Migration and Development

Perspectives from Small States

Edited by Wonderful Hope Khonje

The Commonwealth

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The Commonwealth

Commonwealth Secretariat
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Foreword

For more than four decades, the Commonwealth Secretariat has been working on behalf of small states – presenting to the international community the particular challenges that they encounter, proposing both national and international policy responses and providing a targeted programme of assistance to enable these countries to achieve their development goals. Small states have a unique set of developmental challenges, encumbered as they are by their small size, remoteness, limited human and institutional capacity, indivisible fixed costs, small markets, lack of diversification and opportunities restricted by scale.

In 2012, experts from around the Commonwealth met in Kingston, Jamaica, to examine the development costs and benefits to small states of migration. The ideas that emerged from the meeting provided the basis for the studies collated in this publication.

The book aims to examine the impacts of migration and the required policy responses. The overall findings show that their development challenges put small states at a dual disadvantage in that they function as 'push' catalysts for emigration and, at the same time, hamper any efforts by these countries to embrace and benefit from migration.

Each chapter touches on a different inter-related migration theme, including: the specificities of migration within small states; temporary labour migration in the Caribbean and the Pacific; migration and remittances in the Caribbean and Africa; the dynamics of the diaspora in the Pacific and Africa; the migration–development nexus; and the impact of skilled recruitment in Commonwealth small states.

The Commonwealth Secretariat is pleased to have collaborated on this book with so many prominent academics and experts based within various Commonwealth countries. They have made the publication a rich and informative read for our key stakeholders working on small states issues, including policy-makers, experts and academics.

Janet Strachan
Acting Director, Economic Policy Division
Commonwealth Secretariat

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Abbreviations and acronyms

ACP	African, Caribbean and Pacific Group of States
AIDS	acquired immunodeficiency syndrome
APEC	Asia-Pacific Economic Cooperation
APTC	Australia-Pacific Technical College
ASEAN	Association of Southeast Asian Nations
ATM	automated teller machine
AU	African Union
AVR	Assisted Voluntary Return Programme
CARICOM	Caribbean Community
CHW	community health worker
CSME	Caribbean Single Market and Economy
EU	European Union
FDI	foreign direct investment
FSM	Federated States of Micronesia
GATS	General Agreement on Trade in Services
GCC	Gulf Cooperation Council
GDP	gross domestic product
GNP	gross national product
H-2A	agricultural work project
H-2B	hospitality work project
HIV	human immunodeficiency virus
IFI	international financial institution
IMF	International Monetary Fund
IOM	International Organization for Migration
KANI	Kiribati–Australia Nursing Initiative

MDGs	Millennium Development Goals
MIRAB	migration, remittances, aid and bureaucracy
MLD	most likely destination
MTO	money transfer operator
NAFTA	North American Free Trade Agreement
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
PFIP	Pacific Financial Inclusion Project
PIC	Pacific island country
PNG	Papua New Guinea
PRS	poverty reduction strategy
PSWPS	Pacific Seasonal Worker Pilot Scheme
REC	regional economic community
RSE	Recognised Seasonal Employer
SADC	Southern African Development Community
SAMP	South African Migration Project
SHW	skilled health worker
SIDS	small island developing state/s
SSA	sub-Saharan Africa
TEBA	The Employment Bureau of Africa
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
VFR	visiting family and relatives
WHO	World Health Organization
WTO	World Trade Organization

Chapter 1

Introduction

Wonderful Hope Khonje

Over the past two decades, the migration–development nexus has received increasing attention from experts, policy-makers and the international community as a whole, with many studies emphasising the need to mainstream migration into development planning and, more recently, into the global development agenda. The concept of migration has moved away from that of a mere brain drain to that of a twenty-first-century international phenomenon requiring careful attention to maximise its benefits at a minimal cost. However, the majority of the studies on the topic have dwelt on the migration–development nexus in general terms, often putting developing countries into one homogeneous group without considering the unique characteristics that other subgroupings, such as 'small states', have.[1]

This book is an attempt to highlight the dynamics of migration and development in a small-state setting, with case studies on some aspects of migration from small states in Africa, the Caribbean and the Pacific. The book is concerned with their special characteristics and the developmental challenges that these countries encounter as a result. It aims to determine the dynamics of migration in terms of both the impacts and the required policy responses. The overall findings point to the unique set of developmental challenges that small states encounter, posed by their small size, remoteness, limited human and institutional capacity, indivisible fixed costs, small markets, lack of diversification and opportunities restricted by scale. These challenges put small states at a dual disadvantage in that they function as 'push' catalysts for emigration and, at the same time, hamper any efforts by small states to embrace and benefit from migration.

The book is an outcome of the Secretariat's 2010–12 migration and development work, which culminated in an expert meeting on the development costs and benefits of migration in small states, held in Kingston, Jamaica, on 2–4 July 2012. At this meeting, experts discussed and brainstormed on the draft chapters in this volume, which were later finalised and presented at the Second Global Biennial Conference on Small States, held in London on 17–18 September 2012.

This collection addresses a number of specific themes with chapters grouped accordingly. Chapter 2 in this volume is an analysis of the dynamics of migration and development in small states by Wonderful Hope Khonje. Specifically, it looks at the peculiar characteristics of small states that set them apart from other developing countries and explores how migration affects these countries in relation to these characteristics. The analysis infers that migration has a distinctive effect on small states in that their inherent vulnerabilities limit their ability to maximise the benefits from migration at a minimal cost.

The chapters on temporary labour migration schemes recognise the existence of a plethora of agreements between sending and receiving countries and look critically at how effective these agreements have been in meeting the development needs of participating countries. Chapter 3 on temporary labour migration schemes in the Caribbean, by Bernard Headley with Kay Ann Henry, focuses on Jamaica and on Trinidad and Tobago. It concludes that, although some challenges have yet to be resolved, the programmes in operation have worked reasonably well. Chapter 4 on temporary migration labour schemes in the Pacific, by John Connell, reports that the schemes on the ground have thus far produced 'triple wins': for workers and for the countries of both origin and destination.

There are three chapters on migration, remittances and development in this volume. Chapter 5, the Guyana case study, by Claremont Kirton and Patsy Lewis, reports that migration has negatively affected development, particularly in the crucial sectors of health and education, and the country has not been able to reap the full benefits of remittances. In Chapter 6, on Tonga and Samoa, Professor Connell notes that remittances have improved the welfare of these countries. The chapter further notes that increasing the per capita volume of remittances is unlikely but increasing their effectiveness is possible. The Jamaican case study, Chapter 7, by Patsy Lewis and Claremont Kirton, infers that remittances significantly contribute to the income of households, especially female-headed households, and that the challenge for the government is to harness resources from the diaspora.

This volume has two chapters specifically looking at diasporas. Connell's chapter (8) looks at the dynamics that have characterised the Pacific diaspora over the decades and concludes that this group of people makes a limited contribution to their home countries. The study also notes that most countries in the region have made little or no attempt to engage with their diaspora. In Chapter 9, Eugene Campbell investigates the contribution of the diaspora to the development of Botswana, Lesotho, Namibia and Swaziland, and the analysis has produced divergent results for the different countries. Because of their buoyant economies, Botswana and Namibia have had much smaller diaspora communities, and current benefits from these groups seem to have been overlooked. On the other hand, Lesotho and Swaziland have relatively high numbers of migrants in other countries but there is no evidence of policies in place to address migration.

Chapter 10, by Daniel Tevera, explores the migration–development nexus in Lesotho. It points to an absence of frameworks that could promote the positive linkages between migration and development.

Finally, Jon Sward explores the current trends in the international recruitment of skilled workers, with particular emphasis on the impact that this has on small countries within the Commonwealth. The study shows that the challenges presented by the emigration of skilled people, which in many cases is encouraged by recruiters, are often particularly acute for small states, partly because they may lack both the training facilities and the fiscal resources to easily replace these workers.

Collectively, these chapters present some of the unique dynamics of migration in small states and provide policy options for policy-makers within small states and the international community that could be considered in the light of those states' particular challenges.

Note

1 The Commonwealth defines small states as sovereign states with a population of 1.5 million people or fewer. Within the Commonwealth, larger member countries – Botswana, Jamaica, Lesotho, Namibia and Papua New Guinea – are also designated as small states because they share many of the small states' characteristics. Of the 53 member countries of the Commonwealth, 31 are small states.

Chapter 2

The Dynamics of Migration and Development in Small States

Wonderful Hope Khonje

2.1 Background

International migration – an integral part of globalisation – has always been part of human existence. The recent upsurge in international migration has occurred in conjunction with the general increase in flows of trade, investment, finance, cultural products, information and technology. International migration has transnational implications when migrants pursue livelihoods in 'receiving' states and at the same time sustain links and activities in their countries of origin, thus affecting two states (Siskandarajah et al. 2008).

The Commonwealth's interest in international migration derives from the way international migration is linked to development and poverty reduction, and from the belief that the Commonwealth can be an effective force in the formulation of migration policy for its membership. For example, in 2010, Commonwealth countries accounted for 35 per cent of the $325 billion global remittances flows (World Bank 2011).

Recognising this, the Commonwealth Heads of Government, at their 2009 and 2011 summits in Trinidad and Tobago and in Australia respectively, committed to maximising the economic and social benefits of migration, to improve the resilience and prosperity of Commonwealth members, while addressing the challenges posed by migration. They urged the Secretariat to work with member countries and international partners to formulate appropriate policy mechanisms that would effectively address migration.

In May 2003, the Commonwealth pioneered work on ethical recruitment through the development of the Code of Practice for the International Recruitment of Health Workers. This was followed by the adoption of the Commonwealth Teacher Recruitment Protocol in September 2004. These documents, though not legally binding, were aimed at balancing the rights of migrants to migrate internationally, on a temporary or permanent basis, against the need to protect the integrity of national systems and to prevent the exploitation of the scarce human resources of poor countries.

In May 2007, the Secretariat organised a one-day Pre-Global Forum meeting before the July 2007 meeting in Belgium, to set the context particularly in the area of existing policies, as well as sharing of good practices. Studies have also been conducted on

how GATS Mode 4 can be operationalised between the Caribbean and Canada and between selected African countries and Europe. In addition, in collaboration with the World Bank, the Secretariat convened a series of regional workshops focusing on the remittances industry. On the legal and human rights dimension of migration, the Secretariat pursed work on human trafficking and irregular migration.

In continuing with this work, and as a follow-up to the Commonwealth Heads of Government Meeting (CHOGM) mandates, the Secretariat commissioned a literature review in 2010 to summarise anecdotal evidence of the development needs of Commonwealth member countries with regard to migration and development. The review was also aimed at examining the capabilities of the Commonwealth and identifying a potential niche which the Commonwealth could fill in the area of migration and development. The review came up with a number of recommendations for scoping out the Secretariat's future work in this area, including migration and development in small states. It was as a result of this review that the Secretariat began conducting informed analysis of the dynamics of migration and development in small states, to help these countries reorient policy planning and formulation to maximise the benefits from migration at a minimal cost.

2.2 What are small states?

Due to physical and demographical differences across small states, there are various criteria, thresholds and base years used to define these countries. The Commonwealth, like the World Bank, uses 2000 as the base year and defines small states as sovereign states with a population of 1.5 million or fewer. The criteria used in this definition would exclude other states that share many of the small states' characteristics and face similar challenges and opportunities. The Commonwealth therefore includes Botswana, Namibia, Lesotho, Swaziland, Papua New Guinea and Jamaica in the small states category.

Using the above standard, 46 countries are classified as small states – 31 of which are Commonwealth members that account for nearly a third of all developing countries. Their populations of 20 million represent a meagre 0.4 per cent of the total population of developing countries and range from micro-states with fewer than 500,000 people each, such as Niue, Tuvalu, Nauru, Palau, and St Kitts and Nevis, to larger states with populations of more than 1.5 million, including Botswana, Jamaica and Papua New Guinea.

2.3 Special characteristics of a developing small state

Developing small states possess distinctive characteristics that translate into a special set of challenges that distinguish them from the rest of the developing world. These range from geographical and environmental, through social and demographic, to economic characteristics, and have important implications on their overall growth and developmental strides.

2.3.1 Geographical

Small land mass

Small states tend to have smaller land masses, which lead to high per capita fixed costs, concentrated markets, lack of diversification and diseconomies of scale in both the private and public sector. Tuvalu, for example, has a land mass of barely 10 square miles. Vanuatu's total area is 4,739 square miles, of which only 1,800 square miles is land. The mountainous nature of Saint Lucia, on the other hand, places a further limitation on the land mass available for productive use.

Fragmentation

Most island states, especially those in the Pacific, consist of many islands dispersed over a large area, resulting in indivisible fixed costs, transportation costs and high governance costs that are higher than for more compact land masses. Vanuatu, for example, is an archipelago consisting of about 82 relatively small and geologically new islands of volcanic origin, of which 65 are populated. Similarly, The Bahamas comprises several hundred islands, 30 of which are inhabited. Seychelles has 115 islands, of which 41 are granite islands.

Peripherality, remoteness and isolation

Of the 45 developing small states with populations of 1.5 million or less, 34 (or three out of four) are islands and in some cases widely dispersed multi-island states; others are landlocked. Peripherality means that small states are far away from the commercial centres of the world. As a result, transport costs for their exports and imports tend to be higher, consequently reducing small states' competitiveness, export revenues and consumer welfare. The fact that small states require relatively small and fragmented cargoes because of their small size exacerbates further the issue of high transport costs. Long distances from the world's centres of trade and commerce also imply higher uncertainties of supply, due for example to time delays, and additional production costs due to the need to keep large stocks in order to be able to respond to sudden changes in demand when transport is infrequent and/or irregular.

2.3.2 Social

Small populations

Smaller populations lead to high per capita fixed costs, capacity constraints and diseconomies of scale. These problems are compounded further by the migration of both skilled and semi-skilled nationals to developed countries.

According to Bedford and Hugo (2011), recent estimates suggested that by 2010 there would be around 850,000 people of Pacific Island ancestry living in Australia (150,000), New Zealand (350,000), the USA (300,000) and Canada (50,000). This figure is far larger than the current estimate of the total population of Polynesia, where most of these migrants would have come from.

Limited institutional and human capacity

Limited and weak institutional and human capacity negatively affects the growth and development of any country. Given their small and dispersed populations, small states tend to lack an adequate and skilled labour force and the appropriate infrastructure to support growth.

This also leads to limitations in their ability to negotiate complex transactions. Foreign investors and developing country governments alike prefer to negotiate certain important aspects of complex and multifaceted transactions, such as mergers and acquisitions, foreign direct investment and extraction of natural resources. Such negotiations usually require specialist negotiation skills, a multidisciplinary team of specialists and, quite often, the engagement of external experts. They tend to be time-consuming and expensive and may absorb major staff resources, limiting the government's ability to deliver on other important services.

2.3.3 Economic

Limited size of domestic market

As a result of their small sizes and populations, small states tend to have limited capacity to exploit scale opportunities and attract investment both from within and from outside the country. This also gives them less favourable access to global capital. For a developing small state, given its limited domestic demand (sometimes compounded by foreign currency constraints, including currency convertibility and a thin liquidity market), the export market will usually determine the commercial viability of any meaningful investment.

Openness

Economic openness can be measured as the ratio of international trade to gross domestic product (GDP). A high degree of economic openness renders a country susceptible to external economic conditions over which it has no direct control. Economic openness is to a significant extent an inherent feature of an economy, conditioned mainly by (a) the size of the country's domestic market, affecting the exports-to-GDP ratio, and (b) the country's availability of resources and its ability to produce efficiently the range of goods and services required to satisfy its aggregate demand, affecting the imports-to-GDP ratio. As a result, small states must necessarily achieve a high degree of trade openness to allow producers to sell their goods and services in international markets and to be able to import the needed goods and services, especially those connected with energy and food. Countries with a relatively small domestic market have very few options but to resort to exports, and those with limited natural resources tend to be highly dependent on imports. Although participation in international trade is desirable, active participation tends to expose a country to exogenous shocks over which it has relatively little or no control. Investors would not have confidence in such a market characterised by sudden and unpredictable fluctuations emanating from international markets.

High and rising debt burden

One of the major challenges facing small states is unsustainable debt. This situation has been precipitated by a waning of concessional finance for small states since the early 1990s, and by successive environmental and economic shocks, including but not limited to hurricanes (Caribbean), oil and food price crisis (2007/08) and the 2007 global financial crisis.

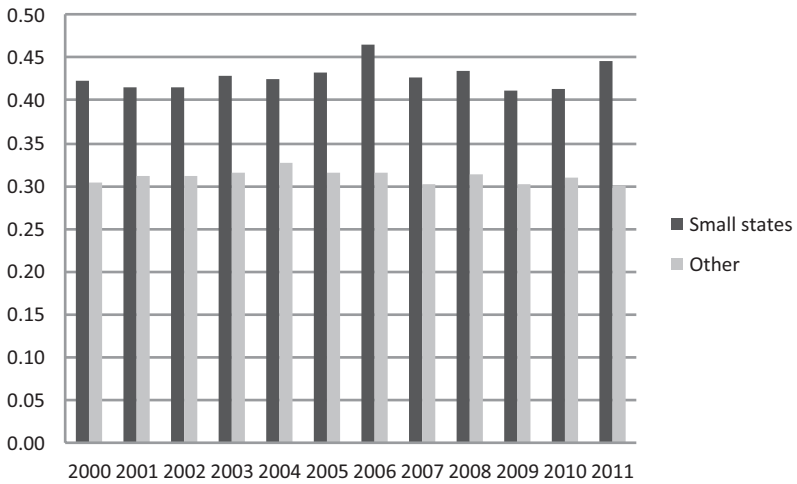
The majority of small states are middle-income countries, with a few high-income countries, such as Barbados and Seychelles. Because of their high GDP per capita, most small states have not benefited from heavily indebted poor countries (HIPC) relief, which is granted to low-income countries. Only one Commonwealth small state has been granted HIPC relief: Guyana. As a result, small states have been forced to source finance from commercial and multilateral sources at high costs (poor access to concessional finance) and their debt has ballooned to unsustainable levels. Low output growth in the light of reduced export demand and some fiscal laxity have also contributed.

Export concentration/lack of diversification

Dependence on a narrow range of exports gives rise to risks associated with lack of diversification and limited import substitution possibilities, and therefore exacerbates the vulnerability associated with economic openness.

Again, this condition is to a large extent the result of inherent features in the production base of an economy; small size restricts a country's ability to diversify its production base and exports. It is evident from Figure 2.1 that import and export concentration in many small states, which are largely developing countries, is higher than that of developed countries, which comprise the majority of the other countries.

Figure 2.1 Concentration index of Commonwealth countries 2000–11



Source: World Bank (2013)

Export and import concentration has another dimension in that most small states depend on a narrow range of countries with which they trade; for example, the commodity sector in the Pacific and the tourism sector in the Caribbean and the Indian Ocean. The lack of diversification (Figure 2.2) motivates governments to levy exorbitant tax rates on these few sectors to maximise revenue. Export concentration would also inhibit investors wishing to move into a country.

Narrow economic base

Such states tend to have a relatively narrow economic base, comprising just a handful of industries because they have limited resource endowments and entrepreneurial capacity. With the exception of Namibia, Swaziland, Botswana and Lesotho, which have vast land masses, most small states have very few natural resources on which to base their economies compared with their developmental counterparts (Table 2.1). Their fragmented geography also makes it more difficult and costly to extract these resources.

Close dependency on the global economy

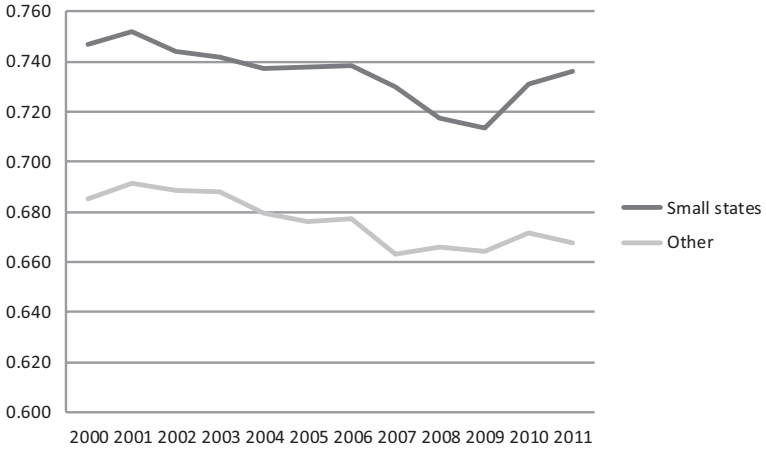
Given their small, open economies, developing small states are critically dependent on their integration with the rest of the world for economic development. Small states heavily rely on trade with the rest of the world as a result of their capacity constraints. This limits their control over external shocks.

Small states' economies are more open than any others, with international trade in goods reaching as high as 88 per cent of GDP in 2008 (Figure 2.3).

Dependency on strategic imports

Crucially, small states rely more on food and fuel imports than other groups of countries. Food was 20.6 per cent of goods imported to Pacific small island states in

Figure 2.2 Diversification index of Commonwealth countries 2000–11



Source: World Bank (2013)

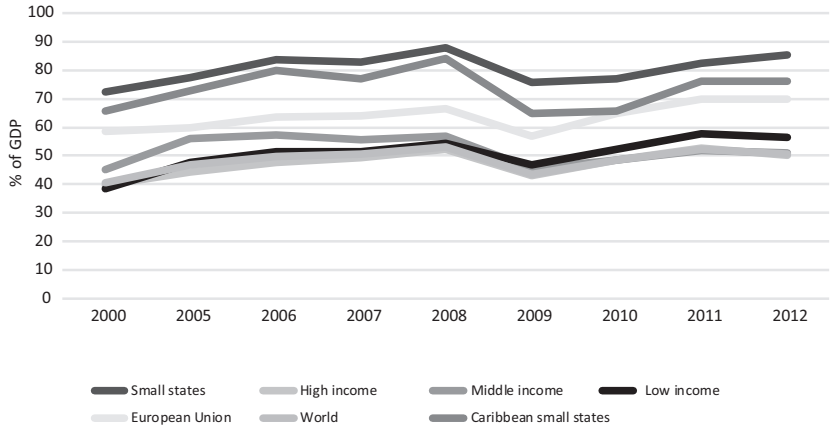
Table 2.1 Natural resource endowments in Commonwealth small states

Country	Natural resources
Antigua and Barbuda	Negligible; pleasant climate fosters tourism
The Bahamas	Salt, aragonite, timber, arable land
Barbados	Petroleum, fish, natural gas
Belize	Arable land potential, timber, fish, hydropower
Botswana	Diamonds, copper, nickel, salt, soda ash, potash, coal, iron ore, silver
Brunei Darussalam	Petroleum, natural gas, timber
Cyprus	Copper, pyrites, asbestos, gypsum, timber, salt, marble, clay earth pigment
Dominica	Timber, hydropower, arable land
Fiji	Timber, fish, gold, copper, offshore oil potential, hydropower
Grenada	Timber, tropical fruit, deepwater harbours
Guyana	Bauxite, gold, diamonds, hardwood timber, shrimp, fish
Jamaica	Bauxite, gypsum, limestone
Kiribati	Phosphate (production discontinued in 1979)
Lesotho	Water, agricultural and grazing land, diamonds, sand, clay, building stone
Maldives	Fish
Malta	Limestone, salt, arable land
Mauritius	Arable land, fish
Namibia	Diamonds, copper, uranium, gold, silver, lead, tin, lithium, cadmium, tungsten, zinc, salt, hydropower, fish; *note:* suspected deposits of oil, coal, and iron ore
Nauru	Phosphates, fish
Papua New Guinea	Gold, copper, silver, natural gas, timber, oil, fisheries
Samoa	Hardwood forests, fish, hydropower
Seychelles	Fish, copra, cinnamon trees
Solomon Islands	Fish, forests, gold, bauxite, phosphates, lead, zinc, nickel
St Kitts and Nevis	Arable land
Saint Lucia	Forests, sandy beaches, minerals (pumice), mineral springs, geothermal potential
St Vincent and the Grenadines	Hydropower, cropland
Swaziland	Asbestos, coal, clay, cassiterite, hydropower, forests, small gold and diamond deposits, quarry stone, talc
Tonga	Fish, fertile soil
Trinidad and Tobago	Petroleum, natural gas, asphalt
Tuvalu	Fish
Vanuatu	Manganese, hardwood forests, fish

Source: Nationmaster (2008)

2010, compared with 10.4 per cent for sub-Saharan Africa, 7.2 per cent for middle-income countries and 7.6 per cent for high-income countries (Table 2.2). This dependency poses a great risk for small states, in that any price and supply shocks in the international market will be directly transmitted to their economies.

Figure 2.3 International trade in goods (% of GDP)



Source: World Bank (2013)

2.3.4 Environmental

Susceptibility to natural disasters

Many small states are in regions with a high susceptibility to natural disasters and ecological threats such as tsunamis, cyclones, volcanic eruptions, earthquakes and floods. In recent years, many small states have experienced at least one of these

Table 2.2 Food and energy imports (% of goods imported)

Goods	Countries	2010	2009	2008	2007	2006	2005	2000
Food	European Union	8.8	9.6	8.2	7.8	7.5	7.9	7.7
	High income	7.6	8.2	6.9	6.7	6.5	6.8	7.0
	Middle income	7.2	7.5	6.8	6.3	5.7	6.0	7.0
	Low income	14.6	15.4	15.4	15.4	14.3	13.6	15.0
	Sub-Saharan Africa	10.4	12.1	10.5	11.4	11.1	10.2	12.2
	Small states	**16.9**	**17.6**	**15.0**	**15.3**	**14.6**	**15.4**	**15.4**
	Pacific island small states	20.6	23.4	19.1	18.0	16.4	16.7	15.2
	Caribbean small states	16.2	15.6	12.8	13.0	12.5	13.3	13.9
	Other small states	19.1	19.1	17.1	17.7	16.9	17.8	17.1
Fuel	European Union	13.9	12.5	14.6	11.4	12.6	11.8	8.9
	High income	15.8	14.9	17.9	14.1	14.8	13.7	9.9
	Middle income	15.5	14.7	17.4	15.1	15.0	14.1	12.3
	Low income	16.3	15.7	16.4	16.4	17.5	15.1	16.0
	Sub-Saharan Africa	16.4	15.2	17.7	16.0	16.4	15.2	14.1
	Small states	**22.1**	**19.5**	**24.5**	**21.0**	**20.7**	**20.2**	**14.5**
	Pacific island small states	27.4	23.3	31.5	29.8	28.8	26.4	8.0
	Caribbean small states	25.4	24.5	30.8	25.2	25.7	26.4	19.7
	Other small states	13.1	12.3	15.4	14.4	13.2	11.7	9.2
Food and fuel	**Small states**	**39.0**	**37.1**	**39.5**	**36.3**	**35.3**	**35.6**	**29.9**

Source: World Bank (2013)

disasters and, in some cases, rising sea levels have threatened their entire livelihoods. This development has exacerbated the risk and uncertainty that such small states have normally been associated with and has minimised their attractiveness to foreign direct investment at the same time. The above factors make it more unlikely that investors will favour small states for investment, and, if they do, the high risk associated with these countries is factored into any contractual agreements with the host government to the benefit of the investor.

Sea level rise

The impact of sea level rise will not be the same across all small island developing states (SIDS), as the oceans will rise at different rates and have differing impacts, but some common issues will be an intensified risk of coastal erosion and an increased likelihood of flooding in low-lying and coastal areas. This will have a great impact on these communities, given that some critical infrastructure such as ports and road networks, as well as many homes, is on or near the cost. Similarly, sea level rise can harm the livelihoods of those who fish in the ocean; the salinity and temperature changes may lead some fish to migrate, affecting the stocks available (Rubenstein 2011).

Coral bleaching

The coral reefs in small island states and other tropical countries are a source of livelihood, predominantly fishing (UNFCCC 2005) and tourism, as well as coastal protection and subsistence food. Thus, they are an important resource for these communities (IPCC 2014). Coral bleaching, whereby the increase in greenhouse gases has raised the temperature of the oceans higher than many coral reefs can withstand, is not always fatal (Hoegh-Guldberg 2011) but can lead to mortality, especially when combined with other factors such as ocean acidification. Mass coral bleaching has already been recorded in the Phoenix Islands of Kiribati in 2002/03, with nearly 100 per cent mortality in the lagoon (IPCC 2014). This phenomenon, coupled with sea level rise, will have serious consequences for many small states in terms of resilience and livelihood. Antigua and Barbuda, for example, through a 10 mm sea level rise per year, could see their mangrove forest disappear even faster than now, potentially by as early as 2030 instead of the current projection of 2075 (UNFCCC 2005).

2.4 Key issues on migration and development in small states

The debate on migration and development covers a wide range of topics and issues, all of which affect countries either directly or indirectly. How these priority issues are viewed by decision-makers influences the implementation of policies and the actions taken in both the recipient and source countries in the area of migration. The following issues were the focus of the policy studies commissioned by the Secretariat and the discussion that ensued at an experts meeting in July 2012 (see Appendix 2.1 for more details):

- brain drain and brain circulation;
- size (in terms of both population and land mass);

- impact of remittances;
- the role of the diaspora community;
- international recruitment;
- temporary/circular migration schemes;
- intra-country/regional migration (South–South) or free movement within regional trade agreements;
- environmentally induced migration;
- irregular migration, human trafficking and forced migration.

2.4.1 Brain drain and brain circulation

Brain drain

The notion of 'brain drain', associated with the migration of highly skilled individuals, is the most commonly cited negative consequence of migration on development. According to Clemens (2009), the pejorative phrase 'brain drain' was first used by journalists in the 1960s about emigrating British scientists. Until recently, it has been used to refer to the migration of a country's 'best and brightest', but particularly migration from poorer to richer countries, whether or not that migration is actually measurably a 'drain' on that country's development.

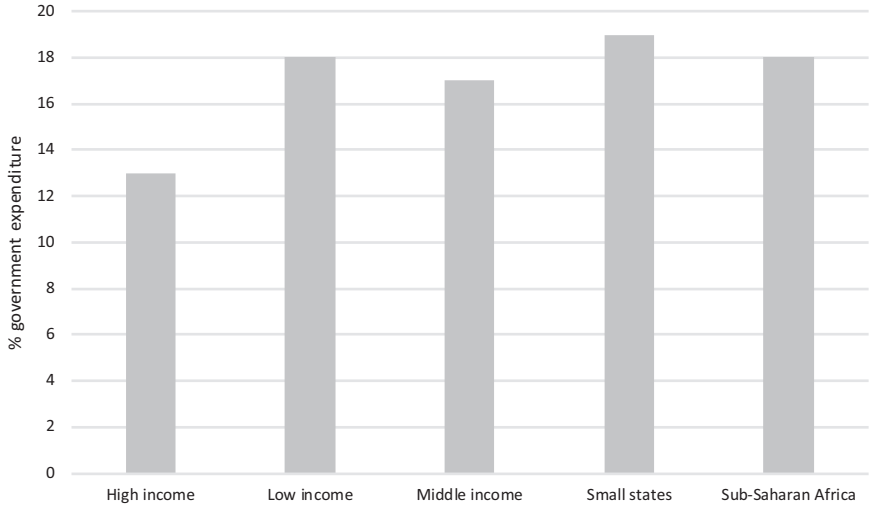
As migration trends show, skilled individuals are likelier to migrate, thus leading to a brain drain or negative impact on the domestic capacity of the sending countries, and overall contributing to lower productivity and reduced economic growth. The source country also loses in terms of the public expenditure on the education and social welfare of the emigrants.

Small states commit a significant proportion of government expenditure to public education compared with other country groups (Figure 2.4). Brain drain, therefore, presents a significant loss to small states' governments, which already have capacity constraints in the public sector. As this trend continues, individuals tend to train for particular skills for which there is a high demand in receiving countries, with the aim of migrating at the expense of crucial sectors in sending countries.

In small states, and in many developing countries, citizens with tertiary education constitute a much smaller percentage of the workforce than in, for example, the EU, making their skills and services much more difficult to replace once they leave. It has been estimated that at least one third of researchers and engineers from developing countries nowadays work in Organisation for Economic Co-operation and Development (OECD) countries. With higher average productivity, the majority of scientific and technical results attributable to citizens of developing countries are achieved and made use of in the global North.

From Figure 2.5, it is clear that a large proportion of emigrants from small states have tertiary education, compared with their counterparts from other developing countries. These countries experience much higher levels of migration (43 per cent) than the overall migration rate (15 per cent) (Beine et al. 2008).

Figure 2.4 Total public expenditure on education (% of government expenditure), 2008



Source: World Bank Data Bank (2013)

Some sectors are more sensitive to brain drain than others. Health and education sectors are often the worst hit, but losses are also significant in areas such as engineering and applied sciences. The flow of health workers, partly as a result of active recruitment by developed countries, is a symptom of deeper-seated problems in these developed countries, which have failed to plan and retain sufficient nurses from their own sources. Jamaica, for example, lost nearly 1,000 teachers to the UK between 2001 and 2003.

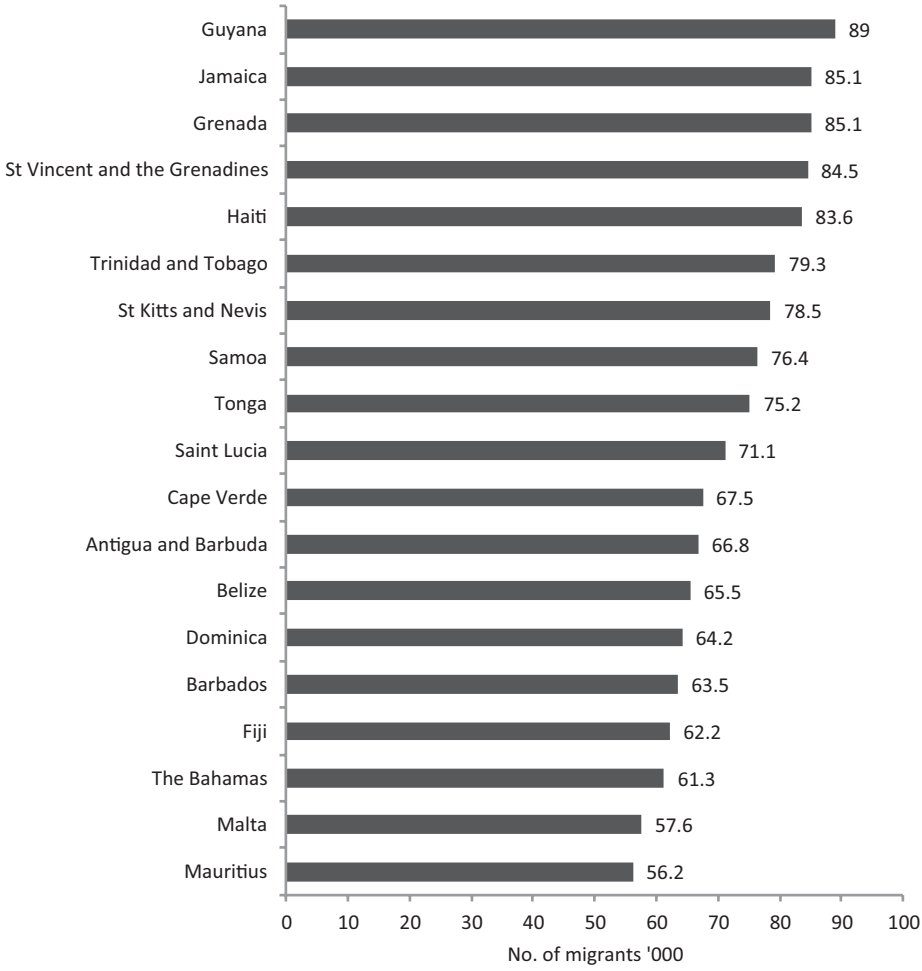
For small states, brain drain compounds the existing capacity problems that these countries encounter in providing social services. Brain drain means the loss of years of expensive educational investment, much of it state-funded, to developed countries.

Brain circulation

Increased mobility in the form of temporary and return migration makes it more accurate to speak of 'brain circulation' and 'professional transience' rather than 'brain drain'. More recently, the term 'brain drain' has fallen out of favour and been replaced by more positive terms such as 'brain circulation', as a number of migration scholars (e.g. Calí 2008; Clemens 2009; Skeldon 2005) have questioned the validity of the term; they ask whether the migration of highly skilled individuals really constitutes a 'drain' on their country of origin, or that migration is actually helpful for development through, for example, increased remittances or greater circulation of ideas and investment. These optimists have mainly looked at:

- the potential of remittances from highly skilled migrants;
- opportunities for international trade and investment enlarged by migrants' international connections;

Figure 2.5 Emigration rate of the tertiary educated (number of migrants, thousands), 2000



Source: World Bank (2011)

- the prospects of migrants contributing to the development of their home countries through transfer of skills;
- greater uptake of education encouraged by the prospect of migration abroad;
- a lack of evidence that highly skilled migration is a cause (rather than a symptom) of economic underdevelopment.

For small states, however, the challenge of utilising the contributions from the diaspora is huge because of their structural and inherent vulnerabilities. Their small markets and lack of diversification mean that there is little incentive for the diaspora communities to return and/or invest in their countries of origin.

Most international organisations encourage active utilisation of talent from the diaspora for technical assistance programmes, which is likely to be more cost-effective

and of higher quality (for the jobs concerned) than sending technically qualified expatriates.

2.4.2 Population (size)

Small states tend to be worse affected by migration than other developing countries because they lose a greater percentage of their population than other developing countries. For example, India's 1.4 million emigrants in 2000 were approximately 0.13 per cent of India's population. On the other hand, Tonga's 10,000 emigrants in 2000 amounted to 10 per cent of the population. This contributed to an evident net decline in the country's population from 100,000 in 2000 to 99,000 in 2005. Tonga lost a further 8.1 per cent of its population, or 8,000 people, in 2005. The 2000 and 2005 net migration figures show that, on the whole, small states have been net source countries for migrants, with countries such as Guyana, Fiji, Grenada, Samoa, Tonga, and St Vincent and the Grenadines losing over 10 per cent of their populations to migration.

There is a clear negative relationship between population size and emigration, with small states being the worst-affected group of countries. The absolute net migration figures for small states are substantially lower than those for other country groups, because of their population numbers. When depicted as a percentage of total population, the picture is completely different. In 2012, for instance, the net migration figures as a percentage of population were –3.1 per cent for Pacific island small states, –1.8 per cent for Caribbean small states and –1.1 per cent for all small states, compared with only –0.4 per cent in low-income, –0.3 per cent in middle-income and 1.6 per cent in high-income countries. It is therefore clear that small states are losing more people than any other country group, making it increasingly difficult to overcome the challenges of size mentioned earlier on in this chapter.

2.4.3 Impact of remittances

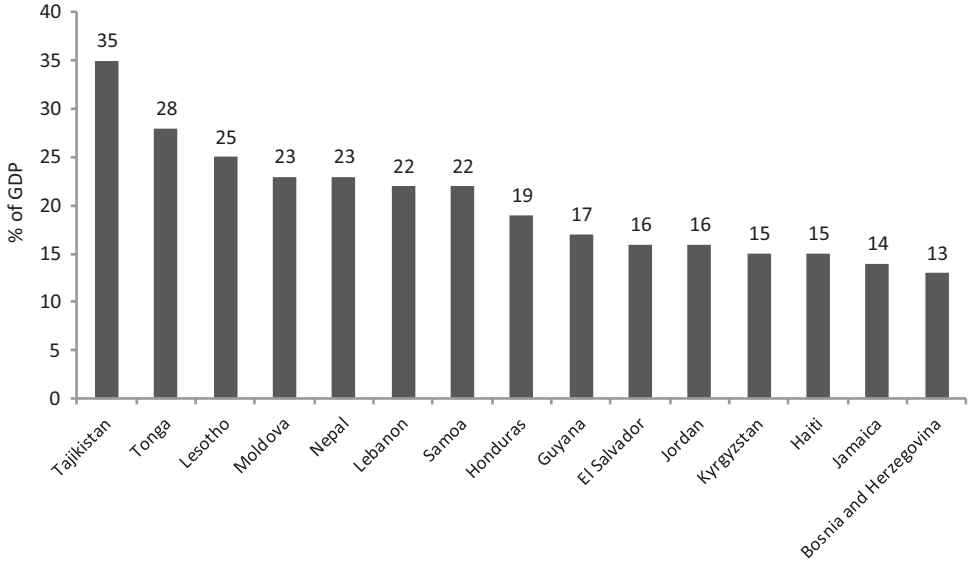
Remittances form a significant flow of money into several developing countries, often exceeding official aid. As per Figure 2.6, this is especially true of small island states. In 2009, there were four small states, namely: Tonga, Lesotho, Samoa and Guyana, in the

Table 2.3 Net migration figures

Countries	Population	Net migration	%
Small states	29,141,492	–314,967	–1.1
Pacific island small states	2,252,782	–70,548	–3.1
Caribbean small states	6,968,753	–122,794	–1.8
Other small states	19,919,957	–121,625	–0.6
Low income	846,454,901	–3,646,548	–0.4
Middle income	4,897,806,389	–13,344,656	–0.3
High income	1,302,107,523	16,941,482	1.3
Sub-Saharan Africa	911,126,155	–1,524,836	–0.2

Source: World Bank (2013) and author's calculations

Figure 2.6 Top remittance-receiving countries (% of GDP), 2009



Source: World Bank (2011)

top ten of top remittance-receiving countries as a percentage of GDP. For example, in 2008, remittances per head of population in the Caribbean countries were $826 in Jamaica, $760 in St Kitts and Nevis, $659 in Barbados, $603 in Grenada, $412 in Dominica, $365 in Guyana and $305 in Antigua and Barbuda. These figures are far higher than those of other developing countries in general. During 2000–09, small states received remittances equivalent to 7.2 per cent of their GDP, compared with just under 2 per cent for developing countries over the same period (Feeney et al. 2013).

There is also a tendency of remittances to be countercyclical; that is to say, senders increase flows of remittances during bad times in their home countries and thereby provide some sort of economic stability when the economy is going through a fiscal crisis or slower growth. This is so because, during such a period, the exchange rate for the domestic currency is usually much higher in countries from which migrants are sending the money, so migrants expect higher returns from their money.

By their countercyclical nature, remittances reduce the threat of macroeconomic volatility, which can harm business confidence and reduce growth. It would therefore seem that remittances play a greater role in the growth of small states than in other developing countries.

There are a number of policy challenges related to remittances. Remittances give developed countries added policy leverage over developing countries, since policies in the former can affect the volume of flows to the latter. In countries such as Bangladesh, high remittances flows have created a liquidity overhang in the domestic financial markets and speculative outlays in real estate and other asset markets, creating bubble-like asset price pressures. It has also created appreciation pressures on the exchange

rate. In sub-Saharan Africa, remittances are associated with high transaction costs, stemming partly from lack of competition, regulatory barriers, lack of awareness of what remittance channels are available and their relative cheapness, and lack of access to banks. There is also the need to use remittances for more productive purposes, although one should not overlook the fact that remittance consumption sometimes dismissed as 'unproductive' can go towards financing schooling for children.

However, the underlying challenges that small states face have proven to be too much for these countries to register meaningful gains from remittances. Their large informal sectors, small markets, high transaction costs, narrow economic bases, environmental vulnerability and non-existent migration policies mean that small states find it difficult to reap the full benefits from remittances. Further analysis is therefore required to learn and understand the channels and mechanisms through which remittances may be channelled to achieve meaningful levels of growth and development in small states.

In addition, countries need to strengthen the capacity of the domestic financial markets and ease capital account restrictions on residents investing funds abroad. To reduce the transaction cost for remittances, there needs to be increased transparency and competition, consumer protection and the support of a sound, predictable regulatory framework. Investment opportunities should also be developed in receiving countries to maximise the benefits from remittances. This may include aiding micro-finance initiatives, especially in rural areas, and encouraging investment in small and medium-sized enterprises.

2.4.4 The role of diaspora communities

Many diaspora networks have been established to promote continued links among migrants and with their communities or countries of origin. Technology investments and venture capital from the diasporas can contribute to increased trade flows between sending and receiving countries. Developing countries are adopting innovative approaches such as 'virtual return', which helps members of the diaspora contribute to the development of their countries through acquired skills and knowledge, and local infrastructure investment ventures.

Return migration

This notion is closely related to diaspora engagement and refers to the movements of emigrants back to their home country to resettle (Gmelch 1980). The rapid spread of globalisation, coupled with transformations in transport and information and communication technology, has drastically changed the landscape of human mobility into a far more complex and multidirectional phenomenon. Migrants are now making multistop journeys, unlike the traditional one-time journeys, and there is a significant increase in inter-regional/cross-border and circular migration, which should not be confused with return migration. Instead, return migration should be associated with a degree of permanency for returning residents.

Return migration can help reverse some of the adverse effects associated with the emigration of skilled and highly skilled workers such as doctors and nurses.

In addition, some workers may acquire knowledge and skills abroad which may be transferred and used productively upon their return to their home countries. Returning migrants could also use their savings to set up businesses and thereby generate wider developmental benefits for their communities in their home countries.

In small states, as in most of the developing countries, there are 'push' and 'pull' factors that facilitate the process of return migration. The main pull factors for return migration are a higher marginal utility in the country of origin; a higher purchasing power in the country of origin; and the accumulation of skills and human capital, which in turn would give a higher return in the country of origin (Oomen 2013). The main push factors are forced movement from receiving countries; unfavourable migration policies in receiving countries; and worldwide uncertainties such as the recent global financial crisis.

In recent years, various contributions to the literature have asserted a positive relationship between return migration and development, as the human and financial capital acquired is typically considered a crucial catalyst for growth. Many countries are actively formulating policies and creative conducive environments that would go beyond a 'virtual' contribution of the diaspora community to 'pull' them to return home. The internet is fast becoming the most effective medium of communication for the diaspora and for the construction of social networks within diaspora groups. There are numerous expatriate websites and databases for Africans abroad that promote social networking and provide information on sending remittances or investing back home. Embassies too are increasingly registering skilled professionals in the diaspora. The Planning Institute of Jamaica does this to help identify expatriate professionals to fill knowledge or skills gaps in Jamaica.

However, the underlying inherent vulnerabilities of small states deter their diaspora communities from returning home or contributing virtually. The diaspora 'capital' has a different scale, technology base, institutional and human capacity, and governance requirements that are not always available in small states. In other words, small states are not well endowed and structurally prepared to absorb both the virtual and direct contributions from their diaspora communities. Given their small size and institutional incapability, small states do not always have the enabling environment and mechanisms to embrace their diasporas, whose members are likely to have been exposed to higher standards of human capital and service delivery during their time abroad. The diaspora will invest in the home country only if there is a vibrant and buoyant economy and secure financial instruments in which the members can invest. Trust in the governing system and the existence of a conducive environment for investors are essential prerequisites for investment from nationals living abroad. Once these are in place, the diaspora can further contribute to the home country in various ways. In small states, however, these are not always available.

2.4.5 International recruitment

Since the 1950s, skilled workers have been recruited from developing countries to work in priority areas in developed countries. As a cost-saving measure, and without addressing the root causes of labour shortages in critical areas, developed countries tend to engage in the international recruitment of specific skilled groups.

At the moment, there is uncertainty in policy discussions between the rights of developing states, including small states, to retain their skilled workers, and the rights of the skilled individuals themselves to move. To a great extent, evidence suggests that skilled persons train with a view to migrating, and that emigration by individuals in professional sectors can give more people an incentive to invest in training in those sectors, even if this does not equal a net 'brain gain' (Buchan et al. 2009).

For small states, recruitment from select sectors creates 'shocks' to the capacity of those sectors which are directly and indirectly affected, and erodes the efforts made to develop those sectors, often at a higher cost than other developing countries. This also contributes significantly to the erosion of confidence, leading to further migration, preventing return and reducing trust in the system as a safe place for financial investment (Thomas-Hope 2011).

In these countries, recruitment of skilled workers tends to have a devastating impact on the effective delivery of crucial services to the public. Commensurate with their human and institutional capacity constraints, challenges that these countries encounter are worsened by any form of international recruitment, whether induced or voluntary. Several studies have also revealed that a higher percentage of migrants from small states than from other developing countries have tertiary education (World Bank 2011). International recruitment exacerbates the enormous public cost of training professionals in small states because these countries have fixed costs.

There have therefore been calls to develop, adopt and enforce ethical standards for international recruitment. The effectiveness of controls on the recruitment of health professionals (the so-called 'ethical recruitment' policy) as advocated by the United Kingdom has been limited. There have been continuing inflows of nurses from some of the poorest countries in sub-Saharan Africa (Malawi and Swaziland), from which the UK's code of practice prohibits direct recruitment. Although some recruitment codes originate in recruiting countries, there is no designated body that regulates or monitors recruitment in the source country.

In addition, source countries may wish to regulate private recruitment agencies operating in their countries to ensure that their citizens are not duped, hold pre-departure seminars to brief migrating workers, protect migrant workers abroad through schemes and develop a recording mechanism to identify emigrants.

2.4.6 Temporary/circular migration schemes

Seasonal migrants are another feature of international migration. The International Organization for Migration's World Migration Report (IOM 2008) defines circular migration as 'the fluid movement of people between countries, including temporary or long-term movement which may be beneficial to all involved, if occurring voluntarily and linked to the labour needs of countries of origin and destination'.

One example is that of Mexican and Jamaican agricultural workers being able to work on a temporary basis in Canada through a formal circular migration programme

(Box 2.1). Seafarers from Pacific countries such as Tuvalu and Kiribati crew vessels for international shipping companies from North America and Europe. Large numbers of Fijian men are recruited by private companies to work as soldiers, security guards, truck drivers and labourers to work in or near the conflict zone of Iraq. Fijians also serve in the British army.

According to Agunias and Newland (2007), temporary migration programmes have been described as 'triple-wins' in that, firstly, they allow destination countries to fill labour needs quickly; secondly, countries of origin gain from remittances without losing their productive population forever; thirdly, migrants benefit from the opening up of legal, state-supported migration routes.

Within the Pacific region, Australia has traditionally not supported programmes to bring low-skilled seasonal workers to Australia. The negative response of the Australian government could be due to the popular dislike for 'cheap foreign labour' from Asia or the Pacific and the entrenched belief within the governments of Australia and New Zealand that there is value from the migration of only highly skilled or capital-rich migrants. There is also a strong view that temporary low-skilled migration causes a lot of costs for the receiving country, so there is more support for permanent than short-term migration. Another argument is the fear that temporary workers will overstay their visas and 'disappear' into the community (adding to the stock of undocumented migrants). However, a 2006 World Bank study notes that a temporary scheme in the Pacific region (Box 2.2) has the potential to significantly ease the seasonal labour shortages that hold back the horticultural industries in Australia and New Zealand and to add symbolic value as a gesture of goodwill by the region's two major powers towards their Pacific neighbours.

Box 2.1 Seasonal Agricultural Workers Program

The Canadian Seasonal Agricultural Workers Program (SAWP) is a temporary migration programme which involves multilateral co-operation between governments of source countries (mainly Caribbean small states)[1] and the Canadian government. SAWP's success is due to its responding to legitimate labour shortages in the economy as well as its formal structure, which ensures that all the key players are engaged and that the workers' rights are clearly understood, outlined and enforced through agreements, memoranda of understanding, and operational guidelines. As they do not need to pay recruitment or smugglers' fees, even the poorest of Caribbean workers can gain employment through this programme. It has allowed many workers to support their families through the compulsory home savings and to develop their knowledge and understanding of farming techniques.

Source: Ministry of Labour, Government of Barbados, n.d.

Box 2.2 Recognised Seasonal Employer Policy

The Recognised Seasonal Employer (RSE) Work Policy is a temporary labour scheme that was established in 2007 to cater for shortages of labour in New Zealand's agricultural sector. This policy facilitates the temporary entry of additional workers from overseas (especially from the Pacific small states) to plant, maintain, harvest and pack crops in the horticulture and viticulture industries to meet these labour shortages in order to remain competitive with the rest of the world.

An evaluation of the scheme during the first few years indicates that, overall, there were success stories in most aspects of the scheme. This success was mainly attributed to the relationship-based approach that has underpinned the development and implementation of the RSE.

Immigration risks were successfully managed, with fewer than 1 per cent of the RSE workers who were in New Zealand between April 2007 and January 2009 overstaying. Displacement of New Zealand workers was reported by just one employer, due to overestimation of the number of overseas workers required.

There are some implementation issues that still need to be worked through. They include recruitment lead-in time, accommodation and dispute resolution for workers. Some of these issues have had a negative impact on worker and employer experiences.

Although the RSE policy is described as a 'win–win–win' arrangement for the horticulture and viticulture industries, Pacific workers and Pacific states, the findings indicate that, during the first year of the policy, the industry 'win' dominated. Whereas Pacific states have benefited from remittance incomes, the enthusiasm of their communities and a number of satisfied workers, they have also had to manage the problems of unfulfilled expectations among workers and communities, and pressures from oversubscribed work-ready pools.

It is recognised that the employer is the primary driver of RSE, but the workers' goals and interests must also be considered if the employer is to gain ongoing access to trained workers. This balancing will require continual oversight and management by New Zealand government officials and industry leaders in the immediate to longer term. It also requires key participants to come to a shared set of understandings of the different positions and be willing to compromise.

Source: Ministry of Business, Innovation & Employment, New Zealand, n.d.

For small states, however, it must be noted that the inherent structural vulnerabilities pose a significant threat to the success of these schemes. As the purpose for these schemes is mainly re-investment, failure to address the underlying challenges – in institutional capacity, governance issues, scale opportunities and conducive business and investment environments – may result in workers' remittances and savings being

diverted elsewhere at the expense of sending countries, some of which spend their limited resources on administering these schemes.

2.4.7 Free movement within regional trade agreements

The European Economic Area allows citizens of signatory countries to enter any EU member states, with no restrictions on the freedom to provide services. It enables workers to stay or move freely within the EU (except for those in public services). The Caribbean Single Market and Economy (CSME) allows labour to 'move freely' within the Caribbean Community (CARICOM) region. This free movement of labour is currently limited to university graduates, media workers, cultural workers and workers associated with the rights of establishment of businesses in other CARICOM countries. In response to the problem of high unemployment in the Pacific region, Pacific island countries have made gaining greater access to the labour markets of Australia and New Zealand an explicit policy goal and a key element in regional trade negotiations. Historically the Southern African Customs Union (SACU) countries were dominated by migrant labour to the South African mines. That situation has, however, changed quite drastically as a result of restructuring in South Africa. These changes have to do with increased mechanisation, and relatively high mine wages that now attract South African citizens.

Migration is incorporated in Article 13 of the political dimensions chapter of the Cotonou Agreement and is essentially a new area of co-operation between the EU and the African, Caribbean, and Pacific Group of States (ACP). According to Article 13, migration issues are to be 'the subject of in-depth dialogue in the framework of the ACP–EU partnership'. The focus of the article is clearly connected to EU priorities on immigration and asylum, one of the most dominant and politicised issues in the domestic affairs of EU member states. The inclusion of migration in the Cotonou Agreement was the result of pressure from some EU member states which sought to improve the effectiveness of their immigration policies through the use of external relations instruments. Article 13 of the Cotonou Agreement provides a basis for multilateral co-operation between the EU and ACP on migration and allows individual EU member states to negotiate bilateral agreements with ACP states. A key question is the compatibility of migration policies implemented through the Cotonou Agreement with the overall aims of the agreement. The degree of compatibility between migration policies and development objectives would depend on how migration issues are addressed and on what policy links are made between migration and development. It is unlikely that policies limited to preventing illegal migration from the ACP to the EU would benefit development. The possibility that co-operation on migration could become an added condition for EU aid is still present, but the legal basis for this is contentious because the Cotonou Agreement makes no mention of penalties for not co-operating.

2.4.8 Environmentally induced migration

Another form of population movement which has recently gained international prominence is environmentally induced migration. The world is presently facing a

myriad of environmental challenges, including severe drought, shoreline erosion, hurricanes and coastal flooding, that are leading to greater human mobility or 'environmental refugees'.

For small states, this issue is particularly challenging because of their structural characteristics, including geographical location and size. Migration from rural areas to cities could be one way for households to spread environmental risk, though many cities are themselves vulnerable to rising sea levels.

There is one area where climate change may be particularly significant in migration, and that is the impact of sea level rise. Five front-line states may be facing an existential challenge from climate change because of sea level rise: Kiribati, Maldives, Marshall Islands, Tokelau and Tuvalu.

A key research question is how we address the rights of those who may lose their statehood and are forced to migrate as a result of rising sea levels. Are these people in the same situation as other refugees? One difficulty is that the concept of 'environmental refugee' has no standing in international law. This is, in part, because international conventions did not foresee voluntary or forced migration induced by environmental conditions. Should this be addressed therefore through amendments to the 1951 UN Convention on Refugees, or under the United Nations Framework Convention on Climate Change? Another important challenge is estimating the potential number of environmentally induced migrants. Current estimates suggest that there will be 200 million or more migrant people by 2050. However, many of these estimates are not based on a comprehensive understanding of migration dynamics, and are derived from estimates of the numbers likely to be seriously affected by environmental events and adverse long-term changes (Kraler et al. 2011).

The loss of statehood is one extreme, but how do we also recognise the predicament of other environmental migrants or refugees when it is so difficult to identify them? At what point does a state cease to exist? What happens to residual resources? What level of compensation would (could) be appropriate for the loss of sovereignty and culture? Who would pay this compensation? Could liability ever be established? Is there another route that could be employed to ensure that front-line states and their citizens get the support they need? Indeed, what support do they need? What is the best policy strategy for front-line countries to pursue?

In a recent interview given to Television for the Environment (2009), the President of Kiribati explained that, faced with sea level rise, his government was running a parallel strategy of planned migration out of Kiribati, together with strong economic policies to maintain viable institutions that could support that strategy. Kiribati had negotiated the placement of a given number of skilled workers in recipient countries, and orientated national training institutions to deliver the requisite skills to young people. It was hoped that Kiribati could attract sufficient remittances to support its viability in the longer term, and funding to implement hard engineering solutions that could ensure that at least some islands – and therefore the Kiribati identity – could be saved.

2.4.9 Irregular migration, human trafficking and forced migration

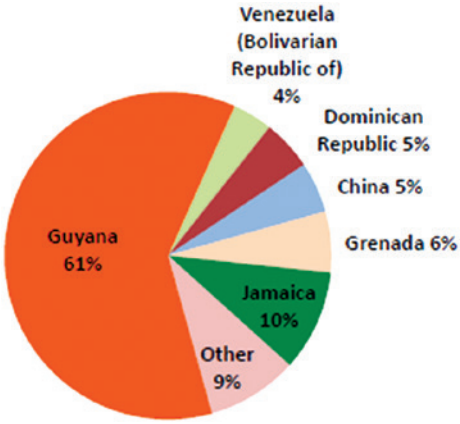
Forced migration is the involuntary movement of people due to such factors as violent conflict, environmental degradation and trafficking. Serious population displacements have occurred in the South Pacific as a result of conflicts in Papua New Guinea and Solomon Islands. Internal displacements also occur mainly because of violence within state borders. At the end of 2004 an estimated 6 million people were internally displaced in Sudan. There is a need, therefore, to strengthen conflict prevention, resolution and rehabilitation policies and increase aid to internally displaced people. Similarly, in Cyprus there are roughly 212,400 internally displaced people unable to return home, as no peace agreement has been agreed and peace negotiations have stalled. This figure represents those who have been accorded refugee status because they are resident in the section of the island controlled by the Cypriot government (Albuja et al. 2014).

Trafficking in human beings involves serious exploitation and human rights abuses. It is thought to be on the increase and is increasingly global. The main legislation in force to combat trafficking is the UN Convention against Transnational Organised Crime and its Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children. The protocol provides the following definition: '"Trafficking in persons" shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs'. Human trafficking is an issue in some small states. These countries are often source, transit and destination countries, and victims tend to be deceived with false promises of employment, with a minority coerced into becoming sex workers (US Department of State 2013; Waldropt-Bonair et al. 2013).

Illegal economic migrants also try by any means to move to developed countries and other developing countries. This is especially a problem for smaller states, such as Malta and Barbados, that do not have the resources to combat this problem. This issue is particularly prevalent in Trinidad and Tobago, with high salaries and readily available jobs enticing many migrant workers to the country (Waldropt-Bonair et al. 2013). Figure 2.7 highlights that the majority of the irregular migrants come from small states; between January 2010 and June 2012 they accounted for 77 per cent of overstayers. The irregular migrants tend to be aged between twenty and thirty, and engaged in the informal economy, working predominantly as security guards, construction workers and filling station attendants (Waldropt-Bonair et al. 2013).

Small states, lacking both institutional and human capacity, struggle to deal with these complex issues. One solution is international agreements to deal with this cross-border phenomenon.

Figure 2.7 Overstayers by nationality, January 2010–June 2012



2.5 Conclusions

This volume covers a wide range of topics on the dynamics of migration and development and how they affect small states. It provides a number of case studies and findings that are relevant for policy-makers in small states themselves and for international decision-making processes. The main findings are noted below.

Small states are unique

Various studies have been conducted on the impact of migration in almost all countries categorised as small states. However, these studies have looked at such countries broadly as 'developing countries' and not as small states. This volume goes further in distinguishing these countries, to highlight their unique structural and vulnerable characteristics that set them apart from the rest of the developing world. It emphasises that these characteristics alter how migration affects developing countries. The emerging consensus among migration stakeholders is that migration is inevitable; it is time the world shifted its focus from the negative aspects of migration to how countries could maximise the long-term benefits of it. Our contributors share the same stance and focus more on the way forwards in terms of accruing maximum benefits associated with migration at a minimal cost. This volume explains that, given their inherent vulnerabilities, small states have limited options available to them to mitigate the negative consequences arising from migration or to reap the benefits thereof. Migration poses a double whammy in that it hugely devastates the already fragmented, vulnerable social and economic landscape (which happens to most developing countries, albeit at a larger scale in terms of per capita cost) and the underlying vulnerabilities make it almost impossible for these countries to be an attractive proposition for the diaspora, either directly or indirectly.

Supporting these countries, therefore, to withstand their inherent vulnerabilities and build or strengthen their resilience remains a top priority if small states are to

stand any chance of meaningfully devising policies that would harness migration in realistic terms.

Data remain a critical constraint

Because of their capacity constraints, both human and institutional, small states face data challenges. These have been well documented in various studies but amenable solutions remain a fleeting illusion. The challenges include information technology issues such as the absence of a central information-sharing platform, leading to delays in acquiring information. Similarly, an over-reliance on external funds for national statistical organisations can mean that reform of the organisations is externally driven (Straughn 2014). Unsurprisingly, given these issues, there is a dearth of data on migration in these countries, resulting in difficulties in establishing a clear picture of the dynamics of migration. Without accurate, reliable and up-to-date data, progressive policies to tackle this issue would at best be based on estimates.

The Zero Draft Outcome Document of the 2014 Third International Conference on Small Islands Developing States (United Nations 2014) reiterates that a data revolution is needed in these countries and proposes strengthening of data systems, the establishment of national and regional information and communication technology platforms, and the establishment of a SIDS Sustainable Development Statistics and Information Programme with an emphasis on upgrading national statistical systems and mainstreaming sustainable data collection and analysis.

Note

1 Countries and year they joined SAWP: Jamaica (1966), Mexico (1974), Trinidad and Tobago (1967), Barbados (1967), the Organization of Eastern Caribbean States (Antigua and Barbuda, Dominica, Grenada, Montserrat, St Kitts and Nevis, Saint Lucia, and St Vincent and the Grenadines) (1976) and Guatemala (2003).

Appendix 2.1 Outcomes of the Experts Meeting on Migration and Development in Small States, Jamaica 2012

In considering policy options for maximising the benefits of migration for small states, experts highlighted the following actions:

Build the strategic framework for migration and development

Development policy comes first.

- Migration patterns are influenced by the economic and social opportunities of people living in small states, as well as political and environmental factors.
- International economic trends and national demographic changes need to be well understood.
- Migration policies need to be linked into broader national development needs and objectives (mainstreaming).

- Clear objectives for migration policy need to be set within the context of wider development objectives. For example, the focus might be poverty reduction, youth employment or economic development. Consider visioning exercises and the setting of measurable targets and objectives within specific sectors or to address specific challenges or problems.

Take account of national policy considerations.

- There may be a need to develop specific policies for particular groups of (potential) migrants, e.g. health professionals. This includes strategies on training, scholarships and renewal of talent internally or through migration to small states.
- The policy focuses for skilled and unskilled/semi-skilled migrants will differ.
- Consider incentives and bilateral agreements for workers to enable their return.
- Value major groups of migrating workers to ensure their retention.
- Vulnerable groups such as youth need particular attention through vocational training, support for entrepreneurship and seed financing.

Create an effective data and information system to support policy-making

- There are significant data gaps and concerns. Much of the information that is available has been collected by host countries, with a bias towards formal migration, different definitions of terms, and numerous data gaps and lags.
- Get to know your migrants and diaspora in detail. Disaggregate information by sex and age; distinguish between individual migrants and diaspora groups; and distinguish between temporary and longer-term migrants.
- Focus on areas of particular interest and concern (linked to strategic policy objectives) to produce policy-relevant cost-effective data support.
- Many small states are also host countries and it is important to understand both immigrant and emigrant flows to support decision-making in given sectors.
- Country profiling can help to clarify migration statistics and trends.
- Consider the further development of regional data systems.

Enact measures to address welfare and rights

- Consider codes of practice and their instrumental value.
- Develop legislative frameworks for recruitment of workers and for treatment of migrant workers.
- Provide training and information to potential migrants to strengthen their understanding of rights; protect them against fraudulent schemes; and provide them with options when things go wrong.
- Debrief temporary migrants about their experiences.

Create an enabling environment to maximise benefits of migration

Trade, industry and entrepreneurship are part of the picture.

- Ease of doing business is important. Take specific actions to improve the business environment.
- Trade facilitation, advice and seed financing can help to build links between international trade markets and local businesses and production.
- Link education policy to innovation strategy.
- Examine skill requirements and availability (nationally and internationally).
- Address wider labour policy concerns (retention).
- Survey remitters in some detail to examine potential diaspora interactions through trade and services.
- Prepare specific action plans to channel diaspora engagement into the economy through activities such as tourism, small business development, trade and philanthropy.

Engage with migrant experiences.

- Can temporary migration schemes be further improved and extended to other areas? A comparative study of them could be useful.
- Much of small states' migration is South–South and regional. Are regional worker mobility schemes working effectively?
- Consider nationality provisions for subsequent generations (related to continued engagement with the diaspora); and social security, pensions and other provisions for (temporary) migrants (enabling them to return home more easily).
- Consider treatment of migrants by host communities within small states to support regional and other labour mobility and attract the best.
- Consider developing schemes to encourage the return migration (temporary or permanent) of those with valued skills and knowledge and to integrate returnees effectively.

The financial and in-kind aspects of remittances need greater attention.

- Consider how remittances can best be put to productive use in small states' economies. This may require surveys at the household level to understand how remittances are used; and engagement with migrants and diaspora communities to understand their motivations with respect to remittances and other support provided. What can countries provide to diaspora communities and migrants? Consider different policy instruments to encourage productive investment and economic engagement with source countries and communities.
- Investigate the potential for diaspora bonds: how they work; their potential; and how best to direct the funds to productive use.

Build capacity and policy capabilities

Examine absorption capacity in detail.

- What is the fundamental problem: overproduction, governance, working conditions?
- An innovation policy agenda is vital to addressing absorptive capacity: work out options for brain circulation (service provision, intellectual property, mentoring).
- Examine the links between education policy, innovation/industrial policy and migration, to build relevant skills within society.

Train for migration.

- Provide training to temporary migrants before they leave, to ensure a smooth transition and to maximise benefits.
- Consider wider education strategy issues in the context of migration. Do some small states have a niche role to play in training provision? Are bonding schemes effective? What incentives can be provided to secure return migration following education overseas?

Co-operate

- A wide range of policy tools and experiences are available to strengthen benefits from migration.
- Policy skills and understanding of migration issues and policy options need to be built across different ministries.
- Intra-regional and South–South migration need more attention and analysis. They are significant but not as well understood.
- Engage with international financial institutions on development policy objectives and how migration fits within that.
- Engage with the international community to secure financing to support the effective alignment of development and migration policies.

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Chapter 3

Temporary Migration Work Programmes in the Caribbean (Jamaica and Trinidad and Tobago)

Bernard Headley and Kay Ann Henry[1]

Summary

This analysis is admittedly narrow in scope. The authors do recognise the existence of a plethora of agreements, of varying degrees of formality, that allow temporary workers from one Caribbean island nation to engage in labour contracts, at least for a while, in another. Regional, intra-Caribbean programmes of that sort, though, are small in scale. They are not generally viewed, either by labour economists or in popular perceptions, as being at the centre of the region's economic development project, as major forces propelling new highs in employment. They may advance the cause of Caribbean integration, but hardly that of spurring significant economic development.

This chapter, then, explores the multifaceted development, and the future prospects, of the three main extra-regional temporary migration work agreements/programmes seen by the region's analysts as more effectively meeting the economic development needs of participating Caribbean countries. The agreements/programmes that are of interest here are between the United States of America and Canada, as host countries for temporary Caribbean workers, and the Caribbean states of Jamaica and Trinidad and Tobago, as the sending countries.

The chapter focuses on these two Caribbean countries because of the relative ease of access to their published data as well as to other, unpublished, material. Besides, they are the most populous countries in the region, with both having greater aggregate demand than the rest of the Caribbean for multiple sources of employment; both also show the highest level of participation, relative to other Caribbean states, in the three programmes.

We explore in this chapter the backgrounds and manifest workings of the three programmes, with an eye to assessing the benefits they bring to the Caribbean, and to their best practices and the lessons learned. We report that, on balance, and all things considered, the three programmes have operated reasonably well; that they have improved the lot of the region's people, having progressed immensely in the years since Jamaican and other seasonal West Indian workers first started going up north primarily to cut sugar cane on vast Florida estates.

The programmes have been enormously beneficial in terms of remittances and community development to the home country, certainly Jamaica. The half-dozen

Jamaican workers interviewed for this study all generally spoke well and approvingly (even in a laudatory way) of the terms and conditions of their employment. Each said they would 'go up' again: they certainly wanted to. The men we interviewed were scheduled to leave the country within days for seasonal farm work in Canada and the United States. They ranged in ages between 30 and 45 years old. They were from among the rural poor and destitute, and they were each leaving behind a host of dependants. Had it not been for the opportunity of the farm work programme, they said, they would have been worse off.

However, the programmes are not without weaknesses. Both workers and employers have voiced concerns about the other; and the Jamaican government has been caught 'flat footed' when US authorities gutted, in the USA, a key supportive arm of the temporary migrant programme. We make several specific policy recommendations, largely directed at the region's governments, which we believe, if followed, could strengthen the combined three programmes.

3.1 Introduction

The growing pace of economic globalisation has created more migrant workers than ever before. Unemployment and increasing poverty have prompted many workers in developing countries to seek work elsewhere, while developed countries have increased their demand for labour, especially unskilled labour. As a result, millions of workers and their families travel to countries other than their own to find work. The International Labour Organization (ILO) reports, in October 2011, that there are approximately 175 million migrants around the world, and that 'roughly half of them are workers' (ILO n.d).

Intrinsic to the growth of the migrant worker population has been the 'revival' of temporary work programmes. The 1990s witnessed a renewal of temporary worker schemes in both Europe and North America. The schemes have tended to be small but diverse, each having its own admission criteria. They have been driven primarily by labour needs and shortages in the receiving countries for specific kinds of workers, and also by desires to curb irregular migration – notably in the 'most developed' European Union countries.

The three Commonwealth Caribbean overseas temporary worker programmes looked at for this study are administered by the labour ministries of the respective countries: Jamaica, and Trinidad and Tobago. The programmes are monitored on the ground (i.e. abroad) by a Regional Labour Board, an entity created by the Caribbean islands that send temporary workers to the USA and Canada. The programmes are:

- the United States' farm worker programme, which recruits Jamaican workers;
- the US hospitality or hotel worker programme, which recruits Jamaican workers; and
- the Commonwealth Caribbean Seasonal Agricultural Worker Programme (CCSWAP)[2], which recruits to Canada workers from Jamaica, as well as from Trinidad and Tobago.

Temporary worker programmes are immensely popular among sending-country governments. This is especially so for countries such as Jamaica and other countries in the broader region with struggling economies and large numbers of poor and disadvantaged people. Mexico, for example, is a major contributor of labour for temporary work schemes. Rights organisations within the two principal receiving countries (i.e. Canada and the USA) have, however, voiced scepticism about the programmes.

3.1.1 Overall advantages of temporary migration programmes

It is generally accepted by leading international migration monitoring agencies, such as the International Organization for Migration (IOM), that temporary labour migration programmes, especially those with repeat migration possibilities, have proven valuable to wealthy employing host countries and to the economic development of poorer, sending nations. This is especially true of schemes aligned between the host or receiving countries of the USA and Canada and sending Caribbean Commonwealth countries.

Temporary migration schemes, states a key IOM document, 'provide secure and legal migration routes to workers who might otherwise enter via irregular channels and therefore end up in vulnerable situations where they are little able to contribute to the development of their home countries' (IOM 2008: 3). Without temporary migration schemes, 'irregular channels are often the only means by which migrants from developing countries can enter developed nations' (Ibid.: 4).

However, besides discouraging irregular migrant flows, temporary labour migration programmes allow circularity of movement through seasonal, time-limited or project-based labour, especially for low-skilled workers. The programmes, moreover, generate multiplier benefits to the home country. Extensively citing the literature on the nexus between development and migration, the IOM concludes: 'Managed migration programmes which combine temporary migration of low-skilled workers with incentives for return are seen as the most realistic way of improving the development impact of migration, partly because temporary labour migrants are known to remit more than permanent migrants and also because their frequent returns can stimulate the home economy with the injection of funds and new skills' (Ibid.: 4).

Temporary migrants tend to remain more engaged with their home countries through ongoing inputs back home: into, for example, family and other small businesses, including family farming. These linkages bring social benefits in terms of maintaining family and community cohesion, as well as providing economic wellbeing. Outcomes such as these, the IOM concludes, lead to the view that temporary migration offers benefits over and beyond irregular migration, as migrants in an irregular position are 'less likely to remit funds home given lack of access to bank accounts and funds needed for expensive money transfer operations' (IOM 2008: 5). The same may also be true of regular, permanent labour migrants experiencing lay-offs and other employment challenges not normally encountered by seasonally placed temporary workers.

3.1.2 Frequently cited downsides to temporary worker schemes

The major downside to temporary overseas work programmes cited by the ILO is that temporary migrant workers 'enjoy little social protection and are vulnerable to exploitation and human trafficking' (ILO n.d.). It might be instructive to separate here the most often cited specific downsides of the US programmes from those of the Canadian programmes.

The US case

The USA currently has two guest or temporary worker programmes under which employers can import unskilled labour for temporary or seasonal work lasting less than one year. They are termed in US law the H-2A Programme and the H-2B Programme. The H-2A Programme is primarily *male only* agricultural work; the H-2B Programme is non-agricultural work, which recruits mostly women to work in the hospitality and entertainment industries.

US Congressman Charles Rangel was scathing in comments he made on CNN, in January 2007, concerning the programmes. They were, he said, 'the closest thing I've ever seen to slavery' (Southern Poverty Law Centre 2008: 2). An exhaustive 2008 examination of both programmes, by the US Southern Poverty Law Centre (SPLC), would seem to buttress Rangel's argument. The SPLC reports that, bound to a single employer, and without access to legal resources, temporary workers in the United States are peculiarly disadvantaged.

Although the H-2A and H-2B programmes offer different terms and benefits, they are similar in one significant way: both programmes permit the temporary worker to work only for the employer who petitioned the US Department of Labor for his or her services. 'If the work situation is abusive or not what was promised', states the SPLC's report, 'the worker has little or no recourse other than to go home' (Ibid.: 7). That puts the worker at a distinct disadvantage in terms of future opportunities, because his ability to return depends entirely on an employer submitting a request to the US government. 'In practical terms, [this] means that an employee is much less likely to complain about workplace safety or wage issues' (Ibid.: 8).

The SPLC (Ibid.: 9) contends that, in the situations it observed, workers were:

- routinely cheated of wages;
- forced to mortgage their futures to obtain low-wage temporary jobs;
- held virtually captive by employers or labour brokers who seized their documents;
- forced to live in squalid conditions; and
- denied medical benefits for on-the-job injuries.

Housing and the hygienic conditions under which primarily Spanish-speaking temporary workers lived also came in for harsh criticism from the SPLC. 'Guest workers aren't treated as "guests" of the United States at all. In fact, they are frequently forced to live in squalor' (Ibid.: 37). Under US federal regulations, employers hiring

H-2A workers must provide them with free housing. The housing must be inspected and certified in advance of the workers' arrival as complying with applicable safety and health regulations. In practice, however, 'the quality of housing provided to H-2A workers varies widely and is often seriously substandard, even dangerous' (Ibid.: 38).

H-2B (i.e. non-agricultural) workers have even less protection, according to the SPLC's 2007–08 investigation. There were, the SPLC reports for 2007–08, 'no general regulations governing the conditions of labour camps or housing for H-2B workers. State and local laws also generally do not cover housing for H-2B workers. In practice, this means that H-2B workers are often provided housing that lacks even basic necessities, such as beds and cooking facilities' (Ibid.: 39).

The Canadian case

Jamaica's Ministry of Labour reports that its temporary work arrangement with Canada consists of a Farm and Factory Programme. It is nonetheless Canada's Seasonal Agricultural Workers Programme (SAWP) that is most crucial.[3] In 2008, the Canadian Centre for Policy Alternatives (CCPA) completed an investigation of the SAWP, focusing on practices in the province of British Columbia (Fairey et al. 2008). The findings echo concerns highlighted about the USA's H-2 Programmes. Among them were (Ibid.: 8):

- lack of secure income, with several workers working long hours (up to 20 hours per day) for less than the minimum wage, and not receiving overtime or holiday compensation;
- vulnerability of workers to the arbitrary power of labour contractors;
- falling short in guaranteeing fundamental rights and freedoms to workers;
- concerns about safety and living conditions;
- fear among workers of losing their jobs if they complained.

The CCPA forthrightly concluded its investigation of the SAWP with the following:

> The structure of the SAWP separates workers from family and community ties in their home country and disallows citizenship status in their country of work. This contract scheme creates a model of the worker as the ultimate in flexible labour and enables employers to force workers to give priority to their work above all else. In lowering the bar even further of worker compliance to un-free employment conditions, the SAWP contributes to the deterioration of rights of both immigrant and farm workers in BC [British Columbia]. (Ibid.: 57)

3.1.3 Future of temporary programmes from receiving countries' end

It is important to point out that the rights organisations and policy research centres that have investigated the practices of the temporary work programmes and often signalled 'foul' have never, in the end, called for abandoning or scrapping them. Indications are that, despite their numerous criticisms, authors of key critical reports, including the reports cited here from the SPLC and CCPA, understand the high level

of support that the programmes enjoy across all sectors in the sending countries – notably for the much-needed economic support that the programmes bring to home communities and government.

Worth mentioning in this regard also is that workers, when they return home to Jamaica, often speak (as they did to us for this study) of 'decent' employers who told them that they needed and valued them, for the high level of efficiency and good work habits that they brought. As a consequence, the workers say, they were always 'treated well' by the employers.

The call, then, is for growers and other employers, as well as the two host-country governments in question, to institute good workplace practices. All reports in the research call for either legal reforms or adding new laws aimed at protecting temporary workers. The reports also set forth sweeping recommendations for tighter oversight and more effective enforcement of employer sanctions.

Pointedly, at the 2004 International Labour Conference, ILO convenors came to a 'broad consensus on the need to promote respect for migrant workers' rights', including raising awareness among migrants of those rights, and also raising the awareness of receiving states of their obligations under international conventions to temporary and other migrant workers. 'The Office should strive', the convenors agreed, 'to promote equality of treatment and protection against exploitation' (ILO 2004: 6).

The general conclusion among all reviewed agencies is that respecting the rights of temporary and other migrant workers and treating them with dignity are not only the right things to do; they can also result in greater worker proficiency and, in the end, greater returns for all concerned, including farm and industry owners.

3.2 Emigration and Caribbean aspiration

The political scientist and Caribbeanist Gordon K Lewis remarked that 'the essence of Caribbean life has always been movement. It explains the energising brio of Caribbean life in music and dance, sports, language, even religion and politics. It also explains, of course, the socio-economic phenomenon of migration' (Lewis 1968: xiii).

