

## GFMD Thematic Meeting

### “Operationalizing Migration Mainstreaming into Development Policies and Integrating Migration in the Post-2015 UN Development Agenda”

Geneva, 22 May 2013

**Draft discussion paper<sup>1</sup>**

#### 1. Introduction

Since the turn of the millennia, the global development discussion has revolved around the Millennium Declaration and the implementation of some of its aspects through the Millennium Development Goals (MDGs). With less than 1000 days to the 2015 ‘finish line’ set for achievement of the MDGs, a lively and highly participatory discussion on a successor framework – the Post-2015 United Nations Development Agenda – is already underway. While the utility of the MDG’s brevity and clarity is widely recognized, the successor framework being discussed will have to take into account of a broader set of development challenges that have become more pressing since the adoption of the Millennium Declaration. This is illustrated by the subjects of the Global Thematic Consultations organised by the UN, where issues such as “Inequalities”, “Governance”, and “Population dynamics”, including the consideration of aging, “youth bulges”, urbanization, and migration, are on the table.

Beyond its thematic scope, the geographic reach of the next agenda is under discussion, as the distinction between “developing “ and “developed” countries is increasingly blurred and mega-trends such as climate change and population dynamics call for transformational change in all countries. The global political order has changed considerably since the turn of the Millennium with the “rise of the South”, illustrated by the shift from the G8 to the G20. We also witness the emergence of new development actors and methods, including greater private sector involvement, private philanthropy and increased South-South cooperation.

Despite important progress in reducing global poverty since the adoption of the MDGs, further advances have been undermined by numerous crises – notably the global food, energy and economic crises – that have exposed weaknesses in global governance and underscored countries’ interconnectedness. Similarly, while recognizing that response capacities differ, many of today’s challenges affect both developed and developing countries alike, including widening income and wealth inequalities within societies, environmental degradation, the effects of climate change and the incidence of natural disasters, and demand for skills and labour, leading to calls for the new agenda to include goals for all countries, not just developing ones.

Together, these evolving trends have created the impetus for a new framework that is more holistic, applicable to all countries, and possibly with differentiated milestones/targets for high, middle and low income countries, and that takes into account new and emerging issues that are impacting upon

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<sup>1</sup> Prepared by Sarah Rosengaertner, UNDP and Lars Johan Lonnback, IOM. The authors would like to thank colleagues at ILO for inputs, as well as OHCHR, UNFPA and UNICEF for sharing their respective papers for the meeting and the opportunity to draw on these in the current Discussion Paper.

development. It is in this context that the discussion on post-2015 has highlighted the importance of “partnerships” and a focus on “enablers”.

## **2. Migration and the Post-2015 UN Development Agenda**

Laying the foundation for much of the current post-2015 discussion, the report of the UN System Task Team on the Post-2015 UN Development Agenda, “Realizing the Future We Want for All” framed migration as: 1) a key dimension of global population dynamics; 2) an enabler for inclusive economic and social development if well managed; and 3) a possible element of a renewed Global Partnership for Development, building on the current MDG8.

This paper has been commissioned to focus primarily on the second of these dimensions, examining the impacts of migration for economic and social development, and identifying examples of policies that might show the way towards better migration management. Yet, the three dimensions outlined by the UNTT are not separate, but mutually reinforcing, and should be considered together as part of a post-2015 development narrative that includes migration.

Human mobility is one of the defining features of today’s world. Approximately one billion of the world’s seven billion people are migrating in one form or the other. Some 214 million are international migrants and another 740 million are internal migrants. These figures are projected to increase over the next decades. In addition, the patterns of migration are changing and becoming more complex; South-to-South migration is now just as important in volume as South-to-North migration, and North-South migration is a growing phenomenon. Migration is also no longer only unidirectional and permanent; it is increasingly multiphase and multidirectional, often occurring on a temporary or circular basis.

At US\$401 billion in 2012, international remittance flows through official channels to developing countries are huge (three times the amount of total aid flows from OECD donors) and are projected to increase.

Demographic shifts over the coming decades will profoundly affect labour markets across the globe and intensify the global competition for talent at all skills levels. Projections predict a shortage of around 85 million skilled persons by 2020, including in emerging economies like India and China.

Changing settlement patterns in combination with environmental changes are likely to be a major concern for sustainable development. 13 percent of the world’s urban population (which now makes up more than half of the world’s total population) resides in low elevation coastal zones and is at risk due to sea-level rise, stronger and more frequent storms and other hazards induced by climate change. Inadequate disaster risk reduction and adaptation strategies risk leading to losses of lives and livelihoods and forced migration, that will undermine development efforts and may ultimately incur remedial programmes of intervention that far outstrip costs of prevention and preparedness.

Millions of migrants set out for a better life, but end up in worse conditions. When seeking to enhance the human development gains from mobility, the human rights and well-being of migrants must be at the core of the agenda. How migrants and their families fare in the migration process is a key determinant of their human development outcomes and thus of the larger developmental impacts of migration.

