and micro-enterprise development by men and women migrant workers;
c) reduce costs of remittance transfers, facilitate access to financial services, provide tax incentives, and promote greater competition between financial institutions;
d) promote circular and return migration and systematic reintegration into the country of origin;
e) strengthen public and private employment services for counselling, and match demand for skilled labour and returned migrant workers;
f) negotiate coordinated registration for returned/repatriated migrant workers at border points to facilitate their readmission (overland and by air);
g) provide financial literacy training to migrants and their families at the pre-departure stage;
h) support the opening of bank accounts by migrant workers in Cambodia and in their destination countries to facilitate remittances.
i) facilitate migrant-worker transfer of capital, skills, and technology by providing them with incentives;
j) promote the acquisition of new skills abroad and the minimization of brain drain in key economic sectors; and
k) ensure that, while recognizing the contribution of Cambodian migrant workers to the economy, the Government does not promote foreign employment as the sole means of economic development and poverty reduction.
6. Policy matrix: Strategic areas, policy options and action plan

<table>
<thead>
<tr>
<th>Strategic areas</th>
<th>Policy options</th>
<th>Action plan</th>
<th>Responsible units</th>
<th>Short term (1-2 years)</th>
<th>Medium term (3-5 years)</th>
</tr>
</thead>
</table>
| Governance of labour migration | The State shall formulate the comprehensive legislation, strengthen the institutional framework, and negotiate the bilateral agreement/memorandum of understanding with reference to ILO Conventions Nos. 97 and 143, the principles and guidelines provided in the ILO multilateral framework on labour migration, and the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers, signed in January 2007, Cebu, the Philippines. The State shall vigorously participate in multilateral fora on migration and promote cooperation on foreign employment established through bilateral agreements. | - Consider ratification of ILO Conventions No. 97 and No. 143, and UN Convention on the Protection of All Migrant Workers and Members of Their Families.  
- Study and apply Conventions Nos. 97 and 143.  
- Translate and disseminate the ILO Multilateral Framework on Labour Migration.  
- Participate in multilateral and regional fora on labour migration, and in the preparation of the ASEAN instrument on the Protection and Promotion of the Rights of Migrant Workers.  
- Enter into bilateral agreements or Memoranda of Understanding with major labour-receiving countries to promote cooperation on foreign employment, especially to negotiate the signing of an MOU with Malaysia.  
- Review the content and propose revisions on the MOU on Employment Cooperation with Thailand. | MOLVT, MOFA&IC, OCOM  
MOLVT, MOJ  
MOLVT, MOWA, CNCW  
MOLVT, donor agencies  
MOLVT, MOFA&IC  
MOLVT, MOFA&IC  
MOLVT, MOFA&IC | ✓ | |
| Legislative/adaptive framework | The State shall formulate comprehensive legislation and regulations governing the management of the labour migration process, the protection of migrant workers, and the reintegration of Cambodian migrant workers. The State shall strengthen tripartism and involve ILO social partners and other civil society bodies in social dialogue preparing for legislation and regulations relating to labour migration. Currently, there is a national tripartite mechanism (the Labour Advisory Committees) tasked with reviewing labour issues. | • Study the weaknesses and gaps of the current legal framework and the related legislations in other countries. • Draft comprehensive legislation covering the mandates of organizations responsible for the administration of labour migration, and the regulation of recruitment, placement, protection and reintegration of Cambodian migrant workers. • Involve the tripartite constituents, private recruitment agencies, and civil society in the formulation of new legislation and regulations. • Conduct a study on the contents and identify the implications of the various legislations of major labour-sending countries in Southeast and South Asia. • Review the amount of guarantee cash deposit (US$100,000) placed by the recruitment agencies, and consider the appropriate amount and the deposit modality to reduce the cost of doing business. | MOLVT, MOJ, donor agencies | ✓ | MOLVT, MOFA&IC, MOI, OCOM, Parliament | ✓ |
| Institutiona framework | The State shall strengthen the existing unit in the General Department of Labour to supervise the management of foreign employment, with adequate provision of resources for its functioning. The State shall establish the position of labour attachés in key labour-receiving | • Strengthen the roles of the Department of Employment and Manpower and the Provincial Department of Labour with training, and provide adequate resources for management of labour migration. • Strengthen the inter-ministerial coordination committee on labour | MOLVT, donor agencies | ✓ | MOLVT, MOEF, ACRA, CAMFEBA | ✓ |
countries to promote foreign labour market and to protect the interests of Cambodian migrant workers.

The Inter-Ministerial Taskforce for Migration (IMTM) shall be strengthened and serve as a consultative body to ensure smooth coordination across the Ministries on issues relating to labour migration.

The State shall recognize the roles of private recruitment agencies in promoting foreign employment, protecting Cambodian migrant workers, and support them in the search for new foreign labour markets.

<table>
<thead>
<tr>
<th>Protection and empowerment of migrant workers</th>
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</thead>
<tbody>
<tr>
<td><strong>Supervision of recruitment and placement</strong></td>
</tr>
<tr>
<td>The State shall introduce measures and tools to prevent dissemination of misleading information about foreign employment, and take stern action againstwrongdoers.</td>
</tr>
<tr>
<td>The State shall adopt flexible recruitment arrangements to provide free choice for Cambodian citizens in finding legal employment abroad.</td>
</tr>
<tr>
<td>The State shall endeavour to reduce the cost of migration through streamlining administrative procedures, lowering the financial burden on recruitment agencies, and establishing transparent costs and fee</td>
</tr>
<tr>
<td>- Disseminate information and raise awareness about the labour migration process in various media, brochures, and posters.</td>
</tr>
<tr>
<td>- Establish resource centres in the government office in Phnom Penh and in the provincial labour offices to provide information and to register prospective migrant workers.</td>
</tr>
<tr>
<td>- Prepare to establish a one-stop services centres in the government office in Phnom Penh and at the provincial level.</td>
</tr>
<tr>
<td>- Issue ministerial notification clarifying the contents of Sub-decree No. 57 (short-term measure).</td>
</tr>
</tbody>
</table>

| MOLVT, MOFA&IC, MOEF | √ |
| MOLVT, MOFA&IC, ARCA | √ |
| MOLVT, MOFA&IC, ARCA | √ |
| MOLVT, Immigration Department, ARCA, donor agencies | √ |
structures.

The recruitment and placement for overseas jobs shall be regulated through the licensing system, in which the responsibilities of recruiters, conditions for recruitment, penalties for violation of the law, and performance guarantees will be clearly defined.

The State shall establish a compliance and arbitration mechanism to resolve disputes arising from abusive and fraudulent recruitment, and, where necessary, provide legal assistance to migrant workers.

The State shall issue regulations prohibiting the retention of personal documents of migrant workers, and provide special protection to female migrant workers.

The State shall terminate or ban the deployment of Cambodian migrant workers to countries where the workers’ rights, occupational safety and health, and the national interest are at risk.

