

OUTBOUND MIGRATION FROM SRI LANKA: THE WAY FORWARD

Overview



In tandem with the process of globalization predominated by free flow of goods and services and capital, labour mobility between countries has increased at an unprecedented pace in recent decades. Modern transport and communication technology have made international travel much more convenient and cheaper. In this context, millions of workers from developing countries in Asia, Africa and Latin American region have migrated to the oil-rich Middle East countries and fast-growing industrial countries securing better employment prospects. Sri Lanka too has experienced a rapid increase in outbound migration, both temporary and permanent, since the 1980's. The rise in illegal migration in recent years is a major policy concern. The increasing trend of overseas migration, particularly worker migration, has been closely linked with the shifts in the political, economic and social landscape of the country.

Economic gains accrued by the home country from worker migration are well recognized. In Sri Lanka, worker remittances are the country's largest source of foreign exchange, next to garment

exports. These inflows are a major source of income for low-income migrant workers' families helping them to improve their livelihoods. Nevertheless, the substantial social and economic costs of brain drain or human capital flight arising from outbound migration are substantial, and mostly overlooked in policy discussions.

While the worker migration has benefitted the migrants' families and the country economically, it has led to various adverse social implications. These are severe in the case of female migrant workers. They are exposed to various risks and physical harassments in certain hostile workplaces abroad. Domestically, their families get disarranged, and the children who are left behind by the migrant mothers become unsecured.

In line with the National Policy on Labour Migration, the Government of Sri Lanka has taken several initiatives in three areas, namely, governance and regulation of migration, protecting and empowering migrant workers and linking migration and development. Yet, multitudes of critical problems faced by migrants remain to be addressed.

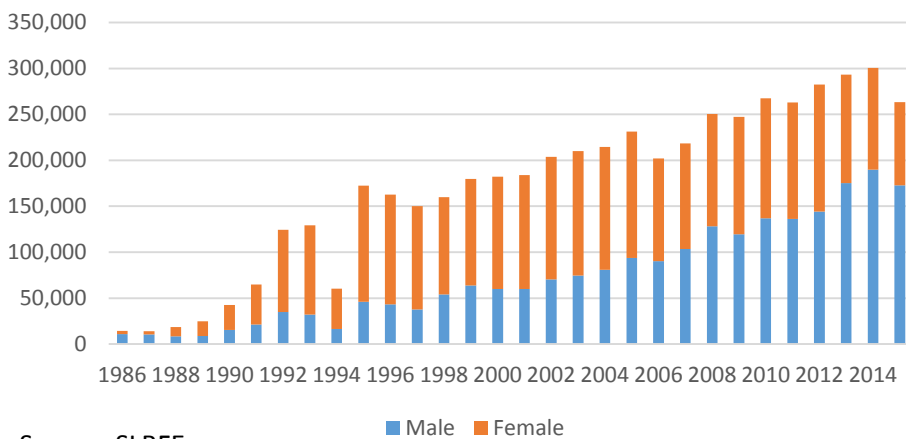
The complex issues relating to outbound migration need to be studied carefully so as to ascertain the diverse implications and to facilitate further improvement of national policies. In view of this objective, the National Science Foundation conducted an International Conference on Migration, 'Sri Lankans on the Move', which was held on 23-25 January, 2013 in Colombo. The conference was well attended by a large number of eminent local and foreign participants who presented papers covering a wide range of issues drawing the empirical evidence and policy perspectives from different countries. This policy brief is largely based on the deliberations of this conference.

1. Migration Profile



Following the oil price hike in the 1970's, migration dynamics changed dramatically in Sri Lanka in common with many other developing countries. The demand for less-skilled workers, mainly in the construction sector, accelerated in the Middle East countries. The liberalization of travel and foreign exchange restrictions in Sri Lanka since 1977 gave a further boost to outbound migration. Demand for labour increased in South-East Asia and Far East Asia in the mid-1980's due to rapid economic progress and slow population growth. Annual departures for foreign employment rose significantly since the mid-1990's. (Figure 1).

