

Continued emigration of workers detrimental to Lanka's growth

By Santhush Fernando

Local think tank Institute of Policy Studies in its paper – 'Different Approaches to Migration and its Impacts: A Sri Lankan Perspective' by Nisha Arunatilake, Priyanka Jayawardena and Dr. Dushni Weerakoon at the recently concluded International Conference Migration, Remittances and Development Nexus in South Asia stated that long-term policy reforms were essential for promotion of job creation domestically or if not continued, emigration of workers could be detrimental to the growth.

"The current policy especially emphasises the need to promote emigration of highly skilled workers.. however the prudence of this.. is questionable. To safeguard the interests of the country, while reaping the benefits of labour migration, it is necessary to ensure that education policies and training programmes match the needs of the local market as well as the envisaged global markets. Until the workers are trained to meet these skills demands, the promotion of workers in sectors with labour shortages needs to be stream-lined."

In the presentation it was revealed that the 2008 World Migration Report by the International Organisation for Migration (IOM) argues that temporary migration for work from low-wage developing countries to high-wage developed countries is a 'win-win-win' situation. The migrant workers benefit from higher wages in the destination countries,

the destination countries benefit from more employment and higher GDP, and lastly the countries of origin benefit from employment for unemployment workers,



remittances and the contributions by returnee migrants.

2008 World Migration Report (WMR) further argues that the first two wins are well supported by the strong desire of migrants to migrate to higher-wage countries and it shows the benefits of migration, and research findings show that the presence of migrants helps to expand economic activities, although it slightly lowers wages in the countries of destination. There has been recent international support for the third win, mainly focussing on the remittances and the benefits received by countries of origin from returnee migrants and the diaspora that maintain links to home countries.

However, hard evidence from developing countries on the benefits of migration to the migrants and the home countries are lacking. The World Bank, its 2006 Global Economic Prospects cautions that the costs and benefits of migrations are shaped by the particular circumstances of a country and depends on "the size of emigrant flows, the kind of migrants, and labour and product market conditions in the country."

This report further explains that although migrants receive higher wages in destination countries, the sacrifices and costs of migration borne by the migrants and the detrimental effects on the families that are left behind could outweigh the benefits of migration. Often, migrants make decisions to migrate based on imperfect information, and may be subjected to abuse and exploitation; as such the net benefits of migration may be low or negative.

Recent trends in
migration for
employment

On the basis of available published data, it is estimated that Sri Lanka has a stock of nearly 1.8 million migrants currently. The annual gross outflow has increased steadily from about 20,000 in the mid 1980s to over 200,000 persons at present. Available data suggests that nearly 60% of the stock of migrants comprise of female labour, although the share of female out-migrants has annually declined from an average of around 70% of the total in the 1990s to less than 55% by 2007. Of the female migrants, an overwhelming majority of the stock of female out-migrants (80%) remains housemaids to date, with hardly any change in the composition of skills of migrants over time.

Unlike female migrants, a significant share of the stock of male migrants (around 42%) is comprised primarily of skilled labour category. However, it is noteworthy that despite the higher numbers of male migrants in recent years, the skills composition has not seen any discernible shift.

Affluent migrants

In terms of the geographic spread of migrants, more than a quarter of total migrants in 2007 for instance came from the more affluent Western Province of the country. Nonetheless, the geographic spread does suggest the potential for remittance inflows of such migrants to play an effective role in reducing poverty. Some of the country's poorest provinces account for a large number of migrants, particularly the estate sector dominated Central Province and the conflict affected Eastern Province of the country.

The Middle East remains the major host destination. Of total migrants in 2007, over 90% found their way to Middle Eastern countries, with housemaids making up 50% of such out-migrants. The dominance of Middle Eastern countries as a destination for

the bulk of Sri Lanka's migrants is also reflected in the origin of remittance inflows to the country. North America and Europe were also important sources of remittance inflows in the 1980s. This is most likely related to the significant numbers of Sri Lankan nationals who migrated to countries in these regions – primarily as asylum seekers – following the outbreak of civil conflict in the country from the mid 1980s.

Remittances from EU increasing

Whilst the share of total remittances from North America has continued to decline in the 1990s, Europe has emerged as a growing source in more recent years. This reflects in part the changes to the composition of out-migrants from Sri Lanka in terms of both gender and skills. Increasingly, more males with higher skills are out-migrating. In part, this reflects changes in the global labour market where many developed countries instituted 'visas for jobs' programmes to attract temporary job seekers to fill skills shortages in the home countries. More recently, the Sri Lankan Government too has been promoting the idea of encouraging more skilled migrants, for instance, in areas such as healthcare.

Challenges to migration

Sri Lanka is struggling to strike a balance between maximising the development benefits of migration at the same time protecting migrant workers and their families from the adverse impacts of migration. The 2008-2011 government medium-term policy articulates the need to promote skilled and safe migration, while ensuring the rights and freedom. It identifies, 'high unskilled and unsafe labour migration' and 'illegal remittances' as challenges to be overcome. It also proposed to launch a scheme to improve the safety and rights of migrant workers and their freedom.

National labour migration policy

In addressing diverse developmental, economic and social issues associated with labour migration, Sri Lanka has, over the years, instituted a number of programmes and schemes that cover issues of governance in the process of labour migration, protection and welfare of migrant workers and their families.

Despite a range of existing administrative and legal measures and regulations, delicate balance between promotion of overseas employment and protection of national workers abroad has remained a challenge for the government. The Ministry of Labour Relations and Foreign Employment initially identified the need to articulate the Sri Lankan Government's policy on labour migration in a comprehensive policy document based on a long-term vision. In February 2009, the Sri Lanka National Policy on Labour Migration was launched by the Ministry of Foreign Employment Promotion and Welfare -MFEPW.

This policy aims to promote opportunities for all men and women to engage in migration for decent and productive employment in conditions of freedom, equity, security and human dignity. The National Policy on Labour Migration promotes and supports the migration of skilled men and women to secure work environments where the protection of fundamental human rights at work is upheld to the highest standards. The policy comprise three sections: governance of the migration process, protection and empowerment of migrant workers and their families, and linking migration and development processes.

Good governance

Good governance is recognised as vital to regulating the labour migration process and is seen to encompass effective institutions and regulations. There are four key

areas for consideration, namely, the institutional framework, the legislative framework, the regulatory framework and the social dialogue and consultative framework.

The second section pertains to the protection and empowerment of migrant workers and their families. The State, having the primary responsibility for the protection of migrant workers and their families, undertakes to protect and empower migrant workers and their families in all three stages of the migration process. These stages are pre-departure, in-service (workers in employment and families left behind) and return and reintegration (with consideration for reintegration, acceptance and appreciation).

The final and third section of the national policy relates to the linking of development and migration processes in recognition of the contribution of labour migration to employment, economic growth, development and the generation of income. Return migrants and transnational migrants contribute to investments, transfer of technology.