American military expansionism and dominance in industry and agriculture, in the early years of the 20th century, would generate demands on the mainland for large numbers of unskilled workers from the British West Indies. The events of the second world war 'brought a whole new role for the United States in the Caribbean,' writes Palmer (1995).

Critically important in developments in the second world war years was that, under the aegis of an Anglo-American Caribbean Commission established in 1942, West Indian workers were recruited (under US government direction) during the war years to replace American workers who had been drawn into the war machinery. The West Indians were to work, under terms of this arrangement, as an 'emergency supplemental work force' in agriculture and non-defence industries (NACLA 1977: 12).

When the second world war ended, however, West Indians (Jamaicans and smaller numbers from the smaller eastern Caribbean islands) who worked in the USA's agricultural fields were no longer the emergency supplemental work force that the US government first imported during the war; rather, they became a regular part – albeit seasonal – of the United States farm labour force. Recalling his own experience as a Florida-based agricultural employer, Fred Sikes gives a forthright and indeed accurate account of the origins of the US–West Indian agricultural contract programme:

> In the summer of 1947, we – that is, the nationwide group of agricultural employers using off-shore labour – learned that the War and Food Administration was closing down. We were concerned that even though the war was over we would not be able to find sufficient American labour to harvest the crops. So we began to explore ways to continue the programme on a private basis … Exploring the situation further, we found that extreme unemployment problems existed throughout the Caribbean and that Jamaica, where unemployment was particularly severe, was interested in seeing the off-shore farm labour continued. (Ibid.: 11)

3.3 Jamaicans and US H-2 programmes

We now give closer attention to some of the salient features of the US H-2A and H-2B programmes in relation to the predominantly Jamaican workers they employ; first the H-2A or agricultural programme, and then the H-2B or non-agricultural programme.

3.3.1 In the USA in agriculture (H-2A)

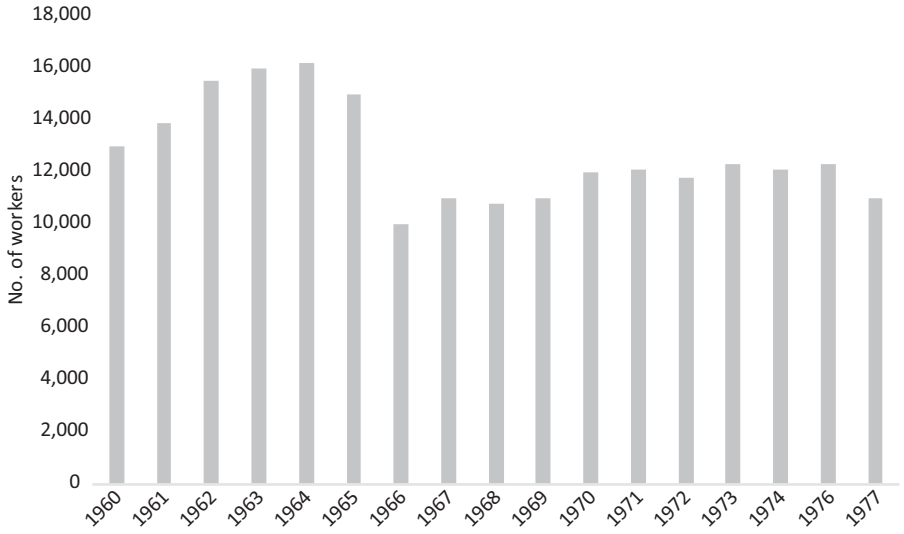
In actuality, recruitment of Jamaican and other West Indian farm labour was intended to supplement the discredited 1942 'bracero programme', a bilateral agreement between the United States and Mexico.[4] The bracero programme was designed to bring into the United States a few hundred experienced labourers to harvest sugar beet in California. At its peak, however, it drew in more than 400,000 Mexican workers across the border. Sustained worker protests, led by the renowned labour activist and organiser Cesar Chavez, over the bracero programme's various worker and human rights abuses led to its dismantling in 1964.

Numbers sent

In the years immediately after the second world war, sugar cane growers in Florida were enormously successful at signing government-to-grower seasonal contracts for Jamaican – and small numbers of other West Indian – cane cutters. It was indeed for the grimy, gruelling and dangerous work of cutting sugar cane, primarily in Florida, that substantial numbers of West Indians were seasonally employed in the United States. This was mostly so at least up through the 1970s. Farm owners in several other states would also, however, sign up Jamaicans and other West Indians for temporary work contracts.

The peak years for seasonal West Indian farm labour to the United States were between 1960 and 1976 (shown in Figure 3.1). The number was highest (16,841) in 1964, the year that the bracero programme ended.

Figure 3.1 Peak years for West Indian seasonal workers in the USA, 1960–1977



Source: NACLA 1977: 12

Altogether, during the peak 17 years shown in Figure 3.1, the states of Florida, Connecticut, Maine, Maryland, Michigan, New Hampshire, New Jersey, New York, Vermont, Virginia and West Virginia signed a total 218,709 West Indian temporary farm workers to come to the USA, an average of 12,865 workers per year. Florida consistently led all other states, each year signing in excess of three quarters, or 75 per cent, of the total, mostly to cut sugar cane (see McCoy and Wood 1982).

In any given year since the start of the seasonal farm work programme, more than 70 per cent of recruited West Indians have come from one island: Jamaica. From the 1950s to the end of the 1970s, the number of Jamaicans recruited *per year* ranged from 7,000 to 10,000. However, primarily because of significant reductions in sugar cane growing (and sugar manufacturing) in the major sugar-producing states of Florida and Louisiana in the period following the late 1970s, the numbers of Jamaicans leaving home for farm work in the United States declined steadily, the numbers declining even more dramatically from the other West Indian territories.

The most recent set of numbers, for 2006–2011, shows average recruitment into the US farm work programme of fewer than 4,000 Jamaicans per year, compared with more than 7,000 per year between 1976 and 2006.

Work and work agreements

The nature and conditions of work for Jamaicans going up north before the 1980s, to work seasonally on US farms, were indeed shameful.[5] According to the North American Congress on Latin America (1977), the West Indians had 'no say' in negotiating the contracts they worked under for one to nine months each year. The terms of the entire programme were 'controlled by government officials and growers who [wrote] the contracts to serve their own interests. In annual negotiations the

West Indian governments [were] represented by the British West Indies Central Labour Organisation (BWICLO) and the growers by associations organised on the basis of crops and regions' (NACLA 1977: 13).

The *NACLA Report* goes further in its harsh critique of the agreements, the kind of representation and the essential understanding that characterised the US farm work programme up through the 1970s:

> The policies of the BWICLO reflect the goal of the Jamaican and other participating West Indian governments: to promote labour emigration as a means of neutralising social and political tensions which result from unemployment. That BWICLO functions to serve this end is determined by the organisation's directorate, the Central Labour Board, composed of high ranking government officials: the Jamaican Secretary of Labour, Undersecretary of Finance and Solicitor General, the Barbadian Secretary of Labour and the Prime Minister of St. Lucia. The only board member representing labour [i.e. in 1977] is the head of the National Workers Union of Jamaica, but the union is closely linked to the [governing] party of the current prime minister [Michael Manley] and can be depended on to represent the government's policies. BWILCO maintains liaison officers in the United States to negotiate and enforce the labour contracts. In both functions ... the liaison officers are led to compromise the economic needs of the workers in order to ensure the possibility of employment in the United States. (Ibid.: 14)

Times changed, however. Since the 1970s, increased advocacy by successive regimes in the Caribbean for better farm work practices has resulted in farm workers' interests, and their families', being given greater attention. The BWILCO had, even before the 1970s, morphed into the (Caribbean) Regional Labour Board, under which falls the Jamaica Central Labour Organisation (JCLO), with an office in Washington, DC. The JCLO has functioned to look out for the economic interests and to protect the rights of Jamaican farm workers in the United States. Officers of its liaison services regularly visit farms that employ seasonal Jamaican workers.

On the farms, liaison officers inspect for employer adherence to US Department of Labor regulations and for best practices in safety, health, hygiene, housing and general working conditions. The officers report back to the government of Jamaica on 'bad' (or poor) practices and any violation of workers' rights. Where there are instances of documented violations, it is then up to the Jamaican government's Ministry of Foreign Affairs to seek redress through appropriate US agencies.

The JCLO has also been playing a pivotal role in ensuring the financial security of Jamaica's farm and other temporary workers. Up until 2010, the entity had an arrangement with US employers under which employers in the H-2 programme (H-2A and H-2B) would 'pay to JCLO three payroll deductions, including a four per cent administrative fee, a social security fee and a health insurance fee. The administrative fee serves to defray all costs attached to the programme incurred by the Jamaican Government' (Pryce 2011). The fee further 'helps the Liaison Service provide a wide range of services and protections … including resolving work or

domestic problems, [and] maintaining workers' records', says the Jamaican union leader Vincent Morrison. The JCLO has also used the funds, Morrison says, to provide 'welcome services to workers once they land in the US' (Budd 2011).

In addition, both H-2A and H-2B workers were required to contribute a percentage of their total earnings 'to a bona fide savings plan' (Pryce 2011), set up by the JCLO: 20 per cent of wages for H-2B workers and 16 per cent for H-2A workers. The workers would receive the proceeds on a timely basis on their return to Jamaica. The savings plan arrangement was essential, writes the labour analyst Everton Pryce, 'because of the temptation of our farm workers to be profligate in spending their earnings overseas to the detriment of their families in Jamaica. Such savings cum remittances, for both Canada and the USA, represent US$20 million, or one-fifth of the total earnings for the contract period – repatriated to Jamaica annually' (Pryce 2011).

The JCLO's liaison programme has, since 2010, run into difficulties with US authorities. The programme was suspended in 2010. See section 3.6.2 for more information.

One other significant new feature to US farm work, after the 1970s, is the nature of the temporary or seasonal work: only in rare and exceptional instances are Jamaicans and other West Indians recruited to work 'in sugar' or for large sugar cane growers.

Generally, the work on US farms, as also in Canada, for which Jamaicans and other West Indians are recruited is considerably lighter. They are recruited to work for contract periods of usually from four to six months, which often see them being moved (or 'rotated') from one farm site to another, for the same or a different employer. Nowadays the sites are either horticultural 'farms' or orchards (see Anderson 2011).

Compensation and remittances

Despite the SPLC's several misgivings about the H-2A Programme (cited earlier), its report concludes that, on the matter of wages, the H-2A Programme does provide 'significant protections for foreign farm workers. Federal law and [United States] Department of Labor regulations contain several provisions that are meant to protect H-2A workers from exploitation as well as to ensure that U.S. workers are shielded from the potential adverse impacts, such as the downward pressure on wages, associated with the hiring of temporary workers' (Southern Poverty Law Centre 2008: 7).

US Department of Labor (DOL) regulations stipulate that employers must pay their H-2A workers the highest of the following: the Adverse Effect Wage Rate (AEWR)[6]; the prevailing wage; the prevailing piece rate; the agreed-upon collective bargaining wage, if applicable; or the federal or state minimum wage in effect at the time the work is performed. The AEWR in 2011 ranged from a low of US$9.39 per hours in the state of Alabama to a high of $12.26 in Hawaii.

Repeat agricultural workers interviewed for this report (in the USA's H-2A and Canada's SWAP programmes) said they received between US$9 and US$10 per hour, earning in excess of US$475 for a normal six-day work week. At that rate, a four- to six-month contract would, at the high end, amount to a total wage of approximately

US$11,000 for the average Jamaican farm worker, a figure that exceeds his country's 2010 average Gross National Income per capita of US$7,450.

In addition to wages, employers pay costs for transporting workers from Jamaica to farm work sites; that is, for air travel from Jamaica to a US port of entry, and then for ground transportation to the farm destination.

As a general rule, workers say in interviews, employers will deduct 'reasonable' charges for rent from their pay cheques for the tolerable dormitory-style housing accommodations that employers are obligated under federal statutes to provide.

Remittances to Jamaica from H-2A workers amounted to just over US$20 million between 2006 and 2010 (or roughly $5 million per year) – a small but not insignificant percentage of the near US$1.5 billion the country received in total remittances in 2010.[7]

3.3.2 Working in hospitality in the USA (H-2B)

The H-2B programme allows foreign workers to come into the United States on a temporary basis to fill non-agricultural jobs for which American workers are in short supply or otherwise 'unavailable'. The first set of workers from Jamaica went up to the USA in 1968.

In order to qualify for the H-2B Programme, there are, according to a Jamaican Ministry of Labour handbook, three basic requirements:

- the job must be seasonal, peak load or intermittent;
- the job must be temporary in nature; and
- there must be a shortage of qualified and/or willing American workers available for the position.

(Jamaica Central Labour Organisation 2008:9)

The H-2B programme is administered jointly by Jamaica's Ministry of Labour and Social Security and the US-based JCLO, whose operations are overseen by the Regional Labour Board, a Caribbean regional agency. The chair of the Regional Labour Board is normally the permanent secretary of Jamaica's Ministry of Labour and Social Security. As it is for seasonal Jamaican farm workers in the H-2A programme, the JCLO is responsible for the following for H-2B workers:

- providing welfare services for the workers in order to protect their best interests, as well as to assist with any problems which may arise;
- administering the programme and ensuring that the policies and procedures of the programme are adhered to;
- providing advisory services to employers and employees; and
- liaising with US Federal and State Authorities, as well as employers and employers' representatives.

(JCLO 2008: 8–11)

Numbers sent

Table 3.1 gives numbers of H-2B workers recruited in the period for which we were able to obtain *reliable* data: 2005 to the end of 2011. The table shows 2006–07 as the peak recruitment year. It also shows the skew towards recruitment of female workers (generally between 56 per cent and 60 per cent of the total number) for opportunities in the H-2B programme – that is, in the hospitality industry.

The global recession of 2008–10, which had a severe impact on the United States, resulted in a significant downturn in the numbers of Jamaicans recruited in those years for short-term work in an industry that had shrunk dramatically all across America. Analyses by the Jamaican Ministry of Labour and Social Security reveal concerns that, because recovery in this area of activity in the US is likely to occur at a slow pace, the number of Jamaicans recruited for the H-2A programme will not soon get back to the levels seen in 2005–06.

Work and work agreements

Work in the H-2B programme usually runs from six to nine months per individual recruit. Recruitment is highest in most years from April to June. Box 3.1 gives a summary of an interview with a repeat H-2B worker, Mrs Kaye-Ann Wallace. Mrs Wallace's responses to our questions give nuanced, qualitative insight into not only the background of the 'typical' individual who enters the programme, but also the type of work and work conditions in it. The conversation, led by second author Kay Ann Henry, took place at the Kingston offices of the Jamaican Ministry of Labour and Social Security.

Table 3.1 Numbers of H-2B workers, 2005–11

Year	Male	Female	Total
2005–06	1,565	2,277	3,842
2006–07	2,212	2,965	5,177
2008–09	451	700	1,151
2009–10	234	306	540
2010–11	315	552	867

Source: Ministry of Labour and Social Security, Government of Jamaica

Box 3.1 Interview with an H-2B worker

Mrs Wallace is in the 45–55 age group.

Her highest level of education was completing high school.

Mrs Wallace has been married for 24 years, as she proudly stated, and she has three grown children.

(*continued*)

(*continued*)

She has been with the H-2B programme since 2004.

The following are the responses to questions about the H-2B programme that were put to Mrs Wallace:

- Mrs Wallace has been involved in the programme for eight years; she is a hospitality worker in Missouri, USA, at a five-star hotel.
- She found out about the programme at a hotel in Jamaica where she worked years ago; associates at the hotel referred her to the Ministry of Labour and Social Security. She has been away on the programme on eight occasions; she is getting ready for her ninth.
- She is contracted to work in the USA, usually for eight months at a time.
- She has worked in the past as a housekeeper with responsibility for cleaning the rooms in the property/hotel. When she goes up (back to her old job) she is a senior member of staff who trains new recruits. She will work 40 hours per week over six days per week.
- The accommodation is very good. The H-2B workers live in a house with all the necessary amenities. She stated that she lives in a four-bedroom house with other Jamaican workers. They have to pay rent and the rent varies depending on the place of residence. The house is 15 minutes away from the hotel where they work; they are picked up and transported to and from the hotel for work.
- Mrs Wallace stated that she gets along very well with the employers and they are easy to talk to. However, this was not always the case as her first stint on the work programme, at a different hotel, proved difficult: she experienced verbal abuse and exploitation there. She explained that the workers were not allowed lunch breaks and they were treated and spoken to as if they were not humans and inferior. She stated that they were forced to do multiple jobs at a time, e.g. cleaning and laundry at the same time: they would be multitasking but were paid at the same rate. She said they did a lot of overtime or worked off the clock, but were not compensated. She said she felt mistreated and exploited. She emphatically stated that she does not think Jamaicans should work at that hotel under those conditions. She reported the matter to her liaison officer, who recommended that she write a letter to the JCLO office in Washington, which she did.
- She states that the treatment by the JCLO and the Ministry is better than it was before, and for her the processing time is not bad.
- The benefit to her of the JCLO's compulsory saving plan is that earnings she had put away were helpful in allowing her to take care of her family and send a son to university, without having to take out any student loan. She stated that she earned US$300 per week, before taxes.

(*continued*)

(*continued*)

- She stated that the most difficult aspect she can think of would be the cold weather, but she manages.
- When asked if she'd ever been ill while on the programme, Mrs Wallace stated that she has only had really bad sinus allergies, which she had to go to the doctor to get treated, and she received medication and used her days off as time to recoup. The doctor's visit was an out-of-pocket expense but then she was reimbursed by her employer.
- Mrs Wallace stated that she would recommend the programme to others, and has done so, and that a friend of hers will be going away on it with an upcoming batch of workers. The reason she recommends the programme is that the money is good.
- She believes the programme helps Jamaica because of the foreign exchange that it brings in. She explained that her pay is lodged in a personal account in the USA, hers, and that she was given a Mastercard to withdraw the money, though the card can also be used in Jamaica.
- Mrs Wallace's recommendations are for the ministry to create more job opportunities through the overseas work programmes, separate and apart from the hospitality and farm work programmes. She also stated that both H-2A and H-2B were too restricted, as they offered no room for upward mobility or career advancement in the places where Jamaicans are recruited to work. So, for example, a housekeeper will always be a housekeeper: she has no chance of being promoted to an executive housekeeper, supervisor, etc.

Compensation and remittances

Fiscal year 2006–07, which recorded the highest number of recruits (5,177) in the H-2B programme, also witnessed the programme generating, of the three temporary overseas programmes, the largest amount of dollar remittances back to the home country, Jamaica. Jamaica's Ministry of Labour and Social Security reports that workers in the H-2B programme remitted US$9,375,890, or 67.4 per cent of the combined total for the three programmes.

However, as might be expected, remittance inflows from H-2B workers followed the downward trend of smaller numbers being recruited in the succeeding years (Table 3.1). Farm workers in the USA earned more than those in the 'hotel programmes' again in 2010–11.

3.4 Jamaicans and Trinidadians and Tobagonians in the Canadian programme

The Caribbean–Canadian temporary work programme started in 1966 and was expanded in 2008 to incorporate a Hospitality and Skilled Worker component.

What follows below is a report from the National Employment Service (NES) of the government of Trinidad and Tobago. The NES submitted the report in response to Bernard Headley's request (during a field trip to the twin island republic) for information and analyses of that country's temporary overseas work programme(s). The NES report is presented here in full (after editing) because Trinidad and Tobago's temporary overseas work programme centres on the regional Commonwealth Caribbean Seasonal Agricultural Worker Programme (CCSAWP), which includes Jamaica.[8] Importantly, the report scopes several matters that jointly affect Jamaica and Trinidad and Tobago in the management, operation, and benefits of the CCSAWP.

The CCSAWP has been in existence for 45 years; it involves the temporary movement of agricultural workers from Commonwealth Caribbean countries to seasonal employment on Canadian farms. The Commonwealth Caribbean Seasonal Agricultural Worker Programme (SAWP for short) is unique in the history of labour migration and has been considered as a model for similar programmes across the hemisphere.

The SAWP was formally established in 1966 with the employment of Jamaican workers in the horticultural sector in southern Ontario. Trinidad and Tobago entered the programme in 1967, when Caribbean workers were recruited to meet the needs of employers engaged in producing tobacco (black and flue), greenhouse products (nurseries and hydroponics), fruits, vegetables, flowers and ginseng. The participating Caribbean countries are Barbados, Jamaica, the members of the Organisation of Eastern Caribbean States (Anguilla, Antigua and Barbuda, British Virgin Islands, Dominica, Grenada, Montserrat, Saint Lucia, St Kitts and Nevis, and St Vincent and the Grenadines), and Trinidad and Tobago. In each of the years between 2000 and 2010, an average of 18,000 migrant farm workers from participating Caribbean countries entered Canada under the SAWP, 94 per cent of them hosted by the province of Ontario. Approximately 49 per cent of Caribbean workers came from Jamaica, 38 per cent from Trinidad and Tobago and the remaining 13 per cent from Barbados and the eastern Caribbean.

The SAWP is governed by Memoranda of Understanding with the government of Canada and the Caribbean countries through Human Resources and Skills Development Canada (HRSDC) and administered by privately run user-fee agencies. In Ontario, Foreign Agricultural Resource Management Services (FARMS) administers the programme.

The programme operates in the context of a national labour market policy, 'Canadians first', which ensures, as far as possible, that employment opportunities should be made available to Canadian citizens and permanent residents before recourse is made to this programme.

Financing of the SAWP

The SAWP sustains itself financially by contributions made by the workers who are involved in the programme. Thus there are no direct costs incurred by the Caribbean governments. Under the arrangement, the farm worker is paid 75 per cent of their wages, and the remaining 25 per cent is retained by the governments of the

Caribbean countries: directly by the government of Trinidad and Tobago or by the government-affiliated JCLO. Roughly, the breakdown is as follows:

- 5 per cent of the gross wages for the administration of the programme;
- 1 per cent to provide coverage for non-occupational illness; and
- 19 per cent returned to the workers as their savings after deductions are made to repay their expenses for return air fares from Trinidad or Jamaica.

Annual review of the programme

A review of the SAWP is held annually in participating countries on a round robin basis and attended by representatives of the government of Canada, representatives of Caribbean participating countries, the Caribbean High Commissioners in Canada, the Canadian Horticultural Council, the Ontario Fruit and Vegetable Growers Association and FARMS, this last representing Canadian farmers involved in the programme. Moreover, representatives of the various participating countries use this opportunity to negotiate with FARMS for improved conditions.

Agreements governing the SAWP

The programme is a partnership managed by HRSDC, Citizenship and Immigration Canada, provincial governments, signatory foreign governments (such as the government of the Republic of Trinidad and Tobago) and employers in Canada. Industry representatives such as FARMS assist in processing requests for seasonal agricultural workers and communicating these requests to the governments of supplying countries.

The programme is governed by the following agreements:

- memorandum of understanding between the government of Canada and the government of Trinidad and Tobago;
- agreement between the permanent secretary, Ministry of Labour and Small and Micro Enterprise Development (MLSMED), acting on behalf of the government of Trinidad and Tobago, and the worker; and
- agreement between the employer, the worker, the government of Canada represented by the HRSDC, and the government of Trinidad and Tobago represented by the Canada Labour Liaison Branch (hereinafter referred to as the Employment Contract).

Responsibilities of the partners in the SAWP

The core responsibilities of the various partners in the SAWP are:

i) FARMS

  – Represent Commodity Boards at meetings, seminars, etc.
  – Co-ordinate activities of commodity representatives.
  – Negotiate terms and conditions with the Labour Liaison Branch (LLB).

- Negotiate airfare costs.
- Co-ordinate processing of applications for offshore workers, payment of visa fee, payment of airfare and monitoring of workers' placements.
- Arrange air and ground transport for arriving and departing workers.
- Liaise with Customs and Immigration Canada.
- Produce statistical reports.
- Mediate in disputes between employers and the Labour Liaison Branch (LLB).

ii) CanAg Travel

The CanAg travel agency is affiliated with FARMS and has the responsibility for travel arrangements for all farm workers to and from their respective countries. These arrangements include:

- booking and confirmation of seats, and where applicable, co-ordination of the movement of workers from the airport to farms or pick-up points and meeting of workers arriving at and leaving the airport; and
- advising liaison and consul of the sending country of flight confirmation.

Caribbean Airlines is the designated travel carrier and service provider for all Trinidad and Tobago workers.

iii) Human Resources and Skills Development Canada (HRSDC)

- Develop policies for CCSAWP Operational Guidelines.
- Set wage rates.
- Approve application for offshore manpower.
- Process applications for Social Insurance Number.
- Process applications for Canada Pension Plan benefits.

iv) Canada Revenue Agency

- Administer tax laws.
- Collect income tax.
- Collect employment insurance.
- Administer the Canadian Pension Plan.
- Issue income tax refund.

v) Immigration Canada

- Issue work permits upon arrival in Canada.
- Process applications for extension of visas and change of workers' status.

vi) Customs Canada

- Issue clearance of luggage, boxes, etc. upon arrival in Canada.
- Collect duties, taxes and other charges.

vii) Workplace Safety and Insurance Board (WSIB)

- Process claims by workers for compensation for work-related injuries.

viii) Ontario Ministry of Health and Long Term Care

- Process and issue Ontario Health Insurance Plan (OHIP) cards. Prescription drugs or items and chiropractor visit are not covered by this card.
- Approve worker accommodation.

ix) Ontario Ministry of Labour

- Enforce the Regulations of the Employment Standards Act.

x) Occupational Safety and Health Agency, Canada

- Enforce the Regulations of the Occupational Safety and Health Act.

xi) Labour Liaison Branch (Liaison Service), Toronto, Canada

- Represent the government of Trinidad and Tobago at seminars, meetings, etc.
- Negotiate terms and conditions with FARMS.
- Market the services of Trinidad and Tobago workers.
- Mediate disputes between farmer and worker and between workers.
- Liaise with the Chief Manpower Officer of the MLSMED on policy matters.
- Visit farms and monitor work environments.
- Audit pay sheets.
- Deduct compulsory 25 per cent of gross income of workers as follows:
  - complete and submit income tax returns on behalf of workers (on average 1,000 persons annually);
  - represent workers in other matters impacting on their stay in Canada (such as court matters);
  - arrange ground transport for arriving and departing workers; and
  - procure health insurance coverage and assist with the activation of social insurance (for pension and other purposes).

xii) High Commission of Canada (to Kingston as well as Port of Spain)

- Process applications for work permits and grant the relevant visa.

xiii) Ministry of National Security, Immigration Division, Jamaica as well as Trinidad and Tobago

- Issue new passports and renew expired ones to temporary work applicants.

xiv) Ministry of Labour and Social Security and MLSMED

- Advise persons of the SAWP.
- Facilitate the interview/selection process.
- Recruit workers for overseas employment programmes.
- Maintain a database on the pool of workers.

xv) Local labour ministries (at least their temporary/seasonal or work accounting departments)

- Reconcile workers' pay records.
- Remit monies from compulsory deductions from workers' wages to pay for normal expenses that the worker would have incurred.

xvi) Worker

- Use the transportation provided by the Labour Liaison Branch, upon arrival in Canada, to proceed to the place of employment.
- Live in the accommodation provided by the employer. The worker must maintain cleanliness of his/her self and his/her accommodation.
- Perform his/her duties efficiently as directed by the employer.
- Work only for his/her employer unless the worker obtains official approval from the Labour Liaison Branch to be transferred to another farm.
- Comply with all the rules of his/her employer which are approved by the Labour Liaison Branch.
- Report immediately all work-related injuries to his/her employer.
- Upon completion of his/her work period, unless the worker is accommodated through the end-of-contract transfers to another farm, return promptly to Trinidad and Tobago. The maximum period of employment is eight months in a calendar year.

The employment contract

The employment contract, which is signed by each employer and worker and by the government of Trinidad and Tobago and approved by the HRSDC, is binding. The contract specifies the roles and responsibilities and the terms and conditions of employment as outlined below.

Worker's responsibility to employer:

i) to serve the employer for a period of between eight (8) months and not less than two hundred and forty (240) hours in a six (6) week period;

ii) to serve a probationary period of fourteen (14) actual working days for new workers. During the probationary period, a worker can be dismissed for misconduct or refusal to work;

iii) to repay debt incurred to farmer;

iv) to repay airfare, ground transportation and visa fee to employer through deductions from wages;

v) to arrive at the place of employment by the means provided by government agent only;

vi) to work and reside in the approved place of employment;

vii) to perform the duties requested of the worker by the employer;

viii) to obey the rules related to safety, discipline and care and maintenance of property; and

ix) to return to supply country on completion of work period.

Employer's responsibility to workers:

i) to provide suitable and approved accommodation, at no cost to the worker, including rest breaks between daily work period;

ii) to pay the approved hourly wage in Canadian currency; an average minimum work week of forty hours;

iii) to provide clear statement of earnings to worker and submit pay sheets within seven days of completion to the government agent;

iv) to remit the 25 per cent compulsory deduction from the worker's wages to the Labour Liaison Branch, Toronto, Canada (Trinidad and Tobago's government agent). Also, to deduct income tax, Canadian Pension Plan contribution, Employment Insurance Contribution, visa fee and airfare and remit to the relevant authorities;

v) to provide insurance coverage for payment of compensation to worker for personal injury received or disease contracted as a result of employment;

vi) to obtain consent and approval by HRSDC to transfer a worker;

vii) to employ workers only to perform the duties of an agricultural labourer. A breach in this respect makes the employer liable on conviction to a fine or imprisonment, or both, under the Immigration Act.

viii) to train and supervise workers in the use and handling of chemicals and pesticides; and

xi) to share the cost of or pay return airfare, depending on circumstances, in case of repatriation before contract completion.

Hours of work

The employment contract specifies that the period of employment be 'not less than 240 hours in a term of six weeks or less, unless HRSDC has agreed that an emergency situation exists, in which case the parties agree that the minimum period of employment shall not be less than a term of one hundred and sixty (160) hours'.

The agreement also states that 'the average minimum work week shall be forty (40) hours'.

Wages

Workers are paid at the specified rate in accordance with the Ontario Region's prevailing wage rates.

Dispute resolution

The following procedure is generally utilised:

Step 1: Worker and farmer attempt to resolve the conflict.

Step 2: If there is no resolution from Step 1, the farmer or worker may contact the Consul or Vice-Consul by telephone. The Consul or Vice-Consul attempts to resolve the conflict by telephone (because of the vast distances of the farms) and, if this process does not work, may visit the farm to conduct arbitration.

Step 3: Depending on the nature of the conflict, the farmer may request the return of the worker to the home country.

Step 4: Worker returns to home country.

Step 5: A breach of contract report is prepared by the Labour Liaison Branch.

Step 6: The worker is requested to visit the Farm Programme Section and is informed of the contents of the breach of contract report. If the worker is not in agreement with the contents of the report, the worker will then speak with the Chief Manpower Officer.

Step 7: The worker is asked to put his disagreement in writing and provide the necessary details.

Step 8: The Chief Manpower Officer forwards the worker's letter to the Labour Liaison Branch for comments.

Step 9: The Labour Liaison Branch submits comments to the Chief Manpower Officer.

Step 10: The Chief Manpower Officer reviews the report and discusses the matter with the Consul Labour in order to bring closure to the matter.

3.5 Major benefits to Caribbean of US/Canada temporary work programmes

All three temporary work programmes examined in this report – the Jamaica–US farm work programme, the Jamaica–US hospitality programme and the CCSAWP between Canada, Jamaica, and Trinidad and Tobago – have been, generally and objectively speaking, beneficial to the sending Caribbean countries; and arguably more so for the receiving North American countries, whose governments are further able, through these programmes, to manage an aspect of migration, thereby reducing irregular migration within their territories.

Most temporary worker programmes are indeed set up to respond to the labour market needs of host or receiving countries and not for the development needs of sending countries. The programmes have, nonetheless, led to numerous derived benefits for the sending Caribbean nations. Among specific benefits to workers in particular are:

- being able to send substantial remittances to families;
- ability to accumulate savings;
- ability to initiate new investments in home communities;
- tangible changes in family situations back home, such as greater access to healthcare and schooling; and
- acquisition of new skills, such as new farming techniques and learning to manoeuvre sophisticated farm equipment, which can translate into higher incomes when back home.

The sending countries have enjoyed wider economic benefits, among them:

- transfer into the productive sector of workers' new skills;
- reduction in unemployment levels;
- improvement in the economic situations and prospects of family members left behind;
- helping build cross-cultural understanding;
- governments' ability to accrue needed foreign exchange; and
- a predictable number of workers guaranteed employment.

3.6 Challenges and recommendations

3.6.1 Employment and contractual issues

Worker issues (with employers)

- Occupational safety and health issues are persistent concerns to workers. Farm work, particularly working with heavy equipment and chemicals, is dangerous. Improper or insufficient on-the-job training have resulted in severe injury to

Caribbean workers. Crowding workers in open-back trucks, while transporting them to or from work sites (sometimes after dark), has resulted in accidents that cause loss of limb and even loss of life.

Recommendation 1: Governments of sending Caribbean countries should advocate for more robust federal oversight and enforcement of safety measures and precautions.

- Quality of accommodation is inconsistent, but generally reasonable. Workers we spoke to in the US H-2B, or hospitality, programme gave high marks to the paired housing arrangements accorded them, in well-appointed houses and rented units. Farm workers in the US and Canadian programmes were less favourably disposed to their occasionally crowded dormitory accommodation.

  Recommendation 2: Liaison officers should maintain (and increase where complaints are on the increase) periodic on-site inspections for maintenance of acceptable hygienic living conditions.

- Support mechanisms for families of migrant workers who are absent for extended periods of from six to eight months. The Jamaican government has seen the need to offer varying kinds of social-work-type support to families – particularly in cases involving young children – left behind when one or the other head of household has to go abroad for temporary work. Staff with the ministry's Family Welfare Unit monitor children's conduct and school performance.

  Recommendation 3: Jamaica's Ministry of Labour Welfare Unit is an example of a 'best practice' initiative to which greater public resources should be allocated.

- Mobility is restricted. Instances have been reported of insufficient work (i.e. enough to last a full contract period) on site with a contracted employer. Work clauses have allowed employers in these situations to return workers prematurely to their Caribbean home.

  Recommendation 4: Caribbean ministries of labour should support workers in their request to US and Canadian authorities for portability in their contracts, which would allow them to move from one farm to another, depending on where work is available.

Employer issues (with workers)

- Some workers are prone to indiscipline. Though the general reputation of Caribbean seasonal workers – particularly Jamaicans – is that they are 'hard workers', employers have reported those said Jamaicans (male farm workers as well as female hospitality workers) to be 'quarrelsome', 'ill-tempered' and 'untidy'. These are matters that urgently need changing, Jamaican trainers from the Ministry of Labour and Social Security have been pressing home to workers, in rigorous orientation sessions prior to their departure for North America.

- Workers do not always comply with employment agreements. Reports from employers are that some workers will carouse, take a drink on the job or try to 'knock off' from work early.

Recommendation 5: Ministries of labour ought to give serious attention to recruiting consultants who will conduct intensive orientation sessions for workers going north on matters of personal hygiene, worker discipline and personal responsibility.

- Pre-existing medical conditions affect workers. Bona fide cases of workers with, for example, pre-existing back conditions that limit movement and ability to engage in demanding physical work reflect weakness in local medical examinations.

  Recommendation 6: Caribbean labour ministries should strive for greater thoroughness in compiling and maintaining workers' medical histories.

- Costs are associated with named workers breaching contractual obligations.

  Recommendation 7: To maintain high integrity in the programmes, Caribbean governments should initiate negotiated payments to injured employers/parties, and then deny those 'named workers' any repeat temporary work opportunity.

- Over the course of the last five years (2006–2011), of the 12,000 to 14,000 Jamaicans who left home in each of those years to take temporary jobs in North America, more than 400 of them either went absent without official leave (AWOL) or changed their visa status to one that allowed them to stay in Canada or the United States beyond their contract period. More than 80 per cent of those who did not return home had gone AWOL. An AWOL rate of 3.5 per cent can be seen as tolerable, or certainly within a normal statistical boundary, all things considered.

  Recommendation 8: Labour ministries – certainly Jamaica's Ministry of Labour and Social Security – will have to maintain vigilance to screen out potential visa abusers. The foreign-based liaison officers will also be expected to exercise greater vigilance in the matter – in, for example, knowing workers' movements and whereabouts.

3.6.2 Unexpected devaluing of the JCLO

In late 2010, US authorities instituted measures that effectively terminated arrangements the JCLO had with US employers. Those arrangements had allowed the JCLO to receive the equivalent of statutory deductions from workers' wages. The deductions were managed as contributions to workers' medical insurance, their pension, a savings plan and the JCLO's administrative costs.

The measures, instituted by the US Department of Homeland Security with the Department of Labour, forbid US employers to collect any job placement fee or other compensation from anyone who gets a job in the US as a temporary migrant worker. Mid-level Ministry of Labour and Social Security and other Jamaica government officials claim, in interviews for this report, not to have been briefed by the US authorities on the reason(s) behind this apparent executive action. The decision's spearheading by the Department of Homeland Security suggests that at its root is the US government's deepening 'concern' (*qua* insecurity) relative to matters even remotely likely to connect with terrorism or, for that matter, ambiguous recruitment networks.

If left in place, the decision could over the long run have adverse effects on Jamaica's ability to maximise the H-2 programme. At a macro level, the decision will starve the JCLO of necessary funds – funds it will need to carry out an important national mandate: to ensure, through inspections, that Jamaican workers in a foreign land are treated decently and accorded the guarantees of internationally settled workers' rights and protections.

As Vincent Morrison, president of Jamaica's largest industrial union, the National Workers Union (NWU), puts it, 'If nothing is done [about the US decision], and soon, the JCLO will be forced to close its doors and send home its 40-plus employees, leaving the farm and hotel workers it represents from Jamaica and the rest of the region on their own in a foreign land'. He continues:

> "If the decision is not taken to restore the five per cent voluntary contribution by the workers, if that is not done, then the Liaison Services will have to close, because the regional governments, at this time, have made it very clear that they don't have the money to support this service," said Morrison. "What that will mean is that the Jamaican workers will probably continue to go up to the States, but without any form of protection." (Quoted by Budd 2011)

At a micro level, workers in the H-2 programmes will suffer the adverse effect of losing a secure avenue for building consistent savings. Although workers with enough savvy and flexible work schedule – like Mrs Wallace, our H-2B respondent – may be able to (and indeed should be able to) open and maintain savings accounts with the nearest US banking institution, most farm workers are not. The failsafe route for these men – to make sure they could invest in that piece of land on their return home, or purchase a barrelful of goods for the trip – was the JCLO compulsory savings plan.

Recommendation 9: We urge Jamaica's Ministry of Foreign Affairs to engage in more robust dialogue with officialdom at the US State Department on the matter of what effectively amounts to termination of the JCLO's activities, with the focus being that the JCLO should be allowed to resume, at minimum, its core function of making sure that Jamaican workers are protected in the USA. The JCLO's transaction that seemed of greatest concern to US authorities – the matter of demand deductions – may indeed be an anachronism. The Caribbean region's governments ought to foot the costs of running an agency that looks out on a continuing basis for the rights of its citizen workers in a foreign country. The region, it seems to us, should not have those costs borne by small numbers of displaced temporary workers. On the matter of the JCLO holding savings for workers, liaison officers ought to, instead of collecting those savings, assist all categories of workers with opening bank and/or credit union accounts in the receiving, host country.

Overall, we conclude that, given the economic uncertainties in several, if not most, Caribbean nations, temporary migration work schemes have a key, immediate survival function in the lives of many of the region's people. The schemes are not, by any stretch of the imagination, means for salient regional or even national development. But they are means for survival nonetheless. Where properly monitored

and regulated, to safeguard workers' rights and safety, temporary migration work schemes/programmes are valuable: they put food on the family table back home, and can even send a child to university.

Notes

1 The authors thank Michael D Gordon for the technical assistance he so generously gave in the production of this chapter.
2 The Auditor General's Department of Jamaica lists the programme in its annual report as the 'Canadian Farm and Factory Workers' Programme' (Government of Jamaica 2013: 87).
3 Jamaica's Minister of Labour did, though, in September 2011, announce that his government was exploring with Canadian employers a wide range of non-agricultural employment possibilities, e.g. in auto-mechanics.
4 In the main, the historical literature suggests that the recruitment of large numbers of seasonal West Indian workers would in a way supplant the bracero programme.
5 Path-breaking qualitative research by a number of scholars on the subject essentially justifies this conclusion. See, for example, McCoy and Wood (1982) and Hahamovitch (2011).
6 The AEWR is the minimum wage that the DOL, with the assistance of the US Department of Agriculture, has determined must be offered and paid to US and immigrant workers by agricultural employers. Where agricultural employers offer employment to non-immigrant foreign workers, payment of at least the AEWR is required. The AEWR is published once a year, usually in early February, by the DOL. The AEWR sets a separate minimum wage rate (i.e. a rate that will not adversely affect the employment opportunities of US workers) for each state.
7 'According to the Inter American Development Bank's Multilateral Investment Fund (IDB-MIF) in Latin America and the Caribbean, remittances play an important role in the economy of the region, totaling over US$66.5 billion in 2007, with about 75 per cent originating in the United States. The IDB-MIF research revealed that total remittance represent more than the sum of foreign direct investment and official development aid combined. In seven Latin American and Caribbean countries, remittances account for more than 10 per cent of gross domestic product and exceed the dollar flows of the largest export product in almost every country in the region.' (*Jamaica Observer* 2011)
8 Jamaica's Ministry of Labour officials state that the Canadian programme was expanded in 2008 to incorporate a Hospitality and Skilled Worker component. We found in researching for this study, however, no specific data set or documentation on Jamaicans engaged in temporary work in Canada in activities other than in farming.

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Chapter 4

Temporary Labour Migration in the Pacific

John Connell

Summary

The Pacific has experienced a long history of temporary labour migration, especially from the two small atoll states: Kiribati and Tuvalu. Temporary agricultural schemes were briefly introduced by New Zealand in the 1980s and revived after Pacific island pressure and domestic agricultural labour shortages in New Zealand in 2007. Australia slowly followed. The two temporary work schemes for Pacific Islanders, the Recognised Seasonal Employer (RSE) Scheme in New Zealand and the Pacific Seasonal Worker Pilot Scheme (PSWPS) in Australia, were designed with an explicit focus on gaining a cheap and reliable source of labour for national agricultural industries, and on linking migration to the development in the country of origin. Numbers involved have been a function of demand in New Zealand and Australia, and are small relative to the populations of sending countries. Fewer than 8,000 workers have been involved at any one time. A small number of Pacific island states, notably Vanuatu, Samoa, Tonga, Kiribati and Tuvalu, have used and benefited from the scheme. Significantly extending the schemes to other Pacific countries has proved difficult. Migrant workers from most parts of the source countries have worked for periods of between three and nine months, have usually returned with some savings and have used these for welfare gains such as housing and education fees. Women have been minority participants. Lack of employment viability for durations longer than a few months has been a major constraint to the schemes. Both schemes have achieved 'triple wins' – for workers and for countries of origin and destination – but not on any significant scale. Extending the scheme further will be difficult because of vagaries in agricultural systems and difficulties in predicting medium-term demand for labour. There is potential for extending the schemes into other employment sectors, including tourism and care services, but receiving states have yet to develop pilot schemes in these areas.

4.1 Introduction

The Pacific has a lengthy history of short-term labour schemes. Labour migration from the Pacific to Australasia has experienced two distinct phases with structural similarities a century apart. The present agricultural labour migration schemes in New Zealand and Australia have opened up new temporary migration opportunities for many island states for the first time in a quarter of a century, and for some countries for the first time ever. The schemes have begun to contribute in a small way to regional development in several states, most notably in Vanuatu. The rationale for the schemes, their implementation and operation and their impacts are discussed in detail below.

Late nineteenth-century migration ('blackbirding') brought Melanesian migrants to Queensland cane plantations, notably from the New Hebrides (Vanuatu) (especially from the island of Tanna) and to a lesser extent from the Loyalty Islands (New Caledonia) and the Solomon Islands (especially Malaita). A moving labour frontier began in the New Hebrides and the Loyalty Islands in the 1860s, stretched northwards to the Solomon Islands in the 1870s and reached the islands off eastern New Guinea in the 1880s. Migrants moved from semi-subsistence agricultural systems, where income generation was trivial, in search of incomes, goods and experience(s). Overall outcomes were unequal, with the principal gains accrued in destinations rather than by the migrants or their home islands. Migration from the Pacific labour reserves combined economic necessity and coercive regulation. Migrants and their households could never entirely rely on the domestic subsistence sector but were never integrated into the very limited local wage economy. In the New Hebrides, especially, migrants returned to what remained subsistence agricultural systems, albeit with new tools and clothes, but with no means of sustaining any change in their economic status. That lack of change partly explained the ease of subsequent recruitment of previous workers who returned for further employment in Australia. The economic benefits from blackbirding were almost exclusively located in Queensland, where the cane industry flourished. Melanesians were anxious to withdraw from plantation labour as soon as some form of local development became feasible (Connell 2010). What is remarkable about this late nineteenth-century temporary labour migration is how similar it was to contemporary schemes.

4.2 The era of migration

The end of blackbirding early in the twentieth century brought a hiatus in agricultural labour migration for over half a century. However, almost throughout the twentieth century hundreds of workers from the colony that became Kiribati and Tuvalu worked under temporary labour migration contracts in the phosphate mining industry in both Banaba (Kiribati) and Nauru. Both these mines had effectively closed by the end of the century. Workers from Kiribati and Tuvalu were also trained in their countries' Marine Training Schools as merchant seafarers for employment on shipping lines, mostly operating from Europe. Demand for seafarers has declined somewhat in this century. Especially, therefore, in the smaller island states with particularly limited domestic development opportunities, labour migration has long been sought and used as a means of acquiring capital and contributing to household and national development.

From the 1960s onwards, outmigration substantially increased in many parts of the Pacific, mainly for employment in metropolitan countries, notably New Zealand, Australia and the United States. Although usually initially intended to be temporary, much became effectively permanent migration and the demographic balance of many states shifted outwards. By the end of the century, most Pacific island states had experienced limited economic growth, despite independence, which usually occurred in the 1970s, and many, especially in Polynesia, had become more dependent on remittances from overseas migrants in the Pacific Rim.

Uneven development between the Pacific island states and metropolitan countries (notably the United States, New Zealand and Australia), alongside the dependent political status of many islands enabling their inhabitants free movement to, or citizenship of, countries such as New Zealand and the USA, has resulted in high levels of migration for over half a century, to the extent that a 'culture of migration' has emerged in several countries, where migration is normative, and populations are falling in some small Polynesian countries. In the northern Pacific, independence through a Compact of Free Association granted free movement to the USA for nationals of Palau, the Federated States of Micronesia and the Marshall Islands; the Cook Islands, Niue and Tokelau were similarly associated with New Zealand.

One consequence of limited economic growth and a growing need for and dependence on remittances was that various countries at different times sought new formal migration and employment opportunities within and outside the Pacific region. Several countries, including Tonga, the then Gilbert and Ellice Islands (Kiribati and Tuvalu) and Fiji Islands, all sought employment opportunities in New Caledonia's nickel mines in the nickel boom of the 1970s; Tuvalu sought migration opportunities in the early 2000s, concerned at limited local development prospects and the possibility of rising sea levels. Although New Zealand agreed to a small number of permanent migration opportunities for several smaller Pacific island countries (PICs), including Tonga, Samoa, Tuvalu and Kiribati, countries were otherwise rebuffed. Most independent Melanesian and Polynesian island states have nonetheless continued to seek some kind of 'special relationship' with both New Zealand and Australia in terms of short-term migrant labour opportunities. That has become of even greater interest since the rate of migration from several states declined from the second half of the 1990s, as economic growth slowed in the recipient states and recipient countries gave increased preference to those with skills, a circumstance that excluded many Pacific islanders. Nonetheless, although Tuvaluan requests fell on stony ground in Australia, New Zealand provided a migration quota of 50 households per year. Such general notions of a form of 'reciprocity' were exactly what Tuvalu had long been arguing with respect to the greenhouse effect. The larger Melanesian states of Vanuatu, Solomon Islands and Papua New Guinea (PNG), which had politico-migration ties to Pacific Rim states and had never had significant external migration, also became more interested in new migration opportunities. Eventually, in the late 2000s, that pressure and changing economic circumstances in New Zealand resulted in the establishment of two new labour migration schemes in New Zealand and Australia. These have become of some importance to the various participating countries.

4.3 Early days

For the relatively impoverished Gilbert and Ellice Islands Colony (later Kiribati and Tuvalu) migration to Nauru and Banaba (formerly Ocean Island, Kiribati) and then employment on merchant ships was important for most of the twentieth century. Migration to both Banaba and Nauru was intended to be short-term, and residence was permitted only while working, but extended over several decades for

some workers. A Marine Training School was set up in 1968 in Tarawa to train both i-Kiribati and Tuvaluans for overseas shipping lines. A separate school was set up in Tuvalu after independence in 1979, training 60 seafarers a year. Mine workers and seafarers necessarily returned to their home countries at regular intervals and at the end of extended working periods. Opportunities for both forms of employment were limited and earnings were relatively poor, but vastly superior to what could be obtained at home, even if paid employment was available. Over time, demand for Pacific islanders as shipping crew has fallen with greater global competition, and the mines have closed. No other PICs engaged in comparable contract labour schemes. Both Tuvalu and Kiribati were relatively poor, had participated in resettlement schemes in colonial times and had no politico-migration ties to Pacific Rim states.

Formal temporary labour schemes began within the context of migration that was more oriented towards settlement. They were attractive for countries that lacked the political connections that eased migration. In the 1970s, New Zealand developed a South Pacific Work Permit Scheme, which provided temporary employment opportunities for islanders, in circumstances where New Zealand was unable to obtain a workforce for unskilled rural work such as scrub cutting, forestry activities and work in market gardens. Fiji was the only country to make significant use of this provision between 1982 and 1987, when the coup in Fiji brought the relationship to an end. Employment was restricted to rural areas, visas were issued for only four months and workers were not allowed to return for another 12 months. The four-month period was set by Fiji to enable the scheme to reach as many people and regions as possible and ensure that any disruption caused by workers being in New Zealand was minimised. Employers sought longer periods of employment, and more return migration, arguing that they would have to engage in too much training with short-term workers. Employers usually took no more than two or three workers each for market gardening. In forestry there were some uncertainties about the duration of employment.

Workers were mainly young men in their twenties, many of whom became repeat migrants. Workers were expected to use their savings for investments in housing, education and business development. That appears to have been what the savings were mainly used on, although significant quantities were also used for collective village projects. It proved particularly valuable for parts of Fiji that had been badly affected by droughts and floods, where savings were used for reconstruction. Although the Fijian government emphasised the need for skill acquisition and training rather than the potential for remittances, skills transfer was largely non-existent and that focus gradually disappeared.

Although the scheme officially ended with the coup in Fiji, it had become viewed increasingly negatively in New Zealand, where formal migration policy changed to favour longer-term skilled migration, and there were new perceptions of the relationship between employment, migration and foreign policy (Levick and Bedford 1988). Politics rather than economics contributed to its demise. However, the scheme was viewed positively by the workers and by both governments – an early version of the 'triple win' – and was remarkably similar to the schemes again adopted by New Zealand a quarter of a century later.

Some concessionary migration schemes remained in place. After 1986, New Zealand provided visa waiver migration to citizens of several PICs. They were withdrawn for citizens of Fiji, Samoa and Tonga barely a year later but retained for i-Kiribati and Tuvaluans until 2002. That residual scheme was cancelled in 2002 mainly because many i-Kiribati and Tuvaluans overstayed in New Zealand rather than returning home. Since neither Australia nor the United States had concessionary schemes, and repeated requests for new schemes were ignored, access to migration opportunities for Pacific islanders was actually worsening.

4.4 Twenty-first century resurgence

By the start of the twenty-first century, in both New Zealand and Australia, agriculture was experiencing labour recruitment problems. Conventional local sources of labour had dwindled, unemployment rates were low, there was rural–urban migration and some people disdained agricultural employment. Many agricultural systems were dependent on uncertain flows of labour (for example from holidaying backpackers, 'grey nomads' and undocumented 'illegal migrant' workers) and experienced labour shortages and unharvested products (notably of grapes and stonefruit). In this climate of an agricultural workforce shortage, attitudes to Pacific island migrant labour changed.

Agricultural shortages in metropolitan states coincided with economic stagnation in PICs, higher levels of unemployment (insofar as these can be measured), a 'youth bulge', the disappearance of some former opportunities for migrant work (notably the Nauru phosphate mine), growing dependence on remittances from islanders overseas and increased pressure from island states for migration and employment opportunities overseas, in part emphasised by claims of environmental disadvantage related to climate change.

Simultaneously a growing number of studies had advocated that the migration system be broadened to enable short-term migration, mainly to work in the agricultural sector, which was short of labour, enabling Pacific islanders to work overseas temporarily and return home after a period of less than a year (e.g. Maclellan and Mares 2006; World Bank 2006). The World Bank was a particularly strong and influential institutional advocate, and its 2006 report had concluded that 'a scenario of both skilled and unskilled moving in a circular fashion, generating financial flows as well as serving as conduits of social change, is likely to be the most development friendly for the Pacific' (World Bank 2006: 23). That view remains valid. Pressures and advocacy were finally rewarded when New Zealand established a Recognised Seasonal Employer (RSE) work scheme in 2007 that provided seasonal employment in the agricultural industry, in what was part of an integrated strategy by employers, unions and the government to address a persistent shortage of workers in New Zealand's horticulture and viticulture industries (Bedford et al. 2010). With somewhat less enthusiasm, Australia established a similar scheme in 2009. Both countries doubted if return migration would occur and the RSE scheme was intended to have a much stronger compliance regime than earlier concessionary migration schemes (Bedford et al. 2010).

There were few contemporary precedents for the RSE scheme but that between the Caribbean and Canada had apparently worked well, although detailed documentation is seemingly absent (Verduzco and Lozano 2004; Maclellan and Mares 2006; World Bank 2006). Likewise the rural labour migration policies – effectively a 'guest worker' scheme – existing in New Zealand two decades earlier were of considerable value to both New Zealand and Fiji, and to the workers, their households and their villages (Levick and Bedford 1988). However, the Caribbean scheme was the only previous scheme regarded as something of a model, despite what proved to be close similarities between the earlier Fijian scheme and the RSE scheme.

4.5 New Zealand and the RSE

The RSE scheme was implemented for five island states (Vanuatu, Tonga, Samoa, Tuvalu and Kiribati – the 'kickstart' states) on similar lines to that operating between Canada and the Caribbean. Fiji was excluded because of the 2006 military coup. Other PICs were recognised as eligible for the scheme after 'kickstart' had been implemented, notably the Federated States of Micronesia, Marshall Islands, Nauru, Palau, PNG and Solomon Islands. Solomon Islands formally entered the scheme in 2010. The RSE scheme was intended to provide a maximum of 5,000 seasonal jobs, rising to 8,000 in 2009, and the first workers arrived in 2007, although the first year was effectively a pilot scheme.

The RSE scheme allows seasonal labour to migrate to New Zealand to work in the horticulture and viticulture industries 'if there are no New Zealanders available to work'. Generally this did not prove a difficult requirement because of New Zealand's high employment rate. The Ministry of Social Development monitors the labour market so that it can declare an area a region with seasonal labour shortages when there are not enough New Zealanders to fill the vacancies. On balance, employers believed that it was better to participate in the RSE scheme and have a secure source of labour rather than use irregular, but often cheaper, undocumented workers as before (Ball 2010). Employers apply to the New Zealand Department of Labour to recruit workers from the five PICs. Potential employers are then assessed by the Department of Labour to ensure that the facilities provided for the migrant workers, notably reasonably priced accommodation, are of an appropriate standard. By early 2008 some 75 employers had been given official RSE status. Employers can recruit directly in the island states or accept nominated workers from those states. Employers are responsible for 'meeting and greeting' the workers at the airport in New Zealand, taking them to the place of work and eventually similarly assisting their departure.

Workers enjoy the same labour rights and protections as New Zealanders, receive a wage no less than the statutory minimum wage (and usually exactly that minimum, NZ$12 per hour) and pay taxes, which are non-refundable. The minimum hourly salary is roughly equal to the unskilled daily wage in Vanuatu, above that in Tuvalu and Kiribati and slightly below that in Tonga and Samoa. Workers are entitled to sick leave after six months. Workers can remain in New Zealand for up to seven months at a time (or nine months in the case of the more distant Kiribati and Tuvalu) in any eleven-month period. However, employers can potentially employ the same workers

year after year, thus providing an incentive both for the migrant workers to work well and be law-abiding, if they seek to return, and for New Zealand employers to establish long-term relationships and invest in training and skill development.

At the start of February 2008 the pilot scheme had employed people from the five PICs, and also from Thailand, Indonesia and the Philippines, and more than 1,000 Pacific islanders were employed in orchards and vineyards in several parts of the country (including Hawke's Bay, Bay of Plenty, Nelson, Marlborough and Otago). The RSE scheme grew rapidly. Initially, 5,000 visas were made available to Pacific island workers each year under the RSE scheme. In the first full season of the RSE scheme (2007/08), 126 employers hired 2,883 overseas workers. Of these, 83 per cent came from the five kickstart states, with the majority from Tonga, Samoa and particularly Vanuatu (2,247) and the remainder came from Asia. By June 2008, the number of RSE workers had grown to 5,079 (Ramasamy et al. 2008) and by 2009 the number had increased to approximately the cap of 8,000 (Table 4.1).

The decline in numbers in 2009/10 was due to a rise in unemployment in New Zealand and the impact of the Ministry of Social Development's efforts to ensure that there was work for New Zealanders, since the scheme was based on the premise that Pacific workers would not take jobs from New Zealanders. By 2010/11, numbers had returned to around the 2008/09 level, as the local employment situation had improved and local demand for agricultural employment had fallen. Numbers of vacancies are therefore based on employment conditions in New Zealand, and in Australia (see below), and have no relationship to circumstances in the PICs.

Despite the repercussions of the global financial crisis in New Zealand, the RSE scheme was retained without significant changes and numbers of workers did not greatly change. During 2009/10 the Ministry of Social Development had considerable influence on the numbers that could be recruited in each region. In 2010/11 the numbers went up because a new system for determining regional quotas (within the 8,000 cap) was established and there was less direct intervention by the ministry in the process of allocating workers to specific employers. Once the regional quotas were determined it was essentially the Department of Labour's job to allocate the workers across growers and recruiters in consultation with industry and regional governance groups.

A substantial number of Asian workers have also been involved in the scheme (see Table 4.1). When the scheme was established, growers who had pre-existing arrangements with labour providers in countries outside the Pacific could maintain these under Transitional RSE arrangements. Most of the growers using Thai workers also used Pacific workers. It is likely that numbers from Asian countries will fall in this decade as the Department of Labour puts more pressure on growers and contractors to take labour from the Pacific. New Zealand has thus sought to retain the scheme and emphasise its Pacific focus.

The operation of the RSE scheme in the PICs has been most effectively assessed for Vanuatu, where numbers have been greatest, and on an appropriately smaller scale for Tuvalu. Evaluation of the scheme for Samoa is ongoing and was not available at the

Table 4.1 Number of RSE contracts signed, April 2007 to October 2010

Countries	Recruitment contracts[a]				% change	
	2007/08	2008/09	2009/10	Total	2008–09	2009–10
Pacific						
Kiribati	70	50	110	230	–28.6	120
Samoa	931	1,376	1,134	3,441	47.8	–17.6
Solomon Islands	303	340	256	899	12.2	–24.7
Tonga	1,106	1,529	1,182	3,817	38.2	–22.7
Tuvalu	154	49	76	279	–68.2	55.1
Vanuatu	1,993	2,777	2,465	7,235	39.3	–11.2
Total Pacific	4,557	6,121	5,223	15,901	34.3	–14.7
Asia						
India	82	67	28	177	–18.3	–58.2
Indonesia	311	375	330	1,016	20.6	–12
Malaysia	364	404	407	1,175	11	0.7
Philippines	80	75	75	230	–6.3	0
Taiwan	0	39	31	70	n/a	–20.5
Thailand	269	787	768	1,824	192.6	–2.4
Vietnam	1	0	0	1	–100	n/a
Japan	0	0	2	2	n/a	n/a
Total Asia	1,107	1,747	1,641	4,495	57.8	–6.1
Others						
Brazil	0	3	0	3	n/a	n/a
Czech Republic	1	0	0	1	n/a	n/a
USA	0	1	0	1	n/a	n/a
Total others	1	4	0	5	n/a	n/a
Total	**5,665**	**7,872**	**6,864**	**20,401**	**39**	**–12.8**

Note:[a] The numbers refer to the individual contracts signed for workers who were recruited. The three periods are: 2007/08, April 2007 to 11 October 2008 (no data on country of origin were included until September 2008); 2008/09, 12 October 2008 to 31 October 2009; 2009/10, 1 November 2009 to 31 October 2010.

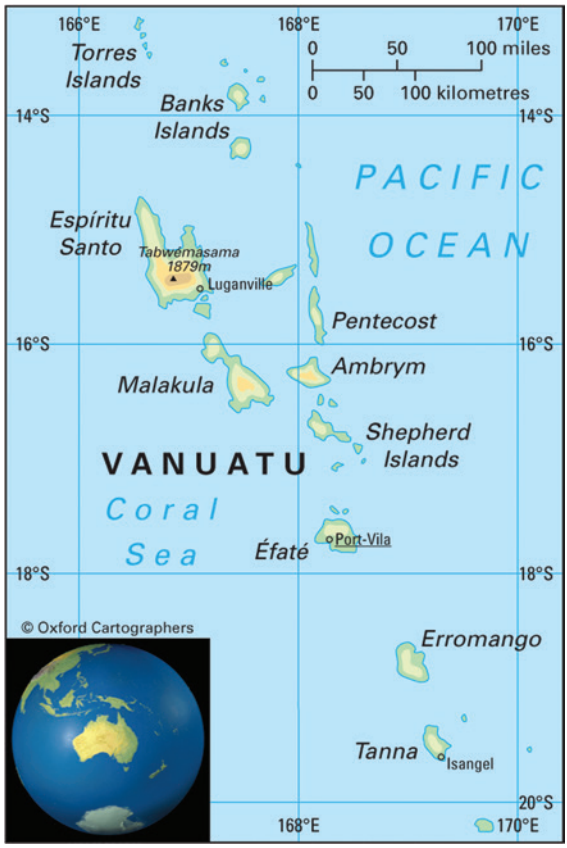
Source: Department of Labour (RSE Unit), unpublished statistics (Bedford and Hugo 2012)

time of writing, but a mid-term review of the scheme provides some information on all participating countries (IMSED 2010). The significance for Vanuatu and Tuvalu can now be examined.

4.5.1 The RSE scheme in Vanuatu

Vanuatu, which became independent in 1980, is classified by the United Nations as a least developed country. It has a population of 250,000 scattered over some 65 populated islands (see Figure 4.1). It has exhibited only slight economic growth in recent years, per capita income levels have not significantly increased, more than 40 per cent of the population live below the poverty level and both unemployment and underemployment are rising. Vanuatu has sought access to overseas employment programmes, to reduce unemployment and boost national income. Vanuatu was involved in the pilot RSE scheme and in terms of numbers it has been the principal

Figure 4.1 Map of Vanuatu



beneficiary of the RSE scheme. A much smaller number of workers have also gone to Australia.

The Vanuatu Department of Labour licensed local employment agents who were the contact points and recruiting agents for New Zealand employers. The agents negotiated fees from New Zealand employers for finding workers, but did not charge fees from the workers, and were responsible for pre-departure briefings for them (covering such topics as health insurance, trade unions and means of remitting income). Agents were expected to compile lists of 'work-ready' people, usually aged between 21 and 55, who had police and medical certificates and the support of a community leader, such as a chief or pastor, confirming that they were of 'good character'. A few agents proved bad choices, and cheated some ni-Vanuatu applicants or gave them unrealistic expectations, and others were biased towards their own family members, but appropriate selections were generally made.

Workers came from throughout the country and attempts were made to ensure reasonable regional equity of access, although more remote islands may have been disadvantaged. Recent village-based selection schemes for Fijian workers recruited for the Middle East appear to have had a similar balanced and ethical basis (Connell 2006),

as did earlier schemes in Fiji (Levick and Bedford 1988) and Samoa (Macpherson 1981). Regional equity has thus characterised temporary migration schemes.

Workers paid for a medical and police certificate, a visa fee and a passport, and also paid half their air fare (the employers paid the other half), resulting in a large cost before deployment. In some cases these costs were advanced by employers and subsequently refunded. Intending participants were told that they would bring back about A$4,000 – about four times the average annual rural income – depending on how hard they worked and what they did with the money. In practice workers saved and remitted rather less than this (Connell and Hammond 2009; Hammond and Connell 2009).

Communities and leaders played a part in selection. Some younger men were chosen, who had wives but no family, on the basis that this would give them a good start, while some older men were chosen, since they were expected to be reliable and bring more money back. Professional and skilled workers were not selected. At least some workers were sponsored by their communities so that their income might support community needs such as a shared water tank. As in the earlier Fijian scheme with New Zealand, this tended to result in the selection of 'worthy' recruits who were either needy or regarded as good workers who would not be trouble makers. Those initially involved in the scheme were particularly motivated (as would be expected from a first cohort) and made calculations of just how much income was needed for particular objectives such as building a house, setting up a small business or getting children through high school.

Recruiting from Tanna, Vanuatu

Many recruits came from the large, densely populated, southern island of Tanna, where domestic remittances have long been a significant source of income, and internal rural–urban migration is common. There is limited information on the extent to which the RSE scheme operated differently in Tanna from other parts of Vanuatu but it appears to have been typical of what occurred elsewhere. In Tanna at least, unlike any other previous migration experience that Tannese (and most other ni-Vanuatu or Melanesians generally) might have been involved in, people were not allowed to sign up or migrate purely as individuals, but had to be involved in community activities and take part in the preliminary briefings. Participants had to set up bank accounts in Tanna (so that the income would return there), donate NZ$250 to a community fund, use group flights which would return people directly to Tanna rather than through Port Vila (where the pilot programme suggested that a proportion of funds were absorbed or 'lost') and abide by a local Code of Conduct (Connell and Hammond 2009) that partly replicated a Tannese moral order.

Workers had to be married, aged over 25 and less than 55, on the assumption that married couples had clear needs and a measure of stability. One partner would normally stay behind. Since New Zealand employers sought equal female participation, the scheme offered an opportunity for women to be more or less independent, and develop or enhance such skills as literacy. However, women had less familiarity with

the outside world and were more likely to be conservative. About 20 per cent of the first group of workers were women, whose skills were preferred for activities such as grading and packing. That proportion has largely remained the same.

Recruits came from throughout Tanna, and were relatively evenly distributed in particular areas, so there was no obvious spatial bias in selection. Thus far, spatial equity has involved most parts of Vanuatu, and workers have come from many different religious denominations, including 'kastom' religions. Most were relatively young, the average age being 35 for women and 36 for men. Almost all were subsistence agriculturalists, with market sales their only source of income. A small minority had wage or salary employment. Overall some 73 per cent of the households had incomes less than Vt 50,000 (about A$580). Two thirds (65%) had never gone beyond primary school. The recruits were not well educated, had little facility in English and came from low-income households: a reasonable cross-section of the population of Tanna, emphasising the considerable degree of income poverty stemming from a widespread lack of opportunity.

The underlying rationale for migration was almost solely income generation. Any general interest and the excitement of it all were at best secondary. Income generation had three key objectives: notably paying school fees (which are roughly Vt 40,000 per year, plus transport costs, for high school, and Vt 9,000 for primary school). Education offers the possibility of jobs in the public service or tourism, and an opportunity to break the cycle of attachment to the land. Some 61 per cent of recruits listed school fees as their first priority. Small business development (i.e. a small store) was the second-most important category (25%), while improved housing (13%) came third. The principal direct material goal was therefore house construction, with permanent materials that needed less frequent replacement, were dry in wet weather and allowed gutters and a tank for collecting drinking water.

From Vanuatu to New Zealand

Both in New Zealand and later in Australia, fewer work hours were available than expected, despite guarantees of minimum hours, there were unexpected pay deductions (mainly for accommodation) and piece work rates were not equivalent to the minimum wage. In both destinations, work hours were less than promised (and incomes therefore lower) and employers were sometimes exploitative (especially for accommodation). Costs in New Zealand were more than workers expected, for food, accommodation, warm clothes and recreation. Labour requirements proved hard to estimate, so that work was sometimes unavailable.

In most cases ni-Vanuatu workers remitted money and brought back significant sums, but almost all returned with less than they had foreseen. Income was generally used for the specified objectives, including communal projects, although mobile phones were acquired by many. This reflects a familiar pattern of remittance use in the Pacific, initially on education and consumption and then on welfare gains (such as improved housing), eventually followed by investment in small-scale enterprises (Connell and Brown 2005). Since workers were chosen (or chose themselves) according to perceived needs, the scheme made a further contribution to local and regional equity.

The ni-Vanuatu workers acquired some new skills while working in New Zealand, although these were limited to the agricultural sector, and the particular nature of agricultural work also meant that the skills had limited transferability to Vanuatu. Regular hours of employment in New Zealand were expected to instil a new kind of work discipline. About half of those who had migrated sought to return for a second phase. In Tanna, those who remained at home absorbed extra work and responsibilities without obvious problems or rancour.

The experience of labour migration from Vanuatu, limited though it is, has thus far been largely positive for New Zealand, Australia and Vanuatu. The ni-Vanuatu workers were available for seven months, and were therefore a more reliable source of labour, so reducing training times and costs. Migrant workers filled vacancies in the agricultural sector, did not displace local workers, made some contribution to local society and returned to Vanuatu at the end of the time period. There is no evidence of overstaying. A minority returned early with relatively little to show, mainly because of dislike of work disciplines, the cold or frustration over lack of work, and a handful were deported for breaches of conduct.

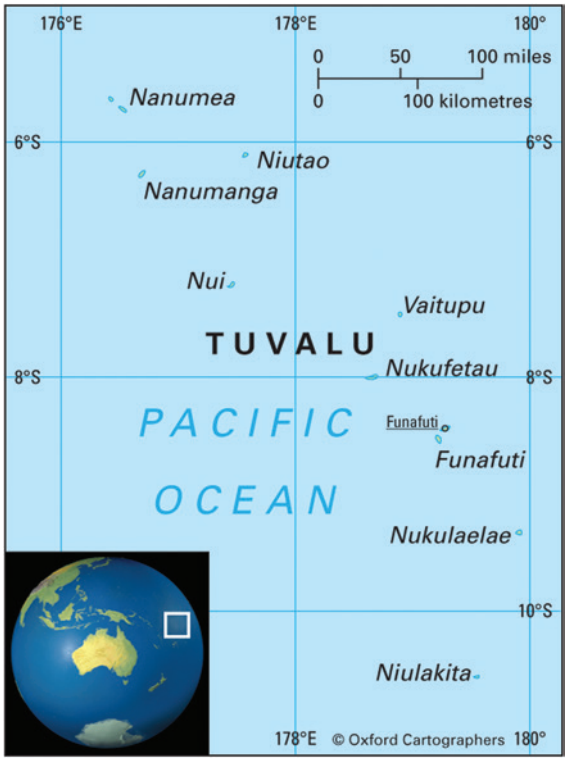
The Vanuatu experience, the first to be evaluated, suggested that the RSE scheme, despite diverse concerns, can benefit countries, agricultural businesses and workers. It may serve the needs of the poor more effectively than many forms of aid, although it certainly served the needs of businesses more than the needs of workers and their families. Fewer than a thousand workers were guest workers at any one time; hence, the actual contribution to the Vanuatu economy was limited, and only a small proportion of households have benefited directly.

4.5.2 The RSE scheme in Tuvalu

Tuvalu is one of the smallest and most isolated nations in the world, with a population of about 9,500 people scattered across nine populated coral atolls (see Figure 4.2), but with a growing population of about 2,600 in New Zealand. Half the population live on the urbanised island of Funafuti. Local development opportunities are few. Tuvalu has long been dependent on international migration and remittances alongside aid, and has regularly sought new migration opportunities overseas, especially as rising sea levels are potentially troublesome (Connell 1999, 2003; Shen and Binns 2011). Tuvalu is the smallest country participating in the RSE scheme.

With a smaller population and many men already employed overseas, Tuvalu had a smaller pool of potential migrant workers. In the first season just 99 Tuvaluans (including 15 women) were recruited for New Zealand, although even that total constituted a larger share of the national workforce than of any other participating state. All recruitment went through the Ministry of Foreign Affairs and Labour (a significant ministerial conjunction of activities) from its 'work-ready' pool of workers. That pool had been established from nominations by island councils and screened by the ministry according to previous migration history, character, health status, work ethic and basic English aptitude (broadly the procedures adopted in Vanuatu and elsewhere). Similarly, the pool and the final selection (both by the ministry and

Figure 4.2 Map of Tuvalu



by employers) was also intended to give reasonable representation to each island (Bedford and Hugo).

Workers were recruited from each of the islands in Tuvalu following the long-established national principle of enabling equitable access to overseas job opportunities. At least one New Zealand employer went to Tuvalu to be personally involved in the selection process. In the second year, workers from several of the islands were re-recruited so that the best workers returned to their previous employers. New workers, nonetheless, were also recruited.

Early workers were unprepared for the tasks and conditions ahead of them, and Tuvalu had minimal ability to organise effective briefings or even promote Tuvaluan workers. Tuvalu was also disadvantaged by the need to acquire visas and have medical tests in Fiji, and the unwillingness of the National Bank of Tuvalu to advance loans to potential workers for the costs of passports etc. The distance from Fiji, the cost of getting there and irregular communications were significant impediments to Tuvaluan participation in the RSE scheme (both in costs and in getting workers to New Zealand to meet deadlines for employment). Competing demands on the two inter-island vessels make even getting to Funafuti difficult, especially in the cyclone season. Transport issues have disadvantaged Tuvalu and also tended to disadvantage remote islands, and thus the poorest, in Tuvalu.

Tuvaluans in New Zealand

Workers were generally positive about the work experience itself, but not about the cost of accommodation, food and transport. Most found the long working hours difficult, and found it hard to adjust to the cold climate. While some workers returned with savings in excess of NZ$5,000 after 28 weeks' work, many returned with very little money or were in debt. This was true of those Tuvaluans who had worked for an employer who could not provide 30 hours' work per week; they were unable to earn enough to cover accommodation and food costs and there was lengthy downtime. Overall, the majority of workers did not bring back enough savings to justify to themselves and their families their participation in the scheme.

There was no indication that recruitment from outer islands threatened the viability of lifestyles and economies there, as had been an initial concern (Bedford and Hugo 2012). It is more likely that the new scheme resonated well in a context where men were often away at work overseas and for longer periods. Tuvaluans acquired no obviously useful skills and there were no obvious gains beyond savings. Little information is available on what the Tuvaluans sought to earn money for and how they spent their savings but it is highly likely to have been similar to that elsewhere in the region, with a focus on education fees and water tanks (Bedford and Hugo 2012), in a PIC where water security is a critical issue.

The structure of pastoral care – involving the provision of accommodation, transport and other services – followed the same model that was set up for Vanuatu. However, there was little effective internal social organisation, especially within small groups of workers, and 'alcohol abuse' was an issue (Bedford et al. 2010). Savings consequently suffered.

For many RSE workers the potential benefits offered more than the actual benefits. RSE workers had the opportunity to gain work experience and participate in the ballots for the Pacific Access category (PAC) of migration to New Zealand, which provided the option of eventually becoming a New Zealand resident (see Shen and Binns 2011). That may be particularly useful for Tuvalu, with a weak domestic economy and an environment threatened by hazard. To a lesser extent than in Vanuatu, Tuvaluans were nevertheless successful and numbers may increase in future (Bedford et al. 2010). However, even in the smallest participating state, the benefits were limited and probably rather less, at least in an economic sense, than the earnings of overseas seafarers, and were probably collectively somewhat less than remittances to Tuvalu.

4.6 Australia and the Pacific Seasonal Worker Pilot Scheme (PSWPS)

Australia initially resisted the introduction of guest workers: firstly, because there were concerns that temporary workers would overstay and become illegal migrants; secondly, because of arguments that Australians were available for such jobs and that too little had been done to attract them into the industry; thirdly, lest such migrant workers be exploited by unscrupulous employers; and, fourthly, for fear that

low wages paid to migrant workers, and full employment, would hinder improved wages for local workers in the industry (Maclellan and Mares 2006). Most of these objections had relatively little substance in circumstances where recurrent labour shortages existed and where there was a history of employment of illegal workers at very low wages (Ball 2010). The initial success of the RSE scheme in New Zealand was something of a catalyst for change in Australia in terms of its economic relationships with Pacific island states.

In 2008 the Australian government announced the introduction of the Pacific Seasonal Worker Pilot Scheme, modelled on the New Zealand RSE scheme and almost identical to it, with selected Pacific Island countries (initially Kiribati, PNG, Tonga and Vanuatu). Again priority had to be given to available local Australian workers. The scheme was expected to distribute initially 2,500 temporary visas per year. As in New Zealand, workers could work for up to seven months in any twelve-month period, on horticultural enterprises or farms. Workers had to be aged between 21 and 45 at the time of visa application, of good character (having undergone a police check), healthy and fit. Australia also specified that workers should not have participated in the New Zealand RSE scheme, to broaden the base of opportunity. Owing partly to worsening economic conditions (the establishment of the scheme effectively coincided with the global financial crisis), implementation of the programme proceeded slowly; indeed it barely got off the ground. Floods and drought in 2010, especially in Queensland, further restricted the PSWPS. The financial crisis meant that, although demand for agricultural workers was unchanged, local supply increased, as otherwise unemployed students, backpackers etc. became available, while employers sought to pay lower wages to workers who were more expendable when demand disappeared.

The first migrants participating in the scheme were 50 Tongan workers who arrived in February 2009 (Blanco 2009). Just six ni-Vanuatu workers followed in the same year, as lack of demand for workers meant that the remainder of an expected 100 visas were not issued. For the second phase, from July 2009 to June 2012, some 2,400 visas were made available, but they were also issued only slowly. By February 2011 only 214 workers had come to Australia under the scheme, mainly from Tonga (181) and small groups from Kiribati (19) and Vanuatu (14). Arrangements for recruitment from PNG were finalised in 2010 and the first workers were recruited in mid-2011. Host employers sought to reject some of the Tongan and i-Kiribati workers because of a limited demand for labour and what was said to be their lack of experience and motivation (Callick 2010). Most workers were employed picking citrus fruit, pruning vines or harvesting almonds, all activities with no parallels in their home countries. The PSWPS was widely seen as a disappointment, employers found the costs and bureaucracy of recruitment considerable (being particularly critical of the process of recruitment through three labour hire firms) and PICs were concerned at Australia's apparent lack of commitment. Indeed, beyond Tonga, such small numbers, and little growth in numbers, could make no real contribution to development needs in the region.

The scheme expanded only slowly and by mid-2011 some 560 workers had been recruited over a two-year period. Although it was still regarded as a pilot scheme,

it was said to have delivered benefits to both Australia's horticulture industry and participating PICs, with savings and remittances benefiting families and broader communities. In Australia, the scheme delivered some productivity gains for the horticulture industry, predominantly in rural and regional areas of Victoria, New South Wales, South Australia and Queensland, where access to a reliable labour supply had been a longstanding challenge. In September 2011, Australia therefore broadened the geographical extent of the scheme to include potential workers from Nauru, Samoa, Solomon Islands and Tuvalu. While the proposed expansion reflected strong support for the scheme from PICs and the Australian horticulture sector, the number of participating workers remained tiny and its impact small.

4.6.1 The PSWPS Scheme in Tonga

Tonga is a Polynesian island state with a population of just over 100,000 (Figure 4.3). The national economy is centred on agriculture but Tonga has long been dependent on international migration and remittances and about half of all ethnic Tongans live

Figure 4.3 Map of Tonga

overseas, notably in New Zealand, and also in the United States and Australia. In many of the smaller outer islands a semi-subsistence economy prevails.