Figure 1
Departure for Foreign Employment by Gender



Source: SLBFE

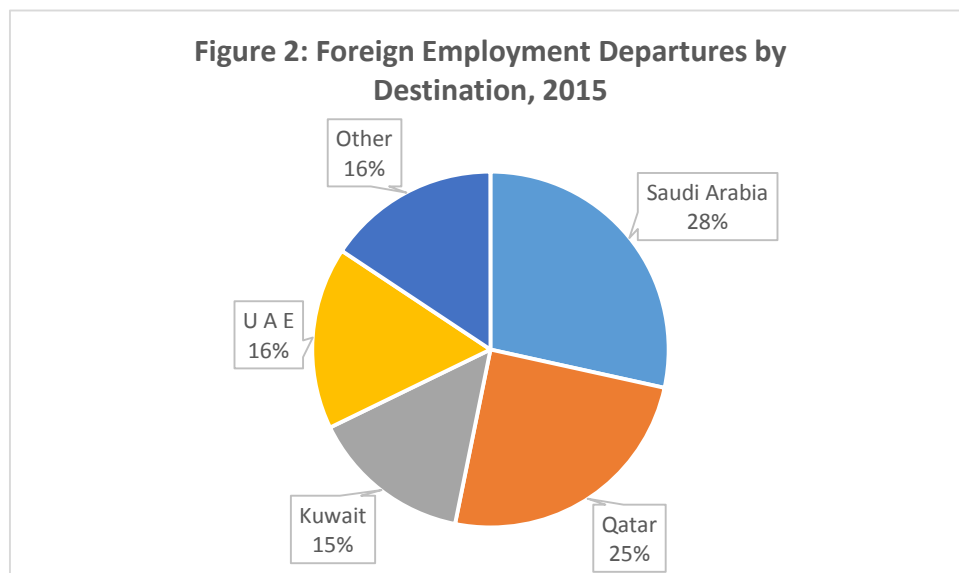
Gender-wise, female participation rose rapidly from 33 percent in 1986 to a peak level of 75 percent in 1997. A major reason for this trend was the phenomenal increase in female migration to Middle East countries for employment as housemaids. Since then, the share of male migrants has risen from 25 percent in 1997 to 66 percent by 2015 reflecting the impact of wider job opportunities available abroad for male workers in skilled categories and the government intervention to restrict migration of mothers having children under the age of 5 years

Table 1: Departures for Foreign Employment				
	2010		2015	
	Number	Per cent	Number	Per cent
Total Placement	266,445	100	263,307	100
By Source				
Licensed Agents	160,700	60.3	116,866	44.4
Other	105,748	39.7	146,441	55.6
By Gender				
Male	135,502	50.9	172,630	65.6
Female	130,946	49.1	90,677	34.4
By Manpower Category				
Professional	2,974	1.1	6,257	2.4
Middle Level	6,720	2.5	6,921	2.6
Clerical & Related	7,795	2.9	12,472	4.7
Skilled Labour	71,114	26.7	82,098	31.2
Semi Skilled Labour	4,857	1.8	4,837	1.8
Unskilled Labour	59,898	22.5	77,444	29.4
Housemaid	113,087	42.4	73,278	27.8
Source: Sri Lanka Bureau of Foreign Employment				

Around 57 percent of foreign employment departures comprised unskilled workers and housemaids (Table 1). The departures for professional and middle-level categories account for only 5 percent of total departures. Nevertheless, the increasing trend in departures of skilled labour which has a share of 31 percent of total departures is noteworthy. The age at which the migrant workers depart has increased over the years along with higher educational attainment and enhanced technical skills.

The Middle East region remains as the major destination for foreign employment (Figure 2). East Asian countries, mainly South Korea, Malaysia and Singapore have also been key host countries for Sri Lankan migrant workers.

There is a paucity of in-depth vital information and evidence pertaining to migrant workers. A comprehensive data management system needs to be developed to understand the flows and stocks of migrant workers. Such knowledge-base would facilitate identifying the ways and means to the multitude of problems faced by them. Data are also needed to systemically analyze the use of remittances for consumption and investment by migrant workers' families. Data on irregular migrants are also lacking.



