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Labour Migration Landscape in Asia: Recent Trends and Policies

The 5th ADBI-OECD-ILO Roundtable on Labour Migration in Asia
Building Effective Structures and Institutions for Migration Governance

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1. Labour migration landscape in Asia

The UN has estimated that the world's stock of migrants, defined as persons residing outside their country of birth, as **232 million** in 2013.

30 percent of migrants (71 million) are in Asia. Since 2000 Asia added 20 million migrants or 1.6 million per year - more than any region.

These numbers still do not fully reflect the significance of the migrant work-force in destination countries and economic sectors.

The directions of labour migration flows in Asia are mainly three-fold and intra-regional:

- Labour Migration flows from South Asia and South East Asia to GCC countries;
- Labour migration flows to and within the ASEAN region;
- Labour migration to East Asia which is mainly from countries in South East Asia.

Labour migration largely occurs under temporary migration regimes and for less skilled work. Women comprise 42 per cent of the stocks and are concentrated in domestic work.

The region is marked by substantial remittance inflows. There were six Asian countries among the top 10 remittance receiving countries in 2013 (World Bank).

Skilled labour flows to OECD countries particularly from India, Philippines, PRC; and student mobility is significant.

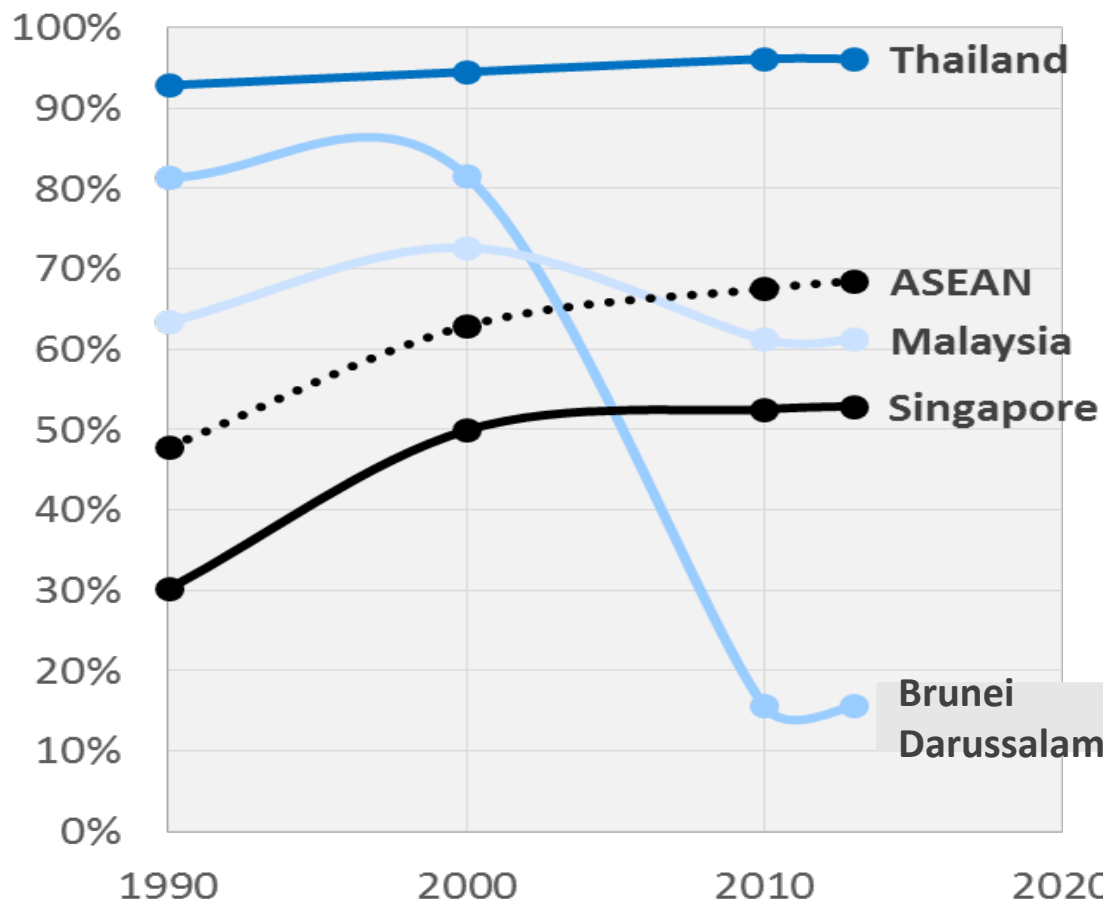
Intra-ASEAN Migration shares, 1990 – 2013

(percent of total)