<table>
<thead>
<tr>
<th>Action</th>
<th>Responsible Parties</th>
<th>Relevant Parties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review flexible recruitment arrangements for migrant workers, including self-arranged, and direct recruitment by employers under supervision of MOLVT.</td>
<td>MOLVT</td>
<td>MOLVT, ARCA</td>
</tr>
<tr>
<td>Identify factors contributing to the excessive cost of operations for recruitment agencies.</td>
<td>MOLVT, ARCA</td>
<td>MOLVT, MOEF</td>
</tr>
<tr>
<td>Determine the appropriate guarantee deposit or bond placed by the recruitment agencies.</td>
<td>MOLVT, ARCA, MOI</td>
<td>MOLVT, ARCA, MOI</td>
</tr>
<tr>
<td>Establish the elements of fees and costs borne by the foreign employers and the workers (e.g. recruitment service fee, visa fee, airfare are borne by foreign employers, while workers are responsible for expenses relating to passport, police clearance, authentication, birth certificate, trade/skill test, inoculation, medicine examination).</td>
<td>MOLVT</td>
<td>MOLVT, ARCA, MOI</td>
</tr>
<tr>
<td>Set up mechanisms for migrant workers to lodge complaints about abuse and fraud in recruitment.</td>
<td>MOLVT</td>
<td>MOLVT, MOI, NGOs</td>
</tr>
<tr>
<td>Provide legal counselling and assistance to migrants who are exploited or having disputes in the migration process.</td>
<td>MOLVT</td>
<td>MOLVT, ARCA, MOI</td>
</tr>
<tr>
<td>Oblige recruitment agencies to maintain a database of all migrant workers, containing personal information and details about their work contract and workplace abroad.</td>
<td>MOLVT, ARCA, recruitment agencies</td>
<td>MOLVT</td>
</tr>
<tr>
<td>Issue regulation prohibiting the retention of documents belonging to migrant workers.</td>
<td>MOLVT</td>
<td>MOLVT, ARCA</td>
</tr>
<tr>
<td>Standards-setting</td>
<td>The State shall determine the standards/requirements for screening the application for recruitment license. The State shall establish a standard service contract between migrant workers and recruitment agencies, and negotiate with labour-receiving countries regarding a standard employment contract between migrant workers and employers, where possible including the minimum wage. The State shall establish English proficiency standards and promote the accreditation of migrant-worker skills. The State shall ensure decent working and affordable living environments for Cambodian migrant workers in the host countries.</td>
<td>• Introduce special measures to protect female/male migrant workers, especially domestic workers. • Establish skill and language testing and certification.</td>
</tr>
<tr>
<td></td>
<td>Determine the scope of business, length of validity of the license, scope for competition, financial capability to support recruitment operations, recruitment capability (staff), management capability (organization and facilities), and marketing capability of recruitment agencies. • Set standard service contract between agencies and migrant workers. • Negotiate standard employment contract with labour-receiving countries, including wages. • Establish skill assessment and standards for migrant workers before leaving and after returning. • Establish exit control for migrant workers. • Set English-language proficiency standards for migrant workers. • Negotiate with labour-receiving countries/employers regarding decent working conditions and living conditions for migrant workers.</td>
<td>MOLVT MOLVT, ARCA MOLVT, labour-receiving countries MOLVT, MOI MOLVT, ARCA MOLVT, ACRA, MOFA&amp;IC</td>
</tr>
<tr>
<td>Support services</td>
<td>The State shall facilitate safe migration by giving prospective/migrant workers information relating to labour migration at the time of making the decision to go</td>
<td>• Set up information desks at provincial labour offices and airports or other ports of departure and entry. • Prepare an insurance scheme paid by</td>
</tr>
</tbody>
</table>
abroad, at departure, and on arrival.

The State shall ensure the welfare of migrant workers and mitigate contingencies arising from employment abroad by setting up insurance schemes to compensate migrant workers and their families.

The State shall develop tools for pre-migration and institutionalize pre-departure training covering working and living environments abroad, the management of own finance, and the sending of remittances.

The State shall promote the formation of migrant associations or trade unions, assist in establishing community centres, provide legal assistance to migrant workers, and arrange shelter in the Embassy for distressed migrant workers facing problems while working abroad.

The State shall help to establish credit/loan facilities for migrant workers to finance their employment abroad.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Ministry/Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promote voluntary welfare funds and determine their scope in assisting migrant workers and their families.</td>
<td>MOLVT</td>
</tr>
<tr>
<td>Develop tools and information packages on pre-migration and the labour migration process.</td>
<td>MOLVT, ACRA</td>
</tr>
<tr>
<td>Develop tools for pre-departure training which include financial literacy, occupational safety and health, and HIV/AIDS.</td>
<td>MOLVT</td>
</tr>
<tr>
<td>Institute pre-departure training and orientation for all migrant workers by recruitment agencies and government agencies.</td>
<td>MOLVT, MOFA&amp;IC</td>
</tr>
<tr>
<td>Promote the establishment of community facilities/centres for migrant workers in labour-receiving countries.</td>
<td>MOLVT, MOFA&amp;IC, MODF</td>
</tr>
<tr>
<td>Develop emergency evacuation and repatriation plan for migrant workers from the troubled areas.</td>
<td>MOLVT, MOFA&amp;IC, ARCA</td>
</tr>
<tr>
<td>Provide legal assistance services in destination countries.</td>
<td>MOLVT, MOFA&amp;IC</td>
</tr>
<tr>
<td>Establish shelter facilities in Embassies for distressed migrant workers.</td>
<td>MOLVT, MOFA&amp;IC</td>
</tr>
<tr>
<td>Arrange financing/credit facility for migrant workers seeking jobs abroad.</td>
<td>MOLVT, MOEF, ARCA, financial institutions</td>
</tr>
</tbody>
</table>

Harnessing labour migration for development

| Migration in the national | The State shall recognize the significant contributions of international labour migration to economic development and mainstream labour migration issues in the national development plan and national budget. | MOLVT, MOP, MOFE, TUs, CAMFEBA, NGOs |

| | | |
| | | |
### Development Agenda

<table>
<thead>
<tr>
<th><strong>Development Agenda</strong></th>
<th><strong>Details</strong></th>
<th><strong>Actors</strong></th>
<th><strong>Status</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty reduction, which derive from acquired skills and migrant worker remittances.</td>
<td>Include labour migration agenda in the international development assistance programmes (ODA).</td>
<td>MOLVT, MOFA&amp;IC, donors</td>
<td>√</td>
</tr>
<tr>
<td>The State shall promote foreign employment for Cambodian workers, and, in parallel, create local and equitable employment opportunities as a strategy to sustain long-term economic growth and to achieve national development goals. Hence, the labour migration issues will be mainstreamed into the national social and economic development plan and strategies.</td>
<td>Integrate labour migration issues in the national decent work country programme.</td>
<td>MOLVT, TUs, CAMFEBA</td>
<td>√</td>
</tr>
<tr>
<td>The State shall support the role of the Cambodian diaspora in the community and in national economic development.</td>
<td>Identify the diaspora communities.</td>
<td>MOLVT, MOFA&amp;IC</td>
<td>√</td>
</tr>
<tr>
<td></td>
<td>Promote the effective use of diaspora’s resources (skills, and financial) for community development.</td>
<td>MOLVT, MOFA&amp;IC, MOP</td>
<td>√</td>
</tr>
</tbody>
</table>

