Protecting Migrant Workers: Governance of Labour Migration in Asia and the Pacific

Peter Stalker

International Labour Organization

Follow this and additional works at: https://digitalcommons.ilr.cornell.edu/intl

Thank you for downloading an article from DigitalCommons@ILR.

Support this valuable resource today!

This Article is brought to you for free and open access by the Key Workplace Documents at DigitalCommons@ILR. It has been accepted for inclusion in International Publications by an authorized administrator of DigitalCommons@ILR. For more information, please contact catherwood-dig@cornell.edu.

If you have a disability and are having trouble accessing information on this website or need materials in an alternate format, contact web-accessibility@cornell.edu for assistance.
Abstract
[Excerpt] Since the 1980s, the number of Asians migrating for employment has tripled to more than three million annually. This large flow of workers has enormous consequences for the migrants and their countries of origin and destination. Migrants achieve dramatic boosts in their incomes, and their home countries benefit from remittances, which amount to billions of dollars for the region as a whole, and in many countries dwarf official development assistance and foreign direct investment. At the same time, destination countries’ economies are boosted by the arrival of hardworking and flexible labour forces.

However, migration also has costs. Migrant workers can be exposed to exploitation and discrimination – especially the increasing numbers of women migrants who are vulnerable to labour trafficking. For source countries, the income from remittances has to be offset against the departure of many of their most energetic and skilled workers who could be contributing to national development.

How can the Asia-Pacific region maximize the benefits of labour migration and minimize the costs? The International Labour Organization (ILO), the only international body with a specific mandate for international labour migration, can assist countries in their efforts to create more orderly and equitable migration systems.

This booklet and the accompanying CDROM offer an introduction to the services that ILO can offer. We hope that they will be of use to government policy makers and also to our many partners among employers associations and trade unions in the region – indicating how better governance of labour migration can create benefits for all.

Keywords
Asia, migration, employment, migrant workers, public policy

Comments
Copyright © International Labour Organization 2008

This article is available at DigitalCommons@ILR: https://digitalcommons.ilr.cornell.edu/intl/51
Protecting Migrant Workers

Governance of Labour Migration in Asia and the Pacific
Since the 1980s, the number of Asians migrating for employment has tripled to more than three million annually. This large flow of workers has enormous consequences for the migrants and their countries of origin and destination. Migrants achieve dramatic boosts in their incomes, and their home countries benefit from remittances, which amount to billions of dollars for the region as a whole, and in many countries dwarf official development assistance and foreign direct investment. At the same time, destination countries’ economies are boosted by the arrival of hard-working and flexible labour forces.

However, migration also has costs. Migrant workers can be exposed to exploitation and discrimination – especially the increasing numbers of women migrants who are vulnerable to labour trafficking. For source countries, the income from remittances has to be offset against the departure of many of their most energetic and skilled workers who could be contributing to national development.

How can the Asia-Pacific region maximize the benefits of labour migration and minimize the costs? The International Labour Organization (ILO), the only international body with a specific mandate for international labour migration, can assist countries in their efforts to create more orderly and equitable migration systems.

This booklet and the accompanying CDROM offer an introduction to the services that ILO can offer. We hope that they will be of use to government policy makers and also to our many partners among employers associations and trade unions in the region – indicating how better governance of labour migration can create benefits for all.
Contents

1. Labour migration in Asia ........................................................................................................ 7
   1.1. Migration and development ........................................................................................ 9
   1.2. Irregular workers ...................................................................................................... 11
   1.3. Gender dimensions .................................................................................................... 11
   1.4. Risks of exploitation and trafficking ........................................................................ 13

2. The ILO response ............................................................................................................... 15
   2.1. International labour standards ................................................................................ 16
   2.2. Labour market development .................................................................................... 17
   2.3. Training ...................................................................................................................... 19
   2.4. Better admission and recruitment procedures ........................................................ 20
   2.5. Combating trafficking ............................................................................................... 22
   2.6. Health and social protection ..................................................................................... 22
   2.7. Using remittances ...................................................................................................... 24
   2.8. Return migration ....................................................................................................... 25

3. International cooperation and partnerships ........................................................................ 27
   3.1. Bilateral agreements .................................................................................................. 27
   3.2. Regional agreements ................................................................................................ 29
   3.3. Networking and partnerships ..................................................................................... 30
   3.4. Regional action programme ...................................................................................... 30
Abbreviations