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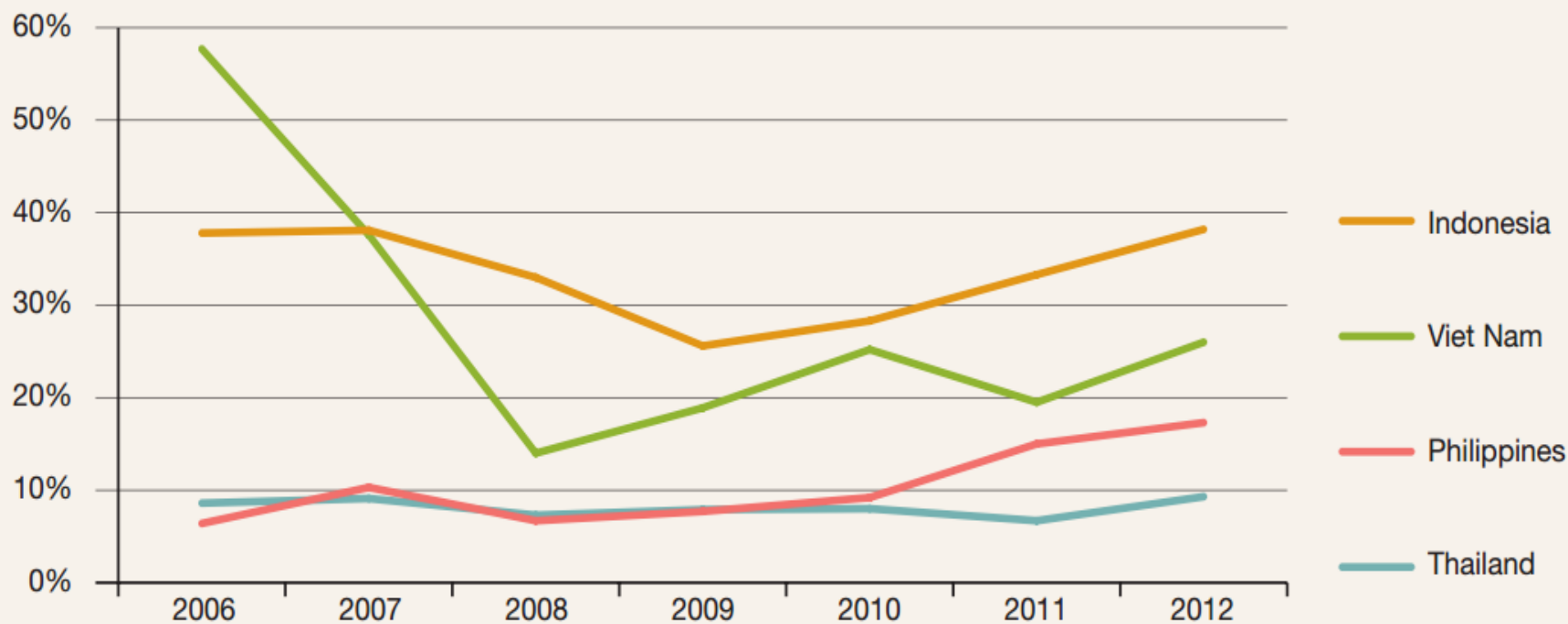
Intra-ASEAN share of migrants, receiving countries (%)



Source: UNDESA, 2013



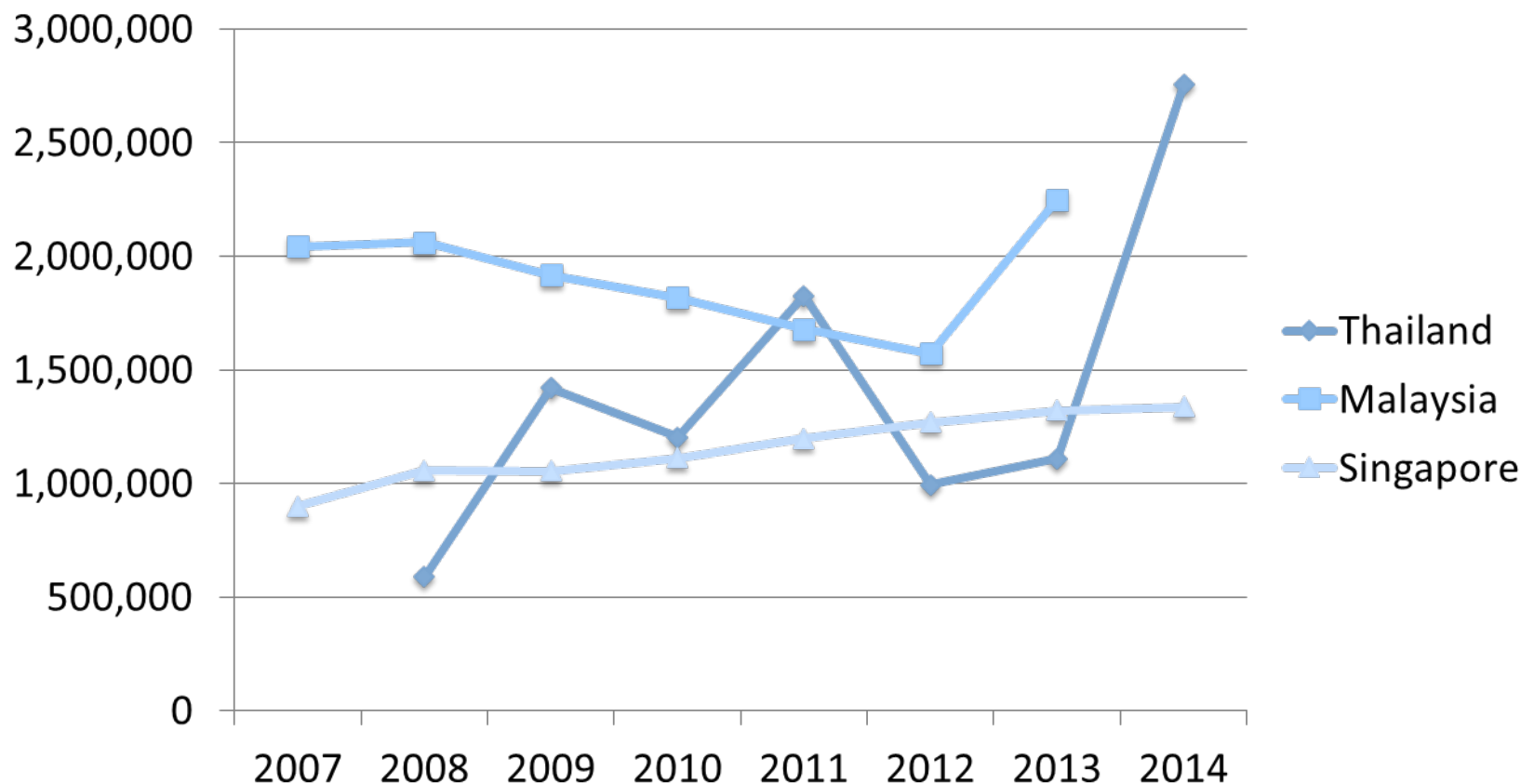
Intra-ASEAN share of outflow of international migrant workers 2006-2012