The dynamic and complex nature of global mobility patterns and of their interactions with development challenges (including poverty reduction, human rights and human security, governance, climate and environmental changes etc.) suggests that states can neither effectively govern migration nor ‘unlock’ its full human development benefits through internal policies alone; only collaboration between countries and with other stakeholders will be able to achieve this. In addition to being recognized as an enabler for specific thematic goals (at target or indicator level), migration would therefore be a strong candidate for being included in the next Global Partnership for Development.

### 3. Examining the contribution of migration to top post-2015 development priorities

This section examines how migration can contribute to progress on some of the development priorities of the MDGs, which are likely to feature also in the post-2015 development agenda. The evidence base remains fragmented and sometimes contradictory. It suggests that the interaction between migration and different dimensions of development is context specific and influenced by a number of other factors. Interactions can be positive or negative depending on where (at origin or destination) and for whom (migrants, their children, families left behind, local communities, etc.) impacts are assessed. Much depends on who moves, under which conditions, and whether they stay connected. While the human development gains that migration can generate at the household level are relatively better documented, they are difficult to track and isolate at the national level where in most cases migrants make up a small or localized part of the population. Aggregate impacts may mask significant unevenness in the distribution of gains and losses from migration. For example, remittances while large overall may not benefit the poorest households and exacerbate inequalities. The entry of migrant workers into the labour market may not affect unemployment in general, but may do so for certain categories of workers. Policies matter, both because they create and can address some of those distortions. The policy examples in this section point to potential ways forward in terms of enhancing the human development gains from migration for migrants, communities and economies. However, these are by no means exhaustive and governments are invited to share other good practices that may not have been captured.

#### 3.1 Economic growth

Migration is likely to affect all aspects of GDP: consumption, investment, public expenditure, exports and imports. The intensity of the effect will depend on the size of the country and economy affected and the share of the population that is migrating. Smaller countries, especially small island states tend to be more affected. In some countries, the effects will be very much localized as migrants predominantly come from or settle in specific regions of the country.

Most migrants move from a less to a more developed country (also if the movement is South-South), experiencing very large *average income gains* as a result. This holds true for lower skilled and high-skilled migrants alike. Internal migrants had higher incomes than non-migrants in 13 out of 16 countries reviewed for the 2009 Human Development Report (HDR).<sup>2</sup> Evidence from a range of countries suggests that income gains increase over time, as the acquisition of language skills leads to better integration in the labour market. However, average gains are likely to entail significant inequalities; and migrants often incur significant upfront costs (for documentation, recruitment, transportation) that must be subtracted from the gross gains. Also, an increase in income is often, but must not be, correlated with improved

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<sup>2</sup> “Overcoming barriers: Human mobility and development”, Human Development Report, 2009, pp. 50.

outcomes in other dimensions of human development (e.g. health, education, and participation) or in subjective wellbeing.<sup>3</sup> When comparing migrants' situation to that of locals at destination, they may still be relatively worse off.

Economic theory predicts that **destination countries**, like migrants, stand to gain from migration. According to data for OECD countries, immigration has a neutral or marginally positive effect on per capita income: a 1 percent increase in population due to migration increases GDP by 1 percent.<sup>4</sup> Countries where migrants account for a much higher share of the population and labour force, such as in the GCC states, will likely see larger impacts at the aggregate and sectoral levels.

**Remittances** are the main transmission channel through which migrants share income gains with families or friends back home, improving household income and potentially stimulating the local economy (if remittances are spent on local goods and services). Remittances from internal migration have been found to have an important poverty reducing impact in India, Bangladesh, Tanzania, Indonesia and Mexico.<sup>5</sup> 2005 estimates based on data for 74 developing countries, suggest that remittances have a strong impact on reducing poverty, including the depth and severity of poverty, controlling for income (or its growth) and inequality.<sup>6</sup>

For some countries with high emigration rates remittances make up an important share of GDP, and for a larger group of countries they represent a major source of foreign currency earnings. Because remittances are relatively stable and often anti-cyclical, they can contribute to the stability of recipient economies by compensating for foreign exchange losses due to macroeconomic shocks. Remittances can also serve as an important support for a country's creditworthiness and improve access to international capital markets.<sup>7</sup> A concern is that remittances carry the risk of exchange rate appreciation. However, empirical evidence in this respect is scarce. A 2004 study of 13 Latin American countries observes that a doubling of workers' remittances results in a real exchange rate appreciation of about 22 percent.<sup>8</sup>

Evidence on the **impact of remittances on GDP growth** is mixed. Using data from across countries, some researchers find a positive relationship between growth and remittances, which is echoed in several country or sector-specific studies. However, other studies cannot establish a direct link between real per capita output growth and remittances, and some cross-country findings, based on a panel of data for 113 developing countries, even suggest that remittances have a negative effect on economic growth, attributing this to lower labour force participation or savings rates among recipient households.<sup>9</sup> The 2009 HDR finds that, across countries, remittances have a small impact on long-term growth; much depends on the local business and institutional environment for people to be able to convert remittances into economic growth.