ADB – Asian Development Bank
ARIAT – Asian Regional Initiative Against Trafficking in Women and Children
ASEAN – Association of Southeast Asian Nations
GDP – Gross Domestic Product
ILC – International Labour Conference
ILO – International Labour Organization
IOM – International Organization for Migration
IPEC – the International Programme for the Elimination of Child Labour
KILM – Key Indicators of the Labour Market
LED – Local Economic Development
MOU – Memorandum of Understanding
NGO – Non-Governmental Organization
PDOS – Pre-departure orientation seminars
OECD – Organization for Economic Cooperation and Development
OWWA – Philippines Overseas Workers Welfare Administration
1. Labour migration in Asia

For any country, the best long-run solution to unemployment and poverty is sustained national economic growth that generates rewarding jobs at home so fewer people need to look for work abroad. Nevertheless, for the foreseeable future many countries in Asia and the Pacific will rely on the opportunities afforded by international migration to help reduce their levels of unemployment, while also generating significant amounts of foreign exchange through remittances. As a result, a number of Asian countries have made efforts to promote overseas employment. At the same time, destination countries have been recruiting workers for particular employment niches that cannot be filled by national workforces.

Get Labour and Social Trends in ASEAN, ILO 2007

Migrant workers are people who leave home to find work outside of their hometown or home country. Persons who move for work in their own country are ‘domestic’ or ‘internal’ migrant workers. Persons who move for work to another country are commonly called ‘foreign’ or ‘international’ migrant workers. These workers may migrate under government-sponsored programmes, under private recruitment schemes, or on their own account in search for employment.

Get Underlying Factors in Labour Migration in Asia

Around 25 million Asian workers are currently employed outside their home countries. More than three million leave every year. In the past the majority went to the Gulf countries, but nowadays the largest flows are within the Asia-Pacific region – with a number of countries serving as both origins and destinations.

Around half of the 3 million Asia-Pacific workers who leave home come from South Asia. Many still follow well-worn paths to the Gulf region to perform all kinds of service and maintenance jobs, serve as store-keepers or guard establishments, or to build houses. In addition, a large number of South Asian professional and technical workers head for North America and Europe. Some South Asians also go to Southeast and East Asia to work in plantations in Malaysia, for example, as domestic helpers in Singapore, or as construction workers in the Republic of Korea.
Another 1.3 million migrant workers are from Southeast Asia. These are mostly Filipinos, Indonesians, Thais, Burmese, and Vietnamese. Young Indonesian men, for example, find their way to Malaysia to take up unskilled and semi-skilled jobs in construction, or agriculture, while the women go to Saudi Arabia to work as domestic helpers. The Philippines and Thailand also send large numbers of workers to fill skilled and unskilled jobs in neighbouring countries and the Gulf.
1.1. Migration and development

Labour migration occurs and persists because it offers substantial economic benefits not just for the migrant workers and their families, but also for their countries of origin and destination.

Remittances from overseas workers have been shown to have directly reduced the incidence of poverty in countries such as Bangladesh, Nepal, and the Philippines. Some studies revealed that even after controlling for income level children from households with overseas workers are more likely to be enrolled in school. And in many countries of origin the opportunities for overseas employment also mitigate the problem of high unemployment, and thus reduce the potential for social instability.
Meanwhile, Asian destination countries benefit from the productivity of migrant workers who are mostly in the age range that enable them to be net contributors to government coffers. A study commissioned by the ILO, *The Economic Contribution of Migrant Workers to Thailand*, concluded that migrant workers make a net contribution of about US$ 54 million per year to the economy of Thailand. Singapore openly acknowledges the contributions of its foreign workers, recently announcing that increases in foreign employment had enabled “the economy to grow beyond the limits of Singapore’s indigenous workforce.”

![Inflow of Remittances to Asia Pacific Region 2000-8 (US$ Bn)](chart)

But labour migration also has many potential drawbacks as discussed in the following sub-sections.
1.2. Irregular workers

Of the six million migrant workers in Asia, around one-third are ‘irregular’, perhaps because they entered the country without going through the formal immigration process or because they overstayed or do not have the appropriate work permit. They, like all workers, migrant and national, are still entitled to basic rights at work – though they are the least likely to achieve them.

Typical examples of irregular migrant workers are: overstayers on tourist visas; students engaged in employment; trainees overstaying their visas; regular migrants continuing beyond the contract period; regular migrants running away from their designated employer before the expiry of their contract; and persons trafficked into the sex industry.

