Managing Migration for Development and Employment

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Managing Migration for Development
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**Challenge: Aging Populations**

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

Source: Hayashi et al. (2009)
Challenge: Youth bulge

Source: United Nations, World Population Prospects 2008 Revision Database
Challenge: Shrinking labor force & Insufficient supply of skills

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

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

- Mexico: 12
- India: 11
- Russia: 11
- China: 8
- Ukraine: 7
- Bangladesh: 5
- Ukraine: 5
- Pakistan: 4
- Turkey: 4
- Philippines: 4
- Kazakhstan: 4
- Egypt: 4
- Italy: 4
- Germany: 4
- Poland: 3

Source: migration & remittances factbook, 2011

Top immigration countries, 2010
in millions

- USA: 43
- Russia: 12
- Germany: 11
- Saudi Arabia: 7
- Canada: 7
- UK: 7
- Spain: 7
- France: 7
- Australia: 6
- India: 5
- Ukraine: 5
- Italy: 5
- Pakistan: 4
- United Arab Emirates: 3
- Kazakhstan: 3
Top Remittance-receiving countries, 2009
in billions US$

- India: 51.5
- China: 51
- Mexico: 22.6
- Philippines: 21.3

12% of GDP

Top Remittance-receiving MENA countries, 2009
in billions US$

- Egypt: 7.7
- Lebanon: 7.4
- Morocco: 6.4
- Jordan: 3.6

5% of GDP
6.6% of GDP

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 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 poor (by 50% in Egypt)
- Increased expenditure on health and education for children, reduce the probability of child labor, triggers gender parity in children’s human capital accumulation


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 hub of the global economy.
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

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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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  - 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

- Public intermediation: national employment agencies, capacity
- Private intermediation: liberalization and regulation
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| - Ensuring Quality *(education & training)* | - 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 *(facilitating investments, remittance transfers)*  
  - Nurturing Nationals Abroad *(rights, services)* | - Selecting Migration Programs *(employer-driven; government-driven; skill recognition mechanisms)*  
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  - Promoting Economic Benefits from Mobility *(skill acquisition and upgrading, on the job training)* |
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


• IOM (2010): “Intra-Regional Labour Mobility in the Araba World”. Cairo: International Organization for Migration


• World Bank (2011): Bilateral Migration Database
Backup
Market failures

More people seek jobs abroad than available

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

Match supply and demand; build confidence; skill certification

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

Information asymmetries

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

- Objectives
- Policy Options
- Evaluation & Learning
- Implementation & Monitoring
- Planning & Design
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