### Migrants’ Remittances and Investments

<table>
<thead>
<tr>
<th><strong>Migrants’ Remittances and Investments</strong></th>
<th><strong>Details</strong></th>
<th><strong>Actors</strong></th>
<th><strong>Status</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognizing the importance of remittances to national development and poverty alleviation, the State shall facilitate the efficient flow of worker remittances, encourage access to financial services by migrant workers, and promote the productive use of remittances for local economic development.</td>
<td>Facilitate migrant workers with opening foreign-currency bank accounts in Cambodia and with accessing financial services in labour-receiving countries.</td>
<td>MOLVT, ACRA, Bank, National Bank, MOEF, labour-receiving countries</td>
<td>√</td>
</tr>
<tr>
<td>The State shall provide knowledge to migrant workers and their families regarding the management of their finances including remittances.</td>
<td>Expand financial institutions to rural areas and facilitate access to these institutions.</td>
<td>National Bank, MOEF</td>
<td>√</td>
</tr>
<tr>
<td></td>
<td>Develop financial literacy tools for migrant workers, including training in financial matters.</td>
<td>MOLVT, ACRA, NGOs, ILO</td>
<td>√</td>
</tr>
<tr>
<td></td>
<td>Negotiate with labour-receiving countries in facilitating migrant worker access to financial services.</td>
<td>MOLVT, ACRA</td>
<td>√</td>
</tr>
<tr>
<td></td>
<td>Negotiate with labour-receiving countries in encouraging employers to deposit migrant worker salaries in their bank accounts, instead of paying cash.</td>
<td>MOLVT, ACRA, labour-receiving countries</td>
<td>√</td>
</tr>
</tbody>
</table>
| Return and reintegration | • Provide counselling services to migrant workers and their families on productive uses of remittances.  
• Promote the development of village development funds or village savings groups.  
• Support Start Your Business training for migrant workers and their family members.  
• Assist in linking between migrant-worker families and financial institutions to obtain loans for starting up local businesses. | ARCA, NGOs, financial institutions  
MOFE, financial institutions  
Ministry of Industry, NGOs  
ACRA, financial institutions | ✓  
✓  
✓  
✓ |
| --- | --- | --- | --- |
| | The State shall monitor and facilitate the return of migrant workers, especially women, in coordination with the host countries.  
The State shall ensure that returning migrant workers are physically healthy and fit to reintegrate in their home community.  
The State shall establish a skills recognition system to maximize the talents and skills acquired by returned migrant workers.  
The State shall strengthen its employment services in rendering the counselling and placement services for the return migrant workers in jobs suitable to their skills.  
The State shall support local investment programmes, small-business counselling, and set up financing facilities for the return | Coordinate with labour-receiving countries in providing information about returnees (both legal and irregular) before repatriation.  
Develop brochures presenting information about reintegration services provided for return migrant workers.  
Negotiate with labour-receiving countries to provide post-skill training and accreditation of skills for the return migrant workers.  
Establish a skills recognition system based on skill assessment (test), competency standards, and skill accreditation for the return migrant workers.  
Provide counselling services to migrant workers prior to their departure and after their return to Cambodia.  
Negotiate with labour-receiving countries to provide exit medical check-ups for returning migrant workers. | MOLVT, MOI, MOSVY, MOFA &IC, ACRA  
MOLVT, ARCA  
MOLVT  
MOLVT, TVET  
MOLVT  
MOLVT, Ministry of Health | ✓  
✓  
✓  
✓  
✓  
✓  |
migrant workers. The State shall task the authorized recruitment agencies with monitoring the employment status of their clients and maintain a database of migrant workers from departure to the return stages.

- Register and monitor returning migrant workers at arrival and border checkpoints.
- Organize employment services for the return migrant workers.
- Identify the need for scarce skills in consultation with employers' organizations.
- Coordinate with financial institutions in providing information on potential investment programmes, orientation on business start-up schemes, and financial services/credit facilities.
- Set up special desk to receive returning female migrants.
- Develop mechanism for tracking returning migrant workers (through recruitment agencies and help desk at the airport or border entry points).
- Organize special placement services for skilled returning migrant workers.
- Work with recruitment agencies to develop, update, and maintain the database of migrant workers.
- Review the obligations of the recruitment agencies to monitor the contractual status of migrant workers abroad, and to inform the authorities at least 45 days before their return to home country, on the completion of their work contract.

<table>
<thead>
<tr>
<th>Action</th>
<th>Responsible Entities</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Register and monitor returning migrant workers at arrival and border checkpoints.</td>
<td>MOLVT, MOI, MOSVY, MOLVT, ARCA, MOLVT, CAMFEBA</td>
<td>✓</td>
</tr>
<tr>
<td>Organize employment services for the return migrant workers.</td>
<td>MOLVT, ARCA</td>
<td>✓</td>
</tr>
<tr>
<td>Identify the need for scarce skills in consultation with employers' organizations.</td>
<td>MOLVT, CAMFEBA</td>
<td>✓</td>
</tr>
<tr>
<td>Coordinate with financial institutions in providing information on potential investment programmes, orientation on business start-up schemes, and financial services/credit facilities.</td>
<td>MOLVT (NTB, TVET, NEA)</td>
<td>✓</td>
</tr>
<tr>
<td>Set up special desk to receive returning female migrants.</td>
<td>MOLVT, MOWA, MOI</td>
<td>✓</td>
</tr>
<tr>
<td>Develop mechanism for tracking returning migrant workers (through recruitment agencies and help desk at the airport or border entry points).</td>
<td>MOLVT, MOI, ARCA</td>
<td>✓</td>
</tr>
<tr>
<td>Organize special placement services for skilled returning migrant workers.</td>
<td>MOLVT, CAMFEBA</td>
<td>✓</td>
</tr>
<tr>
<td>Work with recruitment agencies to develop, update, and maintain the database of migrant workers.</td>
<td>MOLVT, ARCA</td>
<td>✓</td>
</tr>
<tr>
<td>Review the obligations of the recruitment agencies to monitor the contractual status of migrant workers abroad, and to inform the authorities at least 45 days before their return to home country, on the completion of their work contract.</td>
<td>MOLVT, ACRA</td>
<td>✓</td>
</tr>
</tbody>
</table>
Bibliography


Annexes

Annex 1: Foreign labour market prospects

An estimated 25 million Asian workers are employed outside their home countries, and more than 3 million are deployed for employment abroad every year.

