

Managing Migration for Development and Employment

Roberta Gatti, World Bank



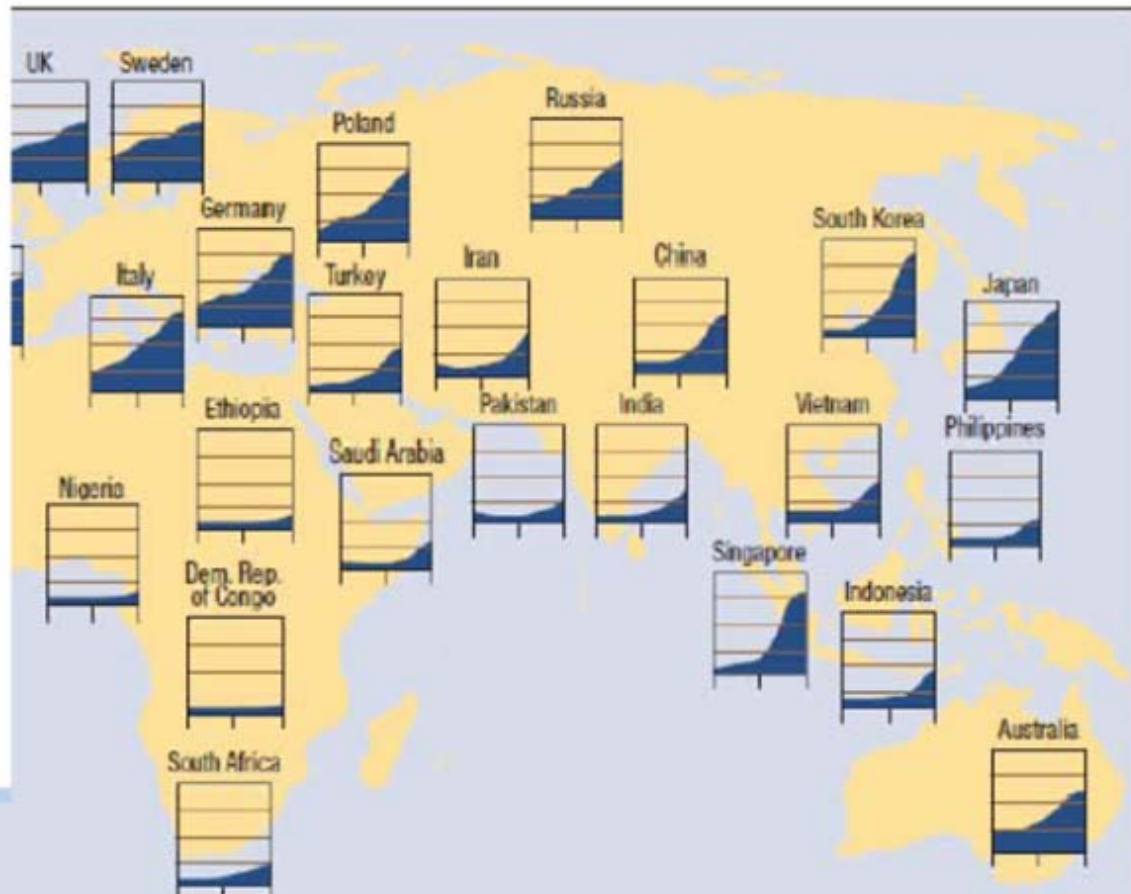
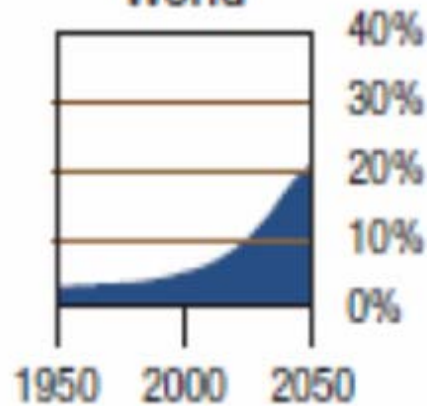
Managing Migration for
Development
Marseille, June 13-15, 2011

Challenge: Aging Populations

% 65+, 1950-2050

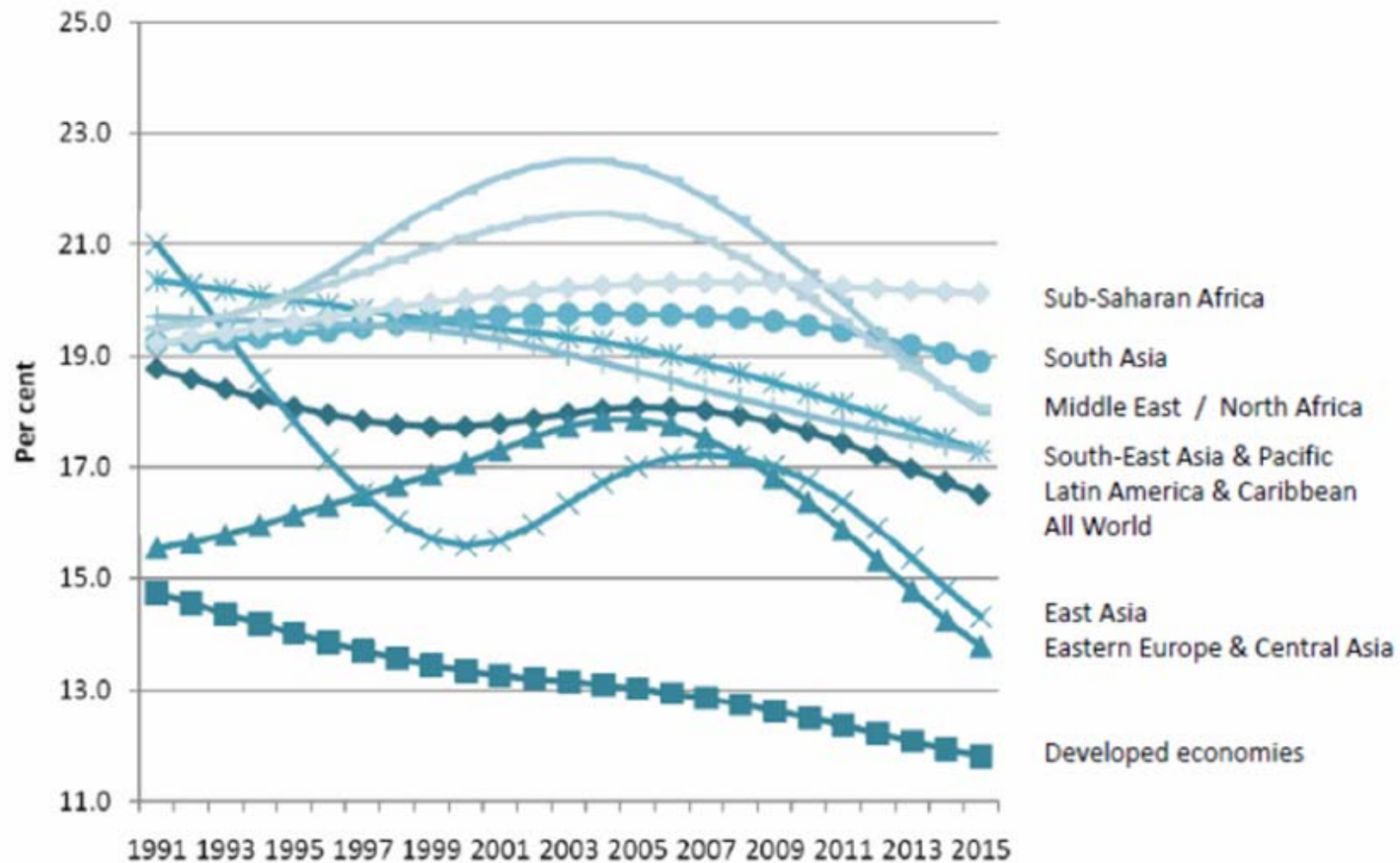
The worldwide share of population age 65 and older is projected to more than double to over 16% by 2050.

