

Migration and Employment*

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- Policies toward international migration and employment in developing countries must be more coherent, given the many interactions between the two phenomena. But more coherent policies require a much better understanding of the links and impacts between mobility, jobs and development.
- More coherent policies should be pursued by means of stronger partnerships between origin and destination countries – with special attention to brain-drain and circular-migration issues.
- Remittances will contribute more to job creation if policies help create stronger incentives to save and invest in migrants' home countries – including, notably, in community-development projects.

Summary

Social, economic, political and environmental problems are root causes for migration. Regarding the labour market, migration is a symptom of imbalances in sending countries, such as high rates of unemployment and underemployment among low-skilled workers, low wages for skilled workers, and unmet demand for education and acquisition of skills.

International migration can help reduce poverty and raise economic growth rates in the migrants' countries of origin. First, an increase of remittances is generally associated with a reduction of overall poverty. Second, circular migration plays an important role. Economic analyses show that an increase in circular migration between developing and developed countries could produce gains of USD 150 billion per year, which would equally benefit developed and developing countries.

While the link between migration and economic development receives special attention, the particular dynamics of migration and its effects on the labour markets of sending countries are still poorly understood due to the lack of reliable data. However, initial empirical evidence shows that the labour markets in sending countries adjust to emigration in different ways, depending on the scale and type of migration and the country's general socioeconomic state.

The effects of migration on employment have many facets. The migration of low-skilled workers might result in rising wages or a relaxation of the local labour market in areas with high rates of emigration and an oversupply of labour. The outflow of skilled

* The opinions expressed and arguments employed in this paper are the sole responsibility of the authors, and do not necessarily reflect those of the OECD or the governments of its member countries.

workers deprives developing countries of their human capital and results in brain drain with serious consequences on the delivery of key services like education or health care, and on economic productivity. In contrast, overseas work experience might provide opportunities to improve skills and further knowledge, while others whose qualifications are not recognised in their receiving country may see their skills diminish while abroad, making return difficult.

To grasp the variety and complexity of these relationships, more data must be collected and appropriate tools developed to detect and analyse the effects of migration on labour markets and employment. Considering the manifold links between migration and employment, migration policy has to be coherent and complement policy fields of education and vocational training, economic promotion and the labour market, all of which should be aware of the situation of (potential) migrants.

The option of re-entry of migrants into developed markets on renewable short-term contracts, flexible working arrangements and the protection of fundamental rights provide positive incentives for circular migration. To restrict and prevent the migration of professionals from sectors affected by brain drain, 'ethical recruitment' practices and measures to improve working conditions and infrastructure for high-skilled personnel in developing countries should be tied in with the acquisition of professionals from sectors exposed to brain drain.

On-the-job training and skill acquisition schemes affecting migrants' employability and knowledge transfer can also supplement circular migration. Additional training programmes in sending countries provide incentives for professionals to stay and thus help cushion the loss of expertise. Diaspora networks play an important role in reducing the costs of brain drain by fostering cooperation and the conveyance of knowledge and skills as well as collective and business investment.

The migrants' families often use remittances primarily to finance their livelihoods, rather than to invest productively. Some job creation will occur through the local multiplier effects of spending remittances for consumption and to secure livelihoods. This increases local employment while the saving of remittances can counterbalance local insurance system deficiencies. Given the limited scale of the positive employment and multiplier effects of remittances, some policies seek to encourage the use of remittances for more productive investments. This however requires more effective incentives for productive and employment-oriented investments in the economy, the reduction of transfer fees and better access to financial institutions. A further tool is government co-funding of diaspora-driven non-profit investments.

The relevance of migration to employment and labour markets

In 2005, around 190 million people (3% of the world's population comprising almost equal proportions of men and women) lived outside their country of birth. This proportion has remained relatively stable for several decades. The imbalance of active populations between developed and developing countries will however increase. The World Bank projects that by 2010 the active economic population of developed countries will increase by 50 million people compared to an increase of 733 million people in developing countries.

There is increasing political focus on the consequences of international migration for economic and social progress in the migrants' countries of origin. For instance, in

September 2006 the United Nations held the first High Level Dialogue on International Migration and Development. This led to the creation of a Global Forum for Migration and Development (GFMD). The GFMD first met in July 2007 in Belgium and the second meeting took place in the Philippines in October 2008. Furthermore, several multilateral organisations (such as OECD, ILO and World Bank), the European Union and many bilateral donors ascribe higher importance to migration issues in their research and policy agendas.

It is increasingly accepted that international migration can help reduce poverty and contribute to economic growth in the migrants' countries of origin. According to a World Bank study an average increase of 10% of emigrants in the total population of a developing country is associated with a 1.6 percentage point reduction in poverty (using an international poverty line of USD 1 per day). Moreover economic analyses show that an increase in temporary migration in developed countries, including low qualified migrants, could produce gains amounting to USD 150 billion each year, equally shared between developed and developing countries. Meanwhile, a 10% increase in the share of remittances in Gross Domestic Product (GDP) is associated with a reduction of poverty by 1.2%. However if migration leads to a significant loss of skilled labour to more developed economies (brain drain), international migration might have negative impacts on sending countries.

The connection between migration and employment, as a dimension in the link between international migration and economic development is therefore important for poverty reduction, and of interest to policy-makers in migrant-sending and migrant-receiving countries. One major reason for migration is the earnings gap between the host and the home country; hence most of the migrants leave their home countries for more remunerative work. Studies by the International Labour Organization (ILO) show that workers in high-income countries earn a median wage that is almost five times the level of that in low-income countries, adjusted for differences in purchasing power. However the earnings of migrants in their host countries are lower than those of native workers as migrants often lack the necessary qualifications and knowledge of the local language.

Another important reason for mobility is education and the acquisition of skills which are also related to employment and labour markets. Migrants come from all educational levels. Educated migrants have better prospects for the advance of skills and knowledge. The improvement of skills and the accumulation of financial capital from working abroad or by activities of the diaspora could have positive effects on the labour market like increased employability and the capacity to start a business in the country of origin. Yet these effects might be hampered when the upgrade in qualification does not match local needs or when economic and political conditions remain unattractive for investments.

International migration furthermore has effects on the labour market outcomes for many potential migrants or non-migrants in developing countries. These effects need to be better understood by decision-makers. Empirical studies on the link between migration and employment in developing countries do not show a clear picture and most of the theories are not quite satisfactory. However, social contexts in developing countries play an important role in establishing theories, which could be tested empirically and used for policy recommendations.

Mobility, whether temporary or permanent, has also always been used as an adaptive measure in times of environmental stress. Experts affirm that environmental deterioration exacerbated by climate change and the recurrence of natural hazards is likely to increase

migration. However it is hard to attain detailed and reliable data on this issue since it is difficult to measure the extent to which climate change influences people's decision to move. Furthermore, migration can hardly ever be related to environmental degradation alone (Boko *et al.*, 2007).