The Middle East is a major destination region. Labour migration to the region began after drastic oil price increases in the 1970s, which led to investment in massive infrastructure projects. Initially, migrant workers originated from neighbouring countries in the Gulf but, as demand for labour outstripped regional supply, the first wave of migrant workers from South Asia, mainly India and Pakistan, came to fill the gap. In 1979, workers from Korea, the Philippines, and Thailand also began to enter the Middle East labour market. Labour migration to the Gulf saw further changes in the 1990s, following declines in oil prices, completion of major construction projects, and the arrival of a new workforce from the People’s Republic of China and countries of the former Soviet Union. Demand for maintenance of infrastructure and construction of commercial buildings and housing have created other categories of demand for foreign labour, e.g. cleaners, domestic helpers, technicians, and other service workers. An estimated 13 million migrant workers were employed in the Gulf countries as of 2005, up from 9 million in 1990.

On the other hand, rising unemployment among nationals in the Gulf Cooperation Council (GCC), comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates, is compelling Governments to undertake measures to “localize” or “nationalize” national workforces and reduce reliance on foreign labour. Host Governments are also trying to curb demand for foreign workers by raising indirect taxes to increase living costs for foreigners, by intensifying the apprehension and deportation of irregular and overstaying migrants, by imposing strict visa-issuance procedures, and by restricting work-visa trading. The current global financial crisis, dating back to 2009, is expected to pressure GCC Governments to apply new measures to create jobs for its youth. A report released by the Dubai School of Government indicates that nearly a quarter of its citizens aged between 15 and 24 years are unemployed.

In East Asia, strong export-led economic growth and demographic transition created demand for foreign labour as a means of maintaining a competitive edge in the production of goods and services for both domestic and foreign markets. Over the past decade, especially among Southeast Asian countries, labour migration destinations from Asian countries have shifted from predominantly Middle Eastern to more intra-Asian. Spectacular economic success coupled with stagnant or declining labour forces has converted some East and Southeast Asian countries to net labour-receiving countries. In 2007, an estimated 7.3 million foreign workers were employed in Japan, the Republic of Korea, Malaysia, Singapore, Thailand, Hong Kong SAR, and Taiwan Province of China. Most migrant workers in the region are low-skilled or semi-skilled, and are engaged in construction, fishery, food processing, manufacturing, agriculture plantation, and domestic services. Hired on fixed-term contracts, sometimes without contracts, they constitute temporary migration. Many of them, particularly in Malaysia and Thailand, are having irregular status. Short-duration employment contracts and prevalent irregularity among migrant workers often entail abuses of their rights and inhibits economic and social integration in the receiving countries.

The following section provides brief scenarios regarding the prospects of foreign labour markets in selected countries in the Middle East, Southeast and East Asia, and North America.
1. Middle East

1.1 Kingdom of Saudi Arabia

The Kingdom has introduced policies to reduce its reliance on foreign workers and to promote job opportunities for the national workforce. A recent decline in the annual inflow of foreign workers is attributable to the Kingdom's decision to curb the number of foreign workers by 30 per cent over the next three years. With rising revenue from oil exports, however, the Government is embarking on large infrastructure development projects. According to diplomatic sources, the Saudi Government plans to spend US$642 billion on the development of physical infrastructure, telecommunication networks, petrochemical plants, power supply, health facilities, education programmes, and housing projects. “King Abdullah Economic City”, a planned megacity near Jeddah, will cost an estimated $27 billion. This project alone is expected to generate 500,000 jobs. The Kingdom has launched a series of educational, health, and infrastructural projects—including the construction of five new economic cities in Robigh, Hail, Madinah, Jeezan and Tabuk—at an estimated cost of billions of Saudi riyals. These developments are expected to generate 1.3 million new job opportunities.

Table 6: Foreign workers in Saudi Arabia

<table>
<thead>
<tr>
<th>Country</th>
<th>Egypt &amp; other Arabs</th>
<th>India</th>
<th>Pakistan</th>
<th>Bangladesh</th>
<th>Philippines</th>
<th>Sri Lanka</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of workers</td>
<td>5.0</td>
<td>1.5</td>
<td>1.2</td>
<td>1.0</td>
<td>0.9</td>
<td>0.6</td>
<td>0.3</td>
<td>10.8</td>
</tr>
</tbody>
</table>

Source: Community Welfare Attaché, Riyadh, National Emigration Policy, Pakistan, 2009.

1.2 United Arab Emirates (UAE)

The UAE—a federation of seven Emirates—is rapidly transforming into an important regional trading hub, and has already become an attractive destination for international tourists and businesses. The country is the second-biggest employer of foreign workers in the Gulf region, currently providing work opportunities for about 4.5 million workers from different countries—1.3 million from India, 0.77 million from Egypt and other Arab countries, and 0.75 million from Pakistan. The UAE Government plans to build an international airport and industrial zone in Dubai. Similarly, Abu-Dhabi and other member States plan to start the construction of mega-projects. These developments are expected to increase demand for foreign workers in construction jobs and other skilled occupations.

Table 7: Foreign workers in the UAE

<table>
<thead>
<tr>
<th>Country</th>
<th>Egypt &amp; other Arabs</th>
<th>India</th>
<th>Pakistan</th>
<th>Bangladesh</th>
<th>Philippines</th>
<th>Sri Lanka</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of workers</td>
<td>0.77</td>
<td>1.30</td>
<td>0.75</td>
<td>0.50</td>
<td>0.20</td>
<td>0.15</td>
<td>1.49</td>
<td>4.41</td>
</tr>
</tbody>
</table>

Source: Community Welfare Attaché, Abu Dhabi, National Emigration Policy, Pakistan, 2009.
According to government officials, recruitment of south Asian workers to the UAE increased during the early months of 2009. Ambassadors to the UAE from both India and Bangladesh suggested that, despite the financial downturn, that Gulf state still admitted large numbers of their countries' workers. The source from Bangladesh claimed that more than 50,000 of its workers gained jobs in the construction sector. India's Consul General to Dubai indicated that the Gulf state remains the most important destination for Indian workers.

1.3 Kuwait

As Kuwait transforms itself into a market-based economy, about 2 million foreign workers are contributing directly to its economy. A number of development projects are underway in the country and many more are in the pipeline. Current projects include expressway and road construction, township development, island development, causeway construction, urban housing, construction of a new airport terminal building, residential complexes, resort development, and beach development. An estimated $51 billion has been allocated for various other projects, including four new cities and a causeway linking motorways and key ring-roads around the capital. These projects are expected to generate significant additional employment opportunities for foreign workers.

Table 8: Foreign workers in Kuwait

<table>
<thead>
<tr>
<th>Country</th>
<th>Egypt &amp; other Arabs</th>
<th>India</th>
<th>Pakistan</th>
<th>Bangladesh</th>
<th>Philippines</th>
<th>Sri Lanka</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of workers</td>
<td>0.672</td>
<td>0.491</td>
<td>0.125</td>
<td>0.250</td>
<td>0.084</td>
<td>0.200</td>
<td>0.052</td>
<td>1.874</td>
</tr>
</tbody>
</table>

Source: Community Welfare Attaché, Kuwait, National Emigration Policy, Pakistan, 2009.