World



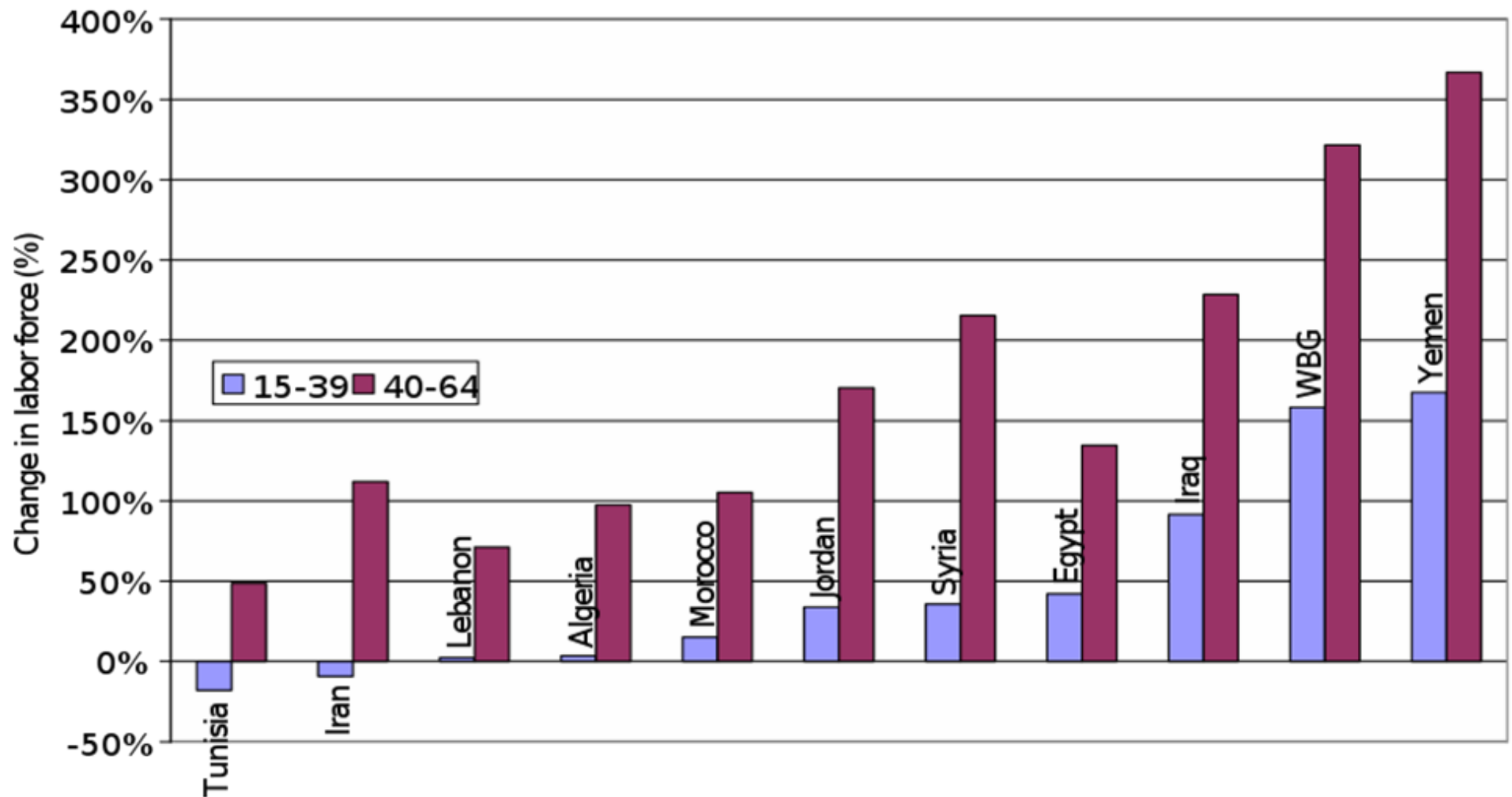
Challenge: Youth bulge

Share of youth in the total population, by region, 1991 to 2015



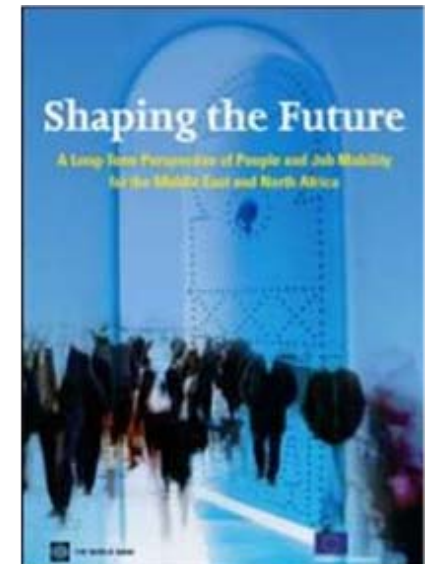
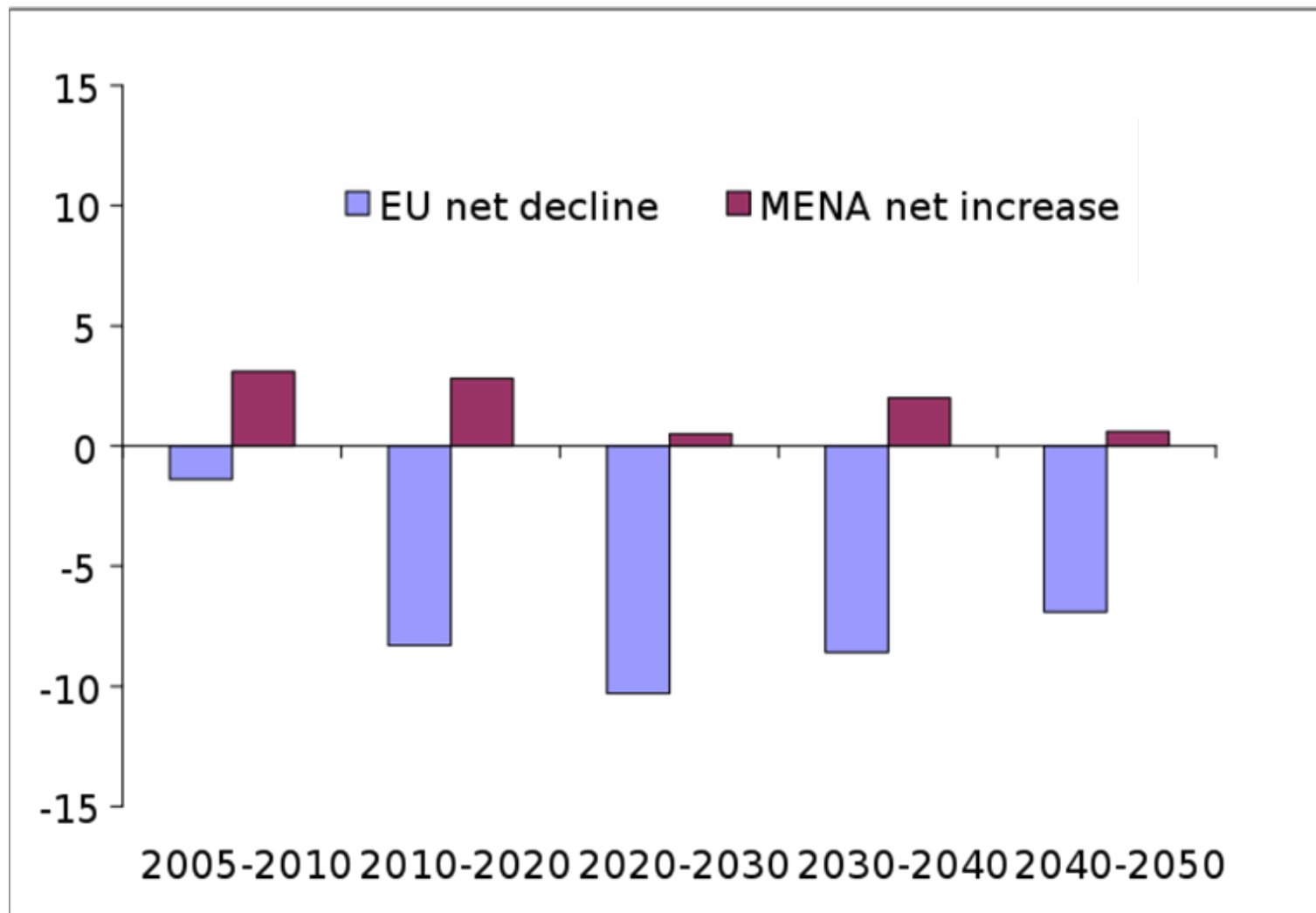
Challenge: Insufficient employment opportunities

