

SPOTLIGHT ON LABOUR MIGRATION IN ASIA

A factor analysis study



WRITTEN BY

**ECONOMIST
IMPACT**

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Executive summary

Migration has always been a powerful engine of prosperity for individuals and the countries between which they move, filling key gaps in labour markets in destination countries and channelling vital financial resources to origin countries through remittance flows. Migration dynamics are subject to continual shifts, driven by relative economic performance of countries, technological change and demographic transition. Ageing populations and rising educational attainment lead populations in destination economies to desire higher-paid roles, while higher-wage migration is required in Asia to fill labour market gaps. The combination of migration's essentiality to origin and destination countries and its changing flows require all stakeholders, including governments, employers and workers, to continually monitor and respond to new opportunities and risks. Low-wage migrants are vulnerable to multiple forms of exploitation which may worsen over time as they move to different locations or access new segments of the labour market.

This report explores how low-wage international labour migration in Asia¹ has changed over the last two decades, identifies the drivers behind these changes, and analyses how risks and vulnerabilities faced by migrants have evolved in parallel. Based on current economic, social, political and technological trends, it then looks at how migration dynamics in the region may evolve over the coming years and decades, and considers the steps needed to maximize the benefits and mitigate the risks of this critical but often dangerous journey. Key findings from this report are as follows:

- **Labour migration has proven essential for both migrants and countries of origin and destination in Asia.** Data shows that migrants are contributing to economically vital sectors including agriculture, construction and domestic work, in jobs that nationals commonly eschew. Moreover, remittance flows have become economic lifelines for a number of South and South-East Asian economies including India, Nepal and the Philippines. But migrant workers are continually faced with risks including: exploitation, financial and otherwise; excessive financial debt as a result of migration costs and recruitment fees; xenophobia; and maltreatment. Many of these risks have been

¹ Throughout this report, references to Asia include South-East Asia, South Asia, East Asia and the Middle East. For the purposes of this analysis, we are excluding the Central Asia region.

exacerbated by the COVID-19 pandemic, which has highlighted the poor living conditions of migrants and their lack of access to health and social services, resulting in increased levels of infection in migrant worker accommodation, especially in the Gulf Cooperation Council (GCC) region and Singapore.²

- **Labour migration is set to shift increasingly towards intraregional flows and away from the GCC.** The economic outperformance of Asia, especially South-East Asian economies including Malaysia, Singapore and Thailand, is one cause of shifting migration patterns. There has also been a slowdown in flows to the Gulf, as a consequence of reduced government spending due to lower oil prices; the adoption of new technology which improves labour productivity and, in turn, reduces the number of required workers; a growing focus on increasing employment of nationals in some Gulf States; and labour governance challenges, indicating a likely growth in intraregional migration in the years ahead. However, oil-rich Gulf governments are also undergoing economic transformations to diversify their economies away from fossil fuel-based industries and grow other domestic sectors such as tourism and renewable energies, resulting in greater job opportunities in the Middle East for migrant workers with varying skill sets – namely those with softer and more specialized skills. Strong economic performance in historical countries of origin like Indonesia and Viet Nam may also reduce income divergences that drive outward migration.
- **Technology will reshape labour markets, and have complex impacts on migration decisions.** Technological change, while non-linear, is set to have powerful impacts on the future of work that are both positive and negative. It will, for instance, reduce human exposure to more dangerous types of work, while simultaneously reducing demand for human labour and therefore job opportunities. Automation will advance faster in process-oriented sectors like manufacturing and services, with other labour sectors such as construction and domestic work among the less vulnerable. Technological innovation will also tackle demographic challenges, as with the rise of robotics in the care economy for countries with larger elderly populations. Advances in digital platforms, the “on-demand” economy, e-commerce and gig work are a second important technological trend. These could provide more domestic income opportunities in home markets and reduce the appeal of migration, especially in more dangerous and physically demanding sectors like construction – although such sectors also require strong regulation and oversight to ensure that fairness, transparency and labour standards are adhered to.
- **Governments in the region have taken important steps to improve migration governance, but more will be needed in the years ahead.** Key policy improvements include moving towards a “whole-of-government” approach to migration policy development and implementation that links migration dynamics across all relevant institutions of government, including health, security and border management. The pandemic has shown the need for governments to improve their focus on living conditions and emergency welfare responsibilities relating to migrants. More specific improvements include:

² www.ihrb.org/focus-areas/migrant-workers/covid19-migrant-workers-overview.

reducing or eliminating recruitment fees; simplifying formal migration processes to reduce the appeal of irregular channels; regularizing undocumented workers; more comprehensive and inclusive social protection schemes; and working proactively with business, especially small-and medium-sized enterprises (SMEs), to improve awareness about and actions in support of migrant workers.

- **Businesses have stepped up their engagement with low-wage migrant protection in recent years, but will need to shift to a more holistic and proactive perspective, with smaller companies needing to increase their engagement.** Multinational companies, especially those with long and complex supply chains involving low-income regions, in industries such as garment manufacturing and technology have increased their engagement with migrant welfare due to regulatory pressure and consumer activism. Going forward, this needs to include more sectors and focus on issues such as skills development and integration. Companies need to move towards more proactive investigation into migrant worker welfare in their extended supply chains. The SME sector is considered to be a weaker performer in migrant welfare, as consumer pressure, regulatory scrutiny and supply chain auditing are less likely to act as a pressure for action.

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Introduction

Migration is a powerful engine of prosperity for individuals and the countries between which they move. Remittances boost economies and spending power in origin countries, with an estimated USD702bn channelled across countries in 2020 (falling from USD719bn in 2019), accounting for a large share of economies, such as Nepal (23.5%), Pakistan (9.9%), the Philippines (9.6%) and Bangladesh (6.6%).³ Migration can also boost the transfer of skills and knowledge as well as the networks of migrants.

Safe, orderly and regular migration can significantly boost economic dynamism by filling critical labour market gaps. Growth rates in the Association of South-East Asian Nations (ASEAN) could increase by 7.1 per cent by 2025 if members take supportive measures such as improving labour market information, providing language and skills training, simplifying administrative requirements, and expanding Mutual Recognition Agreements (MRAs) to include semi-skilled workers.⁴

Labour migration can enable individuals to find gainful employment. One review of a migration initiative, in which the Government of Bangladesh allocated migration opportunities in Malaysia and managed the associated recruitment, found a 200 per cent increase in migrant income and a 22 per cent rise in household per capita consumption.⁵ There are clear benefits to destination countries too. A 10 per cent increase in the number of “low-skilled” migrant workers in Malaysia could contribute to growth in the country’s GDP of 1.1 per cent, as well as increase wages and create employment for Malaysians.⁶ In Singapore, industry groups warned that a reduction in the numbers of migrant workers in early 2020 would have negative implications for the economy, with ripple effects for many Singaporeans.⁷

Yet migration, when not properly regulated, and especially among migrant workers, brings risks and challenges such as poor and unsafe working conditions, exploitation and human rights abuses, requiring stakeholders

³ www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data.

⁴ www.weforum.org/agenda/2019/02/migration-in-asia-where-is-everybody-going.

⁵ <https://openknowledge.worldbank.org/bitstream/handle/10986/33408/Returns-to-Low-Skilled-International-Migration-Evidence-from-the-Bangladesh-Malaysia-Migration-Lottery-Program.pdf?sequence=1&isAllowed=y>.

⁶ <https://blogs.worldbank.org/eastasiapacific/immigrant-labor-can-it-help-malaysia-s-economic-development#:~:text=Economic%20studies%20show%20that%20a,increase%20wages%20for%20most%20Malaysians>.

⁷ www.channelnewsasia.com/news/singapore/reducing-migrant-worker-affect-singapore-economy-higher-costs-12774646.

– governments, the private sector and civil society – to work together to achieve orderly and safe migration flows, especially for vulnerable groups. This is particularly pertinent in light of the COVID-19 pandemic. The crisis has shown migrant workers to be among the most vulnerable in society, having often been the first to lose their employment and social protections, as well as facing a marked increase in stigmatization and marginalization.⁸

This study, produced by Economist Impact with support by the International Organization for Migration (IOM) in the context of the IOM-led Corporate Responsibility in Eliminating Slavery and Trafficking (CREST) initiative,⁹ explores past, current and future trends of labour migration in Asia, with a focus on regular labour migration. While there are many diverse

factors driving labour migration in Asia, this report will focus on select priority drivers in the region, shortlisted from a pool of relevant factors based on expert stakeholder engagement. The report draws on an in-depth analysis of migration and labour migration data, an expert interview programme, and an extensive review of current evidence on migration and labour market trends at the national, regional and global levels.

The report is structured as follows. Section one explains the changing nature of labour migration in Asia in origin and destination countries – both the shifts and the factors driving them, as well as the key corridors and sectors. Section two analyses evolving labour migration drivers, and section three explains the key vulnerabilities facing migrants today. Finally, section four outlines best practices and policies for the future.

KEYWORDS AND DEFINITIONS

Migration is defined as the movement of persons away from their place of usual residence, either across an international border or within a State.¹⁰

Labour migration is defined as the movement of persons from one State to another, or within their own country of residence, for the purpose of employment.¹¹

Migrant refers to a person who moves away from their place of usual residence, whether within a country or across an international border, temporarily or permanently, and for a variety of reasons.¹²

Migrant worker refers to a person who is to be engaged or employed, is engaged or employed, or has recently been engaged or employed in a remunerated activity in a State of which they are not a national.^{13,14}

This report focuses specifically on workers in low-wage occupations based on formal migration flows for which there is available data. The report refers to low-wage migrant workers as “migrant workers”.

⁸ <https://crest.iom.int/news/turning-page-our-plans-support-protection-migrant-workers-2021>.

⁹ <https://crest.iom.int/>.

¹⁰ <https://publications.iom.int/books/international-migration-law-ndeg34-glossary-migration>.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ www.ohchr.org/en/professionalinterest/pages/cmw.aspx.

Section I: The changing nature of labour migration

Globally, it is estimated that around one in seven people is a migrant.¹⁵ While the majority of migrants move within their country of birth, roughly a quarter – 281 million people – accounting for 3.6 per cent of the global population, move internationally in search of better employment, education and livelihood opportunities, and more stable and peaceful environments.^{16,17} Nearly two-thirds of these international migrants move for work, with men representing a slightly higher proportion of migrant workers than women: 58.4 per cent and 41.6 per cent, respectively.¹⁸

In Asia, labour migration is a product of history as well as shifting economic and social changes. Linguistic and cultural affinity, diaspora networks and geographic proximity are enduring historical forces shaping migration decisions. However, more recent dynamics, such as divergence in economic growth rates between countries,

the facilitating power of digital technology, the impacts of climate change, and the rapid economic growth of the Asia region, are also reshaping migratory movements.

The biggest change in Asian labour migration over the last two decades has been the rapid increase in intraregional labour migration, with more people moving from less-developed economies to newly emerging markets.^{19,20} The oil revenue-funded economic transformation plans for the Gulf Cooperation Council (GCC) region increased demand for workers, which in turn fuelled migration to fill labour market gaps, especially in Saudi Arabia and the United Arab Emirates – the third and sixth top migrant destinations globally in 2019.²¹ Between 1990 and mid-2020, the stock of international migrants in Western Asia – which comprises the Greater Middle East – from other Asian countries increased by 275 per cent, from 9,930,914 to 37,243,981 migrants.²² Asian migrants have been the dominant group

¹⁵ www.iom.sk/en/migration/migration-in-the-world.html.

¹⁶ <https://migrationdataportal.org/themes/international-migrant-stocks#:~:text=According%20to%20the%20UN%2C%20the,reaching%20281%20million%20in%202020.>

¹⁷ <https://publications.iom.int/books/world-migration-report-2022>.

¹⁸ https://publications.iom.int/system/files/pdf/wmr_2020.pdf.

¹⁹ Ratha, D. and W, Shaw. (2007) South–South migration and remittances. World Bank, Washington, D.C.

²⁰ Hujo, K. and N, Piper: (eds) (2010) South-south migration: Implications for social policy and development. Palgrave Macmillan, London.

²¹ https://publications.iom.int/system/files/pdf/wmr_2020.pdf.

²² www.un.org/development/desa/pd/content/international-migrant-stock.

15%

of migrant workers globally hail from South and South-East Asia.