By virtue of their unlawful status, irregular migrants are very exposed to exploitation, and have little or no avenue for legal redress. They are usually very poor, live in squalid housing conditions and may resort to crime when unemployed. And since they bypass the health screening systems, they have also been accused of causing public health problems.

1.3. Gender dimensions

For many women, migration opens up opportunities for greater independence, self-confidence and status. However, at different stages of the migration process they can also be vulnerable to gender-specific discrimination and abuse.

Migrant women are typically young and poor. They tend to work in unregulated sectors that do not always recruit through legal channels – traditionally ‘female’ occupations such as domestic work, nursing and personal care services, cleaning, entertainment and the sex trade. They also work in retailing and in labour-intensive manufacturing in small factories and sweatshops – often in poor working conditions, with low wages and without social security. Women are also more likely than men to face multiple forms of discrimination, exploitation and abuse – and they have additional risks of sexual harassment and rape, and dismissal from work due to pregnancy.

Go to ILO website for booklets on Protecting Migrant Women Workers
Get working paper on Women in Migration in the Philippines and Sri Lanka
In Asia the largest category of female employment is domestic work. Domestic workers travel from Indonesia, Sri Lanka and the Philippines to the Middle East, Hong Kong and Singapore. Many also come from Myanmar and Cambodia to work in Thailand, though these are largely undocumented. Employed in private households, these women can be very isolated and vulnerable.

![Outgoing Workers, percentage who were women, circa 2006-7](image)

In many countries, domestic work is not protected by labour laws, as a result domestic workers, mostly women and girls, are particularly vulnerable to discrimination, exploitation and abuse. Many domestic workers suffer rights violations at work including:

- very low pay and long working hours – up to 18 hours
- no regular holidays and few days off
- insufficient food and accommodation
- confinement and isolation
- withholding or delaying of salary payment, and
- seizure of identification documents
1.4. Risks of exploitation and trafficking

Even before they leave home, migrant workers are at risk. Those who are travelling for the first time may lack accurate information about the jobs available and the working and living conditions they are likely to encounter overseas. And they will be faced with many complex administrative processes that are difficult to understand. Most recruitment is in the hands of private agencies in countries of origin and destination. This has become a multi-billion dollar transnational industry forming the basis of an extensive ‘migration infrastructure’ – ranging from large firms to small unregistered enterprises.

These agencies have helped expand opportunities for migrant workers and provide valuable services. But some agencies use unscrupulous recruiters who often travel round the rural areas of poor countries enticing workers into paying extortionate fees. In the most serious cases they may find themselves confined to ‘recruitment centres’. Then when migrants arrive at their destination they may be required to do a different job or find that there is no job waiting for them at all. As a result migrants are frequently overcharged, whether for administration or for job placements. At greatest danger are vulnerable women and children who risk being trafficked.

Each year, across the Asia-Pacific region, hundreds of thousands of men, women and children are being trafficked. Some victims of trafficking are abducted from their communities or sold to traffickers by family members. However, most are deceived by false promises and offers of fictitious jobs. Those at higher risk come from poor, under-educated, unskilled, debt-ridden, or generally socio-economically excluded backgrounds.

*Trafficking in human beings refers to the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, the abuse of power or of a position of vulnerability, or the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation or the prostitution of others, or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.*
Trafficking is widespread in Thailand and the neighbouring countries of Viet Nam, China, Bangladesh, Nepal, India and Pakistan. It is often for commercial sex but also for other forms of exploitative work – domestic service, plantations, construction sites, sweatshops, or begging. Trafficking is a dispersed and complex activity. Typically it involves a series of events over an extended period of time and in many different places – from the home to the border to the workplace, some legal and some illegal, often straddling several countries. The response therefore has to be equally wide ranging.