Growing labor force in MENA, 2005-2050



Projected Change in Labor Force between 2005 and 2050 by Age Group for MENA Emigration Countries (millions). Source: World Bank, 2009

Challenge: Shrinking labor force & Insufficient supply of skills



Source: World Bank (2009)

Status quo in education and labor force participation rates

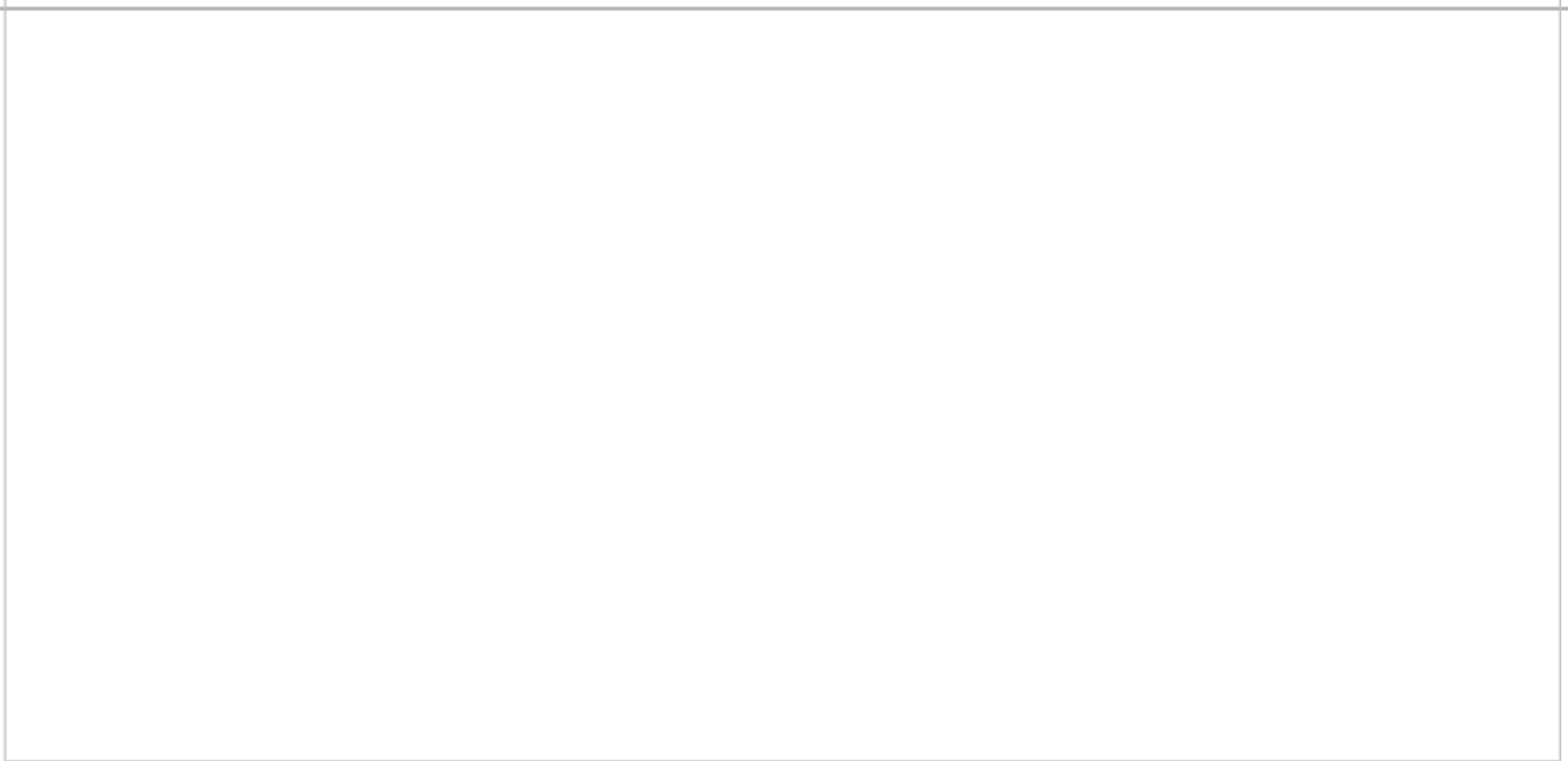
Changes in labor force with some or completed secondary education 2005-2050 (millions)