Source: International Labour Organization

in the GCC region, especially those from Bangladesh, India, Indonesia, Nepal, Pakistan, the Philippines and Sri Lanka.²³ There has similarly been a significant rise in the number of Asian migrants living in South-East Asia, with an increase of 332 per cent between 1990 and mid-2020, from 2,256,740 to 9,741,674 migrants.²⁴

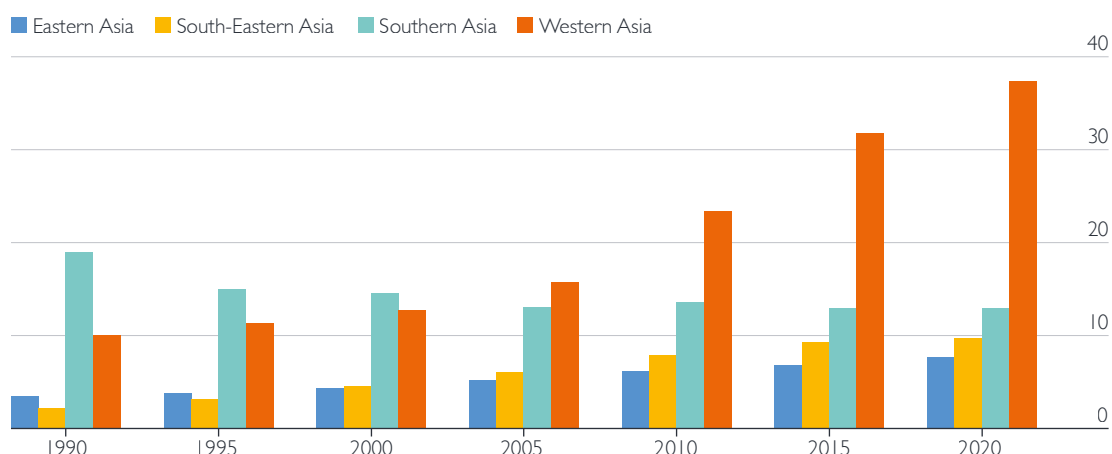
As part of this study, Economist Impact

examined net migration rate²⁵ data for all types of migration, and international migrant stock²⁶ data published by the UN Department of Economic and Social Affairs (UN DESA) to identify the key migrant countries of origin globally (see the Appendix for more detail on the methodology). From this it emerged that, as of mid-2020, six of the top ten countries of migrant origin – India, China, Bangladesh, Pakistan, the Philippines and Afghanistan – were Asian.²⁷ Globally, one in three migrants is from the continent,²⁸ and according to estimates from the International Labour Organization (ILO), of the roughly 164 million migrant workers globally, 15 per cent hail from South and South-East Asia.²⁹

Interestingly, Asian States are key countries of origin for not only overall migration, but

Figure 1: On the up

Migrant stock by subregion in Asia from Asian countries of origin; millions, 1990-mid-2020



Note: Western Asia comprises the countries of the greater Middle East.
Source: United Nations Department of Economic and Social Affairs.

²³ www.adb.org/sites/default/files/publication/230176/adbi-safeguarding-rights-asian-migrant-workers.pdf.

²⁴ www.un.org/development/desa/pd/content/international-migrant-stock.

²⁵ The net migration rate pertains to the number of immigrants minus the number of migrants over a period, divided by the population of the receiving country over that period.

²⁶ International migrant stock refers to the total number of international migrants present in a given country at a particular point in time.

²⁷ <https://reliefweb.int/sites/reliefweb.int/files/resources/International%20Migration%202020%20Highlights.pdf>.

²⁸ www.adb.org/sites/default/files/publication/456491/aeir-2018.pdf.

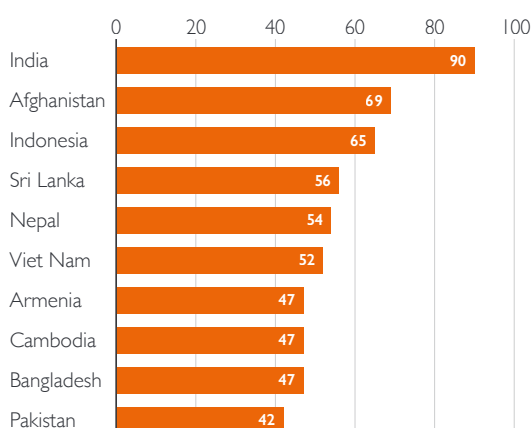
²⁹ <https://blogs.worldbank.org/endpovertyinsouthasia/making-migration-safer-and-more-productive-south-asia>.

for migrant workers in particular. Having identified the key countries of origin in the region, Economist Impact examined data published by the national authorities of origin countries as well as international organizations on the occupations and education levels of Asian migrants (see the Appendix for more detail on the methodology). From this, Economist Impact developed estimates of the share of total labour migration that is associated with

with Bangladesh and Pakistan having slightly smaller proportions.³⁰ In Sri Lanka, according to its Bureau of Foreign Employment, between 2013 and 2018, “unskilled migrants” and “housemaids” made up 56 per cent of migrants, while in Afghanistan, 69 per cent of migrants in 2011 had no or only primary education. Data from the Bureau of Manpower, Employment and Training indicated that “less-skilled” migrants in Bangladesh accounted for 47 per cent of migrants between 1976 and 2021, while “unskilled” migrants accounted for 42 per cent of migrants from Pakistan between 1971 and 2021 according to data from Pakistan’s Bureau of Emigration and Overseas Employment. As for India, according to data on the E-Migrate System of the Overseas Employment Division of the Ministry of External Affairs, in 2019, approximately 90 per cent of Indian migrants were “low-skilled”. It is important to note, however, that this system accounts for migration to only 18 destination countries, with data covering only 15 per cent of Indian migrants as a result.³¹

These figures are potentially subject to change in the coming years as a result of India’s drive to become the “skill capital” of the world. Initiatives such as the Ministry of Skill Development and Enterprise’s flagship scheme, Pradhan Mantri Kaushal Vikas Yojana (2016–20), implemented by the National Skill Development Corporation (NSDC), aim to facilitate the development of employable skills for India’s youth through monetary awards and provision of skills-based training.³² Similarly, the Indian International Skill Centre Network, created by the NSDC, operates

Figure 2: High shares
Shares of labour migration in overall migration from top origin countries in Asia; %



Note: These figures may not represent the latest situation but reflect the year for which the latest data was available. See the Appendix for more detail on the methodology.

Source: Economist Impact analysis based on data published by national authorities, the IOM and ILO.

low-wage occupations from the key countries of origin in Asia (see Figure 2).

In four of the six South Asian countries – Afghanistan, India, Nepal and Sri Lanka – migrant workers are estimated to constitute over half of total migrants,

³⁰ These migrant workers are from, but live outside of, these countries.

³¹ The 18 destination countries are those which have historically been popular destinations for “low-skilled” Indian migrant workers: Afghanistan, Bahrain, Indonesia, Iraq, Jordan, Kuwait, Lebanon, Libya, Malaysia, Oman, Qatar, Saudi Arabia, the Sudan, South Sudan, Syrian Arab Republic, Thailand, United Arab Emirates and Yemen.

³² <https://pmkvyofficial.org/>.

to develop international workforce mobility, facilitating memorandums of understanding (MOUs) with other countries relating to Skill Development, Vocational Opportunities and Mobility of Skilled Manpower.³³ A 2018 strategic partnership between the United Arab Emirates and India focusing on mutual recognition of qualifications and skill development also aimed to strengthen migration corridors between the two countries, developing frameworks of cooperation on labour.³⁴

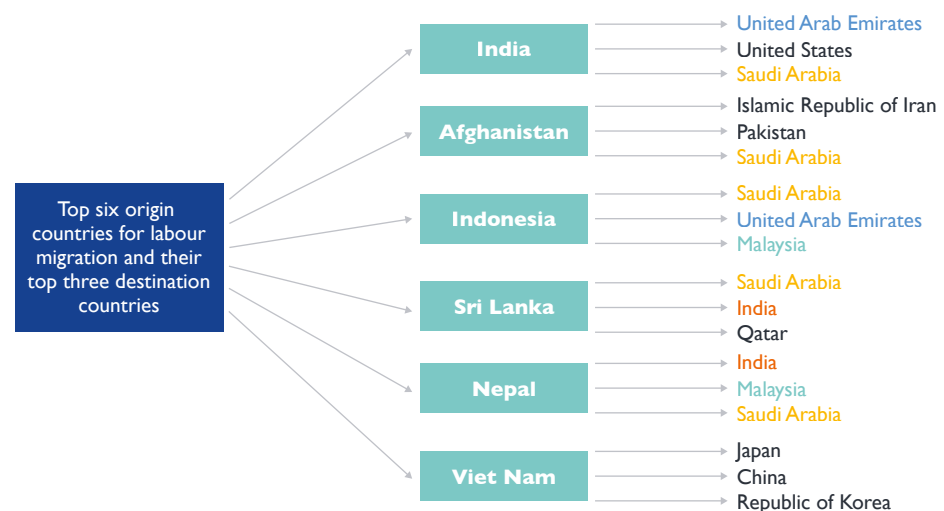
The picture in South-East Asia is similar to that described for South Asia, with 65 per cent of Indonesian migrants working in elementary occupations between 2011 and 2017 according to the ILO's International Labour Migration Statistics Database in ASEAN, and 52 per cent of contract-based Vietnamese overseas

workers being "un-skilled" between 2011 and 2018 according to data from the government's Ministry of Labour, War Invalids and Social Affairs.

Migration is primarily driven by economic opportunity, which is why the increasing economic dynamism of Asia over recent decades has accelerated intraregional migration. In a McKinsey Global Institute analysis of 71 developing economies, all seven long-term economic outperformers (economies that achieved GDP per capita growth of more than 3.5% annually for 50 years), and five out of 11 recent outperformers (economies that achieved GDP per capita growth of more than 5% annually for 20 years), are in Asia.³⁵ Despite wide income and age disparities between countries across Asia, two-thirds of intra-Asian migrants remain in their own subregion, with

Figure 3: Close to home

Destination countries for migrants from the top six origin countries for migrant workers in Asia; as of mid-year 2020



Note: The countries of destination that feature for multiple countries of origin are highlighted in coloured text.
Source: Economist Impact analysis based on UN DESA data.

³³ <https://nsdcindia.org/iisc-network>.

³⁴ <https://emirates-business.ae/uae-india-strategic-partnership-to-focus-on-skills-development-labour/>.

³⁵ www.mckinsey.com/featured-insights/innovation-and-growth/outperformers-high-growth-emerging-economies-and-the-companies-that-propel-them.

South Asians migrating elsewhere in South Asia, East Asians remaining within East Asia, and so on.³⁶ As of 2020, almost all of the top three destination countries for the top six origin countries in Asia for migrant workers were other Asian countries. Saudi Arabia features as a key country of destination across five of the countries of origin, and the United States is the only non-Asian country (see Figure 3). With Asia forecast to account for 50 per cent of global GDP and drive 40 per cent of consumption by 2040, this trend may further accelerate over coming years.³⁷

There are many factors behind the changing patterns in origin and destination countries. One is the supportive role played by governments through bilateral and multilateral agreements to facilitate labour movement and regional collaboration. Governments in Asia have signed a growing number of bilateral labour agreements (BLAs) and MOUs since 1990 – while only four agreements were signed between 1990 and 1999, 38 were signed between 2000 and 2009, and 18 more between 2010 and 2014.³⁸ BLAs and MOUs may be signed by countries that already share significant

migration flows, yet these agreements can play a role in encouraging further migration by including clauses on the need to reduce migration and recruitment costs, facilitate the sending of remittances, and recognize international qualifications, for example.³⁹

As for regional collaboration, the ASEAN Economic Community has accelerated regional investment and expanded labour mobility in sectors including agriculture, fisheries, domestic work, manufacturing and construction,⁴⁰ supported by governments granting more visas and work permits for migrant workers, as well as MRAs and labour mobility agreements and frameworks.⁴¹ ASEAN has increased its share of intraregional migration due to significant economic disparities, with its wealthiest country 25 times richer than its poorest, and the median age of the oldest member nearly double that of the youngest.^{42,43} According to UN DESA, there were 6.8 million intra-ASEAN migrants in 2019, accounting for two-thirds of the region's total international migrant stock.⁴⁴ In fact, this figure could be even higher given that significant levels of

IRREGULAR LABOUR MIGRATION IN ASIA

Irregular migration refers to the “movement of persons that takes place outside the laws, regulations, or international agreements governing the entry into or exit from the State of origin, transit or destination.”⁴⁵ In Asia, as with other regions, irregular migration occurs alongside regular migration, and is likely to be of

³⁷ www.mckinsey.com/featured-insights/asia-pacific/asia-future-is-now.

³⁸ www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---migrant/documents/publication/wcms_385582.pdf.

³⁹ <https://thedocs.worldbank.org/en/doc/331331530057778149-0160022017/original/Mar154pmSoonhwaYInternationallabormobilitycorecourseBLAs03142017.pdf>.

⁴⁰ www.migratingoutofpoverty.org/files/file.php?name=harkins-labour-migration-in-asean-update.pdf&site=354.

⁴¹ <https://aric.adb.org/blog/migration-in-asia-where-is-everybody-going>.

⁴² <https://openknowledge.worldbank.org/bitstream/handle/10986/28342/9781464811067.pdf?sequence=22>.

⁴³ This was calculated by multiplying per capita income in the poorest ASEAN country with that of the wealthiest.

⁴⁴ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/genericdocument/wcms_735103.pdf.

⁴⁵ www.migratingoutofpoverty.org/files/file.php?name=harkins-labour-migration-in-asean-update.pdf&site=354.