1.4 Bahrain

Bahrain is a centre of diverse economic activity, and currently hosts about a quarter of a million foreign workers from non-Arab states. Bahrain is developing as a regional financial hub, and its banking sector is expanding rapidly, creating high demand for housing units, office accommodation, and shopping malls. It has allocated over $12 billion for the construction of a causeway linking Bahrain and Qatar, housing projects, road expansion, a multi-purpose investment park, educational facilities to house 25,000 students, expansion of the Bahrain International Airport at Muharraq, an integrated entertainment and leisure complex, and public-sector infrastructure.

Bahrain's ruling administration announced it will lift labour market restrictions in an effort to make the Gulf state more attractive to foreign workers. The Labour Minister and Chairman of the Labour Market Regulatory Authority said the country would remove its foreign worker sponsorship system, allowing foreign workers to switch jobs without the approval of their employer. The new policy was targeted for implementation in August 2009.

Table 9: Foreign workers in Bahrain

<table>
<thead>
<tr>
<th>Country</th>
<th>Egypt &amp; other Arabs</th>
<th>India</th>
<th>Pakistan</th>
<th>Bangladesh</th>
<th>Philippines</th>
<th>Sri Lanka</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of workers</td>
<td>0.00</td>
<td>0.105</td>
<td>0.036</td>
<td>0.045</td>
<td>0.030</td>
<td>0.015</td>
<td>0.012</td>
<td>0.243</td>
</tr>
</tbody>
</table>
1.5 Qatar and Oman

Good employment opportunities are available for overseas workers in Qatar and Oman. Intense exploration of gas and oil fields will likely boost labour migration in technical categories to Qatar. Demand also remains high for engineers, doctors, foremen/supervisors, masons, carpenters, steel fixers, painters, and technicians, as well as various types of operator, surveyor, and labourer.

1.6 Libya

After the lifting of UN sanctions and the rise of oil prices, Libya’s economy is expanding. In 2007, the economy grew by 4.5 per cent. Currently, workers from Egypt as well as other Arab and African countries dominate the Libyan labour market.

A number of construction projects are underway, including oil and gas refineries, housing, infrastructure, and agriculture development. Many foreign companies are signing contracts to build infrastructure for water, sewage, electricity, and telephone services. Contracts are also being awarded to international companies to build new cities and to revamp and upgrade oil refineries. A number of other projects are planned, especially incremental programmes in housing, industry, communications, and tourism. These projects would expand economic activities in the region and open new opportunities for skilled and low-skilled foreign workers.

<table>
<thead>
<tr>
<th>Country</th>
<th>Egypt &amp; other Arabs</th>
<th>India</th>
<th>Pakistan</th>
<th>Bangladesh</th>
<th>Philippines</th>
<th>Sri Lanka</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of workers</td>
<td>0.60</td>
<td>0.002</td>
<td>0.003</td>
<td>0.001</td>
<td>0.002</td>
<td>0.0001</td>
<td>0.331</td>
<td>0.939</td>
</tr>
</tbody>
</table>

Source: Community Welfare Attaché, Libya, National Emigration Policy, Pakistan, 2009.

1.7 Israel

The number of foreign workers employed in Israel rose by 12.5 per cent last year, based on the figures released by the Government. According to the Jerusalem Post, citing the Industry, Trade and Labour Ministry, the number of foreign workers in Israel has been increasing, and stood at 225,000 as of 2008. The increase has been mostly in the nursing and care sectors. However, employment prospects for foreign workers could be restricted in the near future, after the country’s Central Bureau of Statistics revealed in May 2009 that Israel's economy contracted by 3.6 per cent in the first quarter of 2009.

2. East and Southeast Asia

2.1 Malaysia

In Malaysia, foreign workers are employed in manufacturing, construction, plantation, agriculture, services, and household domestic work. The services sector consists of 14 sub-sectors: restaurants, launderettes, welfare homes, cleaning services, wholesale/retail, goldsmithing, barbering, metal/scraps/recycling activities, cargo handling, hotels, golf club
caddying, textiles, and spas/reflexology. Since the early 1970s, Malaysia has been relying on the regional labour market for low-to-medium skilled workers to fuel its growth and facilitate structural adjustment. The unprecedented influx of second-generation migrant workers, however, following unabated high growth since the mid-1980s, has raised social, political, and economic concerns. The country has applied stricter standards to reduce reliance on foreign labour, and is planning to stop renewing the work permits of unskilled workers after five years. Malaysia expects to send home at least 200,000 foreign workers by next year (2010), thereby opening up more jobs for its own citizens. Foreign workers comprise about 21 per cent of Malaysia’s 11 million workforce.

<table>
<thead>
<tr>
<th>Country</th>
<th>Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>1120828</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>315154</td>
</tr>
<tr>
<td>Nepal</td>
<td>207053</td>
</tr>
<tr>
<td>India</td>
<td>138083</td>
</tr>
<tr>
<td>Myanmar</td>
<td>134110</td>
</tr>
<tr>
<td>Vietnam</td>
<td>103338</td>
</tr>
<tr>
<td>others</td>
<td>91388</td>
</tr>
<tr>
<td>total</td>
<td>2109954</td>
</tr>
</tbody>
</table>

Source: Information Technology Division, Immigration Department Headquarters, Putrajaya, Malaysia, 2009.

### 2.2 Singapore

Singapore had about 832,400 foreign workers in 2007, representing 30 per cent of its total labour force. Domestic workers, mainly from Indonesia, the Philippines, Thailand, and Sri Lanka, numbered about 160,000—roughly 1 domestic worker for every 7 households. The foreign domestic worker must come from approved source countries, i.e. Bangladesh, Hong Kong SAR, India, Indonesia, Macau, Malaysia, Myanmar, Pakistan, the Philippines, the Republic of Korea, Sri Lanka, Taiwan, and Thailand. For the construction sector, the approved source countries and territories are Bangladesh, the People’s Republic of China, Hong Kong SAR, India, Korea, Macau, Malaysia, Myanmar, Pakistan, the Philippines, Sri Lanka, Taiwan Province of China, and Thailand.

Singapore’s policy toward unskilled foreign workers is that they remain a transient workforce, and their numbers can be easily adjusted during periods of economic downturn. These workers are managed through such measures as a work permit system, a dependency ceiling/quota (which regulates the proportion of foreign to local workers), and a foreign worker levy. Migrant workers are allowed to work only for the employer and in the occupation stated in their work permit. Termination of employment also results in immediate termination of the work permit, with the worker having to leave Singapore within seven days. Foreign workers are required to obtain work passes or work permits for jobs in construction, services, manufacturing, marine sectors, and household domestic services.