Source: Indonesia: administrative records of the National Authority for the Placement and Protection of Indonesian Overseas Workers based on the annual number of workers placed abroad; the Philippines: administrative records of the Philippine Overseas Employment Administration based on daily departures of land-based overseas Filipino workers (including new hires and rehires); Thailand: administrative records of the Department of Employment, Ministry of Labour, including all registered workers; Viet Nam: administrative records of the Department of Overseas Labour, including only workers under contract-based employment.

Note: as presented in ADB & ILO, 2014

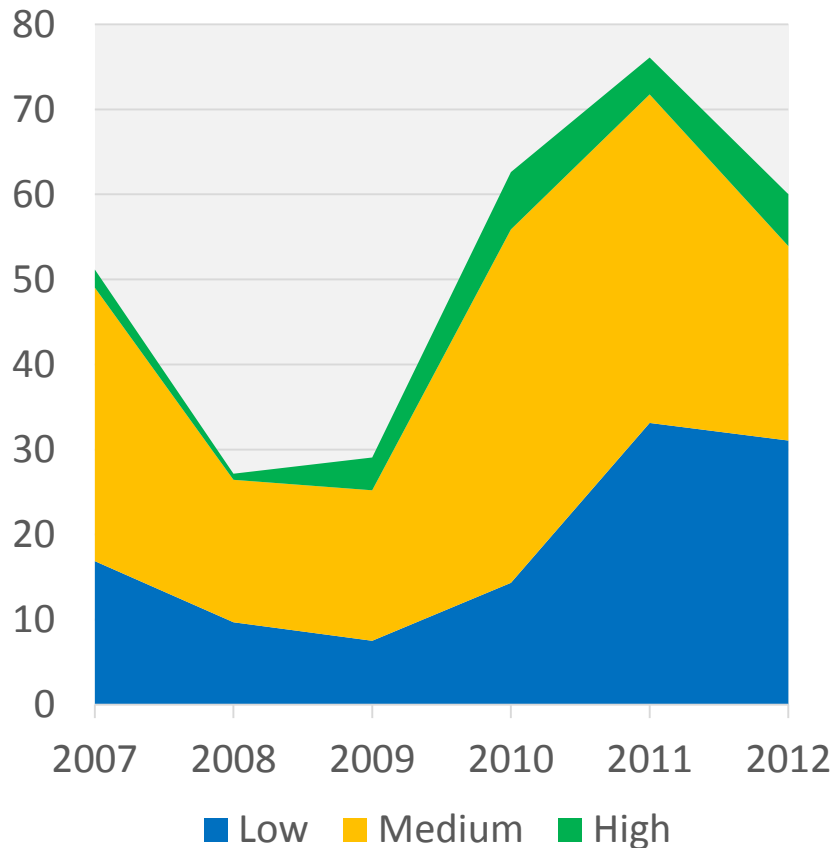
Stocks of foreign workers in destination countries in South-East Asia