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<sup>3</sup> The HDR found that, on average, migrants to OECD countries had an HDI about 24 percent higher than that of people who stayed in their respective countries of origin. This was echoed by evidence on migrants' own sense of well-being. Based on data for 52 countries in 2005, the HDR found that self-reported levels of happiness and health were very similar among migrants and non-migrants. P. 121

<sup>4</sup> 2009 HDR, p. 84.

<sup>5</sup> Ibid.

<sup>6</sup> John Page and Sonia Plaza, "Migration Remittances and Development: A Review of Global Evidence", *Journal of African Economies*, Volume 00, AERC Supplement 2, pp. 245–33, 2006, pp. 283.

<sup>7</sup> Ibid. 281. See also: Dilip Ratha, "Leveraging Remittances for Development", 2005.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid. p. 282.

While remittances are private funds that primarily go to support household expenditures and sometimes community investments, migrants and members of the diaspora also contribute to their countries of origin as investors and entrepreneurs, creating businesses and jobs where they deem local conditions conducive enough, or through trade, tourism and philanthropy.<sup>10</sup> A number of existing schemes seek to harness the financial resources of migrants and diasporas for productive purposes, including by extending financial services to migrants and their families and providing migrants and members of the diaspora with investment opportunities. Yet, these kinds of initiatives are only likely to succeed if migrants and diasporas have trust in the institutions and overall economic management and prospects of the country they are asked to invest in.

### *Implications for post-2015*

How could the post-2015 agenda advance the benefits of migration for economic growth? Economists suggest that the most direct path would be through labour liberalization and eliminating barriers to mobility, which they predict to contribute significantly more to global economic growth than free movement of capital and free trade with developing countries.<sup>11</sup> Apart from commitments related to labour mobility, which will be discussed in more detail in the next section, potentially the least controversial way of enhancing the benefits of migration will be to improve the facilitation of remittances and other forms of diaspora contributions with a view to enhancing migrants' choices when it comes to sending, saving and investing their money.

Agunias and Newland note that there are two broad policy trends with regard to remittances: "(1) an increasing interest on strengthening the infrastructure supporting remittances, and (2) a renewed focus on using remittances more productively by cross-selling products linked to remittances and securitizing remittance flows."<sup>12</sup> Their overview of diaspora related policy options suggests that there is a growing body of experience and a sharing of practices among governments to build upon:

In the US-Mexico corridor the costs of sending remittances have more than halved since 1999, with many highly competitive money transfer companies and banks providing remittance services.<sup>13</sup> The Mexican Government has created a dedicated website, 'Remesamex', that allows remittance senders to compare fees across operators. Furthermore, a partnership between the US Federal Reserve and Banco de México called 'Directo a México' lets remitters send money from a bank account in the United States to any bank account in Mexico, offering a safer, cheaper, and more efficient remittance channel than traditional money transfer operators. The consumer sending the money pays all fees; there are no deductions or fees for the beneficiary in Mexico. The payment is initiated in US dollars and converted into Mexican pesos using a highly competitive foreign exchange rate. Consumers using Directo a México pay one of the lowest fees on the market, at less than \$5 per transaction regardless of amount remitted.<sup>14</sup>

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<sup>10</sup> Agunias, Dovelyn Rannveig and Kathleen Newland, Developing a roadmap for Engaging Diasporas in Development, Handbook, IOM/MPI, 2012.

<sup>11</sup> Dylan Matthews, "Five things economists know about immigration", Washington Post Wonkblog, January 29, 2013; <http://www.washingtonpost.com/blogs/wonkblog/wp/2013/01/29/five-things-economists-know-about-immigration/>

<sup>12</sup> Agunias and Newland (2012), p. 114.

<sup>13</sup> Ibid. p.115.

<sup>14</sup> Ibid. p.117.

Since 2000, developing countries have raised in excess of \$15 billion in international financing by **securitizing future remittances and other future receivables**. These countries include, but are not limited to Brazil, Egypt, El Salvador, Guatemala, Jamaica, Kazakhstan, Lebanon, Mexico, Peru, and Turkey. Other countries, such as Nepal, are considering securitizing remittances.

Some countries, including Burkina Faso, Burundi, Colombia, Ecuador, Ethiopia, Mali and Senegal have introduced **tax exemptions on diaspora investments**, adopting measures such as lower or no tariffs and taxes on the import of equipment and construction material needed for investment projects, exemption of company tax and corporate tax, and license and fiscal advantages during implementation of investment projects. However, the impact of such measures on stimulating investment and ultimately growth and employment is unclear.

A number of governments have issued **bonds to raise capital among their diasporas**, selling these through their consular networks. Israel and India have raised billions of dollars in this manner. Yet, other countries that have tried (Ghana, Ethiopia) have not had the desired success.<sup>15</sup>

### **3.2 Employment and decent work**

An estimated 105 million people in the world have moved for the purpose of work.<sup>16</sup> Women make up almost half of all international migrants, increasingly moving as breadwinners. Access to the labour market is also a key concern for 'non-economic' migrants: refugees and displaced people often face major challenges in this regard, especially if they lack identity papers.