⁴⁶ <https://publications.iom.int/books/international-migration-law-ndeg34-glossary-migration>.

a significant scale, owing to various factors including porous borders, complex and restrictive migration policies, costly processes associated with legal migration and employment, and restrictions on women's legal migration due to sectoral regulations and age limits.⁴⁷ In fact, one-third of migrant workers in the Asia–Pacific region are estimated to have irregular status.^{48,49}

Due to the undocumented nature of irregular migration, there are difficulties associated with measuring it, leaving most data on migration covering only officially recorded, regular flows. As a result, published data on migration in Asia – and that which was used to develop estimates for the shares of labour migration in overall migration – is largely incomplete due to the incidence of irregular migration that goes unrecorded. For example, there are significant inflows of irregular migrants towards Thailand, with the ILO and IOM estimating that 96 per cent of migrants from Lao People's Democratic Republic, 91 per cent of migrants from Myanmar and Viet Nam, and 73 per cent of migrants from Cambodia, are irregular.⁵⁰

intra-ASEAN migration takes place through irregular channels and are thus not captured by official statistics.⁴⁵

For high- and middle-income destination countries, the impetus behind rising migration has primarily been labour market gaps in critical sectors including agriculture, construction, food processing, health and elderly care, hospitality, tourism and domestic work, with Malaysia, Singapore, and Thailand the dominant magnets.^{51, 52, 53} Nilim Baruah, Regional Migration Specialist at the ILO, identifies critical sectors in Malaysia as plantations, manufacturing, electronics, construction, hospitality and domestic work, with Thailand presenting a similar regional dynamic, albeit with some variation – namely the inclusion and importance of the fishing and seafood-processing sectors.⁵⁴

Thailand is home to nearly half of ASEAN migrant workers, most of whom are employed in the agriculture, fishery, construction, and domestic work sectors, and are from Cambodia, Lao People's Democratic Republic and Myanmar. They also include large numbers of irregular migrants attracted by income disparities between Thailand and its neighbours.^{55, 56} Migrant workers constituted over 30 per cent of Malaysia's agricultural workforce in 2019, and more than 20 per cent in construction and manufacturing.⁵⁷ Malaysia hosts at least 2 million documented migrant workers, mostly from Indonesia and Bangladesh, making up 15 per cent of the total employed population.⁵⁸

While economic growth in Asia has been one catalyst for change, migration dynamics are shifting away from the historically

⁴⁷ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/genericdocument/wcms_322652.pdf.

⁴⁸ Ibid.

⁴⁹ www.migratingoutofpoverty.org/files/file.php?name=harkins-labour-migration-in-asean-update.pdf&site=354.

⁵⁰ <https://thailand.iom.int/risks-and-rewards-outcomes-labour-migration-south-east-asia>.

⁵¹ Gheasi, M. and P. Nijkamp. (2017). A brief overview of international migration motives and impacts, with specific reference to FDI. *Economies*, 5(31).

⁵² Oishi, N. (2020). Skilled or unskilled? The reconfiguration of migration policies in Japan. *Journal of Ethnic and Migration Studies*. Special Issue.

⁵³ Gyuchan, K. (2017). Migration transition in South Korea: Features and factors. *OMNES: The Journal of Multicultural Society*, 8:1–32.

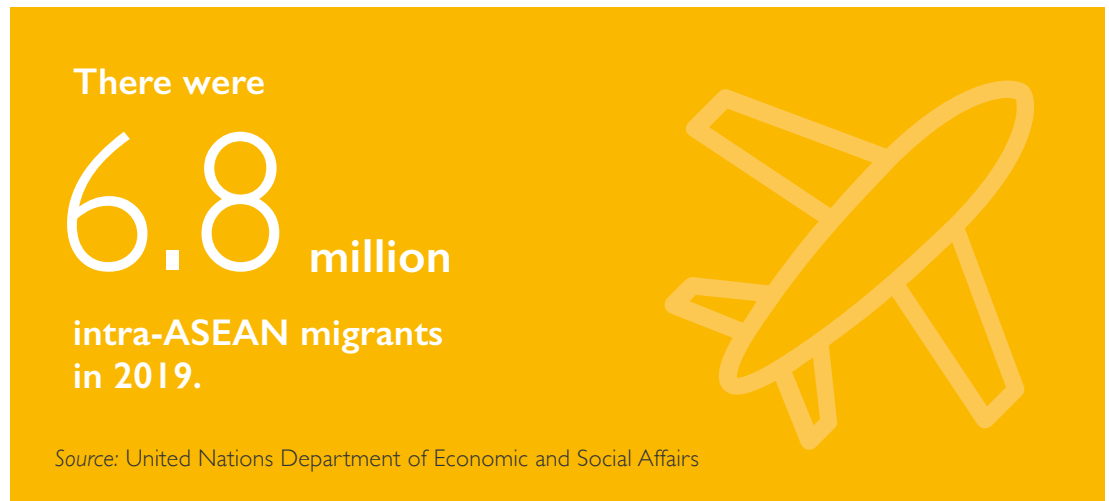
⁵⁴ Interview with Nilim Baruah (16 April 2021).

⁵⁵ <https://journalofeconomicstructures.springeropen.com/articles/10.1186/s40008-020-00192-7>.

⁵⁶ Ibid.

⁵⁷ <https://blogs.lse.ac.uk/seac/2020/10/01/the-economic-case-against-the-marginalisation-of-migrant-workers-in-malaysia/>.

⁵⁸ Ibid.



favoured high-income GCC countries. This is due to a number of factors, including lower oil prices which have depressed spending; the still-nascent levels of worker protection in these countries; and the efforts being made by some countries in this region to increase the employment of nationals.⁵⁹

⁵⁹ <https://reliefweb.int/report/world/international-migration-2020-highlights-enrurz>.

Section 2: Drivers of labour migration

Intraregional migration dynamics in Asia are driven by a variety of both voluntary and involuntary factors in origin and destination countries. These drivers are wide-ranging and

interdisciplinary, encompassing economic, social, political, environmental, technological and policy-related elements.



Demographic shifts

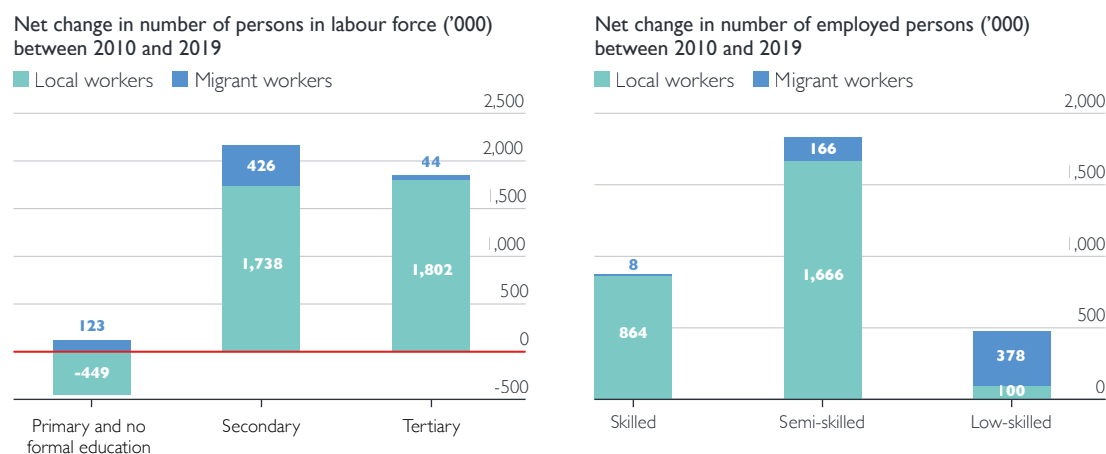
Destination countries are seeking more migrant workers chiefly as a result of demographic shifts – notably, ageing populations and changes in human capital leading to increased educational attainment resulting in a shortage of national workers interested in manual labour as opposed to professional occupations. In fact, the tertiary education enrolment rate increased by 480 per cent in South Asia and 2,006 per cent in East Asia and the Pacific between 1970 and 2019, compared with a 299 per cent increase globally over the same time period.⁶⁰

In Malaysia, recent efforts to restrict migrant workers in favour of local workers in an attempt to alleviate rising unemployment have been criticized for creating a labour/skills mismatch. The Malaysian workforce has become increasingly educated and seeks higher-wage employment, meaning that the

country relies heavily on incoming migrants for lower-wage occupations (see Figure 4).⁶¹ One survey found that 78 per cent of Malaysian companies recruited migrant workers due to a shortage of locals to fill vacancies, suggesting that, far from competing for jobs, migrants and nationals fulfil complementary roles.⁶² Similar dynamics have been identified in Singapore’s construction industry where a reduced workforce, rather than cost reduction, has been the primary driver of labour migration.⁶³

Ageing populations are a significant factor shaping inbound migration now and particularly in the years ahead. The countries of East Asia need to bolster their workforce by 275 million people aged 15-64 by 2030 to keep their working-age population steady, with China, Malaysia, Singapore and Thailand needing to attract migrant workers. Meanwhile competition for jobs

Figure 4: Complementing, not competing
Occupational space occupied by migrant and local workers in Malaysia



Sources: Department of Statistics Malaysia; Theng, T. and J, Romadan, 2020.

⁶⁰ <https://data.worldbank.org/indicator/SE.TER.ENRR?locations=IW>.

⁶¹ www.voanews.com/east-asia-pacific/malysias-migrant-labor-ban-draws-flack.

⁶² www.mef.org.my/Attachments/MEFReport_PGGERPERFWM.pdf.

⁶³ www.channelnewsasia.com/news/singapore/singapore-foreign-workers-reliance-challenges-12806970.

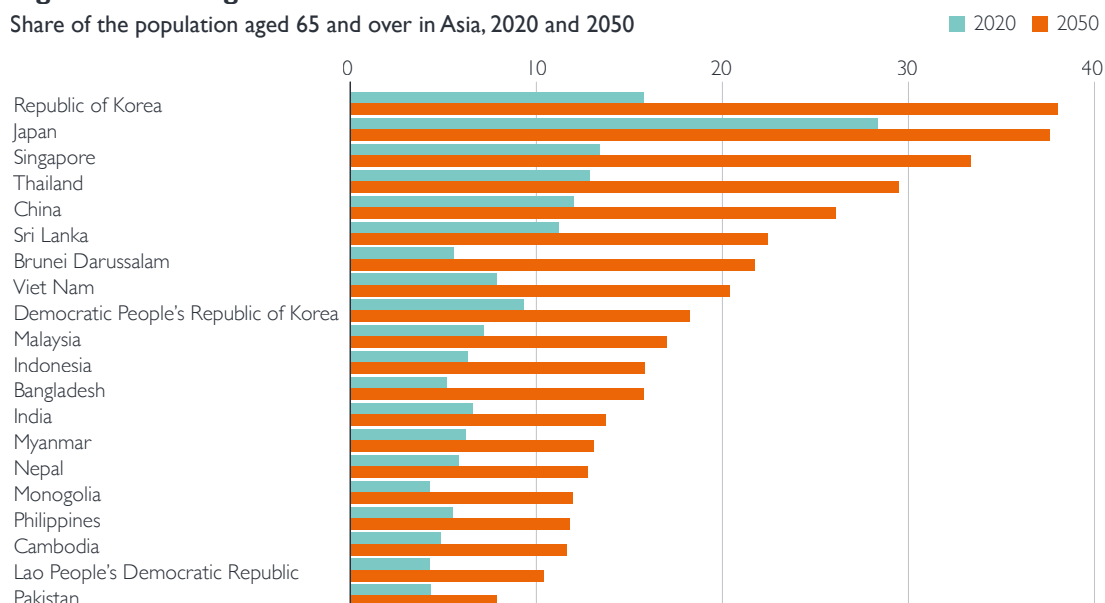
is stronger in Bangladesh, India, Indonesia, Myanmar and the Philippines.⁶⁴ Population surpluses in countries with higher levels of job competition lead to greater demand for employment abroad. South Asia, for example, could lose 134 million workers without worsening its dependency ratio – with India alone able to send over 80 million workers abroad. Japan, a notably inaccessible destination with regulations prohibiting migrant workers from settling,⁶⁵ began loosening its policies in 2019 to attract more low-wage migrant workers as a response to its ageing population and emerging labour shortages.^{66,67,68} In 2030, it is estimated that Japan will have a net labour demand for 62.3 million workers, while its net labour force will total only 60.8 million,

leaving a shortfall of 1.5 million workers.⁶⁹ Current trends suggest that women migrants are more likely to be employed in domestic work and home-based labour, as well as in the medical and care economy – namely nursing homes and day-care centres.⁷⁰

The share of the population aged 65 years and over is forecast to increase by nearly two-and-a-half times in lower-income Asia–Pacific countries, to reach 14.1 per cent for women and 11 per cent for men in 2050. While still lower than high- and upper-middle-income countries, which average 32.6 per cent and 23.1 per cent for women and 27.5 per cent and 19.4 per cent for men, respectively, the share of older people will be particularly significant in Japan, the Republic of

Figure 5: The big shift

Share of the population aged 65 and over in Asia, 2020 and 2050



Source: UN World Population Prospects.