### 2.3 Republic of Korea

The Republic of Korea has become an important destination country for foreign workers. The country replaced its earlier “trainee system” with the Employment Permit System (EPS). The EPS is used as the basis for obtaining workers from source countries with which it has signed MOUs. Cambodia is one such source country. The EPS, administered by the Government, first admitted foreign workers in 2004, and is expected to provide the main avenue for employment of foreign workers in Korea even after 2010. In 2008, under the EPS migrant workers were entitled to a minimum wage of 3,770 won ($3.80) an hour. Employers with at least 20 workers were required to offer a minimum of 40 work-hours per week for those hired under the EPS. EPS guest workers are also covered by pension, health, employment, and workers compensation programmes.

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7 The minimum wage was scheduled to rise to 4,000 won/hour in 2009.
Most Korean employers offer EPS migrants one-year contracts that can be renewed for another two years. After three years of employment, guest workers must leave Korea for at least a month before returning for a final three-year stint. The Korean Government has signed agreements with 14 migrant-sending countries to regulate migrant worker selection and employment. These include Cambodia, China, Indonesia, Mongolia, the Philippines, Sri Lanka, Thailand, and Vietnam. For these countries, government agencies usually select, train, and deploy migrants, who must learn some Korean language (at their own expense) before arriving in Korea. As of 2007, 159,300 foreign workers were admitted under the EPS.

2.4 Taiwan Province of China

The Council of Labour Affairs (CLA), a branch of the Executive Yuan in Taiwan, has overall responsibility for admission into the island and management of foreign workers. An employer who wishes to hire foreign workers must first apply to the CLA for permission. Most employers in Taiwan recruit foreign workers through job brokers, who then contact the Governments of labour-sending countries to arrange for the recruitment of the specific number of workers required. Employers usually do not need to pay service fees to these job brokers; instead, the job brokers often pay employers a commission fee to induce them to provide the brokerage firm with business opportunities.

Foreign workers in Taiwan are generally deployed from five Southeast Asian countries: Indonesia, Malaysia, the Philippines, Thailand, and Vietnam. Foreign workers are recruited from these countries essentially because Taiwanese investors have a considerable amount of foreign direct investment in these countries, and because the Governments of these countries have bilateral agreements with Taiwan for the recruitment and employment of their workers in the country.

Foreign workers in Taiwan can engage in government construction projects, manufacturing jobs (labour-intensive industries in particular), and healthcare service. Ever since the inception of the foreign workers programme in 1992, close to a fifth of admitted workers were for government construction projects. However, the largest proportion of foreign workers is accounted for by the manufacturing sector, in electronic components and accessories, textile products, metal products, computers, communication, video equipment, electrical equipment and apparatus industries. In 2006, the domestic helper and healthcare service workers constituted about 45 per cent of total foreign workers deployed into Taiwan.

<table>
<thead>
<tr>
<th>Table 12: Foreign workers in Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years</td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td>2005</td>
</tr>
<tr>
<td>2006 (as of Nov.)</td>
</tr>
</tbody>
</table>

Source: Joseph S. Lee, Management of foreign workers in Taiwan (National Central University, 2007).

8 A legislative committee in July 2008 recommended that the maximum period for continuous guest-worker employment be increased to five years.
9 The Korean Government adjusts the Korean language requirement to influence the number of migrants admitted, e.g. raising the requirement to reduce entries.
2.5 Hong Kong Special Administrative Region of China

The Government introduced the Quality Migrant Admission Scheme in June 2006, aiming to attract highly skilled or talented people from the mainland and overseas to settle in Hong Kong. The scheme is quota-based and operates on a points-based system, i.e. General Points Test (GPT) and Achievement-based Points Test (APT). Persons admitted under this scheme will be allowed an initial stay of one year in Hong Kong, even without first securing an offer of local employment.

The Government also has the Supplementary Labour Scheme (SLS), first introduced in February 1996, under which employers may apply for admission of foreign workers at technician level or below from outside Hong Kong. There are no industry-specific quotas under the SLS, and applications are considered on a case-by-case basis. To ensure that priority is extended to local workers in hiring, vacancies must first be advertised in newspapers. As of December 2008, 1,338 foreign workers were deployed in Hong Kong through the SLS.

Foreign domestic workers (FDWs) have been allowed to work in Hong Kong since the 1970s, due to the shortage of local full-time live-in domestic helpers, and to release housewives from household chores and free them to take up employment in the growing Hong Kong economy. The Immigration Department is responsible for processing applications for employment of FDWs. FDWs may be admitted if they have relevant working experience and if their employers are Hong Kong residents who are prepared to offer reasonable terms of employment, which are stipulated under a standard employment contract prescribed by the Government. Such terms include free and suitable accommodation, free meals or meal allowance, wages not lower than the minimum allowable wage (MAW) set by the Government, free passage from and to the worker's place of origin, and free medical treatment. The prevailing MAW is $3,580 (US$456) per month. It applies to all employment contracts signed on or after 10 July 2008. The demand for FDWs has increased over the past three decades. At the end of 2008, there were about 256,600 such domestic workers in Hong Kong. About 49 per cent were from the Philippines, 48 per cent from Indonesia, and 1.5 per cent from Thailand.

3. North America: Canada

Canada's temporary foreign worker programme fills a range of needs, including seasonal labour in the agricultural sector, domestic workers, and professionals and high-tech workers who may be in short supply in the domestic workforce. In 1998, about 250,000 temporary residents were authorized to live in Canada, of whom more than one-third were Americans. Employers who wish to hire foreign workers on a temporary basis must apply for an Employment Authorization (EA), which is validated by a labour-market testing process developed by Human Resources and Skills Development Canada (HRSDC).

The Seasonal Agricultural Workers Programme (SAWP) allows for the organized entry of foreign workers to work as agricultural labourers in Canada. The SAWP is managed by Human Resources and Skills Development Canada (HRSDC) and Citizenship and Immigration Canada (CIC) in cooperation with agricultural producers and a number of foreign countries. The programme allows for the entry of foreign workers to meet the temporary seasonal needs of Canadian agricultural producers during peak harvesting and planting periods, when qualified Canadian workers are usually in short supply. HRSDC and CIC carefully balance these types of job offers with the employers’ comprehensive efforts to hire Canadians and with the well-being of foreign workers in Canada. The SAWP currently operates in the Canadian provinces of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, and Prince Edward Island, and meets the needs of specific agricultural commodity sectors. The foreign worker is required to pay certain expenses specified in the employment contract. The employer may deduct money to pay for (1) a portion of the airfare based on the agreement between the home-
country Government of the worker and the Government of Canada; (2) employment insurance premiums; (3) Canada Pension Plan premiums; (4) Canadian income tax; and (5) the work authorization or work visa fee. Every year, Canadian agricultural farms become a temporary home to over 18,000 migrant workers from Mexico and the Caribbean. Through the SAWP, these foreign workers are recruited for harvesting and planting for up to eight months. Some return every growing season for up to 20 years. A MOU covers the operational guidelines describing each country's responsibilities.