The purpose of this hot topic paper is to explore the links between international migration and employment and labour markets in developing countries. It also provides concrete recommendations for governments of developing countries and development assistance agencies. While it is difficult to draw a line, this paper attempts to focus on the channel of labour markets and employment instead of systematically surveying the many effects of migration on development. It also does not address the effects of international migration on the labour markets of migrant-receiving countries of the OECD and elsewhere.

If people from a developing country participate in the global labour mobility system, labour markets and employment in that country will be affected through several channels. Five such channels are considered here:

- Emigration, wages and economic adjustment
- Brain drain and labour markets
- Effects of remittances on labour markets
- Diaspora networks and labour markets
- Return migration and employment

The labour market consequences of each of these mechanisms is subsequently explained, following which the important gaps in our knowledge about these five mechanisms that hamper effective action by practitioners and policy-makers are highlighted. Finally, selected implementation experiences as examples of good and bad practices are presented, while a list of additional experiences can be found in the annex. The paper concludes with some general recommendations for policy-makers and development agencies.

Main facts and figures and current knowledge about the issue

This chapter sketches the principal channels through which international migration affects employment and labour markets in developing countries. Some of these are related to the actions of the migrants themselves, including sending remittances and other activities of the diaspora (notably forging trade and investment links between countries of origin and destination). The migrants' return – whether temporary or permanent – can likewise generate benefits in their home countries' labour markets. Labour migration might have a negative impact on economic development when high-skilled migration leads to a substantial loss of human capital (brain drain) in strategic sectors like health care.

Gender aspects of migration

Women and girls have long accounted for a large proportion of all international migration. While the EU reflects the global trend of increased ‘feminisation of international migration’ (Lucas, 2005) with a portion of 52.4%, the proportion of female migration to the US is below 45% for most migrant groups.

Women’s participation in migration differs among migrant groups and receiving countries. For example, within the Japanese or Filipino migrant groups in the US more than 60% are women, whereas in the Gulf States only about one-fifth of the South Asian non-national population are female. However the role of women in migration should not only be seen in the context of their situation in host countries, but also the responsibility they shoulder when only male family members migrate.

Emigration, wages and economic adjustment

In many, if not most, low-income countries open unemployment is relatively rare. This is partly due to the absence of adequate social safety nets that make it impossible to be ‘unemployed’ as defined by OECD countries. Generally most of the open unemployment in developing countries can be found in urban regions. In rural agricultural areas it is mostly hidden, as a subsistence economy functions as a kind of social safety net against poverty albeit a vulnerable and unproductive one.

Generally labour markets in many developing countries are marked by low wages and high rates of unemployment and underemployment among the low skilled. In contrast, studies mostly deal with the impact of high-skilled worker migration, which is expected to most affect the further development of sending countries.

When wages rise with economic development in sending countries this often leads to higher migration rates, as people need minimum assets to “afford” migration. If economic growth continues to be high in sending countries and income differences approximate, regional disparities will be significantly reduced and migration will decrease in the further course of development. This development is often described as a “migration hump”. While this is important to decision-makers at policy level and in development cooperation, there is scarce empirical evidence to support this theory.

The impact of emigration in an environment of low wages and underemployment is complex. On the one hand, studies present unskilled migration as generating huge gains for migrants, their families and their country and is seen as a component of development policy. Unskilled migration may be an instrument to relax the labour market in the sending country and induce large amounts of remittances. Conversely, it is the emigration of skilled workers that deprives developing countries of one of their scarcest resources - human capital - thus hampering the progress of more productive industries and services.

For many reasons wages might not rise with emigration. The evidence from a number of countries (for example Sri Lanka) suggests that high emigration rates are not necessarily associated with rising wages or even declining unemployment (OECD, 2007). The first question is whether labour supply is reduced by emigration. Some of those who are left behind and have not been working before could enter the labour market (like women, older persons, the underemployed and the hidden unemployed). In the long run

emigrant workers could be replaced by technology, by more skilled workers or by migrants from other regions of the country itself or from neighbouring states.

Additionally if an economy is well integrated in the global economy, wages may not change because traded goods can substitute reduced output. In some cases wages might even fall if for example, emigration numbers are so high that demand and output fall.

Over time, an economy undergoing significant emigration will adjust with consequences for labour markets. Historically many high emigration countries witnessed the mechanisation of agriculture following emigration. This was an adjustment to the reduced availability of low-skilled labour to work the fields. Generally, production techniques will change to use combinations of various levels of skilled labour and other factors of production (land, machinery and natural resources). This will change the wage structures and job characteristics.

Nevertheless emigration is sometimes accompanied by rising wages in some sectors in the country of origin. Evidence from Pakistan, Philippines, Mexico, Malawi, Mozambique and other economies supports this (OECD, 2007). Whether wages rise or unemployment or underemployment levels fall, this is good news for poorer workers who do not migrate. These wage-unemployment effects are potentially powerful ways for migration to reduce poverty via the labour market, even for non-migrants. They are not always discernible at the national level; wages will rise or underemployment will fall only in those local labour markets affected by high rates of emigration. Of course in the short term if wages rise, this will increase the cost for employers. The long-term effect of rising wages depends upon how the economy adjusts to emigration.

Brain drain and labour markets

With regard to the skill levels of migrants, the numbers differ between migration to Europe and North America (OECD and non-OECD countries). The majority of migrants to Europe are low skilled, while most migrants to North America possess higher qualifications (45%). Most of the low-skilled migrants who come to OECD member countries are originally from Latin America and the Caribbean, Asia, Eastern Europe and to a lesser extent, Africa.

Skilled migration can result in brain drain, (a decrease in human capital stock), which requires long-term efforts to be balanced by education and training. Brain drain can cripple the delivery of key services, especially in education or health care. It is estimated that 65 000 African-born physicians and 70 000 African-born professional nurses were working in a developed country in 2000. They accounted for one-fifth of African doctors and one-tenth of African nurses in the world (Michael *et al.*, 2007). With the exodus of teachers, nurses, doctors and engineers the focus tends to be on the consequences for service delivery, which may be the most important consequence related to poverty reduction. Brain drain nevertheless has at least two labour market aspects which policy-makers should focus on.

First, one of the reasons why skilled workers emigrate is because they are dissatisfied with labour market options at home. This is not solely a matter of pay differentials between rich and poor countries, although those differences in earnings certainly influence skilled migrants. For example, evidence from Africa suggests that many emigrants trained as health care workers were not working in that sector at the time of their departure. They had emigrated from the health care sector before they emigrated from their countries. Their decision to leave the sector in which they were trained reflects

dissatisfaction with working conditions, infrastructure and pay. To retain these skilled workers these labour market conditions must be addressed.