Evidence regarding the **labour market outcomes** of migrants suggests that success is mixed and that outcomes are not random: Expatriates from developed countries seem to fare better than those from developing countries. The latter have been found in case studies to suffer an earnings penalty and higher inactivity levels and unemployment rates than nationals, regardless of their destination. In developed countries, such as the EU and Canada, the situation is worse for recent arrivals, who face lower earnings and greater labour market competition, than for more established immigrants. Across the EU, unemployment rates for immigrants originating from developing countries are uniformly higher than those from more developed economies. This gap is more pronounced for women than men across all skill levels.<sup>17</sup>

The labour market effects of migration will depend on labour market conditions, and countries' ability to (re)integrate or replace migrant workers and their skills. Contrary to popular fears, the 2009 HDR finds migration to have no significant impact on unemployment among locals and a positive effect on employment generation and investment in OECD countries. Evidence suggests that the effect of immigration on wages is minimal, too. Where migrants join the informal labour market, their arrival will have a larger effect on locals who themselves operate informally, in many developing countries a large segment of the market.<sup>18</sup>

In addition to lower earnings, migrants (whether they move internally or across borders) often face difficult working conditions and low social status. The absence of decent working conditions for migrants

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<sup>15</sup> Ibid. p. 210.

<sup>16</sup> ILO, World Employment Report. International Labour Organisation. Geneva, 2012.

<sup>17</sup> Page and Plaza (2006), p. 286.

<sup>18</sup> 2009 HDR, p. 86.

does not just affect them. If migrant workers fall through the net of the formal arrangements that protect wages and working conditions, unfair competition with locally born workers is a more likely outcome. A similar result can be expected where people are excluded from unions or where the enforcement of regulations is weak.

Migration opportunities for women tend to cement traditional gender roles. On the flipside, migrant women doing care work allows native women to participate in the labour force. For national authorities, the concentration of female migrants in domestic work, based in private homes, raises challenges for the enforcement of labour laws. Women migrants are often found in the low-skilled sectors, and are in a particularly disadvantageous situation in the less regulated economic occupations, such as domestic and entertainment work, where they endure low wages, long working hours and insecure contracts often coupled with precarious legal status. In addition, these workers are not covered by the labour laws, thereby further exposing them to coercive labour relations. Working in relatively invisible sectors, they are exposed to gender-based violations, i.e. sexual, physical and psychological abuses as well as threats and restriction of movement.<sup>19</sup>

### *Implications for post-2015*

Surveys from different world regions show that income-related concerns, especially having a job or earning enough to make a decent living, are a priority concern for people globally, in developed and developing countries alike, including for poor people. Governments around the world are equally concerned with generating (inclusive) growth and employment. Safer and less costly regimes for bilateral, intra- and inter-regional labour mobility could make an important contribution to future growth, especially in view of global demographic imbalances and the skills crisis projected in the coming decades. Part and parcel of improving international cooperation on labour mobility must be to enhance the 'quality' of movements, i.e. to ensure the protection of migrant workers' rights in the process.

Sweden and New Zealand have introduced what seem successful labour migration reforms in the late 2000s. Sweden's new labour migration policy has made it one of the most open labour markets in the OECD, while granting migrants important protections such as employer portability. An OECD review of the new policy, undertaken in 2011, finds that it "has helped businesses hire foreign workers quickly and cheaply, without hurting conditions for local workers".<sup>20</sup> Around 12,000 migrant workers received permits in 2011, and in some sectors they made up a recognizable share of the workforce.<sup>21</sup> The OECD recommended adjustments so as to: monitor the occupations for which labour migrants are recruited, especially those which do not appear to be in shortage; verify that migrants are effectively paid the salary they were promised; ensure that changes in contractual conditions are reported to the Swedish Migration Board, which monitors compliance with national standards and collective agreements; and grant a job-search permit to graduating students.

New Zealand's Recognised Seasonal Employer (RSE) program was designed to address shortages in the horticulture and viticulture industries. It paid careful attention to lessons from previous temporary worker programs, and includes features designed to minimize overstay levels, ensure worker protection, and limit displacement of native workers. An explicit goal of the RSE was to aid economic development

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<sup>19</sup> ILO: *Tricked and Trapped: Human Trafficking in the Middle East*, Beirut, 2013.

<sup>20</sup> OECD Newsroom, 19 December 2011. Accessed at:

<http://www.oecd.org/newsroom/swedishlabourmigrationreformworkingwellbutneedsmoremonitoringsaysoced.htm>

<sup>21</sup> The Local, 19 December 2011, Accessed at: <http://www.thelocal.se/jobs/?site=tlse&AID=38034>

in the Pacific Islands. A major factor of its success has been the participating governments' active role in developing the new labor market for seasonal workers, ensuring monitoring and rapid processing. A World Bank evaluation of the program's development impact in Tonga and Vanuatu (the two countries that provide 70 percent of the Pacific Island workers in the RSE) concluded that the RSE has had large positive effects, including: Per-capita household income increases by over 30 percent in each country; per-capita expenditure increases by just over 10 percent, indicating that much of this extra income is saved; improved subjective household well-being; increased household ownership of durable assets; in Tonga, increased school attendance rates for 16-18 year olds; and modest but positive community-level effects. The evaluation noted that these gains in household well-being greatly exceed those measured for other popular development interventions like microfinance and conditional cash transfers. A parallel analysis by the New Zealand Department of Labour found very low rates of overstaying and modest impacts on the native labor force.<sup>22</sup>

