



Managing Migration for Development  
Policymaking, Assessment and Evaluation

**“Circular Migration as a Development Tool – The  
Mauritian Approach”  
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**WORLD**  
Political Map





# Population

- Mauritius has been described as the “land of migrants”.
- It began to be settled as from the 15<sup>th</sup> century by people coming from different countries, namely India, Pakistan, Africa, China and Europe.
- The Mauritian population is now constituted of European, African, Indian and Chinese.
- Its population is now around 1.3 million.

# Migration

- After Independence in 1968, Mauritius witnessed a first wave of emigration to Europe, Canada, Australia, Italy and South Africa amongst others, mainly for political and economic reasons.
- They form part of the Mauritian Diaspora estimated at around 250,000.



# Key Economic Indicators

- Population(2011): 1.3 Million
- Languages: English, French and Asian Languages
- GDP growth: 4.4 % (2010)
- Sectoral Growth rates (2011)
  - Agriculture: 0.5%
  - Manufacturing: 3.3%
  - Tourism: 4.0%
  - Financial Services: 5.5%
- Unemployment Rate (2010): 7.8%
  - Male: 4.6%
  - Female: 13.0%
- Literacy rate (UN - 2008): 88%
- Inflation Rate (2010): 2.9%
- Investment (% of GDP) (2010): 24.8%
- Growth in Investment (2010): 3.4%
- Budget deficit (2010): 3.2%
- FDI (2010): Rs 14 bn
  - Health: Rs 2.7 bn
  - Financial Services: Rs 4.6 bn
  - Real Estate: Rs 3.4 bn
- Per Capita GNP
  - 2010: US\$ 7000
- Welfare State:
  - Free Education (pre-primary to tertiary)
  - Free Health Services
  - Free Social Security System

# Economy in brief

- Before independence - 1968: Mauritius was a monocrop economy relying mainly on Sugar
- After independence, Mauritius diversified its economic base
  - Setting up of EPZ (focusing mainly on Textile) and Tourism sectors
- As from the 1990s: The Financial Services and ICT sectors emerged as new poles of growth.
- From 2000 onwards, Mauritius broadened its economic base while strengthening further sectors such as ICT, Financial Services, Offshore and Freeport.
- New poles of growth identified: Seafood hub, Aquaculture, Medical Hub, Integrated Resort Schemes, Pharmaceutical Hub, Knowledge Hub and Land Based Oceanic Industry, ICT – BPOs and Disaster Recovery Management.
- Transforming Mauritius into a Duty-Free Paradise: 10 Duty-Free Shopping Malls under construction.



# Challenges

Challenges faced by Mauritius in the wake of globalization:

- dismantling of the Multi-Fibre Agreement in 2005  
( textile industry: moving from preferential trade to Global Competition)
- sharp cuts in the guaranteed sugar prices (-36 %) as from 2009
- fluctuation in oil prices
- high rate of unemployment (increased from 6.7% in 2000 to **9.1%** in **2006**, female unemployment rate **15.5%** in **2006**)

# Reform Programme

- Government embarked on a 10-year Economic Reform Programme in 2005.
- The Reform Programme focuses on the following 4 main planks:
  - (a) Fiscal consolidation and Improved Public Sector efficiency**
  - (b) Improving trade competitiveness**
  - (c) Improving the Investment Climate**
  - (d) Democratising the economy**



# Mauritius' initiative to develop Circular Migration

- As part of the reform programme and in order to widen the scope of opportunities for Mauritians, the Government took initiative to embark on Circular Migration – a short-term measure to address the unemployment situation in the country (Unemployment rate in 2006: 9.1%; female unemployment: 15.5 %).

Unemployment 2006 - 2010

	2006	2007	2008	2009	2010
Unemployment (%)					
Both Sexes	9.1	8.5	7.2	7.3	7.8
Male	5.5	5.3	4.1	4.4	4.6
Female	15.5	14.4	12.7	12.3	13.0

Source: Extract from Central Statistical Office

# Circular Migration

Since 2006, Government took the initiative to embark on Circular Migration.

**Objective 1:** to widen the scope of opportunities for our citizens to take up employment abroad for a specific period, learn new skills, save part of their income, before returning to the country to set up a small and medium enterprise (SME) or invest in other economic activities;

**Objective 2:** to encourage remittance flows and enhance their development impact;

**Objective 3:** to harness the intellectual and financial resources of the Mauritian Diaspora.



# Benefits of Circular Migration

Circular Migration is thus portrayed as a “**triple-win**” solution:

- Receiving countries could fill labour shortages, increase revenue, and reduce illegal migration;
- Sending countries would accumulate savings and human capital; and
- Migrants could increase their income, build human capital and financial savings and maintain links with their families.

# Foreign Labour

- Mauritius is also a receiving country for foreign labour, mainly in sectors such as manufacturing and construction.
- Source countries are mainly China, Bangladesh, India and Madagascar.