At its heart trafficking thrives because many people, particularly women and children, are disempowered and vulnerable. Countries wanting to combat trafficking will therefore need to address the underlying conditions of poverty and lack of opportunities for decent work. But they will also need to empower women and children, so that they are more aware of the dangers and can protect themselves. At the same time they need to throw a public spotlight on trafficking – countering the lies of the traffickers with vigorous media and advocacy campaigns.
2. The ILO response

Migrants are least vulnerable when they are migrating not out of necessity but out of choice. To ensure that migration for work is not driven by desperation and lack of opportunities at home, the ILO helps countries in their efforts at local economic development and job creation. To assist local governments in their planning process the ILO has published a guide to Integrated Rural Accessibility Planning (IRAP) which argues that one of the fundamental constraints for rural people is their lack of access to goods and services. IRAP planning procedures have been undertaken in Cambodia, Laos, Mongolia, the Philippines, and Thailand. The ILO also provides training programmes for entrepreneurs and would-be entrepreneurs – such as Start & Improve Your Business, Generate Your Business Ideas, and Expand Your Business. In Nepal, the ILO has a new project ‘Employment Creation and Peace Building’ based on Local Economic Development in the Ramechhap and Dhanusha Districts.

The ILO is the only international body with a mandate for international labour migration. Our chief function is to set international standards and arrive at other forms of agreement. The most recent of these is the Multilateral Framework on Labour Migration – which comprises a set of principles and best practices that have been formally vetted by our constituents.

The ILO is also unique in that it is a tripartite organization, representing governments, workers and employers’ organizations. It can thus help build consensus among the social partners in countries of origin and destination to develop the policies and programmes that will allow them best to govern labour migration. In this way countries can try to ensure that migrant workers do not displace national workers and are not subjected to unfair treatment or abuse.
The ILO can also offer a wealth of information on international migration, as well as technical assistance to countries on many different issues, from training to social security. As an international organization, the ILO is also able to foster networking opportunities between governments, employers’ organizations, trade unions and organizations of migrant workers.

2.1. International labour standards

The best way to protect migrants is to ensure that all workers, both migrants and nationals, benefit from minimum international labour standards – as established in the ILO’s Conventions and Recommendations. These standards help ensure that economic development is pursued not as an end in itself but rather as a means to improve people’s lives.

Of these, certain standards are considered to form the foundation of equitable social and economic development. These are the ‘Fundamental Principles and Rights at Work’ and cover four areas: freedom of association and the right to bargain collectively; elimination of all forms of forced or compulsory labour; effective abolition of child labour; and elimination of discrimination in employment and occupation. Specifically for migrant workers there are five up-to-date instruments – two Conventions and three Recommendations:

- Migration for Employment Convention (Revised), 1949 (No. 97) and Recommendation (Revised) 1949, (No. 86)
- Protection of Migrant Workers (Underdeveloped Countries) Recommendation, 1955 (No. 100)
- Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143) and the Migrant Workers Recommendation, 1975 (No. 151).

In addition to the ILO instruments there is a UN Migrant Workers Convention – the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.
In 2004, the International Labour Conference called upon the ILO and its constituents to develop a non-binding multilateral framework for a rights-based approach to labour migration. This Multilateral Framework has now been adopted. It includes detailed descriptions of policies and laws that can serve as models for policy reform in 13 specific areas, allowing countries to align their national policies in a flexible way with international principles.

The Multilateral Framework on Labour Migration represents a considered response to widespread demands for practical guidance and action with a view to maximizing the benefits of labour migration for all parties. The framework:

- addresses the major issues faced by migration policy makers at national, regional and international levels.
- is a comprehensive collection of principles, guidelines and best practices on labour migration policy, derived from relevant international instruments and a global review of labour migration policies and practices of ILO constituents.
- addresses the important themes of decent work for all, governance of migration, protection of migrant workers, promoting migration and development linkages, and expanding international cooperation.
- is a non-binding framework which clearly recognizes the sovereign right of all nations to determine their own migration policies.
- accepts the crucial role of social partners, social dialogue and tripartism in labour migration policy.
- advocates gender-sensitive migration policies that address the special problems faced by women migrant workers.
2.2. Labour market development

A number of countries in the region are exporting a significant proportion of their workforce. This can have a major impact on the local labour market. Countries can look to ILO for support to see how migration policy fits best with employment policy.

Countries of origin need to be aware of the impact of emigration on their own labour markets. While in many cases migration can help ease unemployment, it can also distort the local labour supply. Indeed the large-scale emigration of highly skilled workers through migration may lead to a brain drain which can discourage investment and thus reduce growth. Countries will want to develop employment policies that maximize the opportunities for people to work at home. But where there is a high demand from abroad for particular skills or professions, governments may also want to train more people to take these opportunities. To do this, governments need to collect and disseminate good labour market information – on the demand for each major skills category – and embark on programmes that promote employment across all levels of skill.