### **3.3 Social protection**

Prospects are that volatility will be the 'new normal' over the lifetime of the post-2015 development agenda. Social security schemes can counteract and soften the social and economic consequences of financial shocks and crises by providing safeguards to individuals, households, and communities against reduction or loss of income due to illness, old age, unemployment, disability, or other hardships. An estimated four out of five people in the world do not have a level of social protection that allows them to realize their fundamental human right to sufficient income for adequate food, housing, water and sanitation, education, good health and participation. Many households will seek to reduce risk and vulnerability through migration of one or more members. Indeed, evidence suggests that migration can function as a form of informal social protection, providing migrants and their families with extra income in times of crisis. Spikes in emigration and remittances have played an important role in the response to disasters in different countries, offsetting some of damage experienced.<sup>23</sup>

Migration can lead to migrants gaining access to formal social protection, but many migrant workers are denied access. In a sample of 28 countries reviewed for the 2009 HDR, permanent migrants were more likely to have access to social welfare than temporary workers. In both cases, developed countries were more likely to grant access than developing countries. Over 90 percent of both developed and developing countries denied family allowances to irregular migrants; temporary migrants were excluded in over half of the developed countries and three quarters of the developing countries. One explanation are concerns about welfare dependency and the political unpopularity of granting such access, as well as fiscal constraints and generally low levels of welfare in many developing countries.<sup>24</sup>

While the impact of migration on social welfare tends to be a subject for passionate public debate, the evidence suggests that, whether positive or negative, the net fiscal impacts of immigration are not large. Most estimates for the United States and Europe place the net fiscal impact of immigration in the range

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<sup>22</sup> This summary is based on the more detailed discussion of the scheme and its evaluation by John Gibson and David McKenzie, "Spurring Development through a Seasonal Migration Program", World Bank, December 2010. Accessed at: <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/EXTPROGRAMS/EXTFINRES/0,,contentMDK:22782679~pagePK:64168182~piPK:64168060~theSitePK:478060,00.html>

<sup>23</sup> 2009 HDR, p. 72 ; Page and Plaza (2006)

<sup>24</sup> Jeni Klugman and Isabel Medalha Pereira: "Assessment of National Migration Policies: An emerging picture on admissions, treatment and enforcement in developing and developed countries", Human Development Research Paper, 2009/48, p. 15.

of  $\pm 1$  percent of GDP.<sup>25</sup> Recent research on the European Union suggests that the causal effect between social welfare spending and migration is statistically insignificant; in other words, there is no evidence of a "welfare magnet".<sup>26</sup> Yet for migrants and their families, access to social protection can offset some of the vulnerabilities associated with migration. The 2009 HDR found that social protection in France and the United Kingdom more than halved poverty rates among children in migrant families, which exceeded 50 and 40 percent, respectively, based on market incomes before social transfers.<sup>27</sup>

### *Implications for post-2015*

What kind of commitments could the post-2015 agenda include that would improve migrants' access to social protection, including for those working in the informal sector? There is a strong argument for a universal social protection floor, implemented through national social protection floors, which would extend coverage to migrants (their inclusion could be tracked if data for measuring progress was disaggregated for migrants). In addition, building on existing good practices, states could explore avenues for ensuring portability of social security benefits.

A number of governments have taken measures to extend social protection coverage to migrants going abroad for temporary work, as well as to ensure the portability of benefits accrued at destination, if migrants want to return. Bangladesh, Pakistan, the Philippines, Sri Lanka, and Thailand, among others, have created specific, government managed migrant welfare funds, financed by migrants or their employers and/or recruiters. These funds provide a range of services to migrants including pre-departure orientation seminars, loans, emergency repatriation, life and medical insurance, and reintegration assistance.

Agunias and Newland (2012) report that only 20 to 25 percent of international migrants are covered by bilateral or multilateral social security agreements to date.<sup>28</sup> However, some countries have successfully negotiated such agreements. The majority of migrants from Morocco (89 percent), Algeria (87 percent), and Turkey (68 percent), for example, are covered by bilateral portability agreements. In addition, there are also regional agreements such as among members of the Caribbean Community (CARICOM) and Mercado Común del Sur (MERCOSUR), which have made efforts to grant nondiscriminatory access to social services and make benefits portable for intraregional migrants. CARICOM has almost 3.4 million migrants, of whom 12 percent move under arrangements that guarantee complete portability.<sup>29</sup>

### **3.4 Health**

Migration is often of particular concern to health systems in countries of origin and destination alike as they face challenges related to demographic and lifestyle changes, the risk of pandemics, which may be exacerbated by human mobility, and the task to respond to the health profiles and needs of increasingly diverse societies.