The second labour market effect might be called the "keystone worker" effect. This is slightly technical and deals with the interaction of high-skilled and low-skilled workers. The emigration of skilled workers might affect labour markets if work organisation or production technology for goods and services require a certain number of skilled workers in combination with low-skilled workers. If a key worker in a firm leaves, this could reduce the productivity of his former co-workers. They are "keystone" workers; without them some firms might reduce their scale of operations or fold. Eventually, the economy might re-adjust. This however will take time during which many low-skilled workers might see their working conditions (for example, nurses in an overstretched clinic where all the doctors have left) or earnings diminish.

Not all movements of high-skilled emigrants from developing to developed countries cause brain drain. It depends on the social, political and economic situation of the sending country how emigration has an impact on its labour market. If we take a look at remittances made by Filipino doctors, it seems that they more than compensate for the cost paid by the state for their education. The consequences of remittances on the sending country's labour market are discussed in the next chapter.

Effects of remittances on the labour market

In 2006, the officially recorded remittances sent by migrants to developing countries amounted to nearly USD 200 billion, doubling over the last five years. If unrecorded flows are added to this, the total amount of remittances to developing countries is likely to be larger than foreign direct investment (FDI) and more than twice as large as official development assistance (ODA). However remittances and aid do not generally flow to the same developing countries. While sub-Saharan Africa receives more than USD 25 billion annually in aid, it receives only about USD 8 billion in remittances. Conversely countries that receive high remittance volumes (many of them middle-income countries) receive scant aid namely, Mexico, China and India.

Most policy interventions related to remittances have addressed two concerns: reducing the cost of transfers and attempting to channel these flows into a wider array of uses. Neither of these is directly related to labour markets though they may have an impact on employment.

Surveys on the use of remittances in many countries suggest that the migrants' families use these resources primarily to finance consumption instead of investment. For poor households consumption can certainly improve their quality of life. Moreover many categories of consumption are in fact investments in these households' futures and their human capital: for example, spending on health care, education, and consumer durables like refrigerators. The spending of remittances generally – whether for consumption or investment – will generate some job creation through local multiplier effects.

Remittances as a means for insurance purposes and private investment capital for people who cannot afford to migrate should not be overlooked. By serving as insurance for their families, migrants make up for the lack, or inadequacy of, local insurance systems in areas where incomes are highly variable, diseases are more common and severe, or where political, economic and/or social instability is greater. They also allow families to engage in activities that entail more risk but are potentially more profitable. This is especially the case in poor countries where capital market imperfections reduce

the options available to members of low-income classes. The decline in the level of risk exposure, after the sending of remittances, may allow the household to undertake a risky – but profitable – investment project, thus contributing to economic growth. Here remittances will be relatively more productive in a distorted economic environment. This also means that altogether the share allocated to investment is relatively low. However as this is the reality in most developing countries it should be noted that migration and remittances can be associated with new insurance and investment possibilities for those who stayed home.

Who sends more remittances – high-skilled or low-skilled migrants? The existing literature on this point is not fully clear. However the volume of flows seems to be a function of the average skill levels of migrants, as noted above. Remittances from less qualified migrants reduce poverty more than those from high-skilled migrants. This is especially if the high-skilled migrants settle abroad permanently with their families. However in the case of the mainly educated and urban middle class Afghan diaspora in high-income countries, we see high commitment for many years. This could partly be due to its organisational strength and the persisting problems back home. Moreover the size of remittance flows depends on the duration of the migrant's stay: under this hypothesis, shorter-term migrants maintain a stronger link to the home economy and therefore send more money home, while second generation migrants tend to have weaker ties to their family back home.

Finally, remittance receipts have encouraged many households to reduce their labour supply and use remittances as a substitute for farm earnings. They are better off not working given the low productivity of other available options. From a macroeconomic perspective, policy-makers might want to consider the effects of this reduction in available labour supply. In most cases if better paying and more productive work were available for these members of migrants' families, they might prefer to work in addition to receiving remittances.

Diaspora networks and labour markets

In countries with a longer migration experience, diaspora networks (with low and highly qualified workers) may act as conduits of transnational linkages. These links include business investment – in both directions – between their home and host country. FDI and outsourcing of production financed by the overseas diaspora can generate employment prospects that might benefit the poor in the long run. Diaspora members also purchase land or houses in their country of origin, finance construction of schools, clinics or roads in their home villages and donate money for income-generating development projects. Moreover, diaspora networks between host and home countries can play a major role in sharing their skills, experience and knowledge with those who have remained at home.

There are mixed employment impacts of the diaspora networks' activities. China has benefited from ethnic Chinese entrepreneurs overseas who invested on a large scale within Chinese regions creating many jobs and expanding export performance. It is estimated that nearly half of the USD 41 billion FDI China received in 2 000 came from its diaspora. The Indian software industry benefited from a well placed diaspora in the US reducing reputation barriers to trade. It is easier to recruit additional skilled workers and it improves the general business relationship between US and Indian software firms. So the Chinese and Indian diasporas clearly have had a positive economic impact – including employment generation – on their respective home countries whereas the economically

successful and well-organised Armenian diaspora has contributed less to developing its home country. The differences in these outcomes partly reflect the different attitudes of the local elite toward their counterparts in the diaspora: the domestic Armenian political and business elite have pushed for economic liberalisation and privatisation while keeping the major reform benefits mainly for themselves. The Chinese and Indian elite meanwhile have been more accommodating of investment finance from the diaspora.

Some policies have sought to encourage the use of the diaspora's resources for investments such as firm start-ups or community development. Their success will depend on the character of investments, though there are reasons to suspect that the overall impacts on employment will be modest. Start-up enterprises, many of which will be small scale, might primarily generate jobs for other family members. Community infrastructure investment is likely to be more labour intensive but such efforts will often call upon community members to donate their labour. Development projects initiated by migrants also contribute to the creation of income-generating activities on a small scale. The impact of diaspora involvement on the local level can nevertheless be important.