Migrant skill composition, 2000



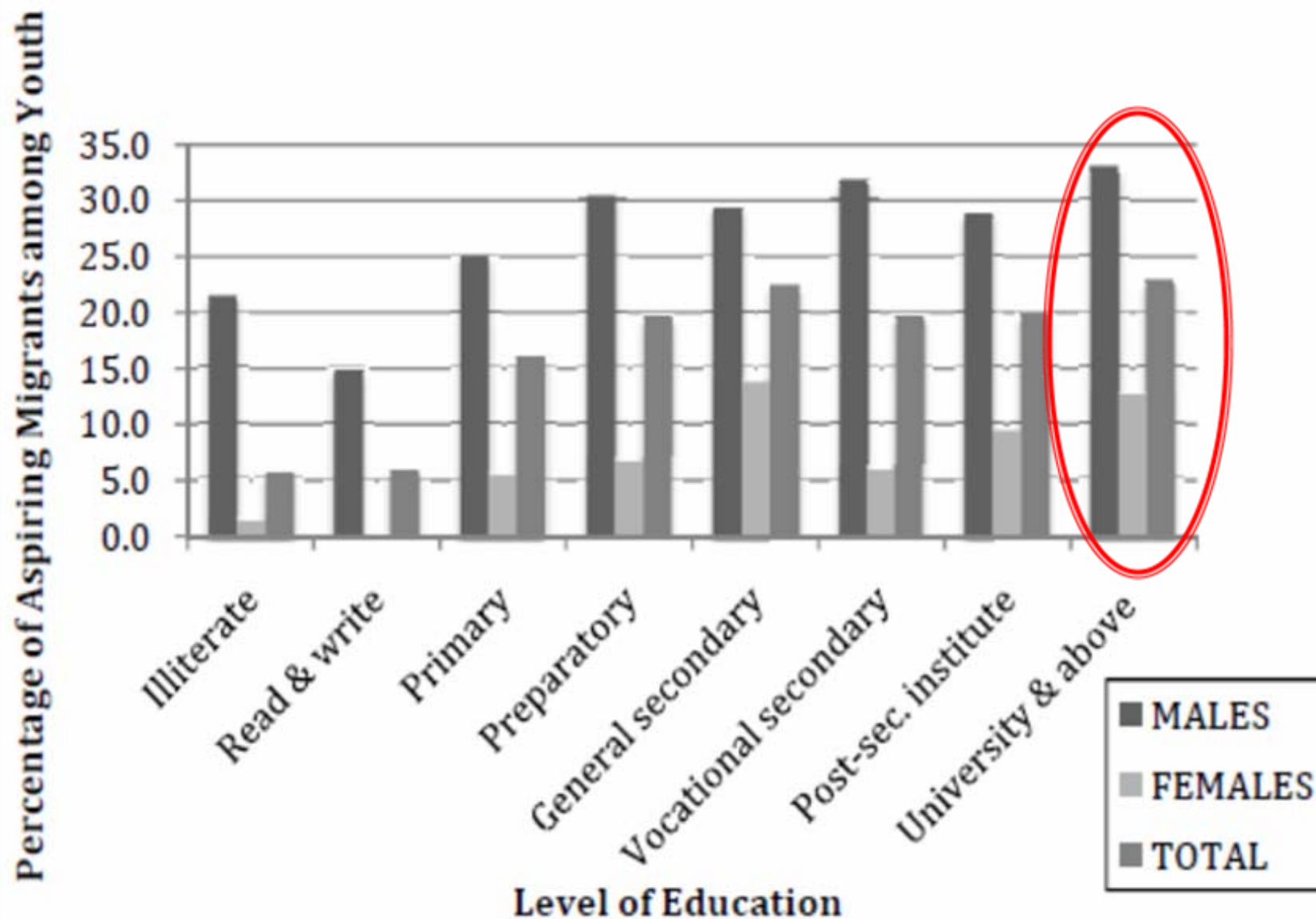
Skills composition of North African migrants, 2000