Fifty Tongans participated in the first phase of the Australian PSWPS scheme in 2009, being recruited to participate on agricultural projects in the Riverina (Victoria and New South Wales) and in southern Queensland. The majority were interviewed in Australia. They were mainly married men aged between 26 and 40, from households of six people, and came from each of the four main island groups according to their population size. Almost all were semi-subsistence agricultural workers or earned incomes from some kind of unskilled wage employment, and were from poorer households than non-PSWPS households. They were somewhat less educated than RSE workers, since the recruitment firm, Tree Minders, was more concerned with workplace skills. English literacy was to be a problem for skill acquisition. Like workers from Vanuatu and Tuvalu, they had gone through briefing sessions before departure.

The Tongan workers were first employed in Robinvale (Victoria), went through a period of unemployment when work dried up and were later employed elsewhere in Victoria and Queensland. They were employed as casual workers so they received no benefits while unemployed. Productivity increased quickly after unfamiliar skills (almond picking and machinery operation) were acquired. The Tongans believed that acquired skills with chainsaws would be useful in Tonga. Although work discipline was acquired, it was unlikely to be useful in rural Tonga. Younger workers were more productive, especially where workers were paid a standard minimum hourly wage. Incomes were boosted and assimilation made easier where workers were able to stay with permanent resident Tongans in the neighbourhood, but that was unusual. The labour-hiring company organised participation in church choirs and rugby games, which provided welcome social opportunities. During periods with relatively little work, boredom and alcohol consumption became more common.

Despite the period of unemployment, the Tongan workers grossed more than A$10,000 per head, substantially more than they would earn in a year in Tonga. Costs were kept down by sharing accommodation and basic, bulk food purchasing. Many commented that they were earning more than they had expected. Most workers sent money to a single household but some sent remittances to as many as five households. Remittances averaged about A$358 per week, in the first, relatively fully employed phase, with those workers with larger families tending to remit more. All the workers intended their remittances to be used for paying bills (electricity and telephone), home renovation and their children's education, with lesser amounts sent for churches, medical bills and vehicle or land purchase. Those who had never worked overseas before tended to be more oriented to using remittances for more immediate consumption objectives, whereas those with a previous migration history had achieved some basic consumption goals and were more interested in seeking to establish or develop a small business (Blanco 2009). All the workers sought to return. Numbers subsequently increased.

As elsewhere, the Tongan government had put together a work-ready pool of potential seasonal workers, though the Australian hiring company both took workers

from this list and hired directly (through a network of Australian–Tongan contacts). Direct hiring led to some tensions, since it produced a particular kind of selectivity by religion. The Tongan group put together by the Ministry of Labour was recruited from throughout Tonga according to the population of particular districts, although employers could choose workers from a single district or from across the country. Selection was biased towards 'good, reliable people' who were unlikely to overstay, and targeted the 'grassroots of Tongan society: the poor and the unemployed' (quoted by Blanco 2009: 45).

The basic characteristic of a sample of households of seasonal workers in both 'Eua and Tongatapu indicated that they were poorer than non-PSWPS households in terms of both incomes and access to services (such as piped water and electricity). Evaluations of the impact of the Tongan migrant workers scheme suggest that poorer, more rural workers were more likely to participate in both the RSE and PSWPS schemes (Blanco 2009; Gibson et al. 2008). The remittances to households of migrant PSWPS workers constituted more than 95 per cent of their incomes. Remittances were used mainly for consumption (bills and education fees), though all households donated some to churches. Some households hired labour in the absence of male workers, while others experienced declining productivity of agricultural holdings but were unconcerned, perceiving the benefits of remittances to be considerably in excess of any short-term lost productivity. Strong social and family social networks were usually adequate to reduce any negative costs of the absence of workers (Blanco 2009; Rohorua et al. 2009). Remittances were also used to pay off debts on housing materials and car purchase. Only one household had been able to invest in business development. Households welcomed the financial security and freedom that the scheme had given them as the best outcomes of the PSWPS scheme; the most negative outcome was the absence of the husband and father. Benefits were particularly strongly perceived in 'Eua, where economic opportunities were unusually limited.

Despite the various problems associated with limited employment in Australia, both among workers in Australia and for their households in Tonga, both in Tonga and in Australia the very limited first phase of the scheme had been successful, and potentially appeared to be a partial model for future success. That largely failed to follow, despite the return of some Tongan workers and the recruitment of more in the following year.

4.7 Overall perspectives on RSE and PSWPS

The current schemes have run for little more than four years at the time of writing. There have been few detailed assessments and none that effectively examine the impact of the schemes at both ends over a period of time. The RSE scheme has not been evaluated in any detail for migrants from Samoa and Kiribati, so the more detailed conclusions relate mainly to the experience of ni-Vanuatu, Tongan and Tuvaluan workers. There is no reason to suppose that this is very different elsewhere (although Samoans have been said to have a higher rate of overstaying, partly because of the large Samoan community in New Zealand). Overall, because of the short duration,

conclusions are necessarily tentative, and to some extent reflect the challenges of implementing new and complex schemes.

Numerous teething problems occurred, including poor (and expensive) housing and facilities, lack of work at certain times (but continued costs), lack of awareness of certain requirements and local conditions (including the need for warm clothing), unfamiliarity with the kinds of agricultural work and labour organisation that were required, and frivolous expenditure of 'new money'. There was uncertainty over hourly rates and piece work – with most islanders preferring standard hourly rates for all workers – and over deductions made from wages for various reasons. Most workers found that the costs of accommodation were greater than expected, especially since they were sharing quite basic facilities and often there were additional costs for electricity and water (Bedford et al. 2010). This necessarily reduced their earnings, and many workers felt that they had not been able to accumulate the kinds of sums that they had imagined and expected. The RSE scheme guaranteed only 240 hours' (six weeks') work at the minimum wage, not enough to make reasonable savings, whereas the Australian scheme officially guaranteed six months' work (which partly explains the smaller numbers in Australia, since few employers could commit to that). Where there was considerable downtime, workers were even more likely to spend their savings – since there was little else to do – especially on alcohol, partly as a result of being in a characteristically male-dominated environment.

A lack of leadership in a new social context both made any regulation and social cohesion difficult and resulted in periods without an obvious sense of direction and purpose. The provisions made for pastoral care were vague and uneven in the earliest years, since it was largely a function of individual employers rather than carefully regulated by ministries of labour. Source countries have not had the resources to monitor the wellbeing of the workers, so there is considerable dependence on the goodwill of employers and monitoring by destination countries.

Over time, expectations were reduced and workers, especially those who travelled to work repeatedly, developed greater familiarity with what was expected, what was available and how they might conserve savings. The PICs learned relatively quickly who would turn out to be the more effective workers, and what kinds of pre-departure training would be most useful and enable workers to maximise their savings. Employers learned how to accommodate new workers.

Not all workers were immediately effective and some (a minority) departed early, finding labour demands too great. Almost all workers were totally unfamiliar with kinds of work they were expected to perform, since none of the fruits they were dealing with were grown in their home countries. Workers gaining experience of working in different conditions (plants, techniques, labour routines etc.) meant that there was an incentive for employers to re-hire those workers who wished to return rather than have to train new workers from scratch.

The schemes demand commitment on the part of employers. They cannot simply be seen as last-minute attempts to gain cheap workers when all else has failed. However, it is extremely difficult to forecast and predict agricultural labour requirements far in

advance, especially in uncertain climatic conditions (which have typified Australia in recent years). Moreover, as widely reported by employers in Australia, it was extremely difficult for them to commit to six months' employment, since that period was seen as simply too long, or to guarantee 30 hours' work per week (TNS Social Research 2010). This has proved the greatest problem in both countries, as workers have either not gained the work they expected or repeatedly and uncertainly shifted around between employers to find additional work.

Despite universal concerns that costs in New Zealand (and Australia) were too high, many workers returned with considerable sums, substantially more than they could have earned at home, especially from unskilled work in the agricultural sector (even were this available, and usually it was not). For the more remote states of Kiribati and especially Tuvalu, where costs were greater, many returned with relatively little and were even in debt. Geography disadvantages remote states when workers are needed at reasonably short notice; hence the need for some long-term security of employment.

Workers were expected to know something about the nature and organisation of employment in New Zealand and Australia, to be able to sort out some system for having a spokesman who could relay issues to management, and to be 'good citizens' of the countries they came from by behaving in an acceptable manner (Hammond and Connell 2009; Bedford and Hugo 2012). Few workers overstayed (and then mainly Polynesians in New Zealand), hence there was there was a strong commitment to return.

The experience of the new labour migration, limited though it is, has been largely positive for New Zealand, Australia and the participating states. Workers are available for seven months, compared with backpackers, who usually stay for no more than a couple of months. The migrant workers on these scheme are therefore a more reliable source of labour, potentially reducing training times and costs. They have filled vacancies in the agricultural sector, without displacing local workers, made some contribution to local society and gone home at the end of the time period. The major disadvantage has been the lack of guaranteed employment.

4.8 Economic impacts

Within the PICs the schemes have proved to be both generally pro-poor, because of local selection procedures, and not localised in particular regions but rather spread throughout sending countries (Gibson et al. 2008; McKenzie et al. 2009; Blanco 2009). There is some limited evidence of lost productivity in particular labour sources, including Vanuatu, which may also have had negative impacts on diet and health (Rohorua et al. 2009) but that was almost certainly balanced by income gains that counteracted lost production. More general research on remittances and development in Fiji and Tonga has pointed to positive gains in terms of poverty reduction (Connell and Brown 2005). Those findings are confirmed by work on the impact of remittances from the temporary workers in both New Zealand and Australia on families and communities in Tonga and Vanuatu. These studies have

further shown that remittances have reduced both the incidence and the depth of poverty (Gibson et al. 2008; Blanco 2009). Savings supported welfare gains in terms of improved housing and education, even if agricultural productivity declined slightly during the contract labour period (but not beyond it).

Few useful skills were acquired. Those that were acquired were rarely transferable to the quite different PIC agricultural systems, as had been true in an earlier Samoan episode (Macpherson 1981). However, in most PICs there is existing expertise in growing tree crops (notably coffee and cocoa), and Vanuatu especially has such crops as oranges, so there is certainly some potential for the effective use of the acquired skills. That is less true of Tuvalu and Kiribati. Skills cannot be transferred to more remunerative urban employment. In more established schemes, a 'migrant syndrome' has been perceived whereby households depend on distant employment and remittances, resulting in lost local productivity (Reichert 1981), but the benefits in the Pacific have been relatively small and any lost productivity is likely only to accompany the actual employment period.

Migrants moved out of relative poverty. Although incomes, and their utility, were less than expected, they enabled improved material wellbeing. Governments, recruiters and local agents preferred agricultural workers – and sought to exclude educated, or even skilled, workers (and the urban unemployed), reducing the costs and increasing the benefits to sending countries. Every country, including Kiribati (Gibson and McKenzie 2011), has sought to achieve some version of geographical equity. None has the capacity to use the scheme to boost more impoverished regions, although Tonga gave some priority to more impoverished households. Households with members working in the schemes were generally more impoverished than other national households. However, in Vanuatu the average household sending workers to the RSE scheme, although poor by regional standards, was richer than the average ni-Vanuatu household not sending workers (Gibson and McKenzie 2011). With rare exceptions, workers were not in employment categories where their loss would be of particular concern for national development.

In an international and Pacific regional context, there has been a shift from a more broadly based structure of migration towards greater selectivity and skilled migration that has created a new dimension of inequality (Connell 2006). No longer are the poor so easily able to move (although that was never easy, at least from the independent PICs), whereas the relatively rich (or at least those who have acquired training and marketable skills) are actively courted and recruited. In absolute contrast, the new guest worker schemes have ruled out the rich and skilled, and provided a rare and important outlet for the relatively and absolutely poor.

The availability of contract renewal suggests that equity might be less well served in future if the same workers return repeatedly in subsequent years. However, if the scheme expands, and if Australia provides greater opportunities, this may be less of a problem. Return migration would reduce establishment and training costs and, presumably, allow those best suited to the scheme – in their own terms or those of the employer – to be most involved. If future numbers remain limited, New Zealand and Australian selectivity will ensure that only the best workers will be chosen. Within the

Pacific, gains would thus be increasingly localised, perhaps as in Mexico, where 80 per cent of workers who migrated seasonally to Canada in 2003 had been specifically requested by employers (Verduzco and Lozano 2004).

Income was widely sought and used for improved housing, water tanks, lighting (usually through solar panels) and education fees. In Vanuatu at least, much was spent on mobile phones, since the telecommunications network was expanding at the same time as the introduction of the RSE scheme. A worrying trend for environmental management in later phases of RSE migration from Tanna has been the purchase of chainsaws. Although, unsurprisingly, not all expenditure was directed to valuable welfare gains, there is substantial evidence of the schemes making a contribution to basic needs and to moving rural areas of small island states closer to achieving the Millennium Development Goals.

The duration of involvement in the schemes has been limited, so their social impact has not been substantial. For the workers and their households there have been clear income gains, and overall their use has been focused on a development agenda: improved welfare gains (housing, solar panels, access to water) and some village facilities (school buildings), which have contributed to local social status. There is no reason to suppose that future incomes from the RSE scheme will fall and that they will be more frivolously used. There is every indication that workers have been chosen (or have chosen themselves) according to perceived needs, and thus that the scheme makes a contribution to local and regional equity. Women too have participated and have not obviously been discouraged from applying. Migrants had no ability to control conditions, since their stay was entirely temporary, and had minimal autonomy. The possible social costs of workers being absent, while children and old people remain, or of their acquiring new attitudes to work and life overseas, are yet to be known.

4.9 Win–win–win?

Both schemes are in their infancy. It may be that they now attract the best workers and employers, and there are real incentives for both such groups and the governments to ensure that everything works successfully. Over time, if numbers increase, the impact may be different. Yet for the moment they appear to be a success, and with the RSE scheme perhaps a model (hence its largely nominal extension to other countries). Both schemes have achieved 'triple wins' – for workers and for countries of origin and destination – but not on any significant scale, which appears to have also been the experience in Caribbean states. (Numbers in Canada seem to have averaged about 18,000 workers a year, with Mexico supplying over 10,000 of these, and Jamaica the majority of the remainder; Caribbean island states with populations similar to the PICs had fewer places per capita than in the Pacific.) The limitations of short-term labour migration are evident in the minimal subsequent structural and domestic changes that occur, the impossibility of converting household gains into long-term sustainable development, and the inability of small island states to translate household gains into more effective structures of national development.

The main concern over the schemes in both New Zealand and Australia has been over the difficulty of securing a reliable workforce. That emphasises that the schemes have been structured around the needs of Australasian farmers. Pacific economic and social development is a secondary aim of the RSE scheme and especially the PSWPS, and the schemes are linked to ministries of labour/employment and not to the New Zealand Aid Programme (NZAid) or the Australian Agency for International Development (AusAID). Not surprisingly, PIC governments and households are interested in the schemes for quite different reasons, and these are not entirely reconciled.

Whatever the impact of the schemes, with the total labour market set at 8,000 in New Zealand and the total in Australia at a fraction of that, so that in no season has the number of contract workers reached 10,000, the overall number of workers can only ever be a small proportion of those who wish to go, and the impact on island states is slight. Such numbers can be compared with the annual maximum of 24,000 in Canada (although about 18,000 is more usual), where the labour market is larger. Even in the smallest state, Tuvalu, the overall impact has been very limited. Workers from both Tuvalu and Kiribati, as the most distant states, faced higher costs, and earnings were thus less than in other country groups, but they were also significantly above the lower average incomes in those countries. Even in Vanuatu, from where most workers have come, fewer than a thousand workers are guest workers at any one time: much less than 1 per cent of the population (of about 250,000). The schemes generate more unfulfilled hopes than development. The most critical question that has arisen from the schemes is if and how they might be extended to draw in a wider population, over a longer time period, without compromising the gains achieved thus far. In the PICs there is a widespread view that quotas should be locked in, ensuring that there is a definite number of workers each season, so that labour mobility would not be restricted at times of recession or natural disasters.

Other small changes might improve the present systems. Recruitment might best be undertaken through community-to-community links so that workers might come from churches, sport clubs and community organisations, or be linked to them at the destination. That would avoid 'middlemen' recruiters and strengthen valuable social ties. Although countries and companies brief workers before they set off, there is no parallel briefing on return (partly because returnees are less likely to travel in a group) and therefore no means of advising workers on such re-integration issues as the use of savings etc. Samoa is intending to put just such a system in place, and, since all returning workers are briefed, they too are positive participants in briefings. Involving workers from previous years might also be valuable for such a process.

Apparently everywhere in the island region, prospective workers and households favoured Australia, since it was assumed that wages would be higher there (just as the dollar was) and that it would also be warmer there; hence it was a particular disappointment that so few opportunities were available in Australia.

If the numbers remain small, there will be some potential for unhealthy competition between countries (and regions of countries) for access to the schemes. That may disadvantage remote countries, such as Kiribati and Tuvalu (especially if there is

a need for quick access to the market), and perhaps latecomers, such as PNG and Solomon Islands. It is particularly difficult to see how the scheme might provide advantages for these two relatively large states, with populations of about seven million and 560,000 respectively, rather than generate regional tensions. It is difficult to envisage that equity or development might be achieved.

4.10 A widening sphere?

Regardless of local aspirations, migration and labour inputs were wholly linked to demand for labour. The schemes were initiated in New Zealand and Australia and, just as in the old days of blackbirding and the more recent 1970s scheme in New Zealand, they have largely been dictated by metropolitan requirements. Thus blackbirding ended when Australian demand disappeared and, in the Fiji–New Zealand scheme, although the coups 'provided a convenient excuse to put an end to the most successful work permit scheme that had evolved between New Zealand and a Pacific country', the real rationale for its demise lay in economic recession in New Zealand and the collapse of demand for labour (Levick and Bedford 1988: 21). In this century, in the present phase, metropolitan labour requirements, rather than, for example, considerations of aid delivery and foreign relations, have dominated the operation of the scheme; hence the slow start of the programme in Australia as the global financial crisis and natural hazards dampened demand for migrant labour, and local workers and students were more willing to be employed.

International migration has deferred and mitigated, but not resolved, issues of poverty and development. The combination of weak economies, overburdened bureaucracies, urban unemployment, fractured social networks and uneven development challenges notions of sustainable development. Most PICs are likely to remain weak for the foreseeable future, become increasingly dependent on the wider world and require new forms of external support and intervention. International migration constitutes one increasingly less hesitant solution: an expanding and unsatisfied outward urge, a necessary bottom-up globalisation that will always be both uneven and somewhat unsatisfying. Demand for opportunities is unlikely to diminish and will continue to exceed the supply of opportunities.

At a time when Pacific poverty and hardship are increasing, migration is part of a global trend in which remittances substitute for aid, and national investment in rural and regional areas is reduced. However, even the limited success of this new form of circular migration may be counterproductive in the longer term if it diverts attention from alternative national and international policies and strategies that will ultimately assist the poor in rural areas, for example by contributing to food security.

Both New Zealand and Australia absorb much larger numbers of skilled workers on a temporary basis. In the case of Australia's 457 visa programme, workers are sponsored by an Australian employer, can enter the country for between one day and four years and may be accompanied by spouses and dependents. In mid-2011 there were seventy thousand 457 visa holders in Australia and almost as many spouses and dependents. This programme, therefore, is very different from that

for temporary agricultural workers, firstly by requiring skills (such as medicine or accountancy), secondly by requiring that migrants are already reasonably well paid (a minimum income of A$49,330 is needed), thirdly because visa holders can bring family and fourthly because the duration is much longer. There is no obvious way in which the PICs can benefit from such skilled migration schemes without island workforces having very different skill sets, since it cannot easily be extended to unskilled workers. PICs may already be losing from the scheme because of the loss of scarce skills. Schemes such as the Kiribati–Australia Nursing Initiative (KANI) will enable some students to enter Australia and remain there after training, but numbers are limited.

4.11 Regional trade agreements

Regional trade agreements are currently being renegotiated between the 14 independent PICs (the members of the Pacific Forum) and Australia and New Zealand. The principal agreement that is being negotiated is the Pacific Agreement on Closer Economic Relations (PACER-Plus), which is an umbrella agreement providing a framework for the future development of trade co-operation. It moves the region towards free trade but is considered to go beyond trade in also constituting 'aid for trade'. It does not contain substantive trade liberalisation provisions; rather it envisages a step-by-step process of trade liberalisation. This starts with a free trade agreement in goods among PICs (PICTA – the Pacific Island Countries Trade Agreement), which is likely to be extended to services. PACER provides for programmes of assistance to the island country members with trade facilitation and capacity building. The PICs have indicated in Pacific Forum meetings that they would like migration to be part of the PACER-Plus negotiations but Australia has indicated that the focus should only be on trade. The final communiqué of the 41st Pacific islands Forum in Vanuatu noted, with respect to labour mobility, that 'Leaders noted ongoing developments on labour mobility in the region as well as parallel developments on Temporary Movements of Natural Persons-related activities and the labour mobility objectives of Smaller Island States under the auspices of PACER-Plus, PICTA, EPA and other trade negotiations' (Pacific Islands Forum 2010). In practice there was little movement towards any consideration of new or expanded forms of labour mobility. Significant changes to structures of unskilled labour migration are unlikely to be imminent.

4.12 The way forward?

The inability of many growers to offer enough work (whether perceived in terms of hours per week or months) is the single greatest constraint on expansion of the existing schemes. Unless such guarantees of employment can be made, any increase in the numbers of seasonal agricultural workers will tend to increase the problems of allocating work, and result in confusion and more workers moving between regions within destinations.

For temporary schemes to benefit PICs more effectively, then, demand for agricultural workers must increase (and it is unlikely that this will be so), new destinations must be found or employment must be offered in other sectors. It is unlikely that there are

new destinations that both demand a significant amount of agricultural labour and would give priority to the Pacific. Asia has demand, but a relative abundance of cheap labour, and Canada and the United States have other labour markets.

Other employment sectors in both Australia and New Zealand are at least intermittently short of labour, including unskilled labour. In New Zealand, elsewhere in agriculture, both the dairy and meat-processing industries have asked the Department of Labour to extend the provisions of the RSE to their primary sector operations, and it is likely that in these sectors there would be fewer problems of estimating labour requirements. In 2011, Australia announced that workers from East Timor were to be invited to work in the tourism industry in rural Western Australia (in the town of Broome) for seasonal employment under the terms of the PSWPS. This both widens the geography of the scheme (indicating how East Timor is frequently perceived as akin to a PIC) and widens the sectoral orientation. The hospitality/tourism sector is widely seen as the most likely sector for expansion of temporary schemes.

At different times in both New Zealand and Australia (Callister et al. 2009), there has been some discussion of a more general extension into the hospitality industry, and also into the care services, where demand for workers is considerable and hours are long but skill requirements may be greater.

It was suggested that there were opportunities for significant temporary work during the ongoing reconstruction of Christchurch after the 2011 earthquake (Bedford and Hugo 2012), but that was not taken up by the New Zealand government. This indicates the difficulties of quickly responding to intermittent demands for labour (and perhaps also the reluctance of governments to extend such temporary schemes without very careful consideration). The Australian fishing industry is said to be also seeking similar sorts of temporary work schemes. Mining, where demand is considerable, but generally for more skilled employment, might also be a potential future destination (although this area has sought to give some priority to Aboriginal workers). In some Canadian provinces, such as Alberta, some short-term migrants are allowed to work in areas such as trucking, manufacturing and hospitality (though numbers in the last of these are capped). In the present economic circumstances, and given the perception of unions and others that significant unskilled migrant employment would be a threat to the wages and working conditions of low-income Australians (as was also perceived to be the case during the establishment of the PSWPS), none of these changes seems imminent or would be easy to achieve.

Several countries have trained workers for overseas employment, notably in the Marine Training Schools of Tuvalu, Kiribati and the Marshall Islands, and there has been recurrent discussion of expanding and developing these models to include skilled workers such as nurses, and benefit from presumably larger remittance flows. Without exception, all independent PICs have continued to be interested in, and have exerted some pressure on Australia and New Zealand for, more opportunities for their working-age populations to access temporary employment in the two countries. Primarily, that demand is simply for opportunities that will guarantee reasonable incomes and thus benefit households in rural areas of the home states. Some PICs, notably Samoa, have stressed some enhancement of skills that might contribute to

improving those skills in the labour force within Samoa, but that is more difficult to achieve. It does, however, point to how, as in Kiribati, there is widespread interest in the acquisition of skills and opportunities for skilled migration (even perhaps at some social and other cost) and that more permanent and, hopefully, more skilled migration (and hence greater earnings as in KANI) is the preferred goal for many. Pacific island states have almost always preferred permanent migration opportunities for migrants and their families and the longer-term flow of remittances that ensues. Temporary guest worker schemes are something of a halfway house, but their limited gains have produced a win–win–win outcome at no real cost.

Appendix 4.1 Recognised seasonal employer policy[1]

Employment factsheet

Important information for workers in New Zealand under the Recognised Seasonal Employer (RSE) policy

Welcome to New Zealand. Your RSE visa allows you to work for the Recognised Seasonal Employer that has offered you employment until it expires or is revoked. New Zealand has rules regarding your rights as an employee and what you can do. It is very important that you are aware of these.

Your rights when working in New Zealand

Below are your basic legal rights as a worker in New Zealand.

- You must have a written employment agreement that both you and your employer have agreed to. Your employer must provide you with a copy. Your employment agreement will tell you about your pay, deductions and other employment conditions.
- Your employment agreement will specify the terms and conditions of your entitlements which include such things as your working hours, holiday and sick leave allowances. Keep a copy for yourself.
- Your employer must provide a safe workplace for you with proper training, supervision and equipment.
- New Zealand has a minimum wage and you must be paid no less than that rate. The minimum wage rates are reviewed every year. Information on the current minimum wage is provided on the Department of Labour website www.dol.govt.nz/er/pay.

What you must do

- You can only work for the employer in the job that is stated on your RSE work visa.
- You are expected to fulfil all the requirements in the contract you signed with your employer.

- You must complete work tasks the way your employer has trained you.
- Make sure you arrive on time and are reliable in your work and try your hardest. If you do not meet your legal obligations at work you could lose your job.
- Work steadily and look after yourself while you work. If you do not understand something, do not be shy about asking your supervisor. There is no shame in this and your employer will expect to be asked questions particularly while you are new in the job.
- You must leave New Zealand when your work has finished, or before your RSE visa expires or if your permit is revoked. If you stay in New Zealand illegally, you may be subject to removal and be banned from returning to New Zealand for a five year period.

What your employer must do

Your employer will pay for half of your airfare costs from your country of origin to New Zealand. If you are a citizen normally resident in Tuvalu or Kiribati, your employer will pay half of your airfare costs between Fiji and New Zealand.

Your RSE employer will arrange accommodation for you while you are in New Zealand, but it is your responsibility to pay for the accommodation.

Migrant workers must be employed on the same terms and conditions as New Zealand workers. You will be paid the same as a New Zealander doing the same job with the same level of experience.

You will find that more experienced workers usually receive more than new workers. You should also receive a higher rate once you have gained experience and achieved higher skill levels.

Under Immigration New Zealand requirements your employer must:

- pay you no less for doing the same job than they would pay a New Zealand citizen or resident with the same level of experience
- ensure that you are provided with an induction programme
- ensure you have suitable accommodation
- cater for your pastoral care needs, like services and community groups that help you with health issues, shopping, sport and attending church
- ensure you have transport to and from your worksite, provide assistance with personal banking
- provide personal protective equipment where required
- provide onsite facilities (such as toilets and clean water)
- and provide language translation (as appropriate).

When things go wrong

- If you have a disagreement with your employer including how much you are paid or about your working conditions, try and resolve the issue with your employer straight away or by following the procedure that is in your employment agreement.
- If you have a problem please talk to your employer or team leader about it. The problem cannot be dealt with if people do not know about it. If you are not happy with the response, contact your Labour Inspector, or Compliance Officer.
- If a problem cannot be resolved, parties can go to mediation, either through the Department of Labour's mediation services or through independent mediators.
- The RSE Labour Inspectors and Compliance Officers from the Department of Labour will be able to help you resolve any problems you will have with your Employer.
- If you are dismissed from your employment, you will not be eligible to remain in New Zealand. If you get into trouble with New Zealand law, your employment may come to an end, and you may be requested to leave New Zealand.

Annual holidays, public holidays and sick leave

Annual holidays

- Temporary workers who work in New Zealand for less than one year are entitled to eight per cent annual holiday pay of their total before-tax wages. Some employers include holiday pay in your weekly pay and others will pay it to you at the end of your employment. If it is included in your weekly pay, you should be able to identify it separately in your pay slip. Holiday pay is wages and as such is taxable. For example: if you are usually paid $15.00 for every bin of apples you fill, and you fill 40 bins by the end of the week, you will be paid $600 for the week. If your employer includes your annual holiday pay in your weekly pay, you will be paid $648. The additional $48.00 (which is eight per cent of $600) should be shown separately as annual holiday pay in your pay slip.

Public holidays

- You will also be paid for those public holidays that occur on a day that would normally have been worked by you had it not been a public holiday. New Zealand has 11 public holidays a year. These are: Christmas Day (25 December); Boxing Day (26 December); New Year's Day (1 January); 2 January; Waitangi Day (6 February); Good Friday (the date varies each year); Easter Monday (the date varies each year); ANZAC Day (25 April); Queen's Birthday (1st Monday in June); Labour Day (4th Monday in October); and Provincial Anniversary Day (the date depends on the province in which you work.)
- You are not required to work on New Zealand public holidays unless your employment agreement says that you are required to work. If you work on a

public holiday, you will be paid at least time and a half for the time you actually work on a public holiday. It does not matter whether you are paid on a wage or piece rate basis. For example: if you are usually paid $15.00 per hour, on a public holiday you should be paid at least $22.50 per hour which is $15.00 × 1.5 or time and a half.

- If you work on a public holiday that falls on a day you would normally work, your employer must give you a day off at a later time. This is called an 'Alternative Day'. If you have not taken any alternative days at the end of your employment, your employer must pay these days out to you at the rate of pay for your last day of work.
- You and your employer may agree that you transfer your public holiday to another day as long as this is in writing and the day to which you transfer your public holiday would have been a working day for you.
- If you do not work on a public holiday, but it is a day you would normally have worked, your employer must still pay you for the day as normal.

Sick leave and bereavement leave

- After six months employment you will be entitled to five days sick leave and three days bereavement leave. You can take sick leave if you are sick or injured and you can take bereavement leave if a close family member dies while you are working in New Zealand. You may be required to provide a medical certificate within three days of taking sick leave and the employer must pay for your expenses in getting this proof.
- Under RSE policy, you must hold, or be approved for, acceptable medical insurance for the length of your stay in New Zealand.

Trial periods

- You and your employer can agree to a trial period of up to 90 days. This agreement must be in your signed employment agreement before you start work. If you are dismissed before the trial period finishes you cannot take a personal grievance for unfair dismissal. You cannot be employed on a trial period more than once with the same employer.

Helpful information

- You should keep your own records of the days and hours that you worked. Check your records against the pay slip that you receive.
- You require an Inland Revenue number to work in New Zealand. Your employer may assist you in obtaining this, or you can contact the Inland Revenue on 0800 227 774 (free call in New Zealand).
- You or your employer cannot change the conditions of your employment agreement without mutual agreement between yourself and your employer.

- If you have any questions about your immigration status or the Recognised Seasonal Employer immigration policy, you can call Immigration New Zealand on 0508 55 88 55 or contact your local Labour Inspector, Compliance Officer or Relationship Manager.
- If you followed immigration and employment rules while you are in New Zealand you may be able to return to work for an RSE in the next season. There is no limit to the number of times you can come to New Zealand as a worker under the RSE policy if you are invited and prepared to do so.

Your contacts

If you have any questions or problems while working in New Zealand you can contact your local Labour Inspector, Compliance Officer or Relationship Manager. These officers will assist you and provide you with help or any information you require. You can contact any of these officers by calling 0800 20 90 20 (free call in New Zealand).

www.dol.govt.nz/initiatives/strategy/rse/factsheets/english.asp

Note

1 Ministry of Business, Innovation and Employment, Government of New Zealand (2010).

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Chapter 5

Guyana Country Case Study

Claremont Kirton and Patsy Lewis

5.1 Introduction

Historically, because of its large number of colonies, Britain was the most important source of migrants across continents. Available data indicate that migration from Britain averaged over 50 per thousand persons annually from the 1850s to the first decade of the 1900s. During the same period, over 50 million European citizens migrated, mainly to North America, with Canada averaging 88 per thousand persons per year and the USA 75 per thousand persons per year (Hatton and Williamson 1998).

The most recent world migration statistics provided by the International Organization for Migration (IOM) report that about 214 million persons, or 3.1 per cent of the world's population are migrants (Table 5.1). A migrant is defined as an individual who changes his or her residence from one economy to another for a year or more (IOM 2011). Not unexpectedly, the migrant populations of the world's more developed regions represent about 10 per cent of their populations, whereas for less developed regions this statistic is just over 1 per cent. A detailed examination of migration to more developed regions indicates that, in 2010, migrants accounted for 8.7 per cent of the population in Europe (excluding the UK), 10.4 per cent in the UK, 13.5 per cent in the USA, 21.3 per cent in Canada and 16.8 per cent in Oceania. Apart from Oceania, these more developed regions have attracted significant numbers of Caribbean migrants.

The stock of international migrants for Caribbean countries (CARICOM members and associates)[1] represents a total of 3.3 per cent of the population in 2010 (see Table 5.1).In terms of migrant population for these countries, the leading ones are Cayman Islands (63%), British Virgin Islands (36.6%), Anguilla (39.3%), Antigua and Barbuda (23.6%) and Turks and Caicos Islands (19%). Some positive outcomes are gained from migration, based on the transfer of remittances from the host (or destination) country to the home (or source) country. These transfers are mainly financial flows, but also include commodity transfers.

Available data from Ratha et al. (2011a) indicate that remittances to all developing countries increased by 16.6 per cent in 2007 relative to the previous years (1995 to 2006). Remittances inflows for all developing countries ranged from US$55.2 billion to US$325.5 billion between 1995 and 2010 (see Table 5.2). Remittances to Latin America and the Caribbean grew from $81.3 billion in 2000 to $324.8 billion in 2008. In 2009, remittances to the region fell to $307.1 billion but showed positive growth in 2010. In 2009, Guyana was ranked in the top ten recipients of migrants' remittances

Table 5.1 Stock of international migrants (in millions) for selected geographical areas, selected years

Geographical area	1990	1995	2000	2005	2010	% of population 2010
World	155.52	165.97	178.5	195.25	213.94	3.1
More developed regions	82.35	94.12	104.43	117.19	127.71	10.3
Less developed regions	73.16	71.85	74.06	78.06	86.23	1.5
Africa	15.97	17.92	17.06	17.74	19.26	1.9
Asia	50.88	48.77	51.92	55.13	61.32	1.5
Europe excluding UK	45.68	50.53	52.85	58.56	63.37	8.7
United Kingdom	3.72	4.19	4.79	5.84	6.45	10.4
Oceania	4.37	4.73	5.02	5.52	6.01	16.8
United States of America	23.25	28.52	34.81	39.27	42.81	13.5
Canada	4.5	5.05	5.56	6.3	7.2	21.3
Latin America	6.1	5.1	5.2	5.6	6.1	0.9
Caribbean	1.06	1.14	1.23	1.32	1.38	3.3

Note: The minor discrepancies in the numbers are due to rounding.
Source: UNDP (2008)

Table 5.2 Inward and outward remittances for all developing countries (US$ billion)

	1995	2000	2004	2005	2006	2007	2008	2009	2010 (estimate)
Inward remittance flows	2.2	4.1	8.1	10.1	13.0	16.6	22.0	22.5[a]	24.3
All developing countries	*55.2*	*81.3*	*159.3*	*192.1*	*226.7*	*278.5*	*324.8*	*307.1*	*325.5*
Outward remittance flows	0.3	0.9	1.1	1.3	1.6	1.6	1.8	1.8[b]	–
All developing countries	*10.4*	*9.5*	*28.5*	*33.0*	*41.0*	*52.7*	*67.3*	*58.7*	–

Notes:
[a]5.4% of GDP in 2009
[b]0.5% of GDP in 2009
This table reports officially recorded remittances. The true amount of remittances, including unrecorded flows through formal and informal channels, is believed to be larger.
Source: World Bank (2011)

to developing countries (17%). Guyana was also ranked in the top five countries for emigration, with an emigration rate of 56.8 per cent (Ratha et al. 2011a).

5.2 Guyana: country background

Located on the South American coast, Guyana covers a land area of 214,970 km^2 (83,000 square miles) and has a population of 772,000. Based on the 2011 Human Development Index (HDI) value of 0.633, Guyana is ranked 117th out of 187 countries and is in the medium human development category (UNDP 2011). That HDI value was above the average of 0.630 for countries in the medium human development group and below the average of 0.731 for countries in the Caribbean and Latin America (UNDP 2011). Guyana continuously achieves higher HDI values on average than the other countries in the CARICOM sample set, including The Bahamas, Barbados, Belize, Dominica, Guyana, Haiti, Jamaica, Suriname, and Trinidad and Tobago. Guyana's performance in several human development indicators improved between 1980 and 2011 (see Table 5.3). This includes a gradual increase in gross national income (GNI) per capita (2005 US dollars at purchasing power parity – PPP$) of about 68 per cent between 1980 and 2011. In the World Development Indicator Database, of 215 countries ranked by their GNI per capita (PPP), Guyana is ranked at 154 with US$3,530.

5.2.1 Poverty

According to the 2011 Millennium Development Goals (MDGs) progress report on Guyana (Government of Guyana 2011), the goal of eradicating extreme poverty and hunger by 2015 can potentially be achieved if the government continues to develop and meet its objectives in reducing the proportion of people living below the poverty threshold. The report indicates that 'the proportion of persons living in moderate poverty fell from 43.2 per cent in 1993 to 36.1 per cent in 2006' (Government of Guyana 2011: 2). Extreme poverty in Guyana declined between 1993 (28.7%) and 2006 (18.6%) as a result of the government assisting 35,818 and 65,073 people out of moderate and extreme poverty, respectively (Government of Guyana 2011). Up to 2007, Guyana

Table 5.3 Guyana's HDI indicators 1980–2011

Year	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2005 PPP$)	HDI value
1980	59.5	9.4	5.5	1,901	0.501
1985	60.4	9.5	6.0	1,393	0.494
1990	61.0	10.3	6.4	1,038	0.489
1995	62.1	11.1	6.8	1,904	0.546
2000	64.3	12.4	7.1	2,245	0.579
2005	67.3	13.0	7.5	2,420	0.606
2010	69.6	11.9	8.0	3,059	0.629
2011	69.9	11.9	8.0	3,192	0.633

Source: UNDP (2011)

was listed as one of the poorest countries in the western hemisphere, experiencing stagnant or no growth between 1998 and 2006, despite significant expansion in the early to mid-1990s (Nathan Associates Inc. 2007). Guyana's Multidimensional Poverty Index (MPI), which was developed to assess the various deprivations in terms of health, education and living standards, was 0.053 in 2011 with a recorded intensity of deprivation of 39.5 per cent relative to Suriname and Belize. It was reported that there was a decline from 11.8 per cent of Guyanese children suffering from malnutrition to 7 per cent in 2008 (Government of Guyana 2011).

5.2.2 Health

Guyana has achieved the target for reducing child mortality, with this statistic falling from 120 per thousand live births in 1991 to 17 per thousand in 2008. The country's child immunisation coverage has risen to more than 90 per cent nationwide, while AIDS deaths among children were reduced to 1.9 per cent in 2008 (Government of Guyana 2011). There has been steady progress in the MDG targets to combat AIDS, malaria and other diseases, with declining prevalence of both diseases (to 1.1% in 2009 for AIDS and 1,541 per 100,000 persons in 2008 for malaria). The MDG which targets environmental sustainability has shown some improvement: a relevant indicator is that the availability of safe drinking water increased from 50 per cent of households in 1991 to 83 per cent in 2000 and 91 per cent in 2006.

5.2.3 Education

The 2011 MDG progress report states that Guyana has maintained a net primary school enrolment rate of over 95 per cent since 2000, with more than 90 per cent completing primary education on average between 2006 and 2009. The findings indicated by the report suggest that access to education in Guyana is universal as a result of government policies. Primary education policies are developed mainly to improve access for students living in hinterland regions as well as to raise the quality of education for students with learning disabilities.

5.2.4 Gender equality

Guyana has reported improvement in the goal of gender equality as the labour market has been made more accessible to women, with the proportion of women in the non-agricultural sectors increasing from 4 per cent to 33 per cent between 1991 and 2006 (Government of Guyana 2011). There was also a 12.2 per cent increase in the number of women in the Guyanese Parliament between 1992 and 2009.

5.2.5 Unemployment

Overall unemployment fell from 11.7 per cent in 1992 to 10.7 per cent in 2006.

5.2.6 Debt

Guyana has reported an improved level of debt sustainability, reducing its stock of external debt from US$2.1 billion in 1992 to $0.9 billion in 2009, with its ratio of

total debt servicing to GDP falling by 59 percentage points to 3.8 per cent between 1998 and 2009 (Government of Guyana 2011). Guyana has engaged in fiscal consolidation and debt relief efforts to assist in the reduction of the external debt burden.

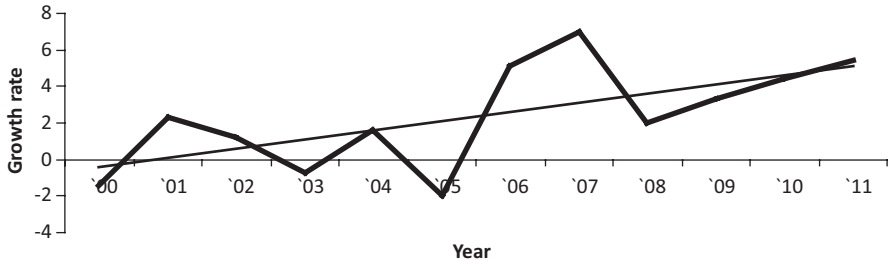
It was reported that the public sector debt declined from 93.1 per cent of GDP in 2006 to 60.5 per cent in 2009 (IMF and World Bank 2011). Guyana received $611 million under the Multilateral Debt Relief Initiative (MDRI) from the World Bank and the Inter-American Development Bank (IDB). In spite of economic improvements over the last decade, the country still faces severe vulnerability to external shocks and a moderate risk of debt distress. This is explained by the fact that all but one of the debt indicators (present value of external debt to GDP) is expected to be 38.8 per cent by 2013, which is 1.2 percentage points above the threshold value (IMF and World Bank 2011).

5.2.7 Investment and economic growth

According to the 2011 MDG progress report, Guyana is least likely to improve in global partnership for development by 2015. Total foreign assistance (aggregate of foreign direct investment and official development assistance) to Guyana increased by 19 per cent to US$173 million between 2004 and 2009. There was an average of 1 per cent growth each year between 2002 and 2006 (Nathan Associates Inc. 2007). However, after real GDP growth rates increased by 4.7 per cent in 2006, these rates have surpassed 5 per cent in the subsequent years (Thomas 2012). Figure 5.1 illustrates the changes in growth rate between 2000 and 2011.

Available data indicate positive growth trends from a real GDP growth rate of -1.4 per cent in 2000 to 5.4 per cent in 2011 (Thomas 2012). As expected, Guyana's GDP per capita matches the path of the real GDP growth, with high growth rates in the 1990s (5.2% between 1990 and 2000), and then declines in the first decade of the twentieth century to 2.1 per cent growth between 2000 and 2009 (World Bank 2011). Real GDP per capita shows an increasing trend from US$2,277 in 2007, through US$2,497 in 2008, US$2,629 in 2009 and US$2,923 in 2010 to US$3,202 in 2011 (DFAT 2012).

Figure 5.1 Guyana growth rates, 2000–11



Source: Thomas (2012)

Table 5.4 Macroeconomic performance and outlook (2015)

	2007	2008	2009	2010	2011[a]	2012[a]	2013–15[b]
Real GDP growth rate (2006 prices)	7.0	2.0	3.3	3.6	5.4	6.0	4.6
Overall fiscal balance (% of GDP)	-4.9	-4.7	-3.4	4.0	-3.5	-3.2	3.0
Investment/GDP (%)	21	19	17	17	21	20	26
Inflation rate (end of period)	14	6.4	3.7	4.4	3.3	5.4	5.4
NPV public debt-to-GDP ratio (%)[c]	42	41	48	48	48	47	48
NPV public debt-to-revenue ratio (%)	152	159	170	180	158	161	172
Total debt/GDP (%)[c]	60	62	61	61	85	61	62
External debt ($ million)	718	834	933	1,043	1,206	1,131	–
External debt/GDP (%)[c]	42	44	45	47	53	52	52
Domestic debt (G$billion)	69	75	87	101	146	–	–

Notes:
[a]Estimate/projection
[b]Projected average 2013–15 (PRSP)
[c]GDP at 2006 prices
NPV, net present value
Source: Official statistics and IMF and World Bank (2011)

The country's balance of payments current account deficit was 28 per cent of GDP at the end of 2006 compared with the 9 per cent deficit experienced in 2004 (Nathan Associates Inc. 2007). These imports are financed by vast inflows of remittances as well as debt relief and foreign direct investment (FDI) (Nathan Associates Inc. 2007). The IMF and World Bank (2011) reported that FDI inflows are able to finance about 80 per cent of Guyana's balance of payments current account deficit. This is based on an estimate, about US$1 billion in FDI has been received (Thomas 2012).

Guyana's largest share of investment spending in the economy is obtained from external savings inflows. External savings inflows are obtained from two main sources: overseas development assistance (ODA), which is received by the government of Guyana, and FDI, which is usually provided by private institutions. The National Budget (2012) reported that, between 2007 and 2011, external saving flows averaged 11 per cent of GDP annually, while national savings averaged approximately 8 per cent. The ratio of investment to GDP averaged 19 per cent between 2007 and 2011 (Singh 2012). Thomas (2012) analyses Guyana as experiencing a downside risk of global economic shocks because capital flows to Guyana are directly connected to the global economic environment, which can have an impact on capital flows into the country.

5.3 Challenges and benefits of migration in Guyana

5.3.1 Migration and remittances: definitional issues

The IOM defines a migrant as 'a person who moves to a country other than his or her usual residence for a period of at least a year' (International Organization for

Migration 2009). Thus, for a migrant, the destination or host country becomes the new country of usual residence. An important economic gain from migration is the transfer of remittance flows by migrants from the host country to their home country. Other economic and social consequences of migration are affected by the growth of the diasporic economy. These include employment, education, health and culture.

According to the IMF (2009: 272), remittances are defined as 'household income from foreign economies arising mainly from the temporary or permanent movement of people to those economies'. These flows typically comprise financial resources or commodities, or some combination of both. Financial resource transfers are used mainly for consumption purposes, with small percentages allocated to savings and/or investment; commodities are typically consumed, although certain types may be used for investment.

In linking migration and remittances, Alleyne et al. (2003) developed a taxonomy of Caribbean remitters that includes the following six categories: migrant worker, permanent migrant, family migrant, part-life migrant, part-time migrant and returning migrant. The *migrant worker* is defined as a temporary resident in the host country, with ongoing ties to the home country. At a minimum, this remitter regularly transfers fixed remittances to meet family requirements at home. The *permanent migrant* remits mainly to satisfy specific obligations in the home country, such as the maintenance of ageing parents or financial commitments. The *family migrant* is one who has migrated and plans to move his or her entire nuclear family to the host country; here, remittances depend on the extent to which family members relocate to the host country. *Part-life* migrants work legally in the host country for their working life, with the intention of repatriating after retirement; while in the host country, these migrants may remit funds for investment mainly in housing and entrepreneurial activities. *Part-time* migrants from the Caribbean are most often farm and tourism workers who have contractual arrangements with farms or hotels in host countries; these migrants are likely to remit almost all of their income earned in the host country. Finally, the *returning migrant* is a worker who, despite an intention to remain in the host country, is forced for various reasons to return home; typically, where possible, these will transfer most, if not all, of their funds back to their country of origin.

5.3.2 Migration and remittances: data issues

Historically, data on migration have been collected and disseminated for CARICOM countries. However, collection and publication of remittance data for the region are much more recent phenomena, with various data collection methods used across Caribbean countries.

The IMF (2009) reports remittances in its *Balance of Payments and International Investment Position Manual* as part of current transfers in a country's balance of payments (BOP) statistics. The manual states that remittances are obtained from two important items in the balance of payments framework. The first component is the wage (income) earned by workers in economies in which they are not residents;

and the second component, remittances, includes cash and non-cash items that flow through formal channels, such as via electronic wire or through informal channels, such as money or goods carried across borders (IMF 2009).

The Bank of Guyana (2001) defines workers' remittances, migrant transfers, and other unrequited transfers: workers' remittances would include transfers made by workers who stay in foreign economies for at least one year. These transfers are made by migrants living and working in new economies to residents of the economies in which the migrants formerly lived. Migrant transfers or remittances and receipts to bank accounts abroad would be transfers made by migrants to their bank accounts abroad and not to their families. 'Other unrequited transfers' mean any non-financial transfers. These would include barrels and boxes, etc.

The World Bank has published remittance data since 1970; however, these data are available for only a few Caribbean countries up to 1989 and are not fully reported until 1990. Remittance data for Guyana from 2003 to 2010 are reported in the World Bank's *Migration and Remittances Fact Book 2011*. There are, however, no available reports on compensation of employees and migrants' transfers for the same period (Ratha et al. 2009).

5.3.3 Economic sectors hardest hit by migration

Countries typically face many challenges resulting from both inward and outward migration. Guyana has experienced negative net migration, which means that emigration surpasses immigration (more people leave than enter the country). Available data indicate that this affects the education (teachers) and health (nurses) sectors the most.

The extent of the impacts on these sectors has not been thoroughly assessed because information is limited. According to the World Bank (2011), Guyana had the world's highest migration rate of tertiary-educated persons (89%). Guyana's stock of emigrants was reported as 432,900 or 56.8 per cent of its population (World Bank 2011). Not surprisingly, the effects of such massive population losses, particularly of those educated at the tertiary level, have an impact on all sectors of the society. Because of the importance of the health and education sector in social reproduction, attention has been focused understandably on these sectors. The World Bank (2009) provides a detailed examination of the challenges in the country's nursing sector. Guyana is reported to have the lowest ratio of nurses per thousand persons in the Caribbean Region (0.55) and the highest vacancy levels of approved and funded nurse positions in the CARICOM countries studied. The study noted that this was a likely under-representation of the true levels of vacancies as establishments reflect budget constraints rather than needs (World Bank 2009: 17). Of the countries studied, Guyana had the highest levels of nurse attrition (18.5%) in 2007. Migration was the main source of attrition, accounting for 73.3 per cent of losses. Currently, Guyana has a nursing demand of 1.18 nurses per thousand persons (World Bank 2009). The World Bank (2009) suggests that, even with the plans for increasing training and reducing attrition, demand is likely to outstrip supply over the medium

term. Projections indicate that Guyana's demand for nurses in 2015 is 1.5 nurses per thousand persons, with a comparable supply of 0.5; by 2025, demand is projected to be 2.7 per thousand, with a supply of 0.7.

Guyana trains about 300 teachers per year and loses the same number to migration overseas (Chanda 2011). This flow of teachers to other countries is due to 'better conditions for service … and relatively well paid' opportunities (Chanda 2011: 11). The findings of Chanda (2011) indicate that Guyana had a teaching force of 8,646 with an attrition rate of 13.8 per cent in 2007, rising to 15 per cent in 2008. Based on available information, the massive outflow of human capital (education and health) from Guyana results mainly from low wages, poor working conditions and limited opportunities.

5.3.4 Remittances: channels and uses

In recent years, remittances to Guyana have been sent mainly through money transfer companies (77.7%), with commercial banks and bureaux de change (also known as cambios) averaging about 11 per cent each. The USA has traditionally been the leading source of remittance transfers followed by Canada and United Kingdom.

Retrieval of remittances sent by both absent and other migrant donors was mainly through money transfer organisations (Kirton 2006). The results reported from the 2006 Kirton study showed that several money transfer organisations were utilised. Western Union Remittance Services was the one used most frequently by households and individuals in Jamaica (accounting for 72.8% of the sampled population receiving money through this particular facility). Building societies were the second most common entity used (13.6%) and other financial institutions were the least-utilised medium for receiving remittances (1.3%). Postal services, travellers and other media were also used to facilitate the collection of remittances by households. There are seven money transfer agencies in operation in Guyana. More than 50 per cent of the remittances in 2010 were in US dollars, with 19 per cent in Caribbean currencies, 13 per cent in Canadian dollars and 9 per cent in sterling.

Migrant remittances to the Caribbean are typically used for consumption, savings and investment or some combination of these purposes; the limited published evidence suggests that consumption is the most significant use. Consumption of commodities and services can typically generate positive effects on economic activity. A major constraint, however, is the leakage that occurs because of the relatively high percentage of imported commodities and services consumed in the Caribbean. If the majority of those households receiving remittances are in the poorer percentiles of income earners, who may be consuming fewer imports, increased consumption levels are likely to improve overall domestic economic performance.

If significant percentages of remitted funds are spent on basic consumer goods, such as housing, health and education – rather than on non-productive, luxury goods – improvements in the quality of life of the population are to be expected. Increased

expenditure on education can improve employment possibilities and the potential earnings for family members, while also increasing their employment options outside the country. Where remittance flows are higher in percentage terms for poor households, it is likely that levels of inequality in income distribution may be reduced. In-kind remittances also improve recipients' living standards; however, where these in-kind remittances are luxury-type goods, associated demonstration effects may increase the demand for such imports over time, thus affecting the country's balance of payments position.

Furthermore, if a percentage of remittances are saved locally, this increase in the pool of domestic savings can support domestic investments. Where these funds are placed in the financial sector, domestic borrowers may access them for productive activities that can lead to increases in income generation and employment creation. Samuel (1996) observes that it is quite possible that remittances can replace domestic saving by permitting a higher level of consumption.

Any discussion of the use of remittances for investment involves a number of issues. First, both cash and in-kind remittances contribute to investment. In-kind remittances include consumer goods such as computers, stereo systems, refrigerators, stoves and various household appliances, which are also used as investment goods, especially in informal micro-enterprises operated by the poorer strata of Caribbean countries. For example, a stove may be used not only to cook food for household use but also to sell food commodities in the community. The uses to which in-kind remittances are put require more detailed study to determine their specific effects.

Second, for many households with severely limited access to formal financial sector credit, remittances are their only source of finance for investment. Third, remittances can be used to finance the construction of new houses in Caribbean countries, especially by returning migrants. In many Caribbean islands that have experienced severe destruction from hurricanes, remittances have been used to finance disaster reconstruction of private homes (Samuel 1996).

5.3.5 Temporary migration schemes

Guyana operates no temporary migration schemes. Interviewees felt that the risk of absconding made Guyana unattractive for such programmes, especially for developed countries (Guyana interviews 2012). Like other members of the CARICOM Single Market and Economy (CSME), Guyanese possessing identified skills are permitted to live and work in other CSME member states without restriction. The first category of workers allowed freedom of movement under the CSME was artistes, students with university degrees, sportspeople, and media personnel and musicians. This was extended in 2006 to include domestic helpers, teachers, nurses and persons with technical and vocational qualifications. Here, this attempt to broaden categories eligible for migration is reported to have created challenges, as some CARICOM countries have been reluctant to implement this in the context of the global recession and its negative impacts on unemployment and poverty levels in their economies.

Movement of Guyanese migrants to other CARICOM states pre-dates the CSME and was fuelled by various economic, political and social conditions at home. CARICOM states have benefitted from the services of skilled Guyanese migrants, particularly in the teaching and medical professions. More recently a wider range of skilled migrants, including construction workers, have also migrated to CARICOM states. It is reported that not all of these migrants have remained in the host countries legally.

Guyanese migrants have reported some level of hostility in their experiences with intra-regional migration. Anecdotal and media reports suggest that Guyanese are singled out for hostile treatment throughout the CARICOM region, but this appears to be somewhat more intense in Barbados (Trotz 2007). The full implementation of freedom of movement across CARICOM countries for identified skills, while improving options for persons in demand, could possibly exacerbate the skills problems that Guyana is experiencing. This is especially likely because the very factors that encourage Guyanese people to leave are likely to provide disincentives for emigration to Guyana from other countries in the CSME. In particular, Guyana's salaries are by far the lowest in CARICOM. Because of the high levels of migration from Guyana, many countries outside the CARICOM region maintain visa restrictions that limit access of Guyanese citizens. Given the problems of migration in Guyana, especially related to migration of nurses and teachers, the World Bank has proposed certain policies to the Guyanese government which target the country's migration problem. These recommendations include: increase the training capacity of the country; manage migration by creating barriers or by recruiting persons from abroad; improve data quality and availability; and adopt a regional approach to dealing with the migration-related problems as well as implementing programmes to increase return migration.

5.3.6 Impact of remittances

In Guyana, data for 2006 showed that remittances were 205 per cent of FDI, 24.6 per cent of GDP and 37.4 per cent of exports. As such, these inflows of funds contribute significantly to reducing the country's BOP current account deficit in the period of declining terms of trade (as a result of natural disasters) and also assists in stabilising the exchange rate (Roberts 2006). It was also speculated in 2006 that the high use of remittances in education contributes to the growth in Guyana's human capital; in addition, remittances uses in real estate and financial institutions represent the possibility of positive multiplier effects which would generate funds for developmental projects. The fall in the number of Guyanese below the poverty line is linked to the increasing inflows of remittances, beginning in 1992, when the percentage dropped to 43 per cent from 65 per cent in 1988 after a peak in migration. It fell further to 35 per cent by 2002 (Roberts 2006).

Other analysts, such as Khemraj (2009), have argued that remittances hinder, rather than enhance, domestic labour productivity. As opposed to generating a positive multiplier effect, remittances facilitate debt servicing; any effect such transfers are likely to have on savings would be unimportant, given the need for high levels of investment in productivity that goes unfulfilled. It is also posited that more economic linkages can be developed using FDI than remittances, since there exist no meaningful

arrangements through which the micro-quantities that enter the Guyanese economy as remittances could be injected into large developmental projects (Khemraj 2009).

5.3.7 Push factors for migration

The interest in migration from Guyana has heightened over the last decade. As migration becomes significant, a number of factors can be identified as contributing to the increase in migratory patterns. It must be highlighted that both 'push' and 'pull' factors are contributory and tend to be complementary.

Typically, Guyanese migrants are driven by many of the common push factors that drive migration internationally. These include lack of employment opportunities, particularly for new graduates; low salaries; high levels of economic insecurity; widespread perceptions of corruption; and low levels of confidence in the political process. Historically, Guyana's political environment has been a critical factor in pre-empting the levels of insecurity that underlie migration. Guyana's post-independence political environment is characterised by deep ethnic divisions that are manifested at all levels of the society. These have, on occasion, been manifested in outbreaks of inter-racial violence at the community level, especially in the wake of national elections (Trotz 2007). Guyana's political culture both reflects and entrenches the deep ethnic divide that exists in the country and emerged in the years preceding independence.

Specifically, in the nursing sector, the push factors have been identified as low salaries, work environment, professional recognition, opportunities for personal development, staffing levels and physical safety (ICNM 2010). A 2010 study by Una Reid found that conditions of work, such as 'workload … stress … equipment and supplies … orientation and in-service education', were more important than pay in influencing the decision to migrate (Alleyne 2010). She also found that prospects for improved pension schemes, other benefits and for job promotion were also important pull factors (Alleyne 2010).

It can be argued that, for Guyanese migrants, the 'push' factors mirror the 'pull' ones in the host country. Among the factors listed as being responsible for this extra-regional movement are social problems such as poverty, unemployment and related economic insecurity and, to a lesser extent, political instability (UNDP 2005). The consensus for Guyana is that the overarching factor lies in the employment problems experienced in the country. Poverty, for example, can be linked to inability to acquire a satisfactory job, thus leading to a decrease in the quality of living. An estimated 83 per cent of graduates from the University of Guyana reportedly migrated because of a lack of suitable job opportunities in the country (UNDP 2005). Migration is then encouraged by the inability of the majority of the country's labour force to find sufficient and satisfactory employment.

5.3.8 Public services impact

Effects of widespread migration, especially of skilled people, such as Guyana experiences, can be expected to be felt across society. The experience of the sugar

industry, specifically the Guyana Sugar Company (GuySuCo), in attracting skill workers is instructive and is likely to have been typical of most businesses in most economic sectors. Some 800 people who had received training in sugar production-related skills between 1990 and 2005 had migrated, despite bonding requirements, which are limited to five years. Here, this labour migration has created shortages in management, forcing the company to promote persons without the adequate levels of skills and experience (*Stabroek News* 2011).

As already noted, the high levels of migration have impacted negatively on the availability of trained nurses in Guyana. The country's health ministry reported that the country had lost between 25 per cent and 35 per cent of its experienced nurses annually over the preceding decade (Alleyne 2010). These levels of nurse migration have resulted in significant losses in funds spent on training nurses by the government of Guyana. It was also reported that about half of the government's annual expenditure on training has been lost as a result of nurse migration (Alleyne 2010).

Available research results indicate that between 1997 and 2007 about 50,000 nurses migrated from the CARICOM, which is an estimated loss in public expenditure on nursing education of about US$2.2 million (CARICOM Secretariat 2007). It is projected that by 2020 the shortage of nurses will increase to 800,000; projections are not much different for other skilled occupations in the medical field, such as doctors and technicians. Guyana data show that 75 per cent of trained personnel emigrated between 2000 and 2004 (CARICOM Secretariat 2007). Guyana is one of the top ten countries with the highest expatriation rates of doctors, at 72 per cent, after Antigua and Barbuda and Grenada, with India having the highest rate (Sanders 2011).

Guyana's loss of teachers is significant. Some 15 per cent of the country's trained teachers migrate annually. This has translated to allocating funds for training about three times the number of teachers needed annually to maintain the number of properly trained educators in the country. The majority of the Guyanese teachers migrate to the USA, Canada, the Caribbean and Botswana (Baksh 2007).

5.3.9 Migration and remittance trends

Migration has been an important element of Caribbean life for centuries. Many historians date Caribbean migration as beginning with the forced mass movement of Africans to the Caribbean to work as slaves on sugar plantations, beginning in the sixteenth century. The major waves of Caribbean migration which are typically analysed and discussed are those which occurred after Emancipation. Marshall (1987) identifies four phases of Caribbean migration as follows: first phase, 1835 to 1885; second phase, 1886 to 1920; third phase, 1921 to 1940; and fourth phase, 1941 to the present.

The first phase was characterised primarily by intra-regional or intra-territorial migration, consisting mainly of young adult males moving from their Caribbean country of origin to other British colonies in the region. The second phase of Caribbean migration typically involved intra-regional movement of persons from

the British West Indies to work on sugar plantations in Cuba and the Dominican Republic (Richardson 1983). During the third phase of migration, Caribbean migrants (mainly from Barbados and Trinidad) travelled to Venezuela to work in oil fields and to Curaçao for employment in oil refineries. Beginning in the 1940s, the fourth wave of emigration of Caribbean people was primarily to developed Western countries, mainly the UK and USA.

The following sections discuss Guyanese migration to major host or recipient countries (by country) during the fourth phase of Caribbean migration.

United States of America

Migration to the USA has dominated the movement of Caribbean people internationally since the 1970s. Guyana has been one of the primary source countries for such migrants. The Migration Policy Institute (2009) data indicate that, between 1986 and 1989, Caribbean migration to USA increased from 53,746 to 64,778 persons (or approximately 20%). In terms of the stock of Caribbean migrants in the USA, US Census (2000) data report that, by the end of the 1980s, some 137,575 Guyanese resided in the USA.

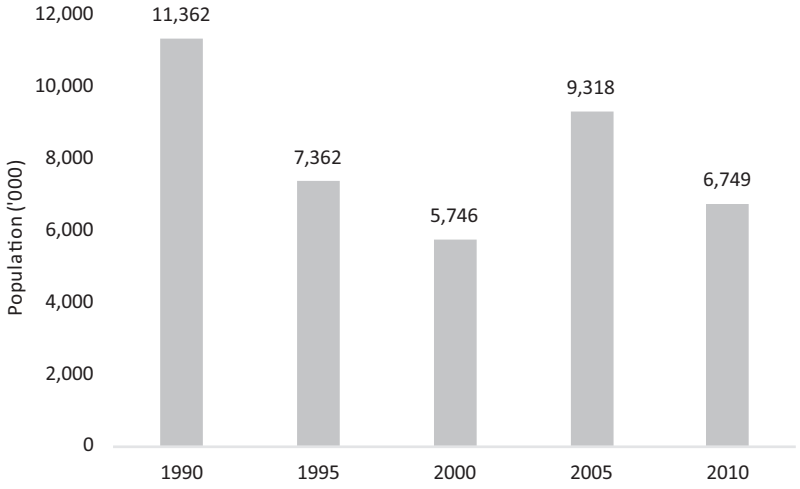
Increases in migration to the USA in the 1980s resulted mainly from the implementation of the Permanent Labour Certification arrangement, which allowed US employers to hire migrants on a permanent basis in any field. These would include the H-2A and H-2B agricultural guest worker programmes (1986), as part of the Immigration Reform and Control Act (IRCA), and the H-1C Nurses in Disadvantaged Areas programme, which began in 2006. The US 1990 Immigration Act further helped to encourage large-scale migration to the USA from the Caribbean. Guyana has had no formal arrangements with the USA under any of the guest worker programmes.

United States Department of Homeland Security (2011) data reported that during 1990 there was an inflow of 11,362 Guyanese. Between 1990 and 2000, there was a steady decline in the number of Guyanese nationals residing in the USA; there was, however, an increase of 9,318 (16.96%) migrants in 2005, followed by a decline of 6,749 migrants in 2010 (see Figure 5.2).

United Kingdom

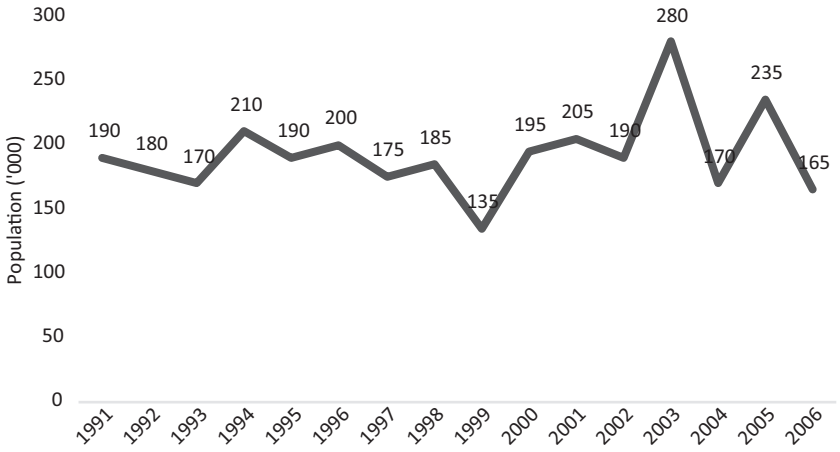
The annual flow of Guyanese migrants to the United Kingdom from 1991 to 2006 is shown in Figure 5.3. According to Thomas-Hope (2000), trends in the movement of Caribbean people to the United Kingdom have been quite low during the twentieth century. The data show that between 1991 and 1998 there was a steady flow of Guyanese migrants to the UK (usually between 170 and 210 each year); however, there was a sharp decline in 1999 (see Figure 5.3). Between 2003 and 2005, there was a peak in the number of migrants to the UK. Since the late 1990s, UK immigration policy has been based on 'selective openness' with a bias in favour of expanded economic immigration and tighter security to combat illegal immigration. In 2002, the UK government introduced visas for highly trained migrants to enter UK on the basis of their skills.

Figure 5.2 Guyanese migrants to the USA, selected years



Notes: Data presented in Figure 5.2 include persons granted legal permanent residency during the year regardless of their actual arrival dates. These data represent persons admitted for legal permanent residence during the 12-month fiscal year ending 30 September of the year designated. Many of the individuals admitted actually arrived in the United States in earlier years.
Source: United States Department of Homeland Security (2011)

Figure 5.3 Migration of Guyanese to the UK, 1991–2006



Notes:
Inflow data included in Figure 5.3 show 'grants of settlement'. People granted settlements are those who are subject to immigration control and who are allowed to remain in the United Kingdom indefinitely. This includes (a) people granted settlement on arrival at ports of entry and (b) people initially admitted to the United Kingdom subject to a time limit which was subsequently removed on application to the Home Office. The majority of settlement grants in recent years have resulted from the removal of the time limit. The settlement data published by the government of the United Kingdom are rounded for confidentiality reasons. The data before 1997 were rounded to the nearest 10; from 1997 onwards, the data were rounded to the nearest 5.
Source: Compiled by authors from Migration Policy Institute (2006) data

Canada

Like the UK, Canada has experienced smaller inflows of Guyanese migrants than the USA. Available data show that between 1990 and 1995 there was an increase in Guyanese migrants to Canada from 2,895 to 3,976 a year. However, there was a steady decline in Guyanese migrants to Canada between 2000 and 2010 (see Figure 5.4).

Remittances

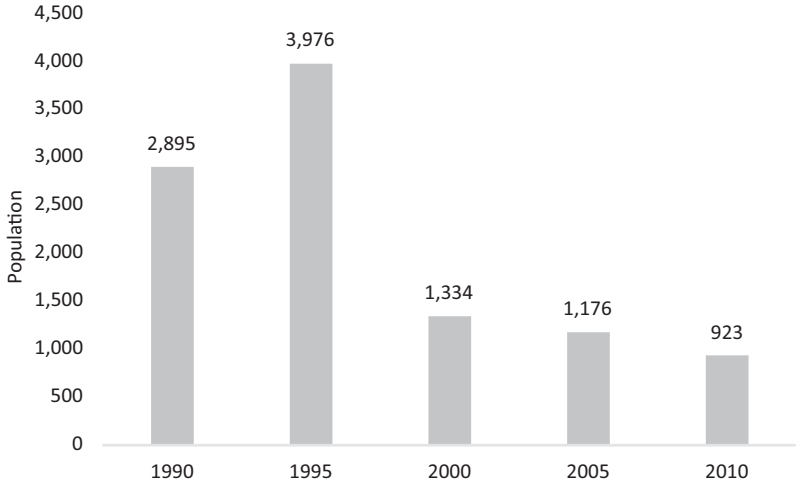
The World Bank (2011) remittances data indicated that Guyana has recorded a significant increase in remittances since 2000. There is an upward trend from US$22 million in 2001 to $283 million in 2007. In 2008 and 2009, there was a slight decline in remittance inflows to $267 million, but the amount increased to $373 million in 2010, rising further to $399 million in 2011 (see Figure 5.5).

Remittances per capita data for Guyana show significant improvement over the last three decades. Between the 1980s and 1990s, annual average remittances per capita rose from $2.60 to $10.60, and they increased to $211.80 in the first decade of the twenty-first century (see Figure 5.6).

As a percentage of GDP, remittances to Guyana rose from 0.4 per cent to 1.1 per cent between the 1980s and 1990s. In 2000–2010, the proportion of remittances to GDP increased to 15.9 per cent (see Figure 5.7).

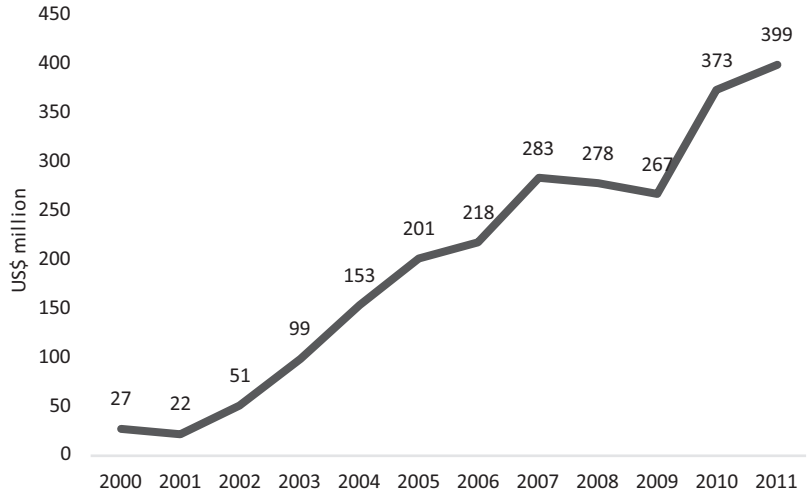
The volume of remittances as a percentage of ODA for Guyana displayed an upward trend and into the twenty-first century. Figure 5.8 shows that the proportion was

Figure 5.4 Guyanese migrants to Canada, selected years



Note: The data show the number of 'landed immigrants' who were granted permanent residence status during the given year. A landed immigrant is a person who has been granted the right to live in Canada permanently by the Canadian immigration authorities.
Source: UNDP 2008

Figure 5.5 Remittance inflows to Guyana, 2000–11

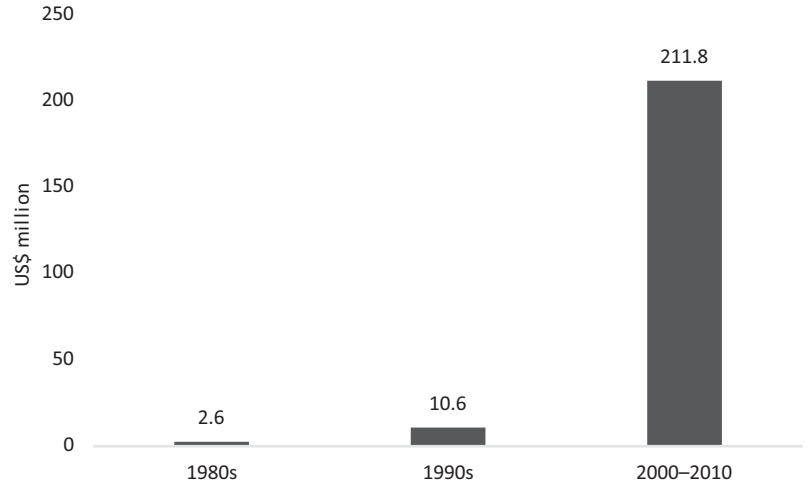


Note: All numbers are in (nominal) US dollars. The figure for 2011 is an estimate.
Source: IMF (2011)

7.1 per cent in the 1980s, falling to 6.8 per cent in the 1990s. Since 2000, the proportion of remittances to ODA has increased significantly to over 100 per cent (111.9%).

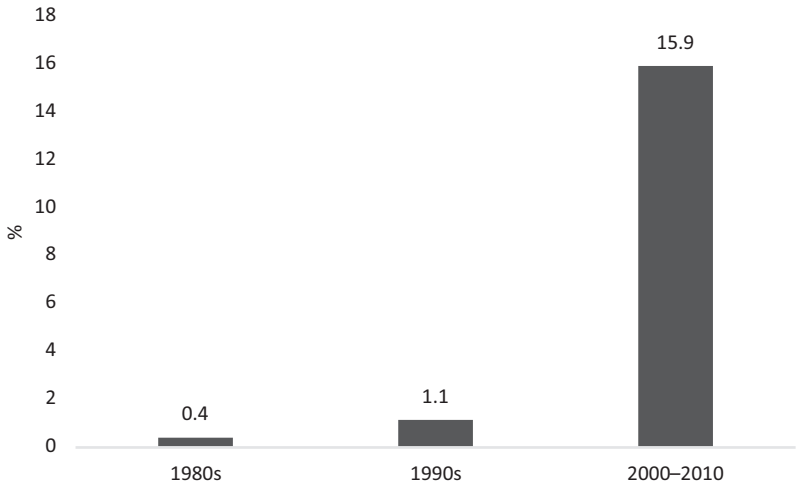
During the 1980s, Guyana's proportion of remittances to FDI stood at 44.4 per cent, but it fell to 15.3 per cent in the 1990s; however, this ratio increased significantly to over 200 per cent (208.8) in the first decade of the twenty-first century (see Figure 5.9).

Figure 5.6 Guyana remittances per capita (US$)



Source: Compiled by authors from World Bank data, http://data.worldbank.org/

Figure 5.7 Guyana remittances as a percentage of GDP, annual average 1980–2010

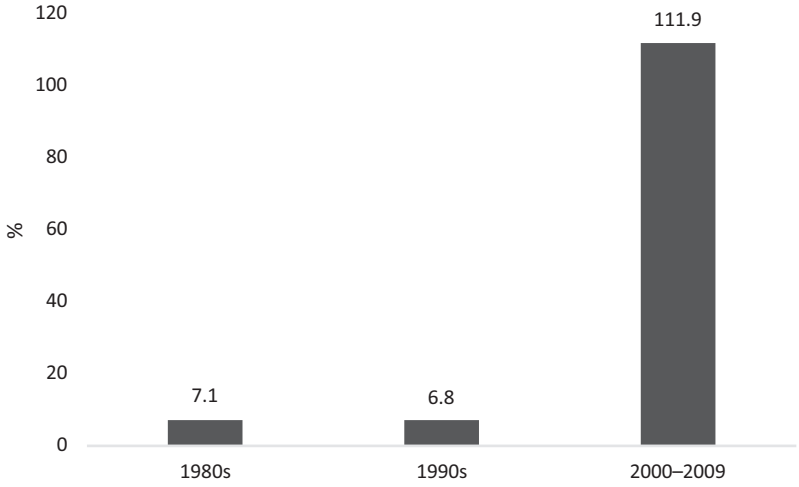


Source: Compiled by authors from World Bank data, http://data.worldbank.org/

The remittances to merchandise imports ratio for Guyana shows an upward trend since the 1990s (see Figure 5.10), rising from 1.6 per cent to 13.7 per cent over the 2000–2009 period.

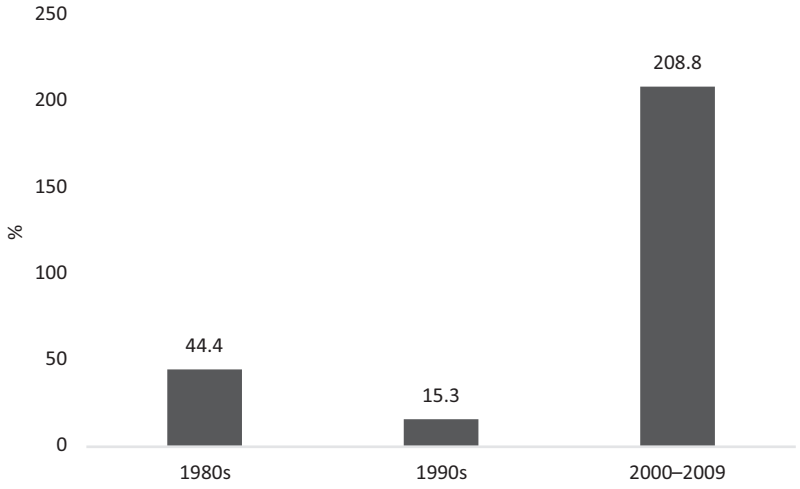
Similarly, the ratio of remittances to merchandise exports displayed a positive trend over the last three decades. In the 1990s, the proportion was under 2 per cent, and it rose to 24.1 per cent in first decade of the twenty-first century (see Figure 5.11).