⁶⁴ www.economist.com/asia/2017/02/11/asiyas-looming-labour-shortage.

⁶⁵ <https://academic.oup.com/irap/article/17/3/371/4168775>.

⁶⁶ <https://thediplomat.com/2021/03/japans-changing-immigration-and-refugee-policy/>.

⁶⁷ <https://foreignpolicy.com/2020/06/23/japan-immigration-policy-xenophobia-migration/>.

⁶⁸ www.weforum.org/agenda/2019/02/migration-in-asia-where-is-everybody-going.

⁶⁹ www.mckinsey.com/~media/mckinsey/locations/asia/japan/our%20insights/future%20of%20work%20in%20japan/the-future-of-work-in-japan_v4_en.pdf.

⁷⁰ www.soroptimistinternational.org/females-on-the-frontline-fighting-covid-19-in-asia/.

Korea and Singapore, where over one-third of the population will be aged 65 and over in 2050 (see Figure 5).⁷¹ This will necessitate far-reaching changes to health systems and the expansion of the health-care workforce.

While automation is expected to offset some labour market pressures in ageing societies,⁷² it will be felt unevenly across sectors. “You

cannot replace a domestic worker with a robot and this is not a sector that will disappear in the future,” predicts Shabari Nair, Labour Migration Specialist for South Asia at the ILO. However, improvements in laws, training and regulation will be required in order to recognize the differences between domestic work, health-care services and the care economy, as well as the subcategories

DOMESTIC WORK IN ASIA

The case of Rizwana Nazir illustrates the risks associated with conflating the multiple forms of domestic work. The Sri Lankan domestic worker faced capital punishment in Saudi Arabia after being convicted of killing an infant, but claimed her confession was made under duress.⁷³ The case highlights the need for clear judicial processes to ensure that migrants responsible for care duties have access to full legal defence given the likelihood of accidents and deaths of vulnerable people in their care and the need for more skills mobility partnerships among GCC countries to ensure proper training and skills for all key job types.

While domestic work is often considered elementary or simple, domestic workers are increasingly required to take on complex responsibilities such as providing early childhood care and education, and administering medication to the sick and elderly, which requires specific training and knowledge. Such tasks are unlikely to be readily automated in the near future.⁷⁴

Domestic workers in Asia remain at risk of a wide range of abuses and labour exploitation. This is compounded by the fact that many Asian countries, particularly countries of destination, are yet to ratify the ILO’s 189th Convention on Domestic Workers (2011). This Convention establishes the first global standards for domestic workers; grants domestic workers the same basic rights as other workers in their country; and requires governments to protect domestic workers from violence and abuse, regulate private employment agencies that recruit and employ domestic workers, and prevent child labour in domestic work.⁷⁵

“You cannot replace a domestic worker with a robot and this is not a sector that will disappear in the future.”

Shabari Nair, Labour Migration Specialist for South Asia, International Labour Organization

⁷¹ www.oecd-ilibrary.org/sites/lad1c42a-en/index.html?itemId=/content/component/lad1c42a-en.

⁷² Interview with Jonathan Chaloff (15 April 2021).

⁷³ www.bbc.co.uk/news/world-asia-20959228.

⁷⁴ www.adb.org/sites/default/files/publication/230176/adbi-safeguarding-rights-asian-migrant-workers.pdf.

⁷⁵ www.hrw.org/sites/default/files/related_material/2013ilo_dw_convention_brochure.pdf#:~:text=On%20June%2016%2C%202011%2C%20ILO%20members%20%E2%80%93%20governments%2C,establishes%20the%20first%20global%20standards%20for%20domestic%20workers.

within each, with differences between care for elderly and children, for example.

Income differentials

Income differentials and lack of domestic employment opportunities are a primary driver of migration from origin countries. One survey-based report found the ratio of monthly earnings in Thailand compared with pre-migration was 2.2 among respondents from Lao People's Democratic Republic, 2.0 from Myanmar and 1.9 from Cambodia – in effect giving migrants the chance to double their monthly salary by migrating.⁷⁶ Nepali women can earn up to USD400 per month in the Gulf, compared with a monthly per capita average of just USD96 at home – a 315 per cent increase.^{77,78}

Divergences in income in origin countries also occur across demographic groups. Indonesian women, for example, lack access to decent working opportunities in Indonesia. In fact, only half of Indonesian women are employed, with the majority of working women being self-employed.⁷⁹ In 2019, only 41 per cent of Indonesian women were in wage work, compared with 71 per cent of Malaysian women and 60 per cent of women in the Philippines. This might incentivize Indonesian women to migrate, driven by the possibility of making 5.3 times more in overseas work than domestically, compared with 3.6 times for men.⁸⁰

While income differentials drive migration, the issue is more complex than simply the presence of large differences. Some increase in income in origin countries is necessary to provide the financial capability to migrate

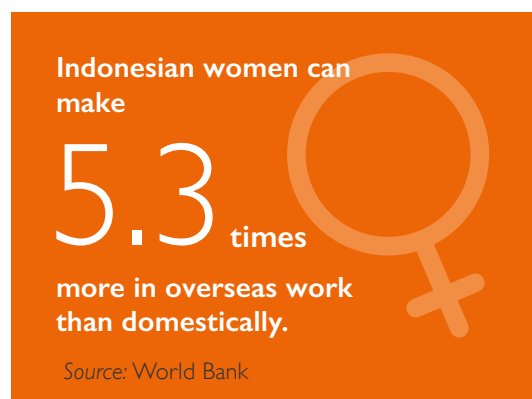


Figure 6: Lone rangers
Types of employment for women in South-East Asia; % of total women employed, 2019



Source: ILO Department of Statistics.

in the first place, notes Aiko Kikkawa, an economist at the Asian Development Bank.⁸¹ Economic convergence between countries of origin and destination could also see changes in migration dynamics in the future if workers see more opportunities domestically. "When we see countries reaching middle-income status, the growth curves come down. Many people start to think twice about taking

⁷⁶ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_740400.pdf.

⁷⁷ www.theguardian.com/global-development/2020/feb/14/how-nepals-migration-ban-traps-female-modern-day-slaves-in-the-gulf.

⁷⁸ <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=NP>.

⁷⁹ <https://blogs.worldbank.org/developmenttalk/why-gender-important-part-migration-policy-example>.

⁸⁰ Ibid.

⁸¹ Interview with Aiko Kikkawa (12 April 2021).

“When we see countries reaching middle-income status, the growth curves come down. Many people start to think twice about taking risks working overseas or in non-transparent locations once a country reaches a certain stage of development... they do not need long-distance migration,”

Aiko Kikkawa, Economist, Asian Development Bank

risks working overseas or in non-transparent locations once a country reaches a certain stage of development... they do not need long-distance migration,” according to Ms Kikkawa.

Economic transformation and infrastructure development

The sustained shift in manufacturing jobs into lower-income Asian countries could continue to enlarge employment opportunities in countries of origin, in turn reducing the incentives to migrate internationally and encouraging greater internal migration. In the past decade, Viet Nam, India and Bangladesh have increased their exports of labour-intensive manufactured goods by annual rates of 15 per cent, 8 per cent and 7 per cent, respectively.⁸² With manufacturing as a share of GDP in India, Pakistan and Thailand forecast to more than double its 2019 level by 2025, according to Economist Intelligence Unit estimates, future employment opportunities for migrant workers could significantly increase in these countries. Nonetheless, it is important to note that, prior to COVID-19, these countries registered record highs in terms of deployment, indicating that this economic

transformation had not yet led to a reduction in international labour migration from these countries.

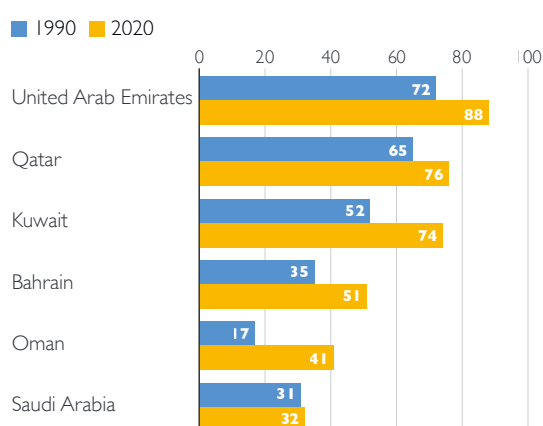
Large-scale infrastructure and economic transformation plans are also a driver of labour migration to destination countries. The high-income GCC countries have invested significantly in building new infrastructure, industries and assets as part of their economic diversification from oil, with labour demand increasing in the GCC from the 1990s, resulting in increased employment opportunities for migrant workers.⁸³ In tandem, oil-rich Gulf governments are developing and implementing future-looking national economic development plans to bolster their shift away from fossil fuel-based industries and towards growing domestic industries such as tourism and hospitality, and the services sector in general. This is creating job opportunities for migrant workers with different skill sets – namely those with more specialized, technical and soft skills. As a result, the proportion of migrants in the employed population in GCC countries is among the highest globally, averaging 70 per cent and reaching up to 93 per cent in some countries.⁸⁴

⁸² www.mckinsey.com/featured-insights/asia-pacific/asia-future-is-now.

⁸³ www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_242879.pdf.

⁸⁴ www.ilo.org/beirut/areasofwork/labour-migration/lang--en/index.htm.

Figure 7: The hard-working majority
International migrant stock in the GCC;
% of population, 1990 and mid-2020



Source: World Bank; UN DESA.

Mega-projects such as the FIFA World Cup 2022 in Qatar, and mooted projects like the GCC railway, require large-scale labour migration, but these dynamics are undergoing significant and possibly lasting change. GCC economies were hard-hit by the pandemic, with the International Monetary Fund estimating a 7 per cent drop in the region's GDP in 2020, which could impact on spending plans.⁸⁵

Infrastructure development in Asia may prove an employment boon. Thailand has a number of large-scale projects including the USD 1.2bn tram system in Phuket, a monorail for the resort city of Pattaya, and work associated with the East Coast Economic Corridor.^{86, 87, 88, 89} The country's construction

industry is forecast to record a compound annual growth rate of 9.4 per cent by 2024.⁹⁰ Construction data from September 2020 indicates that, despite COVID-19, there are over 2,000 new hotel projects in the pipeline in the Asia-Pacific region as it builds its tourism industry.⁹¹ The political leaders of Indonesia, Malaysia and the Philippines have all put infrastructure at the heart of their economic strategies. At the same time, however, the impact of the pandemic may curtail spending.

Technology in the workplace

In the future, technology will impact labour dynamics in destination countries, although the extent of the impact differs extensively between sectors. Construction has proven a difficult sector to automate due to the bespoke nature of projects, in contrast to structured and repetitive sectors like manufacturing.^{92, 93} In agriculture, government policies in a number of Asian countries are seeking to support digitization to optimize use of natural resources and reduce waste, which could reduce the need for migrant workers.⁹⁴ Vertical farming, an increasingly popular agricultural technique for land- and water-constrained economies like Singapore, is a related shift towards precision agriculture that may reduce labour demand.⁹⁵ Without significant automation, however, job opportunities may increase as a consequence of the ageing of the agriculture labour force. In Thailand, for instance, the

⁸⁵ www.imf.org/en/Publications/REO/MECA/Issues/2020/07/13/regional-economic-outlook-update-menap-cca#report.

⁸⁶ www.globalconstructionreview.com/news/thailands-construction-sector-predicted-shrink-36-/.

⁸⁷ www.globalconstructionreview.com/news/thailand-gives-green-light-72bn-high-speed-rail-pp/.

⁸⁸ www.bangkokpost.com/business/1923080/pattaya-city-unveils-plans-for-nine-kilometre-monorail.

⁸⁹ www.globalconstructionreview.com/news/phukets-12bn-tram-ppp-heading-international-tender/.

⁹⁰ <https://finance.yahoo.com/news/thailand-construction-market-forecast-2020-090900937.html>.

⁹¹ www.khl.com/1146020.article.

⁹² www.channelnewsasia.com/news/singapore/singapore-foreign-workers-reliance-challenges-12806970.

⁹³ www.mckinsey.com/business-functions/operations/our-insights/the-impact-and-opportunities-of-automation-in-construction.

⁹⁴ www.fareastagriculture.com/technology/machinery-a-equipment/asia-pacific-to-be-the-fastest-growing-market-in-digital-agriculture-sector-says-study.