Source: World Bank, 2009



Migration aspirations among Egyptian youth, 15-29, 2009



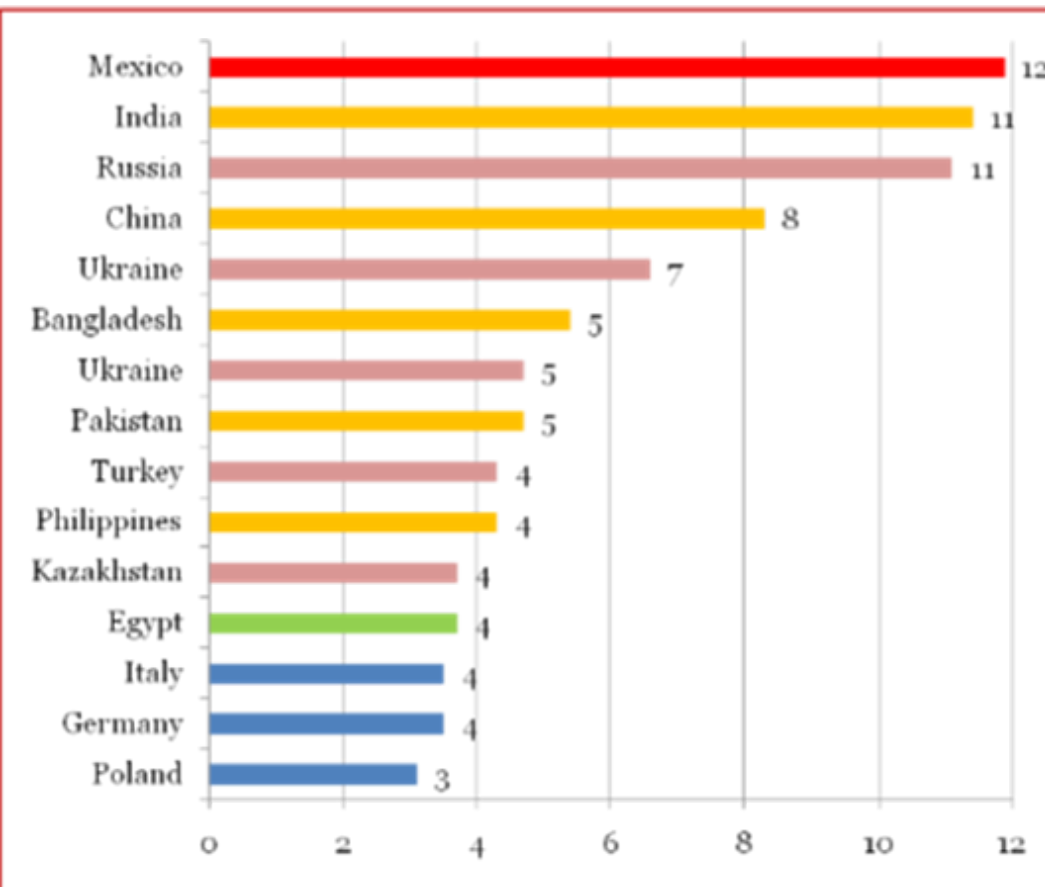
Source:
Elbadawy,
2011

Date: SYPE
Survey of
Young
People in
Egypt



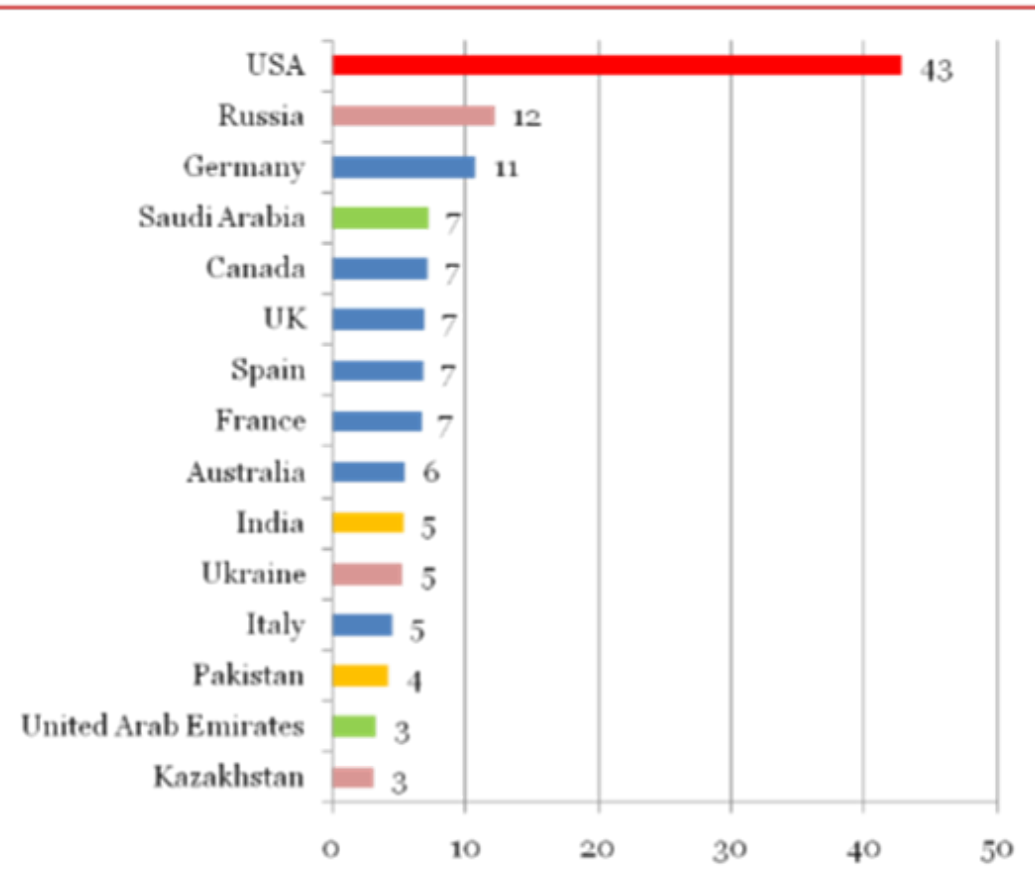
Top Emigration countries, 2010

in millions



Top immigration countries, 2010

in millions

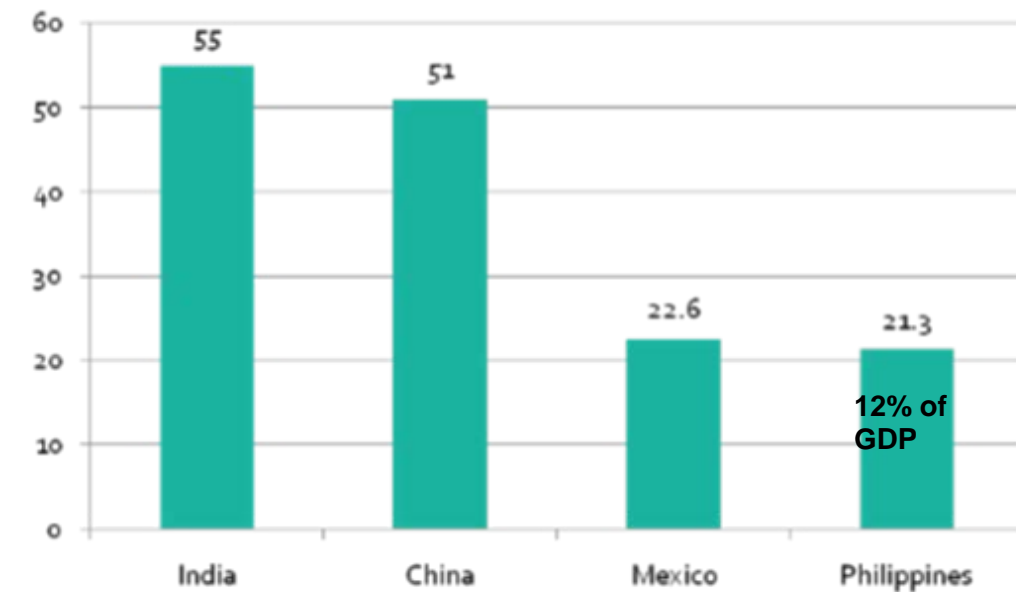


Source: migration & remittances factbook, 2011



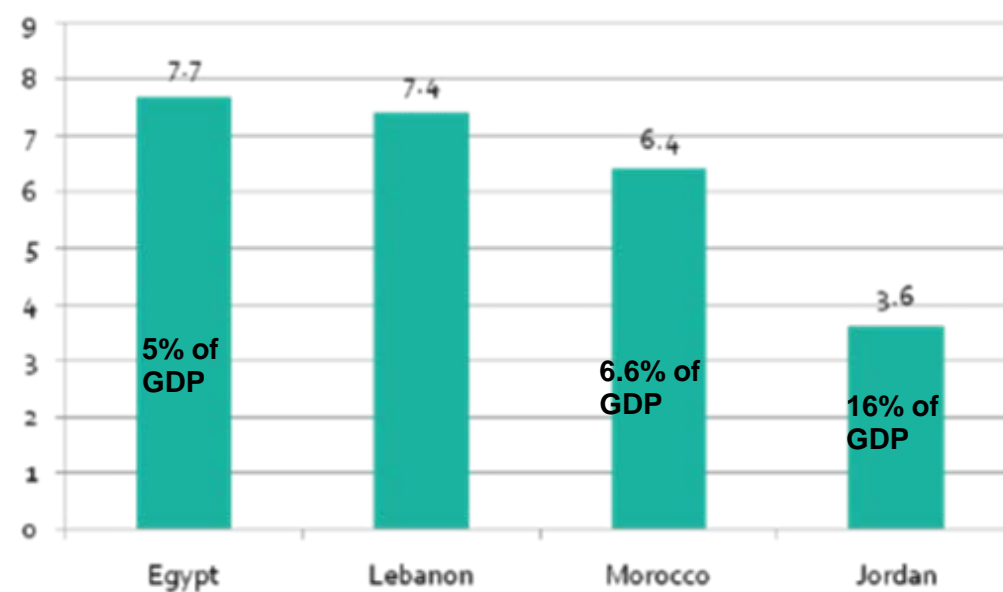
Top Remittance-receiving countries, 2009