Figure 5.8 Guyana remittances as a percentage of ODA, selected years



Source: Compiled by authors from World Bank data, http://data.worldbank.org/

Figure 5.9 Guyana's remittances as a percentage of FDI, selected years



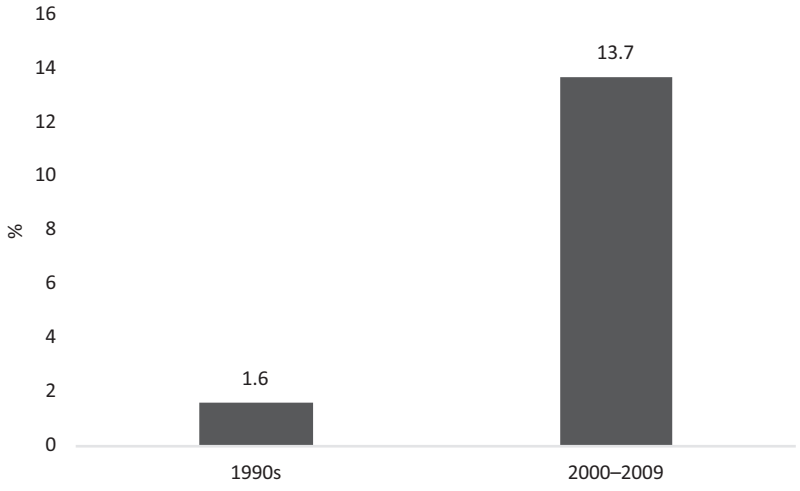
Source: Compiled by authors from IMF data, www.imfstatistics.org/imf/

5.4 Policy issues

5.4.1 Mass migration policies

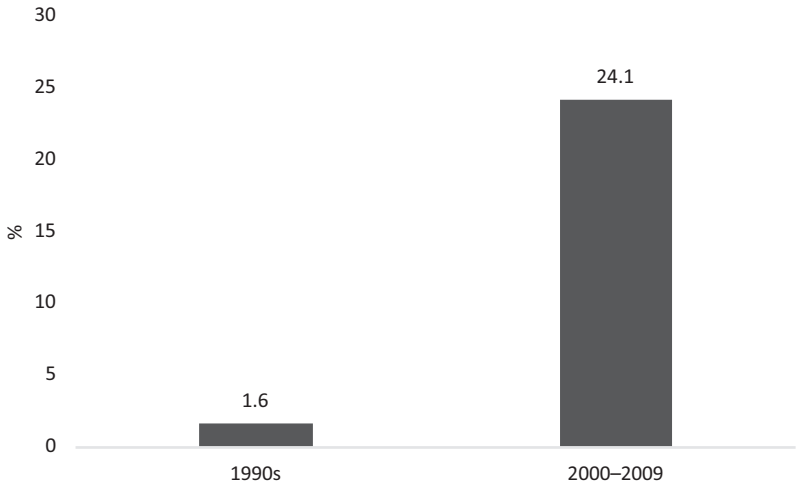
The government of Guyana has prioritised training and education of the country's human resources as an integral part of its national development strategy. In its 2006 national development strategy, one of the highest priorities is to develop the human resources of the country. Consequently, there has been a special focus on

Figure 5.10 Guyana's remittances as a percentage of merchandise imports, selected years



Source: Compiled by authors from IMF data, www.imfstatistics.org/imf/

Figure 5.11 Guyana's remittances as a percentage of merchandise exports, selected years



Source: Compiled by authors from IMF data, www.imfstatistics.org/imf/

not only training teachers but increasing their pay. By 2010, government policy focused on increasing the number of public and private educational institutions, thus contributing to an increase in the number of available jobs in the education sector. The policy also targeted additional government expenditure on education, with implementing information technology prioritised as an important element in the education process.

As part of the policy response to problems in the medical field, one approach has been to provide a system of incentives to medical practitioners willing to work in rural areas. Government policy has also focused on dealing with the shortage of medical personnel. One of the solutions to this problem is expanding the medical faculty at the University of Guyana. Additionally, polices have been implemented for specialists from abroad to visit the country to assist with areas in which Guyanese doctors were deficient.

To mitigate the emigration of nurses, a potential policy is the provision of financial incentives to entice more nurses to remain in the country. The migration of teachers at the local nursing schools has led to a reduction in the intake of nurse trainees; in response, the government has increased the monthly wages of nursing school teachers and sought to provide more realistic living salaries. Another policy initiative in the medical sector has been to link promotions and training opportunities to performance management, which is expected to provide self-development across a wide spectrum of staff at all levels.

In relation to the education sector, a slightly different approach from that of the health sector has been implemented by the government. In an attempt to counter the negative effects of the ongoing migration of the country's teachers on the quality of the education system, the Guyanese government launched the Educational Television Broadcasting Service (ETBS) in 2011. This initiative, a dedicated educational channel,

was developed to expand access to academic and public educational material and is seen as supplementary to classroom teaching. In terms of policy responses to migration problems, there has been an increase in the levels of collaboration within the Caribbean region. As a part of the 'Year of Caribbean Nurses', celebrated in 2003, the Homecoming Programme was implemented. This programme was geared towards providing a temporary solution to the 'brain drain' problems facing Guyana. In this programme, Caribbean nurses who had migrated were encouraged to return home and volunteer their expertise in their respective home countries. As a result of this recent development, members of the Guyana Nurses Association of the United Kingdom have made annual visits to Guyana to run screening tests for hearing (Salmon et al. 2007).

The World Health Organization (WHO) and the Pan American Health Organization (PAHO) has provided support to Guyana with migration policy development and implementation. PAHO's stated mission for its work in Guyana is to assist with the technical development of the country's health sector. The principal mandate of WHO/PAHO in Guyana during the early 2000s was to provide specific policy advice, as well as to influence policy, actions and spending on the health sector. In an effort to undertake this function successfully, PAHO assisted with research and development as well as monitoring of the health sector's performance (Country Cooperation Strategy 2004).

5.4.2 Regulations of the remittances industry

According to Kirton (2006), money transfer organisations in Guyana include commercial banks (most widely used) as well as non-bank financial intermediaries such as credit unions, building societies, bureaux de change (cambios) and other money transfer companies (MTCs). Under the laws and regulations governing the operations of remittance services facilities, the Bank of Guyana required bureaux de change and commercial financial institutions to provide monthly reports on the inflow and outflow of workers' remittances. Commercial banks were requested by the Bank of Guyana to submit data using the IMF's BPM5 (Balance of Payment Manual) format regarding migrant transfers, unrequited transfers and workers' remittances on a monthly basis (Kirton 2006).

Historically, the remittance industry in Guyana has been largely unregulated. The industry, which consisted of various players such as commercial banks, cambios and MTCs, was dominated by the MTCs, which controlled approximately 78 per cent of the remittance market. This dominance is partly because MTCs have lower fees than the other financial institutions, and because of the problems related to services provided by commercial banks. Whereas the commercial banks and cambios have been regulated and supervised by the Bank of Guyana, the MTCs were neither regulated nor supervised. There only existed an agreement between the central bank and MTCs for the submission of data to the Bank of Guyana for BOP calculations, which was enacted in 2009.

5.4.3 Policies and institutions

The regulatory landscape of the remittance industry experienced a major change in 2009, when the government opted for more stringent regulation of the industry.

The remittance industry was then transformed from being largely unregulated to being fully regulated with the introduction of the Money Transfer Agencies Act. This legislation made provision for the Bank of Guyana to regulate and supervise MTCs, thus bringing this group of financial institutions in line with the already regulated commercial banks and cambios (Bank of Guyana 2011).

5.4.4 Successful strategies

The 2009 Money Transfer Agencies (Licensing) Act provided the central bank of Guyana with 'supervisory oversight of those entities' (Bank of Guyana 2011: 21). Six money transfer agencies were licensed to operate money transfer businesses in 2011, while 167 agents were registered to provide remittance services in Guyana (Bank of Guyana 2011). The Bank of Guyana's Annual Report (2011) indicated that, during 2011, receipts from workers' remittances rose by 12.1 per cent (US$44.4 million to $412.2 million). Net current transfers were $414.6 million (increasing by 11.8%), which implied that Guyana experienced higher inflows from in-kind transfers and workers' remittances in 2011.

5.4.5 International organisations and donors

The Multilateral Investment Fund of the Inter-American Development Bank has proposed that micro-finance institutions play an active role in the remittance market (Orozco 2006). Here the key role of the micro-finance institution would be to provide financial services to clients that have limited access to the formal financial sector for funding. Consequently, this is expected to enhance possibilities for national economic development and a deepening of the country's financial sector. These institutions would target lower-income groups and simultaneously provide investment activities by offering financial products. It has also been proposed that, to mobilise savings of diaspora communities, commercial banks in Guyana should establish branches in the host country to be closer to the migrant communities as mean of strengthening links with the Guyanese diaspora.

5.4.6 Private sector interaction with policy-makers

The National Competitiveness Council is a private sector organisation established to work in partnership with the government of Guyana to aid in decision-making and policy development for the country. This joint working group, developed in 2006, is designed to establish strategies to improve various areas related to the economic and social development of Guyana. In relation to migration policies, one of the stated areas to be assessed is 'addressing brain drain' as well as to 'assess the strengths and weakness of current policy framework for retention and attraction of skills' (Government of Guyana 2006: 46). The objectives of this entity include:

- Act as a central point of public–private leadership for the National Competitiveness Strategy to oversee and co-ordinate ongoing strategy formulation, ensure that the goals of strategy are adhered to, that policies and programme are implemented, results are monitored and evaluated, policies and programme are altered in light of performance, and that new policies and programmes are devised.

- Develop a shared vision of Guyana's future (renewing and updating the vision articulated in the National Development Strategy).
- Search for solutions for key cross-cutting challenges facing the country's economic development, some of which were discussed and are being driven forward by the action teams formed at the summit (e.g. brain drain issues, tapping more effectively into the diaspora's resources for development).
- Search for synergies among donors and lenders to improve aid effectiveness in support of the objectives of the NCS and in line with the Paris Declaration.
- Provide the policy leadership to ensure the success of future yearly Presidential Summits.
- Promote and communicate the NCS locally and internationally.

(National Competitiveness Strategy 2012: 33)

5.4.7 Productive uses of remittances

Various policy proposals have been identified as a means of enhancing the productive use of remittances (Kirton and McLeod 2007). These policies include redirecting funds through official channels; facilitating pooling of funds for productive uses; reducing transaction costs; mobilising savings; and increasing foreign exchange inflows. Underlying these recommendations is that the government should provide various incentives for the recipients of remittance inflows.

5.4.8 Human capital formation and labour market policies

Bristol (2010) has highlighted various policies used to address migration problems. He suggests that issues concerning migration may be solved by facilitating and encouraging return migration as well as 'concomitant human capital to optimize benefits' (p. 139). An assisted voluntary return programme which focuses on incentives directed towards reclaiming human capital from migration has been proposed. Guyana is implementing the CARICOM Return Facilitation Policy, where migrants would be restricted to four years in the foreign country while being provided with motor vehicle and tax concessions when they return to their home country (Bristol 2010).

5.5 Costs, benefits and policy developments

5.5.1 Benefits of migration and remittances

The foreign exchange inflows from remittances typically help the poor, unskilled and unemployed in home countries with their necessary consumption. Return migrants acquire the requisite skills and financial boost to promote economic development in home countries. For some individuals, migration has facilitated individual development in terms of acquired wealth and improved standards of living in host countries. Use of banks and other formal remittance services contributes to business activity in the home economy.

Telecommunications

Telecommunication arrangements (by the internet or telephone) mainly use the services of the Guyana Telephone and Telegraph (GT&T) Company, which is a Guyanese-owned telephone company. These telecommunication facilities are increasingly utilised to transfer funds as well as information across borders to the Caribbean region and internationally. With migrants having reduced incomes, it is likely that use of these services will be reduced.

According to its official website, GT&T has been in operation since 1991, when the government of Guyana decided to privatise telecommunications by selling state-owned companies to local and foreign investors. As a result, the Atlantic Tele-Network (ATN), based in the US Virgin Islands, owns 80 per cent of the shares in the company and the government owns 20 per cent. Since its inception, GT&T has had the exclusive right to provide international voice and data communication services into and out of Guyana. This licence expired in December 2010, but ATN chose to renew it and continue operations in Guyana. The government has allowed the licence to be renewed but only until legislative changes have been implemented in the context of its plans to liberalise the market.

GT&T collects payments from foreign carriers (such as AT&T) for facilitating international calls from the carrier's country to Guyana, and makes payments to these carriers for calls made from Guyana to the carrier's country. The company collects payments from its customers as well as its competitors in Guyana at rates stipulated by the Guyana Public Utilities Commission (ATN Annual Report 2010). Revenues from international services have been decreasing over the past four years; these amounts fell from US$47.8 million in 2008 to $38.2 million in 2009, $27.9 million in 2010 and $24.8 million in 2011 (ATN 2009, 2010 and 2011 Annual Reports).

Travel and tourism

Travel and tourism plays an important role in the economic development of Guyana. This sector has made a significant contribution to GDP, visitor expenditure and employment in Guyana. The World Travel & Tourism Council (2011) ranked Guyana at 63 out of 181 countries internationally in terms of travel and tourism's contribution to GDP. Travel and tourism in Guyana was expected to contribute GY$13.9 billion directly in 2011 (4.8% of GDP) compared with $12.8 billion in 2010.

Nostalgic products exported from Guyana

Trade in nostalgic goods (goods that are popular in the home country such as pepper, shrimps and cassareep) represents an important benefit of migration. 'Nostalgic' products are commodities that are traditionally consumed by natives of a country who are delighted to continue consuming them abroad if they are available, whereas 'ethnic' commodities are items demanded not only by migrants abroad, but also by other people who are interested in consuming commodities from different countries (Stubbs and Reyes 2004).

Purchases of nostalgic goods represent one means of maintaining cultural traditions from the home country, while generating revenue for sellers of these commodities. US imports of Guyanese goods reflect the role of the Guyanese diaspora. Eight products represent 90 per cent of goods imported into the USA from Guyana. Guyanese Americans demand nostalgic commodities such as rum, fish and tea; sales of such products represent an important share of total Guyanese exports. Imports of spices, for example, which more than 60 per cent of immigrants reported buying from Guyana, have also increased substantially (Orozco 2002).

5.5.2 Costs of migration and remittances

Health and education sectors

Migration affects crucial sectors in the Guyanese economy (especially health and education), leading to deterioration in standards of education and healthcare. There are negative impacts on both the private and public sectors; the effects of the 'brain drain' has disrupted plans targeting growth and development in the country. In the National Development Strategy (NDS 2000), the civil society umbrella group in Guyana stated that the country had experienced a reduction in its quality of education since the 1980s and that there was a dearth of technical expertise throughout the disciplines necessary for development. The NDS cited a serious shortage of trained teachers at all levels of the educational system. In their 2004 national report (Government of Guyana 2004), the Ministry of Education reported that the attainment levels in Guyanese schools are very low and a significant proportion of teachers are untrained and unqualified. The report also stated that there were incredibly high levels of functional illiteracy.

In the health sector, there are high vacancy rates; as a result there exists a high patient–nurse ratio, which exerts pressure on the quality of healthcare nationally, as it places serious limitations on the quality of service the healthcare providers who remain can offer patients. Fewer health workers have to attend to larger numbers of patients, increasing the level of health worker stress and leading to a deteriorating working environment for these healthcare providers. The emigration of large numbers of Guyanese nurses also results in the importation of nurses from countries such as India and Cuba. This may often create a language barrier between healthcare providers and patients in a context where communication is critical. This, coupled with the diminished quality of service offered in public healthcare institutions, has resulted in the population losing confidence in the public healthcare system.

Fraudulent and unregulated activities

The emergence of fraudulent, unregulated and unauthorised brokers, together with unregistered remittance facilities and recruitment agencies, has had a negative impact on diaspora money transfers. The growth in migration and flows of remittances have created opportunities for these fraudulent activities to take place. However, although there is anecdotal evidence of these activities across the Guyanese diaspora, few official data are available.

5.6 Migration and remittances policies: recommendations

Guyana has been negatively affected by outward migration, particularly as this relates to the primary sectors of health and education. Public policy responses as part of the country's National Development Strategy have been developed to address migration problems. The National Competitiveness Council is a public–private sector collaboration set up to deal with the negative effects.

- Organisations should be established in host countries through which the Guyanese public and private sectors can mobilise information about migrants and develop networks. These organisations can participate in making migration policy and negotiations regarding the development of strategies geared towards enhancing remittance inflows and dealing with migration problems. This approach has been used successfully by countries such as Mexico and Morocco, where migrants are involved in diverse activities in the migration and development policies of the country (IMI 2010).
- Retention of skilled workers and promoting return migration are critical policy issues which should be assessed and for which policies should be devised. A Caribbean regional approach to address mass migration problems is recommended. Where feasible, a Caribbean Regional Migration Organisation with responsibility for migration issues across all CARICOM member states should be established.
- The Commonwealth Teacher Recruitment Protocol (CTRP) was developed in 2004 by Commonwealth ministers of education to develop strategies to minimise teacher migration from their respective countries and thereby minimise the negative impact on the education sector (UNESCO 2011). As a signatory to this protocol, Guyana could benefit from several recommendations which address teacher migration from the country. Policy-makers and stakeholders could devise a teacher migration system that would seek to address issues and challenges teachers face in Guyana. The system would assess and address problems concerning the involuntary migration (migration due to economic necessity) of teachers, teacher qualifications and employment rights, and teacher migration management in host countries.

Given the critical nature of migration for Guyana, it is necessary for policy-makers to establish communication channels with existing and potential migrants (especially teachers and nurses) to develop feasible policies.

Note

1 CARICOM countries are Antigua and Barbuda, The Bahamas, Belize, Barbados, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, St Kitts and Nevis, St Vincent and the Grenadines, Suriname, and Trinidad and Tobago. The associate members are Anguilla, Bermuda, British Virgin Islands, Cayman Islands, and Turks and Caicos Islands.

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Chapter 6

Samoa and Tonga: Migration and Remittances in the Twenty-first Century

John Connell

Summary

Tonga and Samoa are the two island states in the Pacific most dependent on remittances, and their economies are otherwise primarily agricultural. International migration, mainly to New Zealand, first became significant in the 1960s and subsequent flows have maintained high levels. Both countries have sponsored migration and supported temporary migration schemes, and rarely sought to intervene in what have become the normal and normative processes of migration and remittance receipt. Both Samoa and Tonga have benefitted significantly from the Recognised Seasonal Employer (RSE) seasonal labour scheme in New Zealand. Remittances have improved welfare and reduced poverty. Increasing the per capita volume of remittances is unlikely but increasing their effectiveness is possible. Reductions in transaction costs are now in place with the potential to significantly increase the value of remittances. The RSE scheme and the incipient raised value of remittances have emphasised the positive role of migration. Skilled migration from both countries is significant and has an impact on the effectiveness of the health and education systems, but is regarded as inevitable. Skilling of the workforce is seen as valuable in itself and for potential migration. Return migration is inconsequential and primarily makes a limited contribution to government and the small-scale service sector. Temporary return migration of skilled workers offers some potential for reducing skill deficits, especially in the health sector, where such deficits are widespread and costly in economic and social terms and where overseas populations have valuable skills. Data on migration flows and labour deficits are limited. Government intervention in migration policy and practice is slight but has tended to seek to boost migration rather than develop policies to take greater advantage of it.

6.1 Introduction

> Migration and remittances are the biggest factor in the development agenda of private households and the government as a whole.
>
> (personal communication with a government statistician,[1] Samoa, October 2011)

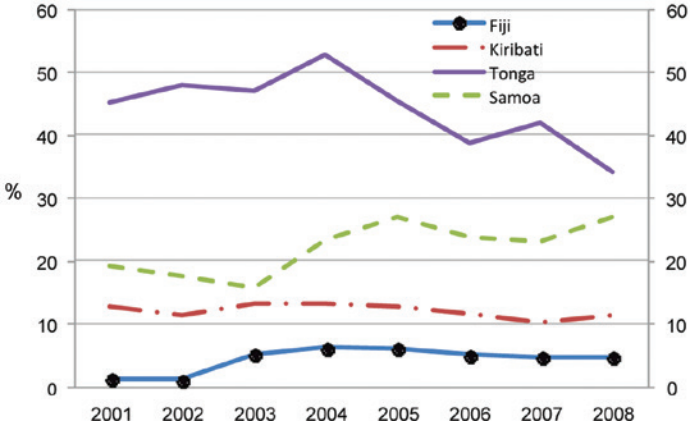
The overall aim of this two-country case study is to synthesise the available evidence on the role and impact of migration and remittances for both countries and make recommendations for policy reform to maximise the benefits and reduce the costs and risks of migration. To this end the study has three objectives. First it seeks to make

a comprehensive analysis of the challenges and benefits of migration, the policies that relate to migration and the practices implemented by the two countries to address the development challenges of migration. It then outlines the general development strategies undertaken by both countries since the 1960s, when migration first became significant, but more particularly the policies and institutional practices that have been relatively successful in both countries, eventually focusing on recent trends in remittances and short-term seasonal employment. The final part will examine how migration can be an integral and effective part of development policy-making.

Tonga and Samoa are the two island states in the Pacific that are most dependent on remittances, and few countries in the world have a similar extent of dependency. Only Tajikistan has a greater dependence on remittances as a component of gross domestic product (GDP), and the role of remittances is very much greater than in other Pacific island states (Figure 6.1). The future of migration and the flow of remittances are thus extremely important for both island states, which are now seen by some as 'mature migration economies' with an entrenched 'culture of migration' (Connell 2008, Brown et al. 2014). Although smaller Polynesian states such as Niue and the Cook Islands have greater proportions of their nationals overseas, none have comparable economic importance to Samoa and Tonga. The social and economic circumstances of the two states are broadly similar; hence they can here be considered together. Indeed it is particularly useful to do that, to draw attention to parallels in practice and policy.

Samoa, formerly Western Samoa, was the first Pacific island state to become independent, in 1962. The 2001 Population Census showed a total population of 174,140, but it was about 184,000 at the time of writing. The national economy has a narrow base, centred on tourism, with exports including agriculture, fisheries and forestry products, although none of these have flourished in this century. Samoa consists of two main inhabited islands and two small inhabited islands. Three quarters of the population, and the capital, Apia, with a population of approximately

Figure 6.1 Remittances as a proportion of gross domestic product



Source: Lin (2011)

40,000 people, are on the second-largest island, Upolu. The population balance is gradually shifting towards the Apia area. The islands are of volcanic origin and are mountainous.

Tonga is an archipelago within which 36 islands are inhabited. It consists of four clusters of islands extended over a north–south axis: Tongatapu and ʻEua in the south; Haʻapai in the centre; Vavaʻu in the north; and Niuafoʻou and Niuatoputapu (the Niuas) in the far north. The economy is even more narrowly based than in Samoa, since tourism plays a more minor role, and the main exports are fish and agricultural products. At the last census Tonga had a population of 101,991 and it was about 104,000 at the time of writing. The capital, Nukuʻalofa, and 70 per cent of the national population are on Tongatapu, the largest island, which is gradually growing in population at the expense of the others. Most islands in Tonga originate from coral, are comparatively flat and tend to be encircled by fringing reefs.

The most obvious differences between the two countries are the mountainous topography of Samoa and the much greater fragmentation over a larger area of Tonga. However, the similarities are much greater than the differences. Both countries have an almost exclusively Polynesian population, with a hierarchical social structure centred on hereditary leadership (with a monarchy important in Tonga), where extended families are the basic social units and Christianity is of great importance. Both have an agricultural base, with a significant proportion of the population engaged in semi-subsistence agriculture based on root crops such as taro, and development strategies largely centred on agriculture. For half a century both have become dependent on overseas aid and even more so on remittances, and in both countries more than half the ethnic population are now overseas so that Samoa and Tonga have effectively become transnational societies and economies, perhaps global villages linked electronically and by other means, the outcome of half a century of globalisation from below.

Demographically the two states are very similar. Both states have crude migration rates of –16.7 per thousand, which means that on balance Samoa has a migration outflow of about 3,050 per year and Tonga has an outflow of 1,710. The national populations are growing slowly (with intercensal growth rates of 0.7 per cent and 0.4 per cent respectively) through fertility, with their respective birth rates being 24.8 and 26.5. Both countries have relatively high population density, with Samoa having 63 persons per square kilometre and Tonga 160 per square kilometre. Since Samoa is mountainous, very little potentially productive land in either country is unused.

6.2 Economic development

6.2.1 Samoa

Samoa has traditionally been dependent on agriculture and fishing, but once-significant export crops such as bananas and taro have declined. Nonetheless agriculture employs perhaps two thirds of the labour force (with most others working in small-scale commercial ventures such as stores and taxi businesses) and the 2009 agricultural census recorded only 16 per cent of all households as not being engaged in

some agricultural activity. Agriculture also produces about 90 per cent of the volume of exports, featuring various coconut products and also fish. By value the main exports are car components, which are assembled from imported parts. Exports have declined in volume and value, with overseas aid and remittances becoming more significant as mainstays of the economy. Samoa has a large trade deficit. The manufacturing sector mainly processes agricultural products. A single factory employs about 3,000 people to make automobile electrical harnesses for an assembly plant in Australia. Tourism accounts for about 25 per cent of gross domestic product (GDP); 122,000 tourists visited the islands in 2007. Many of these were visiting family and relatives (VFR) tourists: returning Samoans. The tourism sector has been growing steadily. However, natural hazards, especially cyclones, are a recurrent threat. In September 2009, an earthquake and the resulting tsunami badly affected Samoa, resulting in nearly 200 deaths, massive damage to infrastructure, considerable costs of reconstruction and lost production. The tsunami caused extensive damage to several hotels and resorts and tourist numbers fell.

The Samoan government has called for deregulation of the financial sector, encouragement of investment and continued fiscal discipline, at the same time as protecting the environment. Samoa has generally performed well economically in recent years. Samoa has a large trade deficit, but foreign reserves are in a relatively healthy state, the external debt is stable and inflation is low. In 2010 GDP was US$550 million with GDP per capita estimated at $3,023 and real GDP growth at –1.3 per cent. Samoa's economy contracted over 2009 and 2010 as a result of the global financial crisis and the 2009 tsunami, but the International Monetary Fund expected it to grow by 3 per cent in 2011 as the construction and manufacturing sectors continued to improve and remittances and tourism numbers remained steady. The United Nations has reviewed Samoa's least developed country status and in 2007 recommended graduation to developing country status in 2010. However, as a result of economic reconstruction challenges in the aftermath of the September 2009 tsunami, Samoa's graduation was deferred; it graduated January 2014.

6.2.2 Tonga

Tonga has a similarly small, open economy with a narrow export base of agricultural goods. Squash, vanilla and kava are the main crops, alongside traditional root crops, after the demise of bananas and copra (although in both countries the latter is staging a revival). Similarly in both countries nonu has recently become an important niche agricultural export crop. Agriculture and fishing provide a basic livelihood for almost 60 per cent of the population, and agricultural exports and fish make up two thirds of total exports. Tonga sought to develop a manufacturing zone but, without trade concessions, this largely collapsed and the limited remaining industrialisation is primarily concerned with import substitution. Like Samoa, the country imports a high proportion of its food, mainly from New Zealand, and both countries have a high and growing incidence of non-communicable diseases (NCDs). Like Samoa, Tonga remains dependent on external aid and remittances from Tongan communities overseas to offset its trade deficit. Tourism is the second-largest source of hard currency earnings, following remittances. Tonga had 63,000 visitors in 2009–2010,

many of whom were VFR tourists. The tourism sector has potential but is weakly developed, cruise ship numbers have recently declined and tourism numbers are presently declining.

Tonga has a small economy that has not performed as strongly as that of Samoa in recent years. In 2011 GDP was estimated at $378 million with GDP per capita estimated at $3,648. Real GDP growth fell in both 2008–09 and 2009–2010 but for 2010–11 was expected to grow at around 1.4 per cent. The Samoan economy is thus gradually 'catching up' with that of Tonga. External accounts were characterised by large trade deficits throughout the 1990s, large net private transfer flows and a generally negative current account balance. The two years of negative growth reflected the impact of the global financial crisis and a consequent fall in remittances, a decline in tourism receipts, static exports (especially the decline of squash) and the impact of the 2009 tsunami in northern Tonga. The Tonga Development Bank has expressed regular concern over the lack of investment in agriculture. Tonga has a reasonably sound basic infrastructure and well-developed social services. As in Samoa, construction and infrastructure projects funded by donor grants and soft loans, and by remittances, are sources of economic growth. High unemployment among the young, a continuing upturn in inflation and rising public sector expenditure are issues facing the government. Tonga's development plans emphasise a growing private sector, upgrading agricultural productivity, revitalising the squash and vanilla industries, developing tourism and improving the island's communications and transport systems.

6.2.3 Comparative overview

During this century the macroeconomies of both countries, but especially Samoa, have been reasonably sound (de Fontenay and Utoikamanu 2009, Central Bank of Samoa 2010, National Reserve Bank of Tonga 2010). Nonetheless both are small open economies that are dependent on external factors beyond national control such as commodity prices, crop diseases, tourist demand (especially in Samoa) and natural hazards. Both countries have witnessed declines in domestic production of fish and agricultural goods and both have abandoned extensively subsidised national airline operations. At the same time both migration and remittances have remained as significant as they have ever been. Both countries are exceptionally dependent on remittances, mainly from New Zealand and the United States, and both have been conceptualised as migration, remittances, aid and bureaucracy (MIRAB) countries (see section 6.3). Remittances are the main source of foreign exchange inflows, and are a much more reliable source of foreign exchange than exports. The smaller volatility of remittances growth has usually been explained by the strong altruistic relationships that Tongans living abroad maintain with their family in Tonga, as in many other Pacific island countries (PICs). Remittances in Tonga predominantly come from the United States, whereas in Samoa they are even more dominantly from New Zealand. In both countries the early 2010s have witnessed considerable construction, especially of urban infrastructure (some resulting from overseas loans), while remittances have contributed to continued house and church building. The relative decline of agriculture and fisheries has accompanied a slow urbanisation.

At the same time there has also been an increase in the extent of poverty (although the word is not normally used in Samoa), mostly in relatively remote rural areas, which has further contributed to some small degree of urban migration and a flow of remittances within the countries.

6.3 The growth of migration

Early migration was internal, from the outer islands to the main island, and to the growing capitals. International migration, mainly to New Zealand, first became significant in both countries in the 1960s, but especially in Samoa, with closer connections to New Zealand (and to American Samoa, with its links to the United States). That was perhaps ironic in the decade of Samoan independence. Quite quickly migration to the USA (and American Samoa in the case of Samoa) and Australia followed, and by the end of the decade migrant islanders had gradually extended to the 'four corners of the world' (see, for example, Sutter 1989). By the end of the 1960s, for example, Samoans not only had migrated to North America but could be found in every single state and territory of both Canada and the USA, not least Alaska. Indeed it has been said that by 1970 almost all Samoans had relatives in New Zealand, with many being immediate family (Gough 2006: 34). Much the same was true of Tongans, although, with half the national population, in every destination their numbers were always smaller than those of Samoans. Without residence rights in New Zealand, Tongans and Samoans were much more globally dispersed than subsequent Polynesian migrant groups.

One difference between Samoa and Tonga is the ease of migration from Samoa to American Samoa (and often onwards to the United States), although Tongans (and others) have also migrated to American Samoa, mainly for employment in the canneries. (The recent closure of the canneries has brought a slump in remittances from American Samoa to Samoa, alongside some return migration.)

Migration was particularly significant during the last decade of the global long boom in the 1970s as metropolitan states sought expanding workforces and relaxed migration policies, and migration was facilitated when modern aircraft reached Polynesia. That set the scene for the following decades, when migration became more eagerly sought after as its benefits became more apparent, despite a tightening of restrictions on migration. Initially migrants were men, but family migration quickly followed. It was also mainly from the Apia area in Samoa and from Tongatapu in Tonga. From the 1960s onwards there was a steady flow of migrants from Samoa and Tonga and only a limited reverse flow.

Migration and the resultant remittances played such an important role in island social and economic development that by the mid-1980s smaller Pacific island states had been conceptualised as MIRAB states, where migration, remittances, aid and the resultant largely urban bureaucracy were central to the socio-economic system (Bertram and Watters 1985). The acronym of MIRAB was quite quickly extended to larger states such as Samoa and Tonga. Although it was disliked in the Pacific, for cultural reasons and because of its implication of a 'handout mentality', it nonetheless suggests the centrality of migration and remittances in the island states, and has been

largely unchallenged for three decades (Bertram 1999). By the end of the century it was evident that the small Polynesian states were part of a 'culture of migration' where migration was normal and expected (Connell 2008) and the lives and livelihoods of islanders were increasingly embedded in international ties. Put another way, both Samoans and Tongans had 'developed a migratory disposition, that is, a logic of life strategies and organized action in which migration is desirable, possible and inevitable' (Besnier 2011: 40).

By the start of the present century, migration had diversified far beyond the metropolitan rim and colonial powers. Japan had become important for some new forms of migration, notably of students and sportspeople from Polynesia ('Esau 2007, Besnier and Kitahara 2009); a handful of students are now going to China (not often particularly successfully), with some medical students going to Cuba.

Tongans have been employed in army support roles in Kuwait, and by private security companies in the Gulf region. There are huge income and remittance gains but very real disadvantages, in terms of both the loss of skills and a demanding social context. As migration became normative and embedded as a 'culture of migration', early concerns over negative impacts were marginalised and the possibility of any significant interference in the policy and practice of migration was increasingly unlikely, other than to secure additional migration opportunities. Other than the very smallest dependent territories, Samoa and Tonga have higher proportions of their nationals overseas than any other Pacific island states.

One significant difference between Tonga and Samoa is that Samoa has long had a special annual migration quota of 1,100 for New Zealand. Samoans register with the New Zealand High Commission. Usually about 2,000 register and 100 names are randomly drawn out in a ballot. Those who are thus selected must get a job offer in New Zealand, which is usually reasonably straightforward for unskilled work such as in petrol stations and meat packing plants. Skilled migrants (such as teachers), who are less likely to receive comparable job offers, since their qualifications are unrecognised, are sometimes willing to accept unskilled employment to enable migration (and thus some brain drain). The High Commission assists as many as 600 people a year to produce curricula vitae to assist in that process. However, not all do receive offers, so New Zealand never actually fills the quota – the number was about 900 in 2010 – but it represents a very significant and distinct form of migration. The constant demand for places in the ballot indicates that migration is as much sought after now as it has ever been; as one Samoan teacher said, 'every village each year has two or three *lucky ones* who win the ballot' (personal communication, italics added).

Despite the massive significance of migration for both countries, data on migration are woefully weak. Tonga has not published data on arrivals and departures since 2003 (although the Statistics Department indicated in 2011 that it was intending to resolve this problem before long). Samoa publishes summary data that were complete up to the end of 2008. That shows that in every year of the present century there was a net loss to Samoa, ranging from 324 in 2006 to 10,879 in 2008, the last year on record. The last year in which there was a positive balance was 1999 (of 2,702) and the overall net loss from 2000 to 2008 was 38,740. That represents a very steady migration flow

and one measure of the shift in demographic balance overseas. It is impossible to make similar calculations for Tonga. Given that migration is so significant, more detailed and up-to-date data are essential.

Estimating the number of overseas Tongans and Samoans is extremely difficult, partly because classifications vary from country to country. Residents of islander ancestry may or may not be distinguished in census data, and may not perceive themselves as 'islanders', so most calculations of islanders overseas are guesstimates. That is even more complicated, firstly, for Samoans, since Samoan migrants have also moved from American Samoa, and, secondly, in Australia, where an increasing amount of trans-Tasman movement of Pacific islanders from New Zealand has been of islanders with New Zealand citizenship (to the extent that the Australian government has occasionally expressed some concern about this 'back door' entry). Around 20 per cent of Australia's Pacific-born population in 2008, for example, had come into the country as New Zealand citizens under the Trans-Tasman Travel Arrangement (Bedford and Hugo 2012). Data on migration flows from Pacific island states are similarly limited, since little use is made of arrival and departure cards (even though these are routinely collected) and neither country publishes detailed data on flows; hence it is impossible to estimate the extent to which migration is selective by age, skill or home region. Both in New Zealand and in Australia some of the more significant numbers of illegal overstayers are from Tonga and Samoa, indicating the difficulties of enumeration (since few are counted in censuses), and the considerable demand for migration beyond legal channels, and especially beyond both countries' skill requirements.

Recent estimates, based on destination census data, suggest that by 2010 there were more ethnic Tongans and Samoans overseas than at home, and the balance was continuing to shift overseas. Early this century, about half of the estimated 216,000 Tongans in the world were abroad (Small and Dixon 2004). Numbers of those who consider themselves Tongans have recently been estimated at 70,000 in the United States and 55,000 in New Zealand. Australia may have a further 20,000. A broadly similar balance would probably be true of Samoans, but with the distinction that more Samoans are in New Zealand than in the United States, and many are also in American Samoa.

6.3.1 An economic rationale

Migration has largely been a response to real and perceived inequalities in socio-economic opportunities, between the two small Polynesian states, on the one hand, and metropolitan New Zealand and elsewhere, on the other. Not only is that true now but it was true a century ago, long before the great waves of outmigration, when Samoans travelled for 'economic motives, to visit family, for education, to follow the heart … adventure' (Salesa 2003: 179). It may no longer be quite so adventurous but the basic structure has remained remarkably constant. Social influences have also been important, especially demands for access to education and health services for both migrants and their children, and such influences are in turn often a function of economic issues. Thus education 'is not only a tool of upward social mobility but also

the conduit of migration' (Besnier 2011: 40). Social factors also influenced the choice of destination. In Tonga, and to lesser extent Samoa, many of the earliest migrants to the USA were Mormons. The Church of Latter Day Saints provided new converts with a plane ticket, and access to high school in the United States, a situation that encouraged conversion. (Indeed it is possible that, simply through lacking some connections to metropolitan countries, Tonga had more Mormon conversions than Samoa.) Some of the first Tongan-American communities in the USA were in Salt Lake City, Utah, and Oahu, Hawaii. Social ties and the location of kin are now crucial factors in migration.

Migration remains, in different forms, a strategy of moving from a poorer area to a richer one in search of social and economic mobility abroad or at home. It is related both to the economic aspirations of migrant households and to national development. In most cases, families migrate as units either as skilled migrants on the basis of one of the spouses' qualifications or, more usually, as family migrants. There are, however, flows of specific occupational categories, which are dominated by one sex or the other. For instance, Tongan women have migrated as nurses whereas Tongan men have moved overseas as soldiers and employees of private security companies.

Major influences on migration have been rising expectations over what constitutes a satisfactory standard of living, a desirable occupation and a suitable mix of accessible services and amenities. In parallel with changing aspirations and the increased necessity to earn cash, agricultural work has lost prestige and the declining participation of young men in the agricultural economy is ubiquitous, despite apparently rising levels of overt unemployment. There is a widening gap between rising expectations (following the more widespread familiarity with metropolitan life) and the reality of limited domestic employment and incomes. Changes in values, following increased educational opportunities and the expansion of bureaucratic (largely urban) employment within the region from the 1970s, have further oriented migration streams outwards, as local employment opportunities have not kept pace with population growth. The increasing extent of poverty is now more evident, with a lack of 'safety nets' in both urban and rural areas. The 'youth bulge' has ensured that unemployment is particularly high among young people and there is growing recognition of the very visible existence of significant numbers of unemployed and marginalised youth in urban centres, especially Apia and Nuku'alofa (Noble et al. 2011). It has been argued that the violent riots in Nuku'alofa in November 2006, which led to eight deaths and the destruction of more than half of the central business district, were the outcome of excessive levels of youth unemployment and associated unrest. This, in turn, has stimulated a demand for emigration, so that current demand for international migration opportunities at both household and national levels is probably as great as it has ever been in both states.

Migration decisions are usually shaped within a family context, as migrants leave to meet certain family expectations, the key one usually being financial support for kin, which is principally demonstrated through the flow of remittances (see section 6.4). To a greater extent than for internal migration (where health, education and social reasons explain some part of migration), international migration is more

evidently an economic phenomenon. Migration has rarely been an individual decision. Migration is directed at improving both the living standards of those who remain at home and the lifestyle and income of the migrants. In Tonga 'there are few opportunities for socio-economic advancement in Tonga and migration is perceived as the only solution' (Morton Lee 2004: 135). In Samoa, migration was simply 'to seek wealth for all' (Muliaina 2001: 25). Consequently, 'families deliberate carefully about which members would be most likely to do well overseas and be reliable in sending remittances' (Gailey 1992: 465). Through this process, extended households, as in Tonga, have been said to have transformed themselves into 'transnational corporations of kin' which strategically allocate family labour to local and overseas destinations to maximise income opportunities, minimise risk, and benefit from resultant remittance flows (Bertram and Watters 1985). A single tombstone perfectly illustrates how one extended family of eight children originally from Ha'apai, where none now remain, migrated so that three remained in Tonga, two each were in the United States and Australia (in four different cities) and one was in New Zealand (Connell 2012).

6.3.2 Emerging issues?

From the very earliest days, migration was seen as beneficial to national and household development, despite ever-present concerns about particular issues.

Early migration from Tonga was seen as a welcome solution to, and a safety valve for, rapid population growth. With birth rates that often exceeded 35 per thousand, the national population had grown to 77,429 by 1966, more than double the 1930s level. A decade later, in 1976, the population, at more than 90,000, had almost tripled since the 1930s. Central planners in Tonga were necessarily worried about such rapid population growth in a small country dependent on smallholder agriculture with much of that land already planted (Small and Dixon 2004). By the mid-1980s, more than 1,900 Tongans were leaving Tonga every year, slowing the natural population growth rate of 2.3 per cent annually to only 0.3 per cent by the census year 1996. Concern over intensified population pressure on resources could somewhat diminish.

In Samoa, concern was more generalised, with the Fourth Five-Year Development Plan rejecting the case for emigration and arguing:

> That emigration is at best a fragile solution to unemployment and balance of payments problems and, at worst, is likely to worsen these and other problems in the long term. The Plan strategy is to discourage emigration through improving economic opportunities at home, both in the traditional rural sector and in the modern urban sector.
>
> (Western Samoa 1980: 12)

The plan represented perhaps the strongest ever opposition to migration anywhere in the Pacific island region, but there were grave doubts whether it really represented more general national perspectives on migration. No subsequent plan took a similar perspective. (The author of that section of the plan also later migrated.) By then in both countries it was evident that migrants were steadily moving away, and national

planning would be unlikely to significantly stem the flow, while the now equally evident receipt of remittances gave migration an even more positive dimension – so much so that migrant Tongans were described as being 'Worth their weight in gold' (de Bres and Campbell 1975) for the home economy.

The converse of rapid migration was slow domestic population growth, and reduced pressure on increasingly scarce agricultural land. However, it has long been suggested that, in Samoa for example, as people leave the agricultural labour force to emigrate, both *total* and *per capita* crop production decline and domestic and export agricultural production falls. Production declines because marginal land is not used, less labour is expended and no labour-saving technologies are appropriate for root crop and bush crop agricultural systems on stony volcanic ground. It is a plausible argument, yet there is no real evidence of this correlation. There has also been a significant attrition of the agricultural labour force and slow rural–urban migration of youth (a migration that is even more apparent from the smaller and more remote islands of Tonga). Indeed, migration was seen to reduce excessive pressure on scarce land resources, enabling those who remained to have reasonable access to land.

The outcome of several decades of migration is apparent in the gradual shifting of the population balance to the two main islands and the two capital cities. Outer islands have depopulated steadily, most obviously in the profusion of small islands in Tonga. That led to regional development plans and various policies aimed at regional development, to slow internal population movement. Samoa has long sought to develop an alternative urban centre at Salelologa on Savai'i but without success. Tonga has also sought to develop Neiafu on Vaba'u. Neither country has been able to stem internal migration.

Finally, in every decade there has been some concern over the loss of skilled workers, and that loss has usually focused on health workers and teachers, whose numbers are considerable and rates of attrition are also high. (If skills also include sporting ability then an even greater numerical loss is that of sportsmen, particularly rugby players, who earn very substantial salaries in New Zealand, Australia, the UK, France and Japan. Their loss is rarely met with equivalent concern, partly because of what is seen as an inevitability given the salary gap, let alone the shortage of training facilities etc., despite so much national pride being attached to sporting success.) The loss of skilled workers remains of concern, with even the Central Bank of Samoa, an organisation that can often attract the best workers in Samoa, bemoaning the rapid turnover that comes from migration, in its 2009–2010 annual report. Again, neither government has been able to stem the migration of skilled workers, and both have come to accept this as equally normative. Instead they have focused attention on developing a more skilled local workforce (see section 6.8.3) that may or may not migrate.

6.4 Remittances

Underpinning the economic rationale for migration are remittances. Migrants from both countries invariably send remittances; no countries in the Pacific region benefit more from remittances and this has long been the case (Connell and Brown 2005). They constitute 'an essential economic lifeline not only at the national level

but also for individual households' (Besnier 2011: 43). A recent study of migration and remittances in Tonga (and Fiji Islands) revealed that as many as 60 per cent of all households in Tonga had at least one overseas migrant and remitter and 90 per cent of households received remittances (Brown et al. 2011). Similar percentages are evident in Samoa, where there is a widespread assumption that at least 90 per cent of households are remittance recipients. Few households, and probably only the more well-off, do not receive remittances.

Such high percentages indicate that widespread assumptions that 'all migrants send remittances' are unlikely to be far from the truth, especially as payments are dispersed (James 1993). Seemingly permanent migrants and highly skilled migrants are just as likely to remit. Health workers send very high levels of remittances – or at least Tongan and Samoan nurses did over a decade ago – sustained over long periods of time, to the extent that their remittances are almost certainly substantially above the training costs (Brown and Connell 2004, 2006). Other skilled workers are likely to be similar, although their remittances, as in a recent Samoan survey, are not substantially greater than those of unskilled workers (Shuaib et al. 2007).

Migrant extended households are consequently characterised 'by remittance transfers among various component parts of the "transnational corporations of kin" which direct the allocation of each island's family labour around the regional economy' (Bertram 1986: 820). In so doing, they not only help to maintain these family and communal networks but even enlarge their social fields of interaction, incorporating them into multilocal networks of support and empowerment. Thus, for households in Samoa, 'having young wage earners abroad diversified families' earnings streams and reduced their dependence on high-risk activities. Having family members in several locations abroad diversified earning sources and reduced risk levels still further' (Macpherson 2004: 168). Moreover, Macpherson goes on to argue that 'Families, using intelligence from migrants abroad, periodically surveyed risks and returns in various enclaves and encouraged others abroad to relocate in places in which returns were found to be higher and risks lower' (Ibid.). In this way Samoans were, for example, encouraged to join the US military because jobs were assured, wages were higher and education could be obtained without loss of earnings. 'If this analysis depicts Samoans as calculative and instrumental, it is because in relation to risk and return they are necessarily so … [as] risks and returns available in various places were formally canvassed and modeled by families' (Ibid.). While this sort of household consensus certainly occurs, and demonstrates the significance of access to the migration–remittances nexus, it has been argued that applying the same kind of model in Tonga tends to portray families as in agreement about their economic aims and functions, whereas there are often conflicts and tensions within them (Morton Lee 2004: 136). Moreover, over a decade ago, James argued that in many Tongan villages remittances were becoming individualised and that the idea of a transnational community of kin was becoming increasingly invalid (James 1993: 361, Morton Lee 2003: 31). The extent of greater individualisation is impossible to determine, but such conflicts over use emphasise, rather than downplay, the role of remittances.

In both countries remittances are more or less three times the value of exports and in both cases they are substantially more than aid, and overall equivalent to both aid and

trade combined. They are also the only two Pacific island states where remittances – which might be envisaged as 'self-help' aid – are greater than formal aid flows (Table 6.1). They play a more important role than in such significant migrant-sending countries as the Philippines, Bangladesh and Yemen. Remittances are very much the main source of income; hence, firstly, what happens to them is of considerable importance for development and, secondly, households and countries are necessarily anxious to ensure that remittances flows do not decline and preferably increase.

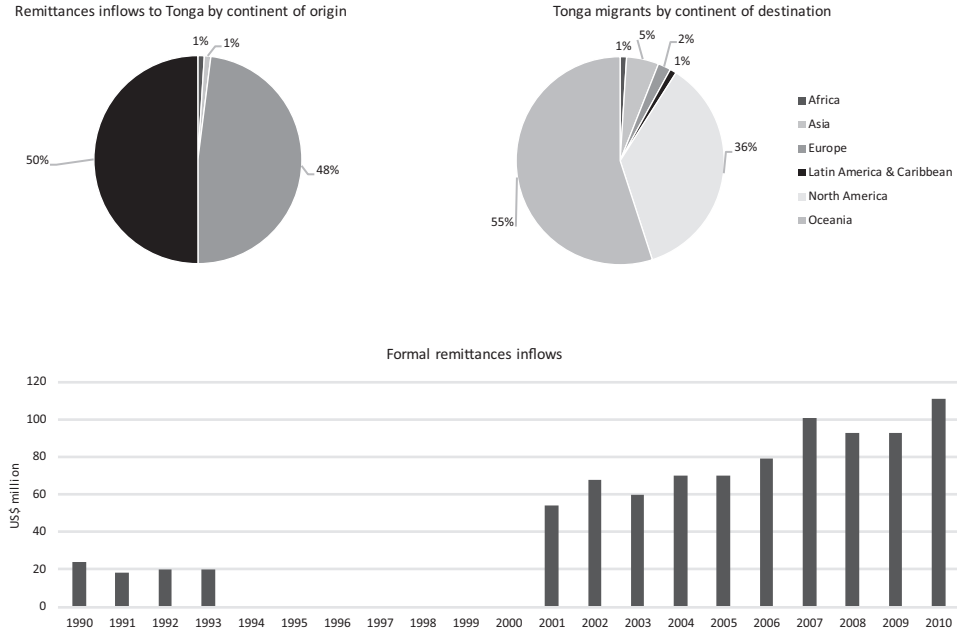
At an aggregate level, remittances steadily increased into the 2000s but in 2009, with the onset of the global financial crisis, Tonga recorded a decline from 175 million pa'anga in 2008–09 to 150 million in 2010–11. From that low level, remittances gradually increased again in the calendar year 2011. By contrast, although Samoan remittances peaked at 367 million Samoan tala in 2008–09, in the next two years the totals were 345 million and 369 million. In other words, Tongan remittances fell after the crisis but Samoan remittances were more or less stable. That is probably a function, firstly, of Samoan remittances being more likely to come from New Zealand rather than the United States (and particularly the west coast) so that the rebound was also slower (see Figure 6.2). In New Zealand and Australia the recession that followed the financial crisis was cushioned by access to unemployment benefits that enabled a less significant fall in remittance levels. In Samoa the then director of research in the Central Bank recognised that, as more overseas Samoans were made redundant, as a result of the recession, there was concern that this would lead to decreased remittances to local families: 'Hopefully the dole would save the remittances and maintain it at a healthy level, however there are pressures on Samoans overseas and the dole may not be enough' (personal communication, October 2011). Secondly, the October 2009 tsunami in Samoa resulted in sustained remittance sending – a typical remittance

Table 6.1 Contribution of trade, aid and remittances to GDP in Pacific countries, 2003

Country	Imports (% of GDP)	Aid flows (% of GDP)	Remittances (% of GDP)	Exports (% of GDP)
Cook Islands	46.0	3.5	0.7	4.9
Fiji	49.2	2.3	7.0	30.1
Kiribati	99.4	31.5	12.0	6.9
Marshall Islands	55.8	53.9	0.6	9.3
Federated States of Micronesia	47.3	49.7	1.0	6.5
Nauru	71.0	35.5	n/a	25.5
Niue	68.7	15.1	n/a	1.5
Palau	71.5	20.5	n/a	7.3
Papua New Guinea	31.4	6.4	0.2	47.8
Samoa	51.3	10.4	14.2	5.2
Solomon Islands	28.6	25.7	0	25.2
Tonga	74.1	16.3	39.2	11.6
Tuvalu	75.6	38.6	35.9	0.9
Vanuatu	58.7	11.7	3.3	42.4

Source: Redden and Duncan (2009)

Figure 6.2 Migration and remittances, Tonga



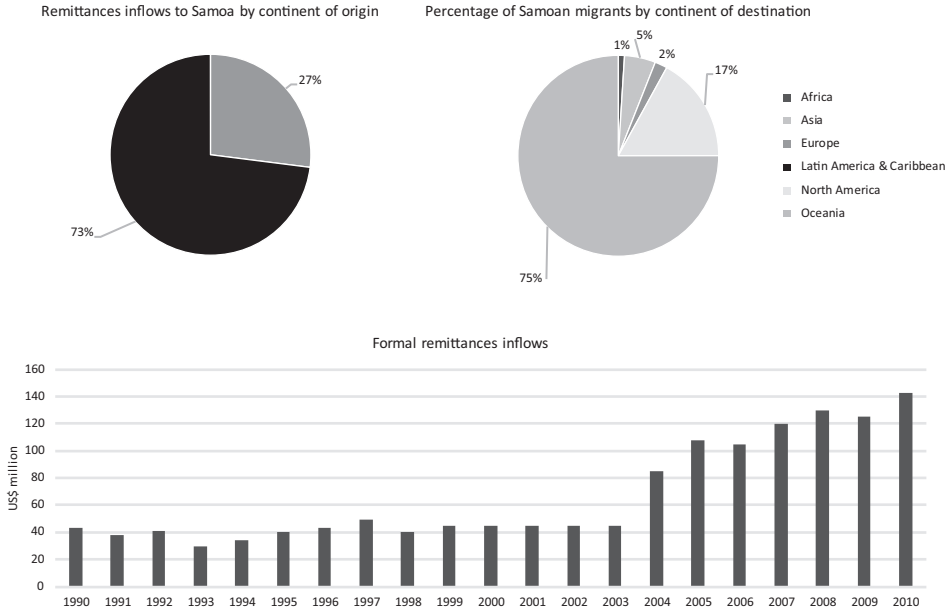
Note: Values are not displayed if they are less than 1 per cent. The figure for 2010 is an estimate.
Source: Melde and Schicklinski (2011)

situation. Although it also affected the northern islands of Tonga, these had previously received very high levels of remittances. That contrasts with many global contexts, where the situation was more like that in Tonga (e.g. Ratha et al. 2009).

The impact of the estimated reduction of around 60 million pa'anga (A$40 million) over the period following the global financial crisis significantly affected the income of many families and reduced their purchasing power, with a consequent negative impact on businesses, government and the economy as a whole. The Reserve Bank of Tonga believed in 2011 that private remittances were unlikely ever to recover to the high level they had reached in 2008, highlighting the vulnerability of the country's economy to fluctuations in the global economy; there was no obvious reason why they should recover. In Samoa, at least by early 2011, remittances had returned to 'normal' pre-crisis levels, and perhaps exceeded them, as some overseas Samoans compensated for the previous difficult period.

The geographical sources of remittances vary (Figures 6.2 and 6.3). In 2010–11 some 40 per cent of remittances to Samoa came from New Zealand, with 25 per cent each from Australia and the USA, and a mere 4 per cent from American Samoa. Geographical origins are important. A 2006 study in Upolu (Samoa) showed that monthly remittances to a sample of households averaged US$186 but they varied from $161 from American Samoa and $166 from New Zealand to $192 from Australia and $305 from the USA (Shuaib et al. 2007). In other words the level of remittances had a close relationship to the mean income levels in the destinations.

Figure 6.3 Migration and remittances, Samoa



Note: Values are not displayed if they are less than 1 per cent. The figure for 2010 is an estimate.
Source: Melde and Schicklinski 2011

However, the actual measurements of flows are imprecise and the amounts are probably greater than these official national bank figures, since, firstly, a significant proportion of remittances are not formally recorded but are estimated from banknote transactions (which in Samoa means excluding one third as tourist transactions) and, secondly, a significant proportion of remittances is in kind. Although, through the 2010s, this has been estimated at about 2–3 per cent of remittances in Samoa (and quite possibly a similar proportion in Tonga), the value of in-kind goods are characteristically undervalued at the customs point of entry, and is likely to be at least double that proportion. In-kind transfers tend to be greater in response to hazards (as after the 2009 tsunami).

In-kind remittances are common. A recent survey in Samoa found that two thirds (64%) of households received in-kind remittances (usually in addition to money) and these included consumer durables such as televisions, microwave ovens and refrigerators. Food and clothing were also common (Shuaib et al. 2007). Overall they constituted a very wide range of goods, especially in Tonga, where they are more likely to be sold in local flea markets (Brown and Connell 1993, Besnier 2004), thus effectively increasing the value of the remittances. Goods include clothing, food, electrical goods and furniture. Cars and other vehicles have also been sent as remittances, especially in Samoa, after the change over to driving on the left in 2009, and are distinguished as a separate category in national remittance data.

6.4.1 The impact of remittances

By the 1960s there was some degree of consensus about migration and remittances in the Pacific region. It was generally accepted that remittances were an important part of the benefits of migration for all Pacific islanders. As early as 1962, Pirie and Barrett (1962: 95) predicted that emigration and the resulting remittances would become central to Samoan economic planning, and quite quickly the predicted level of remittances formed a crucial element in the formulation of early national development plans. More than 50 years ago, Pirie observed that Samoans in New Zealand had remitted some US$15 million and that this was 'of major assistance to Western Samoa in meeting its overseas payments (1960: 596). Not very long afterwards, Shankman recorded that 'In 1974 20 per cent of the Western Samoan population was overseas and remitting over 50 per cent of the national income' (1976: 29). This situation was broadly similar in Tonga (Connell 1983a, b), although there was less adequate documentation of these early trends. Since then remittances have remained at similarly high levels.

In these early years, remittances were primarily used for consumption needs, including food and clothes, but also for improved housing. In the 1970s, remittances in Samoa were mainly used for personal consumption or to support the traditional economy (Shankman 1976), yet as much as 41 per cent was being used for house building (Kallen 1982). Indeed, in many Tongan and Samoan villages in the 1970s and 1980s it was possible to identify the households that had absent migrants, since they were usually the ones with some form of modernised housing. The assumption that remittances were primarily used for consumption lingered long, despite growing evidence of more diverse uses. Conventional 'wisdom' still suggests that remittances are overwhelmingly used for consumption objectives, and that inadequate amounts are directed towards investment. However, after debt repayment, new forms of consumption – which are important – housing and some community goals (such as water tanks and churches), air fares and education (an investment in social capital), remittances are used for various forms of investment, sometimes in the agricultural sector but more frequently in the service sector, and especially into stores and transport businesses (Connell and Brown 2005). The use of remittances for the education fees of younger kin both creates human capital and potentially raises skill levels; hence it has future benefits and links to future migration.

In Samoa and elsewhere, remittances have constituted the start-up money for many shopkeepers and other small entrepreneurs. Half of all market vendors in Apia (Samoa), all of whom received remittances, claimed that some had been used as capital for the purchase of seeds, fertiliser and tools to engage in food production for sale (Muliaina 2001: 28). Even on small outer islands, such as Falahola (Tonga), remittances have been used for economic ventures, ranging from agriculture to tourism, although remoteness has limited their success (James 1991: 18–20, Faeamani 1995). This transition has also occurred in South Asia and in many similar Caribbean island environments (Connell and Conway 2000). Where conditions are appropriate for adequate income generation, even where remittances have reached high levels, the private sector may flourish and be stimulated by remittances.

Remittances tend to induce higher savings rates, although much less than expected in both countries, and stimulate business activity. Where there are opportunities, and where consumption goals have been satisfied, remittances are used for investment, stimulate entrepreneurial and trading activity, increase the extent of formal sector employment and produce multiplier effects.

Recipients are usually either the adult siblings or elderly parents of the remitters, together accounting for 68 per cent of recipients in one recent Samoan survey, and the heads of the recipient households are usually the prime decision-makers about the use of the remittances (Shuaib et al. 2007). Remittance recipients make efforts to invest where they can, and there is minimal evidence that any part of the economy is abandoned or neglected, to be replaced by remittances. Nonetheless, it is implausible that remittances have no disincentive effects, although there is remarkably little direct evidence of this. In the case of Tonga, Sturton has argued that 'The Tongan economy displays all the characteristic markings of the "Dutch disease" where a dominant export activity attracts a disproportionate command over resources, pushes up domestic production costs, and reduces international competitiveness. In the Tongan case the "booming" sector has become development assistance and migrants' remittances' (1992: 3). Similarly Faeamani has argued that, through the combination of the loss of young adults and an inflow of cash in the form of remittances and goods, 'there is a consequent reduction in garden size and production' (1995: 140). At a macroeconomic level there is no evidence of 'Dutch disease' in Tonga, since the real exchange rate does not appear to be affected by remittances (Lin 2011), and that is highly likely also to be the case in Samoa. More generally, several authors have stressed general and wide-ranging notions of dependency that remittances appear to create, and the growing shift to the monetisation of activity.

A significant proportion of remittances support 'traditional' customs and obligations. This is at least in part because economic opportunities are few, so investing in a custom avoids what would amount to 'intensive self-exploitation in agricultural activity', gives villagers both respect and autonomy (Evans 2001: 17–18) and maintains traditional social ties. In many respects the use of remittances plays a key role in reinforcing a traditional set of values centred, in Samoa, on *fa'alavelave* (personal and family obligation) and similarly in Tonga, enabling cultural and even economic continuity. Even sellers in the Nuku'alofa (Tonga) flea market, most of whose goods arrived as remittances, and who might be seen as involved in trade and investment, the fetishisation of cash and sales rather than gifts, thus epitomising the rise of market capitalism, preferred to see themselves as located within complex, reciprocal exchange systems that 'maintained the social integrity of Tongan society despite diasporic fragmentation' (Besnier 2004: 19). It is simply more appropriate to engage in exchange and gift giving rather than sale and purchase; hence commercial practices are downplayed in favour of social obligations. Moreover, in both countries a significant element of remittances is communal social objectives, including support for sporting teams but particularly support for local churches. Few churches have been constructed in recent decades in either country without remittances playing a very important role. In Tonga it is currently estimated that about 18 per cent of private

remittances go to non-profit organisations, such as churches and sports clubs, and the impacts on churches are highly complex (Macpherson and Macpherson 2011).

The social and the economic cannot be disentangled.

In early years, when migration was in its infancy, remittances contributed to and emphasised inequality. There is now no consensus on whether remittances improve or worsen income distribution and inequality. Until relatively recently the dominant view was that remittances still tended to reinforce income inequality, by enhancing the capacity of recipient households to invest in additional migration, education and other income-generating assets. However, as migration has become more extensive this perception is no longer valid. Macroeconomic data suggest that remittances have not led to increased inter-household income inequality, at least within Tonga. Some early studies (e.g. Ahlburg 1991) found that the distribution of household income with remittances was less skewed than the distribution without remittances, and other recent studies have indicated that inequality is a function of many factors, of which the migration–remittance nexus may be an unimportant or tiny part (Evans 2001, Muliaina 2001). The most recent studies of migration and remittances in Tonga (and also Fiji) have shown that those households with migrants were more likely to have a higher income, independent of remittances, but the direction of causality was unclear, and the impact on income inequalities equally unclear (Brown et al. 2011). Growing evidence thus suggests that remittances are more likely to have a positive effect on income distribution (Brown et al. 2006: 83–86, Brown et al. 2011). Remittances have been an effective strategy for reducing household risk. Emigration from Tonga and Samoa was initially costly, so the first migrants came from wealthier households, thus worsening national income inequality. Over time, as migration became less costly and more widely accessible, more households received remittances, and income inequality diminished, although asset accumulation differences persist. Comparing income distribution and relative deprivation with and without remittances indicates that remittances perform a positive redistributive and social protection function, having a positive impact on both poverty alleviation and wealth creation, although the strength of that impact varies within countries. Migration and remittances increase investment in human capital and therefore contribute to the improved health of those remaining in the origin communities.

The benefits of remittances from workers on the new temporary migration schemes have been similar to those from more permanent workers and indeed may have contributed more to equity and regional development. Within the Pacific the schemes have proved to be both generally pro-poor, because of local selection procedures, and not localised in particular regions but rather spread throughout sending countries (Gibson et al. 2008, Blanco 2009). In some sources there is weak evidence of lost productivity, not necessarily in Tonga and Samoa, which may also have had negative impacts on diet and health (Rohorua et al. 2009) but was almost certainly balanced by income gains that counteracted lost production. More general research on remittances and development in Tonga (and Fiji), which has pointed to positive gains in terms of poverty reduction (Brown et al. 2011), is further confirmed in work on the impact of remittances from the temporary workers in both New Zealand and Australia on

families and communities in Tonga (see Chapter 4). Preliminary indications are that this has also been the case in Samoa, especially since remittances are particularly significant quantitatively in Savai'i, the poorest island, where they make the highest proportion of household incomes: 22 per cent compared with 10 per cent in Apia, although incomes are 50 per cent higher in Apia, where remittances make up the lowest proportion (Gibson and McKenzie 2011). These studies have further shown that remittances have reduced both the incidence and the depth of poverty (Gibson et al. 2008, Blanco 2009). Savings supported welfare gains in terms of improved housing and education, even if agricultural productivity may have declined slightly during the contract labour period.

Remittances (and short-term overseas earnings) thus amount to social protection, providing a steady and reliable source of income for consumption among poor and vulnerable households and therefore some degree of poverty alleviation. In some respects the use of remittances has scarcely changed: supporting social organisation and the development of improved housing, contributing to education, enabling the purchase of some luxury goods (notably cars and now mobile phones) and some degree of investment in land or small business, where this is possible. What has changed is that this is happening in all parts of both countries, even the most remote islands, and notions of what constitutes a satisfactory standard of welfare and housing are steadily being revised upwards.

Overall, remittances have substantially contributed to welfare in most states, especially improved housing, and to raised levels of consumption. Despite widespread concerns that remittances are spent rather than invested and constitute a 'moral hazard' by reducing the incentive of recipients to work, there is limited evidence in support of this view. Remittances are invested where this is feasible and opportunities exist and, as in other parts of the world, there has been a shift in the use of remittances from consumption to investment (Connell and Brown 2005). Remittances have contributed to employment (especially in the service and construction sectors) and eased balance of payments problems, despite contributing to inflation. Moreover, remittances have been sustained to a higher level and over longer time periods than has been predicted, or than has occurred in other parts of the world. This has often entailed some sacrifices by senders, to the extent that this may have hampered their own futures.

A number of conclusions on remittances are therefore possible. Firstly, there has been a consistently substantial and growing volume of remittances (making up a significant and crucial part of national income, in excess of the value of exports and aid). Secondly, the use of these remittances has gone through a partial transition from consumption to investment, as many consumption goals have been met, at least in part. Thirdly, remittances have been particularly important for the most remote islands, where development needs are less well met (and conceivably even reduce inequality). Fourthly, remittances contribute to valuable objectives such as human resource development, and are a means of maintaining social networks and creating social capital. Remittances fund education, which is highly valued, both in a general sense and for the development of specific skills (for example in health provision), in order

to create human capital for potential migration. Overall, remittances are positive and satisfying for households but insufficient in and of themselves to influence national development goals. Fifthly, households seek to increase incomes by migration and remittance strategies, even by fostering obligations and 'implicit contracts'. Even with imperfect knowledge, households are consciously making decisions in favour of the quantity and quality of education of children, which boost their chances for migration and thus the supply of remittances (Brown and Connell 2004). Migration and remittances thus stem from and contribute both directly and indirectly to human capital formation. They are the single most important contribution of the diaspora to development in PICs.

Remittances compensate for skill losses, though they largely flow to the private sector and only incidentally support the public sector, where most skills are generated. Moreover, remittances are maintained for very long times – beyond what has hitherto been recorded in most other world regions – and in quite new socio-economic contexts. The most striking conclusion of the few detailed studies of Tonga and Samoa is that individuals' remittances do not decline over time, emphasising that migrants are ultimately motivated by factors other than altruistic family support, such as asset accumulation and investment at 'home', as the intergenerational flow of remittances takes on a more individualistic element (Brown 1998). Despite an abundance of predictions that remittances will fade away over time, as migrants find new commitments elsewhere, they have resolutely failed to do so, in a wide range of contexts (Brown et al. 2006). As long as there are needy kin in the islands, remittances will reach them. This also reflects the pervasiveness of island social mores, and perhaps some discrimination in destinations that increases the desire to maintain island social ties. For whatever combination of reasons, there is room for some degree of optimism that remittance flows will not decline significantly in the near future, but alongside pessimism that this will not continue indefinitely, especially for non-migrant generations. Thus far at least, the migration–remittances nexus has proved sustainable.

Remittances are a major contributor to development and household risk reduction in both countries. Remittances even reduce the need for migration. However, they should not be considered a substitute for public investments or official development assistance, but should be seen as private income that can complement public sources for funding development.

6.4.2 The future of remittances

Because of the continued and increasing significance of remittances, the sustainability of remittance-dependent development is particularly important – but necessarily uncertain – especially if, in the countries of origin, the need for remittances grows faster than its supply or if the number and flow of migrants dwindle. The rate of growth of migration to major destinations has declined in recent years because of economic recession in destinations, and the restructuring of migration controls, with migration becoming more selective towards those with skills. Even with continued migration, however, an imbalance is expected to occur because of the dynamics of settlement migration. With family reunification and with greater integration of migrants in

the host communities, their ability and willingness to remit have been expected to decline over time. If that were so, without other sources of income, the future of the economies of remittance-dependent Pacific countries would be uncertain.

Only recently have second and third generations of Pacific islanders grown up outside their island 'homes'; hence the extent to which they will remit to the island Pacific is not well known. There is some evidence that the links of second-generation Samoans in New Zealand and Tongans in Australia with Samoans in Samoa and Tongans in Tonga respectively are declining (Muliaina 2001, Morton Lee 2003, 2004). Anecdotal evidence points to the growing individualism of overseas migrants, but especially to the increasing numbers of second-generation islanders born overseas, and the reduced likelihood of such people sending remittances to their 'home' countries, especially if they take up host country citizenship (Connell 2006). Data on Tongan and Samoan nurses in Australia indicate that even skilled migrants sustain remittance levels at high levels and over long time periods, but that information dates from the mid-1990s (Brown and Connell 2004, 2005), though circumstances may not have changed. The limited available evidence on the remittance patterns of the second generations indicates that they respond only indirectly through the urgings of their parents, and contribute very limited sums. This is particularly significant as migration opportunities decline and the number of overseas-born 'islanders' becomes the majority. After the GFC some Pacific Islanders born overseas were becoming more open about refusing to send remittances (ABC Radio Australia, 7 April 2009). Overseas-born Tongans (or 'Tongans') in New Zealand, as also in Melbourne at least, are now a majority rather than a minority. Not only does this probably mean that for all these groups their remittances are limited, but their social and economic ties are likely to increasingly be with each other rather than with 'home', so accentuating this trend. Nonetheless it is possible that the rise of social media (see below) may reverse the trend.

6.4.3 Making remittances more effective

Remittances are partly social insurance (for possible return), partly welfare provision and partly investment. Migrants who see little prospect of return for whatever reason, and envisage their kin joining them, remit relatively little or even nothing. There must be incentives: notably a national development strategy that supports established households and welcomes and enables the prospect of return migration. Questions remain over what will happen among second and later generations as contacts with home diminish. Many Tongans in Australia have lost interest in continued financial support of their overseas kin, as their sense of *kavenga* (obligations) has declined over time, yet assumptions about declining remittances are yet to be generally verified – they can hold up well for 20 years – and technological change enabling superior and cheaper communication, both mobile phones and social networking, and the use of bank cards for transferring money, perhaps even 'diaspora bonds', may slow any decline. The most probable brakes on remittances will be a slowing of migration, for whatever reason, and the death of potential recipients at 'home'.

Since remittances are beneficial, how might countries and households gain greater access to them, stimulate flows and use them more effectively? Almost certainly flows

could be increased, although it is widely understood in both Tonga and Samoa that most migrants already battle hard to establish themselves in a distant destination, and send back what is requested (and often more), sometimes even impoverishing themselves in the process. Persuading migrants to consistently send more is unlikely to be successful (despite the spikes that invariably follow natural hazards). Some migrants, briefly returning to Samoa and Tonga for visits, choose to stay in hotels to avoid what they see as excessive demands within villages.

Two processes are presently in train to ensure that a greater proportion of intended remittances are received, by reducing transaction costs, which ranged from 15 to 25 per cent of the remittances as recently as the late 2000s, and were a particular impost on small states, and improving the financial (and technological) literacy of remittance recipients (Gibson et al. 2007): firstly, continued efforts by the World Bank group based in Sydney to develop financial mechanisms that would reduce costs, and, secondly, efforts by the United Nations Development Programme (UNDP) Pacific Financial Inclusion Project (PFIP) to work with mobile phone companies in the PIC region in order to introduce technologies that will enable remittances through mobile phones, as part of a broader ongoing programme to develop financial literacy in the region.

Samoa and Tonga are two of the countries included in the PFIP, which is seeking to ensure that all schoolchildren receive financial education as part of core curricula, all adults have access to financial education, simple and transparent consumer protection be in place and the number of households without access to basic financial service be halved between 2010 and 2020. The core objective was to provide a climate where remittances could be more effectively received and used. By 2011 nine secondary schools in Samoa were offering enterprise and financial education, and Tonga had prepared implementation strategies and was awaiting funding.

More formalised transfers of remittances, enabling their more effective use as temporary capital, have been suggested both globally and for PICs, along with suggestions for modifying exchange rates to make sending remittances more attractive (Brown et al. 1995, Jayaraman et al. 2010, see also Gamlen 2008), but these too have been resisted by migrants seeking to maximise the household utility of remittances, and conscious that remittances are private money, and by governments disinclined to disturb remittance flows. Migrants often distrust their home governments, banking systems, with which they are unfamiliar, and the lack of an attractive investment climate. The outcome has invariably been private investment rather than investment that directly benefited national development. Present policies seek to get around this constraint.

A whole suite of financial possibilities that have been used elsewhere, such as bonds for expatriates (as in India), tax breaks for returning investors (as in the Philippines and Cape Verde) and special savings accounts (as in Morocco and Senegal), have rarely been considered in Samoa and Tonga. Policies to encourage the mobility of capital (or even the development of particular investment policies, bonds or bank accounts, for overseas nationals) need to be thought through carefully so that existing residents are not disadvantaged in any way.

In Samoa and Tonga, remittances were a 'golden goose' and none sought to disturb it, despite occasional invocations for change. Fifteen years after Brown and colleagues (1995) had made recommendations about using incentives to encourage remittances to be sent through financial institutions, offering higher interest rates for remittance deposits and otherwise removing constraints to sending remittances through formal channels, Jayaraman and colleagues (2010), seemingly independently, developed an almost identical set of proposals. By then, governments and financial institutions had finally begun to take note and some restructuring was in place.

Samoa established the Unit Trust of Samoa (UTOS) in 2010 with the goal of its being 'an investment vehicle for an ordinary Samoan out in the village, a small farmer or fisherman' and an opportunity for overseas Samoans to invest in Samoa. Its prospectus stated 'If you are a Samoan residing overseas, investing in UTOS can be an ideal investment if you are looking at investing in Samoa, or simply to "connect back to your roots"' (Unit Trust of Samoa 2011: 7). However, at least in the first six months of operation, neither of these two groups had shown much sign of investing in UTOS. There is no indication that Tonga has offered similar kinds of investment vehicles or bonds.

6.4.4 Reducing transaction costs

Since the middle of the first decade of the twenty-first century, spearheaded by the main money transfer operator (MTO), Western Union, there has been a proliferation of money transfer companies in both Samoa and Tonga. That alone has resulted in enormous competition for business and a consequent significant reduction in the costs of transfer. Until that point, transaction costs in the Pacific were about twice those in other world regions. With pressures on companies from governments, mainly New Zealand and Australia, rapid technological innovation, new financial and technological access and literacy, the greater use and more widespread availability of automated teller machines (ATMs), a rising proportion of people with bank accounts, and the remarkable rise of mobile phones, costs have been reduced even further.

In the mid-2000s, transaction costs varied according to the mode of transfer. Using bank drafts or money transfer companies to send money, for example from New Zealand to Tonga, cost around 15–20 per cent, whereas recipients using ATMs could reduce the cost to about 4 per cent. The costs of remitting to Samoa and Tonga from Australia were roughly the same as from New Zealand, and transaction costs from the United States were even higher. After the liberalisation of Samoa's financial system – and the subsequent entry of MTOs – the cost of remittances dropped from a high of 24 per cent in 2009 to 13 per cent in 2011 (Tavita 2011). Although that brought the transaction cost down from about twice the global average in 2009, it was still about twice the global average in 2011, as costs declined further elsewhere. The structure of that decline has been complicated.

Frequent remittances of relatively small amounts, around NZ$200, which were relatively common, incurred a higher cost than a single remittance of $2,000 (Gibson et al. 2007). Although Western Union was the most well-known company, other money transfer companies existed, with a range of charges, such as Melie mei Langi,

a relative newcomer run by a Tongan church, whose charges were less than Western Union, but which doubled the transfer costs for outer islands, beyond Tongatapu. Even more recently, in 2011, the telecommunications company Digicel entered the market, to enable remittances to be sent by mobile phone to both Tonga and Samoa (and, slightly earlier, to Fiji) from New Zealand and Australia.

Around 2006 Tongans remitting from New Zealand tended to use the main MTOs, Western Union (51%) and Melie mei Langi (29%), with the next popular means being giving money to a traveller (7%), once one of the most important means of transfer. Some 7 per cent was transferred through banks, and just 1.4 per cent used Westpac ATM cards; only 5 per cent realised that this was possible. Lack of knowledge of other channels, and the presence of Western Union in rural Tongatapu and on outer islands (in distinct contrast to ATMs), resulted in its continued dominant use (Gibson et al. 2007). Travel to distant ATMs and other outlets has been estimated to cost as much as 30–50 per cent of the value of the remittances. Almost certainly the situation was roughly the same in Samoa. For both countries the cost of sending remittances from Australia was significantly higher because of the different regulatory context and because Australian banks were not interested in remittance services (Australian Government and New Zealand Government 2010). Since remittances are a particularly significant component of incomes in relatively remote places, including Savai'i in Samoa and the Niuas in Tonga, reducing the transaction costs and ease of access would significantly boost household incomes in these places.

If most people used Western Union (or Digicel, let alone more expensive options) rather than ATMs, the potential loss to Tonga (and Samoa likewise) could be as much as 4–5 per cent of GDP, a very substantial national loss. Adding to that losses from Australian and US transactions (the latter being the source of most remittances) emphasises the substantial national loss, somewhat greater than in Samoa. Not only would reducing transaction costs remove this particular loss but it would be likely to generate some increase in the level and regularity of remittances, and ensure that almost all remittances went through formal channels.

Achieving a reduction in transaction costs has largely come from external pressures. The Westpac ATM remittance card required extensive policy reform in New Zealand in order to become operational, and 2008 legislation allowed both New Zealand and Australian senders to remit money through the international electronic funds transfer at point of sale (EFTPOS)/ATM network (Porter 2009). However, the take-up rate was not as rapid as had been expected and there were operational problems resulting from misplaced cards and forgotten personal identification numbers. Westpac consequently contemplated withdrawal from a dual card scheme, and the Australia and New Zealand Banking Group (ANZ) partnered with Visa to develop an alternative.

Australian financial institutions slowly responded to calls from the government, and stakeholders in the Pacific, and brought down the cost of remitting money. The Parliamentary Secretary to the Treasurer, David Bradbury, stated in Samoa (2011) that 'Remittances from Australia are a significant component of the national income of many of our Pacific neighbours … Until recently, remitting money from Australia

had attracted relatively high fees that eroded the funds that would otherwise have been used to support communities in their destination countries'. In July 2011 Westpac substantially cut its telegraphic transfer fee for remittances to the Pacific of less than A$500 from A$30 to A$10, and their inward telegraphic transfer fee was waived for those with Westpac accounts in the Pacific. ANZ was intending to launch a stored-value card that had the potential to cut remittance fees to around 6 per cent of the total amount remitted. At the destination end the national banks are naturally supporters of reduced remittance costs. The Central Bank of Samoa is a leading advocate for greater access to formal financial services in Samoa, and has made the issue of remittance services central to its platform. Governor Leasi Tommy Scanlan has noted that 'remittances services are some of the only formal financial transactions many Samoans make, and therefore ensuring they are of a high quality and provided at a low cost will help many deserving Samoans' (Central Bank of Samoa 2011).

At the October 2011 Commonwealth Heads of Government Meeting in Australia, Australia further stated that it would continue to make it cheaper for migrants from Commonwealth developing countries working overseas to send money back home. The Foreign Minister, Kevin Rudd, announced a A$3.5 million package to provide practical support over the following two years to drive down the costs of sending remittances: 'our support will change lives. It will mean more dollars make it home to pay for school fees, health care and to put food on the table'. The Parliamentary Secretary to the Treasurer recognised that a major impediment to facilitating remittance flows was the relatively high cost of transactions. The global average cost of sending remittances is approximately 9 per cent of the total amount remitted. The Hon David Bradbury MP, Parliamentary Secretary to the Treasurer, stated:

> Already Australia and New Zealand's website, www.sendmoneypacific.org, has contributed to reducing the average cost of sending $200 to Pacific island countries by approximately $6 or 3 percentage points between January 2009 and June 2011. The assistance announced today will support developing Commonwealth countries in setting up their own mechanisms to increase transparency and competition in the remittance services market.
>
> (Former Minister for Foreign Affairs 2011)

Australian funding was also intended to support the uptake of new technology, such as mobile banking services, to increase access to financial services for the poor and help improve the development impact of remittances.

In order to make the transaction costs more visible, the Australian Agency for International Development (AusAID) and the New Zealand Aid Programme (NZAid) jointly established a publicly searchable database of the costs and other characteristics of various forms of remittance transfer, based on that created for a project of the UK's Department for International Development (www.sendmoneyhome.org). The www.sendmoneypacific.org website was set up in 2008 to make costs and options more transparent. The World Bank has undertaken a review of www.sendmoneypacific.org to assess its effectiveness and provide recommendations on its future. Although informative leaflets have been produced

in both Polynesian languages (and others) and English, it is uncertain how many remittance senders actually refer to it and use it.