⁹⁵ www.databridgemarketresearch.com/reports/asia-pacific-vertical-farming-market.

proportion of young people in farming has been on a long-term decline, from 48 per cent to 32 per cent between 2003 and 2013.⁹⁶

In manufacturing, automation will likely reduce demand for labour migration. The Thailand 4.0 economic model is seeking to attract high-tech companies to set up advanced manufacturing facilities.⁹⁷ Malaysia also has an ambitious digital economy plan which will impact its manufacturing capabilities and build out the e-commerce sector. This will create sizable opportunities for skilled workers, entrepreneurs and existing companies able to take advantage of sectoral shifts, but is unlikely to generate significant low-wage employment for migrants.⁹⁸

New forms of recruitment and work

Digitization of work, such as remote digital tasks (e.g. information processing) and the on-demand/gig economy such as ride-hailing and delivery, could offer more convenient work opportunities at home, especially given the rapid growth and success of home-grown South Asian platforms like SEA, Grab and Go-Jek.⁹⁹ Equally, the opportunities for gig work could encourage migration to Asian countries with thriving gig economies – with migrants able to arrive in a country and start earning an income within days. Governments in Asia are realizing, and are keen to capitalize on, the economic potential of the gig economy. For example, in 2020, the

Government of the Philippines passed the National Digital Careers Act which aims to prepare Filipinos for the skills needed for the gig economy and to promote and strengthen digital careers.¹⁰⁰ According to Alvin P. Ang, Professor of Economics at Ateneo de Manila University in the Philippines, the gig economy could also have an impact in the care sector, with the rise of platforms for hiring care workers directly rather than via traditional recruitment agencies.¹⁰¹

Government policies on labour migration

International labour migration can be viewed by governments in the context of global trade, and countries of origin and destination are engaging in negotiations for market access to capitalize on the benefits of migration. For many Asian countries, and Nepal, Pakistan and the Philippines in particular, outward labour migration supports socioeconomic development through remittance flows which they have sought to nurture.¹⁰² In Nepal, remittances account for almost a quarter of the country's GDP, while they make up nearly 10 per cent of GDP in Pakistan and the Philippines, compared with less than 1 per cent globally.¹⁰³ As a result, the Government of the Philippines has set up migration offices and service centres in destination countries popular with Philippine migrants, and has improved its consular services through the appointment of over 50 labour attachés internationally.¹⁰⁴

⁹⁶ <https://thailand.un.org/en/103307-thai-agricultural-sector-problems-solutions>.

⁹⁷ <https://qz.com/945549/this-is-the-future-of-food-according-to-thailand/>.

⁹⁸ <https://openknowledge.worldbank.org/handle/10986/30383>.

⁹⁹ <https://fair.work/wp-content/uploads/sites/97/2020/09/COVID-19-Report-September-2020.pdf>.

¹⁰⁰ http://legacy.senate.gov.ph/press_release/2020/0517_angara1.asp#:~:text=The%20gig%20economy%20refers%20to,term%2C%20independent%20contractors%20or%20freelancers.&text=The%20bill%20seeks%20to%20establish,standards%20for%20digital%20career%20workers.

¹⁰¹ Interview with Alvin P. Ang (12 April 2021).

¹⁰² www.ifad.org/documents/38714170/40194108/Sending+Money+Home+to+Asia.pdf/b54ba6b3-efaa-421f-9e00-lada4fad3b2a.

¹⁰³ www.migrationdataportal.org/international-data?i=remit_re_gdp&t=2020.

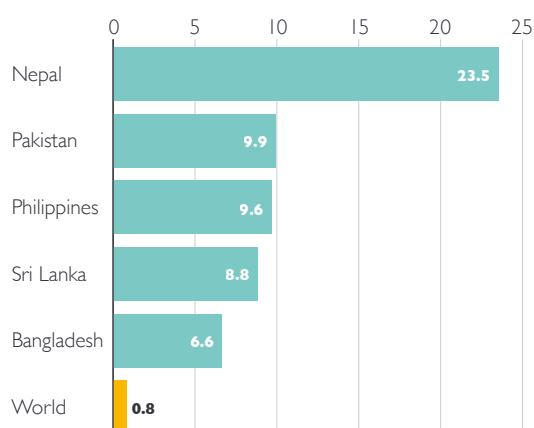
¹⁰⁴ <https://poea.gov.ph/files/POLO%20Directory.pdf>.

Its workforce has been a critical part of its economic development strategy since the 1970s.¹⁰⁵ Should the government seek overseas job market access for its migrant workers, through BLAs, for example, the presence of such offices and service centres may encourage additional labour migration to those countries.

The Governments of the Philippines and Nepal have promoted labour migration within the region. For instance, the South Asian Association for Regional Cooperation (SAARC), established in 1985, did not significantly address migration issues until 2014, when Nepal became chair. That year, the SAARC countries signed the Kathmandu Declaration – in which they agreed to “collaborate and cooperate on safe, orderly and responsible management of labour migration from South Asia to ensure safety, security and well-being of their migrant workers in the destination countries outside the region” – at the 18th SAARC Summit in Nepal.¹⁰⁶ This is reflective of Nepal’s greater political focus on migration as a major economic issue, according to the ILO’s Shabari Nair: “When you start seeing migration as a big contribution to the economy, it becomes more important.

Figure 8: Substantial shares

Top five countries in Asia based on remittances as a share of GDP (% , 2020)



Source: World Bank.

This is why Nepal and the Philippines give so much attention – migrants are considered heroes,” he says. Nepal and the Philippines are also part of other regional forums with a migration focus. These include the Colombo Process, which was established in 2003 and focuses on the management of overseas employment and contractual labour for countries of origin in Asia, and the Abu Dhabi Dialogue, which was established in 2008 as a forum for dialogue and cooperation between Asian countries of labour origin and destination.^{107, 108}

PUBLIC ATTITUDES TOWARDS MIGRANTS

In countries of destination, public sentiment towards migrant workers can influence and shape government policymaking and encourage the introduction of discriminatory immigration policies. Anti-immigrant sentiment has been on the rise in key ASEAN destination countries. According to a survey conducted by the ILO and UN Women in 2019, positive attitudes towards migrant workers have declined in Japan, Malaysia, Singapore and Thailand over the past decade.¹⁰⁹ Almost half of survey respondents from Malaysia,

¹⁰⁵ www.oecd-ilibrary.org/docserver/9789264272286-6-en.pdf?expires=1619518836&id=id&accname=guest&checksum=662B230C581F4A759394966FBD52E2CF.

¹⁰⁶ http://mea.gov.in/Uploads/PublicationDocs/24375_EIGHTEENTH_SUMMIT_DECLARATION.pdf.

¹⁰⁷ www.colomboprocess.org/.

¹⁰⁸ <http://abudhabidialogue.org/ae/>.

¹⁰⁹ www.ilo.org/asia/media-centre/news/WCMS_732449/lang--en/index.htm.

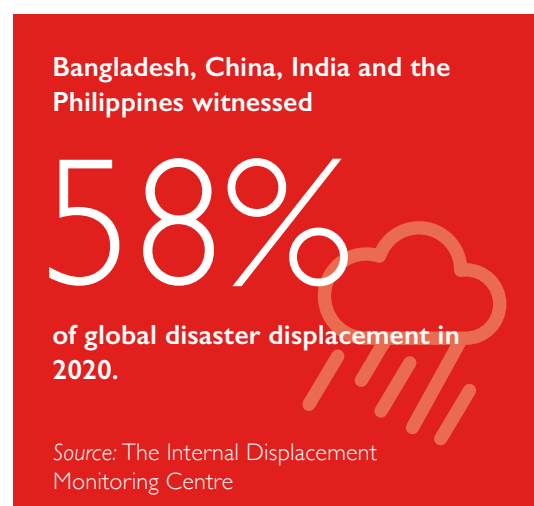
40 per cent of respondents from Thailand, and around a third of respondents from Singapore and Japan felt that migrant workers are a “drain on the economy”. Nearly 70 per cent of respondents in Malaysia said that migrant workers threaten their country’s culture and heritage, while 60 per cent of Thai respondents felt that migrant workers cannot be trusted.

In countries of origin, public stigmatization of returning migrant workers can also influence and shape migration policy. In Indonesia, for example, migrant families are excluded from access to social support schemes.

Climate-induced migration

South Asia and South-East Asia are home to many countries that are particularly vulnerable to the impacts of climate change, including rising sea levels, temperature increases, flooding, and changing rainfall patterns, due to their exposure to environmental risks and high population densities. According to the 2019 Global Climate Risk Index, Bangladesh, Nepal, Sri Lanka, Thailand and Viet Nam were among the top ten countries in the world most affected by climate change in 2017.¹¹⁰

Climate-change-induced disasters could lead to unprecedented levels of population displacement in the coming years, resulting in increased internal and international migration that is both temporary and permanent in nature. Bangladesh, China, India and the Philippines witnessed more disaster displacement than all other countries in 2020, with 58 per cent of the global total.¹¹¹ If the climate targets specified in the 2016 Paris Agreement are not improved upon, it is estimated that migration associated with slow-onset climate effects in Bangladesh, India, Nepal, Pakistan and Sri Lanka could



increase to 37.4 million by 2030, and sky-rocket to 62.9 million by 2050.¹¹² A multilevel analysis of climate-stressed rural households in communities in coastal Bangladesh found that climate migration from the households was primarily economically induced, and that environmental stress (including loss of arable land due to flooding) was a secondary factor. Both internal and international labour migration are expected to play a key role in household adaptation to climate change, especially in agriculture-dependent households.¹¹³

¹¹⁰ https://germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202019_2.pdf.

¹¹¹ www.internal-displacement.org/sites/default/files/publications/documents/grid2021_idmc.pdf.

¹¹² www.eco-business.com/opinion/south-asia-could-see-40-million-climate-migrants-by-2030/#:~:text=Migration%20linked%20to%20slow%2Donset,improve%20the%20pledges%20they%20made.

¹¹³ www.tandfonline.com/doi/full/10.1080/17565529.2020.1867044.

Section 3: Impact of migration dynamics on the protection and well-being of migrant workers

The combination of increased migration flows and changes to origin and destination countries can worsen or improve the well-being of migrants depending on how relevant stakeholders govern those processes. Migrant workers may be subject to risks during all phases of the migration process – from recruitment to transit to employment – and may lack access to social services support. While technology is able to mitigate some of the risks, it also has the potential to exacerbate them if used nefariously. At the root of the issue, though, might be the balancing act of destination countries that want migrants to support their economy, but often do not want them to remain permanently domiciled.

Conditions of recruitment and work

While income differentials are a primary driver of migration from countries of origin, migrant workers may fail to reap the full economic benefits of migration.

Wage-related abuse is a common challenge facing migrant workers, from excessive hours without appropriate compensation to infrequent or non-payment of wages,

which can lead to extremely long lags between starting a job and receiving wages for personal use.¹¹⁴ Migrant workers also face a range of other abuses. In the GCC's construction sector, for example, South Asian migrant workers have been subject to labour abuse including irregular and/or non-payment of wages, unpaid overtime, refusal of holidays, and contract substitution.¹¹⁵ Additionally, while large-scale infrastructure development and transformation plans may drive labour migration in destination countries, migrant workers often face significant vulnerabilities associated with recruitment.

The “kafala” system in the Middle East, for instance, gives employers ultimate control over all aspects of migrants' lives and falls under the jurisdiction of interior ministries, rather than labour ministries – in essence, exempting migrants from host country labour laws.¹¹⁶ The system grants employers the power to terminate an employment relationship, and with it a migrant worker's legal right to residence, as well as restricting the ability of workers to be mobile on the labour market. While limited reforms of the kafala system have gained momentum in

¹¹⁴ www.un.org/sites/un2.un.org/files/wmr_2020.pdf.

¹¹⁵ www.researchgate.net/publication/324202776_South_Asian_Migrants_and_the_Construction_Sector_of_the_Gulf/link/5d33eff0a6fdcc370a51df29/download.

¹¹⁶ www.cfr.org/backgrounder/what-kafala-system.

recent months, culminating in Saudi Arabia's decision in March 2021 to allow migrant workers to change jobs without employer consent under certain circumstances,¹¹⁷ the system remains rife with exploitation and is in need of significant reform.¹¹⁸ Additionally, according to a report published by NYU Stern on migrant recruitment in the GCC construction industry, it is estimated that Bangladeshi migrant workers pay the highest recruitment fees globally, paying up to USD5,150 to reach the Middle East, despite the actual cost of recruitment being USD400–650.¹¹⁹ This is at odds with the fact that recruitment fees and related costs charged to job seekers ought to be paid by employers, in line with international standards.

Strict regulations for migrant workers and labour protectionism

While many Asian governments have provided support to stimulate both outward and inward labour migration, the COVID-19 pandemic has encouraged the introduction of stricter regulations for migrants and more labour protectionism.

Migrants in Asia have been caught up in the chaos and disruption of lockdown measures. They have also faced increased discrimination, stigmatization and xenophobia in the face of the pandemic, particularly in the Middle East, and Chinese migrants in particular have reported cases of discrimination in the Republic of Korea, Japan and Indonesia.¹²⁰ The

Malaysian Trades Union Congress reported cases of violation of migrant workers' rights by employers, including unfair termination, unpaid wages and poor living conditions.¹²¹ Immigration raids to reduce the spread of COVID-19 actually led to rising infections due to overcrowding in detention centres.^{122,123} Furthermore, migrant workers in Asia are restricted in their ability to join and form trade unions, crippling their rights to collective bargaining and freedom of association.