2. Economic Impact of Migration

The remittances sent by the Sri Lankans working abroad have become crucial in sustaining the domestic economy. The total inflow of worker remittances increased from US \$ 5.1 billion in 2010 to nearly US \$ 7 billion by 2015 accounting for about 8.5 percent of GDP (Table 2). The share of remittances in total foreign exchange earnings from goods, services and other sources is as much as 30 percent during the last four years. The country's balance of payments situation would have been worsened in the absence of these remittances. Around one fourth of the national savings is generated from worker remittances, thus helping to narrow the investment-savings gap, given the low level of domestic savings.

Table 2: Key Indicators of Worker Remittances

	2010	2011	2012	2013	2014	2015
Worker remittances (US \$ Mn.)	4,116	5,145	5,985	6,407	7,018	6,980
Worker remittances (Rs Mn.)	465,372	569,103	763,980	827,689	916,344	948,957
As % of GDP	7.2	7.9	8.8	8.6	8.8	8.5
As % of total foreign earnings	26.4	26.6	30.3	29.6	29.3	29.0
As % of national savings	22.8	27.0	23.7	25.4	26.4	27.0

Source: Central Bank of Sri Lanka, Annual Reports

Migration has also contributed to reduce the pressure in the labour market and thereby to reduce unemployment. At the household level, migrant remittances have helped the poor families to uplift their livelihoods.

Nevertheless, the exodus of individuals with knowledge and technical skills, known as 'brain drain' or 'human capital flight', involves fairly high level of economic and social costs to Sri Lanka. The country sacrifices substantial human capital investment borne by the government for their health and education. The national economy also foregoes their talent and innovative capacity, which are imperative for knowledge-driven economic growth in the modern era of technology and innovation.

While the inflow of remittances helps to ease the foreign exchange difficulties, its negative impact on the policy adjustments that are essential to boost export growth cannot be undermined. The remittance inflow has enabled the authorities to maintain an overvalued exchange rate and to abandon the economic reforms.

Out-migration of small farmers or their family members lead to increase their income and consumption levels ensuring food security. Increased incomes also enhance farm production and productivity through the acquisition of land and equipment. However, the desired positive impacts on food security, poverty reduction or investment in rural agriculture do not seem to have taken place in Sri Lanka.

3. Social Impact of Migration

Migration provides opportunities for low-income families to improve their livelihoods and social status through the remittances. Female migrants emerge as breadwinners opening avenues for their autonomy and empowerment. However, this might have led to a down-grading of the husband's position and several other problems such as disruptions to marital relationships and child abuse.

The quality of life of children left behind by migrant parents is hampered by a wide range of factors involving security, care, nutrition, health and education. The left-behind children are looked after by the remaining parent or other close relatives. These substitute-caretakers are sometimes children themselves. The school dropout rate is found to be higher in the case of mother migrants. Many left behind children of all ages, mostly girls, have been victims of sexual abuse. A significant number of children are found to have some form of psychopathology problem.

The health of migrants is at risk due to poverty, social exclusion, discrimination, barriers to access health services, exposure to new infections and lack of financial protection. The female migrants, especially in the domestic sector, are vulnerable to various diseases including HIV owing to duress in the workplace, sexual exploitation, lack of legal coverage and absence of health and social services. Irregular migrants returning from West Africa are found to suffer from various diseases such as Malaria.

4. Prospects for Brain Networking to Promote S&T

Outbound migration of professionals, particularly in the fields of science and technology (S&T), to developed countries has adversely affected the knowledge-based development of Sri Lanka. There is a severe dearth of research scientists in the areas of agriculture, biology, social sciences, physical sciences, chemistry, molecular biology, medicine, earth sciences, nano-technology, engineering and information technology to meet the country's development challenges. Migration of university academics after acquiring postgraduate qualifications is alarming.

Better prospects available in the host countries in terms of professional standards, career advancement, job satisfaction, remunerations, living standards and children's education are found to be the key factors that lead to such migration. Political and economic instability in Sri Lanka also contributed to migration of professionals.

Some of the migrated professionals may be willing to return to Sri Lanka for shorter durations to engage in S&T activities. However, problems relating to logistic facilities and retention of their current jobs abroad cast doubt on the viability of this process. As an alternative option, there is potential to use 'brain networking', a novel mechanism of ICT-based collaboration for knowledge transfer, for harnessing the talents of migrated experts without disturbing their current occupations.