In November 2011, sendmoneypacific listed 23 distinct ways of sending remittances from New Zealand to Tonga (and 28 from Australia), with costs for the transfer of NZ$200 ranging from 1 per cent to 27 per cent, averaging about 14 per cent. KlickEx was much the cheapest at 1 per cent, Digicel cost 4 per cent and Melie mei Langi cost 8.5 per cent, undercutting Western Union at 14 per cent. The more expensive forms of transfer were through the standard commercial banks and were probably infrequently used. New companies were constantly emerging, such as Exchange4free from the UK and the New Zealand-based KlickEx.

At that time, perhaps typically, one small Tongan company – Rowena Financial Services (RFS, agents for the New Zealand company IMEX) – dealt with transactions, mainly from New Zealand and Australia, amounting to about T$40,000 to T$50,000 per week, with an average transaction of T$255 (about A$180), on which it charged a fee of about T$18. Alongside New Zealand charges, this amounted to about 11.5 per cent, undercutting Western Union but not Melie mei Langi. RFS believed that other customers used Western Union because it was more easily accessible around Tonga, but its own customers were loyal to RFS because it had been tried and tested over time, and it was willing to stay open late and be open on public holidays. In effect, therefore, RFS worked like many other small money transfer companies in having a particular group of users (some of whom could be identified as particular religious or community groups). RFS argued that it (and other organisations) could not easily cut costs without larger numbers of remitters and higher volumes, and felt that telephone banking would not be successful unless there were readily accessible cash outlets.

In 2011, phone remittance transfers became possible. The use of mobile phones for sending and receiving remittances had been pioneered in the Philippines, with remittances credited to a virtual bank account or e-wallet, stored on the phone, and with transaction costs amounting to about 1 per cent. Both Samoa and Tonga have more than one provider of mobile phone services, but Digicel, which entered both Tonga and Samoa in 2007, quickly became the largest telecommunications company in both countries (and also in Vanuatu and Fiji). In 2011, it sought to offer a similar model in all these countries. Digicel found that money transfers between Apia and other parts of Samoa were effective and sought to make such national transfers international.

Digicel is incorporated in Bermuda and has virtually 100 per cent coverage of the Commonwealth Caribbean (as well as Haiti and elsewhere) but it could not be determined whether the company worked in the same way in the Pacific as in the Caribbean and had benefited from that experience. Digicel launched its Mobile Money service in Fiji in mid-2010 and in both Tonga and Samoa in 2011, at the same time reducing the cost of mobile phone ownership dramatically, making it available to a much larger number of people, and setting up networks of agencies to provide credit services etc. The service was supported by the UNDP's Pacific Financial Inclusion Programme, AusAid and the GSM (Groupe Speciale Mobile) Association's Mobile Money for the Unbanked (MMU) initiative, which had been

particularly involved in Africa. After experimentally launching the scheme in New Zealand in October 2011, Digicel announced a month later that the mobile money service would also be established in Australia, enabling residents to send money to those countries at A$4 per transaction:

> No bank account is required by the recipient and access to the money is more convenient than ever. Money on the phone can be used as a mobile wallet to buy food and household goods, pay bills or send Digicel Top Up credit or withdraw cash and purchases and cash withdrawals can be made at over 300 participating stores and service agents throughout the Pacific islands.
>
> (Baselala 2011)

The Digicel scheme was initiated in New Zealand (with a NZ$3 cost for each transaction), since it was argued that there was a smaller market there than in Australia or the United States. The charge is a flat rate but transfers are limited to $500 per day. It claims to be 'uniquely positioned to offer a real alternative to the traditional bricks and mortar-based remittance models' (Digicel Pacific 2011). Although take-up numbers were initially small, they accelerated rapidly from the end of 2011. The company expects that it will in due course extend to the larger market of the USA, from which there has already been enquiries (and where some people may be familiar with the Philippines context).

To participate, recipients in Tonga (and Samoa) merely need a $5 SIM (subscriber identity module) card. Digicel provides text advice to customers that they have received cash and customers can pay bills (including Digicel bills), make intra-country transfers or withdraw the money. Tonga and Samoa have virtually universal adult literacy so texting has quickly become familiar. Cash withdrawals are possible from Digicel's two offices in Nuku'alofa, one at the airport, and its offices in 'Eua, Ha'apai and Vava'u, but also from its 22 agencies in Tongatapu, 14 in Vava'u and 8 in Ha'apai. That means that virtually throughout Tonga (the Niuas are beyond range) recipients are able to access cash both nearby and quickly. In Samoa, phone coverage and agencies are effectively nationwide: 30 agencies were claimed in mid-2011. (It is worth noting that Digicel alone directly employs several hundred people to market mobile phones and provide support services in both countries.) Since getting to where money might be withdrawn has long been costly in both countries, the national network of agents is extremely important in reducing those costs.

Information on current mobile phone usage and availability in the two countries is not easily accessible. Mobile phone use in Tonga had certainly reached about half of all households by 2009 and had been growing at a rate of 35 per cent between 2003 and 2008. In Samoa, 82 per cent of all households used mobile phones as their most important means of communicating with people overseas; remarkably, the reliance on mobile phones was greatest in Savai'i and least in Apia (Gibson and McKenzie 2011), where land lines are more common. In Tonga, some 77 per cent of households with members temporarily working in New Zealand had a mobile phone (Gibson et al. 2008), and by 2011 there was a widespread view that 'most' households had them (except in the Niuas, which are out of range). At least three quarters of households in

both countries now have access to a mobile phone; hence access to telephone banking extends at least this far, and phones make access to remittances nearly instantaneous. Although the costs of mobile phone ownership may be high, mobile phones have become as crucial an accessory as anywhere else in the world. Indeed, phones are obviously as popular as in 'developed' countries, with gaming features particularly attractive to adolescents.

Although in some countries relatively few households have bank accounts, which limits the means of access to remittances, in Samoa and Tonga rates of account ownership are much higher, partly reflecting the long duration of remittance receipt. In Samoa about two thirds (67%) of households have a member with a bank account, and 21 per cent have a member with an ATM card, but that proportion is five times higher in urban Apia than in Savai'i (Gibson and McKenzie 2011). Comparable data are unavailable for Tonga but the Reserve Bank believed that ATM use is at least on a par with that in Samoa. A key goal of the UNDP's Pacific Financial Inclusion Programme is that of enabling low-income households to participate effectively and knowledgeably in the financial system, partly through having formal accounts and partly through better knowledge of money transmission and use. In some respects, phone use will make this much easier to achieve.

Obstacles to the more cost-effective use of remittances have included the ease of receiving them, with people in distant villages having trouble getting to a place where they can withdraw the cash: people have to wait around at these points, where they can withdraw cash, constantly checking to see if the money has been received there yet. Mobile phones obviate any need for this. Moreover, ease of sending and ease of access to remittances are likely to result in regular, smaller remittance flows, which may avoid the temptation of wasteful expenditure (conspicuous consumption) that can accompany occasional large sums.

In both Samoa and Tonga, money can now be transferred from overseas and within the countries, with the ease of sending a text message. New companies are offering lower rates for remittances, and mobile phones are poised to be the next stage in remittance transfer. Mike McCaffrey, of the Pacific Financial Inclusion Programme, has recently said, 'Improving remittance services is no longer a technological issue, those pieces of the puzzle are here. The issue now is formulating partnerships to improve access to these products and to build awareness of them' (personal communication, October 2011). That is already happening.

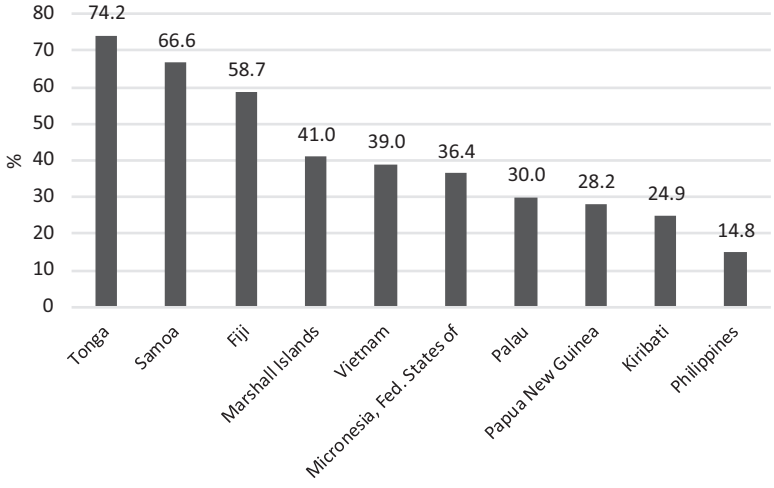
Revolutionary changes are currently in place concerning the cost, delivery and access of remittances. It will be important that recipients have the financial literacy to manage remittance flows (but that is no new problem). There are likely to be teething problems in the growth of ATM systems and telephone banking, but old loyalties will be tested and it is highly likely that, one way or another, electronic banking will quickly result in access to increased remittances and a boost to national GDPs. Given the possibility of significantly increasing the share of remittances flowing into Tonga, and with the capacity to eventually benefit remote areas, the adoption of mobile banking appears imminent. Changes are constant, fluid and beneficial to both countries.

6.5 Skilled migration

There is a widespread assumption that the proportion of skilled and highly skilled workers among all migrants is increasing, as a result of shortages in the receiving countries, some of which – as in New Zealand and the United States – have led to private sector recruitment in the Pacific islands. In practice it is most likely that migration is so pervasive that, certainly in Samoa, it represents a cross-section of all Samoans, since even the most unskilled have means of migration. (One trend in Samoa, for example, has been a rise in adoptions in both New Zealand and Australia, where 'children' up to the age of 23 may be adopted – invariably by close relatives in those countries – and so migrate. In New Zealand alone these run at about 600 per year.)

Nonetheless the migration of skilled workers is very significant. Indeed Samoa and Tonga are the countries in the Pacific region most affected by skill losses, in terms of the proportion of skilled workers who are overseas (Figure 6.4). As one director of health observed: 'you can't tie professionals down. We can't go against migration. There are too many obligations that drive us away'. An equally senior education bureaucrat said: 'we look at it positively'. On the list of the top 30 countries with the highest migration rates for skilled migration to member countries of the Organisation for Economic Co-operation and Development are eight Pacific island states, notably Tonga and Samoa. Tonga is said to have more PhD graduates overseas than any country in the world. Emigration rates are especially high among women, with 63 per cent of them being skilled migrants (Docquier et al. 2007). The two groups invariably singled out as the main categories of skilled workers are health workers and teachers. (Football players also make up a growing proportion of skilled migrants.)

Figure 6.4 Pacific island countries: percentage of tertiary-educated national populations living outside their country of birth, 2000



Note: The figure is somewhat distorted because Tonga, Samoa and Fiji have proportionately large numbers of educated nationals whereas the other PICs do not.
Source: Ratha and Xu (2009)

Engineers, information technology professionals and economists are in short supply. But the loss of skills goes far beyond that and often into professions where numbers are small, so even a handful of migrants may be a critical loss. Conversely, over and over again it is reiterated that there is a shortage of people with good management skills. Low remuneration (especially compared with metropolitan countries), poor promotion opportunities, limited training and further educational opportunities, and poor working and living conditions, particularly in remote regions, are push factors for skilled migrants. Doctors are twice as likely to migrate as nurses because wage differentials are greater, and because most nurses are women and men are often the primary decision-makers regarding migration (Brown and Connell 2004). A growing shortage of skilled workers in the region has also contributed to increased intra-Pacific migration, with workers migrating to countries offering better work conditions and salaries, such as Samoan nurses moving to American Samoa and tourism workers to the Cook Islands, and various skilled workers going to Nauru (including health workers from Tonga). There is some weekly commuting from Samoa to American Samoa.

Within the region the most significant migration of skilled workers is into regional and international organisations such as the various bodies of the Council of Regional Organisations in the Pacific (the Secretariat of the Pacific Community, the Secretariat of the Pacific Regional Environment Programme etc.) and the UNDP (as well as the Commonwealth Secretariat!). The first such group of individuals remain in the region but are no longer specifically involved in national development; hence, this is sometimes seen as a regional brain drain (cf. Liki 1991).

Many such regional workers subsequently work for international organisations or migrate rather than return to national governments. (Some argue that a parallel loss is that of skilled workers becoming employed by transnational corporations whose interests are not necessarily those of island states.) Ironically, such workers are highly visible in the region and provide a model of successful migration.

Skilled workers in general, and health workers in particular, are a significant proportion of migrants to metropolitan states because of the increased focus on skilled migration (within declining immigration numbers) in most destinations, and the continued (and increasing) demand for health workers there (see section 6.8). Each of the principal destinations for skilled migrants – the USA, Canada, Australia and New Zealand – has the acquisition of permanent skilled migrants as one of the objectives of its immigration policy. Indeed they have increasingly even become competitors in trying to attract highly skilled (and entrepreneurial) migrants. Skilled migration is unlikely to decrease, given the significance of skilled worker shortages in each of the 'standard' destinations, and increased shortages in newer, more distant markets.

A recent study undertaken of the attrition and migration of nurses from Tonga has demonstrated the substantial extent of migration (and attrition) of one particular skilled group over an 18-year period (Cama 2010). There is every reason to believe that the outcome would be very similar in Samoa. Of the 344 graduates from the single source of nurses within Tonga, more than a quarter (27%) had migrated by the end of that time period, a significant loss to the Tongan system (Table 6.2). Of

Table 6.2 Summary of enrolment at Queen Salote School of Nursing, 1987–2006

Year of intake	Annual intake of nursing students	Graduates by year	Attrition	Number of nurses who migrate
1987	40	32	8	14
1988	39	31	8	14
1989	39	29	10	13
1990	22	18	4	9
1991	20	15	5	9
1992	8	6	2	4
1993	13	9	4	5
1995	10	10	0	4
1996	14	13	1	5
1997	12	11	1	6
1998	14	13	1	4
1999	23	18	5	7
2000	20	17	3	6
2002	25	22	3	9
2003	26	22	4	2
2004	30	21	9	1
2005	42	33	9	3
2006	33	24	9	0
TOTAL	430	344	86	115

Source: Cama (2010)

the 115 who had migrated, 95 were in New Zealand, 10 in Australia and 1 in the USA. Of those in New Zealand, at least a third were still involved in nursing but as many again were probably no longer involved.

Ironically many of these migrants become part of a 'brain loss' or 'brain-waste' because their qualifications, despite often contributing to gaining them entry, are unrecognised in the destination country. Many Tongan nurses and Samoan teachers, for example, are unable to gain employment in the health or education service in New Zealand.

There is a shortage of skilled workers in both Tonga and Samoa, but very little formal information exists on labour shortages in either country and most information is anecdotal and/or based on widespread assumptions. Thus, declines in agricultural production are widely attributed to a loss of agricultural workers (and the unwillingness of young people and the unemployed to work in agriculture, perhaps discouraged by remittances) but there is almost no information to test this supposition. Quite clearly there are shortages, measured by vacancy rates, in both health and education in both states, as also in police forces and other areas. In the Public Service Commissions in both states this is clearly recognised, but maintaining good records across the public sector is difficult.

Ahlburg and Levin wrote of migration of Tongans and Samoans to the United States alone, 'Emigration results in the permanent loss of young educated skilled labour

from the Pacific island nations. Skilled labour is in short supply and emigration probably hinders development' (1990: 84). That was true two decades ago and is no less true now. It is certainly true in the health sector, where more costly (and sometimes less skilled) replacements have sometimes been required, and in the movement of sportsmen. However, measuring the impacts of loss is difficult. In the health sectors, basic needs are probably less well satisfied, required activities are not undertaken or are undertaken by less skilled people, especially in more remote areas, and there is a loss of morale among those who have remained, as working conditions deteriorate. Waiting lists and times lengthen and examinations are more cursory, or complicated by new cultural differences. Organisations lose a sense of corporate memory and continuity. Training is constant, and often costly. Because of the necessity for appropriate skilled training, it is more difficult to make substitutions for absent skills in the health workforce (or transfer them from elsewhere in the public service). It is scarcely less difficult or costly to train teachers, accountants or professionals with other lost skills. Yet much of this is qualitative and not measurable.

Losses are equally difficult to measure in other sectors. In both Samoa and Tonga, science and mathematics teachers from secondary schools are the ones most often lost, partly through migration and partly from attrition, since sciences and mathematics teachers are most easily able to find better paid jobs within the public sector. In Tonga, the loss of industrial arts and technical and vocational education and training teachers is a particular problem. At the time of writing there were only five qualified plumbers in Tonga; not only is it hard to get access to them but they have no time to be tutors in plumbing at the Tonga Institute of Science and Technology. Here too, migration and attrition are combined. In Samoa, 52 teachers left the service in three and a half years between 2000 and 2005, eroding the quality of curriculum delivery (Afamasaga 2006). Tonga was losing teachers at a similar rate. In a different sectoral context, an acting chief medical officer said: 'If they leave in their hundreds, we must train them in their thousands'. Japan International Cooperation Agency and other volunteers also fill in. Scholarships do not always fill the right positions: Tonga is short of high-level agriculturalists, economists and marine scientists.

Actually measuring what constitutes a shortage of skilled workers is therefore difficult. As one former Tonga government official said:

> We have lot of our students overseas. It is very good for them.
>
> Q: But wouldn't it be good if they all came back?
>
> No. They can earn a good salary overseas and send money home. The government can't afford to pay them. And we have enough doctors, and we get specialists on tour from overseas, and many people can afford overseas treatment … My brother is a doctor at the hospital, but he is waiting for someone to come and replace him, then he can retire.

Sentiment, policy and practice can be complicated.

The widespread existence of skilled migration, and what amounts to a brain drain, has constituted a major loss to Samoa and Tonga. Migration has been selective by skills,

yet repeated reports on aid delivery in the Pacific have drawn attention to issues of management and governance and referred to the need for skills and superior training. The extent to which skilled workers can be encouraged to return from overseas, either permanently or temporarily, or to benefit the region otherwise, is thus of some importance (see section 6.7). However, skilled workers also send remittances, and the fragmentary evidence indicates that their remittances are sustained at levels above those of unskilled workers and continue for a long time, with decay not occurring until after 20 years (see section 6.4). This indicates that the economic costs of skilled migration are not as great as has been feared and are probably outweighed by the benefits, even if training is in the public sector and remittances are private (although it is impossible to accurately cost the health disadvantages of high levels of emigration).

Despite concern over the existence of a significant skill drain, few attempts have been made to develop baseline data on sectors and occupations where the skill deficit is greatest, even in the public sector. Although there are well-known general deficits in both the health sector and the education sector, little is otherwise known of the impact of migration on labour shortages in other critical areas. Inevitably, this makes developing appropriate policies that target the diaspora somewhat difficult.

6.6 Unskilled migration: the Recognised Seasonal Employer scheme and the Pacific Seasonal Worker Pilot Scheme

If skilled migration is perceived as a problem – at least in terms of the loss of skills – that is certainly not the case for unskilled migration. Indeed, the migration of relatively unskilled workers has increasingly been deliberately encouraged. Both governments have sought out means of increasing flows and have also sought to improve local skills, perhaps as a means of migration, most recently through the Australia-Pacific Technical College (APTC, see section 6.10.2). In recent years, the most significant change in unskilled migration has been through the Recognised Seasonal Employer (RSE) scheme with New Zealand, and the more limited Pacific Seasonal Worker Pilot Scheme (PSWPS) in Australia.

At different times in the past, Samoa and Tonga have sought short-term overseas employment opportunities. Tonga and Tongans requested migration opportunities in New Caledonia, and elsewhere, in huge numbers (Connell 1983a: 39), while Samoans travelled more or less discretely, but illegally, to work as short-term guest workers in New Zealand (Macpherson 1981), with outcomes very similar to present-day schemes, for which they may have been something of a model. Either requests for international employment were denied or they lasted only a short term, but the demand in both Samoa and Tonga was indicative of both national and household support for migration.

A growing number of studies (e.g. World Bank 2006) advocated that migration opportunities for Pacific islanders be broadened to enable short-term migration, mainly to work in the agricultural sector, where there were labour shortages. This would allow Pacific islanders to work temporarily overseas and return home after a period of less than a year. In response, New Zealand established a Recognised

Seasonal Employer (RSE) work scheme in 2007 that provided seasonal employment in the agricultural industry, as part of a strategy to address a persistent shortage of workers in New Zealand's horticulture and viticulture industries. See section 4.5 in Chapter 4 for a full description of the New Zealand RSE scheme.

For a number of reasons Australia was slower to introduce a parallel agricultural worker scheme (Maclellan and Mares 2006) but the initial success of the RSE scheme in New Zealand was something of a catalyst for change in Australia. In 2008 the Australian government announced the introduction of the Pacific Seasonal Worker Pilot Scheme (PSWPS), modelled on the New Zealand RSE scheme and almost identical to it. See section 4.6 in Chapter 4 for a discussion of the PSWPS.

Thus far the only detailed assessment of either scheme in Tonga and Samoa has been undertaken for the first phase of Tongan migration to Australia. It is discussed in some detail in section 4.6.1 in Chapter 4, with a more fragmentary analysis of other Samoan and Tongan contexts, developed in discussions or from general overviews.

6.6.1 Tongans and the RSE and PSWPS

Tongans have been the largest group involved in both the Australian and New Zealand schemes, both in absolute numbers and in the proportion of nationals who have taken advantage of the scheme. When it was announced, as many as 5,000 people signed up, and many of these have had the opportunity to go. Late in 2011, more than 300 were working in Australia and about 1,400 in New Zealand. Tonga preferred the New Zealand organisational structure, since workers were directly recruited by employers rather than the 'third party' intervention of recruitment companies involved in Australia. Like other RSE countries it had its own list of work-ready workers.

One of the largest of these employers, for both Tongans and Samoans, has been Mr Apple, New Zealand's largest vertically integrated grower, packer and exporter of apples. Mr Apple has fourteen orchards (the largest produces 350,000 cartons each year), three packhouses (which pack 2.5 million cartons of apples each year) and one coolstore. During the harvest season its workforce reaches over 1,500, with seasonal workers from many countries. Mr Apple employed about half of all Tongan RSE workers and a similar proportion of the Samoans. Over time the company preferred to recruit experienced workers and, where possible, village groups with leaders, to ensure harmony in the workplace and at recreation.

Although all Tongans were free to register as work-ready, as elsewhere, Tonga sought to ensure that as many as 65 per cent came from the outer islands (anywhere other than Tongatapu). Recruitment also involved the Niuas despite the cost of checking the suitability of workers from there. Women were a small proportion of all workers.

Most workers spent several months in New Zealand and returned with significant incomes, which they spent in similar ways to Tongan workers in Australia and Samoans in New Zealand (described in greater detail in section 6.6.3). The money was used for constructing better toilets, education costs, mobile phones and, more occasionally, second-hand cars. No significant loss of labour was evident in the villages

of origin, and wives tended to 'miss' husbands more when there were rumours of the income being used for drinking etc.

Despite efforts to secure village leaders within work groups, and the government's establishment of a country liaison officer based in New Zealand, Tongans tended to abscond more than Samoans (even in Tonga it was argued that that was because of the effectiveness of the *matai* system as a means of social control).

See section 4.6.1 in Chapter 4 for a full description of the PSWPS Scheme in Tonga.

6.6.2 Samoans and the RSE

Samoan participation in the RSE began in 2007 and took a broadly similar form to that in the other kickstart countries. However, unlike other countries (where the programme was usually based in departments or ministries of labour), it was based in the Prime Minister's Department, where a special unit was eventually formed, indicating the significance attached to the scheme.

Starting in 2007, and in response to newspaper advertisements, the government drew up a work-ready list of over two thousand people (that is, healthy people with medical and police clearance of working age, none of whom were skilled). A small number were women, and 15 per cent of those who participated in the scheme were women. Annual numbers have never exceeded 1,400, and despite Samoa now entering the fifth year of participation, more than a thousand on the list have yet to have an opportunity to participate. That has resulted from both a familiar situation of companies wanting to employ workers who have already been involved, so that potential returnees have a comparative advantage, and almost all Samoan workers ('everyone' according to one government comment, and almost 90 per cent in survey data) wanting to go back again. Some had signed up five times, and had become experts able to maximise their incomes from piece work.

Remarkably, a survey in 2008–09 revealed that only a quarter of all adults in Samoa had heard of the scheme, and those who had had only a limited awareness of what it entailed. Awareness was greatest in Savai'i and least in rural Upolu (Gibson and McKenzie 2011). That suggests at least that access to the scheme was limited by awareness.

Workers were recruited apparently from throughout Samoa, and some recruiters recruited outside the work-ready list, as they were allowed to do. Half of a sample of returned RSE workers were resident in Savai'i and almost none were from urban Apia, indicating that the RSE scheme primarily supported people from the poorest part of the country. Within districts some priority appears to have been given to 'deserving' applicants, suggesting that there were some equity and pro-poor implications. However, some of that particular bias may have been counteracted by the same workers returning regularly. Moreover, survey data indicate that RSE workers came from households with an average income of ST$24,177 compared with ST$21,433 for non-RSE households. RSE workers came from households with an average size of 7.7 people, rather larger than the national average of 7.1 (Gibson and McKenzie 2011).

There was no solid evidence that their absence resulted in lost agricultural (or other) production. To counter the possibility of lost productivity and declining food security, Samoans were recommended to plant additional taro before they left, which would then be ripe when they returned. Perhaps significantly, a random sample of Samoan households showed that those who had previous exposure to the RSE scheme were more likely to be involved in business or economic activity than households without migrant workers (Gibson and McKenzie 2011), although the direction of causality is not clear. They were also more likely to be engaged in unpaid economic activity, indicating that they had largely returned to agricultural work, especially in Savai'i.

Over a period of time the incomes earned were relatively substantial (more than in the single-year Tongan case above). On average the RSE workers remitted approximately NZ$3,300, and brought back a further $1,800, with an additional $400 for village community use. Subtracting necessary expenditure (air fares, visas etc.) the net income gain averaged about $4,500. Only half of all returned workers reported earning as much as they had expected, but about a quarter of all workers did not stay for the full term, partly because there was less work available than expected. Some 90 per cent of earnings was therefore intended for household use, although it may have been subsequently used for community objectives (Gibson and McKenzie 2011). The income was used for both household objectives (developing new cattle farms, constructing modern houses – *fale palangi* – purchasing cars etc.) and village objectives (village pigsties, school buildings etc.). One group of 12 men from a village just outside Apia was reported to have returned with NZ$25,000 for village goals. It is not clear whether workers were expected to support the village or were recruited on that basis. New skills were acquired that were perceived to be valuable: time management, managing their own lives in a new context and budgeting (using ATMs etc.). The agricultural skills were of no great significance.

The worst problem that workers experienced in New Zealand was the climate, especially when at work, followed by the food. On balance, the Samoan government recognised that the RSE scheme had had positive implications for all concerned, the two governments and the workers (and their families and villages), but recognised its numerical limitations. They expected neither a geographical nor a sectoral expansion, but saw the greatest likelihood of some expansion coming in the trades sector or care-giving. There was some concern over whether, if such an expansion occurred, Samoa would have adequate human resources to respond without significant losses.

6.6.3 Overall perspectives on RSE and PSWPS

Within Tonga particularly, both schemes have proved to be generally pro-poor, because of local selection procedures in favour of those without wage employment, and with some 65 per cent of those on the list of work-ready applicants coming from the outer islands (the poorer areas, and effectively the reverse of population distribution). In Samoa there was a pro-Savai'i bias, but although Savai'i is relatively poor it is not clear if this was a pro-poor bias (Gibson et al. 2008, Gibson and McKenzie 2011, Blanco 2009). However, the surprising discovery in Samoa that only a quarter of all adults had heard of the scheme, and that the majority of those who

did not apply for it were unaware of the requirements, raises questions about equity of access (although no comparable data exist elsewhere).

There is very limited evidence of lost productivity in particular labour sources. It is balanced by income gains that counteracted lost production. The remittances of seasonal workers have reduced both the incidence and the depth of poverty (Gibson et al. 2008, Blanco 2009), since short-term migrants have a particular propensity to return and thus save. Their savings supported welfare gains in terms of improved housing and education.

It is particularly significant that the RSE (and probably the PSWPS) has opened up opportunities for substantial income gains for people in regional areas who, in both countries (and in Vanuatu), are not interested in longer-term migration. Thus, in Samoa, most of those who have participated in the RSE are not interested in applying for the Samoan quota for migration to New Zealand; indeed some 81 per cent of participants in the RSE had never applied for quota migration (Gibson and McKenzie 2011).

For a detailed overview and assessment of the schemes see sections 4.7–4.10 in Chapter 4.

6.7 Return migration

Not surprisingly, there is also return migration to both countries, and once again it is poorly documented, although there is some evidence of a bias towards the less skilled, except in places close to the capitals, where return migration may be more common and skilled migrants have also returned to where they can commute to urban employment (Maron and Connell 2008). That process contributes to the emerging imbalance between growing urban centres and declining peripheries. Return migration has, however, often been of unskilled workers and retirees, although, other than retirees, it is probably just as diverse as migration. One new and unfortunate trend in both countries has been the deportation of convicted islanders, mainly from the USA, who make very little positive contribution after return (Pereira 2011). Moreover, it is common for the media of both countries to report that perpetrators of serious crimes are returned migrants.

Many overseas migrants have some interest in contributing to the development of their home countries, and Tonga and Samoa are no exception; hence the expenditure of a significant proportion of remittances through community organisations on broad-based community projects. However, as population data indicate, return migration is quite limited. At no time during the past quarter of a century has there been substantial return migration to Samoa or Tonga, despite the centrality of an ideology of return. The paucity of return migration is at least partly due to the great differences between metropolitan and island states (usually the initial rationale for migration), and few economic opportunities, but also to a host of social factors (notably the education and stable upbringing of children). A recent survey in Upolu (Samoa) found returnees in only 9 out of 148 households (Shuaib et al. 2007). The return migration of those

with skills has tended to be limited, in part because those skills cannot necessarily be practised locally, but more frequently because return migrants are poorly paid. However, even skilled migrants do return, despite the discrepancy in wages and working conditions, often for family reasons or to establish businesses, which may have been initially funded from remittances (Brown and Connell 2004, Connell 2009a,b). In overseas Tongan and Samoan Polynesian households that include nurses, those most likely to return have business investments at home (Brown and Connell 2004). It is, however, possible that schemes might be devised to enable the short-term migration of those with valuable skills (see section 6.9.4).

Since economic opportunities are limited in many island states, return migrants tend to be absorbed within the service sector, as in Tonga, where remittances have been used to set up market stalls which become the prelude to stores and small business ventures (Brown and Connell 1993, Besnier 2004). Returnees thus tend to be absorbed into the small-scale service sector, sometimes duplicating existing services, such as taxi and retail businesses, and are less obviously in export-oriented productive activities. (In Tonga, participation in the small business sector is now scarcely possible, as a wave of Chinese immigration has ousted small businesses.) Disappointments discourage other returnees, and return migration may be the start of a new phase of circulation.

Alongside capital, returning skilled migrants at least are believed to bring with them new skills and knowledge (that is, social remittances) acquired elsewhere, which may prove to be beneficial in local and national development. Many of the skills brought back are not easily used or effectively absorbed, though this is particularly true of temporary migration, whether of agricultural workers or of seafarers, where workers are involved in activities that are absent at home, and with a work organisation and discipline that is not easily transferable. However, new ideas, norms and practices may not necessarily be either beneficial or welcomed, if they threaten an established social, economic and political order or are inappropriate for a different scale, direction and resource base of development. Change is not always welcome in hierarchical societies where an established order prevails and limited opportunities exist.

Limited return is also a function of a social context where the children of migrants are educated in the destination country, have lost some degree of contact with 'home' societies, even to the extent where they have lost critical linguistic and other skills, and perceive few opportunities to use and benefit from skills acquired overseas. Return migration is constantly deferred ('until children leave school', 'until enough money is saved', 'until retirement' etc.) until the point where it becomes implausible. This is also linked to a gradual shift in the demographic balance, especially in the Polynesian states, from those states to the metropolitan fringe; relatives are increasingly likely to be found in destinations and thus there is reduced incentive to return to what is less likely to be seen as 'home'. This has obvious implications for the return migration of skilled labour. There is also some resistance to return migration in islands where those who have stayed resent returnees as having 'voted with their feet' to abandon their home islands and as having returned to compete for scarce opportunities.

A significant part of return migration is to take care of older relatives rather than directly contribute to national development. Encouraging the return migration of skilled workers who might usefully contribute to national development demands a package of policies, much like those required for retaining health workers (see below), that operate both within and beyond a particular sector of the workforce.

Meeting the challenge of encouraging the return migration of more of those with useful skills is particularly difficult in small island states. Ultimately, return migration has not solved labour shortage problems and, like the Cook Islands, Fiji, Palau and other Pacific island states, Samoa and Tonga have turned towards Asian labour markets for replacements, although not without tensions and social conflicts.

6.8 Retention

Given that the loss of skills is important, is it possible to develop policies that would retain skilled workers rather than subsequently seek to benefit from remittances or return migration? The most obvious means of preventing international migration of skilled health workers (SHWs) is simply to ban migration, and refuse to recognise or issue passports. This has never been discussed in Samoa or Tonga for obvious reasons, and outright bans on the emigration of SHWs, and others, are implausible for ethical, political and, above all, economic reasons.

Very well-established structures of migration exist in Samoa and Tonga, influencing both skilled and unskilled workers. Most islanders have moved to take advantage of superior wages and salaries, and to improve the lifestyles of their children and extended families, mainly through education and socio-economic change, so without significant domestic changes migration is likely to continue, where such aspirations remain, and kin are increasingly overseas. Moreover, in both countries freedom of international movement is widely regarded as a right and it is expected that current generations should benefit from it as did earlier generations. There is also a feeling in some quarters that skills may be more effectively used overseas and that migration and remittances are a major aspect of social responsibility.

Not only has the rationale for migration been more or less the same for fifty years, and in various countries far beyond these two, but many policies for slowing and reducing the negative effects of migration are both long-standing and constantly reiterated even within one sector (Connell 2010), indicating the problems attached to developing and implementing retention policies. Moreover, governments in Samoa and Tonga have never sought to discourage international migration, and have been even less likely to do so in the present century.

There are rare tensions between government departments, where migration is perceived as a valuable economic policy but inappropriate for achieving superior health or education status. Nonetheless, in countries where migration is regarded as a right, and despite intermittent concern over excessive migration, there has been no sustained interest in preventing it, or seeking compensation for it. Remittances are compensation enough.

6.8.1 Codes of practice and memoranda of understanding

The international migration of health workers, in particular, has led to growing concern over excessive losses, particularly from sub-Saharan Africa. With increasing awareness of the adverse effects of health worker migration on health systems in source countries, the demand for ethical recruitment strategies increased at the end of the last century, as other forms of control have been lacking, impractical or inadequate. The approach to some form of more 'managed migration', negotiated and regulated between countries and regions, has been contingent on the growing realisation both that source countries cannot prevent migration and that accommodation to it might provide benefits, notably through remittances and return migration.

One of the more significant developments in recent years has been the World Health Organization (WHO) Global Code of Practice – the ethical framework guiding countries in the recruitment of health workers – which was finally agreed to in 2011. It had a lengthy genesis, dating back at least to Nelson Mandela's call in 1997 to regulate 'poaching', and the several regional codes, notably that for the Commonwealth and later the Pacific one. It also derived from the Commonwealth Secretariat's *Protocol for the Recruitment of Commonwealth Teachers* (2004). As the WHO was moving towards the code it was simultaneously declaring 57 countries (many either small island states or in sub-Saharan Africa, including all the independent Pacific island states, and therefore Samoa and Tonga) short of health workers. The code opposed the 'active recruitment' of health workers. While stopping short of the complex and contested concept of 'compensation', it emphasised that some reciprocal provisions ('mutuality') should be put in place – enabling and encouraging training and return migration – so that skills and skilled workers will return. An invaluable, unique and necessary moral achievement, it is voluntary. Many (sometimes a majority of) health workers move freely without recruitment, as they do in Samoa and Tonga, and the code can never be a panacea (partly because it excludes the private sector); it is a 'soft law' that needs to be monitored carefully. Implicit in the code is that all countries should train adequate numbers of health workers for their own nations – a task that poses enormous problems for many. Without greater national self-sufficiency, migration will be encouraged in one form or another.

Before the development of a global code, the independent Pacific island states adopted a regional code. The ministers of health from PICs agreed in 2005 to develop a Pacific Code to provide a mechanism to facilitate recruitment of health workers between and from PICs within a framework based on 'mutuality of benefits' for all, a form of managed migration (see section 6.10). This so-called Samoa Commitment recognised that the loss of skilled health workers through migration, where there was already a shortage, had serious implications for the health of Pacific people. The code was different from previous codes in both emphasising the need for evaluation of its effectiveness and for mentioning compensation, because of the costs of training migrants, for example through the provision of training programmes, the transfer of technology and financial assistance to the source countries concerned.

Four years later, the Pacific Code was virtually unknown, especially outside the health sector (Connell and Kerse 2009). Although parts of both ministries of health

were vaguely familiar with it, it was utterly unknown outside them, even in public service commissions. That remains true. To some extent, both within and outside the ministries, this is a function of the rapid turnover of staff (often because of the parallel migration of managers), which makes the transmission of all forms of institutional knowledge very difficult, but was also a function of both the code's relationship to more formal recruiting and a disinclination to seek to control migration.

If codes could be valuable for health workers – and the evidence is weak – what about other workers? The Commonwealth Secretariat once made provision for teachers, but no global (or regional) organisations seem to have taken up the cause of other – albeit less numerous – groups of skilled migrants. Health workers are not the only skilled workers whose loss to developing countries can cause problems. Might similar codes be required for meteorologists (many countries are desperately short of them and this is an age of climate change), engineers, geologists, even footballers and rugby players (for development is social too, and there are other kinds of losses – brawn and brains)?

Where the Global Code is backed up by bilateral government-to-government agreements (memoranda of understanding, MoUs), there is even more chance of success: the elusive 'win–win–win–win' scenario (for sending and receiving countries, and for migrant health workers and their families; with perhaps also a fifth winner: patients). That means 'managed migration' whereby a particular, specified group of workers moves in a regulated way, so there is some knowledge of where gaps may exist, migrants are less likely to be missed and workers acquire new skills and experience and must return home – and thus have even more reason to save for that (see section 6.10). New skills come back with, hopefully, migrants who are retrained and revitalised, and ready and willing to return. Small-scale bilateral agreements can fill particular vacancies, increase skills and encourage return.

6.8.2 Practical policy packages

Both to retain skilled workers and to encourage return migration, a set of policies is required related to the workplace and beyond. For almost half a century, policy formation directed towards the retention of necessary workers has stressed the need for an integrated package of policies that span economic and social issues, often to extend beyond the confines of the particular employment sector and operate in both source and destination countries.

Various possibilities exist for more effective production and retention of skilled workers, ranging from diverse financial incentives, strengthening work autonomy and improving the status of health workers, increasing recruitment capacity and ensuring effective financial support for public services. Non-financial incentives are crucial. Encouraging career development, providing opportunities for training, adapting working time and shift work, reducing violence in the workplace, open leadership, study leave, working in a team and support and feedback from supervisors, alongside issues beyond the working environment, such as adequate housing and transport, all potentially reduce migration. Trust, sensitive management and a degree of autonomy are crucial. Promotion opportunities are few, especially in small states such as Tonga,

which cannot simply create posts for the sake of promotions; hence, a transparent promotion structure is invaluable, to ensure that health workers are not doubly disadvantaged. Annual reviews of salaries, a clear career structure with opportunities for ongoing training, and delegation of responsibilities at least boost the morale of those for whom opportunities of promotion are poor.

Tonga developed a wide-ranging health policy package at the end of the 2000s and the Samoan education system is moving towards a similar kind of package; both are shifting away from flat career structures. There has rarely been a concerted approach to the implementation and monitoring of policy packages, which would multiply single-policy benefits. Such implementation demands financial resources and effective management, yet finance is scarce and planning and management skills may also have been lost through migration. Adequate finance is crucial for recruitment and training in the public sector. That is partly contingent on international agencies, aid donors and governments recognising that nations require a productive workforce, and on high schools producing suitable graduates. Because national economies depend on the productivity of the rural sector, at the (neglected) core of national development is effective decentralisation and infrastructural support for rural and regional development. An improved economic performance, a stable political situation and a peaceful working environment are absolutely crucial to developing and sustaining effective health and education systems, for example. That might be obvious, and is true both nationally and regionally, yet it can be difficult to achieve where stable, growing economies and committed, conscientious political systems are unusual.

Most skilled migrants cite wages, multiple workplace problems (often centred on uncertain career progression), inadequate support (in a personal and technical sense) and a simple lack of appreciation as sources of dissatisfaction. Both financial and non-financial incentives are important motivators for people to work effectively and remain in the public sector. Financial incentives, including wages and salaries, bonuses, pensions, insurance, allowances (for clothing or overtime), fellowships, loans and tuition reimbursement, are the most common approaches to improved recruitment and retention. Adequate and timely remuneration, and wage structures that offer opportunities for significant salary progression, are crucial.

Improving salaries is particularly difficult where budgets are small, and differentials within the public sector constrain increases. Marginally improving wages could never be enough to significantly reduce the demand for migration, given the substantial wage and salary differences between source and destination countries. It is impossible to pay international 'market' salaries (of skilled workers) without a financial crisis. In the health sector the ability to work in the usually better resourced and remunerated, private sector deters migration, although enabling such opportunities has been resisted where it is seen to divert doctors away from public responsibilities and areas of particular need. Tonga, where additional private practice is permitted for public sector doctors, has retained them more successfully than neighbouring Samoa, where this is not allowed. Larger numbers of doctors and nurses migrate but the more critical migration is of the relatively few allied health workers, and of those with such skills as anaesthesiology. (This could partly be overcome by awarding scholarships,

and prioritising postgraduate training, for applicants who express an interest in specialisms in which there is an identified national shortage.) Nonetheless, many countries have sought to raise salaries for skilled workers and have used particular strategies involving overtime and similar payments to achieve more effective recruitment, retention, geographical distribution and skill mixes. Better salaries are necessary but insufficient.

6.8.3 Local training

Locally trained skilled workers are more likely to stay (and may have more appropriate skills) than those trained overseas, so training programmes have increasingly been located within countries, and skills have been upgraded locally on in-service courses. Some countries have sought to adapt training programmes and curricula to local needs, because of the obvious relevance and because this potentially reduces the employability of graduates elsewhere. However, the appropriateness of distinct national curricula has declined, seeking to constrain mobility through a place-specific curriculum is less likely to be acceptable and several PICs are more anxious that skilled workers meet international standards and be employable overseas. On the other hand, the migration of doctors from Samoa slowed, beginning in the early 1990s, partly as a result of a decision to have all training of medical officers done in nearby Fiji, because of the perception that training there was more appropriate and cheaper than in metropolitan New Zealand.

Where deficits exist, some states have sought preferential recruitment of nurses and others especially from rural areas and outlying islands, since they are more likely to stay or return and work there (Buchan et al. 2011). This has sometimes proved difficult, since such potential recruits are often initially locationally disadvantaged by poorer education levels. However, whereas health workers, teachers and other skilled workers in rural and regional areas are, at least in part, motivated and sustained by their work, their partners and children are less likely to be. Attracting skilled workers to more remote areas may therefore depend at least as much on what is available to family members, especially for the education of children. Staffing levels of both doctors and nurses in rural areas of Samoa have fallen as a result of low recruitment and retention rates (Buchan et al. 2011). In both Tonga and Samoa, those who are most likely to work in regional areas are those who originally came from there (Connell 2009a), so it makes sense to train more such people. Vanuatu has gradually sought to train more men from remote and regional areas as nurses, since men are more likely to return than women (Buchan et al. 2011), and more men are now being recruited in Tonga. The extent to which similar issues and problems exist within the education sector is poorly documented.

6.8.4 Scaling up and task shifting

In some contexts it may be possible to train intermediate categories of workers, who are less likely to migrate. Throughout the Pacific, nurses, who are relatively poorly paid and of lower status, are usually more likely to migrate than doctors. Introducing or expanding the role of nurse practitioners, intermediate between nurses and doctors,

offers nurses new status, fresh challenges and better salaries. The lack of formally trained workers has reduced the ability to undertake extensive primary healthcare in both countries, although there is now some movement towards training of nurse practitioners and other community workers that may improve this situation. In the Pacific, their presence is particularly valuable in rural and remote areas, where they also reduce travel costs for patients; in Fiji at least, it was a requirement that they be based in rural areas. This has been successful and has constantly been extended. It is not evident that this practice is yet being taken up in Samoa or Tonga, despite tentative steps in that direction, as both countries began new programmes for the training of nurse practitioners in 2010.

Similarly, community health workers (CHWs) in rural areas and nursing auxiliaries in urban areas can support nurses. Indeed the lack of SHWs in most rural areas has meant bringing in CHWs (health assistants or nurse aides), with limited training, for work at the local level. It is also possible to raise the status, and increase the knowledge, of workers outside the formal sector, such as traditional birth attendants. In Samoa, the shortage of formally trained health workers in some rural areas has led to several gaps being filled by traditional healers and traditional birth attendants (Buchan et al. 2011). The impact of this has not been documented. How traditional and intermediate health workers may or may not be incorporated into contemporary care systems is highly variable, and sensitive to the concerns of other workers.

6.9 Migration policy

Some countries have specifically adopted policies to discourage emigration, although neither Tonga nor Samoa has. In any case it is almost certain that policies and practices developed in recipient destination countries are the most effective influences on migration.

6.9.1 Bonds

The single most important policy to have slowed migration, especially where smaller countries depend on overseas education and training, has been bonding. It is a rare direct approach, which has had considerable success in bringing people back to their home countries after training overseas. Both Tonga and Samoa, for example, bond nurses on a 'year for year' basis, according to the duration of training, issuing certificates only after completion. Overseas scholarship holders are similarly bonded and almost all return. However, migration at the end of the bond period is quite common, and well established, for example for Tongan nurses, so that limited years of service are quite normal. Bonding appears to have rarely worked for doctors, since it is poorly monitored, personal connections enable exclusion and its absence in many other areas of employment makes its moral authority weaker. More than half of all Tongan doctors practise overseas. Bonding is probably even less effective in skilled areas beyond health.

Bonding has been less valuable within countries, either geographically (to remote areas) or for retention within the public sector. Attempts to encourage or bond recent

graduates to work in rural and regional areas have had a long and frustrating history. Three problems reduce the value of bonding within countries: rural and regional bonding is for a short time period, and is neither continuous nor sustainable; people may buy their way out; and 'punishments' are too trivial to deter breaches. Neither Tonga nor Samoa has sought to do this.

Like training, bonding occurs at a significant time in the life cycle, coinciding for some with the start of family life and the possibility of establishing local family roots. Bonding implies a sense of duty, and emphasises costs, even though skilled workers have tended to leave at the end of bond periods (usually equivalent to the two or three years that have been spent overseas). Bonding has been invaluable, as much for the practice of return as in the inculcation of notions of duty and loyalty.

6.9.2 A 'Bhagwati tax'

Initial responses to perceptions of a brain drain in the 1970s led to attempts to encourage or force recipient countries to use some form of taxation to compensate source countries that had financed the education of migrants (Bhagwati 1976). Only rarely have some countries, such as Malawi, contemplated the direct taxation of overseas workers, a 'brain drain migration tax', known by some as a 'Bhagwati tax' after the author of the influential book. Multiple problems are attached to this and parallel those involving direct compensation from developed countries, but with a greater private reluctance to pay such taxes. Migrants will resent any 'brain drain migration tax' if their migration was out of some distrust for national development policies and practices; where they would have no control over the use of such a tax, compared with the use of remittances; if it resulted in double taxation (including in the destination country); or if their training was largely at their own expense and outside their 'home' country. Destination countries and institutions are unlikely to wish to implement such a form of taxation, which would be inherently difficult, given that workers are often mobile, especially in the private sector. Who would manage it is uncertain.

Even the most simple formulation raises obvious questions of whether there should be compensation from countries that benefit from migrant workers but do not actively recruit them, what is the situation of workers in private sector employment (as is common), how an appropriate sum might be calculated and who should pay whom. Recipient countries have no interest in putting in place compensatory mechanisms to countries supplying skilled labour, arguing that markets operate in this way (and migrants gain from it) and there is no means of knowing how long migrants will stay, despite strong ethical arguments in favour of restitution.

The possibility of financial compensation to source countries for losses of workers has thus proved impossible to implement, because of the impossibility of estimating costs, shifts of workers between the private and public sectors, uncertainty over the duration of employment, and migration of workers between countries (e.g. from New Zealand to Australia) and within countries (in federal systems). Previous considerations of this, more than a quarter of a century ago, were rejected as too idealistic and impractical. They probably remain so. Tonga and Samoa have shown no interest in this and are unlikely to do so.

6.9.3 Policies in recipient countries

With pressures on public sectors in both countries, and the limited room for manoeuvre that exists where national economies are weak, the onus for achieving a more equitable distribution of skilled workers (having more skilled workers, such as doctors, in Polynesia) has gradually shifted towards recipient countries, where demand and occasional recruitment occur. Without that demand, less migration would occur. Continued migration has thus led to more interest in national self-sufficiency, through ethical codes of practice on recruitment and compensation for countries experiencing losses, yet political and practical realities confront ethical arguments. However, not only has there been little interest in codes in Tonga and Samoa (see section 6.8.1) but there is a real possibility, given the widespread existence of de-skilling in migration, that, if rigorous codes existed, firstly, migration might simply continue but with the loss of skills and a resultant decline in remittance flows, and, secondly, fewer recruits might be drawn to those skilled occupations where international migration was no longer easy. Indeed, the evidence from Samoa, where significant migration to New Zealand takes place through the 1,100-person quota, is that skilled workers are as likely to apply as unskilled workers, and if successful are willing to take up unskilled jobs in New Zealand if they cannot obtain a skilled one.

While source countries, however imperfectly, have sought to put in place policies to stimulate recruitment and retention, recipient countries have been rather more reluctant to develop policies for greater self-reliance and reduced international recruitment and migration. Beyond a crucial shift towards greater self-reliance, and increased and better targeted aid delivery, there are relatively few policy choices in recipient countries, and little movement towards a multilateral framework for regulating migration at the international level.

Few recipient countries in the metropolitan rim have taken sustained, effective measures to increase local recruitment and reduce attrition of skilled workers, at a time of greater demand, either by increasing the number of training places or by improving wages and working conditions. Indeed, most are engaged in greater competition for scarce skilled workers. That is even more true in the Gulf and the USA (both significant destinations for health workers). Without expanded national training capacity in metropolitan Pacific rim countries, demand will continue to exceed supply, but in most recipient countries there are weak prospects of domestic supply increasing significantly, and national gaps between supply and demand have tended to widen rather than contract.

6.9.4 Temporary return migration and the diaspora

The growing extent of international migration in recent years, and especially skilled migration, has resulted in particular attention being given to the potential for utilising the skills of overseas migrants, even on a temporary basis, and encouraging short-term return migration. As greater numbers of migrants settle overseas, diasporas and remittances have assumed a new importance. Many source countries, such as Samoa and Tonga, despite migration being highly significant, have no strategies

or policies for benefiting from such migrants, although almost all the evidence on overseas workers and migrants suggests that they at the very least claim to be anxious to support their home countries. The substantial flow of remittances, albeit directed to households, backs this up.

Ironically, the greatest interest in harnessing the skills of the diaspora has come from rich-world countries such as the USA and Australia. For over a century, Italy has constructed a vision of an 'international' nation consisting of a transnational network of loyalty, support and shared culture. Most initiatives, such as enabling dual citizenship or stimulating remittance flows and appropriate return migration, must come from source countries. For many years, perceptions of return migration were negative: it was for failures, the nostalgic or the retired (those who had lost a sense of 'get up and go'). However, a broader, more accurate perspective now exists.

Interest in the development potential at home of those people who have left – the diaspora – is relatively new. Until quite recently, for governments at least, they were out of sight and out of mind, and their skills and experience had gone. That has changed, although utilising the development potential of the diaspora works best when migrants intend to return – hence the need for inclusive national development – and have something to gain. Engaging diasporas has become even more important in an age of aid fatigue and as a form of do-it-yourself (DIY) development, according to which migrant diasporas are said to know best, even though this is not necessarily so. Migrants are not necessarily interested in greater equity, but may be more concerned with some narrower local and personal sense of development. Nonetheless, in many parts of the world, distant migrants have played a positive role in development at home in one way or another.

In several Pacific island states, returnees have been discouraged by not being able to find a place in the labour market commensurate with their new skills (although these are relatively easy to assess in the health sector, for example), or being asked to start at the bottom again and await their turn. Not surprisingly, many resented this – they had, after all, often acquired new knowledge, experience and some wisdom – and consequently dropped out of the system to develop a business or simply retire. Again, this constitutes brain waste. New skills should be recognised and welcomed. However, most countries have little information on how to contact overseas migrants, despite the growth of homeland associations. A number of countries have even dissociated themselves from overseas migrants, on the grounds that they have 'voted with their feet' and abandoned their home countries (even if they send remittances), and that national policies should be directed towards benefiting those who remain. Resentment of return migration, where promotions and other 'privileges' may be hard won by those who stayed, is not uncommon.

The recognition of migration as being part of a household transnational corporation of kin provides a basis for mobilising overseas kin. In a more informal way than in some other parts of the world, such as Mexico and Senegal, many Tongans and Samoans overseas have local versions of 'homeland associations' (centred on occupations such as nursing or based around alumni or church ties) that already provide support at 'home', when called upon, when they can and especially in the

context of natural disasters. Migrant-organised groups themselves have usually proved the most effective in supporting migrants; likewise, the most effective supports for home countries can be the migrants. Tongans in Australia, for example, collectively support churches, schools, clinics, sports clubs and other collective ventures, while also primarily supporting their own extended households. Such DIY groups are necessarily oriented to 'home' and enable migrants to retain – perhaps re-emphasise – their home identities. That assistance is primarily through the transfer of remittances, but other forms of transfer are feasible.

For some years the United Nations has sponsored TOKTEN (Transfer of Knowledge Through Expatriate Nationals), which has sought to encourage the short-term migration of those with particular skills. The scheme, and variants of it, has had only limited success, some of which has been in the health sector. There is hope in Tonga that a variant of this might become workable. In 2012 the Ministry of Health, with WHO funding, embarked on the second stage of an ambitious project, which began in 2010 with the tracer study of Tongan nurses (see section 6.5) that revealed that as many as 100 trained nurses of Tongan ancestry are in New Zealand. The second stage intended to interview all accessible nurses covering the rationale behind their migration, their present employment, the skills and competencies they have acquired overseas and the likelihood of their returning on a long- or short-term basis. It is expected that relatively few will wish to return permanently but that many will be interested in returning on a short-term basis, which would enable some new application and transfer of skills, training and mentoring in a familiar cultural context. If the project is successful the ministry will seek to extend the model to doctors, dentists and perhaps others (lab and X-ray technicians being in particularly short supply), and there is also interest in Samoa in developing a similar project.

Alternative models exist. Of all such initiatives, the 3×1 Citizens Initiative in Mexico is much the best known, perhaps because migrants' efforts are matched by financial contributions from the national government, for the development of public projects (public works and community improvement), and because it has been in existence for more than a decade. Although widely considered to be 'best practice of migration management' (Latapi 2009), it seems to have spawned few other national parallels. Governments may be fearful of being seen to support migrants too strongly, perhaps because most projects – in Mexico anyway – are in communities which already have superior resources. But it holds out hope and promise – and a need for replication.

Senegalese hometown associations in France, like others from West African countries, also fund community projects. In Senegal, again like several other West African countries where structural adjustment programmes were implemented in the 1980s and 1990s, the state has withdrawn from all social sectors while privatising public enterprises, at a time when many medicines doubled in price. Healthcare became less accessible. Hometown associations have subsequently become involved in funding hospitals, schools and public infrastructure (a role analogous to that of many NGOs, such as Médecins Sans Frontières and the Red Cross, which have worked with these hometown associations). Senegalese hometown associations send medicines,

medical equipment (including ambulances, which have reduced mortality en route to Dakar), eye specialists, surgeons and other health professionals (including regular 'caravans' of professional volunteers) etc., while traditional medicines and healers travel in the opposite direction to Europe – not everything is biomedical. At the same time, mobile phones and internet access, funded by such associations, are opening up a new virtual realm of diagnosis and healing between continents. Such caravans and ambulances serve equity, by serving people who do not have kin in Europe who can send remittances to cover medical costs, but they are there only a short time. As one account concluded: 'Unfortunately the French health professionals participating in the caravans spent less than a month in Senegal, while their Senegalese counterparts come to Europe to stay for their whole professional life' (Kane 2010: 12). A state role is still much needed, but as migration becomes more important such DIY self-help associations are pointing one way forward.

Another such expatriate programme is the Ghana–Netherlands Healthcare Project, managed by the International Organization for Migration, whose objectives are to transfer knowledge, skills and experiences through short-term assignments and projects in Ghana. Over a two-year period, 20 Ghanaians, the majority of whom were doctors, returned briefly to Ghana. Numbers were few, the impact was limited, since many returnees were psychiatrists and needs were elsewhere, and costs were high, but their role as cultural interpreters was important (Long and Mensah 2007). Return migrants can thus play some role in healthcare.

Diverse overseas migrants from Pacific islands intermittently return 'home' in association with aid projects to provide short-term surgical assistance in specialised areas, and may also contribute to skill transfer (Connell 2009a). There are real prospects for extending this into longer-term transfers of personnel (as above). The beauty of return migration is that returnees have the same language and culture – particularly valuable in healthcare. In Samoa a renal unit has been established, and operated to a great extent by short-term Samoan returnees. Many Tongan health workers in New Zealand would be willing to return in certain circumstances and could contribute in terms of missing skills. They are enthusiastic about involvement, some would say from guilt, others out of *'ofa* (love) or, again, for pride and social insurance, but in the end it does not much matter why expatriates make a contribution. Success in the health realm may offer models for successes elsewhere.

6.10 Managed migration

Although the development of the RSE and PSWPS programmes represents an obvious movement to the more careful management of migration in the region, supported by both sending and destination countries (and marked in Samoa by 'zero tolerance' to individuals who do not adhere to policy and behavioural norms), it covers only unskilled migrants on temporary work schemes: classic guest workers. In recent years there has been greater movement towards other forms of more regulated migration, most of which are yet to appear in the Pacific region, so only their potential impact can be considered.

6.10.1 The General Agreement on Trade in Services and intra-regional migration

The emergence of regional trading blocs and agreements in different parts of the world, loosely modelled on the experiences of NAFTA (the North American Free Trade Agreement) and the EU, is likely to result in greater regional migration, as it has done in Europe, especially after the 2004 and 2007 enlargements of the EU, which increased migration from the relatively poor eastern European countries into western Europe. Professional qualifications have tended to become harmonised in these large regions, with, for example, NAFTA urging Canada, Mexico and the USA to establish mutually acceptable criteria for licensing and certification. Within the EU, workers can move freely between member states. These are precedents for further bilateral and regional agreements, based on structural differences, notably intra-regional wage differentials, between member states of particular regional groups.

More generally, international migration of skilled workers is linked to the General Agreement on Trade in Services (GATS), established in 1995 through the World Trade Organization (WTO) to liberalise international trade in services, including the movement of so-called 'natural persons' (under Mode 4 of GATS). It also covers other evolving trans-border linkages. GATS is a complex, multilateral agreement covering all WTO members, but few have been signatories to all its components, which are ultimately intended to broaden and increase trade in services. A key component of GATS relates to the harmonisation and mutual recognition of professional qualifications across borders, which, as in the EU, will increase migration opportunities, in a very gradual shift towards more global accreditation. GATS is restricted to temporary movements but in practice these are not easily distinguished from permanent ones. Through GATS, mobility moves further away from national regulation.

In other, quite different, regions there has been some progress towards GATS objectives. In 2007 the Association of Southeast Asian Nations (ASEAN) set out a mutual recognition agreement which formulated goals for regional co-operation through the exchange of services. It will therefore probably lead to the migration of more skilled workers from poorer to richer states, hitherto prevented by non-recognition of qualifications and by linguistic and cultural constraints. Such intra-Asian movement may later extend into movement within the wider Asia-Pacific Economic Cooperation (APEC) community. Similarly the establishment of the CARICOM Single Market and Economy at the end of 2008 may have led to greater mobility within the Caribbean region, and more migration of nurses from poorer to richer states, for example from Guyana, St Vincent and the Grenadines and Grenada to Barbados and The Bahamas. Though arguments have been made that this will be beneficial for the region as a whole, those states that are presently poorly served, notably Jamaica, Trinidad and Tobago, and Guyana, may be disadvantaged further, while 'the danger is that each country competes with the other with the risk of selling what they have at bargain basement prices' (Caribbean Commission on Health and Development 2006:77). The wider benefits are not evident. GATS objectives have yet to be implemented in the Pacific, as both Samoa and Tonga were yet to accede to the WTO at the time of writing (although Samoa acceded in December 2011), but

outcomes may be similar to those in the Caribbean. As codes seek greater controls over migration and GATS seeks to facilitate movement, two significant institutional shifts are competing with and challenging each other. GATS is more likely to prevail.

Regional trade agreements are currently being renegotiated between the 14 independent PICs (the members of the Pacific Forum) and Australia and New Zealand. The principal agreement that is being negotiated is the Pacific Agreement on Closer Economic Relations (PACER-Plus), an umbrella agreement providing a framework for the future development of trade co-operation. It moves the region towards free trade but is considered to go beyond trade in also constituting 'aid for trade'. It does not contain substantive trade liberalisation provisions; rather it envisages a step-by-step process of trade liberalisation. This starts with a free trade agreement in goods among PICs (the Pacific Island Countries Trade Agreement, PICTA), which is likely to be extended to services. PACER provides for programmes of assistance to the island country members with trade facilitation and capacity building. The PICs have indicated in Pacific Forum meetings that they would like migration to be part of the PACER-Plus negotiations but so far Australia has indicated that the focus should only be on trade. Indeed Australia has suggested that intra-Pacific mobility is more likely and more appropriate for small states, suggesting that Papua New Guinea will be potentially a key destination because of its demand for mine and liquid natural gas (LNG) workers, a suggestion quite rightly seen as a 'red herring' within the region (since that demand is for skilled workers). The final communiqué of the 41st Pacific Islands Forum in Vanuatu noted with respect to labour mobility that 'Leaders noted ongoing developments on labour mobility in the region as well as parallel developments on Temporary Movement of Natural Persons-related activities and the labour mobility objectives of Smaller Island States under the auspices of PACER Plus, PICTA, EPA and other trade negotiations' (Pacific Islands Forum 2010). In practice there was little movement towards any consideration of new or expanded forms of labour mobility. This lack of change further emphasises that changes to structures of unskilled labour migration are unlikely to be imminent. It is also argued that neither PICTA nor GATS (Mode 4) will lead to more migration from countries such as Samoa and Tonga in the foreseeable future, at least in part because there are already mechanisms for this to happen, and/or that any movements that do occur will be insignificant.

6.10.2 Managed skills: a neoliberal solution?

> Our most important resource is our skills.
>
> (Samoan government worker 2011; almost exactly the same words were recorded of a Samoan government worker over 35 years ago; Shankman 1976: xi)
>
> Skilled workers are our best export. I'd rather people go overseas with some skills. At least they don't just sweep the floors.
>
> (Tongan businessman and former politician)

The more legalistic developments involved in codes and under GATS are a response to, or have gone on in parallel with, greater interest in migration on the part of many source countries, in the Pacific and elsewhere. In this century, for example, a more

controversial response to health worker migration has become more widespread, based on 'the Philippines model': a deliberate strategy of producing significantly more health workers than are required locally on the basis that many will migrate (and others resign), and that migration can be beneficial, primarily through remittance flows. The 'Philippines model' centres on the assumptions that many SHWs will migrate anyway, most training is in the private sector, enough SHWs are available locally and remittances are greater than the cost of training, so there is a net national benefit from migration. Many countries have sponsored overseas migration, and provided training and orientation programmes, but primarily for unskilled and semi-skilled workers.

It has been argued that 'Pacific governments must invest in preparing their youth to earn skilled jobs in the global market place … Otherwise, much like our primary commodities, Pacific island workers will be exported cheap and unprocessed' (Chand 2008a: 41). One example of the consequences of this is the AusAID-funded KANI (Kiribati–Australia Nursing Initiative), whereby i-Kiribati nurses are trained in Australia on the assumption that some will return but more will stay in Australia and provide remittances for Kiribati. Although Tonga and Samoa have no similar programmes, both participate in the APTC, set up through AusAID, which has one campus at the National University of Samoa. The APTC, which effectively began in 2007, describes itself as a 'a centre of training excellence set up to assist Pacific island students to gain Australian skills and qualifications in a variety of trade areas' (APTC n.d.). It covers a range of skills from painting and decorating (including a women-only programme) to carpentry, hospitality, automotive engineering etc. and serves most of the independent Pacific states. Although ostensibly the programme upgrades local skills, the receipt of 'an internationally recognised Australian qualification' (APTC n.d.) means that, while graduates will not necessarily be more easily able to migrate, if they are lucky in the ballot (in Samoa for example) they are more likely to be offered jobs in New Zealand and more likely to receive higher starting wages there (although it also means better jobs and higher wages at home). Information on what happens to graduates was unavailable, and its impact on skilled migration is unlikely to be felt immediately.

Both New Zealand and Australia absorb much larger numbers of skilled workers on a temporary basis. In the case of Australia's 457 visa programme, skilled workers are sponsored by an Australian employer, can enter the country for between one day and four years and may be accompanied by spouses and dependents. In mid-2011 there were seventy thousand 457 visa holders in Australia and almost as many spouses and dependents. This programme, therefore, is very different from that for temporary agricultural workers, firstly by requiring skills (such as medicine or accountancy), secondly by requiring that migrants are already reasonably well paid (a minimum income of A$49,330 is needed), thirdly because visa holders can bring family and fourthly because the duration is much longer. There is no obvious way in which Samoa and Tonga can benefit from such skilled migration schemes without island workforces having very different skill sets since it cannot easily be extended to unskilled workers. They may already be losing substantial numbers of people with scarce skills. Schemes such as KANI, between Kiribati and Australia, enable some students to enter Australia and remain there after training; numbers are currently limited but that may change.

Several countries have trained workers for overseas employment, notably in the Marine Training Schools of Tuvalu and Kiribati, and their smaller equivalents in Samoa and Tonga (although the Tonga Maritime Polytechnic Institute has produced 80 students a year). There has been recurrent discussion of expanding and developing these models to include semi-skilled workers such as caregivers, and benefit from presumably larger remittance flows. Without exception, all independent Pacific island states, including Samoa and Tonga, have continued to be interested in, and have exerted some pressure on Australia and New Zealand for, more opportunities for their working-age populations to access temporary employment in the two countries. Primarily, that demand is simply for opportunities that will guarantee reasonable incomes and thus benefit households in rural areas of the home states. Samoa particularly has stressed the need for some enhancement of skills that might contribute to developing the labour force within Samoa, but that is more difficult to achieve. All this does, however, emphasise that there is widespread interest in the acquisition of both skills and opportunities for skilled migration, so that more permanent and, hopefully, more skilled migration (and hence superior wages as in KANI) is the preferred goal for many. Island states are all too well aware that many islanders take up and remain in unskilled employment for their whole overseas working lives (Bedford et al. 2010, Besnier 2011: 41). Pacific island governments have invariably preferred permanent migration opportunities for migrants and their families and the more long-term flow of remittances that ensues. Temporary guestworker schemes are something of a halfway house, but their limited gains have at least produced a win–win–win outcome at no real cost.

The rise of memoranda of understanding (thus far only for unskilled workers) and GATS, widespread interest in more managed migration, with its potentially superior remittance outcome, and the quest for education to 'international' and thus marketable standards indicate that growing numbers of countries are oriented to migration rather than seeking to stem the tide. Ghana's attempt to train more doctors, almost certainly to migrate, after the loss of many more prompted one comment: 'they have a leaky bucket now. In desperation they are building a bigger leaky bucket' (Mullan 2007: 441). Individuals and households may be more significant beneficiaries than nations from the expansion of such practices and policies. It will be important to evaluate contemporary developments in this area.

6.11 In a policy vacuum?

In both Samoa and Tonga, seemingly paradoxically, there has been both acceptance of the need to develop subtle and wide-ranging policy packages to encourage recruitment and retention, however difficult that is, and simultaneous interest in more managed migration. However, policies that might substantially change the nature and impact of migration are implausible where economic growth is slight, public policy formation has proved difficult and employment conditions are unlikely ever to be comparable with those in developed countries. Neither country has been able to benefit from developing strategies to benefit economically and socially from diaspora populations. Significant changes in policies and practices will follow shifts

in the main recipient countries. Underpinning any hope of long-lasting national development success is the need for global monetary and financial policies different from those that have contributed to the structural dependence of small states.

For half a century, migration has provided real gains, above all from remittances to almost every household in both nations. The flow of remittances has been more reliable than incomes from commodity exports, tourism, aid etc. In Samoa and Tonga, state regulation – insofar as it exists – is more concerned with encouraging than preventing migration, and neither country has been anxious to intervene in what appears to be benefiting the national economy. It is readily evident that the greater self-sufficiency that would follow any decline of migration and remittances would be difficult and painful. There may be inequalities, frustrations and unwelcome social change, but there is little doubt that migration has provided new and beneficial development opportunities and that socio-economic change would have proceeded in the same direction, but much more slowly, without it. Furthermore, in a world where public sector interventions are against the flow of contemporary history, the will to discourage or redirect migration is absent.

Nonetheless there are possible positive policy directions through which each country might benefit more from migration, or reduce the impact of unacceptable forms. And in both countries these have been grasped in this century, as in no previous era, to encourage particular migration streams (evident in the RSE scheme), to improve skills (both for national development and for increased revenue generation after migration) and to ensure that remittances are greater and are used more effectively. Even then, some part of the initiative for change came from outside – notably from the World Bank in both supporting the establishment of temporary employment schemes and reducing the cost of remittances.

Several programmes are, however, in place. Firstly, both countries have policies to upgrade skills (especially in health and education), develop new skills (such as financial literacy) and support new categories of skilled workers (such as nurse practitioners). Secondly, both countries have begun to think more widely about encouraging the return migration of some skilled workers (from basic bonding to the encouragement of the return of selected skilled workers on a temporary basis). Thirdly, both countries have developed more liberal telecommunications regimes (through privatisation) that have opened the way for a reduction in transaction costs, although they are yet to develop new and effective financial instruments. Fourthly, both governments have sought to identify employment opportunities overseas for local workers. Indeed it is significant that in Samoa the RSE scheme is based at the highest level, in the Prime Minister's Office, rather than in the Ministry of Labour (which is usual elsewhere). Such schemes have yet to embrace more skilled workers. There are still gaps. Neither country is without opportunities for improved policy directions, no problems are wholly intractable and most of the key elements of policy are well known. Yet even where labour shortages and their consequences are evident, as in the important education and health sectors, funding (and public sector funding generally) is rarely a national priority, as governments seek to reduce public expenditure and outsource functions. Indeed it is apparent

that a host of reasonable and useful policies have long existed and been accepted as appropriate but have never come close to being put into practice.

In recognition of their crucial contribution to national development, the present Tongan government has created a new department within the Prime Minister's Office with the sole purpose of catering for the needs of Tongans living abroad. Furthermore, in 2007 the Tongan parliament amended citizenship laws to allow Tongans to hold dual citizenship. The Department of Tongans Abroad sought to co-ordinate policy for the national overseas population. One initiative was the negotiation of the RSE and PSWPS arrangements. The department was, however, primarily intended to assist Tongans overseas concerning issues in Tonga, such as land registration, providing updates on legal and policy changes or assisting them when they visit Tonga, and for such things as quick passport renewals or assisting deportees to become re-integrated. In a sense, the objective was to include overseas Tongans more directly in the affairs of the country. According to the then prime minister, it was, however, a somewhat futile strategy, since 'relatives took care of all these things more effectively than a bureaucracy' (personal communication). After the change of government in 2010, the department effectively lapsed. That is disappointing, since, in both countries, overseas residents have expressed an interest in being involved in domestic politics to ensure that their interests are not ignored. The Department of Tongans Abroad was one practical response to that. For some time now, overseas Samoans have petitioned Samoan politicians to allow them to participate in Samoan politics by various means, either by casting ballots in Samoan elections or through the establishment of one or more overseas parliamentary seats (as the Cook Islands has). Migrants would then elect one of more members who would represent their interests in the Samoan parliament. Samoan politicians have argued in response that, if people choose to live overseas, they should not expect to have a vote in Samoa (especially since they pay no taxes in Samoa). It has been suggested that they may have to reconsider this position in the future, firstly, if the government faces labour shortages, since, as skilled and semi-skilled migrants migrate, the government of Samoa will need to attract Samoans living overseas to return; secondly, if a decline in remittances occurs because overseas Samoans distrust national development policy. However, neither situation seems likely to occur (as long as remittances are sent for broad household objectives) in either Samoa or Tonga. For the moment, in neither country are overseas residents able to play a direct role in the national political systems, but in both contexts they have influence on them and on national economies. Given the significance of remittances, that is appropriate.

6.12 Conclusion

> I love my country. I have my taxi. My wife works for a bank. We have a house. That's enough. I love my country.
>
> (Samoan taxi driver)

All of the above has suggested that emigration dominates social and economic life in both Tonga and Samoa. So it does in many ways and has done for half a century. Yet much of migration is oriented around support for those at home – the slowly growing

populations of both countries. As the above quotation indicates, many have stayed or (as in this case) have returned from overseas, and seek to remain and play a part in local and household development, perhaps assisted by the remittances of kin and by policies that seek to benefit more effectively from their own skills and incomes, and those of others who have migrated. People stay or return for many reasons: a job, starting a business, the climate, Christianity, kinship obligations, the absence of racism, peace, the security of land, a *matai* title of chief (in Samoa) and, for some, an easier life. A few have been deported.

Samoa and Tonga are likely to remain economically weak for the foreseeable future, become increasingly dependent on the wider world and require new forms of external support and intervention. International migration constitutes one increasingly more probable solution: an expanding and unsatisfied outward urge, a necessary bottom-up globalisation that will always be both uneven and somewhat unsatisfying. Demand for opportunities is unlikely to diminish and will continue to exceed the supply of opportunities. Two ongoing changes have increased the significance and impact of migration in very recent years. Firstly, the RSE scheme, despite its numerical limitations, has boosted household incomes, especially in some relatively poor areas, and encouraged investment in agriculture at a time when this is otherwise declining. Secondly, the value of remittances is being increased by new forms of transfer and should soon have an impact on GDP. Unsurprisingly, migration is still seen, almost ubiquitously, as valuable and inevitable.

Moreover, there is pressure from both governments (and several others in the region), but perhaps especially Samoa, for more opportunities for their working-age populations to access temporary work in Australia and New Zealand (and elsewhere were it possible). Both governments are anxious to upgrade the skills of the national population so that better, more secure jobs are available overseas, which in turn will stimulate more remittances. There is widespread interest in the acquisition of skills and opportunities for skilled migration (even perhaps at some social and other costs) and more permanent and hopefully more skilled migration (and hence greater earnings) is the preferred goal – but, and this may be seeking to have it both ways, without losing contact with migrants and seeking in due course to gain some benefit from skills acquired overseas. Almost all national interventions in processes related to migration have been directed at facilitating migration and securing additional opportunities, rather than seeking to ameliorate perceived problems. Policies that seek to respond to or constrain migration are therefore rare. Only bonding is a long-established and tried and tested means of keeping (usually) new graduates in the county for a reasonable length of time after graduation. To a significant extent, even support for increasing the value of remittances through new means of transfer has resulted from external pressures (mainly from the World Bank) and shifts in the private sector, rather than government policy changes.

At a time when Pacific poverty and hardship are increasing, migration is part of a global trend whereby remittances replace aid, and national investment in rural and regional areas is reduced. But even the limited success of this new form of circular migration may be counterproductive in the longer term if it diverts attention from

alternative national and international policies and strategies that will ultimately assist the poor in rural areas, for example by contributing to food security.

Ironically in countries where migration is so important, data on migration from both Samoa and Tonga are remarkably sparse, since little or no use is made of arrival and departure cards (even though these are routinely collected) and neither country publishes much more than summary numerical data on this. In some ways this absence of data is not surprising, since migration is regarded as a free choice and not to be constrained in any way. Even documenting flows has sometimes been perceived in that light, since documenting the extent of skilled migration might demand some resolution of excess skill losses. This means it is impossible to estimate the extent to which migration is selective by age, skill or home region. That makes it impossible to examine the extent to which there has been a skill drain, and hence reduces the impetus to develop policies that might remedy skill losses. Few good labour force surveys exist. Likewise, for almost all public and private sectors and enterprises there are no data on resignations or attrition to indicate why skilled workers are being lost, or how such losses (or the lack of recruitment) affect stocks in particular areas. In a very small number of sectors, notably health and education, there are more adequate data to indicate where labour shortages exist. Estimates of labour shortages are otherwise dated or little more than anecdotal. Statistical offices are small, are not always well funded or supported with human resources, and have other priorities. Public service commissions are not always able to bring together the necessary information from other ministries that might enable an overall understanding of the relationship between migration, education, employment and training. This means that neither country has any effective migration management capacity, in terms of access to detailed and accurate migration data, let alone any understanding of relevant migration policies (whether directed at retention or return).

Along with the RSE scheme, the reduction of transaction costs represents the most important change in the past decade in the migration–remittances nexus. Changes to the cost, delivery and access of remittances will especially benefit migrants in rural areas far from banks, who can waste money and lose hours of productivity in travelling to the nearest place where they can receive remittances. Such changes will also boost GDPs by enabling greater productivity and by the additional direct transfer of a real increase in funds. Otherwise, governments have not sought to intervene in the 'private business' of remittance transfer, such as the development of new kinds of financial instrument, bank accounts, bonds etc., despite intermittent appeals to them to do so (Brown et al. 2005, Jayaraman et al. 2010). Pressures for change have come from outside, whether from institutions such as the World Bank or through transnational corporations such as Digicel.

The countries that have been most interested in developing 'diaspora strategies' aimed at working with overseas migrants to engage in local development have been more developed. Where skill losses are significant and needs are greater, such strategies have been rare. Samoan and Tonga, with their dependence on remittances, exemplify the latter context. Some form of ethical and managed migration seems to offer most to development, but that demands a public sector involvement that

is not necessarily easy or welcome, and may even be fading. Recipient and sending countries are not necessarily always able or anxious to protect migrants, although keen to use their skills and their capital. All countries need to create more human capital. There is no reason to assume that demand for migration opportunities is likely to dwindle in the near future. Demand for migration and remittances is likely to be sustained, alongside rising expectations, in conditions of limited national economic growth. The voices of those who once urged more self-reliant development strategies have long been stilled. This new diaspora, and new notions of transnational homes, have remarkably quickly come to characterise contemporary Pacific island states, and above all Samoa and Tonga. In this context the need to maximise the benefits from migration and remittances becomes ever more pressing. It should go without saying that countries that are politically stable, with functioning economies, and that provide some economic and social opportunities are the most attractive destinations for remittances, return migration or short-term technical assistance. Motivating these is perhaps particularly difficult in small states where perceptions of a development future are absent, and where migrants feel disenfranchised and powerless to intervene. Mutual trust is necessary at all levels.

Migrants make conscious decisions that benefit themselves, their families, the destination countries and the source countries, although multiple wins may be elusive, and not all can migrate. Among migrants the desire to 'give back' is widespread and can be harnessed, but not too much can be asked of them (through their hometown associations, their remittances or ultimately their return) unless public policies are there at every scale to support, encourage and channel individual efforts. To expect that moral responsibility be tied to place, and the place be the nation-state of origin, demands much of migrants.