	2009	2010	2011
<b>Foreign Labour (Total)</b>	31 054	29 558	33 526
<b>Manufacturing</b>	25 149	22 832	24 761
<b>Construction</b>	3 079	4 178	5 948
<b>Others (foreign doctors, etc)</b>	2826	2548	2817

- Mauritius has also signed a Bilateral Labour Service Agreement with the People's Republic of China.
- The Bangladeshi Minister for Expatriate Welfare and Overseas Employment visited Mauritius in May 2011 and held discussions with the Government of Mauritius. A Memorandum of Understanding (MoU) will be signed between the two countries.



# Prerequisites for Circular Migration to take off

- Mauritius recognises that for an effective development of Circular Migration, it is vital to create a conducive environment for Circular Migration to take off.
- It should imperatively be linked to development strategies.
- Broader development initiatives in the country of origin (such as good infrastructure, Human Resource Development) are determining factors for successful circular migration, including voluntary and productive reintegration of migrants.
- In fact, the reform programme undertaken by the Government since 2006 paved the way for sustainable growth, attracting investment and boosting development.
- For the needs of this Forum, we will focus on Human Resource Development and Modernizing Infrastructure.

# Human Resource Development

- Mauritius aims at preparing its labour to compete internationally.
- It also aspires to become a **World-class Knowledge Hub** in the region.
- Mauritius offers free education to all from primary to tertiary levels, including vocational training.
- A new Ministry for Tertiary Education, Science, Research and Technology has been created.
- Mauritius has a vision of having 100 000 foreign students by 2020.
- Government is investing further in tertiary education through the physical expansion of existing institutions and the setting up of seven new “Campus Universitaires” in different parts of the country to cater for the African market. Some **11 public** and **50 private institutions** are presently delivering tertiary-level programmes, mostly in **niche areas** like **Information Technology, Law, Management, Accountancy and Finance**.
- Government is introducing a fast track process for the issue of a visa to foreign students pursuing full time studies. As at December 2009, **some 500 foreign students** were enrolled in tertiary educational institutions in Mauritius.



# Human Resource Development (cont'd)

- The Mauritius Institute of Training and Development (MITD), which is responsible for vocational training in Mauritius, has signed a Memorandum of Understanding (MoU) with **Monash University (Canada)**. Young Mauritians will thus increase their chance of obtaining a successful placement with Canadian employers.
- A new culture of Open and Distance Learning is being promoted, through the setting up of the Open University of Mauritius and its development to include provision of courses in key areas of the economy. Government is giving a new thrust to emerging languages in the business sector, through the setting up of the Language Institute under the Open University.
- A **Regional Multidisciplinary Centre of Excellence (RMCE)** has been set up to offer quality education and work based education in Mauritius for the region.
- Mauritius and IMF signed a Memorandum of Understanding (MoU) for the establishment of the Africa Regional Technical Assistance Center South (AFRITAC South).

# Modernizing infrastructure

- Creating the necessary conditions for the return and reintegration of migrant workers rests heavily on the modern infrastructure available in the country of origin.
- As part of Government's vision to make Mauritius an **attractive, modern and green Mauritius**, the Government has taken the following measures:
  - The **road infrastructure** has been greatly improved over the years and further developments are being undertaken to ensure rapid flow of traffic at all times.
  - **Electricity supply** is available in all residential and industrial areas in both rural and urban parts of the island. **Alternative source of energy wind vane** is being looked into.
  - **Costs of cable communications** have continued to come down, thus allowing Internet Service Providers to offer consumers twice the speed for the same price.



# Modernizing infrastructure (cont'd)

- The Government has played an active part in the process of connecting the island to the **EASSy (Eastern African Submarine System)** which has connected countries of eastern Africa to the rest of the world.
- The Government is also investing in the **LION (Lower Indian Ocean Network)** cable which will connect Mauritius, Reunion and Madagascar and will provide a second cable landing point in Mauritius, hence additional redundancy and route diversity.
- New projects such as a **new modern airport, cargo and freeport zone, general aviation expansion, new passenger terminal and airport city with commercial areas and hotels** are being catered for.
- A **new private hospital Apollo Bramwell** has been opened in 2009. It is a centre of medical excellence in the region.

# Investment and SME development

- **Foreign Direct Investment:** Rs 2.8 billion (70 million euros) in 2005 and Rs 14 billion ( 348 million euros) in 2010
- **SME:** The number of SMEs has increased from **75,000** in **2002** to **100,000** in **2010**.
  - In 2005, in its quest to further open up the economy and improve the ease of doing business, Government took, amongst others, three important measures: -
  - Reduction in corporate tax from 30% to 15%.
  - Streamlining of procedures. SMEs can now start new business activities within 3 working days. Alongside, various financial support through the Small and Medium Enterprise Development Authority (SMEDA) and the Development Bank of Mauritius (DBM) has been set up to widen the scope of financing for SMEs.
  - Setting up of the Mauritius Business Growth Scheme (MBGS), which promotes business growth in SMEs. Eligible firms receive financing to support their business growth on a cost-sharing basis.



# Circular Migration on the move

## Experience with Canada

- Since 2006, Mauritians have embarked on Circular Migration programmes on a pilot basis. As at date, some 300 workers have taken employment in Canada.