The economic crisis has itself prompted more labour protectionism; in July 2020, the Malaysian Government limited migrant workers to the agriculture, plantation and construction sectors as part of an effort to keep Malaysians employed.^{124,125} In the future, there may be a shift to a Singapore model of labour migration, with more tightly controlled regulations surrounding migrant workers including options for mass-quarantining should infectious outbreaks occur.¹²⁶ This could increase migrant vulnerabilities in public health emergencies or disasters.

Gender inequalities

Demographic shifts in destination countries, and the associated increase in demand for domestic workers, create international employment opportunities for women migrants. However, in Asia these migrants face particular vulnerabilities and have been especially impacted by the COVID-19 pandemic.

¹¹⁷ www.aljazeera.com/news/2021/3/14/saudi-arabias-long-awaited-kafala-reform-goes-into-effect.

¹¹⁸ www.cfr.org/background/what-kafala-system.

¹¹⁹ <https://static1.squarespace.com/static/547df270e4b0ba184dfc490e/t/58ec1e9ed1758e3915cb4c5b/1491869348464/FINALFINAL-MakingWorkersPay-Report-Digital.pdf>.

¹²⁰ www.hrw.org/news/2020/05/12/covid-19-fueling-anti-asian-racism-and-xenophobia-worldwide.

¹²¹ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/briefingnote/wcms_741512.pdf.

¹²² www.bbc.com/news/world-asia-52515000.

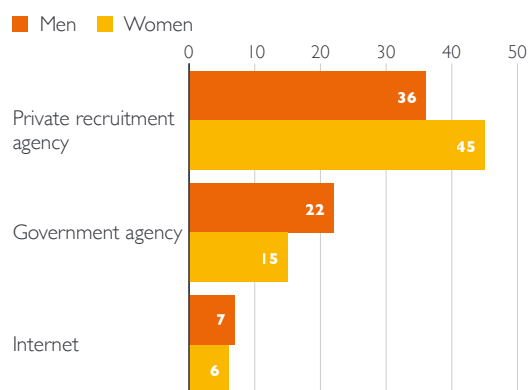
¹²³ www.aljazeera.com/news/2020/6/2/immigration-detention-centres-become-malaysia-coronavirus-hotspot.

¹²⁴ www.malaymail.com/news/malaysia/2020/07/29/putrajaya-limits-foreign-workers-only-to-construction-agriculture-plantation/1889109.

¹²⁵ *Ibid.*

¹²⁶ www.compas.ox.ac.uk/2020/low-skilled-migrants-after-covid-19-singapore-futures/.

Figure 9: At greater risk
Places potential Indonesian migrants would register for migration, by gender; %, 2018



Source: World Bank.

Because of their concentration in care, domestic work and nursing, women migrant workers face higher risk of exposure to the virus.¹²⁷ Beyond the impacts of the pandemic, survey data finds that Indonesian women are more likely to migrate via private recruitment agencies, rather than through formal labour offices and channels, once they have children due to the complexity and time-consuming nature of formal migration. This ultimately leads women to migrate in higher-risk circumstances.^{128, 129}

Governments have sought to protect their vulnerable residents, although interventions have not always proven effective, especially in the gender domain. In fact, according to the ILO, in limiting women's mobility through gender-based restrictions on migration, women often turn to irregular migration channels. The ILO highlights the inevitability

of women migrating, and that restrictions and bans subsequently place women at greater risk of forced labour and trafficking.¹³⁰ Myanmar, following reports of abuse towards women domestic workers, banned international migration for domestic work between 2014 and 2019, although the policy was rescinded as the number of migrants still increased but were often undocumented, thereby worsening the situation.¹³¹ In 2015 Indonesia banned migration of domestic workers to 21 countries, primarily in the Middle East and North Africa, following the execution of two domestic workers convicted of murder, but high numbers continued to leave the country.¹³²

A ban on Nepali women travelling to the Gulf for jobs as domestic workers has been criticized for pushing them into irregular migration channels, thereby increasing risks such as trafficking.¹³³ Another contested protection policy was Sri Lanka's move to restrict mothers with children under five from seeking domestic work overseas, in order to prevent family breakdown and child neglect. However, this disproportionately affected poorer, lower-class women who were un- or under-employed and tended to reinforce gender norms of women's duties as primarily domestic.¹³⁴

Risks and rewards of technology

Technology can support migrant workers during their entire migration journey, from pre-departure, to recruitment, transit and employment, but it is also leading to some of

¹²⁷ www.unescap.org/sites/default/files/APMR2020_FullReport.pdf.

¹²⁸ <https://blogs.worldbank.org/developmenttalk/why-gender-important-part-migration-policy-example>.

¹²⁹ <https://olc.worldbank.org/system/files/Why-do-Indonesian-Men-and-Women-Choose-Undocumented-Migration-Exploring-Gender-Differences-in-Labor-Migration-Patterns.pdf>.

¹³⁰ www.ilo.org/asia/media-centre/news/WCMS_555982/lang--en/index.htm.

¹³¹ <https://link.springer.com/article/10.1007/s10610-020-09477-w>.

¹³² www.equaltimes.org/despite-migration-ban-indonesian?lang=en#.Yla28RNKjlv.

¹³³ www.theguardian.com/global-development/2020/feb/14/how-nepals-migration-ban-traps-female-modern-day-slaves-in-the-gulf.

¹³⁴ www.wider.unu.edu/sites/default/files/Publications/Working-paper/PDF/wp2021-44-ban-on-female-migrant-workers-skills-differentiated-evidence-Sri-Lanka.pdf.

the offline risks facing migrant workers being exacerbated online.

One of the benefits of technology is the support it can provide migrants through a reduction in communication costs. The emergence of free messaging platforms like WhatsApp and Telegram aids communication with families and friends, reducing the significant toll of loneliness faced by migrant workers separated from their families and support networks. Social media platforms and internet-enabled communities are a vital source of information and support services – an example of which is OFWwatch (Overseas Filipino Workers), a community service that connects OFW nearby, creating a support network in local contexts.¹³⁵ Additionally, the rise of social media and communication technology has increased the potential to find employment opportunities via personal networks, making it easier and faster for migrant workers to find employment abroad. With regard to employment processes, technology also adds a layer of protection for migrant workers through the increased transparency and accountability it affords. However, a pervasive risk remains as the potential for deception through social media and messaging applications means migrant workers may fall victim to fraudulent recruitment practices and employment scams.

A further benefit associated with technology is that the falling cost of remittances is increasing the positive economic impact of migration. This decline is due to various factors, including the rise in the number of new digital channels, services and platforms

through which migrant workers can send money, resulting in increased competition and consumer choice. Another key factor is the emergence of consumer-supporting information sites like SaverAsia, which compares fees and rates of money-transfer services to South-East Asia, and provides information about financial services (including savings, payments, credit and insurance), financial education, and local support in host countries (platform host information from local non-governmental organizations, and government and private sector organizations).¹³⁶ Through these efforts, the global average cost of sending a USD200 cash remittance to Asia fell between 2017 and 2019, reaching 4.8 per cent for South Asia and 6.3 per cent for South-East Asia.¹³⁷ In fact, as of the first quarter of 2020, South Asia had the lowest average remittance costs of any region globally.¹³⁸ The UN Sustainable Development Goals (SDGs) recognize the impact that high remittance costs have on migrant workers and commits, under SDG 10.c to “reduce to less than 3 per cent the transaction costs of migrant remittances” as well as eliminating corridors with costs above 5 per cent.¹³⁹

Finally, according to Alvin P. Ang at Ateneo de Manila University, technology could play more of a role in reducing migrant vulnerability by ensuring that governments know quickly if a migrant has overstayed a tourist visa and become irregular. He believes that digitization improves transparency and information flows as many migrants are not fully aware of the risks they might face in new locations, given that rules and regulations in destination

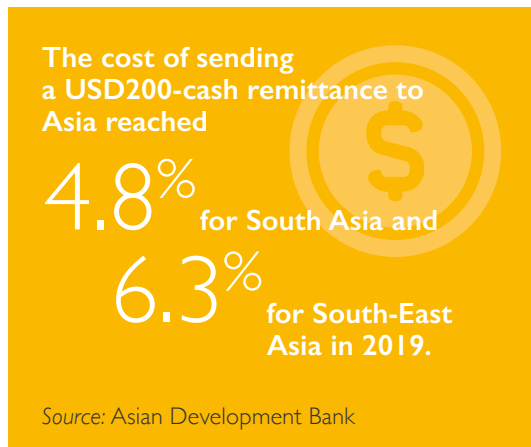
¹³⁵ www.ofwwatch.com/.

¹³⁶ www.oit.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-bangkok/documents/publication/wcms_713546.pdf.

¹³⁷ <https://aric.adb.org/blog/remittances-to-asia-in-2018-sources-and-costs>.

¹³⁸ www.worldbank.org/en/news/press-release/2020/04/22/world-bank-predicts-sharpest-decline-of-remittances-in-recent-history.

¹³⁹ www.un.org/en/observances/remittances-day/background.



countries may differ from their countries of origin. Some migrants would of course need to improve their digital literacy to take advantage of such services. “In the early days of the pandemic, remittances went down partly because Filipino migrants didn’t know how to use digital tools. They need to be savvier with technology,” he says.

“In the early days of the pandemic, remittances went down partly because Filipino migrants didn’t know how to use digital tools. They need to be savvier with technology.”

*Alvin P. Ang, Professor, Department of Economics
Ateneo de Manila University*

Section 4: Foundations for future action

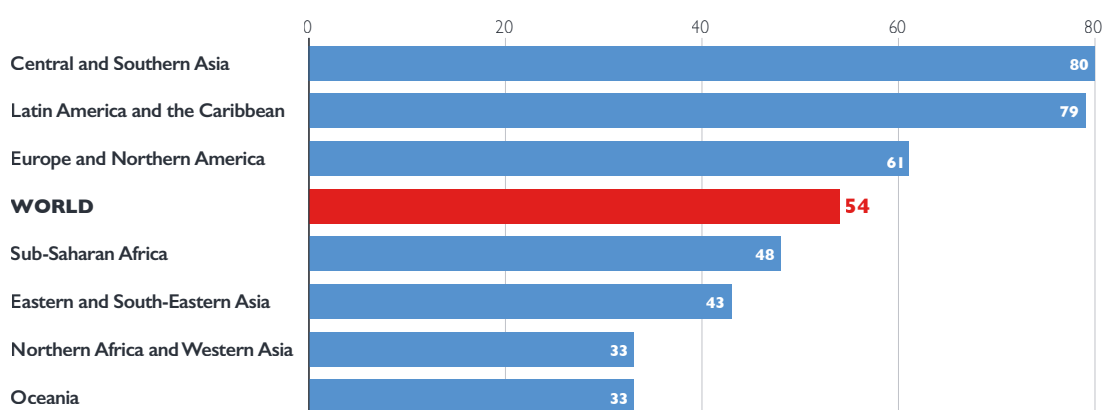
The economic significance of labour migration for individuals and the countries between which they move, combined with a long-term shift towards high-income Gulf and middle-income emerging markets, raises important migration governance questions. Given the risks that migrant workers face, it is crucial that all stakeholders work together to protect and support the millions of people who choose to cross borders in search of a better life for them and their families. There are a range of good practices currently

being implemented by certain governments, businesses and the private sector, which can be emulated and built upon by all relevant stakeholders.

Positively, governments around the world have engaged in the promulgation of policies to support orderly, safe, regular and responsible migration, as defined in the United Nations' SDG 10.7.2 (see Figure 10). However, data is patchy, adherence is harder to quantify and there are significant regional variations,

Figure 10: Lagging behind

Percentage of countries in each region reporting migration-related policies that meet or fully meet the criteria for SDG indicator 10.7.2, by region, 2019



Note: Based on 111 countries with available data. Countries that meet or fully meet the criteria for indicator 10.7.2 are those that reported having migration policy measures for 80 per cent or more of the 30 subcategories.

Sources: UN DESA Population Division; IOM.

with East, South-East and Western Asia at the lowest end as of 2019.¹⁴⁰ The Global Compact for Safe, Orderly and Regular Migration also aims to enhance international cooperation for migration. Endorsed by 152 countries in 2018, the Compact sets out 23 objectives to better manage migration at all levels, and recognizes the importance of international cooperation to optimize the benefits and experiences of migration.¹⁴¹ Similarly, the 2019 ILO Centenary Declaration identifies the major obstacles and opportunities for the future of work and outlines guidance for managing challenges related to demographic shifts, climate change, skill requirements and emerging technologies. It promotes a rights-based approach, advocating for investment in skills, jobs and social protections alongside fair wages and working hours, safe workplaces, and sustainable enterprise and growth.¹⁴²

For governments, there are several domains that warrant more focus and support:

Health, social protection and support

The pandemic has highlighted disparities in migrants' access to health-care services in destination countries. Governments can assess the level of support currently accessible to migrants and revise their practices to ensure more equitable social services provision. In Singapore, for example, where migrants were at the heart of the country's otherwise limited outbreak, the government has looked more closely at issues like accommodation and public

health provision, according to the Asian Development Bank's Aiko Kikkawa.¹⁴³

Social safety coverage varies across the region. In 2001, Thailand initiated a voluntary, pre-payment health insurance scheme, which underwent iterations in subsequent years, including extending cover to dependents and expanding the range of treatments supported, such as those for HIV/AIDS.¹⁴⁴ Thailand is one of the few countries in the region that offers migrant health insurance regardless of migration status, and a 2013 resolution allowed unregistered migrants to opt in.¹⁴⁵ The package also benefits the host countries by including screening and treatment for communicable diseases.