As the demographic balance has gradually shifted overseas so that the bulk of the ethnic Samoan and Tongan populations live overseas – so migrants are more likely to have relatives overseas – the task of encouraging migrants to invest in or return to home countries has become more difficult. At the same time, a larger overseas population means the greater probability of acquiring skills that will be useful at home. That is particularly true of Tonga and Samoa. Yet the 'fractured nature of national belonging during migrancy' (Ho 2011: 6) means that it may become more difficult over time, as second generations come to dominate overseas populations; hence the need to engage with diasporas as much as possible. It is more difficult again where migrants have left in dismay and disagreement with the policies and practices of home governments, raising obvious uncertainties about commitment. Indeed, for many years, migration from Tonga was a response to economic and political discontent. Tonga's short-lived experiment with a special Department of Tongans Abroad shows how difficult working with and for overseas populations can be. Nonetheless, as the last paragraph in section 6.11 indicates, governments are influenced by overseas populations and must ensure some continued degree of commitment to the home country. A major task is to coalesce and cement notions of belonging to diaspora when that identification has faded. At least in Tonga and Samoa there is a strong sense of nationhood (rather than an association with particular regions or islands), and sport has been a key part of that. Retaining and reinforcing *faka Tonga* and *fa'a Samoa*

within migration reinforce relationships with what is still perceived as home, reduce the risks involved in migration and provide some comparative advantage in a global world (Gough 2006).

Social networking, mobile phones (and texting) and social media (such as the popular Facebook) have brought metropolitan states closer but, until now, in a manner that has tended to emphasise opportunities and lifestyles beyond Samoa and Tonga rather than by becoming mechanisms to achieve development at home. The uptake of mobile phones is as fast as anywhere in the world (and one of the principal purchases of RSE workers). Overseas Tongans, and no doubt in the same way Samoans, are extremely well connected electronically with each other and with kin in Tonga (Morton 1998, 1999, Nishitani 2011), which ensures that any 'digital divide' is being crossed easily. The development of financial literacy and telephone banking will enhance this transition, emphasise that Tonga and Samoa are transnational economies and societies, and probably attach new meanings to migration and remittances. Migration in the mobile phone, internet (and guest worker) age may well change in unpredictable ways.

Despite the growth of small populations of Pacific islander origin in a number of places beyond the Pacific rim, almost all international migration remains focused on the metropolitan rim. Within the Pacific, regional migration opportunities exist, but primarily for skilled workers; thus Suva (Fiji) has become more of a cosmopolitan urban centre, with the migration of other Pacific islanders into tertiary institutions, international agencies and to a lesser extent the private sector. Even the small-scale private sector, above all in Tonga, has become a significant arena for migrants from China – a second wave of commercial China towns – although that has provoked strong resentment. At the same time many skilled jobs continue to be filled by migrants from the Philippines. Moreover, where unskilled and semi-skilled jobs exist, as in the mining sector, they are taken up by local people (as in Papua New Guinea) or, as in New Caledonia, by Filipinos rather than migrants from other parts of the Pacific (despite a past history of migration from other French Pacific territories). Unless such trends change, and there is no reason to expect that to happen, migration opportunities will continue to be perceived as being in more familiar Pacific rim metropolitan destinations.

There are strategies to link migration, the diaspora and development, and achieve multiple wins, but the primary requirements are good will, good policies (and their implementation) and more good data on best practices and best outcomes. Most PICs have yet to consider taking steps to involve expatriates in national development, and none has any organisation oriented to that task, although either the ministries of labour or the public service commissions might be logical places to start. Data on areas of labour shortage, and especially the possible corresponding pools of expatriate workers, are usually absent. Building migrant management capacity should be a priority. The health sector should be regarded as particularly important, since there are obvious unfulfilled needs in a crucial area, and some short-term return policies have obvious potential. Given the massive and increasing significance of migration throughout the PICs, the value of remittances (in economic and social terms) and the skill deficits in small states, it is now urgent that migration be more effectively absorbed into development policy formation and implementation.

Note

1 Quotations in this chapter, unless otherwise stated, are taken from fieldwork interviews conducted with Tongans and Samoans during a short trip to both countries. The study was greatly assisted by a large number of people in and outside government offices and the private sector. No informants were from the National Reserve Bank of Tonga.

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Chapter 7

Migration and Remittances in Development: A Study of Jamaica

Patsy Lewis and Claremont Kirton[1]

Summary

Challenges and benefits of migration since the 1970s

Migration has been associated with high levels of remittances, which are viewed as having a positive impact on the economy. This chapter assesses the effects of migration on Jamaica; the policies employed by the public sector and other sectors of the society to minimise drawbacks and maximise benefits of both; policies applied in other sectors that affect immigration; successful policy approaches adopted; and other policy options which could address the challenges of development and migration.

Jamaica's economic performance since independence in 1962 has been characterised by low growth, averaging the lowest – 0.77 per cent – between 2000 and 2011, and high public debt, which was 129 per cent of GDP in 2009/2010. Jamaica's economic challenges were exacerbated by the recession following the global financial crisis, which affected its major foreign exchange earners, bauxite and tourism, and those markets have been slow to recover. Projected growth for 2013 was 0.1 per cent (UNECLAC 2013: 10), but only if Jamaica secured a deal with the International Monetary Fund (IMF). It has also experienced a fall-off in FDI, from 15 per cent of GDP in 2008 to 3 per cent in 2010 (UNECLAC 2011: 250) and in ODA, from 1.3 per cent of GDP in 2009 to 1 per cent in 2010 (World Bank 2011). Remittances, which contribute significantly to Jamaica's GDP (13.8% in 2010), fell off during the recession but have proven more resilient than other sources of inflows, reaching pre-crisis levels in 2011 (BOJ 2012). The recession has also exacerbated already high levels of poverty, which reached 17.6 per cent in 2010 (PIOJ and STATIN 2012: iii).

Jamaica's remittances receipts are fuelled by high levels of migration, largely to the USA, the UK and Canada. Migration, however, is not without its challenges. The Planning Institute of Jamaica (PIOJ 2009: vii) suggests that it contributes to Jamaica's weak economic performance, instability of families, a weakening of social capital and the 'emergence of negative social values and mindset'. It is also a likely contributor to Jamaica's weak competitiveness and low labour productivity, which ultimately affect economic growth. Migration has to be seen increasingly from the perspective of Jamaica's ageing population, especially as young people and children constitute the majority of migrants. Jamaica demographic transition places a greater burden of care on society, both economically and socially, at a time when its young people are declining in numbers, and it faces shortages of skilled health professionals. The feminisation of migration since the 1960s has significance for the care of children

and the elderly. The high levels of migration of health professionals, in particular nurses, have negative implications for the quality of healthcare delivery, even as the challenges arising from the growth of non-communicable diseases such as diabetes and hypertension and the spread of HIV/AIDS mount. The education sector also suffers from poor quality at the primary and secondary levels, exacerbated by the migration of teachers.

In addition to the attraction of reuniting with family overseas and greater opportunities for promotion and higher pay, certain conditions at home help to fuel migration. These include the weak performance of the Jamaican economy, which serves to limit employment opportunities, especially for youth, and deflate earnings; and high levels of crime and human insecurity.

Remittances are considered one of the positive effects of migration. In Jamaica they are an important source of foreign exchange and contribute to the balance of payments (Ramocan 2010). They also contribute significantly to the income of households, especially female-headed households (PIOJ and STATIN 2010, 2.7) and the unemployed (Ramocan 2010: 18, 20). Other positive effects of migration identified in the literature are the return of skilled migrants and the circulation of skilled migrants between the home country and host country. Migrants are viewed potentially as both investors and markets for niche products as well as lobbyists on behalf of the home country.

General development strategy with regard to migration

Jamaica has used a number of strategies to increase the development impact of migration, with varying degrees of success. These include creating an enabling environment for the inflow of professional and skilled workers; managing the framework for migration at national, regional and international levels; increasing the training of persons in professions with high levels of emigration to meet perceived external demand while meeting local needs; negotiating, with target countries, short-term labour contracts for less skilled workers for the temporary relief of labour unemployment; and engaging the diaspora as a source of skills, investment and support.

Strategies aimed at creating an enabling environment for the inflow of professionals are located both in the legal framework governing migration and in the active recruitment of desired skills. Existing legislation provides for companies, in particular foreign companies, to employ non-Jamaicans. Jamaica's obligations under the Caribbean Single Market and Economy (CSME) allow entry to Caribbean Community (CARICOM) nationals with specified skills. This has the potential to encourage the flow of nurses throughout the region, although that is mitigated by the prospects of higher salaries in traditional destinations as well as in non-CSME member states such as The Bahamas and the Cayman Islands. Jamaica has sought to address its shortfall of nurses from countries outside the region, such as Cuba and India.

Efforts at addressing nurse migration have occurred at the national, regional and international levels. At the national level, this includes bonding nurses whose training

it has subsidised, but this has not proved to be particularly effective. At the regional level, efforts include the Managed Migration Programme, supported by CARICOM, out of which emerged the Regional Task Force for Managed Migration. This was to have promoted the temporary migration of nurses. Assessment of the regional managed migration initiative suggested that it was not particularly successful because it was not integrally incorporated into regional mechanisms to allow it to function as a regional initiative (Salmon et al. 2007). The economic partnership agreement between CARICOM and the Dominican Republic on the one hand and the European Commission (EC) on the other (CARIFORUM–EC EPA), which came into effect in 2009, provides for the temporary movement of skilled persons, including nurses. Such a programme will address migration only if it is an attempt to shift the current appetite for permanent migrants towards temporary schemes.

The government has also engaged at the international level, along with other governments in the region, in helping to regulate the framework for skills recruitment, particularly in health and education. The focus has been on ensuring that such recruitment is done ethically and that migrants are treated fairly in the host country. Initiatives in health include the Commonwealth Code of Practice for the International Recruitment of Health Workers (Commonwealth Health Ministers 2003) and the WHO Global Code of Practice on the International Recruitment of Health Personnel, adopted in May 2010. Initiatives to address the outflow of teachers include the Savannah Accord, adopted at the 2002 meeting of Commonwealth Ministers of Education, which found expression in the 2004 Commonwealth Teacher Recruitment Protocol. These initiatives are non-binding and are useful in so far as they establish codes for acceptable practice. On their own they are unlikely to ensure the transfer of resources from host to source countries and are even less likely to do so in the face of economic challenges brought about by the prolonged recession.

One of the policy approaches adopted to stem the outflow of nurses was to increase training opportunities for health professionals, particularly nurses. This was motivated both by the desire to increase the numbers available locally and by the prospect of ever higher levels of remittances from the increasing numbers expected to migrate.

A World Bank-funded study (World Bank 2009) explored the feasibility of increasing the training of nurses to meet the needs of a number of CARICOM countries identified in the study. In the report's best-case scenario for Jamaica, of increasing nursing completion rates to 85 per cent and increasing student intake by 100 per cent, Jamaica would still have met only 75 per cent of its need for nurses by 2025 (Ibid.: 39).

Jamaica, like other Caribbean governments, has sought to actively woo offshore medical schools to take advantage of the global demand for healthcare. Over 30 such schools operate across the Caribbean region.[2] The primary market for these schools is North America (Canada and the USA). These schools rely on clinical internships, primarily in the USA,[3] both to compensate for the absence of training hospitals and to increase their competitiveness. In Jamaica, two such institutions established operations in 2009 to take advantage of the market for healthcare professionals: the All American Institute of Medical Sciences (AAIMS) and Marmicmon Integrated

Marketing and Communications, a Canadian-based firm, which specialises in addressing manpower needs, including for health professionals. Marmicmon's engagement with Jamaica was short-lived, however. Traditional nationally based training schools have also responded to the perceived 'global' market for health professionals by expanding student intake as well as the range of programmes offered.

Jamaica participates in three temporary managed migration schemes that provide short-term employment opportunities for low-skilled workers:[4] the Canadian Seasonal Agricultural Workers Programme (CSAWP), the US Farm Work Programme and the US Hotel Work Programme.[5] In the 2010/2011 financial year, nearly 11,000 Jamaicans, mostly men, were employed under these programmes, earning over US$20 million (see Table 7.1). The recession had a negative impact on earnings, but these reached pre-recession levels in 2010/2011.

Since the mid-1990s the Jamaican government has sought to take advantage of its diaspora. The government has established a number of institutions through which to engage the diaspora. Most noteworthy of these are the biennial diaspora conferences. Its commitment is also evident in the establishment of a Minister of State in the Ministry of Foreign Affairs and Foreign Trade with specific responsibility for Diaspora Affairs. Other structures established to formally engage the diaspora include the Diaspora Advisory Board, a Jamaica Diaspora Foundation, Jamaica Diaspora Day (16 June), the Jamaican Diaspora Institute and a National Working Group on Migration and Development at the Planning Institute of Jamaica (PIOJ). Formal mechanisms allow for a more structured engagement with the diaspora but also have the potential to marginalise sections of the diaspora that are not viewed as potential investors or as a resource.

International organisations and donor countries have had a significant role to play in the national policy focus on migration and remittances. Such organisations include the International Organization for Migration (IOM), International Monetary Fund (IMF) and World Bank. The IMF has refined the definition of remittances and standardised the recording in national data. The World Bank's annual reports on migration and remittance statistics have helped keep both at the forefront of policy. The IOM is also an important source of statistics on migration. International organisations have been at the forefront of attempts to link migration positively to development. The UN High Level Dialogue on Migration and Development 2006, and the Global Forum on Migration and Development that followed, sought to underscore the positive role that migrations play in destination countries. The European Commission's collaboration with the UN and other agencies, under the EC–UN Joint Migration and Development Initiative (JMDI), supported 51 projects between 2008 to 2012, a number of which were conducted in Jamaica.[6] In Jamaica at the time of writing, the IOM was funding the development of a National Policy and Plan of Action on International Migration and Development, while the Swiss Development Corporation was financing initiatives to mainstream migration into national development strategies. The EU is also funding the development of a migration profile. Earlier initiatives supported by the IOM include the UK's Assisted Voluntary Return (AVR) programme.[7]

Table 7.1 Remittances earned under overseas employment programmes, 2006/07–2010/11 (US$)

Category	2010/11	2009/2010	2008/09	2007/08	2006/07
Total overseas workers	**21,021,942.12**	**17,782,393.23**	**21,429,081.00**	**25,389,832.92**	**24,659,122.00**
Male overseas workers	19,701,896.12	16,881,999.23	19,227,759.00	20,894,086.71	19,919,665.00
Female overseas workers	1,320,046.00	900,394.00	2,201,322.00	4,495,746.21	4,739,457.00
Total US farm and hotel workers	**7,116,789.12**	**6,058,426.00**	**9,345,847.00**	**14,350,793.10**	**13,904,159.00**
Male US farm and hotel workers	6,246,557.12	5,396,210.00	7,613,153.00	10,020,072.30	9,164,612.00
Female US farm and hotel workers	870,232.00	662,216.00	1,732,694.00	4,330,721.10	4,739,457.00
US Farm Work Programme (all male)	5,520,423.12	4,901,497.00	6,158,048.00	5,855,413.97	4,528,260.00
Total US Hotel Work Programme	**1,596,366.00**	**1,156,929.00**	**3,187,799.00**	**8,495,379.43**	**9,375,809.00**
Male US hotel workers	726,134.00	494,713.00	1,455,105.00	4,164,658.33	4,636,352.00
Female US hotel workers	870,232.00	662,216.00	1,732,694.00	4,330,721.10	4,739,457.00
Total Canadian farm/factory programme	**13,905,153.00**	**11,723,967.23**	**12,083,234.00**	**11,039,039.41**	**10,755,053.00**
Male Canadian farm/factory workers	13,455,339.00	11,485,789.23	11,614,606.00	10,874,014.41	10,755,053.00
Female Canadian farm/factory workers	449,814.00	238,178.00	468,628.00	165,025.11	0.00

Source: Data provided directly to the author from the Ministry of Labour and Social Security

The main avenue of private sector engagement with migration is as a conduit for remittances. The Jamaica National Building Society has gone further by establishing special instruments to capture savings as well as engaging with the diaspora directly through its Foundation, which, under the Jamaica Partnership for Education (JPE), focuses on channelling contributions from persons in the diaspora to initiatives in education at the primary and secondary levels.

International migration is one of the main areas of focus of Vision 2030's Population Sector Plan, which is directed at measuring and monitoring of migration to meet development needs. This has resulted in institutional strengthening with the establishment of a Migration Policy Project Unit (MPU) at the PIOJ. The unit has responsibility for developing a national policy and plan of action on international migration and development; mainstreaming migration into national development strategies; developing a migration profile; and establishing a national working group on international migration and development.

The remit of migration has broadened to take account of an emerging challenge, that of trafficking in persons. The US Department of State's *Trafficking in Persons Report 2012*[8] lists Jamaica as 'a source, transit, and destination country for adults and children subjected to sex trafficking and forced labor' (2012: 197). The sex trafficking of children was of particular concern. The government of Jamaica has extended the legislation addressing immigration to include the Trafficking in Persons (Prevention, Suppression and Punishment) Act (2007) as a response. It has also had a National Task Force against Trafficking in Persons since 1995. Despite these initiatives, the USA deemed Jamaica to be not compliant with the minimum standard for the elimination of trafficking (US Department of State 2012) and has placed it on its Tier 2 watch list (see section 7.2.7).

Assessing the efficacy of policy and institutional practices

In assessing the effectiveness of some of the approaches taken by government, we focus on efforts to expand training in a deliberate effort to increase numbers of skilled people available for export; and on attempts to expand options for migration, including short-term labour employment schemes.

Initiatives in training for export across the region have been driven largely by the foreign private sector, although with encouragement from governments. The focus of training is to meet external demand. US students are a prime target group given the over-supply of prospective students, which onshore training institutions are unable to meet. Parallel to this development are initiatives by government-supported tertiary institutions to expand training opportunities, largely directed at students from Jamaica and the region. Increasing training presents challenges, among them securing spaces for clinical training both locally and in the USA. In Jamaica, expansion in the training of nurses, doctors and other medical personnel is already exerting pressure on local facilities. The Nursing Council of Jamaica (NCJ), the body responsible for regulating the training of nurses, is already rationing the intake of nursing students among existing training institutions. There is also mounting pressure in the USA for states to restrict access to clinical training for students from offshore institutions.

Efforts to court the diaspora are occurring in an environment of reduced investment, low labour productivity, weak competitiveness and general sluggish economic performance. Jamaica's attractiveness to the diaspora is likely to be mitigated by existing challenges to doing business in Jamaica, which include perceived high levels of corruption and high levels of bureaucracy. Moreover, high levels of crime are likely to be an important consideration for potential investors from the diaspora. Engaging with the diaspora may also generate tensions with the local population if the former are viewed as privileged, and such tensions must be managed. One approach to minimising tension within the diaspora would be to establish different avenues for engagement for different sections of the diaspora. Another would be to widen the focus of engagement with the diaspora to take a concrete interest in social, economic and political issues that affect its members.

Jamaica is actively considering the establishment of a diaspora bond, although this is also not without its challenges. Diaspora bonds offer the advantage of capturing a wide base of savers as well as drawing on the emotional attachment of the diaspora. The experiences of some countries with diaspora bonds suggest caution, however. The low take-up of bond issues in Ethiopia, Kenya and Nigeria, influenced by concerns over devaluation and government accountability, hold lessons for Jamaica (Fatunta 2012, Kottasova 2011).

Governments view short-term labour programmes as an avenue for expanding employment. Governments, however, have no control over such programmes, as they are subject to conditions in host countries such as recession and changes in immigration policies.

Policy proposals

Migration has been a central feature of Jamaican life with deep historical roots. Its magnitude in such a relatively small country as Jamaica suggests that it should have an important place in development policy. Any attempt to embed migration as a development tool in policy must begin with the observation that migration is first and foremost a personal choice based on an individual's or family's assessment of possibilities, and that it is influenced as much by conditions at home as by the labour and migration policies of host countries. A government's role in influencing who migrates is thus limited. A government's ability to deliberately affect migration is at the international level, in its engagements in setting codes and standards for treatment of migrants and in negotiating access in respect of short-term labour movements. The government's approach to migration has been limited by an outward focus on training for markets and courting the diaspora. However, for migration policy to function as a tool of development, it must be embedded in a more holistic view of Jamaica's development. This must take account of the local conditions that propel people to migrate and the effects of such migration on the economy and social life. Addressing these factors would also help to create an environment that is more conducive to engaging the diaspora in economic and social life.

Migration policy should be embedded in a broader development framework that takes account of the skills needs of the society, the effect of skills loss on the country's

development trajectory and the demographic shifts in the population. In addressing the migration–development nexus, government has to address the main economic, political and social challenges that affect the society and the complex relationship between these and migration. High levels of crime, weak economic performance and political instability fuel migration; yet high levels of outmigration aggravate these challenges.

We propose the following policies.

- Research: more targeted research to establish the extent of migration's reach in society as a basis on which to ground labour policy planning.
- Retention: government should work towards the creation of a databank of local skills to complement efforts to compile a databank on skills available in the diaspora, as the basis of a more informed labour policy, with a focus on training and retention initiatives.
- Remittances and diaspora: expand contributions to the National Housing Trust to allow persons abroad to save on behalf of relatives in Jamaica. Similarly, expand access to the National Insurance Scheme to the diaspora to save on both their own and their relatives' behalf.
- Diaspora engagement: engage in a more differentiated and nuanced way with the diaspora to reflect their varied conditions and ways of relating to home.

7.1 Challenges and benefits of migration since the 1970s

7.1.1 Introduction

Debates on the place of migration and remittances in development are of central concern to Jamaica, given its standing as one of the leading migrant countries and recipients of remittances per capita. The World Bank (2011) ranks Jamaica as the second-largest per capita supplier of skilled labour, with some 85.1 per cent of its tertiary-educated population in the migrating stock of OECD countries.[9] Associated with this are large inflows of remittances – US$2,025.1 million – amounting to 13.8 per cent of GDP in 2011, surpassing traditional sources of foreign exchange inflows such as FDI (US$227.7 million in 2010 and US$540.9 million in 2009) and ODA (US$2.8 billion in 2011). Per capita GDP in 2011 was US$5,434.76, while per capita remittances were US$747.98 (13.8% of per capita GDP). Despite the apparent financial windfall that remittances represent, particularly in a stagnating economy marked by prolonged low growth, the corollary of the large outmigration of the vast majority of its skilled population suggests a tension between migration and remittances that presents a challenge for academics and policy-makers alike. A trend in the literature focuses on the challenges that such high levels of skilled migration present to the sending country, but much of the literature identifies positive effects, including return migration and brain circulation, focused on possibilities of transferring skills. The strongest positive outcome of migration, however, has been its linkage to high levels of remittances, reflected in a plethora of literature and consultations, the latter driven by international agencies. Much of this was focused on how to harness remittances

to increase their impact on the economy, but there has been a recent shift towards embracing the diaspora as a source of networks and related support (Saxenian 2002).

This chapter seeks to synthesise the available evidence on migration and remittance patterns and impacts, and make recommendations for policy reform to maximise the benefits and reduce the costs and risks of migration. More to the point, it seeks to establish the effects of migration – both negative and positive – on Jamaica; the policies employed by the public sector and other sectors of the society to minimise consequences and maximise benefits; policies applied in other sectors that affect immigration; successful policy approaches adopted; and other policy options which could address the challenges of development and migration.

7.1.2 Overview: economic and social profile

Jamaica, which is classified by the Commonwealth Secretariat as a small state, covers a land area of 10,991 km^2 with a population of 2.7 million people (PIOJ 2012: 20.1). Jamaica is listed on the UNDP's 2011 Human Development Index (HDI) among countries experiencing medium human development, ranked at 79 out of 187 countries (UNDP 2011). Jamaica reported significant improvements in each of the HDI indicators during the period between 1980 and 2011. These include high life expectancy at birth, from 68 years in 1970 (UNDP 1990: 135) to 73 years in 2011; high adult literacy, rising from 70 per cent in 1970 (UNDP 1998: 148) to 96.4 per cent in 2011 (UNDP 2011); and high gross enrolment at the primary, secondary and tertiary school levels, 99.6 per cent, 97 per cent and 33.1 per cent,[10] respectively (PIOJ 2012: 22.2). The mean years of schooling for Jamaicans rose by 4.4 between 1980 (5.2 years) and 2011 (9.6 years), although the expected years of schooling were 13.8, up from 11.1 in 1980 (Table 7.2).

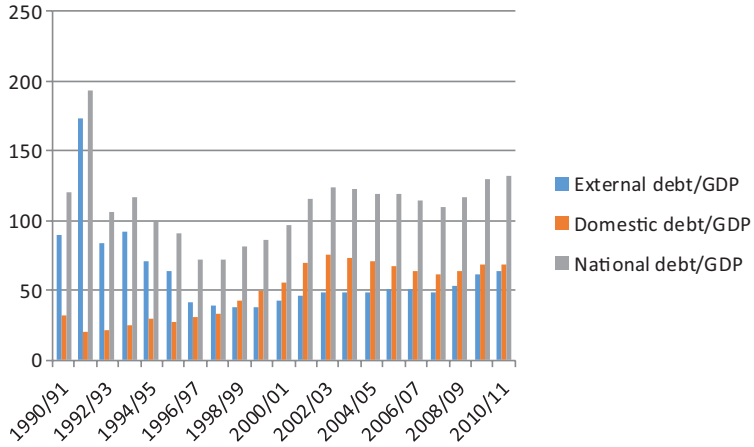
Jamaica has seen positive strides in other human development indicators, as reflected in the Millennium Development Goals (MDGs). These include declining under-five mortality rates from 86 per thousand in 1960 (UNDP 1990: 135) to 21 per thousand in 2011 (UNDP 2011) and improved access to safe supplies of water and sanitary

Table 7.2 Human development indicators for Jamaica, selected years

Year	Life expectancy at birth	Expected years of schooling	Mean years of schooling	Gross national income per capita (2005 US$ at purchasing power parity)	HDI value
1980	70.5	11.1	5.2	4,675	0.607
1985	71.1	10.9	5.8	4,172	0.611
1990	70.7	11.2	6.4	5,374	0.637
1995	70.3	11.5	7.4	6,628	0.665
2000	70.5	11.6	8.6	6,275	0.680
2005	71.5	12.5	9.0	6,600	0.702
2010	72.9	13.8	9.6	6,430	0.726
2011	73.1	13.8	9.6	6,487	0.727

Source: UNDP (2011)

Figure 7.1 Jamaica's public debt as a share of GDP, external and domestic, 1990/91–2010/11



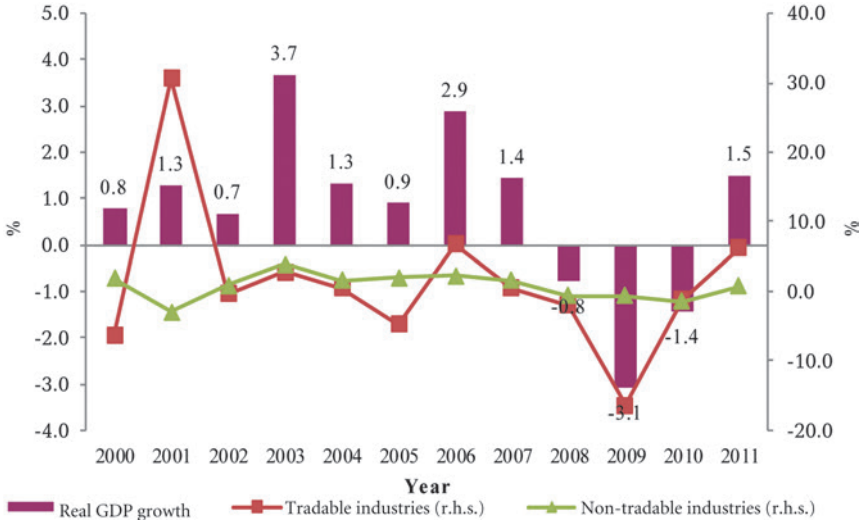
Source: Computed from data accessed from the Ministry of Finance and Planning, Debt Management Unit

facilities, 81.3 per cent and 99.9 per cent (UNDP 2014), respectively.[11] These, however, mask a number of challenges.

Jamaica's economic performance since independence in 1962 has been sluggish, characterised by low growth. Jamaica's real average rate of GDP growth, which was 4.4 per cent between 1960 and 1969, fell to 1.2 per cent between 1970 and 1979 and 1.7 per cent between 1980 and 1989, rising to 2.3 per cent between 1990 and 1999. It fell again to 0.77 per cent between 2000 and 2011 (BOJ 2011), making Jamaica one of the world's slowest-growing economies (ranked 180 out of 196 countries) (World Bank 2011: 44). At the time of writing, growth was projected at 0.1 per cent by UNECLAC (2013: 10), and only if Jamaica secured an IMF agreement. This lacklustre performance is also reflected in weak growth of per capita income (World Bank 2011: 45). In 1980, Jamaica's per capita GDP at constant purchasing power parity (PPP) was US$9,960. This fell to US$5,434.76 by 2011 (UNDP 2011). Despite a 39 per cent increase in per capita gross national income (GNI) between 1980 and 2011, Jamaica lags behind similarly placed countries; its GNI remains at the lower end of Commonwealth Caribbean countries, US$6,487 per capita (PPP) (UNDP 2011).

Jamaica maintains a persistent deficit in its balance of payments, with imports as a percentage of GDP far outstripping exports (45 per cent as opposed to 11 per cent in 2011; PIOJ 2012: 1). This has led to high levels of government borrowing, leaving Jamaica with high levels of unsustainable debt, amounting to 129.3 per cent of GDP in the 2009/2010 fiscal year (see Figure 7.1). This fell slightly to 128 per cent at the end of March 2012 (Phillips 2012). The global recession has had a negative impact on the economy, threatening to reverse some of these gains and exacerbating existing challenges. The economy suffered a fall-off in the major economic sectors such as bauxite and tourism.

Figure 7.2 Jamaica's real GDP growth, 2000–11



Source: BOJ (2011)

Figure 7.2 indicates that, for three consecutive years (2008–2010), the Jamaican economy contracted after realising sustained (though minimal) growth for the eight years preceding the recession. This led to the economy contracting by 1.3 per cent (UNECLAC 2011: 245). Despite some signs of improvement, recovery in the major economic sectors has been slow, with declines in 2010 in all sectors except for agriculture, forestry and fishery, and tourism (Ibid.: 249), although there were modest improvements across all sectors in 2011. The mining and quarrying sector declined by 3.4 per cent in 2010, whereas prices increased by 14.3 per cent from 2009 (PIOJ 2011: xi). The sector's performance improved in 2011, raising its contribution to GDP from 2.1 per cent to 2.4 per cent (PIOJ 2012: xi). Manufacturing output fell by 2.6 per cent in 2010, representing an 8.3 per cent fall in value, but grew by 1.4 per cent in real value added in 2011, the first growth recorded since 2007 (Ibid.: xii). Construction also suffered a 2.2 per cent decline in real value added in 2010, accompanied by the highest job loss of any sector, at 6.7 per cent. It experienced marginal growth of 0.6 per cent in 2011 (Ibid.: xii). The tourism sector, however, recorded a 3.7 per cent increase in earnings in 2010, which continued into 2011 with a 2 per cent estimated increase (Ibid.: xiii). The agriculture sector recorded a 10.6 per cent increase in real value, increasing its share of GDP to 6.6 per cent, up from 5.8 per cent in 2010 (Ibid.: xiii). Overall, modest economic growth of 1.5 per cent was recorded for 2011 (BOJ 2011).

The recession's impact was evident in the social sectors, with increases in unemployment and poverty. Unemployment, which had fallen from 15.5 per cent in 2000 to 9.8 per cent in 2007(PIOJ 2011), rose steadily to reach 15.2 per cent by the end of 2013 (PIOJ 2014: 21.1). Public sector workers' salaries have stagnated, at best, with a three-year wage freeze in 2009 (UNECLAC 2011: 249) and a rapidly declining

dollar. Poverty follows a similar trend, with the recession causing significant roll-back in gains made over the years. Poverty, which had been falling sharply, from 19.9 per cent in 1997 to 9.9 per cent in 2007, increased more than seven percentage points to reach 17.6 per cent in 2010 (World Bank 2011).

Given Jamaica's weak economic position, it relies heavily on funding from the multilateral financial institutions. The IMF, with which it has a 15-month stand-by agreement, sets fiscal and debt reduction targets and guides the disbursement of loans from the other international financial institutions (IFIs) (the Inter-American Development Bank and World Bank) (see UNECLAC 2011, PIOJ 2011: ix, x, ch. 3). The government was, up to January 2013, in negotiations with the IMF for a 24-month extension of an IMF stand-by agreement, which was viewed as crucial to Jamaica's economic stability, but which was expected to result in austerity measures. Private investment flows declined with the onset of the recession, falling from 15 per cent of GDP in 2008 to 3 per cent in 2010 (UNECLAC 2011: 250). Net ODA has also slowed. In 2009 it represented 1.3 per cent of GDP. This fell to 1 per cent in 2010 (World Bank 2011). It also recorded a decline of 51.8 per cent in 2011 to US$541.6 million, compared with US$1.1233 billion in 2010 (PIOJ 2011: 2.3). Against this backdrop, remittances, which were 15.8 per cent of GDP in 2009 (BOJ 2013: 10), became increasingly important to the economy, although their contribution to GDP fell steadily to reach 13.8 per cent in 2012 (Ibid.: 13). Nevertheless, inflows in 2011 were US$2.025 billion, slightly above the US$2.021 billion remitted in 2008 (Collinder 2012). Despite the recession's adverse impact on the flow of remittances, however, remittances proved to be far more resilient than other sources of inflows, emphasising their importance to the economy.

7.1.3 Historical trends in Jamaica's emigration flows

Migration is very much a part of Jamaica's colonial and post-colonial experience. Thomas-Hope et al. (2009a: 15) summarise the broad migration trends, which include, in the post-emancipation period, emigration to Panama and Central America as labourers on the construction of the Panama Canal and the trans-Isthmian railway and on sugar estates in Cuba; to the United Kingdom and the USA to contribute to the first and second world wars and post-war reconstruction, but continuing thereafter focusing on specialised areas of need, such as nurses; and later to pursue jobs in the tourist sectors in other Caribbean islands and the USA. The UK changed immigration legislation with the introduction of the Commonwealth Immigrants Act 1962 which restricted immigration to those possessing skills, further modified by the 1965 White Paper (BBC n.d.); this effectively stemmed migration from the Caribbean. At the same time, US immigration law was modified by the Immigration Act of 1965, replacing national quotas with hemispheric quotas, but with a 20,000 annual limit on any one country. At the same time, however, it also expanded the categories of family members allowed to enter, leading to increases in migration to the USA (Daniels 2008). Adjustments to immigration regulations in Canada between 1962 and 1967 also moved in the direction of reducing discrimination but shifting eligibility in favour of skilled persons (McIntyre 2001).

The top destination countries for Jamaican immigrants today are the USA, the UK and Canada. Jamaica is an important source of migrants to the USA, ranking 11th among sending countries, contributing 1.9 per cent (21,783[12]) of all persons granted permanent residency in 2009 (PIOJ 2011: 20.8). There was a 9 per cent decline in permanent visas granted in 2010, however, reducing Jamaica to 14th place, representing 0.8 per cent of all migrants (PIOJ 2012: 20.7). The PIOJ projected a slight increase in 2011. This decline is also reflected in migration to the UK and Canada. In 2009 some 3,148 Jamaicans were granted indefinite stay ('grants of settlement') in the UK, representing 30.7 per cent (the highest proportion) of all immigrants from the Americas (PIOJ 2011: 20.10). This number fell to 2,958 in 2010, with similar projections for 2011 (PIOJ 2012: 20.8). In 2010, 2,255 Jamaicans were granted permanent status in Canada. This number, although small compared with the USA and the UK, nevertheless represented 1 per cent of all migrants to Canada. Jamaica was ranked 24th of all sending countries in 2009 (PIOJ 2011: 20.09). A decline to 1,485 in 2011 reduced Jamaica's rank to 28th, accounting for 0.8 per cent of all migrants to Canada (Ibid.: 20.8).

Emigration trends for the USA show no clear pattern. As Table 7.3 shows, the numbers of Jamaican immigrants to the USA increased sharply in the 1980s and then fell off somewhat in the 1990s, although they were still at higher levels than the 1970s, before rising close to the 1980s level between 2000 and 2010. Much of this increase occurred in the second half of the 2000s, which saw a jump from 14,430 in 2004 to 21,783 in 2009 (PIOJ 2011: 20.10). This fell to 19,825 in 2010 and was not expected to change significantly in 2011 (PIOJ 2012: 20.8). Emigration to Canada shows a steady decline from the 1970s, moving from 59,921 in the 1970s to 25,968 between 2000 and 2011 (see Table 7.3). The numbers of Jamaicans accorded permanent status in the UK also declined steadily from the 1970s to the late 1990s, falling from a total of 13,832 for that decade to 4,266 in the 1990s, averaging around 300 a year up to 1999, when it jumped to 1,435. This upward trend continued into the 2000s, up to 32,932, ranging from a low of 1,882 in 2000 to 3,520 in 2005 and just under 3,000 in 2011 (see Table 7.3).

Table 7.3 Main streams of Jamaican migration since 1970

Decade	Total	USA	Canada	UK
1970s	201,747	127,994	59,921	13,832
1980s	257,354	215,158	38,117	4,079
1990s	211,034	170,218	36,550	4,266
2000–2011	275,469	216,569	25,968	32,932
Total	**945,604**	**729,939**	**160,556**	**55,109**

Note: These figures are revised from those reported in past volumes of the *Economic and Social Survey Jamaica* produced by the PIOJ. These revised figures are based on data provided by official government records of host countries. The UK figures have undergone the largest revision, as previous data were based on immigration records from Jamaica, which did not capture Jamaicans already living in the UK who obtained 'regularised settlements of right to abode'. The data and explanation were provided by Ms Toni-Shae Freckleton, Acting Manager of the Population and Health Unit, Social Policy, Planning and Research Division of the PIOJ.

Source: Data up to the 1990s provided by PIOJ (2011). Data for 2000–2011 computed from PIOJ (2012, Table 20.5a).

As Thomas-Hope et al. (2012: 27) have observed, migration flows are determined by immigration laws and regulations in host countries. There are a number of developments in UK and US immigration regulations that might affect Jamaican migration. Changes to UK immigration rules which took effect on 9 July 2012 are likely to see a slowing of migration streams to the UK. These include the introduction of a minimal threshold of £18,600 (US$29,243.52) for sponsoring a spouse or partner, which increases to £22,400 (US$36,391.49) if a child is included. This figure increases by £2,400 (US$3,899.14) for each additional child. In addition, the regulations make it more difficult for the spouses of UK citizens to get citizenship, even if they can meet the monetary requirements, by increasing the probationary period to 'test the genuineness of the relationship' from two to five years, even for spouses and partners who have been living together overseas for at least four years, who were granted immediate settlement under the old rules (UK Border Agency 2012). The regulations also make it more difficult for elderly dependants to migrate.[13] US President Obama's executive order that allows young undocumented aliens to apply for jobs, join the military and pursue an education as a temporary stop-gap measure (Cohen 2012, USCIS 2012), which would prevent their deportation for two years, could well have favourable implications for undocumented Jamaicans.[14]

Jamaica also receives immigrants, although the numbers are significantly smaller.[15] The categories of immigrants to Jamaica include returning residents and deportees, Commonwealth citizens, aliens (non-Commonwealth) and refugees. In response to the CSME, which allows the movement of skilled nationals across the CARICOM region, Jamaica now reports on the numbers of skills certificates issued, although this does not necessarily reflect the numbers of such persons resident in Jamaica.[16]

The numbers of immigrants entering Jamaica since the mid-1990s appears to be fairly consistent, under 9,000 for most years, as Table 7.4 shows. The table suggests a steady decline in the numbers of voluntarily returning residents, and fluctuations in the numbers of involuntarily returned residents (deportees), although the data for the 2000s suggest higher levels of involuntary return than in the 1990s. Most of the fluctuations occur within the Commonwealth citizens and aliens groups, which increased dramatically between 2006 and 2008, more likely than not reflecting the manpower requirements of foreign companies at the time. Most work permits issued were to persons from China and India, ranging from 45 per cent in 2006 to nearly 60 per cent in 2011 (PIOJ 2008: 21.8 and 2012: 21.8). From 1997 to 2010, 718 persons were granted skills certificates under the CSME (PIOJ 2012: 20.15).

Table 7.4 Patterns of immigration to Jamaica, 1996–2011

Category	1996	2000	2005	2006	2008	2010	2011
Total	**8,146**	**6,810**	**8,194**	**15,132**	**18,059**	**8,721**	**7,519**
Returning residents	2,268	1,282	1,299	1,236	1,031	1,134	1,068
Deportees	1,765	1,730	3,320	3,004	3,234	2,825	2,629
Commonwealth citizens	3,182	2,600	1,500	5,930	5,283	3,487	2,770
Aliens	931	1,198	2,075	4,962	8,511	1,275	1,052

Source: PIOJ (2011, 2012)

7.1.4 Migration and its effects on service delivery

There is an extensive literature that seeks to assess the effects of migration on the source country, which will not be reiterated here. A brief summary of benefits includes the remittances that migrants repatriate, easing of population pressures, benefits from higher levels of skills from returned migrants, greater possibilities of investment, and technology and skills transfers by way of brain circulation. The negative impacts include loss of investment in education and loss of skills in short supply, resulting in shortages and lower-quality services. The challenges of migration extend beyond these, however, and speak to broader issues of competitiveness with implications for the country's economic performance and negative social consequences. The PIOJ (2009: vii) identified the effects of migration as contributing to Jamaica's weak economic performance, instability of families, a weakening of social capital and the 'emergence of negative social values and mindset'. Jamaica's low international competitiveness, which is at the centre of its poor economic performance, cannot be divorced from high levels of skills migration. The 2005 Human Development Report (PIOJ and UNDP 2005: 124) noted a connection between the low levels of qualifications across the society and Jamaica's weak competitiveness. This also appears to affect the competitiveness of Jamaican migrants. The World Bank (2004: 109) suggested that 'returns to education are lower in the US market for Jamaican educated immigrants than immigrants from several other countries'.

The importance of migration in explaining Jamaica's poor economic performance is now being acknowledged. The World Bank (2011) has identified migration as one of the key explanatory factors in Jamaica's weak economic performance because of its effects on labour productivity; the country has a low level of human capital as a result of poor quality of education and training, and high levels of migration of qualified workers. This is important, as the tendency in the literature has been to treat broad macroeconomic issues and migration as disparate, with no connection between the two.

Demographic dimensions

Migration is an important factor in the population dynamics of Jamaica. The PIOJ commented that migration 'continued to impact the population growth and structure, as well as other social and economic factors' (PIOJ 2011: xii). It has contributed to the slowing of Jamaica's population growth, which moved from a rate of 1 per cent in 1996 to 0.2 per cent in 2011 (PIOJ 2012). In 2010, the emigration of Jamaicans was a larger source of population attrition than death: 18,500 and 16,100, respectively (PIOJ 2011: xii). Given the volume of migration, its impact is expected to be felt at all levels of society. The government views migration, in particular, as contributing to Jamaica's post-independence challenges. In his foreword to Vision 2030, the government of Jamaica's blueprint for achieving developed country status, Wesley Hughes, Director of the PIOJ at the time, identified migration, along with rapid urbanisation and globalisation, as having a 'negative impact on the structure and stability of the Jamaican family', the result of which has been 'a weakening of social capital and the emergence of negative social values and mindset' (PIOJ 2009: vii).

Migration is widespread across economic sectors, age groups, genders and skill sets. The migration data for the top destination country for Jamaican migrants, the USA, showed children and persons in the prime working-age population as constituting the majority of migrants: 22.7 per cent in the 0–17 age group; 14 per cent in the 25–34 group; and 20.7 per cent in the 35–44 group (PIOJ 2012: 20.9). Similarly for Canada, the majority of migrants are in the 10–39 age group. The concentration of the young in migration statistics is likely to be generalised given that family unification is the main reason for migration, accounting for 96.7 per cent of total migrants (PIOJ 2012: 20.8). This has implications for the structure of Jamaican society, which has shown signs of population ageing. Jamaica is classified as being at the intermediary stage of demographic transition, with declines in the 0–14 age group and increases in the working-age (15–64) and dependant-age (65+) groups (PIOJ 2011: 20.3). The working-age population is expected to peak by 2030 (Ibid.). This development has potentially positive and negative effects. The increase in the working-age population is generally viewed in positive terms, as it presents a window of opportunity for governments to harness this population for development. On the other hand, this group could be potentially destabilising if the economy is unable to absorb them. This is the more likely outcome if Jamaica continues on a path of slow growth, characterised by high levels of youth unemployment. In January 2004, some 41.8 per cent of people between the ages of 14 and 19 and 31.4 per cent between 20 and 24 were unemployed (STATIN 2012). The effects of the recession in further slowing down the economy, and the outcome of IMF austerity measures that exacerbate unemployment, coming on the back of already astronomical levels of youth unemployment and reduced wages, suggest challenges for the short and medium term. When these are placed alongside high levels of youth involvement in crime,[17] including violent crime, the picture is grim.

Another aspect of the demographic shift which Jamaica is experiencing is the increase in the categories of the elderly (60 and older) and the dependent elderly (65 and older), both of which are expected to grow substantially up to 2050 (PIOJ 2011: 20.3). The likely effect of this is a greater burden of care on society, both economically and socially, at a time when its young people are declining in numbers, and it faces shortages of skilled health professionals.

Skills

It is difficult to determine the effects of migration on the Jamaican economy. Studies on the effects of migration have focused on the health and education sectors, although this is unlikely to reflect the true extent of the problem for society as a whole. Even so, despite the reach of the problem across all areas of specialisation in health, the focus has been on the impact of nurses' migration, the effects of which are more obvious. The education sector has also been addressed in the literature, where the effects are felt in lower quality and in shortages in some specialisations (Sives et al. 2006). The literature has focused on the high proportion of people with tertiary education among the migrants, yet it overlooks the high proportions of skilled people with lower educational levels, the loss of whom also has a negative impact on the economy and society. Anecdotal evidence suggests that the construction sector has

suffered from a loss of skilled craftsmen such as carpenters, plumbers and electricians which is likely to increase the cost of construction while negatively affecting quality. Emigration data give little indication of the range of skills lost, as the majority of migrants do not report an occupation. For example, 72 per cent of persons migrating to the USA between 2006 and 2009 did not indicate a profession.[18] Of the 28 per cent who reported an occupation, 16 per cent were in services. These data need to be further deconstructed to be analytically useful. It should not be assumed that the large numbers indicating no occupation were not employed before leaving and that their loss has no economic impact. Thomas-Hope (2009a: 19) notes that, contrary to the widely held assumption that migration functions as a pressure valve providing an outlet for large numbers of unemployed people, those already employed were the ones most likely to migrate. A 2007/08 survey cited by Thomas-Hope et al. (2012) revealed that migrants were more educated than the rest of the society, with 20 per cent holding university degrees compared with 7 per cent of the Jamaican population. In addition, they also earned more, on average, than the rest of the population.

Effect on gender

Another element of the migration dynamic is that women were the largest group of migrants,[19] 55.6 per cent in 2010: 10,995 compared with 8,830 men (PIOJ 2011: 20.9). This represents a shift towards women since the 1960s (Thomas-Hope et al. 2009a, citing Momsen 1992, Timur 2000 and Mortley 2003). This is significant for the elderly and dependent elderly, who are more likely to be left behind, especially given women's roles as the main caregivers. The high proportion of women among migrants also has negative implications for children. Despite the large proportion of the young who migrate with their parents, there are many who are left behind for a while, if not permanently. In Jamaica the term 'barrel children' has been coined to describe these children's dependence on the remittances of loved ones. Recent literature examines the psychosocial effects of migration on such children (Crawford-Brown and Rattray 2001, Gibbison 2002, Bakker et al. 2009). The child psychologist Audrey Pottinger (*Jamaica Gleaner* 2008) argues that Jamaican children whose parents have migrated are more susceptible to suicide and depression. She also indicates that there are implications for the academic performance of such children and a heightened risk of sexual abuse. Pottinger et al. (2009) also pointed to the under-explored psychological effects on the migrant parents who have left children behind and the challenges of integrating in the host country when family re-unification does occur.

Health

Despite improvements in Jamaica's health sector, challenges remain, which are likely to be exacerbated by high levels of migration of health professionals. These include access to good-quality healthcare, which is reflected in the UNDP's health-adjusted life expectancy of 67 (UNDP 2011: 160) and persistently high levels of maternal mortality, 94.8 per 100,000 live births in 2010. Jamaica also faces significant challenges related to lifestyle diseases, maternal health and child/adolescent health. As reported by UNDG (2011), HIV and AIDS still pose a serious threat to Jamaica's health development even though the government has developed preventative policies

to sensitise the public. The National HIV/STI Programme (GoJ 2010) estimated that there were 32,000 persons living with HIV and 50 per cent of the infected individuals were not aware of their health status. Persistent high levels of migration of health personnel increase the country's difficulty in addressing these outstanding challenges.

Although high levels of migration occur across the medical professions, the migration of nurses has been most visible and so has received most attention from the media, academia and policy-makers. Jamaica experiences high levels of nurse migration, which gives rise to high levels of vacancies, with estimates ranging from 58.4 per cent (Caribbean Commission on Health and Development 2005, cited by Mortley 2009) to 25.5 per cent of all approved positions (World Bank 2009: 60). The latter may under-represent the real situation, as approved positions are based not on need, but on budgetary considerations. More highly trained and experienced nurses are over-represented in the migration data, with an estimate in 2001 that 20 per cent of specialist nurses had migrated, compared with 8 per cent of Registered Nurses (RNs) (Bell 2001). The effects of migration on the health system are well documented and include nurse shortages, lower quality of care, a greater burden of work on existing staff, lower staff morale, higher levels of industrial action, cancelled surgeries, merged patient care units and reduced government subsidy to train nurses, inter alia (see Hewitt 2004, Mortley 2009). Patient dissatisfaction with service delivery is also a problem associated with shortages of medical personnel (PIOJ 2009: 47).

Education

Jamaica's education sector has also suffered from migration. Although this has not generated shortages across the board, it has led to shortages in specialist areas such as maths, sciences, information technology and English (Sives et al. 2006). It has also had an effect on the quality of education delivered. According to UNDG (2011), Jamaica has experienced great improvement in the education system over the years, but still faces several limitations. These include 'quality constraints, inequalities, governance and management issues' (Ibid.: 2). The report indicates that the main issues faced by the education sector are 'issues of access, quality, accountability, supply of teachers for the formal education system and security' (Ibid.: 2). According to the World Bank (2011), Jamaica's quality of education relative to other developing countries is low because few resources are available to train and educate workers. High enrolment rates, particularly at the secondary level, obscure a fall in the expected years of schooling from 13.8 to 9.6. There are quality issues at the primary and secondary levels, as well as problems in gaining equity in access to good-quality education.

The effects of migration on quality are likely to undermine the strides Jamaica has made in the education sector. Jamaica's favourable enrolment statistics mask an education system that has been labelled as failing large numbers of its children, particularly those from poor social backgrounds. This is evident in performance in maths and English at all levels of the education system. In the Grade Four Numeracy and Literary Tests (GFNT and GFLT) administered at the primary level two years before the end of primary school, only 41.6 per cent of students achieved 'mastery' of numeracy and 67.1 per cent 'mastery' of literacy in 2010 (PIOJ 2011: 22.10). When

disaggregated by gender, the results were much worse for boys, who achieved scores of 34 per cent in numeracy and 56.4 per cent of literacy.

In the Grade Six Achievement Test (GSAT), which determines placement at the secondary level, the mean scores for maths and language arts were 57 and 58 per cent, respectively, with girls outperforming boys. At all levels, children from kindergarten and preparatory schools outperformed those from public schools.[20] The situation is even more dismal at the secondary level, with only 80.2 per cent of the eligible grade 11 cohort sitting the Caribbean Secondary Education Certificate exams. This percentage fell dramatically for English and maths, with only 42.4 per cent of the enrolled cohort sitting maths and 49.1 per cent sitting English; of these, 70.8 per cent passed English language and 44.7 per cent passed maths (PIOJ 2011: 22.14, 22.15).[21] Behind these statistics lie deep social divisions that permeate the society. The UNDP/PIOJ *Jamaica Human Development Report 2005* noted that 68.3 per cent of the poorest children between the ages of 15 and 16 were enrolled in school (PIOJ and UNDP 2005: 121). The figure for the wealthiest group was 93.1 per cent. This inequity is mirrored in the wider society, where 92 per cent of people in the lowest quintile had no qualifications while 63 per cent of those in the wealthiest group had some (Ibid.: 122). Migration is likely to affect schools which poorer children attend and which already experience low levels of resources, poor working conditions, higher teacher-to-student ratios and lower pay.

7.1.5 The push factors for migration

It is possible to identify general push factors that work across different sectors of the population and professions as well as those more specific to a particular profession. General push factors are likely to result from the weak performance of the Jamaican economy, which gives rise to high levels of unemployment, particularly youth unemployment; limited opportunities for promotion and upward mobility; low pay relative to cost of living; and high levels of crime and human insecurity. Factors more specific to the nursing profession, which has been the main focus of investigation in the literature, include poor working conditions, limited opportunities for promotion and lack of professional development and training (see Lewis 2011). A World Bank (2009) study on nurse migration from a select group of CARICOM countries, including Jamaica, suggests the importance of pay, work conditions and opportunities for promotion in influencing nurses' decisions to migrate. A small survey of Jamaican migrant and non-migrant nurses, reported in the study, found that 95 per cent of nurses who migrated[22] identified dissatisfaction with salary as an important reason for migrating. Further, 85 per cent of nurses who had migrated declared themselves satisfied with their pay, as opposed to only 6 per cent of non-migrant nurses[23] (Ibid.: 25). The authors also suggested that the importance of sending remittances back home may have influenced the decision to migrate, as nearly 80 per cent of migrant nurses interviewed sent remittances amounting to around 5 per cent of their net income (Ibid.: 26). Some 57 per cent of 165 RNs residing in Jamaica were either dissatisfied or very dissatisfied with their work conditions.[24] Of the migrant RNs interviewed, 60 per cent identified educational opportunities for their children as an important reason for emigrating and 81 per cent identified 'better work and career development

opportunities' as important reasons (Ibid.: 26). The study also sought to establish the importance of GDP performance and wage differentials between host and source countries as factors influencing the decision to migrate.[25] In general, the country's weak economic performance, reflected in low wages, high levels of unemployment and crime, is likely to influence the decision to migrate (see Pienkos 2006).

7.1.6 Deriving benefits from migration

Despite the many challenges that migration presents, the literature has pointed to a number of positive outcomes which the source country could seek to maximise. These include remittances, the return of skilled migrants and the engagement of the diaspora as a source of expertise and investment, a market and a lobby group on the source country's behalf. Declining inflows of ODA and FDI, commented on earlier, alongside increasing inflows of remittances, which remain strong even in times of crisis, provide the basis for viewing remittances in a positive light. The literature has been concerned with how to increase and maximise remittance flows in the service of development. This has led to a focus on reducing the cost of remittances, so that a larger proportion enters the home country, and channelling its use to productive enterprises rather than consumption. This raises questions of what constitutes consumption as opposed to investment and how to accurately record and measure remittance flows, especially given the variety of informal channels open to remitters. The challenge here is that remittances are primarily private flows over which a government has little control. Government policy would thus be limited to providing incentives to encourage more productive uses of remittances.

The literature has also identified the return of migrants to their home countries as one of the positive outcomes of migration (Ammassari and Black 2001). Such migrants are expected to have gained experience in the host country as well as greater familiarity with technology, which could be employed in the home country. They are also likely to have funds which could be channelled to investment. There has been a more recent focus on the value of migrants engaging with the home country while still resident in the host country. Advances in technology and its greater availability allow migrants to invest in the home country without having to return. AnnaLee Saxenian (2002, 2005, Saxenian et al. 2002), drawing on her work on the role of highly skilled Asians operating in Silicon Valley as a source of skills and financing to their home country, describes this phenomenon as 'brain circulation', a concept which seeks to shift the focus from the negative 'brain drain' to a more positive treatment of the engagement of the migrant with the home country. Through communications technology, migrants are able to 'act as middlemen connecting corporations in their adopted country with expertise in the home country, drawing the latter into processes of globalization while expanding market access of the former, or can themselves invest directly in the home country' (Lewis 2011: 71). This has thus shifted the focus to the role of the diaspora in development.

The following discussion focuses on the importance of remittances to Jamaica. Return migration and the diaspora are discussed in section 7.2 under policies employed by government to address migration.

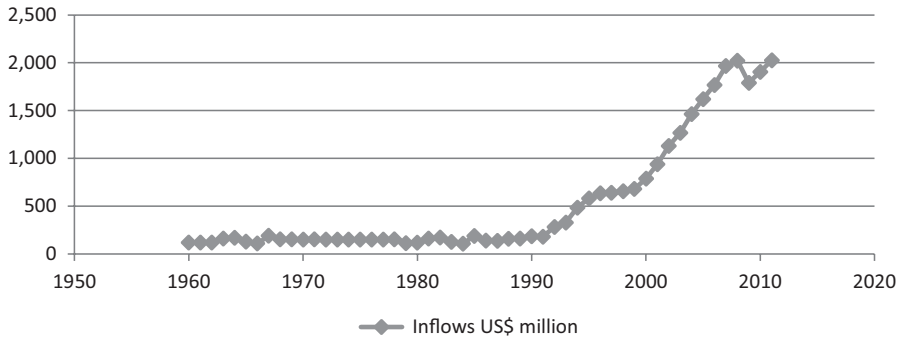
7.1.7 The impact of remittances on Jamaica

Remittances have been identified as one of the positive outcomes of migration and, as already noted, feature prominently in Jamaica's national accounts. Analysis of remittance inflows to Jamaica shows a marked jump in their importance since the 1990s, escalating in the 2000s. Thus, as noted by Brown (2012), remittances moved from US$1.5 billion over the 1980s to US$4.7 billion in the 1980s, climbing to US$14.8 billion in the first decade of the 2000s (Brown 2012: 32). In annual terms this represents a movement from US$121 million in 1980 to US$2.0251 billion in 2011 (Ibid.). Jamaica's remittances inflows were at their highest in 2008 (US$2.02 billion) just before the economic crisis began. Consistent with the main destination of Jamaican migrants, the main sources of remittance inflows were the USA, the UK, Canada and the Cayman Islands. Between April 2010 and February 2012, the USA accounted for 55–63 per cent of inflows; the UK 14–20 per cent; Canada 10–14 per cent; and Cayman 2–8 per cent (Bank of Jamaica, cited by Brown 2012; see Figure 7.3).

The impact of the global financial crisis imposed significant constraints on remittance senders to Jamaica; in 2008/09, 70 per cent experienced job losses, reduction of working hours and/or increases in miscellaneous expenses. This resulted in 53 per cent of the recipients experiencing drastic reductions in remittance flows (Ramocan 2010). Remittance flows have picked up since, surpassing 2008 levels (US$2021.3 million by the end of 2012 (BOJ 2013: 13).

These data on historical remittance flows should be read with caution, as changes in the channels through which funds are remitted and regulations governing the reporting of remittances partly account for the comparatively low figures recorded before the 1990s. They include adjustments made by the IMF in its 5th Balance of Payments manual in the reporting of remittances in the BOP, which Jamaica adopted, more stringent reporting requirements introduced since 2001 following the events of 11 September 2001 in the USA, and the strengthening of legislation in Jamaica, which gave the Bank of Jamaica regulatory functions over the setting up of remittance agencies (Brown 2012: 35).

Figure 7.3 Remittance inflows since 1960



Source: Bank of Jamaica, cited by Brown (2012)

In Jamaica remittances make a significant contribution to the income of households. The BOJ notes that they also have a positive impact on foreign exchange inflows and the balance of payments position (Ramocan 2010). Over the period 2001–2010, the numbers of households receiving remittances ranged from a low of 26.6 per cent in 2002 to a high of just over 45 per cent in 2006. This fell to 44.1 per cent in 2010 (PIOJ and STATIN 2012: 2.8, table 2.5). In Jamaica, the wealthiest households receive higher levels of remittances than the poorest households. The *Survey of Living Conditions 2010* (PIOJ and STATIN 2012: 2.8) indicated that 50.9 per cent of households in the highest quintile received remittances, compared with 34.7 per cent of those in the lowest quintile. This appears to support Alleyne and Williams's 2009 study, which found that, while remittances had some effect on reducing poverty (by 2.7 per cent) and the poverty gap (by 4.7 per cent), they contributed to a worsening of the inequality gap (cited by Brown 2012: 15). The *SLC* also showed a higher percentage of female-headed than male-headed households benefitting from remittances, 48.3 per cent and 40.5 per cent, respectively (PIOJ and STATIN 2012: 2.8). In addition, at the individual level, women were also the greater recipients of remittances. The BOJ's Remittance Survey Report (Ramocan 2010: 17) showed that 75 per cent of the recipients were female. A significant proportion of the labour force also benefitted from remittances. Some 44 per cent of remittance recipients were between 26 and 40 years old; of these persons, 40 per cent were not a part of the labour force (Ibid.: 18, 20). The educated were the major beneficiaries of remittances, the majority (90%) having at least a secondary education. Nearly 30 per cent (27.5) had tertiary education (Ibid.: 20). Further, nearly 40 per cent of recipients were unemployed, 13 per cent of whom were not seeking employment. Considering that the main beneficiaries of remittances are the better educated, this would suggest that there is some credibility to the view that remittances pushes up the reserve wage at which people are willing to work.

Remittances in Jamaica are dedicated mainly to daily expenditure. The BOJ's Remittance Survey results (Ramocan 2010: 36) showed that more than three quarters of remittances are spent in daily expenditures including utility bills and food. Most of the vast sum of money remitted each year is spent on daily consumption, which contributes significantly to Jamaica's GDP. The poorest sector of the population dedicated 12.5 per cent of remittances to education (PIOJ 2006). The BOJ's Remittance Survey (Ramocan 2010) indicated that the funds received were used to cover consumption expenditure: 19 per cent paid utilities bills; 18 per cent was spent on food; and 14 per cent was used for education expenses.

Another major use of remittances in Jamaica is in providing venture capital and entrepreneurship (Chevannes and Ricketts 1997). The BOJ's survey indicated that, as recently as 2010, 6 per cent of remittances were dedicated to investment (Ramocan 2010), which is a moderate contribution to GDP but will also produce further impact given the multiplier effect. These contributions are made both in cash and in kind, the latter consisting of technological products as well as appliances which can be used as personal and investment goods in small businesses. Chevannes and Ricketts (1997) also found that remittances provide Jamaicans with adequate access to formal financial services with a source of capital for investment. Remittances also make a significant contribution to the construction of homes (Dixon 1997). Remittances have

been used as a sort of 'insurance' following damages incurred by natural disasters such as hurricanes (Samuel 1996).

7.1.8 Channels through which remittances are received

The main formal channels for remittances are remittance companies, whose importance has mushroomed since the 1990s, with their share of the market growing from 30 per cent to 85 per cent between 1995 and 2011 (Brown 2012: 34). The regulatory framework for remittances was tightened with the extension of money-laundering legislation to the sector in 2002 (in response to the events of 11 September 2001), and legislation introduced in 2004 gave the Bank of Jamaica greater regulatory control over the operations of remittance agencies and agents (Brown 2012: 35, Kirton 2009: 6). The BOJ gathers data on remittances from remittance agents and agencies, commercial banks, merchant banks, credit unions, building societies and post offices as well as the Jamaican Customs Department (Ibid.: 6). Kirton notes that Customs Department, while going some distance towards filling the data gap on in-kind remittances, does not give a true picture of the magnitude of this source of remittances, as it records volumes only above a specified amount per shipment (Ibid.). Ramocan (2010: 3) identifies three ways in which the quality of remittance data is compromised: '(1) the large volume of private transfers that bypass the formal system; (2) the loss of data due to predefined thresholds, and (3) the incorrect classifications of remittance as "miscellaneous" or "other".'

7.2 General development strategy with regard to migration

7.2.1 Policies to address migration

Policies in place to address migration are directed at the following:

- creating an enabling environment for the inflow of professional and skilled workers;
- managing the framework for migration at national, regional and international levels;
- increasing the training of persons in professions with high levels of emigration to meet perceived external demand while meeting local needs;
- negotiating with target countries short-term labour contracts for less skilled workers for the temporary relief of labour pressures; and
- engaging the diaspora as a source of skills, investment and support.

Strategies aimed at creating an enabling environment for the inflow of professionals are located both in the legal framework governing migration and in the active recruitment of desired skills. Thomas-Hope et al. (2009a, b) note that the legal framework for migration is governed by largely outdated legislation. This provides the framework for the private sector, particularly foreign companies, to employ personnel of non-Jamaican origin. As Thomas-Hope et al. (2009b) note, the legislation does not require companies to show that the jobs cannot be filled by Jamaicans. In addition to existing legislation, the government, as part of the fulfilment of its obligations under

the CSME, has extended the legislative framework to ease immigration restrictions on specified categories of persons from CARICOM member states. The initial list comprised musicians, artistes, sports and media personnel and university graduates; it was extended in 2006 to include nurses, teachers and persons with technical and vocational qualifications. This has the potential to encourage greater intra-regional migration of nurses and teachers as an alternative to extra-regional migration.

This element of the treaty has proved particularly challenging for governments to implement since the global financial crisis. Moreover, given the low levels of movement under this scheme, it is likely that governments and/or professional organisations would have to actively encourage and support such movement. This is largely because movement of nurses and teachers has been to countries outside the region. Where movement has occurred within the region, it has been to countries such as The Bahamas and Cayman Islands, which are not member states of the CSME. This suggests that geographical proximity is insufficient to contribute significantly to such movement (see Lewis 2011: 95). Rather, the prospect of higher incomes and improved opportunities for professional development are the main determinants of the migration of professionals. It is also not clear if the CARICOM region can overcome the pull factors of greater salaries in traditional recruiting countries inside and outside the region. The CSME does provide the space for the circulation of nurses and teachers by offering an opportunity to experience the region, but this will probably have to be actively promoted.

The free movement of professionals throughout the CSME is not without potential problems. The most obvious challenge is the extent to which such movement may aggravate existing tensions within CARICOM. Countries experiencing strong push factors, such as high crime, low pay and few opportunities for advancement, are likely to be less attractive destinations for migrants and may well suffer a net loss of skilled people, especially where more attractive remuneration is offered. This is a consideration that cuts across skills but may have even greater impact given the visibility of health and education and the well-recognised challenges in delivering quality in both.

In Jamaica, the shortfall in nurses has been addressed through the active recruitment of nurses from outside Jamaica. This occurs at the levels of both government and private institutions. Cuba and India have gained in importance as source countries, although nurses have been recruited from some countries in Africa, particularly Nigeria. The recruitment of Cuban nurses is governed by intergovernmental agreements between the Jamaican and Cuban governments and is strictly regulated. Recruitment of nurses from other sources is driven by particular health institutions but is governed by the regulations of the Nursing Council of Jamaica (NCJ), which monitors applications and ultimately gives approval for their employment.

7.2.2 Managing the framework for migration at national, regional and international levels

Migration of professionals is regarded as a loss of resources invested in training, especially where the government bears a significant proportion of the cost. In Jamaica,

the government bears the brunt of the cost of education at all levels. Traditionally, primary education is free.[26] This has been extended in 2007 to the secondary sector.[27] The government invests heavily in the tertiary sector, underwriting to a large extent the budgets of the University of the West Indies (UWI) Mona campus and the University of Technology. Some 17 per cent of the education budget goes to the tertiary sector (PIOJ 2012: 22.2), although there have been significant cutbacks in 2007. The UWI Mona campus, for example, had to cope with a J$1.5 billion (US$17.2 million) cut in subventions in 2011. The government has also invested heavily in the training of nurses and teachers, although it has reduced the level of support to students in recent years by shifting some of the costs to them. Even so, the government allocates a significant proportion of its budget to education, some 38.5 per cent in 2011 (PIOJ 2012: 22.2). Hospitals such as the University Hospital of the West Indies (UHWI, the UWI's training hospital) also invest heavily in post-basic training of nurses, the migration of whom results in a loss in investment resources. The response to this has been to bond nurses benefitting from such support, requiring them to either serve their bond before migrating or repay the cost of their education. This has not proved to be an insurmountable obstacle, as recruiting agencies opt for paying off the bonds of nurses they recruit. Moreover, the cost of the bond may not reflect the true cost of training. Even if it did, a greater problem is the recruitment of nurses with more years of experience and with higher levels of specialisation, the loss of whom is not addressed by bonds.

The regional response to the challenge of nurse migration has been to introduce a policy of 'managed migration' initiated by a number of regional and national institutions,[28] with the establishment of a Regional Task Force for Managed Migration. CARICOM heads of government supported this initiative with the establishment of a Regional Commission on Health and Development (Greene 2005: 4). These efforts were supported by a Commonwealth seminar on 'Managed Migration of Nurses' in 2005, which sought to advance a 'Framework of Action for a Programme of Temporary Movement of Nurses' through arrangements allowing their temporary migration. This could be read as an attempt to extend to nurses the temporary employment concept under which farm and hotel workers programmes operate. Assessment of the regional managed migration initiative suggested that it was not particularly successful, as it was not integrally incorporated into regional mechanisms to allow it to function as a regional initiative (Salmon et al. 2007).

CARICOM, in its negotiation of the CARIFORUM–EC EPA, successfully negotiated greater access for a number of professionals, including nurses, to the EU market on a temporary basis. Whether or not this provision has any effect is questionable. This is because nurses are already in high demand and do not need such schemes to facilitate their access. Language considerations ensure that demand for their services is limited to the UK. This is unlikely to change, given language barriers, unless other EU member states specifically target these nurses with specially tailored language training. This is unlikely to occur under short-term labour programmes such as the EPA offers. Given the health challenges facing the CARICOM region, the rationale for securing increased access for Caribbean nurses is counterproductive. This makes sense only if it is an attempt to shift the current appetite for permanent migrants

towards temporary schemes in what could be interpreted as an enlightened managed migration scheme. Its more likely motivation is the tendency to view remittances positively, and the desire to expand the access of professionals to the EU market in an environment that is not conducive to permanent migration.

Such temporary migration schemes would presumably address the factors of higher salaries and enhanced experience while stemming the permanent outflow of nurses, thus preventing their complete loss to the source countries. This is unlikely to address nurses' desire for greater professional mobility and promotion, however, given the short-term nature of such programmes. It is also unlikely to address the need of host countries to fill increasing numbers of vacancies in their health systems and their longer-term strategic goals for the sector.

The government has also engaged, along with other regional governments, at the international level in helping to regulate the framework for skills recruitment, particularly in health and education. The focus has been on ensuring that such recruitment is done ethically and that migrants are treated fairly in the host country. Such efforts have resulted in changes in domestic regulations in host countries as well as framework agreements developed under the auspices of the Commonwealth and the World Health Organization (WHO). In health, these include the 'Commonwealth Code of Practice for the International Recruitment of Health Workers' (Commonwealth Health Ministers 2003) and the WHO 'Global Code of Practice on the International Recruitment of Health Personnel' adopted in May 2010. The Commonwealth code is restricted to a limited group of recruiting countries in the Commonwealth, notably the UK and Australia. It addresses 'transparency in recruitment practices; fairness in the treatment of nurses in destination countries; compensation to sending countries for loss of skills; and facilitating return migration' (Lewis 2011: 96). The WHO code is of wider applicability and is more extensive in scope. It is an umbrella code seeking to govern nurse recruitment at all levels: in the public and private spheres as well as at the bilateral, regional and international levels. It attempts to minimise the negative effects of such migration on the source countries by seeking to commit recruiting countries to initiatives that would help to offset some of the more egregious effects of such migration. Specifically, the code seeks to commit recruiting countries to provide 'technical' assistance to source countries to enhance their ability to retain their health personnel; to support training directed at the main health challenges facing such countries; to increase access to specialised training and facilitate technology and skills transfers; and to support return migration (Lewis 2011: 96).

Regional governments agitated for the Commonwealth to address the loss of teachers through recruitment. This campaign was expressed in 'The Savannah Accord' adopted at the 2002 meeting of Commonwealth ministers of education and in the 2004 'Commonwealth Teacher Recruitment Protocol'. These protocols are non-binding and are useful in so far as they establish codes for acceptable practice. On their own they are unlikely to ensure the transfer of resources from host to source countries, and they are even less likely to do so in the face of economic challenges brought about by the prolonged financial crisis.

7.2.3 Increasing training to meet external and local demand

The middle of the first decade of the 21st century was a period of intense media focus on the migration of nurses. One of the policy approaches that became popular in Jamaica then was increasing the levels of training of nurses and other health professionals to meet external demand. This was advocated by newspaper commentators (e.g. Hill 2003, 2004), in policy circles (PIOJ and UNDP 2005: 126–127), at the highest political levels by the Prime Minister, PJ Patterson (*Jamaica Observer* 2003) and, more recently, by IFIs (World Bank 2009). The main justification is the limited influence source countries have in addressing the demand for nurses that exists in host countries, which projections suggest is likely to worsen over time, and, consequently, the challenges they will continue to face in meeting their own health needs. Increasing the numbers of trainees to meet both domestic and international demand thus appeared the logical direction to take. Moreover, and as importantly, it would increase the inflow of remittances, which had begun to play a significant role in the economy.

The *Jamaica Human Development Report* (PIOJ and UNDP 2005: 126) sets out the justification for this approach:

> In the absence of any legal power to prohibit migration of skilled workers, countries like Jamaica has [sic] begun thinking in terms of training sufficient workers in specific professions to adequately supply the local market, while making excess capacity available for managed export of these services. Under the Trade in Health and Education Project sponsored by the Commonwealth Secretariat, Jamaica is developing and implementing training for the external market.

It sought to further justify this by arguing that this approach will 'widen access to tertiary level education to Jamaicans and over time, improve the overall quality of teachers trained locally', and increase financial flows to the country 'through payment of more realistic fees and through remittances' (Ibid.: 127). It goes on to suggest that, 'without sufficient replacement training, the continued migration of teachers … will, over the long run, have a deleterious effect on the quality of instruction offered in Jamaican schools' (Ibid.: 127). This assessment does not consider the problems in the availability of quality applicants for training, given the poor quality of output at the primary and secondary levels. Even more challenges can be expected in finding and keeping highly trained teacher educators, given their greater propensity to migrate.

The World Bank (2009) assessed the feasibility of this approach for the nursing sector. To reduce significant shortages in the sector while meeting the challenge of high levels of nurse migration, it proposed coupling increased training with implementing strategies to significantly reduce attrition from training programmes, which is high across the region. Although Jamaica has one of the highest completion rates for student nurses, this is still only just over 60 per cent (Ibid.: 31). In the report's best-case scenario, of increasing nursing completion rates to 85 per cent and increasing student intake by 100 per cent, Jamaica would still have met only 75 per cent of its need for nurses by 2025 (Ibid.: 39). The report attributes low levels of student performance to

the quality of student intake, high student-to-tutor ratios and insufficiently qualified nurse tutors (Ibid.: 32). In Jamaica, only half of nurse tutors were said to possess the minimum qualification of a master's degree (Ibid.: 32). A significant expansion in training in the best-case scenario presented above would require significant increases in numbers and quality of nurse tutors. Quality could be addressed by increasing the training of tutors, and quantity by recruiting from abroad (Ibid.: 37, 38). This scenario is unlikely to be feasible given the high demand for nurse tutors internationally and Jamaica's experience of nurse tutors being in high demand by recruiters. It is unclear what the region's comparative advantage in attracting tutors would be.

The World Bank report also recognised that expanding training programmes would require financial outlay, suggesting that this could be addressed by moving more of the burden of the cost of training to the student and securing financial input from the countries that benefit most from nurse migration: the USA, the UK and Canada (Ibid.: 42). The feasibility of getting these governments to bear some of the costs of training nurses in the region is highly uncertain, especially given the reality that nurses recruited from the region do not necessarily go to public institutions in these countries, but often go to the private sector. Shortages in healthcare specialists have generated an offshore industry in the training of healthcare professionals, including nurses, which has not been taken account of in the study.

Beyond the feasibility of expanded training, this approach presents other challenges that are not considered, such as the potential for increasing social tensions. Despite attempts to encourage men to enter the profession, it remains dominated by women, particularly young women. The massive exodus of this group, according to projected demands in developed countries and migration trends in the region, is likely to aggravate existing challenges. These include their role as caregivers for children and the elderly. Even if nurses migrate with their families, this is unlikely to include members of the extended family such as grandparents. In the broader picture, this has the potential to further skew Jamaica's demographics towards an ageing population, with greater healthcare challenges. There is a further danger of distorted development if training needs are based not on an assessment of the country's development strategy and skills needs, but on shorter-term considerations of what the international market wants.

An alternative or complementary model for addressing demand for health professionals is the use of offshore medical schools. The region has been experiencing a dramatic increase in both the number of such schools and the range of programmes offered. Currently, there are over 30 such schools operating across the Caribbean region.[29] In addition to traditional medical degrees, there are now institutions offering training in dentistry and nursing. The primary target of these schools, in terms of both student intake and market, is external. The marketing strategy used to attract students is training for employment, primarily for the North American market (the USA and Canada), but there is also a general global pitch. These schools rely on clinical internships in the USA and the UK, to a lesser extent,[30] both to compensate for the absence of training hospitals and to increase their competitiveness. They also offer classes for US medical board exams, which students take to increase their portability.

In Jamaica, two such institutions established operations in 2009 to take advantage of the market for healthcare professionals. These are the All American Institute of Medical Sciences (AAIMS), an offshore medical school which established a campus in Black River, St Elizabeth, and Marmicmon Integrated Marketing and Communications, a Canadian-based firm, which specialises in addressing manpower needs, including for health professionals. AAIMS differentiates itself from other programmes by offering a flexible slate of offerings that includes a pre-med programme, targeting high school graduates, leading to an Associated Degree in Health Services and eligibility to enter the Doctor of Medicine (MD) programme; a dual degree that combines an MD programme with a Master of Science (MSc) in a specialist area in public health;[31] and three degrees over 5.4 years, namely a Bachelor of Science (BSc) in basic health services, an MD and an MSC in public health.

Traditional nationally based training schools have also responded to the perceived 'global' market for health professionals. The regional UWI, which opened its medical programme at its Mona campus in Jamaica when it was established in 1948, has since expanded with medical faculties on both its campuses in Trinidad and Barbados. In addition, the Mona campus increased its intake of medical students in 2010/11. This was done by opening its doors to students who were willing to pay the full cost of training without government subsidy, which had previously limited the numbers of student intake. To support this, it has built a state-of-the-art training facility. UWI has also expanded its programme offering, with the establishment of dental schools at Mona and its St Augustine campus in Trinidad (2012).

Others, such as the University of Technology (UTECH) and the private Pre-University School, responded to the demand for health professionals in North America by both increasing training programmes and, in the case of UTECH, seeking collaboration with Marmicmon and AAIMS. Marmicmon partnered with UTECH and the Pre-University School, and a number of government training schools – Brown's Town Community College, Knox Community College and Nuttall Hospital (Marmicmon 2009) – to expand the training of nurses for the North American market. Training was based on a Canadian curriculum. The programme was specifically targeted at the Canadian market. The Licensed Practical Nursing programme offered the prospect of employment in Canada, guaranteed on the successful completion of background checks. To avoid exacerbating the outflow of trained nurses, there was a commitment not to recruit RNs and enrolled nurses. Marmicmon also entered into a partnership with UTECH's College of Health Sciences, which launched a School of Dental Services in the 2009/2010 academic year, offering BSc programmes in dental hygiene and dental therapy and a Certified Dental Assistant programme based on a Canadian curriculum (UTECH/Marmicmon 2010). UTECH benefitted from the government's divestment of its nursing and dental training programmes. Clinical training was offered at the refurbished Oral Health Centre, formerly the government-owned Dental Auxiliary School. Graduates were to be eligible to pursue further clinical training in Canada and apply for Canadian and American board exams, qualifying them to practise in both countries. Marmicmon was to provide employment overseas for interested students (Ibid.). The partnership between these various institutions and Marmicmon was short-lived, however, with the company pulling out of Jamaica

in 2011. Challenges arose over the availability of clinical training space in local health facilities for students in the programme as well as conflicts with local legislation governing the training curriculum of nurses. Specifically, the Nursing Council of Jamaica, which approves the training curriculum, had not approved the Canadian curriculum used by these programmes. The partnership with UTECH's School of Dentistry was also ended.

UTECH also partnered with the All American Institute of Medical Sciences (AAIMS), which was established in Jamaica in 2009, to offer a dual degree programme (MD/MSc). This partnership, too, was short-lived. Nevertheless, UTECH has established Joint Colleges of Medicine, Oral Health and Veterinary Sciences, although only the oral health programme was on stream at the time of writing (Kadion Dunkley-Johnson, Admission Office of Dean, College of Health Sciences, personal communication, 2013).