In situations where the overseas community is large or notably wealthy, the diaspora may retain significant influence on politics in their home country through absentee voting or lobbying. This indirect political influence may sometimes impact economic development. The consequences of these interventions are mixed. If it leads to violence or civil war the local economy is harmed. Several post-war countries however emphasise the migrants' contribution to local development and stabilisation. The Afghan diaspora in the USA and Europe for example, exerts great influence on political reforms and has played a significant role in private sector development. Successful attempts to promote democratisation to accelerate economic development often depend on the willingness of the ruling elite in the country of origin to interact with the diaspora. Liberia's government for example actively encourages remittances and volunteering of migrants for concrete development outcomes and even held a forum on diaspora engagement in 2008.¹

Return migration and employment

The return of expatriates to their home country supports economic development and job creation when returnees bring capital and knowledge back with them. Studies suggest that return migrants often have better employment possibilities than those who stayed home. They are also more often self-employed thus potentially contributing to employment generation and economic growth. Meanwhile other migrants have seen their skills diminish while abroad and have problems re-integrating into their home country's labour market. This is the experience of skilled migrants whose qualifications are not recognised when they migrate. After a period of working in a low-skilled job, they may find upon their return home that they are unable to find employment even in the field in which they were employed. Central and Eastern Europe provide many such unfortunate examples (OECD, 2007). A general difficulty arises in interpreting the evidence for this link. The re-entry often involves a process of searching for the best opportunities in the domestic labour market. Until now, it is unclear how long returnees have to search for a new job. There is also a big difference between the home countries of returnees regarding the need for social networks to find new jobs.

Temporary and circular migration share the benefits expected from return migration especially regarding skill and capital accumulation and their use upon return. Return on a regular or occasional basis may encourage brisker economic activity. Migrants are more likely to return if the investment and employment climates improve. Policies that foster

strong R&D environments and infrastructure are attractive, particularly to high-skilled workers (although low-skilled workers might also be lured back home by improved employment opportunities).

Key issues and debates

Practitioners and policy-makers need better information to reap the gains and limit the risks of international migration of workers in the developing world. This chapter highlights some of the gaps in understanding the links between migration and employment. Case study research of specific migration experiences provides critical answers.

Compared to OECD countries, definitions used in developing countries are often unclear. Statistics of unemployment or remittances for example, are handled differently in OECD and in developing countries. There is also knowledge and data lag because of irregular migration. The same applies to definitions of unemployment and underemployment.

Emigration, wages and economic adjustment

More statistical data and analysis is needed to better understand the impacts of migration on employment. We need to understand better the regional and country specific backgrounds of migrants, information on the size of high or low-skilled emigration, the length of stay, the migrants' skill level, educational and economic background, their employment status before emigration, and whether they worked in the formal or informal sector. This information helps determine what happens when circular migrants return. For example, do they enter or re-enter the informal economy?

Assessing specific effects that occur in a given labour market are of particular interest to policy-makers. The size of unemployment and underemployment and emigration varies among countries as do the impacts of migration regarding wage and relaxation of the labour market. One question is whether, and how, governments should facilitate internal labour mobility to adjust to emigration flows. This depends on how employers actively adjust to emigration pressures like labour scarcity and/or higher wages. Do they go into new areas of activity, invest in new techniques or move to new regions in the country? Policy-makers and employers alike need to determine the kind of skills and training initiatives needed for potential migrants and remaining workers in an economy strongly affected by emigration. Such measures also need to be part of the discussion on brain drain.

Brain drain and labour markets

To curb brain drain, countries need to know which sectors often lose highly-skilled workers. The departure of professionals influences the performance and capacity of a country in many ways (for example, in service delivery and productivity). One point that is overlooked is the incidence of sector emigration prior to actual physical emigration. If such correlations were studied, the findings would strongly influence the interpretation of the social costs of the brain drain. They would also bring us closer to understanding the labour market situation and to recognising which incentives or employment programmes are needed to retain highly qualified migrants.

Another case in point is the interrelation between education and migration: it needs to be analysed for each country whether highly skilled people leave their country to receive further education or whether education is a vehicle to exit a country with a lagging economy.

A number of studies propose the concepts of circular and temporary migration as potential tools to forestall the definitive loss of human capital. These concepts will need to consider that a temporary intention often leads to permanent stay. Overall, it is not clearly known the extent to which temporary migrants acquire new skills and financial assets and their impacts on employment. The countries of origin should analyse what highly skilled migrants think about such migration schemes and their potential to motivate return.

Effects of remittances on the labour-market

Remittances are one of the top themes of the positive effects of migration. However there is still no coherent definition of remittances or methods to measure their flow. Data on the share of remittances in GDP vary among different providers. Furthermore, many migrants use unofficial ways of transfer and the amount of such unregistered remittances can only be estimated.

The recipient households are most likely to use the transferred money for consumption and insurance compensation and to a lesser extent, for investment. To know the size of the multiplier effects arising from this, it is necessary to carefully map the job-creating potential of household spending in various categories (current consumption, household improvements, consumer durables, education, health and community investment). Apart from difficulties in measuring multiplier effects, sustainability depends on whether the increased demand for goods can be met by local production or requires imports.

Finally, more evidence is needed on the extent and the areas in which remittances contribute to the creation of enterprises and have effects on employment. Are start-ups financed by remittances usually part of the formal or informal sector? Do they have a wider employment scope beyond the family working unit and what should be done to encourage this?

Diaspora networks and labour markets

For sending countries it is of vital interest to not only tap the financial resources but also the human capital migrants acquire while abroad. In the past there have been several initiatives in this direction in the form of skills and information exchange networks. However it is unclear how to effectively leverage the migrants' expertise for a country's development. The countries of origin also need to know whether there are members within the diaspora matching professional vacancies back home. Opportunities to fill positions with diaspora members, particularly those with skills that are scarce in the country of origin, could be tapped through these networks.

Return migration and employment

Knowledge on the magnitude of return flows is not easily obtained partly because return can be both permanent and temporary.

A prime concern lies with the potential benefits return migrants bring to employment and the labour market. Where return migrants can raise sufficient capital, evidence suggests that they are more often self-employed compared to non-migrants (Mattoo and Amin, 2007). To measure the effects on the labour market it is important to examine whether migrant entrepreneurs can afford to employ non-family members as well (Wahba, 2003). Furthermore, research needs to look at which political, social and economic factors encourage return and company foundation.

Little is known about the returning migrants' experiences of re-entry into the labour market. Leading questions are, for example, in which sectors they are mostly employed and whether jobs are formal or informal. Another interesting point is to see if the new work relates to the job they were doing abroad and to what extent returnees can apply and benefit from the knowledge and experience they gained abroad.

Examples of good and bad practice

Emigration, wages and economic adjustment

The Canadian Seasonal Agricultural Worker Programme (SAWP)

A number of programmes aim at regulating the supply of labour for seasonal agricultural migration starting with the demands of the receiving country. The Canadian Seasonal Agricultural Worker Programme (SAWP) is widely viewed as a best practice model running for over forty years to facilitate labour migration between Canada and a number of Caribbean countries and Mexico. Key strengths include the involvement of all stakeholders in the process and close supervision of selection and evaluation, the protection of fundamental migrant rights and fair wages.