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<sup>25</sup> The 2009 HDR observes that the costs and benefits of immigration may be unevenly distributed across different levels of government, depending on the degree of decentralization in a given country. While the costs of providing educational and health services, including special programmes such as language courses, may be concentrated in local authorities, income taxes usually accrue to the central government. See: 2009 HDR, p. 88.

<sup>26</sup> Martin Kahanec, Corrado Giuliotti, Maritn Guzi and Klaus F. Zimmermann, 'Unemployment Benefits and Immigration: Evidence from the EU', *International Journal of Manpower*, special issue on "Migration, the Welfare State, and European Labor Markets", Vol. 34, No. 1+2, (2013).

<sup>27</sup> 2009 HDR, p. 53.

<sup>28</sup> Agunias and Newland, p. 187.

<sup>29</sup> Ibid. p. 104.

At the household level, the available evidence suggests that the health of migrants and their families often improves. Migrant families have been found to have fewer and healthier children than they would have had if they had not moved. A specifically commissioned study for the 2009 HDR found a 16-fold reduction in child mortality (from 112 to 7 deaths per 1,000 live births) for migrants from countries with a low Human Development Index.<sup>30</sup> Yet again, much depends on context and the conditions under which migration occurs. Detailed studies in a number of OECD countries have found that migrants' initial health advantage tends to dissipate over time. This is believed to reflect the adoption of poorer health behaviour and lifestyles as well as, for some, exposure to adverse working, housing and environmental conditions. Separation from family and social networks and uncertainty regarding job security and living conditions can affect health. In several studies, migrants have reported higher incidence of stress, anxiety and depression than residents, outcomes that were correlated with worse economic conditions, language barriers, irregular status and recent arrival.<sup>31</sup>

One critical determinant of health outcomes is migrants' **access to health care**, where inequalities persist. Permanent migrants often have greater access than temporary migrants, and the access of irregular migrants tends to be much more restricted. Movement sometimes deprives internal migrants of access to health services if eligibility is linked to authorized residence.<sup>32</sup> Some host countries restrict migrants' access to health care on the grounds that they need to protect their welfare systems from abusive claims and deter migration. However, human rights treaty bodies and experts have questioned this claim, on both ethical and factual grounds.<sup>33</sup> Ensuring migrants' access to affordable and acceptable health services is not just ensuring their basic human right, but also in the interest of public health. Granting access to primary or preventive healthcare services is likely to be much more cost-effective than referring migrants to emergency healthcare.

In many developed countries, health systems have come to rely on a migrant workforce of doctors and nurses to ensure the provision of health and care services for ageing populations. At the same time, the **emigration of health workers** is a major concern for some countries of origin, who see their already struggling health systems further weakened. Data from Africa suggests that low health staffing levels and poor public health conditions are major problems, but tend to reflect factors unrelated to the international movement of health professionals—namely weak incentives, inadequate resources, and limited administrative capacity. Migration would thus be more accurately portrayed as a symptom, not a cause, of failing health systems.<sup>34</sup> However, other countries have seen shortages in the health sector despite considerable investment in the training of nurses, for example.

Remittances can improve health outcomes for families and children left behind: There is evidence that the higher incomes and better health knowledge associated with migration have a positive influence on infant and child mortality rates.<sup>35</sup> However more limited evidence also suggests that longer term health outcomes may be adversely affected by migration because levels of preventive health care (e.g. breast feeding and vaccinations) have been found to be lower when at least one parent had migrated. Children's emotional and mental health has also been shown to be adversely affected when parents,

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<sup>30</sup> HDR 2009, p. 55.

<sup>31</sup> Ibid. p. 56.

<sup>32</sup> Ibid.

<sup>33</sup> See, for example, Special Rapporteur on the human rights of migrants, J. Bustamante, Annual Report to the Human Rights Council, 16 May 2010, UN Doc. A/HCR/14/30, para. 22.

<sup>34</sup> 2009 HDR, p. 77.

<sup>35</sup> Page and Plaza (2006)

and especially mothers, migrate. There can be a significant health risk to families at home when migrants contract and bring back infectious diseases, including HIV and other sexually transmitted diseases.<sup>36</sup>

### *Implications for post-2015*

Universal health coverage has been floated as a potential post-2015 development goal, which could have significant impacts for migrants, especially those in irregular situation, if they were to become one of the groups for whom progress is monitored. In addition, all countries have a shared interest to ensure global public health and thus to strengthen health systems around the world. Emerging practice suggests that this could be done through commitments related to: 1) adopting ethical recruitment practices, and 2) making joint investments in the training and professional development of health and care sector personnel.