The government actively encouraged offshore schools by wooing them and offering them accreditation.[32] Pearnel Charles, former Minister of Labour and Social Security, viewed this deliberate targeting of markets for employment as a way of providing employment that the government could not provide (Marmicmon 2009). Reginald Budhan, permanent secretary in the Ministry of Industry, Investment and Commerce, observed that the expansion of medical training facilities in Jamaica were to 'position Jamaica as a premier medical centre in the Caribbean, to take advantage of export medical services, including medical tourism' (*Jamaica Observer* 2012). The government's interest in pursuing medical tourism was also evident in the exhortation by Omar Davies, the Minister of Industry, Investment and Commerce, in his address at the opening ceremony of 'Research Days' of the Mona campus of the UWI, to the UWI to pursue research in medical tourism as one of its priorities.

Other initiatives to stem migration of nurses include retention strategies, usually initiated at the institutional level. These include the recognition of individual nurses' contributions. Under Vision 2030, the government is committed to implement strategies to increase retention of 'qualified, competent personnel and balance the training of the new personnel with the present and future needs of the health care system' (PIOJ 2009: 53). Vision 2030 also speaks about implementing a human resources strategy based on an assessment of competencies/skills required for the health sector in order to ensure a 'sustainable supply to the sector' (Ibid.: 53) and establishing a system to manage the impact of migration on critical healthcare personnel (Ibid.: 53). The government is committed to strengthening performance-based management, which would also act as a retention strategy (Ibid.: 53). The above suggests a more thoughtful approach to the problem of shortages that seeks to put the country's healthcare needs before the needs of the global market. It remains to be seen how this is manifested in concrete initiatives.

7.2.4 Negotiating short-term labour contracts for less skilled workers for the temporary relief of labour pressures

As set out in Vision 2030 in respect of labour policy, the government's intention is 'to develop an efficient labour market … [to address] the factors that reduce the efficiency with which the supply and demand for labour are matched'

(PIOJ 2009: 151). Specific measures proposed for achieving this are to 'institute more circular and temporary planned migration programmes' and 'develop and promote flexible labour market arrangements, policies and regulations' (Ibid.: 152).

Although not focused on the diaspora, such strategies could be tailored to address the diaspora as a means of enhancing its engagement in the Jamaica labour market. The policy is also geared at addressing some of the weaknesses in the education system. These can be summarised as a mismatch between skills needs and training (Ibid.: 75); the need to increase the standard of education at the primary and secondary levels, and of training, to enhance the skills of the labour force; and emphasis at the tertiary level on creating entrepreneurs (Ibid.: 73).

Temporary migration schemes

Jamaica participates in three managed temporary migration schemes[33] that provide short-term employment opportunities for low-skilled workers.[34] These are the Canadian Seasonal Agricultural Workers Programme (CSAWP), the US Farm Work Programme and the US Hotel Work Programme.[35] The Canadian and US Farm Work programmes provide employment primarily for men in the primary agricultural sector, whereas the US Hotel Work Programme is accessed mainly by women. The CSAWP provides temporary employment for 20,000 workers from Mexico and the Commonwealth Caribbean each year.[36] In 2010, 5,952 Jamaicans were employed under the Canadian Farms/Factories scheme (Ministry of Labour and Social Security 2014), which is administered jointly by the Jamaican and Canadian governments.[37] The scheme is tightly controlled (as shown in the contract that workers are expected to sign, GoC 2012). The government chooses eligible workers, who are assigned to a particular employer, for a specific time frame – a maximum duration of eight months – and are obliged to return home at the end of the contract period. They do not have the option of changing employers, although the employer could, with the migrants' permission, subcontract them to other employers. The workers' entitlements are clearly set out. In the case of farm work, these include a minimum work week of 40 hours, a 30-minute meal break after 5 hours of work, two 10-minute rest breaks, one mid-morning, the other mid-afternoon, and a day of rest after six consecutive days of work, which may be postponed if farm work cannot be delayed (GoC 2012).

An agent of the Jamaican government collects 25 per cent of the worker's pay: 19 per cent as mandatory savings, returned to workers in Jamaican dollars; 5 per cent to defray costs of administering the programme; and 1 per cent to provide coverage for off-the-job healthcare (Headley 2012). Other deductions are made by employers to cover cost of travel, meals, where provided, and utilities. The employer is obliged to provide accommodation and insurance to cover injuries or diseases contracted on the job. The worker is responsible for securing additional coverage in keeping with guidelines of the specific province in which he or she is based.

The US programme shares similar features. Workers are employed in the primary agricultural and hotel sectors on H-2A and H-2B visas that restrict their employment to a specific employer, limit their time of stay in keeping with the contract period stipulated and provide for the possibility for return. Unlike the Canadian programme,

however, the Jamaican government is not directly involved in its management. This is done by a Liaison Services Office, based in Washington, DC, that is sanctioned by regional governments. It withholds 20 per cent and 16 per cent of wages of H-2B and H-2A workers, respectively, which it returns after they have arrived in Jamaica (Headley 2012). The office oversees the programme, monitors conditions of work and provides a range of social services to augment the limited access these workers have to social security benefits (*Jamaica Observer* 2011). These include 'medical insurance, NIS deductions, workers' compensation in case of injury, ensuring that employers do not mistreat workers, inspection and approval of worker housing, resolving work or domestic problems, maintaining workers' records, ensuring workers save some of their earnings and looking after their families back home in emergency situations'. For this, both categories of workers are charged an administrative fee amounting to 4 per cent of their earnings (*Jamaica Observer* 2011).

There are mixed reviews in the literature of these temporary labour schemes. The positive outlook views these as benefitting the host and source countries as well as the worker (see Wickramasekara 2011: 2 for a summary). They satisfy a demand for agricultural labour in the host country, ease unemployment pressures in the source country and provide the worker with a higher income than he or she would otherwise earn. Because temporary migrants are denied the option to change their status to permanent migrants, such programmes are viewed as avoiding the perceived challenges arising from their integration into the host country (Wickramasekara 2011: 2, 3, 37). Temporary migration programmes have also been heavily criticised for restricting workers' rights, including the right of free association; preventing family unification; removing the possibility of permanent migration; and exposing workers to low levels of pay and poor working conditions (Wickramasekara 2011). The restriction of workers to a specific employer and the denial of their right to choose their employer, which, coupled with the prospect of return, encourages workers to be silent about abuse, have led to charges that such programmes were akin to 'slavery' (Charles Ranglin, chairman of the House Ways and Means Committee, quoted by Wickramasekara 2011: 44) and 'forced labour' (Mary Bauer and *New York Times*, quoted by Ibid.). The US government attempted to stem some of the abuses arising from such programmes with the passage of a law in 2008 prohibiting employers from making deductions from workers' earnings. This presented a severe challenge to the survival of the Liaison Services Office, unable to collect fees from workers since August 2010, jeopardising its viability and leaving Caribbean workers under the US programmes with lower levels of protection (*Jamaica Observer* 2011).

Despite the shortcomings of these schemes, governments have come to regard these programmes as important in helping to create employment opportunities not readily available at home. In the 2010/11 financial year, nearly 11,000 Jamaicans, mostly men, were employed under these programmes (see Table 7.5). Since 2007, Canada has been the main source of employment, primarily under its farm/factories programme, accounting in 2010 for 56.2 per cent of employment under the Jamaican Ministry of Labour and Social Security's overseas employment scheme (computed from Table 7.5). This represented a shift from the USA, which in 2005 and 2006 provided more employment under these schemes (over 56%). The falloff in US employment since

Table 7.5 Employment of Jamaicans under the government's overseas employment programme 2003–2010

Category	2003	2004	2005	2006	2007	2008	2009	2010
Total participants	**13,956**	**13,569**	**13,320**	**14,646**	**13,911**	**11,959**	**10,011**	**10,966**
Male overseas workers	11,177	10,885	10,862	11,502	11,600	10,795	9,650	10,081
Female overseas workers	2,771	2,684	2,458	3,144	2,311	1,164	361	885
Total US farm work programme	**3,865**	**3,644**	**3,429**	**3,458**	**3,730**	**4,128**	**3,743**	**3,877**
Male US farm workers	3,865	3,643	3,429	3,458	3,730	4,128	3,743	3,877
Female US farm workers	0	1	0	0	0	0	0	0
Total US hotel work programme	**4,449**	**4,254**	**4,078**	**5,192**	**4,110**	**1,735**	**359**	**922**
Male US hotel workers	1,714	1,741	1,659	2,091	1,850	729	156	336
Female US hotel workers	2,735	2,513	2,419	3,101	2,260	1,006	203	586
Total Canadian farm/factory programme	**5,642**	**5,671**	**5,813**	**5,996**	**6,071**	**6,072**	**5,866**	**5,952**
Male Canadian farm/factory workers	5,606	5,501	5,774	5,953	6,020	5,927	5,708	5,770
Female Canadian farm/factory workers	36	170	39	43	51	145	158	182
Total Canadian skill/hotel workers							**157**	**215**
Male Canadian skill/hotel workers							43	98
Female Canadian skill/hotel workers							114	117

Source: Ministry of Labour and Social Security (2014)

2007 can be accounted for by a severe contraction in the hotel programme, which, up to that time, had been a more significant source of employment in the USA than the farm worker programme. In 2007, 4,110 workers were employed under the US hotel programme. In the following year, this had fallen to 1,735, and it decreased to a mere 359 in 2009. There was a significant increase to 922 in 2010, although that still lagged far behind the 2007 figure. This has had a significant impact on women,

who were the main source of labour under the hotel programme. Their participation in the programme over the 2005–2010 period ranged from a low of 54.9 per cent in 2007 to 63.5 per cent in 2010. Despite maintaining their proportional participation in relation to men in periods of reduced employment, in absolute numbers and given their absence from the male farm worker programme, they suffered most from this severe curtailment of opportunity. The reduction in the hotel programme, which did not appear to significantly affect the farm worker programme, can be accounted for by the global financial crisis (RJR News 2011) as well as restrictions imposed by the US government on visa approvals under the hotel scheme.

Contribution of overseas employment programmes to remittances

These programmes are also an important source of remittances. In the 2010/11 fiscal year, workers under the programme earned over US$20 million (see Table 7.1). The available data, which go back to the 2003/04 fiscal year, suggest that the global financial crisis had a negative impact on the programme. The data indicate a steady increase in remittances earned since 2003/04, reaching a high point in 2007/08 (from close to US$19 million to over US$25 million), after which it declined in 2009/10 to below 2003/04 levels, before picking up in 2010/11 to reach 2004/05 levels (see Tables 7.1 and 7.6). Not unexpectedly, men were the highest earners, reflecting their larger representation in these programmes (see Tables 7.1 and 7.6). Since the recession, Canada has surpassed the USA as the largest source of remittances from temporary

Table 7.6 Remittances earned under overseas employment programmes 2003/04–2005/06 (US$)

Category	2005/06	2004/05	2003/04
Total overseas workers	**21,367,458.00**	**17,604,796.00**	**19,0800,758.00**
Male overseas workers	17,413,373.00	13,059,641.00	14,775,581.00
Female overseas workers	3,954,085.00	4,545,155.00	4,313,177.00
Total US farm and hotel workers	**21,332,355.00**	**11,922,208.00**	**11,474853.00**
Male US farm and hotel workers	17,413,373.00	7,377,053.00	7,339,875.00
Female US farm and hotel workers	3,918,982.00	4,545,155.00	4,134,978.00
US farm workers (male)	4,085,507.00	3,632,317.00	3,632,317.00
Total US hotel work programme	**7,507,348.00**	**8,292,891.00**	**7,842,536.00**
Male US hotel workers	3,588,366.00	3,744,736.00	3,707,558.00
Female US hotel workers	3,918,982.00	4,548,155.00	4,134,978.00
Total Canadian farm/ factory programme	**9,774,603.00**	**8,952,588.00**	**7,613,905.00**
Male Canadian farm/factory workers	9,739,500.00	8,952,588.00	7,435,706.00
Female Canadian farm/ factor workers	35,103.00	–	178,199.00

Source: Data provided directly to the author from the Ministry of Labour and Social Security

migrant workers. This is accounted for by the significant shrinkage in the Hotel Work Programme, where earnings fell from US$4,739,457 in 2006/07 to US$662,443 in 2009/10 (see Table 7.1), reflecting the loss of jobs in that sector.

7.2.5 Engaging the diaspora as a source of skills, investment and support

Since the mid-1990s the Jamaican government has sought to take advantage of its diaspora. The potential of Jamaica's extensive diaspora, which Jamaica's ambassador to the USA, Audrey Marks, suggests amounted to 3.2 million individuals in the USA alone (*Jamaica Gleaner* 2011a),[38] is recognised as having broader economic potential beyond monies remitted. This more expansive role for the diaspora is specified in Jamaica's National Development Plan, Vision 2030, which views it like this:

> [as] a source of investment and entrepreneurship for business ventures; by providing lobbying support for Jamaica in international fora; as a source of academic and technical expertise; as a market for tourism and our exports of goods and services; and as a network for advancement of Jamaicans in international business and other endeavors. (PIOJ 2009: 142)

Trotz and Mullings (2012) note that, as the traditional sources of financing become unreliable, the diaspora is being viewed as a new, valuable, less risk-averse source of FDI, because of its members' emotional connections with home.

The Patterson administration set the legal and administrative framework for actively engaging the diaspora with the establishment of the Returning Residents Facilitation Unit (RRFU) in 1993, subsequently upgraded in 1998 to the Jamaican Overseas Department (JOD). The RRFU emerged from a ministry paper tabled in Parliament (Franklyn 2010: 7) by PJ Patterson as Prime Minister. The RRFU was an attempt to encourage return migration by facilitating re-entry. A number of incentives to return were offered, including tax breaks on customs duties. This reflected the more positive spin in the literature on migration, which placed importance on return migration as a source of skills which the home country could exploit (Ammassari and Black 2001, Patterson 2007). A subsequent motion by Senator Trevor Munroe for debate on the relationship between Jamaicans at home and abroad was unanimously adopted by the Senate, along with calls for a conference of 'overseas residents and Jamaicans' and the appointment of a 'dedicated minister or ministry to address problems facing the diaspora and return migrants' (Franklyn 2010: 8). This represented a broadening of the engagement to Jamaicans who chose to remain abroad, in recognition of the reality of low levels of return.

The statistics show that, of all the Jamaicans who returned to Jamaica between 2006 and 2011, three quarters had been deported. Voluntary returnees averaged around one thousand persons a year for the period 2006–2011, while persons who were forcibly returned averaged three thousand over the period (PIOJ 2012: 20.15). Although the largest number of the deportations were for migration infringements (40.9%), followed by possession of drugs (31.8%), 'deportees', as they are commonly called, are perceived as presenting a security challenge (Headley 2005, 2008; PIOJ 2012: 20:10). Whether or

not this concern is credible, the state is faced with a clear challenge of re-integrating these people into society. Thus, in assessing the benefits of return migration, one must consider the age of returnees, the skills they possess and the level of resources to which they have access as well as the reasons for return.[39]

This initiative to formally engage the diaspora was strengthened in 2002 when the Patterson administration, which had been returned to power in elections, established a government ministry with responsibility for the diaspora and appointed Delano Franklyn as Minister of State in the Ministry of Foreign Affairs and Foreign Trade with specific responsibility for diaspora affairs (Franklyn 2010: 29). This elevation of the diaspora to the highest levels of political life has given rise to a series of annual conferences since 2004 with representatives of the diaspora and a range of institutions and initiatives.[40] Most of the initiatives eventually adopted to formalise engagement with the diaspora have been proposed at these conferences. They include the establishment of a Diaspora Advisory Board, a Jamaica Diaspora Foundation, trade councils in a number of US cities and states, lobby groups to advance Jamaica's interests, a dedicated day to celebrate the Jamaican diaspora and the decision to hold biennial diaspora conferences in Jamaica (Franklyn 2010). Jamaica Diaspora Day was first celebrated on 16 June 2005 (Franklyn 2010: 32). From then to the time of writing, three biennial conferences have been held: in 2006, when representation was expanded to include persons from Africa, Central America and the Caribbean (Franklyn 2010), in 2008 and in 2011.[41]

Other initiatives include the establishment of a National Working Group on Migration and Development at the Planning Institute of Jamaica (PIOJ) and the Jamaican Diaspora Institute at the Mona School of Business, located at the UWI. The Institute is expected to conduct research on the diaspora and to identify concrete initiatives to engage its members. It has launched a database of skilled persons in the diaspora, which was supported by funding from a joint UN and EU project. There is also the possibility of the Jamaican government launching a diaspora bond in an attempt to channel investment from the diaspora.

This turn to the diaspora as a source of investment and as a resource pool has not been without problems, however. The problem is manifested at the level of attempts to organise the diaspora. On the one hand, this allows a more structured engagement between the diaspora and the home country, or more notably the state; but it holds the danger of marginalising some voices while privileging others. Trotz and Mullings (2012) note the dangers of this trend, as it is based on the identification of an 'ideal diasporic citizen' and the narrowing of the diaspora to the skilled. Thus, in the search for economic resources the ideal diasporic citizen is identified primarily by his or her ability to add value to the home country's economy. Dr Kenneth Baugh, Jamaica's Minister of Foreign Affairs and Foreign Trade and Deputy Prime Minister, made this explicit in his address to the 2011 diaspora conference, where he suggested that the value of the diaspora:

> goes well beyond remittances. It also goes beyond the wealth of contributions in response to natural disasters; it includes the potential for investment and entrepreneurship for business ventures, a valuable source of academic and technical expertise, a strong basis for building tourism and trade and an

> influential network of activities in the main centre of decision-making in the capitals of their host countries. (*Jamaica Gleaner* 2011b)

This narrow focus on a moneyed and influential diaspora has the effect of marginalising other issues or concerns that exist. It also serves to shift the relational dynamic between the home country and its diaspora, from the home country's role in intervening to protect the interests and rights of its diaspora to a focus on what the diaspora can do for the home country. This has the effect of excluding the majority of the diaspora, who are to be found in more economically modest pursuits and whose contribution is at the level of remittances which are perceived as not adding much value to economic development. This quotation from Marks illustrates the government's conception of the desirable diaspora:

> This group accounts for nearly 70 per cent of Jamaica's graduates over the last 30 years. They include a range of successful professionals and academics, who are distinguishing themselves in the American society, as well as a most dynamic segment of Jamaica's entrepreneurial class and a significant cohort of skilled artisans. (*Jamaica Gleaner* 2011a)

Marks ignores the majority of migrants, who are not part of this group. The PIOJ (2012: 20.8) notes that only 2.8 per cent of emigrants to the USA were characterised as 'Employment based preferences'. Beverley Mullings (2009: 11) characterised the segment of the diaspora that the government engages through its diaspora conferences as 'a small constituent group, of largely middle-class, professional migrants, whose experiences significantly differ from the many working-class Jamaicans engaged in low income service work'.[42]

Such tensions have already emerged in the government of Jamaica's engagement with its diaspora. These have centred around the methods of selecting representatives to the Diaspora Advisory Board, the selection of delegates for the biennial diaspora conferences, and fears of politicising the relationship. The particular concern here is the representativeness of this group of the broader diverse diaspora (B Mullings 2009,[43] D Mullings 2011). The fact that delegates are expected to finance their own attendance at the conference places a further constraint on representativeness.[44] The elevation of the diaspora to new sources of FDI to be courted also has the potential for placing the diaspora in a controversial relationship with elements of the local population, especially if it appears to be devaluing the contributions of those who have stayed. There are already reports of frustration by some persons in the diaspora who reported experiencing 'resentment from some locals, who believe they are coming to Jamaica to steal their jobs' (Reid 2008). Fears that the relationship with the diaspora may be politicised arise from concerns that the government selects the issues for focus at the conference, silencing other concerns in the process (D Mullings 2011).

7.2.6 Influence of external actors in policy-making in respect of migration and remittances

The focus on remittances and migration in policy-making in developing countries in general, and Jamaica in particular, has been encouraged both through the

research focus of IFIs and other international organisations and through the financial support from donor agencies and governments. Central to accounting for remittances in national accounts is the availability of reliable data. This in turn relies on appropriate mechanisms for capturing these flows, which, in turn, must be based on clear guidelines for identifying remittances. The IMF and World Bank, in response to a call from the G8 Heads of State at their 2004 meeting for more quality data on remittances, given their increasing importance to developing countries, were instrumental in the formation of the Luxembourg Group on Remittances, comprising the IMF, the OECD, the Statistical Office of the European Commission and the World Bank, which produced the volume *International Transactions in Remittances Guide for Compilers and Users* (RGC) in 2009 (Eurostat et al. 2009: vi, vii). The publication gave improved definitions of remittances and an improved conceptual framework for them, which had been developed in the sixth edition of the IMF's Balance of Payments and International Investment Position Manual (IMF 2009: 2). The improved treatment of remittances in national accounts has made their contribution more obvious, encouraging a focus on policy which seeks to reduce the costs of sending remittances, increase the use of official channels and harness their use more effectively in development. The World Bank's annual reports on migration and remittance statistics have also helped keep both at the forefront of policy. The research focus on remittances and migration has also been advanced by institutions such as the Inter-American Development Bank (IDB) and the International Organization for Migration (IOM), respectively, along with the World Bank (2009), which have commissioned studies on these topics. The IOM is an important source of statistics on migration. It has also collaborated in authoring the text *Mainstreaming Migration into Development Planning: A Handbook for Policy Makers and Practitioners* (Global Migration Group 2010).

International organisations have also been at the forefront of attempts to link migration positively to development. The UN High Level Dialogue on Migration and Development 2006, and the Global Forum on Migration and Development that followed, sought to emphasise the positive role that migrants play in destination countries. Linking migration to development serves to focus on minimising the perceived negative consequences to the sending country while maximising potential gains, particularly from engagement with the diaspora. The European Community's collaboration with the UN and other agencies (IOM, ILO, UNHCR and UNFPA), under the JMDI, is an instance of this. The JMDI, which was established in 2008, supported 51 projects (between December 2008 and March 2011) a number of which were conducted in Jamaica.[45] The Jamaican projects focused on challenges arising from migration, such as the human rights of deportees and their families and effects on the elderly and children as well as perceived potential benefits from the diaspora, with support for the launch of a web portal to promote a more structured engagement with its members. The focus of these projects was on the UK diaspora.

Organisations and donors have had a more direct influence in shaping the policy agenda of developing countries. In Jamaica, the World Bank has been providing assistance to the government in the establishment of a diaspora bond as an avenue for channelling funds from the diaspora into concrete development initiatives.

The IOM, which has had an office in Jamaica since 2003, is currently funding the development of a National Policy and Plan of Action on International Migration and Development while the Swiss Development Corporation is financing initiatives to mainstream migration into national development strategies. The EU is also funding the development of a migration profile. Earlier initiatives supported by the IOM include the UK's Assisted Voluntary Return programme (AVR).[46]

Private sector engagement

The private sector's engagement includes the services provided by remittance companies. The Jamaica National Building Society (JNBS), in an effort to capture savings from the diaspora, established a vacation account which gives savers access to all its branches as well as special discounts at major tourist destinations, hotels and car hire companies, inter alia (Jamaica Information Service 2009). The JNBS has engaged directly with the diaspora through its foundation, which, under the Jamaica Partnership for Education (JPE), focuses on initiatives in education at the primary and secondary levels. It provides for the contributions of small payments by members of the diaspora to the JPE, which are dispersed to schools on an annual basis, based on proposals submitted (Jamaica Information Service 2009). The JPE, which was launched in May 2009, includes partnerships with USAID and, more recently, NEM Insurance Co. Ltd, which became a foundation partner in December 2010 (Jamaica National Building Society 2012). Telecommunications companies such as Flow and Landline, Internet, Mobile, Entertainment (LIME, a Cable & Wireless company) have sought to cash in on remittance flows by directly targeting the diaspora, through adverts, exhorting them to send phone credit for family members living in Jamaica.

The non-governmental sector is also engaged in initiatives to connect with the diaspora and in addressing some of the social effects of migration, including deportation. All of the JMDI-funded projects described above involved partnerships between UK-based and Jamaican non-state organisations. The project 'Supporting Jamaican Deported Migrants and their Families'[47] involved a partnership with a UK-based group, the FPWP Hibiscus, which highlights the challenges facing foreign women in the UK prison system, and the UWI's Institute for Sustainable Development. The project focused on the rights of deportees and their families, specifically the re-integration of deportees into society and the children of imprisoned deportees. The National Organisation of Deported Migrants (NODM) was created under this programme. The UK-funded HelpAge International, which focuses on challenges confronting the elderly, partnered with the Hope for Children Development Company Ltd. Their project, 'Mitigating the Negative Impact of Migration on the Multi-generational Household in Jamaica'[48], focused on the young and the elderly, arguably the groups most vulnerable to the negative effects of migration. Counselling, health screening and training in parenting and management of remittances were conducted in three inner-city communities under this project. The project 'Knowledge Network for Connecting Jamaica and its Diaspora'[49] also involved a partnership with the UK-based Kajans. Women's Enterprise Ltd and the UWI's Mona School of Business.

7.2.7 Policies and institutions in place to address migration

Policy approaches that have implications for migration include population policy and labour market policy, already discussed. The treatment of migration in policy has evolved. This evolution in thinking is evident in the government's population policy, which has undergone a number of shifts in recognition of changing demographic features. Policy before the 1980s was focused on controlling population growth by reducing fertility. It was subsequently broadened to take account of mortality, international and internal migration, and urbanisation (PIOJ 2009). After 1996 the policy was further revised to take account of the implications of the demographic shift on children and the elderly and to include gender and the environment as areas of concern (PIOJ 2009: 37). International migration is now one of the main areas of focus of Vision 2030's Population Sector Plan, which is directed at measuring and monitoring migration to meet development needs. This has resulted in institutional strengthening with the establishment of a Migration Policy Project Unit (MPU) at the Planning Institute of Jamaica. The unit has responsibility for developing a national policy and plan of action on international migration and development; the mainstreaming of migration into national development strategies; development of a migration profile; and the establishment of a national working group on international migration and development. This last is an inter-agency body responsible for overseeing the development of the national policy and plan of action on international migration and development.

The remit of migration has broadened to take account of an emerging challenge, that of human trafficking. The US Department of State's *Trafficking in Persons Report 2012*[50] lists Jamaica as 'a source, transit, and destination country for adults and children subjected to sex trafficking and forced labor' (2012: 197). The sex trafficking of children was of particular concern. The destinations of such persons are local as well as external, with persons trafficked to other Caribbean countries, Canada, the USA and the UK. The government of Jamaica has extended the legislation addressing immigration to include the Trafficking in Persons (Prevention, Suppression and Punishment) Act (2007) as a response. It also established a National Task Force against Trafficking in Persons in 1995. The State Department's report acknowledges that the government was making some effort to address the problem but determines that its efforts were not in compliance with the minimum standard for the elimination of trafficking (US Department of State 2012). It has thus placed Jamaica on its Tier 2 watch list.[51]

7.3 Assessing the efficacy of policy and institutional practices

In assessing the effectiveness of some of the approaches taken by government, we focus on efforts to expand training in a deliberate effort to increase numbers of skilled people available for export, and on attempts to expand options for migration, including short-term labour employment schemes.

7.3.1 Training for export

'Training for export' is the popular expression used in Jamaica to describe the deliberate targeting of professions in demand to increase the numbers of people trained with an eye to the export market. Despite elevating this to policy, the government has not started spearheading such efforts. Rather, they have been driven by the private sector, specifically the foreign private sector, although the government, through the Jamaica Promotions Corporation (JAMPRO), has sought to attract training institutions. The (foreign) private sector impulse behind the initiative is evident in the upsurge in medical training schools all over the Caribbean seeking to capitalise on the shortage in medical personnel, primarily in North America. This is happening largely independent of government action and more as a result of these institutions' recognition of market opportunities; nor is the focus on training students from Jamaica or the region. Rather, the target group is students anywhere who want medical degrees and find it difficult to obtain them at home. US students are a prime target group, given the over-supply of prospective students which onshore training institutions are unable to meet. The Caribbean has the appeal of sun, sea and sand – an extension of the tourism sector. Parallel to this development are initiatives by government-supported tertiary institutions to expand training opportunities, largely directed at students from Jamaica and the region.

Challenges are already evident in this drive to expand medical training, which requires access to hospitals for clinical training. In Jamaica, expansion in the training of nurses, doctors and other medical personnel is already exerting pressure on local facilities. The NCJ is already rationing the intake of nursing students among existing training institutions. Offshore medical schools rely on access to North America and the UK but they are also experiencing difficulties in accessing clinical training, given the growing competition for spaces for clinical training in US hospitals. Puerto Rico, Texas and Pennsylvania reportedly prohibit students at such schools from accessing clinical training in their hospitals (Missouri State University n.d.), and other states have been coming under pressure from some universities and related institutions to restrict these students' access to clinical training (see, for instance, Dalton 2008, McKenzie 2011, Rymer 2012). The World Bank (2009) study focuses on expanding training institutions with the assumption that clinical training facilities are available to accommodate the increased numbers of students in their projections. It may well be underestimating the current capacity in Jamaica as well as demand for clinical space from other institutions that may be established. In other words, in its projections for increasing the training of nurses, it ignores the training of doctors, as well as other institutions that may be established to train both doctors and nurses and other medical professionals who would need clinical training at the country's hospitals. Accommodating this would require massive injections of funds to expand and upgrade local hospitals. It is not clear how this would be financed. Thus the availability of well-equipped hospitals to accommodate massive increases in training of nurses and other health professionals does not appear to be addressed by government policy.

7.3.2 Courting the diaspora

The courting of the diaspora is occurring in an environment of reduced investment, low labour productivity, weak competitiveness and general sluggish economic performance. An engaged diaspora offers the promise of unproblematic inflows of much-needed capital. Embedded in this is the assumption that the diaspora would find doing business in Jamaica more attractive than investing in their country of residence. However, this cannot be assumed. Challenges to doing business in Jamaica include perceived high levels of corruption, high levels of bureaucracy and an environment with high levels of insecurity. These are likely to be an important consideration for potential investors from the diaspora. Policy cannot ignore the broader social, economic and political environment that exists, which has an important bearing on the decision to migrate in the first place. The conditions that would encourage lower levels of migration are also those that would encourage people, not only those from the diaspora, to invest in Jamaica. These issues must be addressed by policy-makers. The government also has to be mindful, in engaging with the diaspora, that it manages the potential for conflict, both among different segments of the diaspora and between the diaspora and home.

The government should seek to have a more holistic engagement with the diaspora that does not appear to be based on mercenary considerations. There have been calls for a more political engagement with the diaspora that would allow them some say in the governing of the country, even extending full voting rights to them (Meeks 2007: ch. 3). It is important to note, however, that this could generate tension between the diaspora and the home community, as the diaspora could potentially influence what happens at home without having to experience the consequences. This is particularly important in the highly charged, partisan environment that characterises Jamaican politics.[52] One approach to minimising tension within the diaspora would be to establish different avenues for engagement for different sections of the diaspora. Another would be to widen the focus of engagement with the diaspora to take a concrete interest in social, economic and political issues that affect them. In an attempt to engage the diaspora, policy-makers need to acknowledge that the relationship with the diaspora is not without problems, given that many Jamaicans migrate because of disappointment with conditions at home.

7.3.3 Diaspora bonds

Jamaica has not introduced diaspora bonds at the time of writing but this is being actively considered by the government, with support from the World Bank (RJR News 2012), which has administered a survey to establish interest in the diaspora for such a bond (Jamaica Information Service 2012). It projected raising US$1 billion from such bonds, which would yield a return of 10 per cent to bond holders (Ibid.). The government had hoped to launch its diaspora bond in August 2012 to coincide with its celebration of the 50th anniversary of Jamaica's independence. Diaspora bonds are actively promoted by the World Bank, as evidenced by the blog of Dilip Ratha (2010), Lead Economist at the World Bank, and his lecture 'Diaspora bonds: partnering with the diaspora for investments and economic growth', delivered at the UWI's Mona

School of Business (Ratha 2012). Ratha, in his blog, points to the experience of Israel and India, especially in periods of liquidity crisis, in raising money through such bonds. The advantages of such bonds as a means of raising funds, he argues, are that they draw on a more diverse income base, as they can include small sums for saving, thus tapping into a wider range of persons; and they take advantage of the diaspora's loyalty and interest in local conditions, so there is an emotional attachment there. Their attractiveness to the diaspora is that they would offer higher rates of interests than can be obtained in saving instruments in their country of residence (Ratha 2010).[53] Despite the examples of success Ratha presents, there are also experiences that suggest caution. The low take-up of bond issues in Ethiopia, Kenya and Nigeria, influenced by concerns over devaluation and government accountability, holds lessons for Jamaica (Fatunta 2012, Kottasova 2011).

There is the danger that diaspora bonds as an instrument for engaging the diaspora could exacerbate some of the challenges in engaging with the diaspora already described. Diane Abbott, a British Member of Parliament, sounded this warning in her column in the *Jamaica Observer*:

> DIASPORA Bonds are a bad idea that refuses to die. They reflect the idea that members of the diaspora are just so many walking dollar bills. For too many Jamaicans the diaspora is a financial resource to be harvested. Instead of mutual respect, the relationship between Jamaica and its diaspora can seem almost predatory.
>
> (Abbott 2012)

The transfer of personal loyalties that remittances reflect may not be so easily transferred to the state, especially where there are issues of trust. Abbott's quote below sums up this concern:

> But sending money home to people you have an emotional connection to and for entirely transparent purposes (eg [sic] new shoes) is very different from giving to faceless bond salesmen. The diaspora knows exactly where their remittances go. And even in the worst-case scenario (eg money sent for new shoes spent in the rum bar) they know it is being spent in a community they care about. Remittances offer the diaspora transparency and accountability. Diaspora bonds offer neither.
>
> (Abbott 2012)

7.3.4 Short-term labour contracts

Arguably, the government views short-term labour opportunities overseas as important to expanding employment opportunities. There are limits to such programmes, however; the most important is the government's lack of control over access under such programmes. These programmes are subject to conditions in host countries, such as recession and changes in immigration policies, that could significantly reduce access. In addition, home governments have limited influence over the conditions of treatment of their nationals on such programmes, so may well

be exposing their workers to lower standards of treatment than are acceptable at home.[54]

7.4 Policy proposals on migration

Migration has been a central feature of Jamaican life with deep historical roots. Its magnitude in a relatively small country like Jamaica suggests that it should have an important place in development policy. Migration already features in government policy but to a limited extent. As already discussed, this occurs at the traditional level of border controls on who enters the country, and it has been an effective tool in addressing some of the shortfall in nurses by allowing the recruitment of foreign nurses to work in Jamaica. It has also been used to provide short-term employment opportunities primarily in the USA and Canada under overseas employment programmes, although such opportunities are more dependent on labour market policies in the receiving countries than on the policy choices of the Jamaican government. More recent attempts to harness the perceived benefits of remittances have encouraged governments to view the deliberate promotion of the export of skilled people as a policy option. Again, this 'option' depends on the labour and migration policies of the receiving countries; Jamaica's role is limited to providing education and training to those who wish to acquire the skills demanded by these countries. Migration policy has also broadened with the recognition that the diaspora is a potentially important source of investment and social capital which the Jamaican state could harvest.

Any attempt to embed migration as a development tool in policy must begin with the observation that migration is first and foremost a personal choice based on an individual's or family's assessment of possibilities, and that it is influenced as much by conditions at home as by the labour and migration policies of host countries. Conditions at home that propel migration are usually negative. These include limited opportunities for mobility and/or job security; limited opportunities for enhancing skills, especially through training; low economic remuneration; broader macro-economic conditions; and political and social considerations, including crime. The impetus to unite with family already abroad and the desire to experience life outside Jamaica are also important in the decision to migrate. The government's role in influencing who migrates is thus limited, as it does not determine who migrates.

The government's ability to deliberately affect migration occurs at the international level, in its engagements in setting codes and standards for treatment of migrants, and in negotiating access in respect of short-term labour movements. Traditional overseas employment programmes are less a reflection of a government's skills at negotiating than a response to the needs of the host country for short-term labour in the context of shortages at home. The most that governments of sending countries can do is to negotiate a bigger share of the pie, vis-à-vis other countries participating in such programmes. More recent attempts at embedding such programmes in trade agreements, especially in terms of skilled people, have their limitations. The CARIFORUM–EU EPA, of which Jamaica is a signatory, illustrates some of these. The EPA is held to give CARIFORUM countries more generous access to the European

services market than it gives to other signatories of the World Trade Organization. On closer examination, though, access is more limited than at first appears. Many of the categories of occupations for which access has been negotiated already have few restrictions on movement, given the desire of developed countries for such skills. Further, immigration laws hold sway over trade agreements and continue to be the primary bases upon which persons are able to exercise their 'rights' under trade agreements. More specific to the EPA, requirements for prior experience, attachment to firms and equivalency of qualifications severely constrain the numbers of those eligible to move.

There is a real question of whether a focus on outward migration, especially as it favours skilled Jamaicans, is the best use of the government's efforts. The outward focus of Jamaica's migration policy has limited the use of policy as a tool for development. For migration policy to function as a tool of development, it must be embedded in a more holistic view of Jamaica's development. This must take account of the local conditions that impel people to migrate, and the effects of such migration on the economy and social life. The outward focus of current migration policy holds the danger that the internal factors that influence migration may be ignored. The government's job is first and foremost to create the conditions at home that would enable its people to prosper and realise their potential. There will always be people who want to experience a different reality and find migration attractive. The problem arises when people who want to make a life at home feel that they have little option but to migrate. Addressing these factors would also help to create an environment that is more conducive to the engagement of the diaspora in economic and social life.

Migration policy should be embedded in a broader development framework that takes account of the skills needs of the society, the effect of skills loss on the country's development trajectory and the demographic shifts in the population. There is some evidence that, in the push to maximise remittances and court the diaspora, this aspect of government policy is neglected and that the connection between migration policy and development is missed. Migration policy should also recognise that there are social ills from migration. Whether the advantages can be proven to outweigh the disadvantages or vice versa need not concern us. The negative challenges at all levels of the society are sufficiently obvious that they cannot be ignored.

There is also the danger that a focus on migration and the success of the diaspora could continue to aggravate the long-standing divide in policy and perception between the local and the foreign, with the former devalued in favour of the latter. This requires more conscious effort to recognise local successes and expand local opportunities for nationals to increase their contribution. Crucial to this is a conscious effort to address the limited absorptive capacity of small and weak economies, whose limitations contribute to high levels of skills migration in the first place. This should be a primary focus of the government and its international backers. Additionally, the role of the national in economic life should not be undervalued. Although a diaspora bond is viewed as a potential avenue for channelling finances from the diaspora, the role of domestic savings as a major source of government borrowing cannot be ignored; nor must the sacrifices of those who have remained at home in situations of

economic, political and social insecurity be undervalued. This does not mean that the government should not strive for a more engaged diaspora in addressing the many challenges facing Jamaica and implement policies towards this end. The government's approach to engaging the diaspora, however, should be premised on a more nuanced understanding of some of the challenges that may arise. Nor should it proceed along the lines of a one-sided relationship; it should also involve the government in seeking solutions to some of the challenges different segments of the diaspora face.

Finally, in addressing the migration–development nexus, the government has to address the main economic, political and social challenges that affect society and the complex relationship between these and migration. High levels of crime, weak economic performance and political instability fuel migration; yet high levels of outmigration aggravate these challenges. Migration, especially of the highly skilled, weakens Jamaica's competitiveness and contributes to its anaemic economic performance. Likewise, migration of caregivers and parents and the loss of their nurturing role also contribute to youth crime. Further, it is unlikely that the high levels of migration that Jamaica experiences have no effect on the quality of its political life. This requires investigation in its own right.

7.4.1 Policy proposals

Research

Some specific initiatives which the government could consider introducing and which could be the object of support by external donors are offered here. The value of research as the basis upon which to ground policy cannot be overestimated. A fuller understanding of the impact of migration on the development of Jamaican society could begin with more targeted research to establish the extent of migration's reach in society as a basis on which to ground labour policy planning. As noted earlier, research has tended to focus on areas, such as nursing and education, where the effects create situations of crisis. This does not provide a comprehensive sense of the scope of the problem and its more widespread effects.

Retention

Retention policies are premised upon the assumption that there are categories of persons with skill sets whose loss would exacerbate some of the country's development challenges. In addition to existing retention efforts, we propose the following. First, the government should work towards the creation of a data bank of local skills. This would complement efforts to compile a data bank on skills available in the diaspora. The former would be a far simpler process and would provide the basis, once more, for an informed labour policy with implications for education and training; but also for targeted initiatives to encourage these persons to remain at home and to ensure their proper integration into the labour market. For professions already known to be in high demand, such as nurses, teachers and social workers, retention efforts could focus on salaries, professional opportunities and special incentives, such as low-cost housing, to compensate for salary differentials.

Remittances and diaspora

There are some simple initiatives the government could take, with the assistance of donors, that could maximise the inflow of remittances from the diaspora, acknowledging the personal nature of these flows. Thus, special instruments could be developed to facilitate diaspora investment in institutions that enhance social protection for family members at home. Easily identified institutions include the National Housing Trust (NHT), to which all working Jamaicans must contribute. The provisions of the NHT are already fairly liberal in respect of the diaspora. It allows contributions to the fund from anyone, regardless of nationality, and contributors are then eligible for loans within two years (customer service representative, NHT, personal communication, 2013). This should be attractive to members of the diaspora who have hopes of owing their own homes in Jamaica, particularly those considering retiring to Jamaica, and it should be publicised. Currently the NHT does not allow persons to make direct contributions on behalf of a relative in Jamaica. Increasing the access of family members in the diaspora to contribute to the NHS on behalf of their relatives in Jamaica could contribute towards a more productive use of remittances. Similarly, the scope of the National Insurance Scheme (NIS) could be broadened to facilitate contributions from the diaspora on their own behalf and that of their family. Currently, the NIS allows contributions from persons who formerly worked in Jamaica and are resident in countries with which the government has reciprocal social security agreements, namely the UK, Canada and the province of Quebec, and CARICOM states (Ministry of Labour and Social Security n.d.). It also allows workers to submit voluntary contributions within 26 weeks of leaving their jobs (customer service representative, NIS, personal communication, 2013). This allows self-employed persons who have left the country to continue their contributions informally. There is no flexibility for persons to contribute to the NIS on their relatives' behalf. A more flexible approach to voluntary contributions could widen the scope for the diaspora to contribute.

Such contributions (in the case of the NHT) could boost the amounts that people on low incomes can borrow as well as providing contributions for unemployed persons not in a position to contribute. Other possible schemes could include joint government and private sector initiatives in education and health which could include tax breaks and interest rate incentives for certain savings instruments in these areas. Schemes such as those described could also be an avenue for addressing the high cost of remittances exacted by remittance agencies and would ensure that remittances are channelled into productive uses. These would avoid the weaknesses inherent in diaspora bonds and similar initiatives directed at harnessing resources from the diaspora, namely lack of confidence in government and the diverse personal motivations of diaspora contributors. The government could also improve its engagement with the diaspora by recognising their varied interests and experiences in the home country and the differing ways in which they engage with home. Put another way, engagement with the diaspora should not be a one-sided affair; the government should also take account of the challenges some sections of the diaspora experience in their adopted country and seek ways to intervene on their behalf.

7.4.2 Conclusion

Migration is a normal aspect of human existence, particularly for citizens of relatively poor countries. Jamaica's history of migration and the strong social networks established in the prime destination countries, along with its closeness to the USA, raise aspirations for wage levels, promotion and experience, which serve as powerful pull factors for potential migrants. Improving conditions at home will stem migration but not end it altogether. Some people will move anyway, regardless of the conditions at home, and this is not necessarily a bad thing. The challenge for government is to create the conditions at home that would allow the majority, who wish to make a comfortable life without migrating, to do so.

Addressing push factors is necessary but not simple. They are related to structural issues in the economy and society that constrain economic growth, which are, in turn, aggravated by migration. Unfortunately, policy approaches to address these constraints, particularly conditions attending the new IMF agreement, may well contribute to new waves of skills migration, especially if they deflate wages and increase unemployment, as foreseen. These may well work against the structures that the government is putting in place, with the help of international organisations, to manage migration and so minimise its negative consequences and maximise its development potential.

Notes

1 We wish to thank the following for their assistance in this project: Christine McLean, Planning and Research, Ministry of Labour and Social Security, for compiling data on overseas migration programmes and Tony-Shae Freckleton, Acting Manager of the Population and Health Unit, Social Policy, Planning and Research Division of the Planning Institute of Jamaica, for providing data on Jamaican migration. We also wish the thank the following students from the Department of Economics, University of the West Indies, Mona, for their contributions as research assistants on the project: Alex Robinson and Troy Taylor (MSc Economics programme), Sheree Anderson and Donya Brown (BSc Economics programme) and Lateisha Ledgister (BSc Banking and Finance programme). We also wish to thank Marsha Grey (MSc Social Policy) for her assistance in creating Figure 7.2.

2 The Caribbean here refers largely to the island Caribbean and includes the former British and Dutch colonies.

3 The All American Institute of Medical Sciences advertises clinical rotations in Canada, Jamaica and India as well.

4 There is also unofficial short-term circulatory migration for employment purposes based on informal networks (see Thomas-Hope et al. 2012: 4).

5 Reference has also been made to a Guantánamo Bay Programme but this does not appear on the Ministry of Labour and Social Security's website, nor does it appear to be included or disaggregated in its overseas employment data. See Jamaica Information Service (2010).

6 See: www.migration4development.org/content/about-jmdi (accessed 17 October 2014).

7 The AVR, a programme of the UK Home Office administered by the IMO, provides support for irregular immigrants who decide to voluntarily return to their home country. These include two initiatives: the Voluntary Assisted Return and Reintegration Programme (VARRP), which is directed at asylum seekers; and Assisted Voluntary Return for Irregular Migrants (AVRIM), which addresses illegal migrants. In 2008, Jamaica was one of the top 10 countries for migrants leaving the UK under the AVR programme – some 80 Jamaicans. See Poppleton and Rice (2009).

8 The report emerges out of the 2000 Victims of Trafficking and Violence Protection Act (TVPA), which reflects the US government's concern with what it viewed as modern-day slavery, and is mandatory under the Act.

9 It is surpassed by Guyana and shares this dubious distinction with Grenada.

10 UNECLAC Statistical Yearbook for Latin America and the Caribbean (2012) has net enrolment in 2010 at 82 per cent primary, down from 92.5 per cent in 2000; and 83.6 per cent secondary, up from 77.6 per cent in 2000. Gross enrolment in tertiary education was put at 26 per cent, up from 15.4 per cent in 2000. See tables 1.3.1 to 1.3.5.
11 While access to sanitation shows clear improvement over the 91 per cent recorded in the period 1985–87, the percentage of the population with access to safe water has declined from the 96 per cent reported for that period (UNDP 1990: 131).
12 This figure includes persons already living in the USA.
13 Elderly and adult potential immigrants must show they require long-term care that can be provided only by the relative living in the UK (UK Border Agency 2012).
14 It applies to persons no older than 30 who came to the USA before the age of 16. This measure is temporary, awaiting the approval of the DREAM (Development, Relief, and Education for Alien Minors) Act, which is yet to be passed by Congress. If it passes, it will provide a legal pathway to citizenship for this group.
15 Jamaica defines residents as persons who remain in the country for six months or longer (PIOJ 2012: 20.9).
16 Historically, Jamaica has benefitted from a supply of skilled persons from the CARICOM region who have trained at the University of the West Indies, Jamaica, and have chosen to remain in Jamaica. In addition, the number of skills certificates issued does not indicate how many of these persons have actually taken up residency in Jamaica, nor does it indicate when they have left.
17 In 2011, over 50 per cent of persons arrested for major crimes were between the ages of 16 and 25 (see PIOJ 2011: 24.4).
18 This includes those who indicated no occupation.
19 Thomas-Hope et al. (2009a) note that this shift occurred as far back as the 1960s.
20 Kindergarten and preparatory schools are privately owned and funded schools that are much better resourced than the government funded public schools.
21 Note that exams in these two subjects are compulsory and the government underwrites the examination fees.
22 Thirty-one Registered Nurses were interviewed.
23 Some 128 nurses were interviewed.
24 The PIOJ's Vision 2030 (PIOJ 2009: 46) describes the public health system as underequipped and understaffed, with ailing infrastructure. These challenges have been aggravated since the abolition of user fees.
25 The data showed a positive correlation between these factors but the sample size was too small to establish statistical significance (see World Bank 2009: 23).
26 Note that the problem is access to good-quality education. Issues of quality in the public sector have led to a strong fee-paying private sector providing high-quality education, resulting in a unequal two-tier structure exacerbating the deep social cleavages that characterise Jamaican society.
27 This has been a controversial move, as opponents charge that the government can ill afford to provide free secondary education given the country's weak economy and limited ability to fund high-quality secondary education.
28 These are the Regional Nursing Body, the Caribbean Nurses Organisation, the General Nursing Council, the University of the West Indies and ministries of health in St Kitts and Nevis and in Trinidad and Tobago (PAHO/CPC 2003).
29 The Caribbean here refers largely to the island Caribbean and includes the former British and Dutch dependencies.
30 The All American Institute of Medical Sciences advertises clinical rotations in Canada, Jamaica and India as well.
31 Specialisations include health services; environmental health; health law; epidemiology and biostatistics; and health behaviour, health promotion and disease prevention. See: www.aaims.edu.jm/admissions.html?sec=3 (accessed 17 October 2014).
32 The accreditation body is the Caribbean Accreditation Authority for Education in Medicine, which is located at the Ministry of Education, Jamaica.
33 For a more detailed treatment of such schemes in the region see Headley (2012).

34 Thomas-Hope et al. (2012: 4) note that there is also unofficial short-term circulatory migration for employment based on informal networks.
35 Reference has also been made to a Guantánamo Bay Programme, but this does not appear on the Ministry of Labour and Social Security's website, nor does it appear to be included or disaggregated in its overseas employment data. See Jamaica Information Service (2010).
36 The countries included in this scheme are Anguilla, Antigua and Barbuda, Barbados, Dominica, Grenada, Jamaica, Montserrat, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, and Trinidad and Tobago (GoC 2014a).
37 Canada's Temporary Foreign Workers Programme, under which the scheme falls, was revised in 2014 to ensure that it did not displace eligible Canadians from accessing these jobs (GoC 2014b).
38 This is an estimate. There are no firm data on the size of the Jamaican diaspora in the USA.
39 For a summary of the literature on return migration to the Caribbean and some of the challenges affecting the re-integration of migrants into their home country, see Plaza and Henry (2009).
40 The first conference, held 16 to 17 June 2004, attracted some 400 delegates from North America, the UK and Jamaica (see Franklyn 2010: 10, 11).
41 The third conference was to have been held from 22 May to 7 June 2010, but was postponed because of instability in western Kingston.
42 Mullings's observations were informed by her participation in a number of diaspora conferences.
43 Criticisms, as identified by Beverley Mullings (2009: 11), include 'charges of elitism, unaccountability and lack of transparency'.
44 For a discussion of these tensions, see David Mullings (2011). David Mullings is the Future Leaders representative for the USA on the Jamaican Diaspora Advisory Board.
45 See: www.migration4development.org/content/about-jmdi (accessed 17 October 2014).
46 The AVR, a programme of the UK Home Office which is administered by the IMO, provides support for irregular immigrants who decide to return voluntarily to their home country. These include two initiatives: the Voluntary Assisted Return and Reintegration Programme (VARRP), which is directed at asylum seekers; and the Assisted Voluntary Return for Irregular Migrants (AVRIM), which addresses illegal migrants. In 2008, Jamaica was one of the top 10 countries for migrants leaving the UK under the AVR programme – some 80 Jamaicans. See Poppleton and Rice (2009).
47 See: www.migration4development.org/content/mitigating-negative-impact-migration-multi-generational-household-jamaica (accessed 29 September 2014).
48 See: www.migration4development.org/content/knowledge-networks-connecting-jamaica-and-its-diaspora (accessed 29 September 2014).
49 See: www.migration4development.org/content/supporting-jamaican-deported-migrants-and-their-families (accessed 29 September 2014).
50 The report arises from the 2000 Victims of Trafficking Protection Act, which reflects the US government's concern with what it viewed as modern-day slavery, and is mandatory under this Act.
51 Tier 1 countries are deemed to be fully compliant with the TVPA; Tier 2 countries are not fully compliant but are making significant efforts to meet standards of compliance; Tier 2 watch list countries satisfy the conditions of Tier 2 but show evidence of increases in the absolute number of victims and have taken no additional steps to address the problem over the last reference period; Tier 3 countries are not fully compliant with the minimum standards and are not making significant efforts to be so. This category of countries, as of 2012, is subject to sanctions from the USA, the IMF and the World Bank in the form of the withdrawal of assistance. Jamaica, which was demoted from Tier 2 to the Tier 2 watch list in 2012, was at the time of writing in danger of being demoted to Tier 3 status under a 2008 amendment to the TVPA, which allows for the automatic demotion of countries that have been on the Tier 2 watch list for two consecutive years if they would otherwise be placed on that list for a third year. See US Department of State (2011) and (2012). Between the 2011 and 2012 reports, Jamaica had identified only one victim of trafficking and had no convictions for trafficking offences.
52 Conversely, one can argue that the distance of the diaspora from the day-to-day thrusts of Jamaican politics could help to undermine the partisan divisions of local politics.
53 Ratha's arguments are summed up in the article 'Diaspora bonds: Milking migrants' (*The Economist* 2011).

54 Instances of this are longer working hours than the eight-hour day which is the norm in Jamaica, and shorter lunch breaks – a half-hour lunch as opposed to the hour-long break which is the norm in Jamaica.

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Chapter 8

The Pacific Diaspora

John Connell

Summary

Emigration from Pacific island countries (PICs) began in earnest in the 1960s, in Polynesia, belatedly followed by many Micronesian states, but has not been characteristic of Melanesia. Many Polynesian states have more 'ethnic nationals' overseas than at home. Migration has resulted in an overseas population of around 850,000 people of Pacific ancestry/ethnicity, rather more than the entire resident population of Polynesia. Fiji has numerically the largest diasporic population but Samoa and Tonga have higher proportions of their nationals overseas than all other independent PICs. Remittances are crucial for several Polynesian states especially; they grew steadily until the global financial crisis, and the Pacific is one of the most remittance-dependent regions in the world. Remittances have improved welfare and reduced poverty. Increasing the volume of remittances is unlikely but increasing their effectiveness is possible. Return migration is inconsequential and makes a limited contribution, primarily to the small-scale service sector. Temporary return migration of skilled workers offers some potential for reducing skill deficits, especially in the health sector, where such deficits are widespread and costly, in economic and social terms, and where overseas populations have valuable skills. Very limited formal information exists on labour shortages in particular sectors in most PICs. Most PICs have made few attempts to engage with their diasporas. Building migrant management capacity is non-existent, and migration flow data are limited, with better data required in all states.

8.1 Introduction

Migration from the island Pacific has occurred for well over a century. From the earliest days of 'blackbirding' (see Chapter 4) in the mid and late nineteenth century, migration has primarily been from small Pacific island countries (PICs) to metropolitan countries on the fringes of the Pacific and has had a primarily economic and secondary social rationale. As early as the nineteenth century, population pressure on scarce resources was perceived as a growing problem. On some coral atolls, in Kiribati and Tuvalu, a 'Malthusian crisis' was recognised as early as the 1880s (Munro and Bedford 1980), and temporary migration was well established.

Most PICs, other than the large Melanesian states, have benefitted very substantially from overseas aid, and also from remittances from overseas migrants, enabling them to run big current account deficits, maintain substantial bureaucracies and undertake relative large public investment programmes of a kind that could not otherwise be

financed. The PICs are the most heavily aid-assisted part of the world per capita. The public sector increasingly dominates formal economic activity almost everywhere, despite efforts at restructuring.

The three conventional subregions of the Pacific – Melanesia, Micronesia, and Polynesia – have become associated with different migration contexts. Some of these basic differences are:

Melanesia: Fiji, Papua New Guinea, Solomon Islands and Vanuatu have 85 per cent of the region's nine million people. Only Fiji has either significant international migration or a significant diaspora.

Micronesia: Kiribati and Nauru have a tiny diaspora. The remainder of the sub-region (Palau, the Federated States of Micronesia (FSM) and the Marshall Islands) is closely linked to the United States, where there is a relatively recent but steadily growing diaspora.

Polynesia: Polynesia has strong links to New Zealand and, notably in American Samoa, to the United States. Most Polynesian states have very large diasporic populations, which in several cases are larger than domestic populations and play an extremely important role in national development.

The conventionally defined Pacific islands region has a population of more than 9 million but two thirds of those are in Papua New Guinea (PNG), which is something of a special case in its diversity and resource base. Hence this report primarily focuses on the other, smaller, PICs, and especially on those that are independent. The potential for economic development within Pacific countries varies, but migration and remittances have become more important to households and national economies everywhere. Indeed, of all the world's regions, the Pacific is the most dependent on remittances from migrants. In the rural areas of the Melanesian states there is a similar dependence on urban–rural remittances. Yet the bulk of migration from the Pacific has involved permanent resettlement abroad, and temporary migration is relatively limited (see Chapter 4). The principal gain from the growing diaspora has been a substantial flow of remittances to small PICs, and to small islands. There has also been a more limited return migration of people with new skills and capital. Harnessing the diaspora more effectively raises numerous challenges.

As emigration continues, small and vulnerable South Pacific states have become irrevocably a peripheral and dependent part of the wider world. Contemporary patterns of migration have diversified, with migrants becoming both more selective and skilled, demographic structures have changed, and the restructuring of global and island economic landscapes presents different development contexts. The life courses of island people, present or absent, are increasingly embedded in international ties, and island states have sought out new migration opportunities. Island states, individuals and various international agencies have attached new and increased significance to migration, remittance flows, return migration and the role of the diaspora, in contexts where 'conventional' development strategies have achieved limited success.

8.2 From the 1960s

Almost all of the international migration from the island Pacific has occurred since the 1960s. Since then there has been continued migration from what are now seen as 'mature migration' economies, mostly in Polynesia, and a rise in migration from all other island states. From the 1960s there was accelerated migration from the Pacific region, as islanders began to seek employment and access to services in the metropolitan states on the fringes of the region: mainly New Zealand, Australia and the United States. Many people from Niue, the Cook Islands, American Samoa, Tokelau, Tonga and Samoa have moved either to New Zealand (whence some have gone on to Australia) or, increasingly, as the New Zealand economy stagnated and immigration restrictions have become tighter, to the United States, both legally and illegally. For the smallest states, including the Cook Islands, Niue, Tokelau and Pitcairn, migration has been particularly dramatic, since a majority of the ethnic population lives overseas. Migration has particularly characterised the smaller Polynesian PICs: American Samoa, Tokelau, Niue and the Cook Islands because of their political affiliation with the United States (for American Samoa) and with New Zealand, which enables unrestricted migration. Niue, Tokelau and the Cook Islands have experienced declining populations over the past quarter of a century, and it has long been forecast that the smallest state, Pitcairn, may simply disappear as its population falls below what is sustainable (Connell 1988). Niue, too, was, at the time of writing, seeking immigration from Tuvalu, as its population had sharply declined in the context of Cyclone Heta and a long-term 'culture of migration' (Connell 2008). Larger states, such as Samoa and Tonga, have experienced very limited domestic population growth as emigration has become effectively a 'safety valve' for high population growth rates and slowly growing economies.

In the larger countries of Melanesia, PNG, Solomon Islands and Vanuatu, although their economies have not necessarily been more viable, more people have retained a semi-subsistence economy in rural areas. There has, however, been significant emigration from Fiji, especially of Indo-Fijians. This dramatically accelerated after the 1987 and 2000 coups, with migration to Australia, New Zealand and also Canada, and with indigenous Fijians becoming a significant component.

The former US territories of Micronesia – Palau, the FSM and particularly the Marshall Islands – have increasingly exhibited similar trends (Hezel and Lightfoot 2005), with a very substantial growth in recent migration flows. Since the late 1980s emigration accelerated from the FSM and the Marshall Islands, as the signing of the Compacts of Free Association guaranteed migration rights in the United States and its territories. Between 1990 and 2004 more than 13,000 people left the Marshall Islands for the United States, especially after government jobs were lost in public sector reforms (a situation that has also been true of the Cook Islands), so that one in five Marshallese now lives in the United States. The FSM is following a similar course. The migration process in Micronesia is thus becoming increasingly similar to that in Polynesia: a steady outflow, growth of relatively permanent urban communities overseas (beyond student groups), a return flow of remittances and growing domestic interest in migration. Significantly, remittance flows to these Micronesian states are

generally either very small or reversed, a consequence of the limited education of Micronesian migrants and their difficulties in finding remunerative employment in the United States (Grieco 2003). In mid-2011 the United States became more interested in reconsidering the terms of the compacts designed to slow migration from Micronesia.

Kiribati and Tuvalu have been characterised by migration for much longer, dating back to the nineteenth century, but of contract labour – mainly to Nauru (for employment in the phosphate mine) or to work in the international shipping industry (for which both countries have training schools). Hence, return migration is normal, and the impact on national population change much less significant. Both countries have sought more international migration opportunities and small resident populations are growing in New Zealand especially, much as small Samoan and Tongan populations grew there half a century earlier.

Population growth rates remain high in some states. While the average population growth rate is around 2.2 per cent per year, in Vanuatu and Solomon Islands it is around 2.6 per cent, although in both states it is now falling. In several states, such as Fiji, Tonga and Samoa, growth rates are, however, less than 1 per cent, partly because of high levels of outmigration. The populations in all three Pacific subregions will increase over the coming decades, and in Melanesia above all there will be continued rapid growth, emphasising a late adolescent 'youth bulge' whereby the 15–24 age group makes up around 19 per cent of the population, compared with 14 per cent in Australia and New Zealand. Here as elsewhere there are very great differences within the region, but especially between Melanesia and Polynesia.

Migration is largely a response to real and perceived inequalities in socio-economic opportunities, within and between states. Social influences are important, especially in terms of access to education and health services, and are in turn often a function of economic issues. Migration remains, in different forms, a strategy of moving from a poorer area to a richer one in search of social and economic mobility abroad or at home. It is related both to the economic aspirations of migrant households and to development within PICs. Before the early 1980s, male migration had preceded female or family migration throughout the South Pacific, but there is now minimal gender bias in the numbers of Pacific Islanders migrating to the Pacific Rim, and preferences are shifting towards women. In many cases, families migrate as units, either as skilled migrants on the basis of one of the spouses' qualifications or as family migrants. There are, however, flows of specific occupational categories which are dominated by one sex. For instance, Fijian women have migrated as nurses, domestic helpers and caregivers while Fijian men have moved overseas as soldiers, tourism workers and employees of private security companies (Voigt-Graf and Connell 2007).

Major influences on migration have been rising expectations about what constitutes a satisfactory standard of living, a desirable occupation and a suitable mix of accessible services and amenities. In parallel with changing aspirations and the increased necessity to earn cash, agricultural work throughout the Pacific has lost prestige and the declining participation of young men in the agricultural economy is ubiquitous, despite rising levels of overt unemployment. There is a widening gap between rising expectations and the reality of limited domestic employment and incomes.

Changes in values, following increased educational opportunities and the expansion of bureaucratic (largely urban) employment within the region from the 1970s, have further oriented migration streams outwards, as local employment opportunities have not kept pace with population growth. The increasing extent of poverty is now more evident (Abbott and Pollard 2004), with a lack of 'safety nets' in both urban and increasingly rural areas. The 'youth bulge' has ensured that unemployment is particularly high among young people (Abbott and Pollard 2004), and there is growing recognition of the existence of significant numbers of unemployed and marginalised youth in most urban centres (Connell 2011; Noble et al. 2011). This, in turn, has stimulated emigration, with urbanisation as partial precursor to international migration. Currently, therefore, demand for international migration opportunities at both household and national levels is as great as it has ever been.

8.3 An economic rationale

Migration decisions are usually shaped within a family context, as migrants leave to meet certain family expectations, the key one usually being financial support for kin. Migration has rarely been an individual decision to meet individual goals, nor has it been dictated by national interests (except perhaps in the case of Kiribati and Tuvalu). Migration is directed at improving both the living standards of those who remain at home and the lifestyle and income of the migrants. In Tonga 'there are few opportunities for socioeconomic advancement in Tonga and migration is perceived as the only solution' (Morton Lee 2004: 135). In Samoa, migration was simply 'to seek wealth for all' (Muliaina 2001: 25). Consequently 'families deliberate carefully about which members would be most likely to do well overseas and be reliable in sending remittances' (Gailey 1992: 465). Through this process, extended households, as in Tonga, have been said to have transformed themselves into 'transnational corporations of kin' which strategically allocate family labour to local and overseas destinations to maximise income opportunities, minimise risk, and benefit from resultant remittance flows (Bertram and Watters 1985). To an even greater extent than for internal migration (where health, education and social reasons explain some part of migration), international migration is more evidently an economic phenomenon.

Migrant extended households are characterised 'by remittance transfers among various component parts of the "transnational corporations of kin" which direct the allocation of each island's family labour around the regional economy' (Bertram 1986: 820), and in so doing not only help to maintain these family and communal networks but even enlarge their social fields of interaction, incorporating them into multi-local networks of support and empowerment. Thus, for households in Samoa, 'having young wage earners abroad diversified families' earnings streams and reduced their dependence on high-risk activities. Having family members in several locations abroad diversified earning sources and reduced risk levels still further' (Macpherson 2004: 168). Moreover, Macpherson goes on to argue that 'Families, using intelligence from migrants abroad, periodically surveyed risks and returns in various enclaves and encouraged others abroad to relocate in places in which returns were found to be higher and risks lower' (Ibid.). In this way Samoans were, for example, encouraged to

join the US military because jobs were assured, wages were higher and education could be obtained without loss of earnings. 'If this analysis depicts Samoans as calculative and instrumental, it is because in relation to risk and return they are necessarily so ... [as] risks and returns available in various places were formally canvassed and modeled by families' (Ibid.). Although this sort of household consensus certainly occurs, and demonstrates the significance of access to the migration–remittances nexus, it has been argued that applying the same kind of model in Tonga tends to portray families as in agreement about their economic aims and functions, whereas there are often conflicts and tensions within them (Morton Lee 2004: 136). Moreover, over two decades ago, James argued that in many Tongan villages remittances were becoming individualised and that the idea of a transnational community of kin was becoming increasingly invalid (James 1993: 361; Morton Lee 2003: 31). The extent of greater individualisation is impossible to determine, but such conflicts over use emphasise, rather than downplay, the role of remittances.

8.4 A note on numbers

Estimating the number of overseas Pacific islanders is extremely difficult, partly because classifications vary from country to country and partly because many Pacific island groups are too small to be separately distinguished in censuses in such large countries as the United States. Residents of islander ancestry may not be distinguished in census data, and may not perceive themselves as 'islanders', and all calculations of islanders overseas are estimates. Recent estimates, based on destination census data, suggested that by 2010 there would be around 850,000 people of Pacific island ancestries or ethnicities (including Indo-Fijians) living in the four key 'countries of immigration' on the Pacific Rim: New Zealand (350,000), Australia (150,000), the USA (300,000) and Canada (50,000). The combined total of these Pacific ethnic/ancestry populations is larger than current estimates of the total population in PIC Polynesia (about 665,000), from where most have come. Very much smaller Pacific populations are also growing in the United Kingdom and Europe as well as in parts of Asia (Bedford and Hugo 2012).

Data on migration from Pacific island states are similarly limited, since little use is made of arrival and departure cards (even though these are routinely collected) and most states publish no data on this, so it is impossible to estimate the extent to which migration is selective by age, skill or home region.

Migration is complicated by movement between destinations. Thus New Zealand's more liberal entry policies for Pacific migrants, especially through quotas for residence for selected countries, have made a major contribution to growth in Australia's Pacific-born populations through trans-Tasman migration. The acceleration of Pacific migration to New Zealand in the 1960s was followed by increasing trans-Tasman movement of Pacific islanders from New Zealand to Australia, especially among Pacific peoples with New Zealand citizenship (to the extent that the Australian government has occasionally expressed some concern about this 'back door' entry). Around 20 per cent of Australia's Pacific-born population in 2008, for example, had come into the country as New Zealand citizens under the Trans-Tasman Travel

Arrangement (Bedford and Hugo 2012). Both in New Zealand and Australia, some of the more significant numbers of illegal overstayers are from Fiji, Tonga and Samoa, indicating the considerable demand for migration beyond legal channels, and especially beyond both countries' skill requirements.

8.5 Data

As is evident from the above, data on migration are limited, whether about stocks or flows. This is most evident of the diaspora, especially where that is spread across many countries, and especially in larger countries where census data exclude small numbers. Most PICs collect but do not always publish international migration data, so there is also limited information on the kinds of flows that exists at particular times (whether by age, gender, skill or intended destination). Few good labour force surveys exist. Likewise, for almost all public and private sectors and enterprises there are no data on resignations or attrition to indicate why skilled people are being lost, or how such losses (or the lack of recruitment) affect stocks in particular areas. In a very small number of sectors, notably health and education, and for most countries, there are data on stocks to indicate where labour shortages exist. In many contexts, estimates of labour shortages are dated or little more than anecdotal. Statistical offices are small, are not always well funded and supported with human resources, and have other priorities. Data on diaspora communities are usually much poorer (since destination countries rarely have any great interest in PIC migrants) but, in New Zealand at least, some sectoral groups, such as nurses, are organised into associations (and implicitly have definite interests in homeland affairs). However, very little information is available on the extent, location and objectives of such groups.

Consequently, few countries have a clear understanding of the collective impacts of migration on the labour force (and the implications of migration and attrition). Public service commissions, where they exist, are not always able to bring together the necessary information from other ministries that might enable an overall understanding of the relationship between migration, education, employment and training. This means that few countries have any effective migration management capacity, in terms of access to detailed and accurate migration data, let alone any understanding of relevant migration policies (whether directed at retention or return).

To work effectively with the diaspora, more basic data are essential, above all on migration flows, but also on fluctuations in the labour force. That demands some overriding institutional interest in placing migration to the fore.

In some ways this absence of data is not surprising, since migration is regarded as a free choice and not to be constrained in any way. Even documenting flows has been perceived in that light.

8.6 A sense of direction

Just as Pacific islanders have diffused internally and internationally from their initial destinations, above all Auckland, so in recent decades they have gradually

extended to the 'four corners of the world' (e.g. Sutter 1989). By the end of the 1960s, for example, not only had Samoans migrated to North America but they could be found in every single state and territory of both Canada and the United States, not least Alaska (Connell 1992). Much the same was true of Tongans, aided by Mormon religious affiliations which have given Tongans disproportionate access to the United States (Gibson and Nero 2008: 202). Most of the Indo-Fijians who had migrated to North America were in Canada, primarily Vancouver. France was the destination for many Pacific-born, mostly from the three French territories and most being of European ancestry.

Most of the earliest phases of migration were to colonial or former colonial powers and mainly to the Pacific Rim. Based on the proportions of overseas migrants compared with resident populations, the substantial difference between Polynesian mobility and relative Melanesian stability is readily evident (Sutter 1989). Relatively few islanders travelled to colonial powers in Europe, whether the United Kingdom (although a small number of Fijians were there) or France. By the end of the twentieth century, migration had diversified far beyond the metropolitan rim and colonial powers, while countries formerly with few overseas migrants (such as the FSM, Kiribati and Tuvalu) now had new, seemingly permanent, clusters overseas. Japan had become important for some new forms of migration, notably of sportspeople from Polynesia ('Esau 2007), a handful of students are now going to China and a larger number of potential skilled medical workers are being trained in Cuba. Only the Melanesian states – notably PNG, Solomon Islands and Vanuatu – were aloof from most of that, while few left New Caledonia other than for education. In this century, however, there has been a growing movement of skilled workers (including engineers, geologists and doctors from PNG, and health workers from both Solomon Islands and Vanuatu) to Australia, New Zealand and elsewhere.

Indicative of this expanding process is the manner in which even newer patterns of emigration have become particularly important since the 2000s, with a quite distinctive structure of migration to the Middle East, emphasising the manner in which new and highly paid overseas employment opportunities are being firmly grasped, even in a threatening security and social context. In mid-2005, over 130 Fijian soldiers were deployed in Iraq, continuing a long existing policy of Fijian soldiers working for the United Nations, for example in Lebanon. A second group of Fijian soldiers were in Iraq as members of the British Army, with one estimate putting this number as high as 1,000. Others were peacekeepers in Solomon Islands (as they had earlier been in Bougainville). Many former Fijian soldiers were employed as security guards for private companies in Iraqi cities, and other Fijians and Tongans were employed in support roles in Kuwait, including engineers, mechanics and information technology workers. Similar migration flows have occurred from American Samoa, Palau, the Marshall Islands and the FSM. There are huge income and remittance gains but very real disadvantages, both in terms of the loss of skills to PICs and in that many such workers have been killed. Migration has also taken Fijian nurses to the Gulf, the Bahamas and the United States (Connell 2009), and footballers have taken other migration trajectories, as the Pacific diaspora has become more global.

Considering only those populations born in the Pacific and living in Australia and New Zealand at the time of their censuses in 1971 and 2006, there were around 46,000 in the two countries in 1971 (16,000 in Australia and 30,000 in New Zealand) and just under 250,000 in 2006 (106,900 in Australia and 138,400 in New Zealand). Between 1971 and 2006, the Pacific-born populations had increased by 440 per cent (Bedford and Hugo 2012). One outcome of this process is that diasporas from some PICs substantially outnumber the resident populations. In the extreme case of Niue, the population usually resident in Niue is about 1,300 whereas those of Niuean ancestry/ethnicity in New Zealand alone number about 19,000, and in Australia there are also more Niueans than in Niue. This is the extreme case of a PIC where the demographic balance has comprehensively shifted offshore within no more than half a century. Similar trends are evident in Tokelau and the Cook Islands, and in much less extreme form in Samoa and Tonga. In other words, for some Polynesian PICS especially, there is a substantial diaspora that can be drawn upon.

The greater diversity of migration from the Pacific has also meant the growth of smaller populations in more scattered destinations, who provide some potential for possible future growth, and a new reservoir of experience and skills that may be of future value in the region.

8.7 Skilled migration

The proportion of skilled and highly skilled Pacific Islanders among all migrants is increasing, as a result of shortages in the receiving countries, some of which – as in New Zealand and the United States – have led to private sector recruitment in the Pacific Islands. Low remuneration, poor promotion opportunities, limited training and further educational opportunities, and poor working and living conditions, particularly in remote regions, are push factors for skilled migrants. The growing shortage of skilled workers has also contributed to increased intra-Pacific migration with workers migrating to countries offering better work conditions and salaries, such as Fijian nurses and teachers migrating to the Marshall Islands and Palau (Rokoduru 2008), Solomon Islands nurses to Vanuatu, and Fijian tourism workers to the Cook Islands.

As metropolitan states have made migration more difficult and increasingly selectively sought skilled migrants, both illegal migration (and overstaying) and the growing dominance of skilled migration have occurred. Fiji and other island states are now seen in Australia as 'high risk' states because of the extent of overstaying, and there are many illegal Fijian and other overstayers in Australia, the United States and New Zealand. Skilled migrants, and particularly skilled health workers, but also teachers (Voigt-Graf 2003) and football players, have made up growing proportions of migrants, especially from Tonga, Samoa and, in the wake of the 1987 and 2000 coups, Fiji. This skill loss has become critical in some small states.

Skilled workers in general, and health workers in particular, are a higher proportion of immigrants from island states to metropolitan states because of the increased focus on skilled migration (within declining immigration numbers) in most destinations, and the continued (and increasing) demand for health workers there. Each of the principal

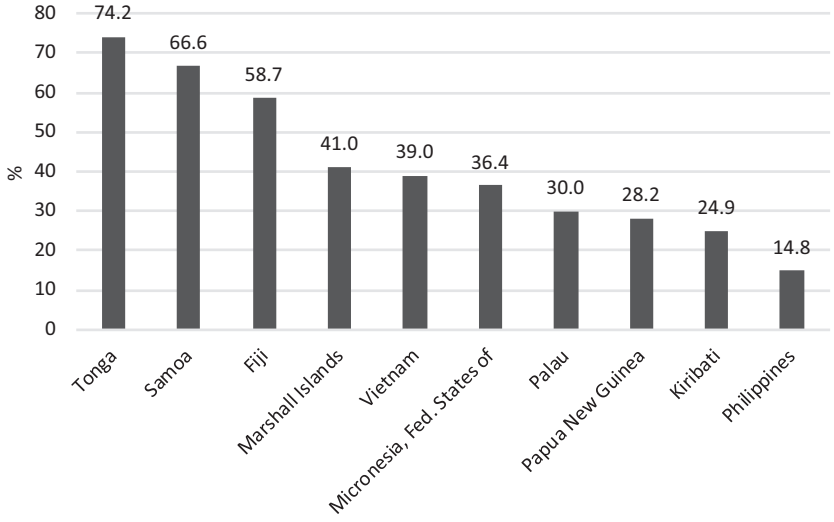
destinations for skilled migrants – the United States, Canada, Australia and New Zealand – has the acquisition of permanent skilled migrants as one of the objectives of its immigration policy. Indeed, they have increasingly even become competitors in trying to attract highly skilled (and entrepreneurial) migrants. Ironically, many of these migrants become part of a 'brain loss' or 'brain waste' because their qualifications, despite contributing to gaining them entry, are unrecognised in the destination.

Emigration rates of skilled persons have steadily increased in the PICs, particularly as overseas recruitment occurs, and especially for health workers. New Zealand, the UAE and other countries, for instance, have actively recruited nurses in Fiji. As a result, there is a shortage of skilled health practitioners in almost all island states. Doctors are twice as likely to migrate as nurses because wage differentials are greater, and because most nurses are women whereas men are often the primary decision-makers regarding migration (Brown and Connell 2004). However, female Fijian nurses have frequently taken the decision to migrate independently, often leaving their husbands and children behind, mainly for higher wages and the acquisition of new skills and experiences. Skilled migration is unlikely to decrease, given the significance of skilled worker shortages in each of the 'standard' destinations, and increased shortages in newer, more distant markets.

The loss of skilled labour has been a serious issue for several island states, but perhaps especially for some of the smallest, which need skilled workers but have few. In this century a small but quite new migration of skilled workers from Melanesia has drawn small numbers of geologists, doctors, nurses and others to metropolitan states and to other PICs (including a movement of Solomon Islands nurses to Vanuatu), which has depleted national skills in areas that are particularly critical to national development. More generally, skilled migration has been greatest in numbers and proportions from the larger Polynesian states (Figure 8.1).

As many as 52 per cent of Pacific islander migrants living in Organisation for Economic Co-operation and Development (OECD) countries have post-secondary education, a much higher percentage than in the source countries. Eight PICs, notably Tonga, Samoa and Fiji, are on the list of the 30 countries with the highest rates of skilled migration in OECD states. Emigration rates are especially high among women, with 63 per cent of them being skilled migrants (Docquier et al. 2007). In the larger PICs, such as Fiji, the loss is significant and troublesome. Of the 8,669 professionals who left Fiji between 1987 and 2001, 2,728 were teachers, 1,774 architects and engineers, 1,410 accountants, 1,137 medical professionals and 1,620 other professionals (Voigt-Graf 2003). Even these figures may well underestimate the true numbers because data sources are unreliable, and Fiji has also lost airline pilots, accountants, army personnel and sportspeople. A survey of the Fiji Nurses Association in 2000 found that 88 per cent of nurses migrated for higher wages, and across the region at least two thirds of migrant workers primarily sought higher wages (Connell 2009). There is an acute shortage of doctors in Fiji, exacerbated in the wake of the 2000 coups and by the active recruitment of some receiving countries. This has raised concerns over health outcomes and repeated training costs. In some smaller PICs the brain drain has been equally excessive; the Cook Islands, for example, lost more than half its vocationally

Figure 8.1 Pacific island countries: percentage of tertiary-educated national populations living outside their country of birth, 2000



Note: The percentages are distorted because Tonga, Samoa and Fiji have larger numbers of educated nationals in proportion than the other PICs.
Source: Ratha and Xu (2009)

qualified population in the single decade 1966–1976 (Connell 2005) and much the same happened again in the mid-1990s when the national economy collapsed.