Table 13: Foreign workers in Canada

<table>
<thead>
<tr>
<th>Years</th>
<th>Philippines</th>
<th>US</th>
<th>Mexico</th>
<th>UK</th>
<th>France</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>21 595</td>
<td>25 328</td>
<td>15 178</td>
<td>11 148</td>
<td>9 080</td>
<td>79 717</td>
<td>162 046</td>
</tr>
<tr>
<td>2007</td>
<td>33 926</td>
<td>26 737</td>
<td>18 138</td>
<td>12 600</td>
<td>9 994</td>
<td>99 662</td>
<td>201 057</td>
</tr>
</tbody>
</table>

Source: Facts and figures 2007: Immigration overview – Permanent and temporary residents, citizenship and immigration, Canada.
Annex 2: Sub-decree no. 57 on sending of Khmer workers to work abroad

KINGDOM OF CAMBODIA
Nation Religion King

ROYAL GOVERNMENT OF CAMBODIA
No 57 SDC

SUB-DECREE
On
The sending of Khmer workers
To work abroad

The Royal Government

- Having due regard for the constitution of the Kingdom of Cambodia
- Having due regard for the Labour Law promulgated by the decree No 99 DC dated 13 October 1992;
- Having due regard for the Law on Organizing and Functioning of the council of Minister promulgated by the Royal decree dated 20 July 1994;
- Having due regard for the Royal Decree of H.M. Norodom Sihanouk Varman, the King of the Kingdom of Cambodia dated 1 November 1993, on the nomination of the Royal Government of Cambodia;
- Having due regard for the Royal Decree of H.M Norodom Sihanouk Varman, the King of the Kingdom of Cambodia dated 24 September 1994, on the modification of the composition of the Royal Government of Cambodia;
- In accordance with the proposal of the secretary of state for Social Affairs Labour and Veterans Affairs

DECIDED

Article 1- In order to access the higher standard of living and to upgrade vocational skill, and generate the national revenue the Royal Government allows the sending of Khmer workers to work abroad while the domestic labour market is unable to absorb totally the unemployed and under employed persons.

Article 2- The sending of Khmer workers to work abroad and the management these workers is under the competence of the Ministry of Social Affairs, Labour and Veterans Affairs.

The Ministry of Social Affairs, Labour and Veterans Affairs can permit through the ministerial order (PEAKAS), any company to take Khmer workers for working overseas.

If necessary, the Ministry of social Affairs, Labour and Veterans Affairs shall issue furthermore the rule implementing in questions.

The Ministry of Social Affairs, Labour and Veterans Affairs shall cooperate with the Ministry of Interior in complying with formalities such as issuing passports for the workers, and with the Ministry of Foreign Affairs and International Cooperation in monitoring them.

Article 3- Khmer workers of both sexes and at least 18 years of age, who have submitted their application forms for the job to the Ministry of Social Affairs, Labour and Veterans Affairs, are considered to be candidates for selecting and sending to work abroad.
**Article 4**- The Ministry of Social Affairs, Labour and Veterans Affairs is hereafter called the party providing workers (PROVIDING PARTY). The company making the proposal for recruiting worker is hereafter called party receiving workers (RECEIVING PARTY).

**Article 5**- All proposals of the receiving party shall be clearly mentioned the main criteria such as:
- The date of the commencement and termination of the job;
- The job specification;
- The place where the job is applied;
- The number of the workers and the skill required;
- The salary and other benefits including accommodation, meals, clothing, medical care and other needs for daily living;
- The transportation of workers forth and back;

After receiving the proposal, the providing party shall reply to the receiving party within 45 days stating whether the workers can be totally or partly provided or cannot provided, or it is need to discuss anymore.

The receiving party shall reply to the providing party within 30 days stating whether all or a proportion of the workers are needed. If the deadline of 30 days is exceeded and there is no further discussion, the providing party considers that the receiving party is no longer interned in those workers.

**Article 6**- The sending of the workers abroad can be carried out only if there is the permission from the providing party and the employment contract between workers and receiving party.

**Article 7**- Within 7 days after receiving official permission the receiving party shall deposit the guaranty money amounted to USD 100,000 in the account of the proving party. If the money has not been deposited, the permission shall be null and void.

The providing party can use the deposit to pay workers instead of the receiving party in the event that latter does not comply with conditions stated in the employment contract.

During the implementation of the employment contract, if the deposit is partly withdrawn to pay workers, the receiving party shall reimburse in full amount. The receiving party can take the deposit back when the employment contract is achieved definitively.

The deposit in pursue of this article can be reduced for the employer who personally needs a small number of workers to work in his/her won workshop or cottage industry.

However, the employer shall discuss with the Ministry of Social Affairs, Labour and Veteran affairs to make an individual contract with those workers.

**Article 8**- In accordance with the agreement stated in the contract the receiving party shall pay for services and the preparation of relevant document to the providing party.

**Article 9**- The employment contract shall be mentioned clearly:
- The name and address of each party;
- The date of the commencement and the termination of the contract;
- The place of work and job specification;
- The skills of workers;
- The salary and allowances;
- A part of salary and other allowances which shall be send to the workers' family;
- Hours of work and day-off and annual leave;
- Accommodation, meals, clothing and medical care;
- Social security contributions for each worker;
- Delivery and receiving of workers to and from;
- Salary for transportation of workers to and from
- In the event of the workers shall be send back to their country before the termination of the employment contract.

**Article 10-** All workers shall have the rights of annual leave paid by receiving party. The number of leaves shall be calculated on the basis of, at least, one and a half working day for one consecutive work month.

**Article 11-** The employment contract shall be written in two languages (in Khmer and in French/English) and both of the texts are equally authoritative. The duration of the employment contract shall not exceed two years.

Upon the termination of the employment contract, both parties can negotiate the renewal of the contract or making a new contract.

The renewed of new employment contract shall be re-stamped with a visa of the Ministry of Social Affairs, Labour and Veterans Affairs.

**Article 12-** The providing party is a labour scout who recruits workers in pursues of the number and skills and stated in the employment contract.

The employment contract which is signed by workers and receiving party shall be approved by the authorized labour inspector.

**Article 13-** Upon making employment contract each worker shall provide:
- The curriculum vitae with photograph (4x6).........................2 sheets
- The justice clearance......................................................2 copies
- The health certificate issued by the department of occupational and health.................................................................2 copies
- The copy of certificate or other qualification, if any....................2 copies
- The copy of workers’ passports........................................2 copies
- The job application card...............................................1 copies

**Article 14-** Before leaving for abroad, the providing party and receiving party are responsible for preparing and conducting training course on working system, life style, custom, tradition and common laws of the receiving country.

**Article 15-** The salary of each worker shall be imposed a tax in accordance with the existing law of the Kingdom of Cambodia.

**Article 16-** The receiving party shall be responsible for all expensed of the officials of the providing party accompanying workers to the receiving country and monitoring the work place and the lodgings of workers as stated in the employment contract.