The ILO offers countries in the region expertise across a wide range of issues for both national and international employment. The ILO can assist countries in carrying out detailed labour market analysis – so that Ministries of Labour and others can assess national labour needs and the potential for supplying international labour markets.

Recent technical cooperation activities from the regional office in Bangkok have included: advice on best practice for placing workers in foreign jobs for Bangladesh; recommendations for amendments to the Emigration Act in India; and reviews of legislation on labour migration in Viet Nam, Indonesia, Mongolia, and China.

Destination countries need accurate information on their labour markets – so that they are aware of the areas in which migrant workers are likely to be needed in future. In many cases, labour-importing countries rely on the demand from the private sector to determine the need or otherwise for migrant workers. However, if they are to operate in a more consistent and strategic fashion and to construct sound and coherent policies on labour migration, countries will need regular analyses of the labour market – by sector,
by occupation, and level of skill – so as to be able to assess demand trends and the likely requirement for migrant workers.

The ILO, in partnership with the Scalabrini Migration Center, is building a database on labour migration in Asia under the Migration Information System in Asia (MISA) project. The database will be publicly available on the ILO website and is planned to be ready by the end of 2008.

The ILO can carry out advisory missions and produce strategy papers, and can help countries carry out labour market analysis, incorporate migration into labour force surveys, and design migration databases.

2.3. Training

Migrants are often poorly informed about the skills required in other countries. Many set out with virtually no knowledge of the language of their destination country, and without any training for the work they are expected to do. Domestic workers from poor backgrounds, for example, will find it difficult to work in affluent homes equipped with modern household labour-saving devices. Consequently a large number of these workers are subjected to maltreatment, physical assault and non-payment of wages by employers.

To prepare workers better, some Asian countries now offer short pre-departure orientation seminars (PDOS) – often with the support of NGOs. Trade unions too, through contacts between unions in source and destination countries can help migrant workers adequately prepare for work overseas.

The Philippines Overseas Workers Welfare Administration (OWWA) has a well developed curriculum for such seminars. Some workers will also require language training. In Bangladesh, for example, the Bureau of Manpower, Employment and Training, has an English Language Laboratory to offer training for nurses and hotel workers.
The ILO has considerable experience in all types of skills training. Through training, skills development and education, the ILO helps individuals to become more employable. It also promotes greater investment in skills and training so that men and women have better access to productive and decent work – both at home and overseas. The ILO has produced a series of booklets that can be used as a basis for preparing migrants.

2.4. **Better admission and recruitment procedures**

Countries wishing to employ migrant workers need to establish fair and transparent systems for selecting and admitting workers. The ILO can assist by gathering information on best practices that conform to international labour standards, and also by bringing together officials of both origin and destination countries to sort out the often knotty operational details of sending and admitting workers.

Governments in the region have a number of options for regulating the admission of migrant workers. One is to apply ‘economic means’ tests to determine which migrant workers are required. Once the need has been established, the admission of workers is generally regulated through visas and work permits, usually limited by quotas – expressed as a percentage of the labour force, perhaps, or of employment in a given sector or enterprise. Another option is to try to influence demand by charging the employer a fee for each migrant employed. Employers may, however, be tempted to pass these fees on to the workers. If this results in lower take-home pay, it would be counter to internationally enshrined principles of equal pay for equal work.

For establishing admission quotas in an industry, there is clearly an advantage in consulting with relevant unions and obtaining their support. In some Asian economies, including the Republic of Korea, Malaysia, and Hong Kong SAR, the unions are already fully engaged in migration policy development, but elsewhere more work will be needed – to increase awareness, to commit unions to organize and extend services to migrant workers, to advocate for migrants’ rights, and to press for just and fair treatment.
ILO specialists can assist governments in designing rational and fair admissions policies. These should ensure on the one hand that migrant workers do not displace national workers, while also guaranteeing that, as far as possible, legal migrant workers receive equal treatment with nationals. We can draw upon many examples of admissions policies in the Asia-Pacific region and elsewhere and report on practical experiences and best practices that serve the purposes of the destination countries while also protecting migrants. The ILO is currently working with the Government of Korea in organizing a series of dialogues with labour officials of countries sending workers to Korea in an effort to improve the workings of its Employment Permit System.

The ILO can help countries minimize the number of irregular workers. This can be achieved, for example, by enabling them to make more realistic estimates of labour requirements and design appropriate admissions policies. The ILO can also assist countries of origin in developing employment policies to reduce the pressures to migrate. Once irregular migrants have arrived, however, countries of destination have to make appropriate responses. One option is regularization. In this case, the ILO can offer advice on optimum solutions – balancing the objective of gaining more control over the migration process with that of achieving the maximum registration rate. The ILO can also advise on processes for the return of irregular workers.