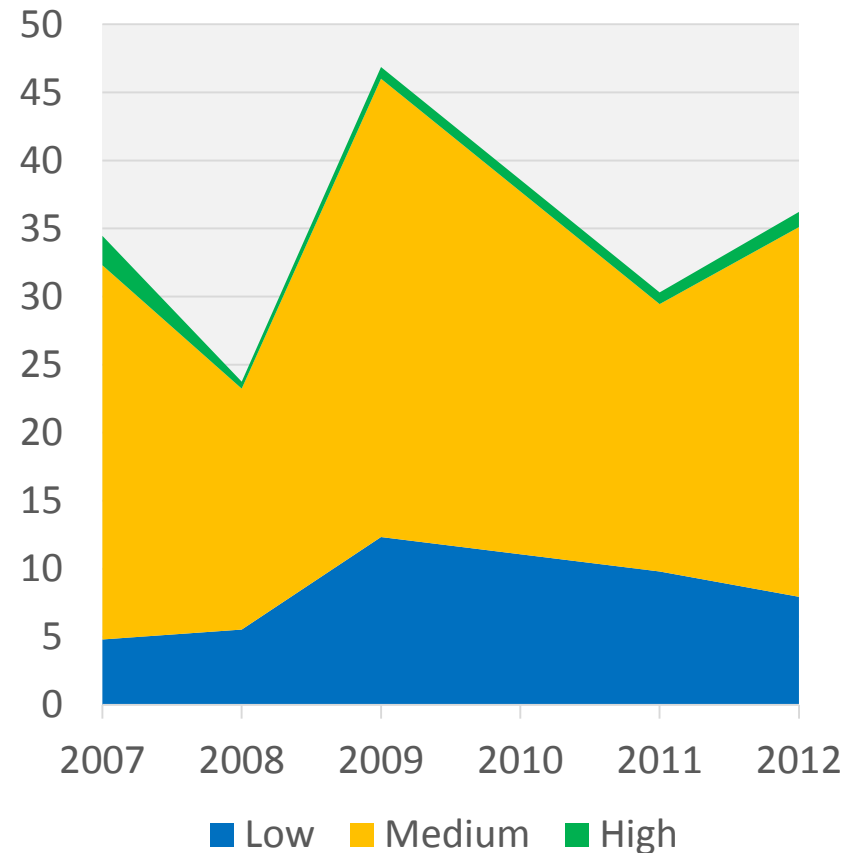
Sources: Ministry of Manpower, Singapore; Ministry of Human Resources, Malaysia; Ministry of Labour, Thailand

Annual inflow of migrant workers by skill of occupation ('000)

Malaysia



Thailand



NOTES: Malaysia covers only those residing in private living quarters. Thailand data measure those who migrated to Thailand within the previous year so may include some Thai-born or native 'return migrants'; series break between 2009 and 2011 – figure for 2010 was interpolated assuming a linear trend.
Sources: **Malaysia** – Department of Statistics Malaysia, *Migration Survey* (various); **Thailand** – National Statistical Office (NSO), Ministry of Information and Communication Technology, *Labour Force Survey* (module on migration, 2007-2009) and *Migration Survey* (2011 and 2012).

Entry of foreign workers to Republic of Korea by year



Source: Ministry of Employment and Labour, Republic of Korea

Note: 2015 figure is the quota for EPS entrants that year

Outflow of Workers from Selected Asian Countries to the GCC, 2013

| Destination Origin | Bahrain | Kuwait | Oman | Qatar | Saudi Arabia | UAE | Total |
|-----------------------|---------|-----------|-----------|-----------|-----------------|-----------|------------|
| Bangladesh | 100 444 | 279 169 | 148 314 | 220 403 | 1 309 004 | 1 089 917 | 3 147 251 |
| India | 262 855 | 730 558 | 644 704 | 576 776 | 1 761 857 | 2 852 207 | 6 828 957 |
| Nepal | 722 | 2 006 | - | 1 583 | 17 918 | 7 828 | 30 057 |
| Pakistan | 87 892 | 244 281 | 117 208 | 1 92 860 | 1 319 607 | 953 708 | 2 915 556 |
| Sri Lanka | 9 804 | 27 251 | 14 091 | 21 516 | 147 032 | 106 394 | 326 088 |
| Philippines | 43 971 | 122 214 | 21 669 | 96 487 | 1 028 802 | 477 139 | 1 790 282 |
| Indonesia | 29 553 | 82 139 | 35 027 | 64 849 | 379 632 | 320 684 | 911 884 |
| Other | 194 116 | 540 435 | 131 019 | 426 481 | 3 096 581 | 2 019 104 | 6 407 736 |
| Total | 729 357 | 2 028 053 | 1 112 032 | 1 600 955 | 9 060 433 | 7 826 981 | 22 357 811 |