The providing party shall send its officials to pursue the implementation of the employment contract when it is deemed necessary.

**Article 17-** If labour dispute happens; the receiving party will negotiate and settle it immediately with the workers based on the employment contract. In the event that it cannot be settled, urgent information shall be provided to the Royal Embassy or diplomatic mission of the Kingdom of Cambodia to the receiving country to participate in the dispute resolution.

**Article 18-** The receiving party shall notify the sending party within 45 days before the real date of the repatriation of the workers.
The receiving and the providing parties shall jointly agree with each other on the date and the agenda of the repatriation of the workers.

**Article 19-** In the event that the worker is missing during the implementation of the employment contract, the receiving party shall urgently inform the Royal Embassy or diplomatic mission of the Kingdom of Cambodia to the receiving country and the Ministry of Social Affairs, Labour and Veterans Affairs of the Kingdom of Cambodia.

**Article 20-** Any person who sends Khmer workers to abroad in violating of the provision of this Sub-Degree shall be punished by any penalty in accordance with the existing law.

**Article 21-** The provisions which are contrary to this Sub-Degree shall be null and void.

**Article 22-** The Co-Minister in charge of the Cabinet of Ministers, the Co-Minister of Interior, the Minister of Foreign Affairs and International Cooperation, the Minister of Economy and Finance, the Secretary of State for Social Affairs. Labour and Veterans Affairs shall carry out this Sub-Degree from the date of the signatures.

**Phnom Penh, July 20, 1995**

First Prime Minister               Second Prime Minister

Sealed and Signed
Norodom Ranarith                   Hun Sen

Cc
- The Cabinet of the King
- The Secretariat General of The National Assembly;
- The cabinet of the First Prime Minister
- The Cabinet of the Second Prime Minister
- As article 22 “for implementation”
- File, Chronicle
## Annex 3: Members of the working group

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Unit/Institution</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H.E. Seng Sakda</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 666 658</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Hou Vudthy</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 911 695</td>
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<tr>
<td>3</td>
<td>Mr. Hem Bunny</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 939 293</td>
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<tr>
<td>4</td>
<td>Mr. Chuo Narath</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 218 789</td>
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<tr>
<td>5</td>
<td>Mr. Ouk Ravuth</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 289 861</td>
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<tr>
<td>6</td>
<td>Mr. Em Bunthoeun</td>
<td>Ministry of Labour and Vocational Training</td>
<td>017 522 500</td>
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<tr>
<td>7</td>
<td>Mr. An Vantha</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 702 020</td>
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<tr>
<td>8</td>
<td>Mr. Ngem Kimhoy</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 928 769</td>
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<tr>
<td>9</td>
<td>Mr. Karbuth Somaklen</td>
<td>Ministry of Labour and Vocational Training</td>
<td>012 474 514</td>
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<tr>
<td>10</td>
<td>Mr. Ma Sophanaroth</td>
<td>Ministry of Labour and Vocational Training</td>
<td>092 883 778</td>
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<tr>
<td>11</td>
<td>Mr. Sour Sambath</td>
<td>Ministry of Labour and Vocational Training</td>
<td>011 898 912</td>
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<tr>
<td>12</td>
<td>Mr. Noun Vireak</td>
<td>Office of Council of Ministers</td>
<td>012 991 294</td>
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<tr>
<td>13</td>
<td>Mr. Khim Sophea</td>
<td>Ministry of Economy and Finance</td>
<td>016 399 986</td>
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<tr>
<td>14</td>
<td>Mr. Bun Narith</td>
<td>Ministry of Planning</td>
<td>011 673 785</td>
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<tr>
<td>15</td>
<td>Mr. Ith Chethana</td>
<td>Ministry of Interior</td>
<td>012 853 613</td>
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<tr>
<td>16</td>
<td>Mr. Sean Saroath</td>
<td>Ministry of Interior</td>
<td>017 299 499</td>
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<tr>
<td>17</td>
<td>Mr. Thong Chamroeun</td>
<td>Ministry of Social Affairs, Veteran, and Youth</td>
<td>015 209 925</td>
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<tr>
<td>18</td>
<td>Ms. Song Thy</td>
<td>Ministry of Social Affairs, Veteran, and Youth</td>
<td>015 209 925</td>
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<td>19</td>
<td>Mr. Ung Sovannak</td>
<td>National AIDS Authority</td>
<td>012 959 967</td>
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<td>20</td>
<td>H.E. Khiev Serey Vuthea</td>
<td>Ministry of Woman Affairs</td>
<td>012 836 031</td>
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<td>21</td>
<td>Mr. Bun Khunny</td>
<td>Ministry of Foreign Affairs and International</td>
<td>016 838 966</td>
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<td>22</td>
<td>Mr. Sok Vanna</td>
<td>UNFPA</td>
<td>012 850 571</td>
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<td>23</td>
<td>Mr. Khun Bunny</td>
<td>UNIFEM</td>
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<td>24</td>
<td>Mr. Kok Sithanit</td>
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<td>011 876 806</td>
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<td>25</td>
<td>Ms. Tous Sophorn</td>
<td>ILO</td>
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<td>26</td>
<td>Mr. Mom Sochar</td>
<td>Legal Support for Children and Women</td>
<td>012 943 767</td>
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<td>27</td>
<td>Mr. Hem Sayon</td>
<td>Cambodian Federation of Employers and Business Association</td>
<td>012 688 565</td>
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<tr>
<td>28</td>
<td>M. Chhorn Ann</td>
<td>Cambodian Women for Peace and Development</td>
<td>012 959 447</td>
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<td>29</td>
<td>Mr. Ann Bunhak</td>
<td>Association of Cambodian Recruitment Agencies</td>
<td>012 922 322</td>
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<td>30</td>
<td>Mr. Lao Lyhok</td>
<td>Association of Cambodian Recruitment Agencies</td>
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<td>31</td>
<td>Mr. Chhour Vichet</td>
<td>Association of Cambodian Recruitment Agencies</td>
<td>012 600 996</td>
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<tr>
<td>32</td>
<td>Mr. Yow Khemara</td>
<td>Department of Labour and Vocational Training – Kampong Som Province</td>
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<tr>
<td>33</td>
<td>Mr. Ke Oudam</td>
<td>Department of Labour and Vocational Training – Kampong Som Province</td>
<td>012 714 015</td>
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<tr>
<td>34</td>
<td>Mr. Vong Sovann</td>
<td>CWLFU</td>
<td>012 714 618</td>
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<td>35</td>
<td>Ms. Heng Chenda</td>
<td>C.CAWDU</td>
<td>012 408 360</td>
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<td>36</td>
<td>Mr. Thol Nom</td>
<td>CUF</td>
<td>012 711 485</td>
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<td>37</td>
<td>Mr. Chhin Sony</td>
<td>CWLFU</td>
<td>012 714 618</td>
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<td>38</td>
<td>Mr. Sok Kun</td>
<td>Ministry of Information/Television of Cambodia</td>
<td>012 914 857</td>
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