When employers have reported their request for labour, recruitment agencies in participating countries carry out the selection and screening of foreign workers. Costs arising from transportation, visa requirements, housing and health insurance coverage are partly borne by the employer. There is however a limit up to which costs may be deducted from a worker's paycheck. The wage is calculated according to the guidelines set on minimal wage and the wage for such agricultural work paid to Canadians. Migrants' rights and obligations are outlined in the contract but there are some flaws in their realisation. Given that contract renewal depends on the employer's approval, migrants may choose not to make full use of their rights in case of illness or long working hours. Furthermore, legal provisions and pressure from employers in some places make it difficult for migrant workers to organise in agricultural unions.

For labour migrants, the programme has proved effective since it opens access to seasonal migration and income remittances, without recruitment fees and the risks of unauthorised migration. Once in the labour pool, there are relatively good chances of being re-employed the next season, which might also be an explanation for the low rate of overstayers. More importantly, temporary migration with prospects of re-employment provides a relatively stable and predictable level of income and resources that may potentially be invested into productive activities back home.

The Philippines Overseas Employment Administration (POEA) and the Overseas Workers Welfare Administration (OWWA)

The Philippines has an interesting example of a government-driven policy to promote temporary labour migration which is regulated and implemented by the Philippines Overseas Employment Administration (POEA) and the Overseas Workers Welfare Administration (OWWA). According to the POEA, the main office serves an average of 3 000 potential migrants on a daily basis. The two government agencies provide services to facilitate overseas employment, including overseas work placement and the establishment of contracts, preparatory courses on social and work conditions abroad, and medical insurance and pension plans. They also maintain databases on skills and foreign employers hiring Filipino workers.

The provision of a credit card that allows cheaper and easier sending of remittances via private banks is another incentive to encourage labour migration through official channels and to reap the benefits. Repatriation assistance is provided to encourage return and there are a number of re-integration schemes like counselling, skills training, educational assistance, preferential access to business loans and investment advice.

Despite these efforts rates for undocumented and permanent migration are high and impacts on employment in the Philippines are mixed. Remittances and skills are rarely invested into business start-ups and employment at home. Additionally, a culture of migration seems to arise since return is only temporary and viewed as waiting time between the last and the next deployment abroad. Social costs in terms of family unity and income inequality between migration-affected households and non-migrant families also increase. Migration is increasingly viewed as a tool for social mobility, with potential implications for education becoming a vehicle for migration and brain drain.

Clearly, the Philippine government has managed to formulate a consistent and ambitious labour migration policy providing a wide range of services to facilitate and encourage temporary migration. However there is a need to better leverage the benefits expected from migration for the country's employment and economic development (O'Neil, 2004).

H-2A Temporary Agricultural Worker Programme

To meet the critical shortage of domestic agricultural workers the US government launched the H-2A programme for seasonal labour. The reception and use of the programme by American growers has been very modest due to complex administrative requirements, delays and costs. Farmers complain that they have to cover workers' housing, transportation, visas and other fees, which in the end makes the programme uncompetitive to undocumented farm workers who make the major share in agricultural jobs. One criticism is the slow processing of requests that often result in the serious undersupply of workers at harvest season. The H-2A programme also shows that complex bureaucratic procedures, for example regarding applications for re-entry or for multiple 'unnamed' farm workers, are unattractive (Los Angeles Times, 2007).

In the beginning of 2008, the US Department of Homeland Security which is also involved in managing the programme proposed several modifications to streamline the hiring process under the H-2A programme in a systematic and timely fashion.²

Brain drain and labour markets

TOKTEN UNDP Programme in Lebanon

The Lebanese people have been emigrating from their country since the 19th century. The outbreak of the war in 1975 caused a huge outflow of migrants. This massive emigration wave during the war included a high proportion of highly qualified persons. The incentives for Lebanese to emigrate remain high, particularly in view of the prevailing economic slowdown and high unemployment. In the absence of official statistics, estimates vary and the figure of outflows of more than 100 000 persons per year at the end of the 1990s is cited as conservative. Men constituted the majority of people who migrated during this period (85%), and emigration affected the skilled and better-educated segment of the population more.

The TOKTEN programme was launched in Lebanon to mobilise successful emigrants to undertake short-term consultancies in their countries of origin, with UN support. It added a dimension of technical cooperation that contributes to reducing the negative effects of brain drain. This programme supports positive contribution through the circulation of know-how and transfer of funds from abroad to the countries of origin, including the dissemination of skills and experience of diaspora members. The programme has set up a database of Lebanese professionals in various fields of specialisation and established links with Lebanese associations abroad as well as with university research centres.

Effects of remittances on the labour market

GeldtransFAIR.de

The GeldtransFAIR website was developed to allow migrants in Germany to better compare the various services for money transfers to their countries of origin. It provides migrants with information on services offered by banks and other money transfer institutions. This makes the remittance market more transparent and increases competition. The goal is to shorten the time taken for transfers and to reduce fees. This way, money transfer via formal channels will become more attractive and more money will be sent safely to the migrants' families.

Initially the website focused on money transfers from Germany to Albania, Ghana, Morocco, Serbia, Turkey and Vietnam. Today the website offers information on 26 countries regarding prices and the time required to complete a transfer with different providers (banks and money transfer operators), ways to transfer money (electronic or cash transfers) and other aspects of sending money abroad.

The German website was developed under the provisions of a joint project between the Frankfurt School of Finance & Management and the German Technical Cooperation (GTZ), commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ). The website was launched in November 2007 (www.geldtransfair.de). Several other European countries (for example France, Netherlands, Norway, Spain and the United Kingdom) have developed similar websites.

The connection between remittances and financial services and the development of specific financial products

The Mexican government promotes the coalition of rural credit cooperatives and savings banks that are affiliated to a transfer network comprising 20 money transfer companies. This allows receiving households in rural areas to open up savings accounts and to better access micro-credit schemes, thus improving their ‘financial literacy’. Moreover the additional funds in the rural banking system provide more resources for micro-credit.

The Ecuadorian Banco Solidario has developed special financial products and services for migrants and their families. The programme ‘My family, my country, my return’ offers loans to settle debts and to finance small businesses from abroad as well as home loans and foreign currency accounts. Another key element is the bank’s arrangement with three major banks in Spain and one in Italy that allow migrants to access micro-credits in the host country and to send remittances at special rates. The Bank also works with cooperatives in rural Ecuador to ensure that families in the villages can obtain remittances.

There are special saving products where migrants place investments at a fixed interest rate during their time being abroad while the capital is used to finance micro-credits in their home country. The Economic Resource Centre for Overseas Filipinos (ERCOF) in the Philippines promotes one such example.

Migration and local and regional economic development in Honduras (BMZ/GTZ-IOM co-operation)

In early 2007 following first initiatives on remittances GTZ launched the “Transnational Bridge” pilot project in cooperation with the International Organisation for Migration (IOM) in the region of Intibucá (Honduras). This was within the scope of a programme on income and employment promotion commissioned by BMZ. Besides a study that underscored the relevance of migration to the sustainable development of the local economy, the Honduran partners’ enthusiasm led to activities promoting the integration of migrants into local development.