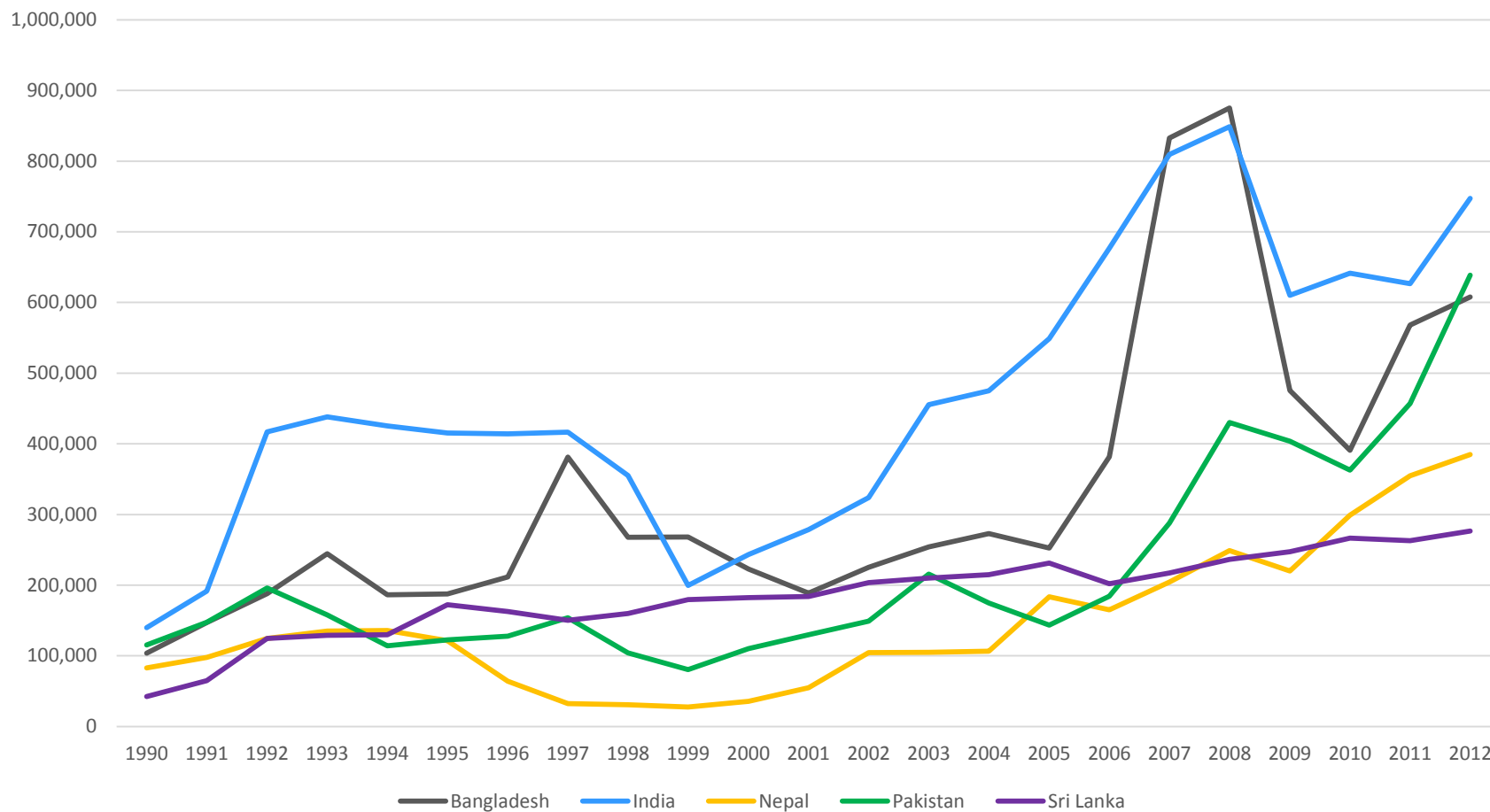
Source: UNDESA, 2013

Percentage of the foreign workforce by economic sector, 2009

| Sector | Bahrain | Kuwait | Qatar | Saudi Arabia | UAE |
|---------------------------------------|---------|--------|-------|--------------|------|
| Construction | 89.9 | 95.2 | 99.8 | 91.0 | 94.7 |
| Households employing domestic workers | 87.9 | - | 100.0 | 99.6 | 94.8 |

Source: Baldwin-Edwards, 2011

Annual outflow of migrant workers from South Asian countries



Source: Wickramasekra, 2014, using national sources



2. Driving Forces: Continuing Demand for Migrant Workers and Economic Disparities

The large wage differential between countries of origin and destination fuels labour migration.