Malaysia has two insurance schemes for migrant workers: the Hospitalisation and Surgical Scheme for Foreign Workers; and the Employment Injury Scheme for Foreign Workers under the government's Social Security Organization (EI-SOCSO).¹⁴⁶ The former is a mandatory private insurance scheme with an annual premium of USD28 which covers up to USD2,325 for hospital admissions. EI-SOCSO is a social security scheme providing occupational illness or injury benefits. Reviews have identified a number of barriers to accessing health care, however, including lack of legal documentation, language, discrimination, xenophobia and employer-related obstacles, with migrants often paying for out-patient clinic visits, especially those working for SMEs.¹⁴⁷ A lack of awareness about health insurance options has also been noted.¹⁴⁸

¹⁴⁰ www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/undesa_pd_2019_policy_brief_sdgl0.7.2.pdf.

¹⁴¹ <https://undocs.org/A/CONF.231/3>.

¹⁴² www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_712047/lang--en/index.htm.

¹⁴³ Interview with Aiko Kikkawa (12 April 2021).

¹⁴⁴ www.social-protection.org/gimi/gess/RessourcePDF.action?ressource.ressourceId=54059.

¹⁴⁵ <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0234642>.

¹⁴⁶ <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0218669>.

¹⁴⁷ *Ibid.*

¹⁴⁸ <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0243629>.

Migrant resource centres can be important in offering a suite of social support packages, especially during extraordinary circumstances when migrants can be particularly vulnerable. The Human Resources Development Service of Korea, for instance, provides support to migrant workers across job centres, migrant worker support centres, and a counselling centre for migrant workers with services including resolution of workplace difficulties, integration with the local and national community, job-seeking assistance, and training to enhance skills.¹⁴⁹

Singapore has implemented policies to protect migrant workers such as the provision of basic health insurance, requiring employers to post a USD3,700 bond guaranteeing access to social security, including maternity cover.¹⁵⁰ Indonesia, the Philippines, Sri Lanka, Thailand and Viet Nam have also passed unilateral social security approaches allowing migrants to contribute

to pensions at home.¹⁵¹ A number of South and South-East Asian countries have created migrant welfare funds providing protection to overseas workers, financed by contributions from employers and workers.¹⁵²

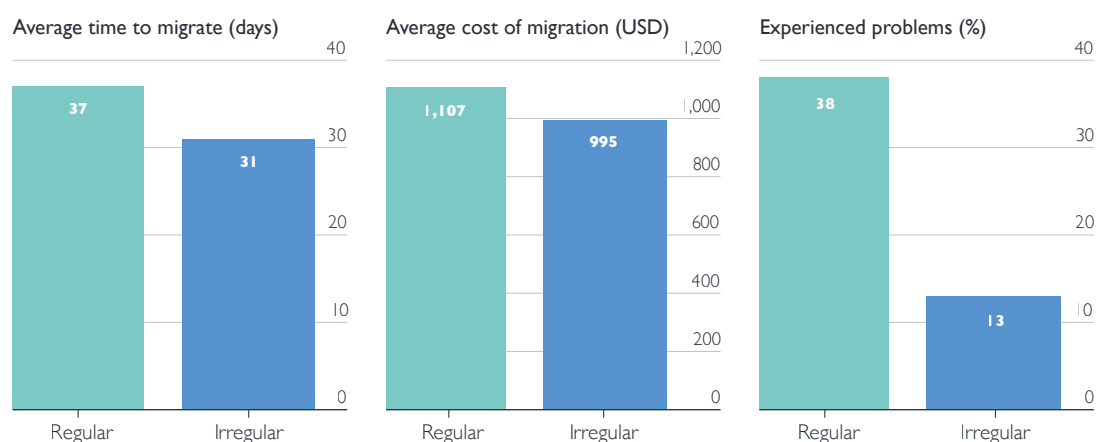
Recruitment governance

Origin and destination countries can improve the governance of the recruitment chain in areas including licensing and monitoring of recruitment agencies, simplifying complex formal labour migration processes, and pre-departure orientation, in order to increase transparency and improve migrant awareness about risks.

Malaysia, for instance, is phasing out labour outsourcing – through which third parties rather than employers have the direct legal relationship with the worker – due to flaws including the emergence of “speculative” brokering (hiring of migrants with no specific jobs to allocate them to) and high levels

Figure 11: Convenience versus formality

Efficiency of Malaysia's migration channels, 2017



Sources: ILO; IOM.

¹⁴⁹ www.oecd.org/migration/labor-migration-in-asia-building-effective-institutions.pdf.

¹⁵⁰ www.unescap.org/sites/default/files/APMR2020_FullReport.pdf.

¹⁵¹ Ibid.

¹⁵² www.oecd.org/migration/labor-migration-in-asia-building-effective-institutions.pdf.

of human trafficking, with the final permits due to be issued in 2021.¹⁵³ The challenge is to institute an efficient system, given that the perceived speed and convenience of irregular migration can encourage migrants to embark on potentially risky migratory channels (see Figure 11). Nilim Baruah of the ILO argues that streamlining and simplifying the formal labour migration process is critical in South-East Asia, where many people are migrating through informal channels, especially by crossing the porous borders into Thailand.

Governments should also move to eliminate worker-borne recruitment fees and costs to align with international standards and

best practices, and to reduce the potential for human and labour rights abuse linked to worker-charged fees – through debt bondage, for example.^{154, 155, 156, 157} Indonesia developed a policy to abolish all worker-borne recruitment fees in early 2020,¹⁵⁸ although its implementation has been delayed due to the pandemic. Various Asia–Pacific States have also moved to criminalize migrant smuggling and have introduced legislation to protect smuggled migrants and to ensure that trafficked persons are not prosecuted for violating relevant immigration laws.¹⁵⁹

Finally, experts warn that migration cannot be handled only at the national level – regional cooperation is also essential.

Table 1:

Selection of policies implemented by governments in Asia to promote the rights and protection of migrant workers during recruitment

Country	Policies
Bangladesh	The Government of Bangladesh set up a classification system for the regular grading of recruitment agents, as well as a code of conduct for them, in order to promote compliance with laws and rules for the protection of migrant workers. ¹⁶⁰
India	The Government of India created a system for blacklisting foreign employers and recruitment agencies that have violated the rights of migrant Indian workers. ¹⁶¹
Indonesia	In July 2021, the Government of Indonesia is set to implement the Regulation concerning the Abolishment of Recruitment Fee for Indonesian Migrant Workers which mandates the elimination of recruitment fees for ten sectors for Indonesian migrant workers. ¹⁶²
Nepal	In 2017, the Government of Nepal signed a BLA with Jordan on fair recruitment practices which contains provisions that are in line with ILO General Principles and Operational Guidelines on Fair Recruitment. ¹⁶³

¹⁵³ www.oecd.org/migration/mig/ADBI-Labor-Migration-2019.pdf.

¹⁵⁴ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_740400.pdf.

¹⁵⁵ www.unescap.org/sites/default/files/APMR2020_FullReport.pdf.

¹⁵⁶ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_740400.pdf.

¹⁵⁷ Interview with Nilim Baruah (16 April 2021).

¹⁵⁸ www.scmp.com/week-asia/economics/article/3103122/indonesias-scrapping-placement-fees-migrant-workers-welcomed.

¹⁵⁹ www.unescap.org/sites/default/files/APMR2020_FullReport.pdf.

¹⁶⁰ www.ilo.org/dyn/migpractice/migmain.listPractices?p_lang=en&p_country=BD.

¹⁶¹ www.ilo.org/dyn/migpractice/migmain.listPractices?p_lang=en&p_country=IN.

¹⁶² <https://indonesia.iom.int/news/national-consultation-ensuring-transparent-and-accountable-abolishment-recruitment-fee>.

¹⁶³ www.ilo.org/dyn/migpractice/migmain.listPractices?p_lang=en&p_country=NP.

Thailand	In 2018, the Government of Thailand implemented a revised version of the Royal Ordinance Concerning Management of Employment of Migrant Workers with the introduction of a number of provisions that are in line with international labour standards and good practices, such as zero recruitment fees charged to migrant workers and written contracts being provided in the language of migrant workers. ¹⁶⁴
Viet Nam	In 2020, the Government of Viet Nam revised the 2006 Law on Contract-Based Vietnamese Overseas Workers to incorporate several ILO recommendations, including the removal of the obligation for migrant workers to pay brokerage commissions. ¹⁶⁵

Intergovernmental collaboration, including among countries of origin, is also critical in this regard. Such collaboration is facilitated through governance tools, such as the signing of BLAs and MOUs that provide the mechanisms through which actions can be negotiated and agreed upon. Patti Tamara Lenard of the University of Ottawa calls for smaller origin States to collaborate in order to restrict migration to host States that are failing to protect workers. The Philippines has been able to enforce governance improvements in this way largely because its labour force is high-quality in terms of competencies and English-language, she argues.¹⁶⁶ “They have been able to shut off the tap and say: ‘if you don’t protect our workers, we will not send them’. They have a significant comparative advantage [compared to smaller countries].”

International organizations also have the power to help improve recruitment governance. The IOM and ILO, for example, are working together in the Middle East to provide technical assistance to strengthen regulatory frameworks, develop e-recruitment platforms to better protect migrant workers from fraudulent recruitment agencies, and train and license private recruitment agencies in Kuwait and Saudi Arabia.

Additionally, the IOM’s Montreal Recommendations on Recruitment, which followed a meeting of 100 regulators from 30 countries in 2019 and built on the ILO’s General Principles and Operational Guidelines on Fair Recruitment, provide a benchmark for countries to enhance their regulation and oversight mechanisms and institutions. The Recommendations outlined 55 specific action points to improve recruitment governance across nine domains including fees, registration and dispute resolution.

Businesses and the private sector also have an important role to play in improving the safety of migrants and safeguarding their rights.

Global and multinational enterprises have become more observant of labour governance, both directly and in their supply chains, as they become increasingly aware of risks such as human trafficking and forced labour. This has been led by more exposed sectors such as garment manufacturing and some technology companies with raw material supply chains reaching into resource-rich countries with weak governance.

These organizations are also subject to a growing set of laws to eradicate the

¹⁶⁴ www.ilo.org/dyn/migpractice/migmmain.listPractices?p_lang=en&p_country=TH.

¹⁶⁵ www.ilo.org/dyn/migpractice/migmmain.listPractices?p_lang=en&p_country=VN.

¹⁶⁶ Interview with Patti Lenard (12 April 2021).

blight of modern slavery. Legislation in this domain currently exists in the United Kingdom, Australia, the state of California, the Netherlands and France.¹⁶⁷ The Modern Slavery Act in the United Kingdom, which came into effect in 2015, sets out a range of measures on how modern slavery and human trafficking should be managed in the country, proactively motivating businesses to map and assess their supply chains for risks to workers.¹⁶⁸ Section 54 of the Act, titled Transparency in supply chains, requires companies with an annual turnover of at least £36 million to disclose a slavery and human trafficking statement.¹⁶⁹ In 2021, following a legislative review and a consultation with businesses, public bodies, investors and civil society on changes to modern slavery reporting, the United Kingdom Government tabled proposals to expand the scope of Section 54 beyond the private sector, covering public sector bodies too. The proposals also shift reporting requirements from voluntary to mandatory, with failure to comply leading to harsher penalties.¹⁷⁰ These proposals are in line with emerging human rights due diligence legislation from the European Union and its member States. In countries and jurisdictions where legislation is not in place, businesses can nonetheless take independent action. In Japan, for example, businesses are increasingly considering the labour conditions of their overseas suppliers and implementing company-specific policies to identify ethical partners.¹⁷¹

Companies have also taken positive steps through their corporate social responsibility endeavours, such as the Unilever–UNICEF #HamronNamaste initiative which includes Nepalese star Rajesh Hamal and Outreach Nepal, to combat the stigma associated with migrant workers returning home during the pandemic and to encourage a more humane attitude towards returning migrants. It was promoted through the social media channels of the respective organizations in the form of a filmed poetry recitation, generating thousands of shares and comments.^{172, 173} Companies have also provided financial resources to Migrant Welfare Funds.¹⁷⁴ Another organization, the Institute for Human Rights and Business, has created a Leadership Group for Responsible Recruitment which functions as a company-led advocacy platform, utilizing collaborations between multinational companies and expert organizations to promote responsible recruitment. The platform, which includes companies such as IKEA, HP and Unilever, aims to eradicate recruitment fees by 2026.¹⁷⁵

However, multinational companies tend to directly employ higher-skilled migrants and have less direct engagement with migrant workers, who are more likely to work within their supply chains via subcontractors which do not subscribe to the governance models of the outsourcing company. Migrant workers are more likely to work in less-formal sectors such as domestic care, plantation agriculture and construction, with weaker governance

¹⁶⁷ www.icaew.com/insights/covid-19-global-recovery/government-action-analysis/how-the-world-fights-modern-slavery.