Among others, the activities concentrated on the formalisation of financial transfers through the bancarisation of migrants and their families. Another key element was the consultation process to the Honduran government regarding the introduction of a pilot programme promoting collective remittances by migrant associations for infrastructure investments in Intibucá.

Diaspora networks

South African Network of Skills Abroad (SANSA)

One way to deal with “brain drain” is through the so-called diaspora option. This strategy is attractive to developing countries that cannot afford to offer the salaries and other incentives needed to attract their highly skilled expatriates home. The aim is to encourage highly skilled expatriates to contribute their experience to the development of their home country without necessarily returning home. As a strategy to limit the effects of brain drain and make use of the presumably lost human capital, governments,

organisations and members of the diaspora cooperate in networks. Such networks may focus on particular skills, knowledge or branches but they are all united by the goal to systematically use the expatriate experts, scientists and engineers for development at home.

The South African Network of Skills Abroad (SANSA) demonstrates what can be achieved with such an approach. As a virtual Community of Practice, SANSA's main objective is to facilitate the development and utilisation of networks for knowledge sharing, learning and transfer between their members and the wider South African community. As of March 2002, SANSA had 2 259 members (58% were South African citizens), in more than 60 different countries. While the SANSA network has not generated many projects (in May 2003), there have been some exciting developments. For example, the SANSA database is now linked to the NEXUS database which contains information on current and completed research projects in South Africa, research organisations, professional associations, profiles of researchers in South Africa and forthcoming conferences. The SANSA database is also useful for research purposes, such as a study by the World Health Organisation on the migration of skilled health personnel in South Africa.

Besides knowledge networks where mostly high-skilled members of the diaspora share and transfer expertise and skills for the benefit of their home countries (see previous sections), there is another type of diaspora commitment organised in networks. Migrants pool financial and sometimes material resources to fund collective non-profit initiatives and improve the living standard in home countries. Members often originate from the same geographical region (hometown associations) and maintain strong ties with families back home.

GTZ pilot programme commissioned by BMZ for projects of migrant associations in their countries of origin

Commissioned by BMZ the GTZ sector programme Migration and Development has been supporting diaspora association projects in developing countries since mid-2007.

Example: Employment perspectives through vocational training for young people in Senegal

The project's goal was to expand the capacities of a vocational training centre in the migrants' region of origin, Waoundé, so that more youths could have the chance for a sound craftsman apprenticeship. The region has high emigration rates due to increasing aridity that reduces agricultural perspectives. However, there is a need for qualified craftsmen.

The migrant association's project that was co-financed by GTZ increased the number of apprentices from 40 in the school year 2006/2007 to 110 the following year. The Senegalese Ministry of Education doubled the number of teaching staff following the expansion of the school centre's equipment. A third apprenticeship programme now supplements the training course. Besides wood and metal processing, electrical engineering is taught as well. Today the vocational school centre attracts qualified teaching staff. Local enterprises cooperate with the centre by making use of its machines.

Return migration

Hsinchu Science Park, Taiwan

The Hsinchu Science Park, a government-led initiative established in December 1980, is a successful effort to bring scientists and researchers home. The government has invested USD 1 679 million in park infrastructure and facilities. The Park had 115 477 employees by the end of 2004, including over 4 500 Taiwanese scholars who returned from abroad. These returnees directly contributed to the park's success by establishing 116 companies in the park (384 companies in total). They have also been involved in further development by introducing technologies and management skills.

Returning Experts Programme, BMZ (Germany)

The Returning Experts Programme commissioned by the Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by the Centre for International Migration (CIM) advises and supports junior and senior experts wishing to return to their country of origin. Through professional re-integration and technical networking of returning professionals, the programme advances the sustainable transfer of know-how in sectors relevant to development. This helps counter brain drain and may have further positive effects on employment.

Advisory and placement services are offered to potential returnees and also to employers in developing and emergent countries who need employees with special qualifications. In 2007, about 5 000 potential returnees made use of the advisory services in Germany. This proves there is demand for, and potential in effectively applying the returning experts' know-how and skills towards achieving their country's development goals. There is temporary financial support for positions that are important to the development goals but whose 'normal' domestic pay is not attractive enough to expert returnees.

The current directive only supports the permanent return of experts. As such the potential of well-integrated, professionally experienced foreign experts is not optimally used for development cooperation. There are views that the programme should be open to circular migration processes and should be further developed in a country-specific manner.

Example: Returning Experts as Starting Points for Bilateral Economic Relations in Morocco

After completing his studies in computer science Abderrahmane El Kacemi worked as a software engineer with German companies for six years. However, in the long-term he saw his future in Morocco. During a counselling session at CIM he got to know about the returning experts programme and about the core theme in German development cooperation in Morocco "*Mise à Niveau*" which promotes the country's economic competitiveness. On his own initiative El Kacemi found a position in Morocco with a producer of plastic tubes. With his international professional experience the returnee now prepares medium-sized businesses for the planned EU-Mediterranean free trade area. By deploying new quality standards, automatised controlling instruments and training co-workers in IT, El Kacemi strengthens the company's innovative power. Based on his knowledge of the market and his connection to Germany the company has German clients and is buying an entire line of machines from a German company. Through the advisor

for returning experts, he is involved in economic-related events of the Foreign Chamber of Commerce and of development cooperation.

Policy recommendations for donors

General policy recommendations

It has been shown that migration and employment deserve stronger integration into development policy issues. In OECD countries migration should not only be seen as an internal policy challenge but as a means to complete development policy. Developing countries can use the potential of migration to increase the employment effects of their developing process while trying to control the challenges of migration.

To achieve more efficient migration and employment policies, relevant statistics in developing countries need to be improved. This essentially means developing tools to identify the effects of migration on labour markets and employment. It also concerns data collection, statistical capacity building, effective harmonisation and data sharing across countries in these policy fields.

More accurate and reliable data is also a prerequisite for employment strategies which could cover developing and developed countries, especially those that are closely interlinked by migration flows and whose labour markets show dependencies to different extents. Here, bilateral agreements would seem more likely to succeed as they tackle the relevant issues compared to regional or multilateral agreements. This can also include partnership agreements between trade unions in the countries of origin and destination (see Box 14 and Annex 2). This way policy coherence between the sending and receiving countries can be improved with potential gains on each side.