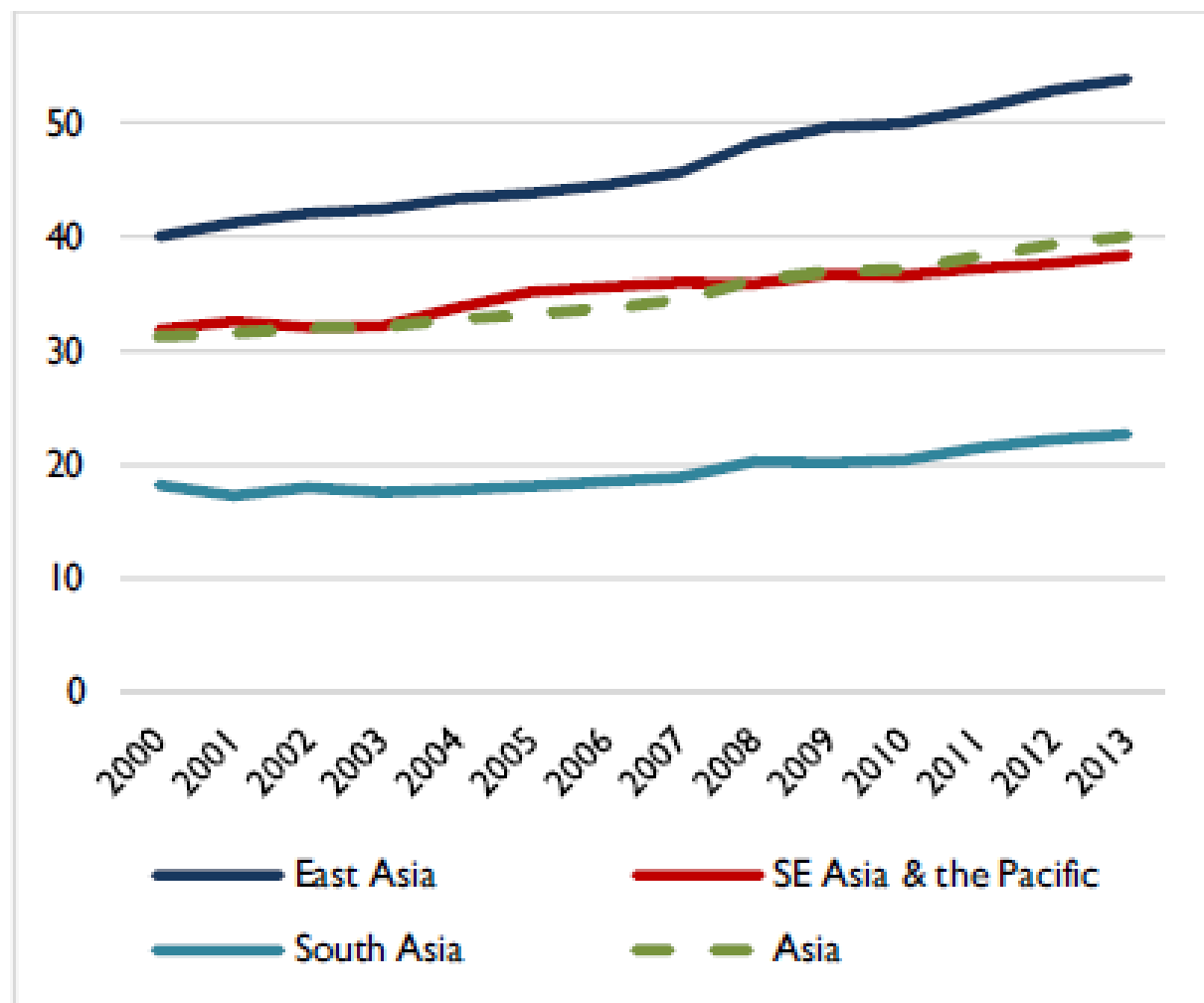
Many jobs have to be filled by migrant workers, including in construction, manufacturing, agriculture, fishing and sea-food processing and domestic work. MWs are largely concentrated in low wage and difficult jobs.

GDP growth was sustained in 2014 in GCC and accelerated in the Republic of Korea. In S.E. Asian destination countries there was a contraction in Thailand and Singapore. But this will reverse in 2015 (IMF estimates).

Shrinking labour supply and population ageing is faced in most East and SE Asian destination countries.



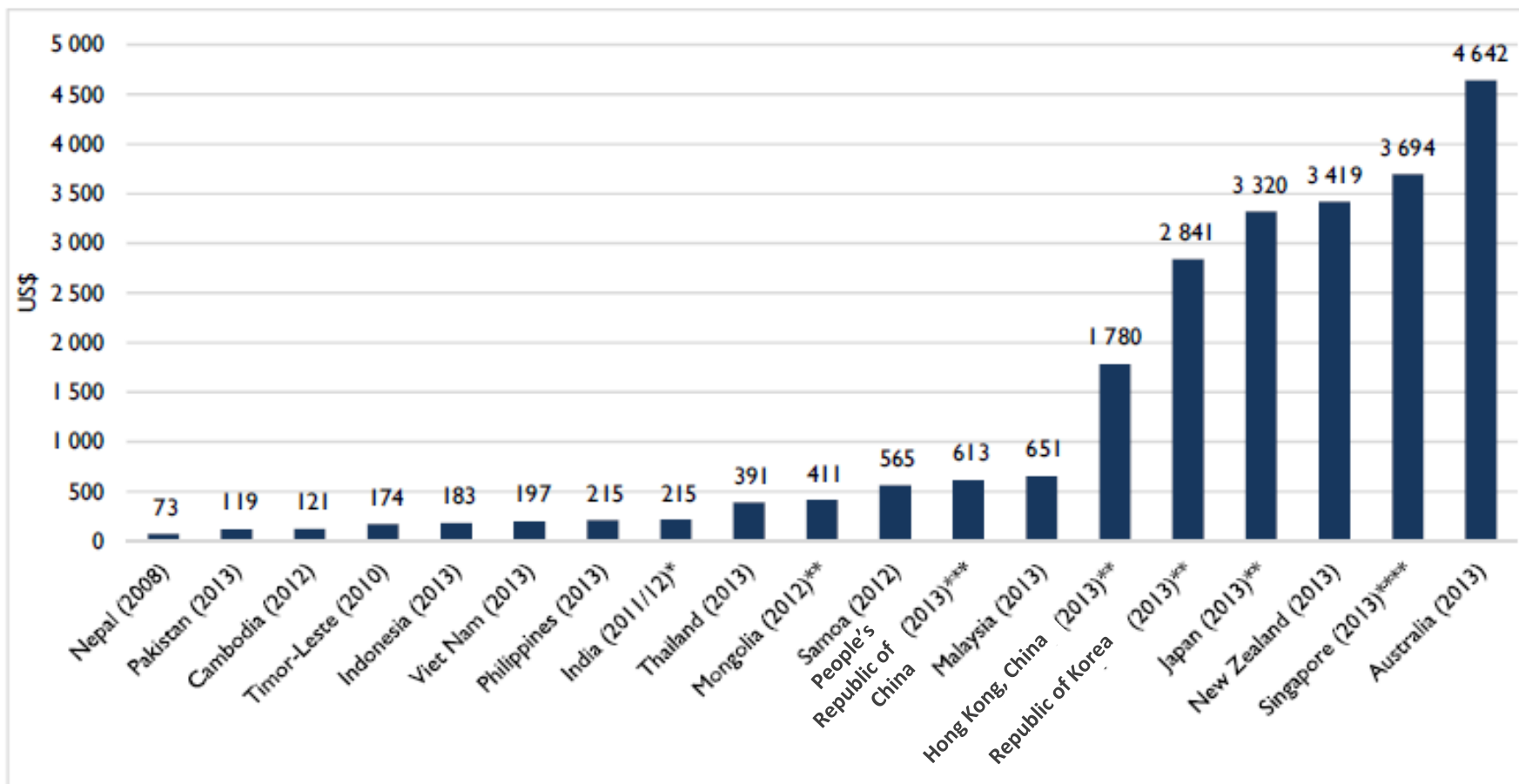
Trends in wage employment in Asia and the Pacific, 2000-13 (per cent of total employment)