The ILO can also support governments in their efforts to ensure orderly recruitment, including private sector participation. We have collected a range of best practices from around the region – from countries such as the Philippines where all agencies have to register and conform to an established fee structure.

We offer model contracts that are both understandable and enforceable, and which employment agencies can use as benchmarks. These cover, for example, minimum labour standards, job descriptions, remuneration, working hours and holidays, transportation, compensation for injuries, emergency medical care, and procedures for the settlement of disputes.
2.5. Combating trafficking

The ILO has been deeply engaged in anti-trafficking issues – at both the global and regional levels. This includes, for example, major projects carried out in South Asia (Bangladesh, Nepal and Sri Lanka), and in Southeast Asia (Cambodia, Indonesia, Malaysia, Philippines, and Thailand).

The ILO has also had a major three-year project to combat the trafficking of women and children in the Mekong sub-region. The ILO is working hand-in-hand with the governments of the countries in the sub-region through the Coordinated Mekong Ministerial Initiative Against Trafficking (COMMIT). In addition to extensive work with youth and other groups, this has generated a wealth of important publications at both sub-regional and national levels.

The ILO Mekong Project and its partners have, for example, been distributing a new series of guidebooks in the Burmese, Khmer and Lao languages across Thailand through a network of ten partner agencies. The guides were developed following a series of consultations with the Royal Thai Government and are designed to help reduce the risk of foreign migrants falling into labour exploitation.

2.6. Health and social protection

ILO Conventions No. 97 and No. 143 provide that migrant workers should receive the same treatment as national workers, covering such issues as injury, maternity, sickness, invalidity, death, unemployment and family responsibilities and any other contingency.

In practice in most Asian countries social security is more likely to be available only to skilled professional migrants. There are some exceptions. In the Republic of Korea, legally admitted foreign workers who are skilled are also covered by social security, though irregular migrants can also be covered for industrial accidents. And in Japan the law provides for insurance benefits when a worker suffers injury, disease, physical disability, or death resulting from employment – regardless of the worker’s nationality or whether the worker’s stay or work is legal or illegal.
Elsewhere coverage is limited, which is particularly difficult for migrant workers who are often involved in hazardous, risky, and stressful jobs that national workers reject, making them vulnerable to safety and health risks at the workplace.

*Any routine medical testing, such as testing in either sending or receiving country for fitness carried out prior to employment or on a regular basis for migrant workers, should not include mandatory HIV testing. Employers, migrant workers groups and their representatives should instead encourage confidential voluntary counseling and testing by qualified health services.*

Contract migrant workers generally suffer serious disadvantages because the temporary nature of their employment makes it difficult to meet conditions of eligibility for some benefits. They may also face problems when they return home. As a result of their absence, workers run the risk of losing entitlements to social security benefits in their country of origin. Instead, contributions made by the employer on their behalf should be portable and workers should benefit from the accumulation of rights acquired in different countries. For these reasons states could enter into bilateral or multilateral agreements on social security.

The ILO has extensive expertise on all aspects of social security. It advises member states on ways of expanding the protection they provide to all members of the community, including migrant workers, across the full range of contingencies: basic income security, health care, sickness, old age and invalidity, unemployment, employment injury, maternity, family responsibilities and death.

To support migrants who get into difficulties overseas, a number of countries of origin have now established welfare funds. Financed largely through levies from migrants, these funds can, among other things, provide various kinds of emergency assistance. The Philippines pioneered this activity and similar funds have now been established in a number of other countries. These funds provide death and disability insurance and assistance in forced repatriation in the event of illness, violence at work, contract violation, or non-existent jobs. They can also be used for court litigations in countries of employment, medical care for injured workers abandoned by their employers, and for conciliating disputes. In addition the funds can provide financial assistance to migrants’ families at home for education and training, or for business or other activities. The ILO
has wide experience of different kinds of welfare funds around the world and can advise governments on how such funds can be established, invested and disbursed.

### 2.7. Using remittances

Most migrants from Asian countries are travelling on a temporary basis. They usually live frugally to save as much as possible, either to take back when they return or to send to their family at home. As a result, Asian countries are among the higher beneficiaries of remittances. In 2006 the region’s labour origin countries in total received over $61 billion. The largest recipients were India ($25 billion) and the Philippines ($15 billion).