in billions US\$



Top Remittance-receiving MENA countries, 2009

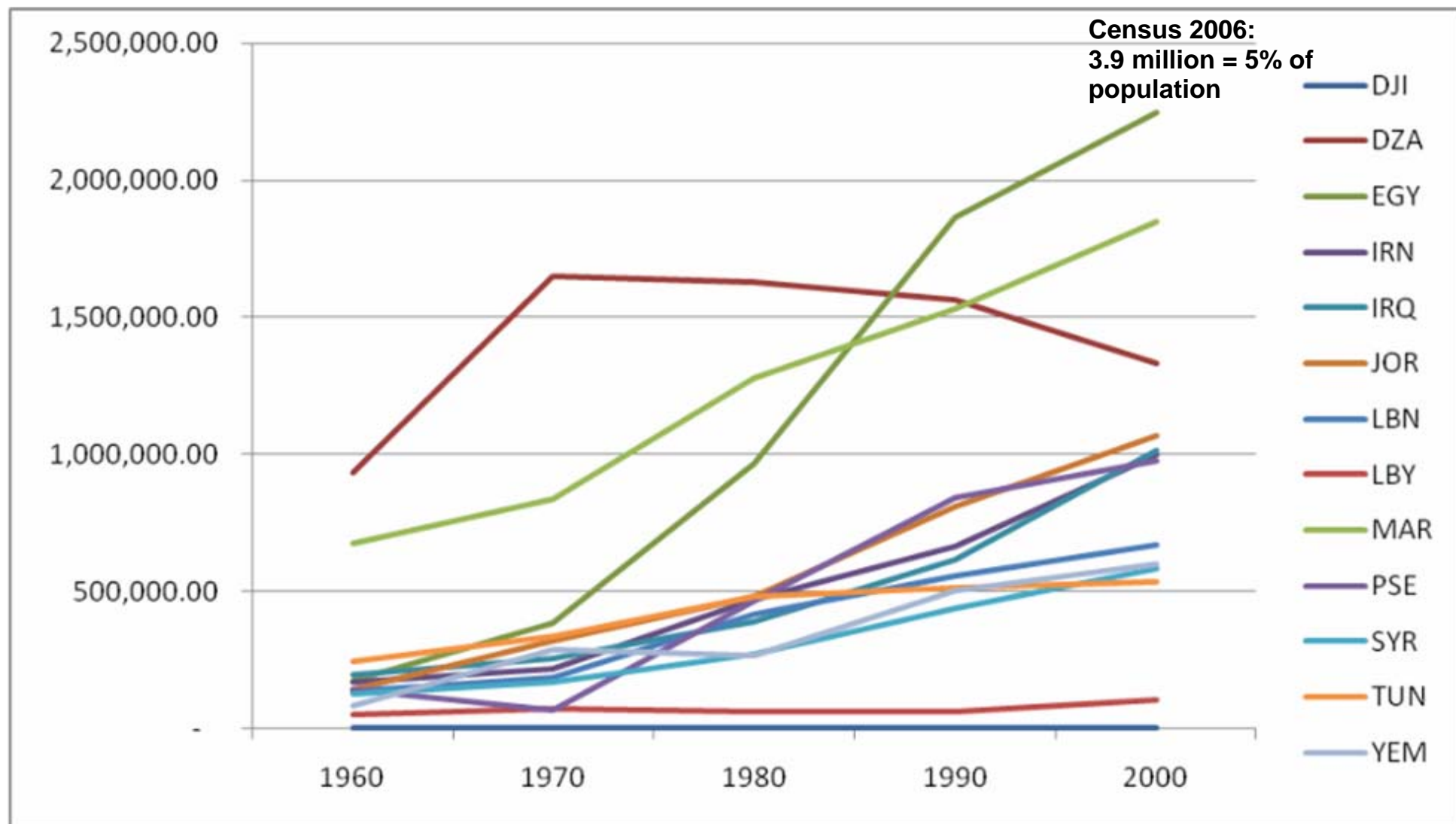
in billions US\$



Source: migration & remittances factbook, 2011



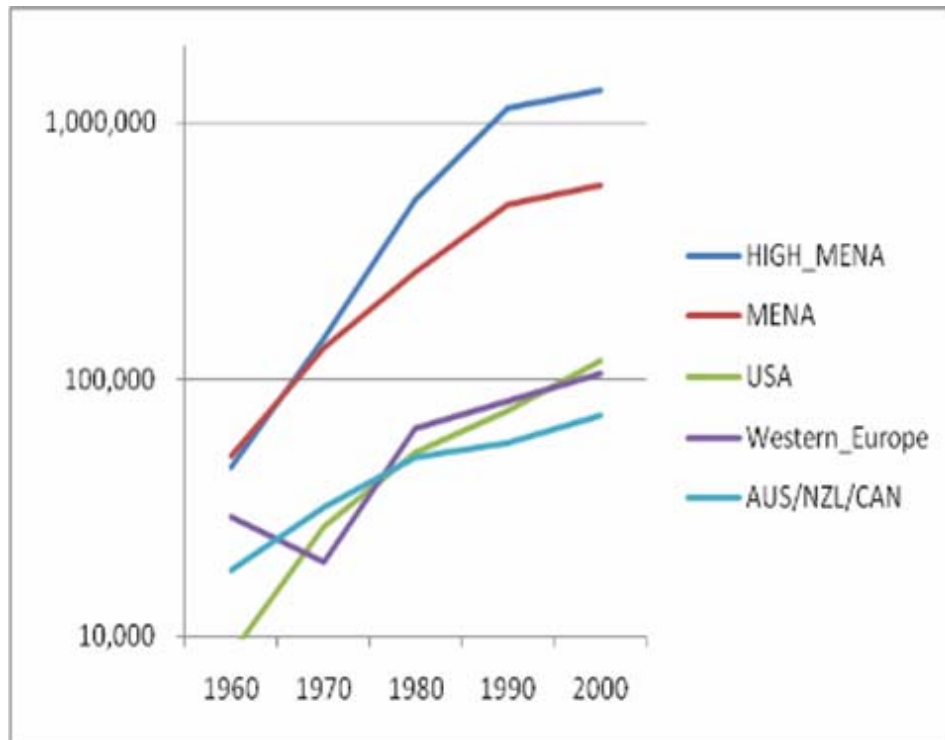
Evolution of Migration from MENA countries to World, 1960-2000