Source: ILO: Key Indicators of the Labour Market, 8th edition, 2013, Table R3.

Driving Forces: Wages Disparities

Average monthly wage in US\$ (2013 or latest available)



*Average daily wage or salary earnings of regular wage and salaried employees aged 15 to 59 years, multiplied by 313/12.

The exchange rate is from the Statistical Yearbook, India 2014.

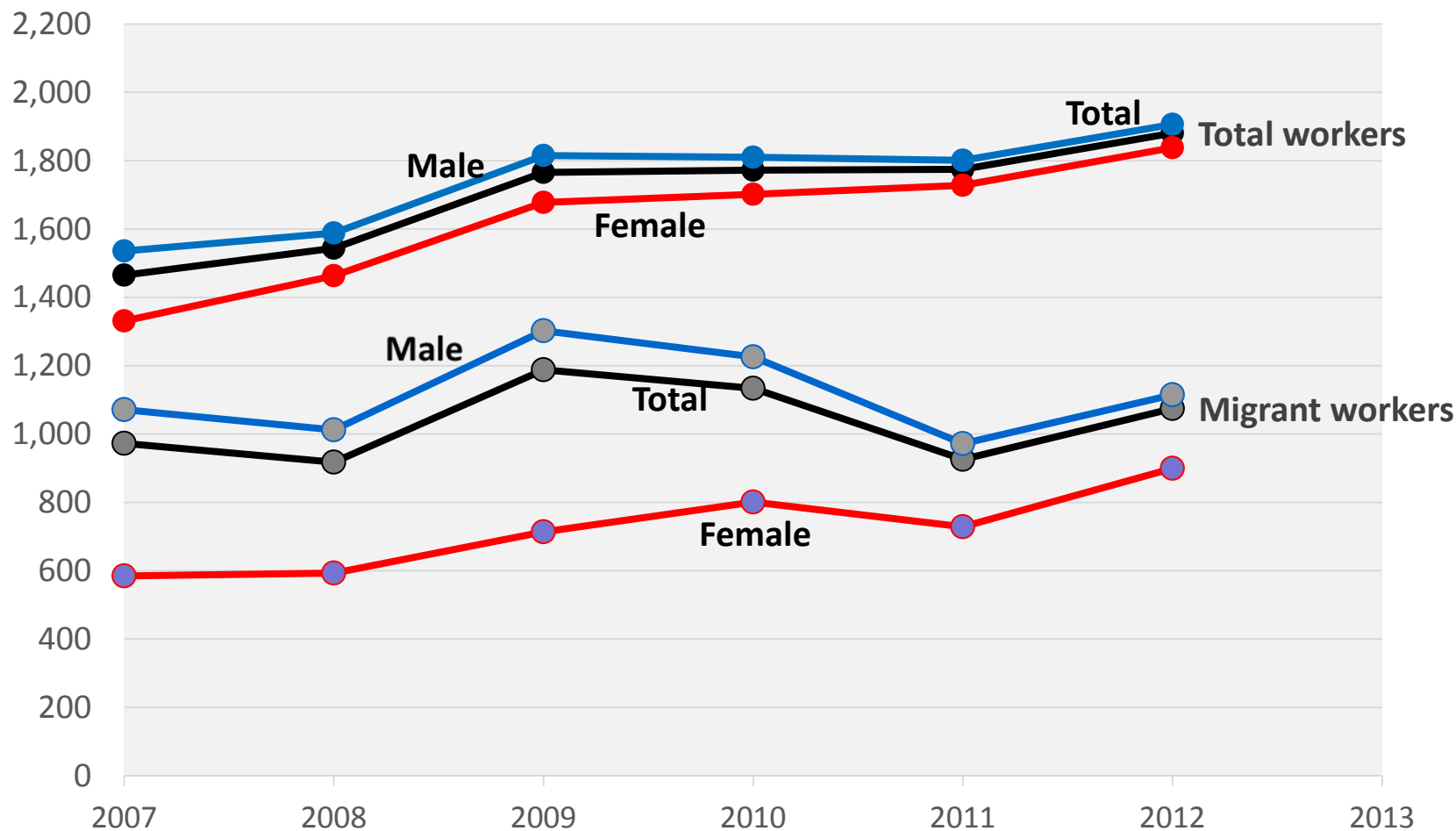
**Based on an establishment survey with broad coverage; Hong Kong, China and Japan refer to full-time employees.