Box 14. Example: Partnership agreement on migrant labour between trade union organisations in Malaysia (MTUC) and Indonesia (ITUC)

There are thousands of Indonesian migrant workers in Malaysia. Most of them are women performing domestic service work. Migrant workers are often exploited by recruiting agents and employers, and have to endure poor working and living conditions. By and large, they remain outside the trade union movement. Although the law does not prevent them from explicitly joining a trade union, most of the contracts offered by agencies establish clauses stating that workers cannot unionise. If they do, they risk being sent back or fired. Besides, cross border migration is likely to increase in the near future. The partnership agreement on migrant labour between the Malaysian Trade Union Congress (MTUC) and the Indonesian Trade Union Congress (ITUC/KSPI) is an important part of bilateral cooperation in South-East Asia. To harmonise working and living conditions, it is also necessary to inform the workers of the positive contributions of migrant labour towards the development of both receiving and sending countries. One of the reasons for the agreement is to contribute to this harmonisation. It also aims to explore trade union solidarity and to strengthen cooperation between both organisations by regularly exchanging information on the situation of both labour markets, by exchanging experts on different issues and by taking immediate actions and finding solutions to migration problems. Moreover, the agreement aims to improve participation and consultation of the social partners at all levels and to establish better cooperation with the employers' organisations. The cooperation between the MTUC and the ITUC will include mutual visits, bilateral talks and consultations on these issues, seminars and conferences on specific topics concerning migrant labour and exchange of knowledge, experience and experts between trade unions at all levels.

Areas where multilateral cooperation might also succeed and where it is indispensable include the exchange of information and analyses on migration and employment policies and country experiences as well as the development and implementation of a code of conduct at EU-level for the ethical recruitment of high-skilled migrants.

Policy coherence also plays an important role when coordinating migration and employment policies at national level within a country. In cases of open economies these policies should not be conceived without taking into account trading and migration partners. They should also be consistent with the country's other national policies. This mainly concerns the coordination of (vocational) education policy, labour market and economic promotion policy regarding the target group of potential migrants. This can, among others, counterbalance the negative effects of brain drain.

Regarding brain drain

Although a limited but positive rate of skilled migration is very likely to be beneficial for both sending and receiving countries, many poor regions such as sub-Saharan Africa and Central America are well above that 'optimal' threshold. A number of steps should be considered to manage flows of highly skilled migrants more effectively and limit the negative impacts on sending countries. Sectors affected by brain drain should be identified and monitored, and there should be an effective regime to enforce ethical recruitment especially among doctors and nurses.

Development assistance to replenish key workers must be closely linked to recruitment efforts. The capacity of the brain drain-affected health and education sectors in developing countries to replenish or retain workers can be substantially improved through donor commitment in strengthening service delivery systems, continuous training of personnel and better working conditions. For example, temporary recruitment of personnel can be combined with on-the-job training programmes and skill-replenishment schemes.

In areas with a high emigration rate, labour market conditions and remuneration are decisive factors. The success of aid-for-migration policies depend on the volume of aid, how effectively it is utilised, the quality of jobs created and the commitments from both governments. Finally, if migration is to be managed successfully, there must be a comprehensive programme to educate or create awareness among citizens of sending countries about the benefits and the challenges of migration, especially irregular migration.

Regarding remittances

On an aggregate empirical level, skilled migrants remit less, so that the negative impact of brain drain on the sending countries cannot be counterbalanced by higher remittances. This does not mean that remittances by skilled migrants are negligible. This is especially if the proportion of temporary migrants increases, as the volume of remittances is negatively related with the duration of migration. Also, a low percentage of skilled migrants' income might be reasonably high in absolute terms.

Generally remittances have a strong impact on poverty reduction and economic activity, with an indirect impact on employment. Governments can offer incentives to increase the volume of remittances and to influence their allocation in home countries. It should be emphasised however that attempts to do so without recognising the primacy of

individual choice have failed repeatedly. Success is based on relations of trust and on the networks forged both abroad and in the migrants' home countries. There is no substitute for sound macroeconomic policy, good governance, a reliable banking system, respect for property rights and a strategy aimed at fostering trade and attracting foreign direct investment (FDI). Migrants are not responsible for development and remittances are no substitutes for aid or FDI flows.

Policy-makers can seek to facilitate transfers, for example by reducing their cost, and by increasing access to financial institutions in rural and remote areas. They can also encourage the creation of new financial instruments to favour economic initiatives. Similarly, foreign aid can be used to co-finance collective investments undertaken by migrants in their home countries.

Example: *Tres Por Uno* in Mexico

Bearing in mind the danger that new money flows create new dependencies, the Mexican district of Zacatecas started the programme called “*tres por uno*” (three for one) in 1986. This means that for every dollar sent from the hometown associations to the country of origin, the state, federal governments and municipalities also contribute a dollar each. This money is *inter alia* used for employment-oriented projects and the advancement of infrastructure. In 2001 the 3x1 Programme became a federal level programme under the *Secretaría de Desarrollo Social*.

One of the positive aspects is that local governments and hometown associations work closely together. The effects on the labour market are not quite clear. But in 2006, empirical studies showed that every dollar of remittances sent to Mexico allowed the Mexican economy to grow between USD 2.69 and USD 3.17. Smaller firms in urban Mexican areas take about 20% of their invested money from remittances.

In conclusion, projects based on networks and organised diaspora communities, like the hometown associations, seem to be more successful in having a positive impact on the economy and the labour market than projects that focus on individual transfers.

Regarding diaspora networks

There are three key characteristics of diaspora networks that are interesting to development policy-makers: (i) they can be information intermediaries; (ii) they have access to “inside information” about their members; and (iii) they have recourse to contract enforcement mechanisms not available to outsiders.

Diaspora networks can increase the contribution of migration to labour market efficiency. Their role as information intermediaries certainly works as they communicate labour market information about the most remunerative job opportunities to would-be migrants. If migrants' associations are active in labour market integration, they also help in social integration.

Diaspora networks can reduce the costs of brain drain to developing countries. If diaspora networks can be encouraged to facilitate “virtual return”, they can reduce the cost of the loss of skilled workers for sending countries. Circular migration regimes that facilitate temporary movement of such workers, including the acquisition of new skills and practice, will complement the activities of networks and allow people in sending and receiving countries to participate in transnational networks. Proposals to pool remittances

for investment in educational and community development are a concrete example of diaspora contribution to local development.

National migration policies should include diaspora policy, such as encouraging and mobilising migrants' organisations and diaspora networks as partners in co-development initiatives. Furthermore, international donors can facilitate networking and communication of diaspora communities.

Regarding return migration

It is well known that restrictions on temporary migration to northern countries often lead to migrants overstaying their visas once they have crossed the border to the north. Yet temporary or return migration could potentially be conducive to the development of the migrants' regions of origin, and an increase in such migration could thus be positive for development.