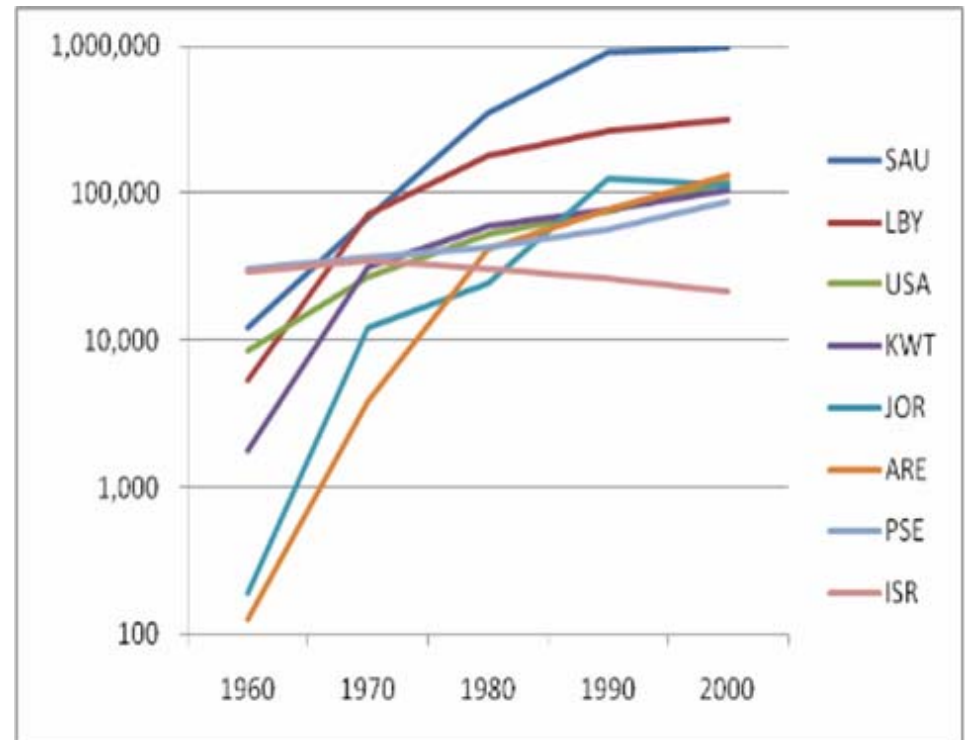
Source: World Bank, 2011



Evolution of Migration from Egypt to World, 1960-2000



Evolution of Migration from Egypt to MENA, 1960-2000

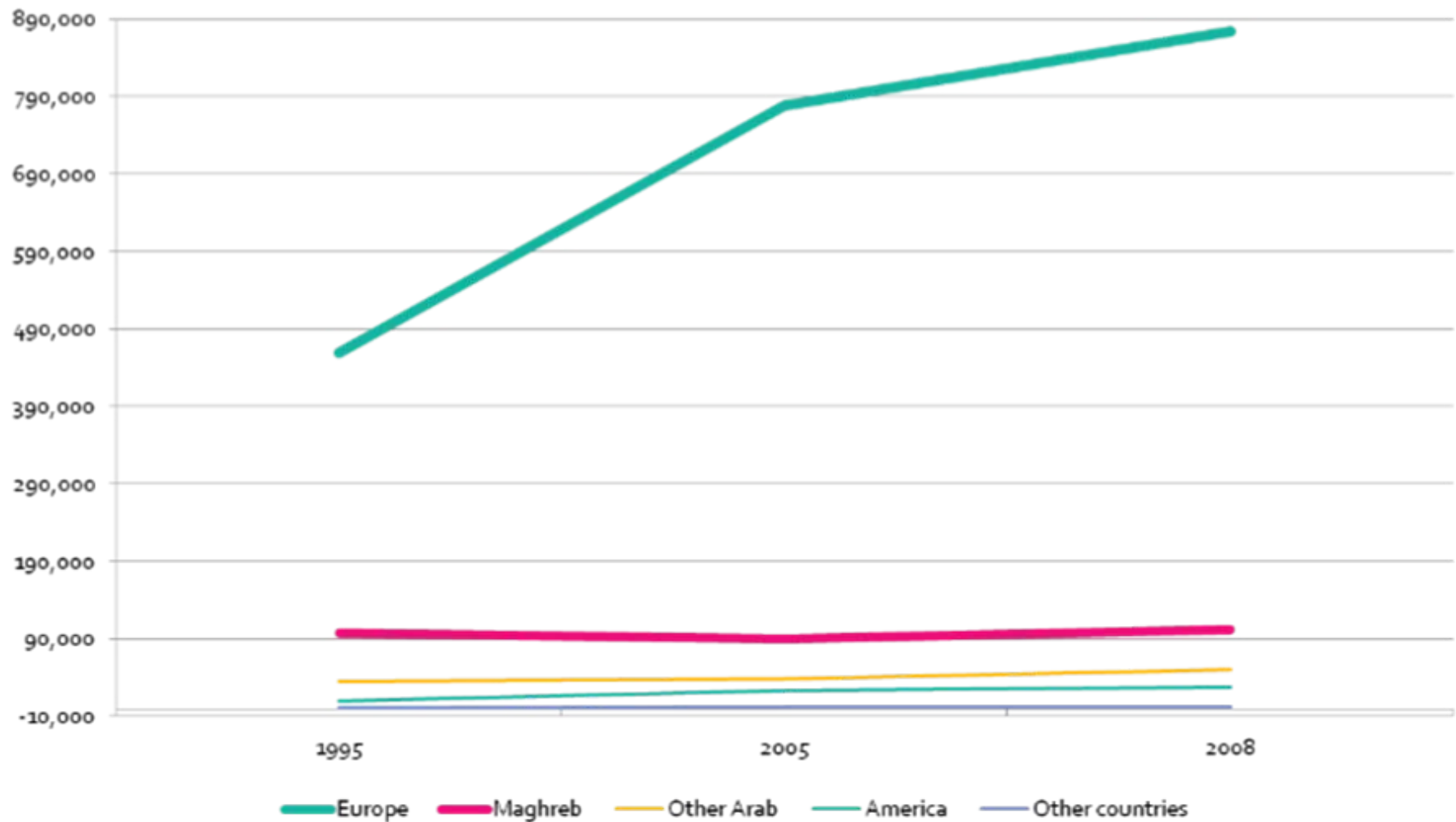


Source: World Bank, 2011

Increased competition on int. labor markets (share of Arab expats in the Gulf decreased from 72% in the beginning of the 1970s to around 23%) (IOM, 2010)



Evolution of Migration from Tunisia to World, 1995-2008



Source: Ministere Tunisien des Affaires Etrangeres



Migration as risk management tool

Household-level gains :

- Allows to save, cope with crises, expand income
- Remittances reduce the probability of being in poverty (e.g., Egypt)
- Increased expenditure on health and education reduce the probability of child labor, triggers children's human capital accumulation



Source: World Bank (2010)



Mobility is part of individuals' own development strategy



Migration at any cost



Migration as development tool

Macro-level:

- Productive use of workforce: larger global labor markets; better matching of skill supply and demand
- Accumulation of human capital and experience
- Technology transfers; diffusion of innovation, investments



Mobility should be part of countries' economic development and employment strategies



Managing migration to improve development outcomes

1. Mobility should be part of countries' economic development and employment strategies – placing mobility on the agenda
1. Requires necessary capacity to improve outcomes, including adequate institutions, policies, and programs



How many of your countries have included migration as part of their national economic development or even employment strategies?



Ideally, migration should be a sub-set of national employment policies with clear assignment of responsibilities



Examples of employment policy objectives

Sending (S) and Receiving (R) Countries

- Creation and increase in good employment opportunities at home and abroad; alleviate youth unemployment (S)
 - Enhance competitiveness of labor (skills & training); upgrade domestic training system (R&S)
 - Promote transfer of skill, technology and capital; foster innovation, creativity (R & S)
 - Address identified labor market shortages (R)
 - Compensate for lack of geographical mobility of native workers; support regional economic development (R)
- Strategic inter-dependence with other policies, including education, trade and investment, industrial policy, etc.



Mainstreaming labor mobility in economic development and employment strategies

- **Examples of Sri Lanka and Mauritius on sending side:** providing opportunities for temporary and permanent employment abroad to reduce unemployment pressures at home, build human capital of a mobile workforce ,and leverage the development potentials of returnees, remittances and Diaspora initiatives
- **Examples of Hong Kong and Singapore on receiving side:** facing labor shortages across the board, enhancing competitiveness in the global economy through an aggressive selection policy across the skills spectrum, contributing to develop these economies as a talent hubs of the global economy.



Policy framework (S)

SENDING / SUPPLY

- Ensuring Quality
(education & training)
- Facilitating Mobility
(portability of benefits)
- Reducing
Vulnerability *(pre-dep
training, information)*
- Reaping the
Economic Benefits
from Mobility
*(facilitating investments,
remittance transfers)*
- Nurturing Nationals
Abroad *(rights, services)*



Example of policy options

SENDING / SUPPLY

- Ensuring Quality
(education & training)
- Facilitating Mobility
(portability of benefits)
- **Reducing Vulnerability**
(information)
- Reaping the Economic Benefits from Mobility
(facilitating investments, remittance transfers)
- Nurturing Nationals Abroad *(rights, services)*

Pre-departure training and information

Language and literacy training
Administrative training
Inter-cultural training
Training on hiring practices
Expectation management
Financial education
Targeted technical training



Policy framework (R)

RECEIVING / DEMAND

- Selecting Migration Programs (*employer-driven; government-driven; skill recognition mechanisms*)
 - Integrating Migrants (*language, anti-discrimination, diversity*)
 - Promoting Economic - Benefits from Mobility (*skill acquisition and upgrading, on the job training*)



Examples of policy options

- **Admissions** through points systems including scoring for relevant academic experience
- Education-to-residency schemes: recruitment of international students who complete their studies in the host country
- **Skills recognition** mechanisms: skills assessment authorities, qualification frameworks, regional or global university quality assurance networks

RECEIVING / DEMAND

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Policy framework (S+R)

SUPPORTING / INTERMEDIATION

- Facilitating mobility
(agreements, quota)
 - Matching Demand and Supply
(accreditation, recruitment)
 - Monitoring Global and Domestic Labor Market *(job vacancies, areas of labor shortages, info on migration flows & characteristics)*
 - -Monitoring Global and Domestic Education /training
(testing, accreditation)



Example of policy options

- **Public** intermediation: national employment agencies, capacity
- **Private** intermediation: liberalization and regulation

SUPPORTING / INTERMEDIATION

- Facilitating mobility (*agreements, quota*)
 - Matching Demand and Supply (*accreditation, recruitment*)
 - Monitoring Global and Domestic Labor Market (*job vacancies, areas of labor shortages, info on migration flows & characteristics*)
 - -Monitoring Global and Domestic Education /training (*testing, accreditation*)

- Cooperation with public intermediaries
- **Protection** against specific risks and abuses faced by temporary workers in the recruitment process and at the worksite through appropriate regulation and enforcement mechanisms



Policy framework

SENDING / SUPPLY

- Ensuring Quality (*education & training*)
- Facilitating Mobility (*portability of benefits*)
- Reducing Vulnerability (*pre-dep training, information*)
- Reaping the Economic Benefits from Mobility (*facilitating investments, remittance transfers*)
- Nurturing Nationals Abroad (*rights, services*)

SUPPORTING / INTERMEDIATION

- Facilitating mobility (*agreements, quota*)
 - Matching Demand and Supply (*accreditation, recruitment/intermediation*)
 - Monitoring Global and Domestic Labor Market (*job vacancies, areas of labor shortages, info on migration flows & characteristics*)
 - Monitoring Global and Domestic

Education /training

RECEIVING / DEMAND

- Selecting Migration Programs (*employer-driven; government-driven; skill recognition mechanisms*)
 - Integrating Migrants (*language, anti-discrimination, diversity*)
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Evidence-based policy making

- **Help designing new policies and programs:** testing the efficiency of pilot programs before scaling up.
- **Refine program design:** testing the efficiency of different program components.
- **Improve program targeting:** testing the efficiency of the program on different target groups.
- **Identify ineffective programs:** helping redirect public spending.