***Based on establishment surveys; calculated as employment-weighted average of urban units and private enterprises.

****Based on administrative records from the Central Provident Fund Board.

Source: ILO: Global Wage Database 2014/15, based on national statistics.

Average monthly wages of migrants and all residents by sex in Malaysia, 2007-12



NOTE: Figures for youth exclude those outside the labour force.

Sources: Labour Force Survey 2012.

3. Global and regional developments

3.1 Post 2015 Sustainable Development Goals (under discussion)
UNDG My World Survey – “Better job opportunities” is top three priority

SDG 8: Promote sustained, inclusive and sustainable economic growth, full and decent work for all.

SDG 10: Reduce inequalities within and among countries

3.2 ASEAN 2015

Member States have not yet reached agreement on a regional instrument on the rights of migrant workers after 7 years of discussion. It is expected in 2015

3.3 SAARC

Kathmandu Declaration (2014): cooperation on safe, orderly and responsible management of labour migration from South Asia to ensure safety, security and well-being of migrant workers outside the region



4. Recent policy developments/issues

4.1 Labour Mobility and Admissions Policy

The Asian model generally consists of MOU/BLA; relatively liberal entry for low skilled workers; and limited sojourn.

Recognition of qualifications

ASEAN: MRAs have been completed for 7 professions and for tourism professionals between 2005 and 2012. Only the MRAs in architecture and engineering prescribe eligibility to apply for a license in another MS. In addition the MRA-TPs also provides a mechanism for on the equivalence of certification procedures and qualifications. The 7 occupations account for only between 0.3% to 1.4% of total employment in ASEAN.

Abu Dhabi Dialogue: UAE and Kuwait have initiated pilot projects on certification and recognition of upgraded skills.

Return and reintegration

Policy and Strategic Framework on Return and Reintegration of Migrant Workers under discussion in Sri Lanka

4.2 Recruitment Costs

“Fair migration means creating instruments of governance which result in a fair sharing of prosperity that migrants help to create” – ILO Director General (2014)

Recruitment is characterized by rent-seeking behavior.

There has been limited success in curbing abuses in recruitment.

Lack of coherence in laws in destination and origin countries.

Renewed interest in ethical and fair recruitment on the basis of ILO Convention 181 – which means no fees to the worker

4.3 Rights of Migrant Workers

Recent developments

Ratification of ILO Conventions:

C 189 – Decent Work for Domestic Workers – Germany, Italy, Switzerland, Philippines, Mauritius, Ireland, Finland, (17 so far)

National policy, legislation, mechanisms:

Thailand – Regulation on work in fishing; minimum wages

Cambodia – National policy on labour migration

Malaysia – minimum wages; levy

Bangladesh – Overseas Employment and MWs Act (2013)

UAE – Health insurance made compulsory

Singapore – Mandatory employers orientation (concerning domestic workers and in place since 2004 so not recent)

MOUs:

Dedicated domestic worker agreements – Saudi Arabia



4.3 Rights of Migrant Workers

Issues and challenges:

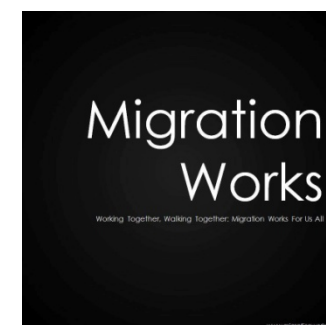
- Absence of contracts or their substitution
- Mobility in the labour market
- Exit clearances, confiscation of documents
- Domestic work not in labour law
- Wage protection and wage setting
- Occupational health and safety (construction)
- Freedom of association and collective bargaining
- Living conditions

Campaigns to promote a positive image of migrants



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- ILO 2010 study on public attitudes towards migrant workers in four destination countries in Asia informed the development of:
 - *Saphan Siang* (Bridge of Voices) in Thailand (ILO, IOM, ESCAP, World Vision International)
 - Migration Works (Malaysia) (ILO/UN)
- Focus on promoting better understanding between nationals and migrants by countering misconceptions and informing the public about the positive social and economic contributions that migrants make.
- [Migration works for us all – YouTube Clip](#)



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