5. Governance and Legal Issues

While the government has adopted a series of protective measures both by signing and ratifying the relevant international instruments and harmonizing them with the national laws, still many migrants experience exploitative situations where human rights and dignity are violated. Such exploitation takes place in the social context of vulnerability of persons due to both economic and social disadvantaged positions and the structural factors that lead to risk behavior. Labour laws of many Middle East countries do not provide adequate safeguards to domestic workers. The applicability of the principle of right to work for migrants may be restricted in a number of ways depending on the legal status of the host country.

The rapid increase in illegal migrants or 'boat people' to Australia and western countries in recent years is a major public challenge. Although the human rights of irregular migrants are protected by a number of internal instruments ratified by a number of nations, there is divergence between policy and practice.

The social protection frameworks evolved in Sri Lanka are hardly relevant to international migrants as they are designed primarily to ensure social security for resident citizens.

The Diaspora groups directly contribute to the improvement of the wellbeing of their families at the household and national levels by means of remittances and transfer of skills and knowledge. Several initiatives have been taken by the government to promote such gains at the national level.

6. Policy Recommendations

- Science and technology-based knowledge economy should be fostered with a view to optimizing human capital resources for innovation-driven economic growth.
- Policy initiatives should be taken to promote brain-networking so as to harness the talents of migrated experts without displacing them from their current workplaces abroad.
- Dependence on migrant remittances should be phased out through technology-based export growth.
- Action should be taken to address the issues of socioeconomic and political context of vulnerability among labour migrants.
- Pre-departure training programmes should be improved to enhance technical skills, financial literacy, health awareness, legal understanding of prospective migrant workers etc.
- Safe migration, particularly with regard to domestic female workers should be ensured by collaborating with the host-country governments to enforce internationally ratified labour laws.
- The domestic social security frameworks should be streamlined and expanded to cover migrant workers and their families.
- Mechanisms should be introduced to meaningfully utilize the migrants' savings for livelihood development and productive investments
- Migrants should be ensured economic reintegration and entrepreneurship after their return in the post-migration phase.
- Incentives should be provided to Diaspora groups to promote remittances as well as to attract their knowledge and skills for national development.
- Strong policy interventions are called for protecting the rights and security of the left-behind children of migrant parents.

- Border security should be strengthened supported by bilateral and multilateral agreements to eliminate illegal migration and associated crimes such as human trafficking, drug trafficking and money laundering.
- Local employment opportunities should be created for women to minimize female migration.
- Enabling environment should be provided for research and development (R&D) in collaborative international partnerships so as to retain the local scientists and to attract the migrant scientists.
- Inbound migrant workers should be subject to strict health surveillance at immigration.
- Health policy frameworks should be guided by the internationally accepted migrant health resolutions.
- Migrant remittances should not be considered as a factor to abandon or postpone the economic policy reforms that are essential to sustain the country's export competitiveness
- Action should be taken to improve the knowledgebase, covering different dimensions of migration.



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Science and Technology Policy Research Division of the National Science Foundation
“Science Indicators for Policy Development”

The NSF also function as a research arm in the area of S&T Policy by providing evidence based policy recommendations for the policy formulation and addressing the gaps in the existing policies, aiming towards rapid socio-economic development in the country through Science Technology and Innovation.

The main focuses made on these directions are:

1. Undertaking science, technology and innovation (STI) policy research in the areas of importance to make recommendations towards policy formulation.
2. Developing various databases relevant to all sectors of STI that will be useful for decision making.
3. Undertaking public awareness programmes and public discourses on nationally important issues related to the areas of STI.
4. Investigating, collecting, researching and securing Indigenous Knowledge (IK) that exists and being practiced in Sri Lanka.
5. Undertaking capacity building of human resources especially in the areas of Social Sciences and Indigenous Knowledge.

Few activities of the Division:

1. National Research and Development (R&D)Survey
2. Science and Technology Management Information System (STMIS)
3. Study on Social Science Research in Sri Lanka
4. Study on employability of Science and Technology Graduate and Postgraduate passed out from local universities
5. Research and relevant activities under the areas of STI Policy and Social Sciences
6. Data collection, documentation , investigation and research in the areas of Indigenous Knowledge