Monitoring & Evaluation can also **strengthen accountability and legitimacy/credibility** over publicly funded programs.





References

- Elbadawy, Asmaa (2010): "Migration Aspirations among Young People in Egypt: Who Desires to Migrate and Why?". Paper presented at the ERF annual conference 2011
- IOM (2010): "Intra-Regional Labour Mobility in the Araba World". Cairo: International Organization for Migration
- World Bank (2009): "Shaping the Future: A Long Term Perspective of People and Job Mobility for the Middle East and North Africa". Washington, DC: The World Bank
- World Bank (2010): "Labor Migration from North Africa: Development Impact, Challenges, and Policy Options". Washington, DC: The World Bank
- World Bank (2011): Bilateral Migration Database



Backup



Policy options

Market failures

Information asymmetries

More people seek jobs abroad than available

Prevent price adjustment; need to choose who goes: selection, sorting, training, preparation

Match supply and demand; build confidence; skill certification

Re-integration upon return & entrepreneurial financial literacy & reduction of remittance-sending costs

Job opportunities not known; Employers don't know skill sets

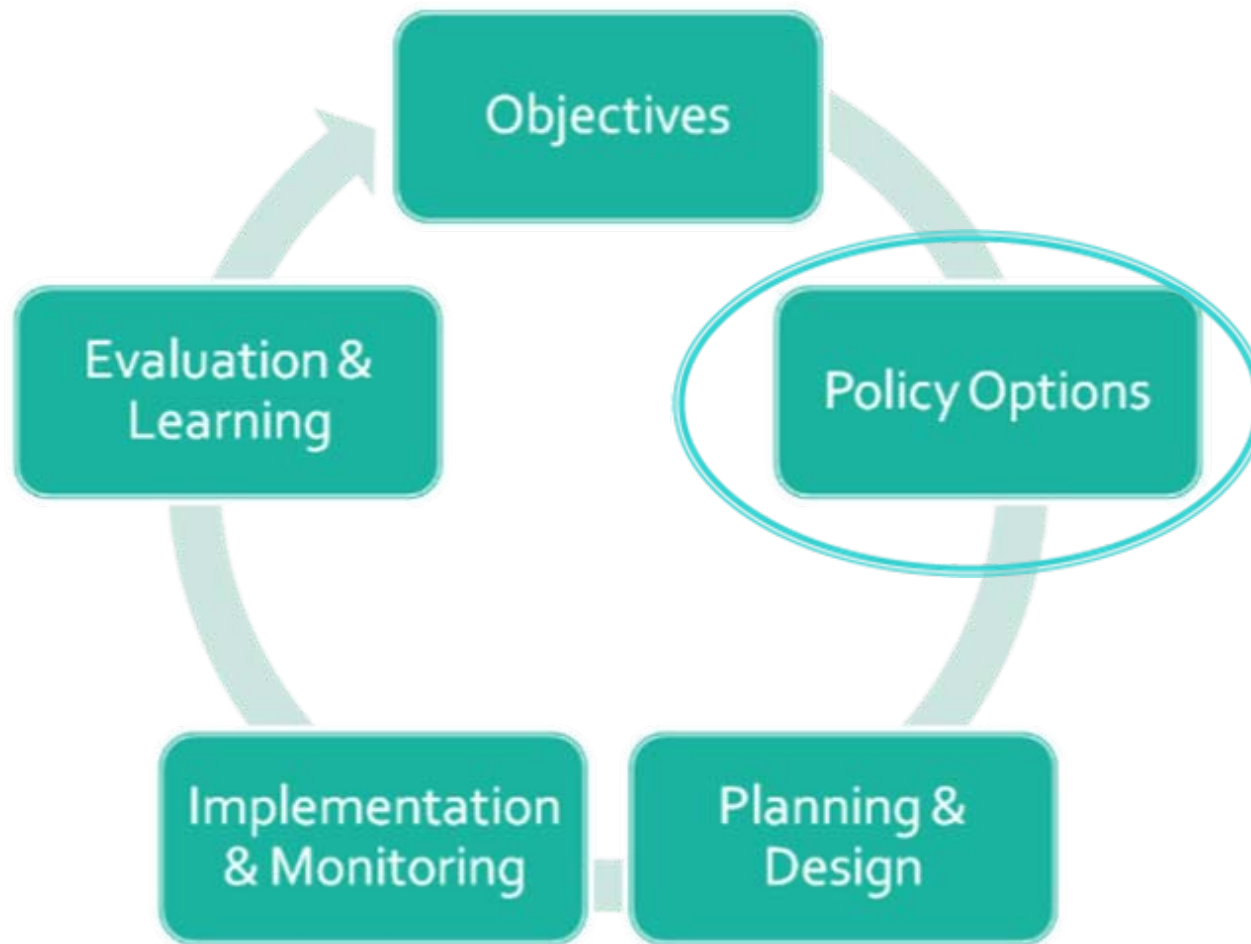


Scope for Government intervention due to...

- **Increased competition on int. labor markets (share of Arab expats in the Gulf decreased from 72% in the beginning of the 1970s to around 23%)**
- **Risk of ...**
 - ... reduced employability abroad (skill deficit)
 - ... increased irregular migration (if legal possibilities reduced)
 - ... losing scarce talent, expertise and educational investment (increases in global demand for skills)
 - ... productivity loss through incomplete recognition of diplomas and inefficient matching of supply and demand
 - ... vulnerability and exploitation (information asymmetries, human rights violations, lack of social protection)



From policy objectives to outcomes



Examples of Policy Options

- **Sending**

- Pre-departure training and information***

- Language and literacy training
 - Administrative training
 - Inter-cultural training
 - Training on hiring practices
 - Expectation management
 - Financial education
 - Targeted technical training

- **Receiving**

- Skill Matching & Development***

- Admissions through points systems including scoring for relevant academic experience
 - Education-to-residency schemes: recruitment of international students who complete their studies in the host country
 - Skills recognition mechanisms: skills assessment authorities, qualification frameworks , regional or global university quality assurance networks
 - Information systems for skills matching including skill matching databases
 - Skills acquisition and upgrading through vocational training
 - On-the-job training and apprenticeship schemes

- **Returning**

- Employment***

- Support for professional reintegration of returnees
 - Special provisions to support investment and business creation by return migrants
 - Special provisions to support temporary or permanent return of researchers and skilled professionals

- **Circulation**

- Labor Regulation and Social Protection***

- Bilateral agreements for seasonal or temporary migration schemes with adequate provisions for orientation, training and social protection
 - Adapted and flexible work permit systems for circular migration including multiple entries or re-entry
 - Portability of social benefits (pensions and health): benefit design, and bilateral and multilateral agreements/ fair treatment of temporary migrants
 - Protection against specific risks and abuses faced by temporary workers in the recruitment process and at the worksite through appropriate regulation and enforcement mechanisms
 - Home country based welfare schemes for temporary workers and their families