![Top Remittance-receiving countries in Asia and the Pacific, 2006 (US$ Bn)](chart)

Source: World Bank
The poorest migrants and their families will use these funds for consumption – or for investment in housing or in the education of children. But regardless of what the funds are used for they usually have a positive effect on the national economy, resulting in higher levels of savings and investment. Governments that want to encourage remittances will need to make it easy and cheap for workers to transfer funds. They will also want to encourage migrants to use the funds as productively as possible – for business creation, for example, or for community development projects.

Over the last few years the ILO has undertaken research on the potential of linking remittances to microcredit – to foster a more productive use of resources. Through action-oriented research in a number of countries, including Bangladesh and Nepal, the Social Finance Programme aims to map current remittance patterns between and within countries and to assess the availability of suitable transfer services and their transaction costs.

2.8. Return migration

Migrants, and especially women, often find it hard to readjust when they return. Long separation can cause problems in the home with both partners and children, leading to psychological and emotional stress. They may also discover that little remains of the remittances they have sent if their families have used the funds for basic survival or for consumption. As a result many returning migrant workers are frequently pressured to re-migrate.

Having become accustomed to higher wages they can also struggle to find suitable employment. Even if they have savings to invest they often lack the skills to use these well in new businesses. Worst off are the returning victims of trafficking who will come home with no funds and may not be readily accepted back into their home communities. The ILO can assist governments in developing programmes for returnees. These could include, for example, training for entrepreneurship and on how to run small businesses.
We are also reporting on success stories. At the request of the Ministry of Overseas Indian Affairs, the ILO has been profiling ex-migrants who have successfully reintegrated upon their return to India. These profiles are to be distributed as leaflets to prospective migrant workers to motivate them to plan early for their eventual return, and perhaps inspire them to become self-employed.
3. International cooperation and partnerships

The ILO is unique in that it is a tripartite organization, representing governments, workers and employers’ organizations. It can thus help build consensus among the social partners in countries of origin and destination, allowing them to develop policies and programmes for governing labour migration. In this way countries can try to ensure that migrant workers do not displace national workers and are not subjected to unfair treatment or abuse.

The ILO can also offer a wealth of information on international migration, as well as technical assistance to countries on many different issues, from training to social security. As an international organization, the ILO is also able to foster networking opportunities between governments, employers’ organizations, trade unions and organizations of migrant workers.

International migration policy is still largely set by the destination countries, which decide who they will admit and for what purposes. But many countries have found that it is better to manage migration in cooperation with countries of origin, through various types of international agreement. The most comprehensive international agreement is the ILO Multilateral Framework on Labour Migration. This highlights principles and guidelines to help countries develop more effective labour migration policies.

3.1. Bilateral agreements

The most common mechanisms for regulating interstate labour migration are various types of bilateral agreement. A formal bilateral agreement sets out each side’s commitments and may provide for quotas. Less formal is a Memorandum of Understanding (MOU). Most countries of destination prefer MOUs, probably because as non-binding agreements they are easier to negotiate and implement – and to modify according to changing economic and labour market conditions. Countries may sign such agreements for political reasons, to reflect friendly relations or to reinforce cooperation in managing irregular migration.
For the destination countries, bilateral agreements help achieve a flow of labour that meets the needs of employers and industrial sectors, while providing for better management and promoting cultural ties and exchanges. For the countries of origin, these agreements ensure continued access to overseas labour markets and opportunities to promote the protection and welfare of their workers.

A number of destination countries have entered into bilateral agreements, including:

- **The Republic of Korea** – For the hiring of foreign workers under its Employment Permit System, the Republic of Korea has MOUs with Indonesia, Mongolia, the Philippines, Thailand, Viet Nam, and Sri Lanka.

- **Malaysia** – There are MOUs with Bangladesh, China, Indonesia, Pakistan, Sri Lanka, Thailand, and Viet Nam to regulate recruitment processes and procedures.

- **Thailand** – There are MOUs with Cambodia, Lao People’s Democratic Republic, and Myanmar

Under the terms of these agreements, the employment of workers requires prior permission of the authorized agencies of the respective countries, the submission by one country of a list of available jobs and by the other of a list of selected applicants for these jobs, and supervision by both sides to ensure that appropriate visas and work permits are issued, that workers comply with requirements for health insurance, that contributions are paid to a savings’ fund, that taxes are paid, and that workers have employment contracts.