However in terms of control of migratory flows, it is very difficult to distinguish between genuine temporary migration and entry for permanent settlement. Migrants would have a greater incentive to return when their contract period ends because of the likelihood of repeat migration and because governments have detailed information about them (which is a fundamental difference to irregular migrants). Cooperation on screening would be more difficult at the regional level and most likely unfeasible at the multilateral level.

Successful temporary programmes avoid the shortcomings of the well-known guest-worker schemes through flexible working arrangements, close supervision of recruitment procedures, clear admission criteria and protection of fundamental rights. Multiple-entry visas raise the likelihood that migrants will return to their home countries and they encourage circularity by reducing the uncertainty surrounding re-entry into a particular OECD country. Mechanisms to transfer pension or social security contributions to an account in the home country to be collected by the migrant only upon return will likewise encourage circular movement.

Another element of effective management of temporary migration is active recruitment. Repeat contracting with agents, with a good record of transparency, reliability and treatment of workers, could provide incentives for agents to maintain core standards.

For example, the African Human Resource Programme (AHRP) touted by the Global Commission on International Migration (GCIM) seeks to create a database of African teachers in universities and high schools in Europe, the United States, Canada and elsewhere. It will be available to African states and other stakeholders active in education and teaching in Africa. Given the success of similar university programmes this idea could be productive.

Notes

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Annex 1

Further Implementation Experiences

Emigration, wages and economic adjustment

1. **Bilateral agreements between sending and receiving countries:** For instance, Mali and France have established the Mali-France Consultation on Migration, an annual bilateral discussion at the ministerial level dealing with three issues: a) the integration of Malians who want to remain in France; b) co-management of migration flows; and c) cooperative development in emigration areas of Mali. Another example: the Portugal-Cape Verde joint commission on migration.
2. **Agence Nationale pour la Promotion de l'Emploi et des Compétences (ANAPEC):** This government agency facilitates seasonal employment of Moroccan workers in Europe (especially for agricultural work in Spain) and in Arab countries.
3. **Mainstreaming migration into Poverty Reduction Papers (PRSPs) and National Development Strategies:** Migration and its potential positive impacts are integrated into policies for growth and poverty reduction in countries, where emigration is high and remittances play an important role as a family resource and as an investment base. The Philippines arguably has pursued this. Discussions are underway in other countries, including Ghana and Kenya.
4. **Seasonal Agriculture Workers Scheme (UK):** Full-time students (aged 18-25) not living in countries of the European Economic Area are allowed to work in agriculture and horticulture in the UK. This gives them the opportunity to learn new methodologies and technologies and apply them upon returning home.

Effects of remittances on the labour market

1. Diaspora bonds are managed as a debt instrument issued by a country (or potentially, a sub-sovereign entity or a private corporation) to raise financing from its overseas diaspora. This finances development in the form of public sector projects (housing, communication or infrastructure). Israel and India for instance, have raised USD 35-40 billion using these bonds.

Diaspora networks and the labour market

- **The Silicon Valley Indian Professionals Association (SIPA):** A platform that focuses on creating value of information for its members and knowledge that engenders in the meeting of corporate leaders, workforce, consultants, and service providers. A further aim is to develop cooperation and exchange between

high-skilled Indian expatriates, and between India and the U.S. in areas of high technology. *www.sipa.org*.

2. **The Indus Entrepreneurs (TiE):** The Indus Entrepreneur group has more than 12,000 members in 11 countries. Entrepreneurs and professionals with roots in the Indus region founded the group in the Silicon Valley in 1992. *www.tie.org*.
3. **Brain Gain Network (BGN):** An online networking and productivity tool started in 1992, which connects professionals and students interested in helping to increase the global competitiveness of the Philippine high-technology economy. *www.bgn.org/bgn*.

Annex 2

Examples of transnational cooperation between trade unions

Cooperation agreement between trade union organizations in Costa Rica (CTRN)¹ and Nicaragua (CST)² to establish a trade union support centre for migrants

There is a high level of migration between Costa Rica and Nicaragua. However the trade union movement has had difficulties in tackling the issue of migration in an effective manner. There can be no progress in defending migrant workers' rights unless bilateral relations and international solidarity are strengthened. The "Confederation of Workers Rerum Novarum" of Costa Rica (CTRN) and the "Central Sandinista de Trabajadores" of Nicaragua (CST) have therefore signed a cooperation agreement to defend the rights of migrant workers in the region. Both organizations agree that the situation facing migrant workers needs to be addressed from the perspective of broad trade union solidarity and gender equality since migrant women workers suffer the worst marginalisation due to their unequal position in society. They have also agreed to develop good practices on trade union cooperation to support migrant workers. The project will run for two years focusing on the establishment of a trade union support centre for migrants to be based in Costa Rica. In addition, both organisations intend to develop efforts to raise awareness on combating racism and xenophobia by providing trade unions and the general public with information on the positive contribution that migrant workers can make to the economy of the host country. They have also included in their general programmes, the organisation of seminars and conferences on specific issues linked to migration. They will also actively promote the ratification and effective application of the relevant ILO conventions, *i.e.* numbers 97 (on migrant workers) and 143 (on migrants in abusive conditions and the promotion of equal opportunity and treatment of migrant workers) and the adoption of the ILO's multilateral framework on labour migration.

Partnership agreement between trade union organisations in Senegal (CNTS)³ and Mauritania (CGTM)⁴

Mauritania and Senegal are both transit countries for migrant workers. The "Confédération Nationale des Travailleurs du Sénégal" (CNTS) and the "Confédération Générale des Travailleurs de Mauritanie" (CGTM) have developed a partnership agreement enabling them to play a role in the management of migratory flows and the clandestine immigration of workers between the two countries or across their borders. The objective is to help trade union organisations in their work related to migrant workers in both the source and destination countries, to promote, protect and defend the rights of

migrant workers, and secure equal rights for women and migrant workers focusing on the specific problems they face. Both organisations will exchange information regularly on the labour market situation in the two countries, help promote social partnership at all levels, establish better cooperation with employers' organisations, harmonise working conditions to combat the exploitation of migrant workers, initiate national level tripartite consultations in the countries and actively promote the ratification and effective application of the relevant ILO conventions, *i.e.* numbers 97 (on migrant workers) and 143 (on migrants in abusive conditions and the promotion of equality of opportunity and treatment of migrant workers), and the adoption of the ILO's multilateral framework on labour migration. Furthermore, they will organise visits to each other's countries and they will equally promote the establishment of information centres on immigration in the two countries.

Notes

- 1 The CTRN is the second biggest national trade union centre in Costa Rica and has approximately 30000 members.
- 2 The CST is the second biggest national trade union centre in Nicaragua and has approximately 40000 members.
- 3 The CNTS is the biggest national trade union centre in Senegal and has approximately 60000 members.
- 4 The CGTM is the third biggest national trade union centre in Mauritania and has approximately 25000 members.