Making migrant labour work across Asia

BY PANG ENG FONG

FROM South Korea to Singapore, the numbers of foreign workers are at, or near, historic highs.

Indonesia, the Philippines and Vietnam are sending more workers abroad than ever before.

In Singapore, foreign workers filled half of the 176,000 net new jobs created last year, while the Philippines deployed a million workers abroad last year, equivalent to its net labour force growth.

As Minister of State for Manpower Gan Kim Yong noted at a migration conference organised by the International Labour Organisation and Singapore Management University last month, "The flow of workers across borders will continue to intensify with globalisation."

Countries that both send and receive workers need to "strengthen the regulation and management" of migrant workers, he added.

Indeed, labour migration can be a source of international conflict or cooperation.

Tensions can arise if citizens of one country cross borders to work in another country under irregular status — that is, without the requisite permits.

Witness, for example, the disputes between Mexico and the United States over the treatment of workers, or between Libya and Italy over the deaths of those trying to enter the latter.

Legal migrant workers, on the other hand, can generate benefits for their lives and their employers — as well as the wider populations of both the sending and receiving countries.

The presence of domestic workers from the Philippines in Singapore is a case in point. They help increase the labour-force participation rate of women here and generate remittances for the Philippines.

Some Asian receiving countries see labour migration as a temporary phenomenon, and expect these workers to leave in a few years.

Labour-sending countries, on the other hand, hope foreign jobs and remittances can accelerate economic development at home.

Creeping dependence

FOR some countries, remittances have become the main source of foreign income. The Philippines, for example, received more than US$13 billion (S$20 billion) in remittances last year, more than it earned from any other export.

There are also signs of a creeping structural dependence on migrants throughout the region.

In countries such as Malaysia and Thailand, the number of migrant workers has increased — rising in Thailand from 360,000 in the mid-1990s to 1.8 million today.

The availability of foreign domestic workers enables the women in these countries to join the labour force. Migrant workers also fill jobs shunned by locals on construction sites, in agriculture and fisheries, and in some manufacturing plants.

The number of migrants who have stayed more than five and 10 years in their host country is also rising, and employers do not want to lose these experienced employees.

With children of migrant workers attending local schools, and their families putting down roots, countries like Malaysia, Thailand and South Korea have become de facto immigration destinations.

Except for Singapore, this immigration was largely unplanned, with unanticipated consequences such as having to make decisions about whether children born to migrants in Thailand should be educated in Thai or their mother tongue.

Singapore welcomes foreign professionals as immigrants, and rotates less skilled foreign workers in and out of the country with a system of levies and rules that are enforced effectively to minimise illegal migration.

It is an approach that others are considering.

Thailand is likely to adopt foreign worker levies as a mechanism to regulate demand for migrant workers and spur employers to introduce training, labour-saving measures.

South Korea plans to replace its industrial trainee system (ITS) with a work permit system.

The ITS allows migrant workers to stay in South Korea temporarily as trainees, but as a trainee, not a legal worker. They must return to their country after that.

South Korea is now considering a foreign worker levy scheme in a Singapore as a disincentive to relying on foreign workers.

In economies from Malaysia to Taiwan, the gap between the government's goal of promoting migrant workers as temporary additions to the labour force and the reality of them becoming permanent settlers is widening.

Governments may threaten not to renew work permits, but they usually relent when employers complain that their businesses will have to close without these workers.

So what began as side-door temporary labour migration is gradually turning into front-door immigration.

Enhancing the three Cs

HOW can Asia deal with unprecedented immigration, as has occurred in Western Europe, and the enclave labour markets dominated by migrant workers in the Middle East?

One key is recognising that migration is a process to be managed, not a problem to be solved.

Second is realising that there is no universal policy.

But there are universal principles that can improve migration management.

Finally, it is important to acknowledge that protecting migrants is the right thing to do and is the key to protecting national workers and avoiding low-productivity migrant emen.

Singapore, for instance, provides and enforces severe penalties for employers who force migrant workers to leave.

It is often said there is nothing more permanent than temporary worker,

As South-east and East Asia continue to enjoy some of the world's fastest economic growth rates, they must devise ways to manage the growing flows of temporary migrants.

If they succeed, the economic transformation we see today will be sustained, benefiting not only workers who stay at home but also those who venture abroad.

The writer teaches at the Lee Kong Chian School of Business, Singapore Management University. This article was co-authored by Dr Marieka Aibara, adviser on migration, International Labour Organization, Bangkok, and Professor Martin Hoel, agricultural economics at the University of California in Davis.

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