The level of access to healthcare granted to migrants, including those in an irregular situation, greatly varies across countries. A 2011 study of 10 EU countries finds that only Belgium, France, Italy, and Spain allowed migrants in an irregular situation access to healthcare beyond emergency care; that is if they fulfill specific qualifying conditions, such as factual residency in the host country or a particular area, presentation of identification documents, or proof of a lack of means.<sup>37</sup> A 2009 paper found that in Chile, legal immigrants may enroll in the public health system and use the facilities closer to their residence; while the emergency healthcare is guaranteed for all, regardless of their migration status. At the same time, since 2002, there has been an agreement with the Chilean Red Cross to provide primary healthcare for immigrants from Peru with low income, regardless of their legal status. In Costa Rica, for those who have a legal residence and a work permit, the healthcare provision is ensured by the employers' contribution to health insurance. However, those who do not have any insurance may have to pay for the services. Refugees can obtain health insurance through national security plans, but they and their employers need to make monthly payments.<sup>38</sup> The 2009 HDR reported that Thailand provides antiretroviral treatment to migrants from Cambodia and Myanmar, with support from the Global Fund on AIDS, Tuberculosis and Malaria and gives migrants' access to health insurance, including efforts to extend coverage to irregular migrants.

The voluntary WHO Global Code of Practice established a global architecture, including ethical norms and legal and institutional arrangements, to guide national action and multilateral cooperation. Its key principles focus on developing sustainable health systems, protecting the human rights of migrant health workers, and supporting health systems in low- and middle-income countries, in part by providing technical and financial assistance for personnel development. A number of countries are already working to incorporate the Code into national law and practice. For example, Kenya has entered into bilateral agreements with certain countries (including Namibia, Lesotho, and Rwanda) regarding collaborative health workforce training and promotion of circular migration of health workers (involving the temporary or permanent return to their home countries). Norway has begun implementing the Code by scaling up the education of relevant personnel to ensure sustainability of its own health care system, and it has formally stopped recruiting health personnel from countries facing critical shortages in the

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<sup>36</sup> 2009 HDR, p. 75.

<sup>37</sup> "Migrants in an irregular situation: access to healthcare in 10 European Union Member States", European Union Agency for Fundamental Rights, 2011.

<sup>38</sup> Klugman and Pereira (2009), p. 12.

health workforce. Overall, sixty-nine countries have thus far designated a national authority responsible for the exchange of information on health worker migration and Code implementation.<sup>39</sup>

### **3.5 Education and skills development**

As the increase in international student migration suggests, migration is an important avenue for young people to access better educational opportunities. Where they have access to schooling at destination, migration presents clear benefits in terms of student **enrolment rates**, especially for children from countries with a low Human Development Index (HDI).<sup>40</sup> However for migrant children in an irregular situation such access is often restricted. In a sample of 28 countries reviewed for the 2009 HDR, developed countries were more likely to allow immediate **access to schooling** for all types of migrant—permanent, temporary, humanitarian and irregular, but a third of developed countries did not allow access to children with irregular status. This was true for over half the developing countries in the sample.<sup>41</sup>

For migrants in the labour market, there can be benefits if they acquire new skills and have the opportunity for professional development; but too often they end up working below their level of qualification and risk ‘deskilling’. The Migration Policy Institute has estimated that up to 20 percent of college-educated migrants in the United States are unemployed or working in low-skilled jobs. For Canada, which has a points system for immigrant selection, it estimated the annual cost of such “brain waste” to the economy to be US\$1.7 billion, prompting the Canadian government to speed up the recognition of credentials earned abroad.<sup>42</sup>

A number of studies have shown that remittances can have positive effects on access to education of children from households with migrant members. Findings across countries vary but many suggest that children in households with a migrant family member are either more likely to be enrolled; to complete more years of schooling; are less likely to leave school; or that their households spend more on education. In some cases, girls seemed to benefit in particular.<sup>43</sup> For some countries, emigration and internal migration has been shown to create an incentive to invest in education, but it can also have the opposite effect, depending on the nature of migration opportunities available, i.e. the type of labour in demand at destination.<sup>44</sup>

Countries of destination stand to benefit from the growth in international student migration. Many foreign students remain at destination after completing their studies.<sup>45</sup> Productivity gains in a number of destination places have been traced to the contributions of foreign students and scientists to the knowledge base. Data from the United States show that between 1950 and 2000, a 1.3 percent increase in the share of migrant university graduates increased the number of patents issued per capita by 15 percent, with marked contributions from science and engineering graduates and without any adverse

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<sup>39</sup> Cited from: Allyn L. Taylor, J.D., J.S.D., Lenias Hwenda, Ph.D., Bjørn-Inge Larsen, M.D., and Nils Daulaire, M.D.: “Stemming the Brain Drain — A WHO Global Code of Practice on International Recruitment of Health Personnel”, *New England Journal of Medicine* 2011; [December 22, 2011](http://www.nejm.org/doi/full/10.1056/NEJMp1108658), accessed at: <http://www.nejm.org/doi/full/10.1056/NEJMp1108658>

<sup>40</sup> 2009 HDR, p. 57.

<sup>41</sup> Klugman and Pereira (2009), p. 58.

<sup>42</sup> 2009 HDR, p. 52.

<sup>43</sup> 2009 HDR, p.74

<sup>44</sup> Ibid. p. 75.