¹⁶⁸ www.legislation.gov.uk/ukpga/2015/30/contents/enacted.

¹⁶⁹ *Ibid.*

¹⁷⁰ www.goodcorporation.com/goodblog/modern-slavery-reporting/.

¹⁷¹ www.jil.go.jp/profile/documents/Hu.pdf.

¹⁷² www.business-humanrights.org/en/latest-news/nepal-unilever-and-unicef-launch-campaign-to-protect-returning-migrant-workers-from-stigma-and-discrimination/.

¹⁷³ www.campaignasia.com/video/unilever-nepal-takes-on-stigmatising-of-returning-migrant-workers/462149.

¹⁷⁴ www.oecd.org/migration/labor-migration-in-asia-building-effective-institutions.pdf.

¹⁷⁵ www.ihrb.org/employerpays/leadership-group-for-responsible-recruitment.

and support structures.¹⁷⁶ Indeed, experts note that the complexity of the labour migration process in the context of supply chains, with recruitment intermediaries and third parties, makes it difficult to identify companies directly responsible for migrants.¹⁷⁷ The challenge lies in creating clear chains of accountability and transparency, including greater focus on SMEs, which are often not closely scrutinized through labour inspections and consumer pressure and activism. More also needs to be done to ensure that the language used in the business human rights discourse resonates with both multinational companies and their smaller counterparts.

Experts emphasize the importance of companies proactively seeking to understand risks of irregular or dangerous migration across the breadth of their supply chain. This involves assessing labour migration holistically, and embedding it within the human rights commitments of the company. It requires identifying priority areas (e.g. in production or sourcing) and developing a deeper understanding of the contexts and circumstances of migrant workers, moving beyond a minimalist labour rights perspective towards an effort to contribute to positive, safe and healthy migration experiences, including exploring issues such as positive integration into destination countries using community partnerships. More broadly, dialogue between businesses and governments can lead to positive actions including adopting clear regulations and laws, improving enforcement mechanisms and strengthening sanctions.

Clearly, ensuring the protection of migrant workers in the global supply chain cannot be achieved by a single company alone. Thus, industry groups also have a role to play. Certain trade associations, such as the American Apparel and Footwear Association (AAFA) which represents over 1,000 well-known brands, retailers and manufacturers, are increasingly making commitments to ensure the fair treatment and protection of migrant workers in their value chains through the adoption of ethical recruitment principles, such as the “employer pays principle”. In 2018, the AAFA collaborated with the Fair Labour Association to develop the Apparel & Footwear Industry Commitment to Responsible Recruitment, which was signed by 123 companies.¹⁷⁸ Each signatory has committed to create conditions where “no worker pays for their job; where workers retain control of their travel documents and have full freedom of movement; and workers are informed of the basic terms of their employment before joining the workforce”.¹⁷⁹ Given Asia’s role as a major sourcing and manufacturing hub for apparel and footwear, once implemented, this could have a significant impact on migrant workers in Asia.

Additionally, according to William Gois, Regional Coordinator of the Migrant Forum in Asia, while many businesses are introducing and implementing their own processes and systems to protect migrant workers, there is a lack of standardization both across and within sectors.¹⁸⁰ As a result, he argues, it is feared that migrant workers’ access to

¹⁷⁶ www.sciencedirect.com/science/article/pii/S1090951621000043.

¹⁷⁷ Interview with Jonathan Chaloff (15 April 2021).

¹⁷⁸ www.aafaglobal.org/AAFA/AAFA_News/2018_Press_Releases/123_Apparel_and_Footwear_Companies_Sign_New_Industry_Commitment_to_Responsible_Recruitment.aspx.

¹⁷⁹ *Ibid.*

¹⁸⁰ Interview with William Gois (7 June 2021).

remedies, and even the monitoring of their rights, might become privatized. Ultimately, it is the role of the government, at both national and local levels, to set these standards and in turn ensure that businesses abide by or, ideally, exceed them. “We have to start looking at migration governance holistically,” Mr Gois claims, “bringing together a range of stakeholders, from local and national governments, to trade unions, civil society, and migrants.”

The private sector can also work with governments to produce codes of conduct that can shape and direct business practices. In January 2020, for instance, the Association of Cambodian Recruitment Agencies and the Manpower Association of Cambodia collaborated with the Ministry of Labour and Vocational Training, with the technical assistance of the ILO/TRIANGLE in ASEAN, to develop and adopt a code of conduct for Cambodian private recruitment agencies whose goals include reducing the cost of recruitment and moving towards a zero-fee model.¹⁸¹

“We have to start looking at migration governance holistically, bringing together a range of stakeholders, from local and national governments, to trade unions, civil society, and migrants.”

William Gois, Regional Coordinator, Migrant Forum in Asia

¹⁸¹ www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_740400.pdf.

Conclusion

Labour migration offers a critical economic lifeline to millions of people across the world, benefiting countries of origin and destination by filling emerging labour market gaps in destination countries, and channelling funds back to low-income countries through remittances. The development of networks and new skills can also strengthen human capital in ways that benefit all parties. However, migrant workers are vulnerable to varying forms of exploitation and harm, from excessive working hours and indebtedness to exclusion from health and social security safety nets, especially during emergencies and crises such as the current pandemic.

Asia dominates global migration flows, with one in three migrants hailing from the continent, but the routes and migration dynamics are shifting, requiring all stakeholders to work together to ensure that standards are raised continuously. This report has presented the key migration changes in the region and the action areas required to support an orderly, safe and mutually beneficial migration system in the future.

Migration dynamics are shifting as a result of various factors, including national and regional economic divergences and the impacts of automation and digital technology. Migration flows are turning towards South-East Asia and away from the GCC, owing to a multitude of factors including rising growth among some South-East Asian economies. With Asia forecast to account for 50 per cent of global GDP by 2040, this trend will accelerate in coming years. Sectors are also set to shift in their employment dynamics with population ageing, in particular, set to increase labour demand in the care economy. Automation and digital technology are another factor to watch in years to come. The “on-demand” and gig economy is producing new work opportunities that could limit out-migration by providing more income streams in origin countries, although such platforms require careful governance and oversight. Automation is reducing labour demand in process-oriented industries that have historically been significant magnets for lower-wage migrants.

Migration processes need to be simplified to reduce incentives for irregular migration, and data quality must be improved. Attempts to cross borders informally bring significant vulnerabilities and risks for migrants and limit the ability of governments

to understand, support and monitor movements of people in both origin and destination countries. As flows shift, migration stakeholders need to incentivize formal migration by easing its process and improving efficiency, in turn reducing the appeal of informal channels. This could also give governments of both origin and destination countries more intelligence on which to base migration policy decisions. Migrants can also be supported with more digital skills training to improve their ability to access information, learn about risks in their new environments and take advantage of new niches and opportunities such as digital platforms in the care economy sector.¹⁸²

Actions to reduce exploitation need to be strengthened. Governments have stepped up their efforts to tackle migrant exploitation, but much more is needed. Areas of focus include limiting and eradicating worker-borne migration fees and related indebtedness; investing in skills development to ensure workers are properly trained, especially in sensitive sectors like the care economy; and providing support via information and education through migrant support centres to help tackle challenges like unfair labour treatment.

Social safety nets should be widened to include migrant populations. COVID-19 has highlighted the vulnerability of migrants in times of national disaster, both in terms of vulnerability to ill-health and the associated financial harm, and as potential vectors of infectious disease spread due to confined living conditions. With future pandemics likely, and climate change presenting its own significant challenges in the Asia region in particular, governments need to ensure that migrants are included in emergency planning and health support. The pandemic has also hit public and business finances in ways that could lead to higher unemployment among migrant workers.

¹⁸² Interview with Alvin P. Ang (12 April 2021).

Appendix: Methodology

The data presented in Figure 2 on the shares of low-wage migrant workers in overall migration from the top countries of origin in Asia is based on data analysis conducted by Economist Impact between March 2021 and May 2021.

First, the net migration rate data was analysed for overall migration over a 30-year time period (1990–2020), published by the UN Department of Economic and Social Affairs (UN DESA). The net migration rate pertains to the number of immigrants minus the number of emigrants over a period, divided by the population of the receiving country over that period. Based on country-level net migration rate data, all migrant countries of origin were identified, both globally and in Asia.

After identifying the countries of origin in Asia, Economist Impact calculated total labour migration associated with low-wage labour as a share of overall labour migration in key countries of origin. The shares were based on Economist Impact assumptions which involved looking at national statistics related to occupation and education levels of Asian migrants. The estimated shares for each country (where data was available) are listed in descending order in the table below, along with the indicators used and their sources. Data was unavailable for Azerbaijan, Brunei Darussalam, China, Iraq, Islamic Republic of Iran, Malaysia, Myanmar, Syrian Arab Republic and Timor-Leste.

Table 2:

Shares of labour migration in overall migration from origin countries/territories in Asia

Country/territory of origin	Indicator used to make assumption	Source	Estimated share
India	Share of low-skilled Indian emigrants to 18 countries in 2019	Government of India, Overseas Employment Division of Ministry of External Affairs, E-Migrate System data	90.0% ¹⁸³
Afghanistan	Share of emigrants with no education or only primary education in 2011	IOM, Afghanistan Migration Profile 2014, IS Academy Survey Results 2011	69.3%

¹⁸³ The database from which this estimate was obtained does not provide a comprehensive view of migration trends in India as it contains data on approximately only 15 per cent of Indian emigrants and on 18 countries of destination.

Indonesia	Average of emigrants working in elementary occupations from 2011 to 2017	ILO, International Labour Migration Statistics Database in ASEAN	65.0%
Sri Lanka	Average of unskilled migrants and housemaids from 2013 to 2018	Government of Sri Lanka, Bureau of Foreign Employment	56.0%
Nepal	Average of low-skilled migrants for 2017/18–2018/19	Ministry of Labour, Employment and Social Security; Migrant Report 2020	54.0%
Viet Nam	Average of unskilled contract-based Vietnamese overseas workers from 2011 to 2018	Government of Viet Nam, Ministry of Labour, War Invalids and Social Affairs	52.3%
Armenia	Share of labour emigrants without specialized secondary or higher education between 2005 and 2007	European Training Foundation, Migration and Skills in Armenia Report (2013)	47%
Cambodia	Share of international rural migrant workers with no education or only primary education in 2011	Ministry of Planning, Report of the Cambodia Rural Urban Project	46.9%
Bangladesh	Average of less-skilled migrants from 1976 to 2021	Government of Bangladesh, Bureau of Manpower, Employment and Training	46.5%
Pakistan	Average of unskilled migrants from 1971 to 2021	Government of Pakistan, Bureau of Emigration and Overseas Employment	42.4%
Philippines	Average of emigrants working in elementary occupations from 2016 to 2019	Philippines Statistics Authority, Statistical Tables on Overseas Filipino Workers	37.4%
Palestinian Territories	Share of emigrants who are illiterate or have only elementary or preparatory education from 2005 to 2009	Consortium for Applied Research on International Migration, Migration Profile: Palestine (2011)	21.60%
People's Democratic Republic of Korea	Share of emigrants who are primary educated in 2000	OECD; Emigration Rates by Country of Origin, Sex and Educational Attainment Levels (2000)	21.10%
Georgia	Share of prospective migrants who are unskilled workers as of 2012	European Training Foundation, Migration and Skills in Armenia and Georgia: Comparative Report (2013)	16.20%
Thailand	Average of emigrants working in elementary occupations from 2007 to 2017	ILO, International Labour Migration Statistics Database in ASEAN	15.7%
Lao People's Democratic Republic	Number of MOU workers in Thailand, Japan and the Republic of Korea (including those in the process of applying for an MOU) / total number of labour force in Lao People's Democratic Republic in 2019	IOM calculation using ILO STAT 2019 database	7.4% ¹⁸⁴

¹⁸⁴ The percentage is low as there are no official statistics available on non-MOU workers, who are considered to make up the majority of low-skilled migrant workers in Lao People's Democratic Republic.

Finally, once we had identified the countries of origin with the largest shares of total labour migration associated with low-wage labour, we examined international migrant stock data for 2020, published by UN DESA. The international migrant stock refers to the total number of international migrants present in a given country at a particular point in time. By assessing this data for each country of origin, we were able to identify the top three countries of destination for migrants from each country.



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