Number of Mauritian Workers –March 2008 – June 2011

Recruiting company	Number of Mauritian workers	Occupation skills
Maple Leaf One	73	Food processing
Maple Leaf Two	73	Food processing
Lakeside	16	Food processing
CCCSI	17	Cleaning Company
Olymel	132	Food processing
Total	311	

# Circular Migration on the move (cont'd)

- All Circular migration programmes are operationalised under Bilateral/Multi-lateral Labour Migration Agreements.
- This provides the following benefits:
  - The employer pays for the cost of a round trip air ticket for migrant workers
  - The employer ensures that affordable and proper accommodation to be paid by migrant workers is available.
- These agreements are vetted by the State Law Office (SLO) in Mauritius to ensure that Mauritian workers are not exploited abroad.
- IOM acts a facilitator.



# Circular Migration on the move (cont'd)

- The National Empowerment Foundation (NEF) is the implementation agency for the Circular Migration Programmes.
- It is a public-private partnership and it operates on a fast-track mode.
- Pre-departure Orientation courses were conducted on Canada for all migrants and their spouses.
- The NEF has facilitated many training programmes to migrant workers before their departure to satisfy the requirements of the labour market:
  - Basic ICT training,
  - English courses on Functional Literacy,
  - basic numeracy and
  - financial literacy courses.
  - The migrant workers are also exposed to various business opportunities in the SME sector so as to prepare for their return.
  - At the selection level, we ensure that they must have a **project idea / business plan** before they embark on Circular Migration.

# Meetings with the families of the Mauritian migrant workers

- Meetings are frequently arranged with families of the Mauritian migrant workers. It was observed that:
  - There is a constant flow of remittances.
  - Some of them have already settled their debt.
  - The wives of some of the migrants are following training programmes, which they were unable to do before.
  - One lady was employed in a kindergarten and she is now the owner of the kindergarten.
  - Some of them are willing to send other members to join the Circular Migration Programme.



# Monitoring and Evaluation Exercise in Canada

- A Monitoring and Evaluation (M & E) exercise has been carried out in September 2009 for our project with Canada. The following have been observed:
  - On average the workers are sending approx CAD 1000 (approx 760 euros) per month.
  - They have constructed a house in Mauritius and have improved their standard of living.
  - Some of them have upgraded their skills within the enterprise they work for and have even obtained job promotion and had increase in salaries.
  - In terms of communication, they are using laptops to keep in touch with their kids and family members via Skype.

# Return and Reintegration

- Migrants are reluctant to return to their home country because of lack of opportunities. Under Circular Migration, since migrant workers are bound to return after a specific time spent abroad, sending countries would be forced to engage in development policies.
- Reintegration is a process that begins at the time prior to departure. During the pre-departure sessions organized with migrants about to leave Mauritius, adequate information is provided to them about the incentives given to start a business when they return.



# Return and Reintegration (cont'd)

- Some workers have returned to Mauritius at the end of their contract.
- The NEF is closely monitoring the situation and the workers are being supported through reintegration programmes.
  - One returnee has been able to start his business.
  - One returnee has been able to sign another contract with his employer in Canada.
  - Other returnees are being assisted to start their business or find employment in other productive sectors of the economy.
- Many workers have shown keen interest to start a business under the 1:1 Matching Scheme.
- Facilities and guidance are being provided to workers to start their project by the Small and Medium Enterprise Development Authority (SMEDA) and the Development Bank of Mauritius (DBM) for soft loans.
- The NEF holds regular meetings to follow up on their projects.

# New projects on Circular Migration

- Circular Migration is still high on the Government's agenda.
- During the M&E mission in Canada, the Mauritian government officials met employers who are very much interested in recruiting Mauritian workers, as they are bilingual, adapt easily and act an intermediary between other migrants who can't communicate with their boss because of language barriers.
- Since 2008, employers from Maple Leaf (Brandon, Alberta), Chisholm (Quebec), Assemblée Communautaire Fransaskoise – ACF (Saskatchewan) have come to Mauritius for a scoping mission and or recruiting workers.
- Negotiations are still going on with many employers.
- Some additional 300 offers from Canadian employers are currently being processed.
- Trilateral agreements between the GoM, IOM and employers have been signed on a pilot basis.
- The GoM intends to sign bilateral agreements with other countries.



# Conclusion

- Mark Twain: 'God created Mauritius first, and then paradise was copied after it.'
- Meades: 'It would be a great achievement if Mauritius ever found employment for its increased population.'
- V.S. Naipaul: 'Mauritius is an overcrowded Barracoon, where problems defy solutions.'
- Stiglitz: 'Mauritius, a small nation off the east coast of Africa, is neither particularly rich nor on its way to budgetary ruin. Nonetheless, it has spent the last decades successfully building a diverse economy, a democratic political system, and a strong safety net. Many countries, not least the US, could learn from its experience.'
  - Free health, free education, protection of vulnerable groups, no natural resources

# Thank you

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