<sup>45</sup> Gribble, Cate. “Policy options for managing international student migration: the sending country’s perspective.” *Journal of Higher Education Policy and Management*, Vol. 30, No. 1, February 2008, 25-39.

effects on the innovative activity of local people.<sup>46</sup> Migration can help create networks among higher education institutions across countries that facilitate the circulation of knowledge and ideas. However, for countries of origin there are concerns about lost investments in education and skills development due to emigration, which some have sought to offset through bonding schemes, or by expanding privately financed education for those bound for emigration.

#### *Implications for post-2015*

A job remains to be done in many countries on achieving the current MDG goal on universal primary education enrolment, especially for the bottom quintile of poor children. Migrant children, especially those in irregular situation and/or living in slum settlements, are likely to be among those left behind, and thus stand to benefit from a stronger focus on equity in access to education, as well as on educational outcomes or learning (rather than just access). Furthermore, education and skills beyond the primary level are critical elements for opening up opportunities for (young) men and women in the global economy and labour market, enabling them to exercise the fundamental human freedom to move. Dedicated attention and new approaches to skills development, including the recognition, assessment and validation of learning and skills acquired outside formal education settings – as well as skills matching with labour needs could help level the playing field for young people. Two approaches would seem promising: 1) Joint investments in human capital formation between countries/regions of origin and destination, and 2) The recognition of skills and qualifications within and across borders.

Australia launched a regional skills development initiative in 2006, in the form of the Australia-Pacific Technical College (APTC), designed to provide Pacific Islanders with Australian qualifications, thereby opening up employment opportunities in targeted sectors nationally, regionally, and internationally. The APTC works closely with other educational institutions and training providers in the participating countries, including Papua New Guinea, Fiji, Vanuatu and Samoa, and maintains close ties with local industry through an APTC Advisory Group and other outreach activities. According to APTC surveys of employers and graduates, and student evaluations, all are highly satisfied with the training outcomes.<sup>47</sup> However, the results in terms of facilitating labour mobility seem to be modest. A 2011 Australian National Audit Office report found that only 40 or 1.7 % of APTC graduates had found work outside their home countries, and noted that course profiles have been decoupled from Australian visa requirements. The report also raised concerns regarding the cost of the initiative.<sup>48</sup>

## 4. Conclusions

- The discourse on the developmental impact of migration and human mobility has changed considerably since the Conference on Population and Development at Cairo in 1994, which still contained the notion of addressing root causes of migration, essentially seeing migration as a result of development failures. However, people move from countries at all stages of development. Migration is and will be an integral part of development processes, challenging states to adapt their national strategies, systems and services to the realities of human mobility and transnational lives, and to build international partnerships reflective of the interdependencies that migration creates.

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<sup>46</sup> 2009 HDR, p. 84.

<sup>47</sup> Official APTC website: [www.aptc.edu.au](http://www.aptc.edu.au)

<sup>48</sup> Stephen Howes, "Note: Australia-Pacific Technical College", July 23, 2012, Development Policy Blog, Development Policy Centre, Crawford School of Public Policy, ANU College of Asia & the Pacific, Australian National University; <http://devpolicy.org/note-australia-pacific-technical-college/>

- While not claiming a comprehensive overview, this paper has sought to provide a broad basis for discussion on how migration can foster human development at different levels (household, national). The overview, suggests that migration can act as a development ‘enabler’ if the right policies are in place. Just like other issues dubbed as “enablers” in the post-2015 discussion, such as trade, and the transfer of technologies, for example, the potential development gains are staggering, but remain elusive without such policy interventions. A few key measures to ‘enable the enabler’ emerge from the discussed, including: access to the labour market, social protection, health, and education; enforcement of labour rights; recognition of skills; improved portability of assets (money, benefits and qualifications); and international cooperation among governments and other stakeholders.
- Because facilitative actions are needed to ensure that migrants, and the countries they leave and join benefit, migration and human mobility should be a candidate for consideration as part of the next Global Partnership for Development, which could tackle some of the genuinely transnational issues outlined above.
- Questions of access to key services might meanwhile be addressed by systematically disaggregating for migrants when tracking progress towards development goals that may potentially emerge in the areas of social protection, health and education. This would ensure that migrants’ human development outcomes are counted and count.
- Migration could also feature among the indicators of progress for development goals in the areas of inclusive economic growth, poverty eradication, decent work, or disaster risk reduction.
- However, the realisation and monitoring of indicators on migration could remain hamstrung by the considerable existing shortfalls regarding timely, reliable and comparable migration data and statistics. Institutional capacities need to be improved in this regard.
- Efforts to mainstream migration into national economic and development planning can help countries gain a better understanding of the existing data sources, gaps and needs at national (and potentially local) level so as to better understand and effectively address the context-specific interlinkages between migration and key national priorities, as well as sector-specific strategies.
- Billions stand to gain from an improved approach to the governance of migration, including migrants and their family members, local communities, businesses, labour market sectors and national economies. A post-2015 agenda that deals with the costs and benefits of migration by addressing both the human development of migrants and their development contributions would be the right step in the right direction.