These agreements require special administration to ensure their smooth operation – including the recruitment, testing and certification of applicants for the programme, and timely data flow and information sharing between the two countries. For most of these agreements, however, monitoring and enforcement mechanisms tend to be weak, and they typically concentrate more on recruitment procedures and less on welfare and protection.

Having close contact with both countries of origin and destination, the ILO is in a strong position to advise on the usefulness and design of bilateral agreements that will serve both parties, and in particular can protect the interests of migrant workers.
3.2. Regional agreements

In addition to various bilateral arrangements there are also a number of regional and sub-regional agreements on various aspects of migration. Regional agreements on migration typically involve a series of meetings that allow participants to share experiences and develop relationships and a common understanding of mutual problems.

One example is the Bali Process. This was initiated at the Regional Ministerial Conference on People Smuggling, Trafficking in Persons and Related Transnational Crime held in Bali in 2002. Now it has over 50 participant countries as well as many international agencies and is co-chaired by the governments of Indonesia and Australia.

Other agreements include the Bangkok Declaration on Irregular Migration, the Asian Regional Initiative Against Trafficking in Women and Children (ARIAT) and the Manila Process – a series of regional seminars organized by the IOM on irregular migration and migrant trafficking. The ILO also has an agreement with the Gulf Cooperation Council to enhance existing cooperation and consultation between the two organizations on the best ways to develop labour rights and implement labour standards for foreign workers.

At the Asian Regional Meeting 2006, which launched the Asian Decent Work Decade, the tripartite constituents of the countries in the region requested the ILO to promote ‘the development of up-to-date and reliable statistics and data-gathering to assist in fact-based research, comparison and decision-making’, and invited regional and international organizations, including ASEAN, to work with the ILO in support of these and other efforts.

ILO has been a key player in these and other regional processes. It has also organized a number of round tables at which countries of origin and destination have been able to discuss issues of common interest. In addition we work with other regional institutions to encourage them to accept and integrate the ILO’s Multilateral Framework on Migration into their own programmes.

A recent ILO proposal is to establish a regular ‘ASEAN Forum on Labour Migration’. The Forum would have a number of objectives:
• Deepen understanding of the role of cross-border movements of workers in enhancing the flexibility and dynamism of the region’s economies and societies
• Build trust and confidence through dialogues on emerging problems and issues,
• Help national authorities anticipate future challenges by considering what demographic trends and current economic and political developments suggest about the likely impact on migration pressures.
• Enhance bilateral and multilateral cooperation for effective governance of labour markets and migration.

The Forum, which might be lodged in an existing national or regional institute, could be an annual activity under the auspices of the ASEAN Labour Ministers’ Conference.

3.3. Networking and partnerships

As an international organization, the ILO is also able to foster networking opportunities not just between governments, but also between employers’ organizations, trade unions and organizations of migrant workers.

The ILO has assisted with the international networking of trade unions. It has, for example, helped link Malaysia’s MTUC with unions in Indonesia, Nepal, Bangladesh, India, Pakistan, Viet Nam, and the Philippines; and the Korean trade unions with those in Viet Nam, the Philippines and Thailand. The ILO also helps unions and other organizations establish national mechanisms of social dialogue on migration. In addition, we facilitate the participation of social partners in international forums and prepare relevant educational materials.

3.4. Regional action programme

The ILO Regional Office for Asia and the Pacific has launched a regional programme to promote cooperation among member states in addressing migration challenges. The European Commission is supporting this effort with financial contribution to a 3-year project based in Bangkok. The project is being implemented in partnership with UNIFEM. The Action Programme focuses in particular on:
In countries of employment:

- Sharing knowledge about managing labour shortages and admission of foreign labour;
- Promoting ‘best’ practices to ensure decent work and equal treatment of migrant workers;
- Encouraging social dialogue on migration and integration issues;
- Sharing best-practice approaches to undocumented migrant workers; and
- Promoting greater coverage of migrant workers under labour laws and social security systems.

In countries of origin:

- Promoting sustainable policies and programmes on foreign employment, especially adjustments to greater mobility of workers;
- Documenting and exchanging information on effective policy tools and strategies for protecting migrant workers and maximizing gains from migration;
- Promoting codes of best practice in recruitment; and
- Strengthening capacities of social partners for dialogue on migration issues.