Return migration (see section 8.9) has not solved labour shortage problems and, like Fiji and other states, the Cook Islands has turned towards Asian labour markets for replacements (Connell 2005). In the case of migration of Tongans and Samoans to the United States alone, 'Emigration results in the permanent loss of young educated skilled labour from the Pacific island nations. Skilled labour is in short supply and emigration probably hinders development' (Ahlburg and Levin 1990: 84). This is certainly true more generally in the health sector, where more costly (and sometimes less skilled) replacements have sometimes been required, and in the movement of sportspeople. The combination of changing aspirations and the migration of the more educated young contributes to the brain and skill drain from national peripheries and from small states, perhaps ultimately worsening the welfare and bargaining position of those places (Connell 2009). In small PICs it is unusually difficult to replace skilled migrants, because of both the duration of training that is required and the very small demand for some particular skills.

The outcome in the health sector is that basic needs are less well satisfied, especially in more remote areas, and there is a loss of morale among those who have remained, as working conditions deteriorate. Wards are closed, waiting lists and times lengthen, and examinations are more cursory or complicated by new cultural differences (Connell 2009). Large proportions of budgets are directed to referrals to distant places, and the Millennium Development Goals recede into the distance. It is equally

evident that, because of the necessity for appropriate skilled training, it is more difficult to substitute for absent skills in the health workforce or transfer them from elsewhere in the public service.

Given the global demand for skilled health workers, and active recruiting by New Zealand and other states in the region (especially Fiji), there is no easy solution (Connell 2009). However, recent work has shown that nurses at least send very high levels of remittances, sustained over long periods of time, to the extent that their remittances are almost certainly substantially above the training costs (Brown and Connell 2004). At the same time more nurses are joining the profession because it provides migration opportunities; hence some of the Pacific states are moving towards the situation in the Philippines, where nurses are effectively trained to be migrants (Connell 2014). This does suggest that the economic costs of skilled migration are not as great as has been feared and may be outweighed by the benefits, even if training is in the public sector and remittances are private, but it is impossible to accurately cost the health disadvantages of high levels of emigration.

It has, however, been argued that the problems of 'brain drain' are overstated and having an excess of professionals (such as nurses or teachers in Fiji) is not a bad thing if they have the chance to work overseas, while emigration frees up the job market at home (Chand 2008b). However, these are two different contexts and the job markets have become conflated. There is a surplus of teachers in Fiji, at the same time as there is a deficit of doctors, measured by unfilled vacancies and declining service provision. Although other skilled migration losses, outside the health sector, may not now either be generally significant or have negative implications, such demand-driven migration is likely to have negative consequences in the future. This may already be so in the context of the migration of both sportspeople and military personnel.

In recent years, overall migration opportunities in metropolitan states have tended to decline and are increasingly targeted towards skilled migrants, rather than family reunion, especially in Australia. Thus migration flows from the Pacific are increasingly likely to be of skilled migrants from various sectors, including health (Connell 2009) and education (Voigt-Graf 2003), as the overall number of migrants from the independent states has tended to fall. Structural changes within metropolitan states have meant that certain sectors, notably health, are short of skilled workers. Pacific island nurses, usually entering the bottom levels of the 'global healthcare chain', have migrated much greater distances, to the United Arab Emirates and beyond, as demand intensifies.

The widespread existence of skilled migration, and what amounts to a brain drain, has constituted a major loss to most PICs. Migration has been selective by skills, yet repeated reports on aid delivery to the PICs have drawn attention to issues of management and governance and referred to the need for skills and superior training. The extent to which skilled workers can be encouraged to return from overseas, either permanently or temporarily, or to benefit the region otherwise is thus of some importance (see section 8.9).

Despite concern over the existence of a significant skill drain, few attempts have been made to develop baseline data on sectors and occupations where the skill

deficit is greatest, even in the public sector. Although several studies have pointed to deficits in the health sector and, at least in Fiji, the education sector, little is otherwise known of the impact of migration on labour shortages in particular critical areas. Necessarily, this makes developing policies that target the diaspora somewhat difficult; hence this report primarily focuses on the health sector, where deficits are more evident.

8.8 Remittances

The most characteristic contribution of the diaspora to home populations and countries is through remittances. Remittances are vastly significant in the Pacific, above all for the small Polynesian PICs and for small islands throughout the region. At an aggregate level, remittances steadily increased from 2000 until 2009, when, with the impact of the global financial crisis, the PICs recorded a decline in remittances to US$1.819 billion, down from US$1.834 billion in 2008, and it is likely that this continued through 2009 and perhaps longer (Ratha and Xu 2009). However, flows were actually probably rather greater than that since, in the Pacific particularly, a large proportion of remittances is not formally recorded and where PICs share metropolitan currencies (such as Tokelau, Niue and the Cook Islands, which share the New Zealand dollar) they cannot be accurately measured. The money (and goods) sent home by migrants is particularly important in Tonga and Samoa, where remittances accounted for 38 per cent and 26 per cent, respectively, of gross domestic product (GDP) in 2008 (equivalent to aid and trade combined). It is also extremely important in the least developed PICS, Tuvalu and Kiribati (Table 8.1). Despite significant levels of migration, remittances are yet to become important in the Micronesian states (other than Kiribati).

Table 8.1 Contribution of trade, aid and remittances to GDP in Pacific countries, 2003

Country	Imports (% of GDP)	Aid flows (% of GDP)	Remittances (% of GDP)	Exports (% of GDP)
Cook Islands	46.0	3.5	0.7	4.9
Fiji	49.2	2.3	7.0	30.1
Kiribati	99.4	31.5	12.0	6.9
Marshall Islands	55.8	53.9	0.6	9.3
Federated States of Micronesia	47.3	49.7	1.0	6.5
Nauru	71.0	35.5	n/a	25.5
Niue	68.7	15.1	n/a	1.5
Palau	71.5	20.5	n/a	7.3
Papua New Guinea	31.4	6.4	0.2	47.8
Samoa	51.3	10.4	14.2	5.2
Solomon Islands	28.6	25.7	0	25.2
Tonga	74.1	16.3	39.2	11.6
Tuvalu	75.6	38.6	35.9	0.9
Vanuatu	58.7	11.7	3.3	42.4

Source: Redden and Duncan (2009)

Indicative of the growing significance of both migration and remittances is the manner in which both have rapidly become important in Fiji as the domestic economy has crumbled in the present century. A recent study of migration and remittances in Fiji (and Tonga) revealed that as many as a third of all households in Fiji had at least one overseas migrant and remitter (compared with 60 per cent in Tonga), and 43 per cent of households received remittances (compared with 90 per cent in Tonga). In circumstances where households may be the migrant unit (especially for Indo-Fijians) this is a remarkably high percentage, after a relatively short period of engagement in international labour migration, and also reflects the substantial presence of Fijians in the security industry in the Middle East (Brown et al. 2014). Moreover, many Indo-Fijian households were also remittance recipients, contrary to earlier beliefs that few received remittances. Remittances had a positive impact on both poverty alleviation and wealth creation, although the impacts on income inequality were uncertain.

Remittances play an increasingly important role, especially in the smaller island states. In many countries remittances form a significant part of both national and household incomes; hence some 30 years ago the smaller island states (specifically initially Kiribati, Tokelau, Cook Islands and Tuvalu) were conceptualised as MIRAB states, where migration, remittances, aid and the resultant largely urban bureaucracy were central to the socio-economic system (Bertram and Watters 1985). The notion of MIRAB is also applicable in rather larger states such as Samoa and Tonga, as it is in small island states in the Caribbean (Connell and Conway 2000). Although this acronym is disliked in the Pacific, for cultural reasons and because of its implication of a handout mentality, it nonetheless suggests the centrality of migration and remittances in the island states, and has been largely unchallenged for three decades (Bertram 1999).

Because of the continued and increasing significance of remittances, the sustainability of remittance-dependent development is particularly important but necessarily uncertain – especially if, in the countries of origin, the need for remittances grows faster than its supply or if the number and flow of migrants dwindle. The rate of growth of migration to major destinations has declined in recent years because of economic recession in the destinations and the restructuring of migration controls, with migration becoming more selective towards those with particular skills. Even with continued migration, however, an imbalance is expected because of the dynamics of settlement migration. With family reunification and with greater integration of migrants in the host communities, their ability and willingness to remit have been expected to decline over time. If that were so, without other sources of income, the future of the economies of remittance-dependent Pacific countries would be uncertain.

Remittances are particularly important in the smaller states of Polynesia and Micronesia, and in the more remote islands in those states. Thus, for the coral atoll of Manihiki (Cook Islands), migration and the resultant remittances have been seen as so crucial that they constitute nothing less than a socio-economic strategy for collective survival (Underhill 1989). In Nanumea (Tuvalu), remittances grew from being about half of the island income in the 1970s and 1980s to some 75 per cent in the 1990s, in large part because of the collapse of copra marketing as world prices

slumped (Chambers and Chambers 2001: 156). In Kiribati and Tuvalu at least 30 per cent (and probably much more) of all households receive remittances, and they are the main source of income in the outer islands (Abbott and Pollard 2004; Borovnik 2006; Connell 2013).

Conventional wisdom suggests that remittances are overwhelmingly used for consumption objectives and inadequate amounts are directed towards investment. Debt repayment, new forms of consumption – which are important – housing and some community goals (such as water tanks and churches), air fares and education (an investment in social capital) take priority. After such goals are met remittances are used for various forms of investment, sometimes in the agricultural sector but more frequently in the service sector, and especially into stores and transport businesses (Connell and Brown 2005). In Samoa and elsewhere, remittances have constituted the start-up money for many shopkeepers and other small entrepreneurs. Half of all market vendors in Apia (Samoa), all of whom received remittances, claimed that some had been used as capital for the purchase of seeds, fertiliser and tools to engage in food production for sale (Muliaina 2001: 28). Even on small outer islands, such as Falahola (Tonga), remittances have been used for economic ventures, ranging from agriculture to tourism, although remoteness has limited their success (James 1991: 18–20; Faeamani 1995). This transition has occurred in many similar Caribbean island environments (Connell and Conway 2000). Where conditions are appropriate for adequate income generation, even where remittances have reached high levels, the private sector may flourish and be stimulated by remittances.

Remittance recipients make efforts to invest where they can, and there is minimal evidence that any part of the economy is abandoned or neglected, to be replaced by remittances. Where there are opportunities, and where consumption goals have been satisfied, remittances are used for investment, stimulate entrepreneurial and trading activity, increase the extent of formal sector employment and produce multiplier effects. Nonetheless it is implausible that remittances have no disincentive effects, although there is remarkably little direct evidence of this. In the case of Tonga, Sturton argued that 'The Tongan economy displays all the characteristic markings of the "Dutch disease" where a dominant export activity attracts a disproportionate command over resources, pushes up domestic production costs, and reduces international competitiveness. In the Tongan case the "booming" sector has become development assistance and migrants' remittances' (1992: 3). Similarly Faeamani has argued that, through the combination of the loss of young adults and an inflow of cash in the form of remittances and goods, 'there is a consequent reduction in garden size and production' (1995: 140). More generally, several authors have stressed the wide-ranging notions of dependency that remittances appear to create.

See section 6.4 in Chapter 6 for more information on remittances.

8.9 Benefiting from return migration

Alongside capital, return migrants are believed to bring with them new skills and knowledge (that is, social remittances), acquired elsewhere, that may prove to

be beneficial in local and national development. However, new ideas, norms and practices may not necessarily be either beneficial or welcomed, if they threaten an established social, economic and political order or are inappropriate for a different scale, direction and resource base of development. Change is not always welcome in small-scale societies where established orders prevail and opportunities are limited. Return migration can also exhibit a Janus face.

In practice, as population data indicate, return migration is quite limited. At no time during the past quarter of a century has there been substantial return migration to most islands and PICs, despite the centrality of an ideology of return. Return has been greatest where distances have been less and economic opportunities greater, and consequently least in more remote islands and regions. Limited return migration is at least partly due to the great differences in income levels from the metropolitan periphery (usually the initial rationale for migration), and shortage of economic opportunities, but also to a host of social factors (notably the education and stable upbringing of children). Return migration has often been of unskilled workers and retirees, but return may be just as diverse as outmigration.

The return migration of those with skills has tended to be limited, in part because those skills cannot necessarily be practised locally, but more frequently because return migrants are poorly paid. Many of the skills brought back are not easily used or effectively absorbed. This is particularly true of temporary migration, whether of agricultural workers or seafarers, where workers are involved in activities that do not happen at home, and with a work organisation and discipline that is not easily transferable (see Chapter 4). However, even skilled migrants do return, despite the discrepancy in wages and working conditions, often for family reasons or to establish businesses, which may have been funded from remittances (Brown and Connell 2004), so there is return migration across a wide range of categories and age groups (Maron and Connell 2008). In overseas Polynesian households that include nurses, the greatest propensity to return comes from those with business investments at home (Brown and Connell 2004). One new and unfortunate trend, notably in Samoa and Tonga, has been the deportation of convicted islanders, mainly from the United States, who make very little positive contribution within the PICs (Pereira 2011). For the Cook Islands, qualified and experienced people have returned and been able to use their skills in a range of occupations, not merely in the public service, although the Cook Islands is unusual since wages and salaries in the islands are more comparable with those in the main destination: New Zealand. Most PICs have been unable to benefit from contemporary strategies to benefit economically and socially from diaspora populations.

Since economic opportunities are limited in many island states, return migrants tend to be absorbed within the service sector, as in Tonga, where remittances have been used to set up market stalls which become the prelude to stores and business ventures (Brown and Connell 1993, Besnier 2004). On smaller islands such as Tubuai (French Polynesia), and in Kiribati, although returnees are development oriented and anxious to invest, opportunities are so limited that this not economically viable (Lockwood 1990, Borovnik 2006). Returnees thus tend to be absorbed into the small-scale service

sector, sometimes duplicating existing services such as taxi and retail businesses, and are less obviously in export-oriented productive activities. Disappointments discourage other returnees, and return migration may be the start of a new phase of circulation.

Limited return is also a function of a social context where the children of migrants are educated in the destination country, have lost some degree of contact with 'home' societies – even to the extent that they have lost critical linguistic and other skills – and perceive few opportunities to use and benefit from skills acquired overseas (Connell 2007). Return migration is constantly deferred ('until children leave school', 'until enough money is saved', 'until retirement' etc.) until the point where it becomes implausible. This is also linked to a gradual shift in the demographic balance, especially in the Polynesian states, from those states to the metropolitan fringe; relatives are increasingly likely to be found in destinations and thus there is reduced incentive to return to what is less likely to be seen as 'home'. This has obvious implications for the return migration of skilled labour. There is also some resistance to return migration in islands where those who have stayed resent returnees as having 'voted with their feet' to abandon their home islands and have returned to compete for scarce opportunities. A significant part of return migration is to take care of older relatives rather than directly contribute to national development. Encouraging the return migration of those skilled workers who might usefully contribute to national development demands a package of policies, much like those required for retaining health workers, that operate both within and beyond particular sectors of the workforce.

8.10 Are islanders gaining useful skills or are they enmeshed in a secondary workforce?

Many migrants from the Pacific have long been employed in the secondary labour sector, working in unregulated, non-unionised employment and being paid low and irregular wages. The situation has yet to change significantly, despite skill acquisition and upwards socio-economic mobility over time. This has been particularly true of Micronesians, who have relatively recently migrated in significant numbers to the United States, and of workers in the unregulated nursing home sector, where there has been considerable exploitation of women. Similarly, there has been reported ill-treatment and exploitation of Fijians working in the Cook Islands, where some 200 work, mostly in hotels and other service industries, without legal protection. Some have no work contracts at all; the contracts of others have been breached by their employers. In such circumstances, both income and skill acquisition have been limited.

In recent years, migrants have also been affected by job losses. In New Zealand, for example, the unemployment rate among recent migrants was 6.7 per cent, compared with 5 per cent for the wider population in 2008–09. Unemployment has particularly affected Pacific Island workers residing in New Zealand, including migrants who are particularly vulnerable in the labour market because of their relative youth and

low-skilled status (Bedford et al. 2010). Here, too, migrants gain no skills, become disillusioned and are either a drain on welfare services or discontented return migrants. Finally, recent temporary migrants do not gain useful skills that can be transferred back to the homeland states (see Chapter 4). Such limited skill acquisition appears overall somewhat bleak, and is not true of most Pacific islander labour forces. However, there is some evidence that those who are more likely to acquire skills, and skills that would be of utility at home, are least likely to return. Meeting the challenge of encouraging the return migration of more of those with useful skills is particularly difficult in small island states.

8.11 Conclusion

Migration from the Pacific and the emergence of a substantial diaspora has had several obvious outcomes discussed above: a significant population loss from several PICs, a skill drain that has posed problems in several sectors (most obviously health), limited return migration (but not often of those with the skills that are most in demand, or with entrepreneurial capital) and a very substantial flow of remittances that has made an enormous contribution to welfare and the reduction of poverty. What else might be possible for PICs to benefit more from the diaspora? In many discussions of migration and development, and especially of skilled migration, a preoccupation with international migration has diverted attention away from significant national development issues such as internal migration and the retention of the most valuable national workforce. These issues are discussed in more detail in sections 6.8 to 6.12 in Chapter 6.

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Chapter 9

The Role of the Diaspora in Southern Africa with Special Reference to Botswana, Lesotho, Namibia and Swaziland

Eugene K Campbell

9.1 Introduction

The volume of international migration has more than doubled since 1975 and Africans have become the most mobile population globally. Although much of the movement from and within sub-Saharan Africa (SSA) is voluntary, a substantial part is triggered by a combination of political and economic events which may force professionals to migrate. A high proportion of these migrants are skilled and the 'brain drain' effect of this skilled emigration was perceived as a blight on the region's economy before the twenty-first century. According to United Nations Economic Commission for Africa (UNECA) and International Organization for Migration (IOM) estimates, between 1990 and 2003, 20,000 skilled people left African countries annually for destinations elsewhere (Mutume 2003). By 2000, SSA had the highest probability (13.6%) of emigration of skilled people in the world, and the vast majority (over 90%) went to Europe, the USA and Canada (Easterly and Nyarko 2008). Between 1993 and 2004, the number of skilled Africans admitted to the United States rose from 28,000 to 66,000. By 2005, an estimated 300,000 African professionals lived outside the continent. The cost of producing human capital in Africa is quite high. Government spending on educating nationals ranges from 8.7 per cent of total government expenditure in Zambia to 26.9 per cent in Senegal (Easterly and Nyarko 2008).

Since the 1980s, researchers, governments and families have increasingly acknowledged the rewards of skilled and unskilled emigration. There is growing awareness of the positive contributions of the new diaspora (henceforth referred to as the diaspora) to people living in the ancestral home country through remittance of money and goods, economic investment, and social and political ideas which have helped to shape socio-economic development in sending countries. Although the history of African diasporas goes back to before the eighteenth century, the most notable determinants of the diaspora are political and economic factors which 'forced' many Africans to leave their countries for better conditions elsewhere.

Before the 1960s was a period of relative political and economic stability within the region, fostering unperturbed appreciation of the social and cultural benefits of the homeland (country of birth). International labour migration was perceived to be temporary, with a view to returning home at the end of a contract or schooling or on retirement in the host country. However, by the mid-1960s the political economy in several independent countries began to change. This was most pronounced in west

Africa, where a coup in 1966 toppled President Kwame Nkrumah of Ghana and a civil war from July 1967 to January 1970 almost crippled Nigeria as a nation. During the next two decades, the political situation in several west and east African countries altered considerably, with the frequent occurrence of military coups and violent ethnic conflicts. For those who returned home during this period, the vision of personal economic and social development was seldom realised, especially where the migrants had substantially enhanced their expectations while living abroad. Although many African immigrants in SSA still cherished the idea of returning home to retire and be buried there when they died, professional migrants increasingly began to perceive their home countries with much ambivalence.

In southern Africa, the situation was slightly different, as it plunged into violent struggle for majority rule, especially in Zimbabwe, South Africa, Namibia and Mozambique. Education abroad served as an opportunity for many to stay in the host country until the political environment at home was suitable for return migration. Also, South Africa provided opportunities for the poorly skilled to be gainfully employed and generate much-needed income. Table 9.1 indicates that the volume of migration from the main sending countries in the Southern African Development Community (SADC) to South Africa rose from 1.1 million in 1991 to 5.3 million in 2005 (average annual increase of 1.13%). However, it should be noted that these figures may be overstatements because they include short-term visitors and traders who may have travelled multiple times a year and may not necessarily have become migrants in South Africa.

Many professional migrants cherished a hope of improvement in the political economy at home, and this kept alive the desire to return home eventually. Perhaps it is for this reason that Gaillard (2003) assumed that most migrations by African professionals in the 1980s were temporary. Indeed, they seemed that way to most of those whose host countries were in SSA, partly because of the similarity in political and social conditions. It should be recalled that, when the economies of several African countries were in turmoil in the 1980s, few policy-makers in the countries that were doing well expected these economies also to falter within a decade. Thus, even if migration within SSA appeared temporary to some, it increasingly became

Table 9.1 Migration to South Africa from main sending SADC countries

Country	1991	1994	1997	2000	2003	2005
Botswana	135,002	371,490	446,707	563,365	797,315	798,455
Lesotho	243,710	1,184,893	1,190,848	1,559,422	1,291,242	1,668,826
Malawi	27,229	41,706	63,952	70,732	89,469	107,258
Mozambique	35,507	140,576	339,167	491,526	474,790	648,526
Namibia	140,527	188,887	187,594	206,022	216,978	220,045
Swaziland	182,792	546,651	712,491	742,621	809,049	911,990
Zambia	20,193	40,409	61,956	75,882	115,650	128,390
Zimbabwe	362,082	534,865	557,475	477,380	568,626	783,100
Total	**1,147,042**	**3,049,477**	**3,560,190**	**4,186,950**	**4,363,119**	**5,266,590**

Source: Crush et al. (2005a)

permanent during the 1980s. The political and economic climate in the region has improved significantly since the 1990s and international migration has taken a more circular form, especially in southern Africa.

9.2 Methodology

This chapter was prepared mostly from desk research, using tertiary data from published documents. To have a feel of what is happening at the policy level in each of the four study countries (Botswana, Lesotho, Namibia and Swaziland) field visits were included in the study design to collect primary data (from key informants). With regard to tertiary data, this chapter draws heavily on the following publications of the Southern African Migration Project (SAMP): *Degrees of Uncertainty: Students and the Brain Drain in Southern Africa* (Crush et al. 2005b) and *Migration, Remittances and Development in Southern Africa* (Pendleton et al. 2006).

Key informants were interviewed in Botswana, Lesotho and Swaziland in September 2011. Owing to unavoidable circumstances, interviews were not conducted in Namibia. In Lesotho and Swaziland, government officials (in the ministries of finance and economic development and of labour and home affairs as well as the Central Statistics Offices) and university experts in migration were interviewed. In Botswana, the Central Statistics Office was excluded for technical reasons. The interviews were carried out using a questionnaire designed to find out the extent of knowledge about emigration statistics and international migration policies (see Appendix 9.1 for sample questionnaire).

9.2.1 Conceptual evolution of contemporary diaspora

The need to differentiate between classic and new diaspora is premised on the African Union's (AU) definition of African diaspora. The AU recognises and targets two categories of African diaspora in its attempt to meet the challenges of migration and development in the continent: (1) people of African heritage who involuntarily migrated to North Africa, Europe, the Caribbean, Brazil and Latin America ('classic diaspora'); and (2) people who recently migrated voluntarily from Africa ('contemporary diaspora'). Although this paper excludes the effect of (1), the author is mindful of the contribution of the AU towards the potential success (or failure) of the efforts of governmental and non-governmental organisations (NGOs) in the inclusion of the diaspora in migration and development in southern Africa. In addition, there seems to be a lack of consistency in the use and understanding of the concept of diaspora and, probably because of its loose association with contemporary migration, social scientists tend to ignore the positive contribution of the classic diaspora to African socio-economic development.

Until recently, the 'diaspora' was to historians a field quite distinct from the geographers' perception of migration. Diaspora has traditionally been perceived through the eyes and minds of the Jews, who suffered immensely over a significant period from trauma while living in exile and nursing hopes of return to their ancestral homeland (Appiah and Gates 1996, Cohen 1997, Okpewho 1999). Cohen (1996, 1997) should be given

credit for having contributed immensely to ongoing debates about the changing faces of the diaspora and its evolution through numerous dimensions during the twentieth century. His treatment of the concept reflects recognition of Jewish diaspora as well as the diasporic effects of African slave movements to the Americas and mass movements of the British, Irish and Indians.

Changing perceptions of the diaspora have been recognised in the *Shorter Oxford English Dictionary*, which, in its 1993 edition, adopted a contemporary stance by defining diaspora as 'any body of people living outside their traditional homeland' (Yew 2002). This new position was recognised earlier by Conner (1986) when he defined a diaspora as a segment of a people living outside the homeland. This represents a change from classical scholars' perception of the concept, and forms the basis of this chapter. After all, as Echeruo (1999) observed, the constitution of a diaspora is neither new nor the result of remote historic events alone. Events such as those the Jews experienced in biblical times have recurred in different forms over centuries until now. Whereas Rassool (1999) interprets classical diaspora as a mass movement, based on socio-economic and political crises, with the intention of seeking new cultural identities in the host country, Sheffer (1986) describes modern diaspora as the residence and action in host countries of ethnic minority groups who maintain strong sentimental and material ties with their home countries.

Although a seemingly complex subject, the diaspora is about identity and could frequently be associated with transnational conditions given that people in diaspora are caught between two or more cultural identities. In effect, diaspora is increasingly being equated with recent trends in migration. Although theories of migration are mostly based on voluntary decisions to move, recent events in SSA have increasingly forced professionals and non-professionals to flee their country of birth and eke out a living in foreign countries, sometimes under hostile conditions. If what connects events to classic diasporas includes 'coercion, … conscious cultivation of collective memory of their homeland, … return, … preservation of culture [and] maintenance of communication' (Anand 2003: 214), the same is true of the exiling of skilled professionals as a result of political dictatorship and corruption in SSA. While recognising the coercion etc. involved in many 'voluntary' decisions to migrate to other SSA countries, the process of diaspora formation takes time. Considering a more practical (*de jure*) definition of migration (United Nations 1970), the formation of a diaspora should be seen from a *de jure* rather than a *de facto* perspective (Cohen 1997; Anand 2003; Hugo 2006). Hugo (2006) assumed a definition of diaspora that includes a threshold of two generations for an identifiable group of migrants to form a diaspora. Considering that contemporary international migration of Africans increased remarkably after the 1950s, it is now safe to refer to contemporary migrants within the concept of the diaspora.

9.2.2 Characteristics and patterns of migration in southern Africa

Southern Africa has a long history of migration dating back to the middle of the nineteenth century, when labour migrants went to work on the Kimberley diamond mines, including workers from modern-day Botswana, Lesotho, Namibia and

Swaziland. The discovery of gold on the Witwatersrand changed the entire pattern of labour migration in the region. Initially, most migrants came independently. Male labour migration to the mines and commercial farms and plantations was the most enduring form of legal cross-border labour migration within the region. Mine migration was the most highly regulated, through systems of recruitment by a single agency, The Employment Bureau of Africa (TEBA) (Crush et al. 2006). For much of the twentieth century, the region experienced two major forms of labour migration: in-migration of white immigrants primarily from Europe; and temporary migrant workers (primarily male) from one country in the region to another (Crush et al. 2010).

By 1970, there were over 260,000 male labour migrants working in the mines in South Africa. Miners came from as far north as Tanzania. Other mining centres in Zambia, Zimbabwe, Namibia and Tanzania also became magnets for labour migrants from other countries. The other major employers of migrants in South Africa, Zimbabwe, Namibia, Swaziland, Mauritius and Tanzania were commercial farms and plantations. During the colonial period, migrants worked in urban centres in construction, domestic service and industry (Crush et al. 2006).

The South African mining industry recruited migrants from almost every other country in the region. After independence, most governments reassessed the question of labour migration to other countries. Some, such as Tanzania, Malawi and Zambia, tried to prevent it. Tanzania and Zambia withdrew their workers from the South African mines after independence. Malawi withdrew all its workers in 1972. A renegotiated agreement in the late 1970s saw about 20 per cent return to the mines. Employment remained at this level until 1987, when the Malawian government withdrew workers after a dispute with the apartheid government over human immunodeficiency virus (HIV) testing. In the 1980s, the supplier states formed the Southern African Labour Commission (SALC) in an effort to form a common policy on labour migration to South Africa. The SALC was unsuccessful in its efforts to develop a policy of phased withdrawal, primarily because countries such as Lesotho and Mozambique were unable to dispense with contract labour migration (Crush et al. 2006).

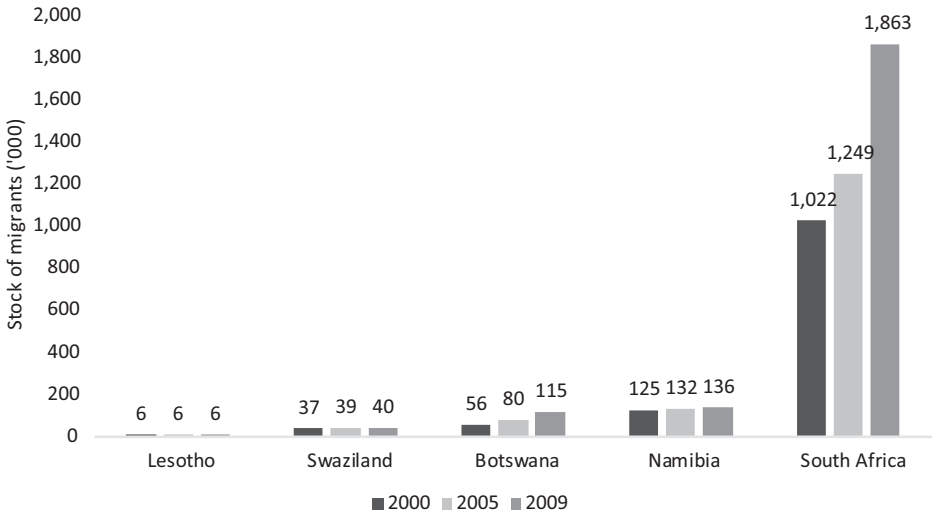
The end of apartheid, a system designed to control movement and exclude outsiders, produced new opportunities for internal and cross-border mobility and new incentives for moving. The ensuing integration of South Africa with the SADC region brought a major increase in legal and undocumented cross-border flows, and new forms of mobility. The region's reconnection with the global economy has opened it up to forms of migration commonly associated with globalisation. Growing rural and urban poverty and unemployment have pushed more people out of households in search of a livelihood. One aspect of this has been a significant gender reconfiguration of migration streams. HIV and acquired immunodeficiency syndrome (AIDS) have also had a considerable impact on migration. Rapid diffusion of the epidemic is inexplicable without reference to human mobility. New forms of migration are emerging in response. Finally, the countries of the SADC are still dealing with the legacy of mass displacement and forced migration. The impact of the Mozambican

and Angolan civil wars continues to reverberate. Recurrent civil strife in the rest of Africa has generated mass refugee movements and new kinds of asylum seeker to and within the region. The cessation of hostilities and threat has confronted countries of asylum with issues of repatriation and integration (Crush et al. 2006).

The stock of migrants in Southern Africa reached 2.2 million people in 2010 – with an average annual increase of 7.3 per cent since 2005. South Africa hosts the majority of these migrants (1.9 million) (see Figure 9.1). Since 1990, migration within the SADC and from the rest of Africa to the SADC has increased dramatically. Informal movement of people across borders also has a long history in southern Africa. Botswana and South Africa were experiencing the greatest influx of irregular migrants at the time of writing (Crush et al. 2010). The most significant increase in irregular labour migration in the last five years has been from Zimbabwe. The number of persons migrating from Malawi, Mozambique and Zambia to the commercial farms of Zimbabwe has declined considerably since the land transfer programme in Zimbabwe. However, the number of Zimbabweans migrating to work or to look for work in Botswana and South Africa has increased dramatically. Opportunities for Zimbabweans to work legally in other countries are limited but that has not prevented many from migrating (Crush et al. 2010).

Most irregular migrants in the SADC are from other countries within the SADC. South Africa, for example, has deported over 1.5 million migrants to neighbouring countries since 1994 (with Mozambique and Zimbabwe making up 90 per cent of the total) (Crush et al. 2010). An IOM assessment of the irregular movement of men from east Africa and the Horn to South Africa estimates the number of male irregular migrants handled by smugglers to be 17,000 to 20,000 per year. Forced

Figure 9.1 Stock of migrants in southern Africa, by destination, 2000, 2005 and 2009



Source: IOM (2010)

migrants are not normally classified as labour migrants. However, the distinction is sometimes blurry in practice. This is because successful refugee claimants are allowed to work in some SADC countries, making them de facto labour migrants. Conversely, labour migrants sometimes attempt to use refugee protection systems to access other countries. Many eventually have their claims rejected (Crush et al. 2010). Between 1994 and 2004, around 150,000 refugee applications were received by the South African Department of Home Affairs. In the same decade, only 26,900 were granted refugee status. Angola and the Democratic Republic of Congo (DRC) accounted for a quarter of these refugee claims (Crush et al. 2010). The major change since 2000 has been the dramatic increase in the number of applications lodged by migrants from Zimbabwe and Malawi.

The feminisation of poverty in many countries has prompted female household heads and other members to seek work through migration. This process coincides with a growing preference among employers for female workers. Farmers in border areas prefer to employ female migrants from neighbouring countries in the fields and canning factories. There is also evidence that child labour is increasing, particularly from Mozambique. In addition, studies show that, when a miner loses his job, he tends to relinquish his career as a migrant and stay home, and women household members are forced to migrate for work in other low-wage sectors (Crush et al. 2010).

9.2.3 Contemporary diasporas in sub-Saharan Africa

The colonisation of territories in Botswana by the Tswana in the nineteenth century, the violence associated with hut tax in 1897 and subsequent expulsion of 4,000 Tswana people to South Africa by the British to work as unpaid labourers reflect the trials and tribulations of an ethnic group living in diaspora (Anonymous 2004). The Bakalanga, an ethnic minority in the northern parts of Botswana, also lived in exile when they fled from South Africa in the late nineteenth century and settled in the Bechuanaland Protectorate. Following civil conflict and the banishment of their chief, they were forced to flee again, this time to southern Zimbabwe, where they received refuge in 1947. Their eventual return to Botswana was granted in 1958 (Dube 2002). This has had significant effects on the relationship between Botswana and Zimbabwean citizens since Zimbabwe's economic problems began in the late 1990s. The Nigerian and Burkinabe settlements in Ghana and Côte d'Ivoire, respectively, spread over several generations.

More recently, several diasporas have been (and are being) formed on the continent and they make substantial contributions to development in the home and host countries. Among the most notable is the Tutsi diaspora, which originated from the Hutu uprising in 1963–64, forcing thousands of Tutsis to flee Rwanda and resettle in neighbouring Uganda. Partly because of acute unemployment and the economic slump in Rwanda in the 1980s, Hutus vented their frustration once more on the Tutsis and the accompanying genocide in 1994 forced thousands of Tutsis out of the country (Edwards 1997). Many of the skilled workers live in Europe and the USA as well as in African countries such as the DRC. Botswana has several groups of naturalised citizens whose ancestral homes are Ghana, Zimbabwe, Zambia and Malawi, and who

have lived in Botswana from the 1970s. New diasporas or extensions of earlier ones may emerge from commercial migration to various parts of Africa.

9.2.4 Diaspora contribution to development of host country

The recent rise in African governments' interest in the diasporas for their investment potential has led to the identification of several 'new' African diasporic communities in and outside the continent. The Ghanaian diaspora is mostly found in SSA, Europe (especially the United Kingdom, the Netherlands, Italy and Germany) and Canada. There were an estimated 20,000 Ghanaians in Toronto alone in 1995 (Akyeampong 2006). Large communities of Ghanaians also exist in Hong Kong and Taiwan. Given Nigeria's huge population and long history of international migration, it has the largest diaspora globally. The Burundian diaspora places a great emphasis on promoting young migrants and the national culture. The mutualité des Grands Lacs (MGL), which was founded by members of the Burundian diaspora in 2001, has established a banking system in Europe and Burundi to minimise the cost of remittances from migrants. The Burundian community in Belgium provides financial support for small-scale commercial projects in Burundi. Both Burundian and Rwandan diasporas have contributed substantially towards post-conflict reconstruction in their ancestral homes. By comparison, the Ugandan government has failed continuously (since 1986) to attract resettlement and investment by the Asians who were forced to flee the country in 1972.

Among the contributions of migration to South Africa's economy is the introduction of the informal sector, an area which has been little documented. The informal economic sector, which has historically been a common feature of west and east African lifestyle, hardly existed in South Africa, Botswana and Namibia before 1990. Considering the high levels of unemployment in the cities, there is a likelihood of increasing migrant involvement in South Africa's informal sector. Many migrants who fail to find work or are refused work permits in the country become self-employed, at times illicitly setting up barber, food or clothing shops etc. Zimbabweans constitute the highest proportion of migrant street vendors.

Mozambicans and, to a lesser extent, Batswana, Basotho and Swazi are also quite active in promoting the informal sector in South Africa. Zimbabweans predominate among migrants who participate in South Africa's informal sector. Tevera and Zinyama (2002) observed that, among all visitors and migrants to South Africa, the highest proportion of men and women who buy and sell goods is from Zimbabwe. Basotho, Mozambican and Namibian migrants also buy and sell goods in South Africa (Sechaba Consultants 2002). Zimbabwean men seem to be in South Africa as much to work or look for work as for commerce; but almost three quarters of the Zimbabwean migrant women are there for commercial purposes (Tevera and Zinyama 2002). Besides personal development within the new diaspora, a common feature of this group is the remitting of money and goods to families in the ancestral home.

Trade in goods and services has increasingly become an additional source of labour migrants' household income and is an important component in the diaspora in

southern Africa. The trade diaspora falls within the context of commercial migration. Ghanaians were among the first west Africans to settle in southern Africa. The very high standards of education maintained in secondary and tertiary institutions in Ghana assisted their employment in the educational, legal and administrative sectors in the region. Several of the men were accompanied by their wives, and these women brought along skills which could be applied in the area of commerce. It was soon realised that there was a market for business in hairdressing because this was not a common skill among southern Africans. Ghanaian women soon prospered in the private sector by introducing and establishing hair salons. They also entered the clothing market and sold clothing imported especially from Ghana and Cote d'Ivoire. In Botswana, Van Dijk (2003: 571) personally noted that there were 'thirty-one Ghanaian-owned salons and/or clothing boutiques, most of which had been established from the mid-1980s onwards'. An informal economic sector hardly existed in South Africa, Botswana and Namibia before 1990, a lack that contributed to the apparently high unemployment rates in these countries at that time.

Commercial activities of migrants, especially from Nigeria, Ghana, Senegal and Mali, have generated employment for numerous South Africans who would otherwise have been unemployed (Adepoju 2003). The significance of commercial migration in the country is manifest in the 2003 draft of a national policy on street vending, with assistance from the International Labour Organization (ILO). Although most current street vendors are South African citizens, there is substantial involvement of migrant women. However, the negative side of migrants' trading activities is that it occasionally involves organised crime. South Africa has become a haven for the international drug trade and hijacking. It has been established that west African crime syndicates dominate the trade of cocaine in South Africa, and this practice dates back to the 1980s (Gastrow 1999, Shaw 2001). The increasing participation of immigrants in southern Africa's commercial industry reflects traits of populations in trade diaspora. Generally, these migrants make frequent visits home with the objective of diversifying the objects of commerce and maximising their spheres of influence in host countries.

9.2.5 Diaspora contribution to development of origin country

Remittances

Financial and social remittances are an important factor in the co-operation and policy dialogue agenda among countries. Social remittances include the ideas, identities, language, behaviour, food, music, other arts and social capital that are transferred from destination to origin countries (Levitt 1998). Their roles are subtle and usually ignored initially but they highlight the impact of migration and transnationalism in the sending communities. The World Development Report 2011 indicates that the inflow of financial remittances to Africa quadrupled between 1990 and 2010, from US$9.1 billion to $40 billion, increasing its contribution to Africa's gross domestic product (GDP) from 1.9 per cent in 1990 to 2.6 per cent in 2010. The main reasons for this growth are the increase in emigration from Africa and the rising incomes of African migrants, led by a booming global economy before the financial crisis in

2008–2010 (Ratha et al. 2011). Since the 1990s, the modes of money transfers have changed, making it easier to transfer a large amount of money from the destination country to the country of origin. This is chiefly through money transfer organisations (MTOs) such as Western Union and Money Gram, which have reached agreements with African banks and post offices to facilitate easy transfer of money. Within the continent, north Africa receives the highest amount of remittances, followed by west, east, southern and central Africa in that order.

Ongoing debates about the impact of remittances on development do not nullify the reality that education and remittances contribute considerably to household incomes, particularly in rural areas. Those who hold the view that remittances do not contribute significantly to development tend to perceive development within a macroeconomic framework. However, the financial returns from migration do not necessarily have to be realised in macroeconomic terms. In Africa, the effect of migration at the micro-economic level (i.e. the family) is what matters most. Africa has produced governments which have exhibited gross unfairness in the distribution of national wealth, and this has been largely responsible for the poor human development of its population. Africa has been the most affected by this situation because of notoriously bad governance, lack of transparency and poor justice systems (especially between the 1960s and 1980s). Hence, particular attention should be placed on the mechanisms that families have employed to access basic assets such as food, cash, education, medical facilities, water and electricity. As Stark (2004) observed, professionals who stay at home will accumulate significantly less income than they would have if they had migrated.

In the context of co-operation and policy dialogue, policies related to remittances can be taken from two perspectives. From the perspective of the countries of origin, the focus is often on attracting more remittances from abroad with the intention of spending them on development projects. The World Bank reports and other studies have identified certain organised migrant groups established in the destination countries which target certain projects in their communities of origin. From the perspective of the destination country, policies have been designed with the intention of preventing criminal activities, such as money laundering or using funds for terrorism. The Financial Action Task Force (FATF) monitors activities relating to MTOs to gain insights into regular remitters, tracing their remittances back to their countries of origin and identifying those engaged in clandestine activities with innocent customers. The destination countries have developed policies on remittances to regulate, monitor and manage money transfers against the backdrop of the events of 11 September 2001, which have dramatically revolutionised the migration regime. Thus, from the perspective of the countries of origin, national policies should of necessity target different ways for the migrants abroad to make more remittances through 'safer' channels and by cheaper means, on the assumption that remittances can in one way or another be used towards development initiatives.

Data on the sources of remittance flows to SSA are scant and unreliable. However, estimates based on bilateral migration stocks, incomes in destination countries and incomes in countries of origin indicate that the top sources of remittances for SSA

are the European Union (EU) (15 countries, 41% of inflows) and the United States (28%) (Ratha and Shaw 2007, Ratha et al. 2011). The remaining sources are other developing countries, primarily in Africa (13%), the Gulf Cooperation Council (GCC) countries (9%) and other high-income countries (8%). North African countries are even more dependent on remittances from western Europe (54%) and the GCC countries (27%), receiving only 5 per cent of remittances from the United States (Ratha et al. 2011).

It has been widely recognised that migrant remittances contribute considerably to the reduction of poverty in southern Africa. Although the region receives the smallest amount of international remittances in Africa, it contributes significantly to national development in several countries, especially Lesotho. Migration, remittances and development have a long history in the region. Bilateral agreements between South Africa and several southern African countries, including Botswana, Lesotho, Namibia and Swaziland, had a built-in system of deferred pay which channelled significant remittances back into the national economy. In 1984, 18,691 Batswana miners generated nearly R17 million ($2.6 million) in officially recorded remittances alone, which helped to grow Botswana's rural economies in particular. However, subsequent improvement in the economy of Botswana reduced the significance of remittances considerably. Hence, when downsizing and redundancies ('retrenchments') in South African mines occurred during the late 1980s and early 1990s, a decline in monitored remittances to only R383,000 ($59,447) by 1997 from some 12,000 Batswana workers hardly affected the fast-growing national economy. Still, at the micro-economic level, remittances are crucial in the process of poverty mitigation, especially in rural areas. From a macroeconomic perspective, remittances contribute 1 per cent, 3 per cent and 29 per cent, respectively, to the GDPs of Botswana, Swaziland and Lesotho. It may therefore be surmised that, except in Lesotho, migrant remittances do not have a significant impact on national development. However, that is not true; families in Lesotho and Swaziland depend largely on the remittances they receive to survive each month.

Brain circulation

Return migration is a pattern that is gaining momentum in many African countries. Africa is experiencing two main patterns of return migration: the return of refugees to their home countries, resulting primarily from the end of conflict; and the return of skilled and professional migrants from outside the continent. The latter trend emerged when the financial crisis engulfed the economies of migrant-receiving countries. Some countries document a trend of more and more of their nationals returning from living abroad. Ghanaians, Nigerians and Sudanese who have been working abroad for years are now returning to their home countries. Return migration is partly due to deliberate government policies to induce their nationals abroad to return and invest in their home countries. Such policies include incentive packages of exemptions from customs and land for housing, connecting professional and skilled migrants to relevant institutions at home. A more important dimension to these policies is their potential to attract skilled emigrants back home. This return is operationally referred to as brain circulation.

Brain circulation occurs when international migrants who left the home country with acquired skills to live and work elsewhere return to the home country (Saxenian 2005, Logan 2009). A major asset in this process is that migrants return home having acquired new and advanced skills during their stay in host countries. It provides an opportunity for the returnees to contribute considerably more to the development of their home country than they might have done if they had not moved. Although brain circulation has had a huge impact in the developed and emerging economies of the USA, the EU, China, India etc., it did not seem until very recently that Africa would benefit. The success of this process is largely influenced by migrants' opinions of the political economy at home. There are several social and economic factors that have inhibited its effectiveness in Africa (Wickramasekara 2002). In developed nations, the environment for setting up the networks required for profitable professional, academic and commercial ventures is more advanced. Moreover, the populations are highly heterogeneous, highly skilled and development-oriented. Meanwhile, within developing countries in Africa, these structures are still being implemented and so the populations are unable, as yet, to benefit from these advancements.

The successful implementation of diamond mining in Botswana received a considerable boost from the performance of Batswana (citizens of Botswana) who used to work in the South African gold mines. Family planning in Botswana was aided by the observations of mine workers about the economic and social advantages of fertility regulation. Men assisted by encouraging their spouses and partners to use effective contraceptives. This helped to reduce average family size from about six to four within a much shorter time than it took west and east Africans to reduce their fertility significantly. A noteworthy demonstration of good practice is the effort made by some African leaders to attract people in the diaspora back to their home countries. President Obasanjo made numerous visits to the USA, Europe and Asia to persuade Nigerian professionals there to return home. One incentive already in place is permitting Nigerian citizens to hold dual citizenship (Oyelaran and Adediran 1997, Honoré 2004). President Mbeki of South Africa pledged about $71 million to encourage highly skilled citizens to stay in (or return to) the country.

In 2005, the government of Sierra Leone amended its Citizenship Act to allow its current and former citizens to hold dual citizenship. In an attempt to ease the effect of emigration of health workers in Lesotho, the Minister of Health and Social Welfare met with Basotho health professionals in the UK to discuss the plans that the Lesotho government had for those who would return. To attract skills back home, African governments should implement strong and sustainable economic policies that would guarantee employment, investment and internationally competitive income. Hence, the government of Malawi has introduced economic and investment policies since 2000 that have improved economic performance and attracted the attention of potential professional returnees. In collaboration with the UK Department for International Development, the government is offering incentives that would discourage emigration of health professionals. The Ethiopian government has also implemented a policy that would ensure effective use and adequate remuneration of return migrants. It includes employment in higher education institutions and good investment opportunities.

9.2.6 Gender and migration

Research indicates that there is a definite trend towards the feminisation of labour migration in southern Africa, including an increase in the number and proportion of women migrants (Dodson 1998). This trend is also accompanied by a shift in the reasons for women's migration. More and more women are becoming independent migrants in their own right. Dodson indicates that:

> Men and women migrate to South Africa for different reasons. Men go primarily in search for employment, whereas women's migration is driven by a wide range of social and reproductive factors in addition to economic incentives. Even the economic motives for migration are gender-specific, with women going largely to trade and men to work in formal employment. Thus migration is closely tied to socio-economic roles and responsibilities allocated on the basis of gender.
>
> (Dodson 1998: 1)

This was seen to have a significant effect on reproductive preferences and adoption of family planning methods in Botswana, among other countries. Mine layoffs in South Africa contributed to the process of renegotiating gender roles in more traditional societies such as in Lesotho and Swaziland.

In Africa, males still predominate among immigrants currently residing in destination countries. The ratio of men to women among migrants in a sample of African countries in 2007 was generally high (i.e. 100 or more to one) except in Morocco, Burkina Faso, Burundi, Mauritius and Réunion. The very high gender imbalance of migrants in South Africa and Botswana is partly explained by the levels of skills desired for development where mining is a key economic sector. The history of migration in SSA points towards preferences for men in related industries. The motivators of migration to South Africa are different for men and women. Men are predominantly motivated by employment opportunities whereas women are influenced by several social and cultural factors. Where economic issues are involved, the movement is usually for trade purposes. In effect, men still dominate the formal employment sector while women are more prevalent in the informal economic sector (Ulicki and Crush 2000). One factor that works in favour of Basotho is the availability of work in South African farms, largely because local labour is not easily accessible, and women are hired more frequently in these farms than men. Moreover, the downsizing of foreign labour in South African mines left many men waiting for similar jobs while women took the lead in emigrating to sustain the household income. Probably because of this factor plus opportunities for informal trade, unemployment in Lesotho is less among women than men.

Overwhelmingly (almost 100%), the destination of both sexes from Lesotho and Swaziland is South Africa. In Botswana substantially more men than women prefer to emigrate alone, whereas more women than men choose to move with several dependants (Campbell 2007). The growing feminisation of migration may result from the duration of migration. Among migrants from Lesotho and Swaziland, males predominate where the duration is more than ten years whereas females predominate among durations of six to ten years and even more so for one to five

years (Dodson et al. 2008). Most female migrants from Lesotho and Swaziland are married, separated, divorced or widowed. Whereas the males are generally poorly educated (primary or no education), their female counterparts are generally educated at the level of secondary school or more. This is particularly true of Basotho and Swazis. Relatively few migrant household heads are females, probably because of the differential dependency burden of men and women. Basotho men work mainly in South African mines whereas the women are mostly in domestic work. Although the majority of Swazi men (66%) work in the mines, the women are distributed mainly between the domestic and professional sectors.

Feminisation of migration introduces independence for women from traditionally subservient positions relative to men. Dependence is being gradually replaced with individuality and a sense of rational distribution of responsibility. From a sample of 4,700 migrants in five SADC countries, it was observed that women's migration was generally not their own decision because the decisions were taken mostly by other family members (Lefko-Everett 2007). However, with female migrants becoming increasingly educated and moving beyond short distances, decisions to emigrate are becoming personal. South Africa offers women a wealth of economic opportunities, and the prospect of mobilising financial capital is a good migration motivator. For irregular female migrants the risks are quite high, including robbery, sexual abuse, rape and trafficking. Although this is not likely to be a strong deterrent for women in Botswana, Lesotho, Namibia and Swaziland, it serves to remind governments of the need for policies to address human rights by strengthening, for example, anti-trafficking laws. The benefits of emigrating are quite high for women. Many go through gratifying economic and social changes, especially where opportunities exist to enhance one's educational status. Some women interpret their socio-economic enhancement as achievement (Lefko-Everett 2007). The economic burden of single motherhood has also become less strenuous with migration.

9.3 Partnerships in migration and development

South Africa has had the highest share of the benefits from increased trade in general, while several other countries in the SADC, including Lesotho and Namibia, have been left behind. This is not exceptional in SSA. International trade statistics indicate that Africa's share in world trade has declined from around 6 per cent 25 years ago to about 2 per cent now; less than 1 per cent if South Africa is excluded. This trend points to the continent's increased marginalisation in the context of world trade (UNECA 2011). The situation is no better, or even worse, with regard to intra-Africa trade, which has consistently remained minimal compared with its intercontinental trade. The pattern of African exports continues to be heavily influenced by historical links with the rest of the world. More than 80 per cent of African countries' exports are still destined for markets outside the continent, with the EU and the USA accounting for more than 50 per cent of the total. On average, over recent decades only about 10 to 12 per cent of African trade has been with other African nations. This is not an encouraging trend, especially when compared with other world regions (UNECA 2011).

In striving for unity and collective development strategy, African countries have come up with a number of partnerships, which the continent has endeavoured to cope with collectively. These partnerships include:

- multilateral partnerships in the framework of the World Trade Organization (WTO);
- the African, Caribbean and Pacific Group of States (ACP)–EU partnership; and
- bilateral initiatives in support of African development such as the African Growth and Opportunity Act (AGOA, United States), the Tokyo International Conference on African Development (TICAD, Japan) and similar initiatives with China, India, Brazil and Turkey (United Nations 2009).

9.3.1 Diaspora policies

The fieldwork in Botswana, Lesotho and Swaziland indicated that none of these countries has a comprehensive international migration policy. They also do not have policies on the diaspora and it seems very likely that the position is the same in Namibia. The lack of comprehensive migration policies was noted at the African Regional Dialogue on International Migration Conference of the United Nations Economic Commission for Africa (UNECA) in Addis Ababa in October 2011 as a major mitigating factor in progress on international migration and development in the continent. In view of this gap, this chapter will discuss diaspora policies generally to call attention to the interest in the subject among the African Union and other international organisations.

In September 2007, the Capacity Development Management Action Plan Unit produced a concept note on Mobilizing the African Diaspora for Development. It noted the AU's plan to collaborate directly with the diaspora in order to boost the chances of achieving sustainable development and meet the continent's Millennium Development Goals (MDGs). In this regard, the AU and African governments are co-operating with the World Bank to form strategies on collaborative activities with the African diaspora. Co-operation with the Bank is justified because it is a major development partner of Africa. It also has the capacity to co-ordinate programmes, provide advisory services and convene related meetings. The Bank already has strong technical links with the diaspora and is the most powerful financial organisation in the world. Among the programmes the AU and the World Bank agreed to undertake are those that would:

- Enhance capacity for the delivery of improved services in strategic public sectors and institutions. This will be done through support to diaspora professionals and entrepreneurs to build on ongoing efforts towards attaining short-, medium- and long-term placements, return and retention and institutional partnerships and networks.
- Increase the quality of design and implementation of diaspora-led investment initiatives in participating countries through, among other things, facilitating business and investment promotion networks through mechanisms for diaspora and home country partners to access development funds.

- Improve communication and working relationship between African governments, donor agencies and diaspora professionals (AFTCD 2007).

Training organisations help people in the diaspora who aspire to become entrepreneurs to acquire the skills required to establish and maintain successful businesses. On occasion, the training goes along with provision of business services which drive the transfer of business knowledge from diaspora experts to home country entrepreneurs. It also affords entrepreneurs at home opportunities to have some education in business management and ways of accessing funds when starting a business. Several agencies, including the Programme Solidarité Eau, offer training designed to suit cultural and other practices in the entrepreneur's home country (Newland and Tanaka 2010).

NGOs assist the diaspora investment enterprises a great deal. The United States Agency for International Development (USAID) has donated $1 million to the Ethiopian government and the Ethiopian diaspora, which are in a co-operative venture (Ethiopian Commodity Exchange) that helps Ethiopian farmers at home to access information about national and international agricultural products and to maximise benefits from the sale of their products. Ethiopians in the USA, with joint citizenship and appropriate skills, are granted job contracts for three years by this organisation to transfer their skills to at least one local resident. Since its inception in April 2008, the Ethiopian Commodity Exchange has granted its membership to over 450 coffee suppliers.

The Forum International for Ethiopians Living in Diaspora (FIELD) uses the diaspora as an instrument of development in Ethiopia. Its activities are designed to mitigate poverty and improve health and education in the country. Individuals also contribute to infrastructural development, especially in the construction of buildings. Contributions from the Somali diaspora to household economic development are significant enough to challenge the macroeconomic perception of these remittances as non-developmental (Ahmed 2000). Although remittances are generally voluntary, at the time of writing the government of Eritrea obligated its diaspora population to pay a 'healing tax' which assisted the war (between Eritrea and Ethiopia) effort as well as household economic development.

One of the most significant areas of inter-regional dialogue in Africa occurred at the High-Level UN Dialogue on Migration and Development held in New York in September 2006 and, later, at the Global Forum on Migration and Development (GFMD) in Brussels in July 2007. These meetings discussed the extensive potential of the African diaspora to contribute constructively to the social, economic and political development of Africa. The importance of an ongoing policy dialogue was a central theme of the meeting. Although a constructive framework for the inclusion of the diaspora in policy dialogue does not yet exist, important steps are being made towards formalising this process. The subject is beginning to gain top priority on the national and international agenda in Africa, although the views and perspectives of the diaspora itself have not been sufficiently heard. There is respectful recognition in governments and the AU of the human, intellectual and social capital held within the diaspora as the most valuable offshore asset of Africa. Hence, interest

in the diaspora goes beyond the immediate financial rewards from remittances to appreciate the managerial and technological skills that Africans abroad could invest in the continent's development process.

The diaspora communities are responsible for implementing key projects and initiatives in the homeland and this makes them key players in the area of migration and development. Unique lessons can be drawn from these projects, and can be an inspirational source to others. For example, the Ethiopian diaspora community formed the Buna Bet Ethiopian Coffee Dir Foundation in 2000 to assist socio-economic development in Ethiopia. It is very active in the Netherlands (and Ethiopia) in stimulating development in the home country. This also includes bringing Ethiopia closer to the Netherlands, with the potential of mutual benefit and exchange. One of the projects implemented is a coffee corner in Amsterdam. The project was developed to improve the living conditions of former prostitutes by creating a means of living for them. The coffee that is sold in the Netherlands is bought directly from the farmers in Ethiopia and refined by members of the diaspora community. It targets a broad group of the poor and marginalised in the community. (In Ethiopia the *lingua franca* is Amharic and Dir is the Amharic word for 'thread').

9.3.2 Policy actions

In February 2011, the South African government in co-operation with the African Union Commission (AUC) hosted a Technical Committee of Experts Meeting. The participants were expected to develop strong policy proposals for viable projects that would address political, economic and social co-operation within the AU member states. Among the areas of interest to initiate was the implementation of the first key element of the AUC/South Africa African Diaspora roadmap. Another key element, presented by South Africa and endorsed by the AU, was to hold an African Diaspora Summit in 2012. The commitment to organise a Diaspora Summit on the continent is a key priority of the African Diaspora Initiative that the AUC has launched to connect the diaspora to the development of the continent (ADPC 2011).

The AUC is committed to widening the development area in the continent by incorporating the diaspora in the development process as valuable partners. For instance, the AUC has created the African Citizens Directorate (CIDO) to manage the relationship between overseas diasporas and homeland governments. The diaspora is now seen as a force for positive change that should be harnessed for the benefit of Africa, and one of the expressed policy goals of the AU is to involve the diaspora more actively in the development of the continent. As a sign of recognition, the AU recently designated Africans in the diaspora as members of its 'sixth region'. The New Partnership for Africa's Development (NEPAD) has also made efforts to reach out to the diaspora and involve it more closely with development efforts on the continent. This indicates that the continent is committed to doing everything possible to benefit from the human, financial and capital resources available within its huge population residing outside Africa.

This is in response to the increasing involvement of the diaspora in the development of the homelands on a larger scale, for members of the African diaspora have already

positioned themselves as critical development actors in development co-operation policy circles. They have become the key drivers for a diaspora-led development sector that is quite different from the traditional development co-operation sector, which is typically the domain of more developed donor governments. Consequently, members of the African diaspora are contributing huge resources to the social welfare and economic growth of their respective homelands, remarkably exceeding the level of official development assistance (ODA).

Among the issues of great concern to Africans and EU governments is labour migration of west Africans to the EU through the Maghreb routes. This is particularly worrying because many of these movements are irregular, involving people smugglers and physical dangers within the Maghreb. There are several obstacles to the healthy living of undocumented migrants, which require regional co-operation of governments to address. There is considerable difficulty in reaching agreement in some cases, but it is best to work towards win–win outcomes.

In December 1998, the General Assembly of the United Nations determined the need for an intergovernmental committee to find a solution to the trafficking of women and children. The need was due to the absence of laws which relate to human trafficking. This recognition formed the basis for devising the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children. According to Article 2, the main objectives of the protocol were to prevent and combat trafficking in persons, paying particular attention to women and children, to protect and assist the victims of such trafficking, with full respect for their human rights, and to promote co-operation among states parties on the subject.

The East African Community has been quite determined to encourage intergovernmental co-operation within its community to ensure the success of the protocol on movement of persons. Included in Article 104 are (1) the easing of border crossing by nationals of member states and (2) the harmonisation and maintenance of common employment and labour programmes and legislations (Kanyangoga 2010).

9.4 Country profiles

The four countries included in this study are divided down the middle between the faltering economies of Lesotho and Swaziland and the relatively buoyant economies of Botswana and Namibia. This has helped to produce two different models of international migration patterns. Whereas the first two countries do not attract many immigrants and export a fairly high proportion of their labour force, the latter two are quite attractive to labour migrants and export relatively few of their labour force. Although this may give the impression that it is not worth investigating the diasporas of Botswana and Namibia, quite the opposite is true. Many of Namibia's skilled emigrants are of the generations (or their descendants) which emigrated before the country's political independence in 1990. The non-returnees from this group still maintain economic and social links with families at home. Meanwhile, most of Botswana's skills within the diaspora are from the group of people which

have gone abroad since 1960 to study or work in the other African countries, the EU, the USA, Australia, Asia etc. and have not yet returned home. A study of potential brain drain in SADC by the SAMP in 2002/03 indicates the potential for growth in the diasporas of the four countries in this study and this will be discussed below. The sample was taken from final year students (citizens) in tertiary education institutes (Crush et al. 2005b).

9.4.1 Botswana

Botswana is among the few countries in SSA with a vibrant economy. Its economy is based primarily on diamond and beef exports. Since attaining independence in 1966, Botswana has made remarkable economic strides thanks to the export of diamonds. Its real per capita GDP grew from $350 in 1966 to $2,720 in 1994/95 and $3,310 in 1998 and was over $8,000 at the time of writing. By 1993, the country's per capita GDP growth was the third fastest in the world, after Korea and Thailand. The country's foreign reserve was $10.2 billion in 2007 (Gaolathe 2008). Employment opportunities have multiplied by more than ten since 1966. As a result of vigorous efforts by the government to improve health services throughout the country, the national infant mortality rate (IMR) dropped from 100 (per thousand live births) in 1971, through 71 in 1981 to 37 in 1988. The only country in SSA with an IMR lower than this is Mauritius. By 1993, the average daily calorie intake per person was higher than that for SSA. Education has also improved considerably, especially in the urban centres. Although HIV/AIDS has reduced the life expectancy of people in the country, the most recent statistics on HIV prevalence in the country (17%) suggest that life expectancy is still high (GoB 2004). However, notwithstanding the economic and social gains made by the government over the post-independence period, there is still evidence of poverty throughout the country, especially the rural areas. A substantial proportion of the population in Gaborone is either poor or very poor, but the level of poverty is arguably declining in the city.

The history of remittances by Botswana's citizens goes back to the nineteenth century, when they began to migrate to South Africa. Largely to care for families and pay the hut tax (see Schapera 1947, Dube 2002), men sought recruitment to work in South African mines. Through deferred payments and personal efforts, these workers remitted substantial amounts of their salaries home to Botswana and their families (Taylor 1986, 1990). Women also remitted while working in South Africa's domestic sector (Izzard 1985). Internal migration occurred in Botswana for personal and household development. The economic and settlement policies of the national government after independence in 1966 contributed considerably to create opportunities which enhanced internal labour migration. Households used these opportunities to send young men and women out to work (Lucas 1982). These migrants assisted the families at home largely through remittances. The national education policy (GoB 1994) provided additional opportunity to rural families to maximise remittances from their educated children.

The World Bank (2011) estimated that there were about 63,000 Batswana living outside Botswana and 3.6 per cent of them were highly skilled (i.e. tertiary educated)

Table 9.2 Immigration and emigration statistics

Category	Botswana	Lesotho	Namibia	Swaziland
Total population (2009)	1,900,000	2,100,000	2,200,000	1,200,000
No. of emigrants (2010)	63,000	427,500	16,500	163,300
Emigrants (% of total population, 2000)	3.2	20.5	0.7	13.3
Skilled (tertiary) emigrants (%)	3.6	4.3	3.5	0.5
Emigration of physicians (%)	11.4	33.3	45.0	28.5
Emigration of nurses (%)	2.2	2.8	5.4	2.8
Immigrant stock (2010)	114,800	6,300	138,900	40,400
Emigrants (% of total population)	3.2	20.5	0.7	13.3
Immigrants (% of total population)	5.8	0.3	6.3	3.4

Source: World Bank (2011)

(see Table 9.2). Of the four SADC countries, Botswana has the lowest proportion of emigrants (60.3%) in other African countries, mostly in South Africa. In 2001 there were about 15,000 Batswana in South Africa (United Nations 2009). As Table 9.3 shows, 21 per cent were in the European Union and 11 per cent in North America (Canada and the USA). The profile of emigrants has changed considerably between the early twentieth century and now. Emigration began in the nineteenth century when recruitment of foreign labour began for work in South African gold mines. Up to the 1960s, most emigrants were poorly educated male employees in the mines. Batswana women also went to South Africa to seek work, mostly domestic, in the cities. Emigration of the educated became significant in the 1960s with the establishment of the University of Botswana, Lesotho and Swaziland (UBLS). The vigorous implementation of the national education policy motivated many nationals to seek tertiary education at UBLS. Since then, increasing numbers of males and females have gone abroad (to South Africa, Malaysia, the UK, the USA, Canada and Australia) to seek higher education. In 2006, 79 per cent of all Batswana students studying abroad were in South Africa. In 2007, about 3,500 and 500 students were studying in South Africa and Malaysia, respectively (Molutsi and Kobedi 2008). This drive towards higher education has had an equalising effect on the incomes of tertiary-educated men and women. Whereas in 1993/94 men with less than upper secondary school education earned about twice as much as their female counterparts, the

Table 9.3 Percentage of emigrants in destination regions

Country of origin	Africa	Asia	Europe	Latin America & Caribbean	North America	Oceania
Botswana	60.3	2.7	21.3	0.2	10.8	4.7
Lesotho	93.5	2.3	2.8	0.1	1.1	0.2
Namibia	77.8	2.5	11.3	0.2	5.4	2.7
Swaziland	72.5	3.2	14.9	0.2	7.1	2.1

Source: United Nations (2009)

income difference for those with tertiary education was almost zero (GoB 1996). In 1971, the number of Batswana living (and mostly working) abroad was about 45,800. Because the South African government increased localisation of mine workers, and Botswana's economic performance improved, this figure fell to about 28,200 in 2001.

Remittances

Botswana's diaspora has contributed much to the national economy through financial and social remittances. This became significant because the bilateral agreement between South Africa and Botswana for recruitment of mine workers included a system of deferred payment which generated $2.6 million for the economy of Botswana in 1984. Additional remittances were made by male and female workers, most of which were not transferred officially. Although the reduction of mine workers reduced substantially by the 1990s, resulting in a dramatic fall in remittances, subsequent increases in the education and income of international migrants have raised remittances considerably since 2000. Diaspora remittances increased by almost 100 per cent between 2004 and 2006, from P238.5 million to P459.6 million (GoB 2007). In 2007, migrant remittances to Botswana totalled $141 million (United Nations 2009). Although remittance outflow from Botswana was also substantial ($120 million), the country still had a net gain of $21 million. Remittances constitute 1.2 per cent of the country's GDP and they exceed the net ODA by over 130 per cent.

Most (75%) of the remittances to Botswana originate in Africa (predominantly South Africa) and 99 per cent of these are from South Africa. The remittances from the EU and North Africa form only 13 per cent and 8 per cent, respectively, of the total. A study by the SAMP indicates that the most preferred method of money transfer is for the migrant to bring it home personally (see Table 9.4). This preference is much stronger (75%) where transfer of goods is done (Pendleton et al. 2006). The second preferred method is to send money and goods by friends or co-workers. About 11 per cent of migrants use TEBA while 15 per cent remit through banks and post offices. This

Table 9.4 Methods of remittance transfer in selected SADC countries

Method	Botswana	Lesotho	Swaziland
Post office	7.4	5.1	10.4
Wife's TEBA account	5.0	1.8	6.1
Bring home personally	46.6	54.1	51.4
Friend or co-worker	21.3	33.4	22.1
Bank in home country	7.5	1.8	3.3
Own TEBA account	10.7	0.7	2.3
Bank in South Africa	0.0	1.0	1.3
Taxi or bus	0.1	0.2	1.2
Other method	1.3	1.9	1.9
Don't know	0.1	0.0	0.0
Total	100.0	100.0	100.0
N	863	1,480	1,247

Note: Namibia was excluded from the survey.
Source: Pendleton et al. (2006)

is consistent with the patterns in Lesotho, Namibia and Swaziland. A large amount of remittances received goes into domestic consumption (see Table 9.5). Most of it is spent on food, school fees, clothing and transport fares. Cattle purchase is the primary farm item that remittances are used for. Other significant farm-related expenditures are on small livestock and cattle treatment. The government spends a huge amount of its budget subsidising farm production. Large-scale cattle producers also contribute to ease small farmers' farm expenditure by offering loans of cattle, tractors etc. These reduce individuals' expenditure on items such as ploughing, tractor hire, fertiliser and seed. Much of the financial remittances are spent on construction and repair of buildings. Apparently, purchase and maintenance of vehicles absorb little because ownership of these items is largely determined by a person's earned income.

Table 9.5 gives no indication that Batswana households invest remittances in productive commercial establishments. However, interviews with key informants in the ministries of labour and home affairs and of finance and economic development revealed that several miners, in particular, have invested their earnings in small

Table 9.5 Monthly expenditure of remittances on selected items (%)

	Botswana	Lesotho	Swaziland
School fees	42.9	56.0	54.9
Food	87.5	89.3	83.4
Clothing	62.9	76.1	24.0
Cattle purchase	20.8	1.4	1.6
Small stock purchase	13.3	1.1	0.2
Dipping and veterinary cost	10.4	2.6	1.3
Transport fare	27.0	50.0	29.2
Roofing	21.6	3.6	3.5
Wall	16.3	0.7	0.7
Cement	26.7	5.2	7.2
Brick	20.3	4.5	2.7
Door/window	22.0	3.8	3.6
Wood	2.3	1.3	1.2
Fuel	3.6	9.9	2.0
Funeral	4.4	28.7	0.3
Marriage	16.7	1.1	0.9
Paint	7.5	2.0	0.4
Other building material	8.3	0.0	1.6
Repay loans	6.8	1.9	4.2
Labour	5.0	5.1	4.1
Seed	2.4	24.4	44.4
Fertiliser	1.1	18.5	34.2
Tractor	1.5	12.5	39.7
Vehicle purchase and maintenance	3.4	0.8	0.1
Savings	8.6	18.7	4.7
Insurance policies	0.5	4.5	0.2
Other personal investment	0.0	0.0	0.0

Note: Percentages are averages of multiple responses to the same questions.
Source: Pendleton et al. (2006)

shops, bus transportation and expanded cattle rearing. The SAMP study also revealed that the expenditure pattern of households' earned income was not dissimilar to that of remittances. This implies that the contribution of remittances to national development which macroeconomists expect may normally not be realised. It would require deeper co-operation between society and government to realise the macroeconomic benefits of migrant remittances. The question which needs addressing is whether recipients actually intend to invest these monies in financially profitable ventures. If so, would they be implementing the intentions of remitters and what are the constraining factors? There remains the question of what constitutes economic development. The fact that a large portion of remittances goes towards educating children reflects families' intentions to maximise the human resource capacity of the society, without which the potential to optimise national production may not be realised. Furthermore, the huge expenditure on food (a primary basic need) highlights the ability of remittances to improve the health and living conditions of receiving households beyond what they might have been without remitting migrants. Medical attention has not featured among the items remittances are spent on, and this may be partly explained by the highly developed and subsidised health delivery services in Botswana. Expenditure on clothing and other items which attract tax contributes indirectly to the tax revenue which accrues from manufacturing and importation of consumable goods.

Potential addition to the diaspora

In a sample of 1,201 students, 63 per cent were female. One third had given a great deal of consideration to emigrating from Botswana and in 82 per cent of the cases the motivators were economic (especially income, prospect of professional advancement, cost of living and poor access to jobs). The highest proportion of likely emigrants was in the groups that were about to graduate in computer science/mathematics/engineering, nursing and medicine, followed closely by those in agriculture/biological sciences and public administration. The most likely destination (MLD) for students who intended to emigrate was North America (32%). Europe was a close second (29%), with southern Africa (effectively South Africa) ranking third (23%). Almost three quarters of students indicated a desire to reside in the MLD for more than two years (Campbell 2007). The peak preferred duration of stay in the MLD was two to five years (43 per cent indicated this). An additional 30 per cent preferred to stay for more than five years. In effect, most students who intend to emigrate would not mind spending a substantial part of their future career as labour migrants. Males were significantly more prone than females to prefer a long stay in the MLD.

Almost half (49%) of the potential emigrants had no intention of visiting Botswana more than once a year while living and working in another country. More significantly, 16 per cent of those who were most likely to emigrate intended never to return or to visit only once every few years. There was no significant difference between men's and women's intention to remit money and there was an observed link between intention to remit and the maintenance of economic and social links with the home country. Over half of potential emigrants who wanted to stay at the destination for more than five years intended to apply for naturalised citizenship. It was understood that those

intending to obtain citizenship in another country would have to give up Batswana citizenship, and 22 per cent of those in this category were prepared do so. This category of emigrants – those intending to stay for more than five years-, also wished to be buried in the MLD. The preferred duration of residence was also associated with willingness to move all of the migrant's assets out of Botswana (Campbell 2007).

9.4.2 Lesotho

Before the 1970s, Lesotho, a country surrounded by South Africa, was the largest sender of workers to the South African mines after Mozambique. This changed in 1975, when it became the primary sender, with 81,973 workers in the mines (Cobbe 1982). By 1990, with 108,780 workers, Basotho provided 57 per cent of all Africans working in South African mines. Indeed, Lesotho has been the dominant supplier of African workers in South Africa since 1975. Thirty-three years later (in 2008) Basotho workers in the country had increased substantially. Before 2000 those who migrated to South Africa were mostly young unmarried men. This has changed since the start of the twenty-first century, with women becoming increasingly migratory too. Skilled and irregular migration have also increased. Notwithstanding that its national population was higher than either of Botswana and Swaziland in 1976–77, Lesotho had the lowest wage employment force (32,000) and the lowest per capita gross national product (GNP) ($210) of the three countries. In 2004, the GDP was about $1.5 billion at current prices, although when calculated at purchasing power parity it was $4.8 billion. This method also produced a GDP per capita of $2,074 (Mobbs 2004). By 2007 it still had the lowest per capita GNP ($4,340) and the highest infant mortality rate (91 per thousand live births) in southern Africa. Only about 13 per cent of the country's total land surface is suitable for crop farming even though over 70 per cent of its population live in rural areas. Continuous land use, irregular rainfall and erosion have substantially reduced the fertility of the soil. Lesotho has 427,500 nationals (one fifth of its total population) living and working outside the country and about 4 per cent of them are highly skilled. Some 94 per cent of them are in other African countries, mostly in South Africa. About one third of Lesotho-born physicians have emigrated for higher income and much enhanced standards of living. The country has also lost 3 per cent of its nurses. The cultural similarities between Lesotho and South Africa and long tradition of labour migration between the two countries have strengthened South Africa's accessibility to the Basotho. Most of them go to South Africa to buy household consumable goods.

Remittances

The most dramatic contribution of the diaspora to Lesotho is economic. In 2007 the remittances sent home accounted for 29 per cent of the country's GDP (United Nations 2009); 98 per cent of the remittances were from Africa (mostly South Africa) and only 1 per cent was sent from the EU, with much less from the USA. The methods of remitting are mostly unofficial: 54 per cent take the money home personally and 33 per cent send it through friends and co-workers. Only about 10 per cent use banks or TEBA accounts (see Table 9.4). Unofficial transfer methods are made easy by the close proximity of Lesotho to South Africa. Only 5 per cent

of remitters have encountered difficulty with the remitting method; for most of them either the method was too slow or the money was never delivered. The peak frequency of remitting is monthly. Indeed, remitted monies contribute much more than wage work to household incomes in Lesotho (see Table 9.6). As many as 95 per cent of households depend highly on remittances to survive, much more than in Botswana and Swaziland. Among the reasons for the high need for remittances is the very low value of the pension and disability allowances that eligible Basotho receive at home. Remittances to Lesotho almost doubled between 2003 and 2010, from $288 million to $525 million. In the same period, the outward flow of remittances declined from $27 million to $13 million, generating a net gain of nearly $500 million dollars in 2009.

Table 9.5 shows that food, clothing, school fees and transport fares are the main items that remitted monies are spent on. Funeral and burial policies take a much bigger share of remittances than they do in Botswana and Swaziland. Probably because Basotho depend almost entirely on remittances for their household needs, more recipients save from them than is the case in the other two countries. There is also much more investment in crop farming than in Botswana. The need for money seems to be strongest in Lesotho. According to Pendleton et al. (2006), almost 70 per cent of Basotho borrowed money during the year preceding the enumeration (i.e. in 2003/04), thereby highlighting the great importance of remittances to Basotho households at the source.

Because of the high level of domestic needs, very little of the remittances is invested. Few women have successfully established small businesses, especially shops. It is very difficult to start a viable business in Lesotho because of poor access to capital. The banks are frequently unwilling to grant loans for small-scale entrepreneurship. For Basotho women, long-term investment may be a new venture, as the tradition has been for men to invest in long-term activities, such as cattle breeding and rearing, whereas women were expected to participate only in short-term ventures such as brewing local beer (Francis 2002). In Botswana, for example, married women could not obtain bank loans without official permission from their husbands. These traditional obstacles to economically viable investments posed challenges to the

Table 9.6 Sources of income of migrant-sending households in Lesotho

Source of income	%	Mean annual income (maloti)
Wage work	9.5	7,420.83
Casual work	6.3	2,618.28
Remittances – money	95.3	10,186.44
Remittances – goods	20.0	2,487.70
Income from farm products	2.7	1,525.93
Income from formal business	2.0	6,708.00
Income from informal business	6.8	3,066.41
Pension/disability	0.6	1,025.00
Gifts	2.2	1,178.86

Source: Crush et al. (2010)

ability of women to use remittances for long-term investment. However, with the gender roles in the household changing fast, these obstacles may soon erode.

Potential addition to the diaspora

In 2003, 44 per cent of the Basotho students in the SAMP study sample had given a great deal of consideration to the prospect of emigrating from Lesotho to live and work elsewhere (Crush et al. 2005b). Although the most important factor influencing the desire to emigrate was economic, the proportion was much lower (50%) than in Botswana. Social factors (including the ability to find good schools for family and children, children's future in Lesotho, family's safety and the ability to find good housing) had considerable influence on the intention to move. The MLDs for students who intended to emigrate were southern Africa (effectively South Africa) (44%), Europe (32%) and North America (16%). About 44 per cent of students indicated a desire to reside in the MLD for more than five years and 27 per cent wished to stay for two to five years. This indicates a really strong desire to stay out of Lesotho for a very long time. There was much greater willingness among Basotho students to visit their homeland after moving than among their Batswana counterparts. Whereas the majority of Batswana who intended to visit might do so once a year, over half of the Basotho students preferred to visit home monthly or once every few months. Still, a substantial proportion (4%) had no intention of visiting Lesotho at all after they moved. More significantly, 16 per cent of those who were most likely to emigrate intended never to return or to visit only once every few years. There was no significant difference between men and women's intention to remit money and there was an observed link between intention to remit and the maintenance of economic and social links with the home country.

9.4.3 Swaziland

Swaziland is landlocked and almost surrounded by South Africa except for the section where it borders Mozambique. Of its national population of 1.2 million people, 160,300 live in other countries, the majority being in South Africa. Its economy is based on agricultural production and manufacturing, livestock and tourism. Until recently, when exports slowed down, the economy was quite good, to the extent that the World Bank once classified it as a middle-income country. In the early 1990s, agriculture and forestry products contributed about 28 per cent of GDP, 70 per cent of export earnings and 30 per cent of the paid employment in the formal sector, and provided a living for about 70 per cent of the rural population (Abalu 1995). Among the factors contributing to the country's resilient economy in the early 1980s was the depreciation of the South African rand, which in turn pushed Swaziland's currency, the lilangeni, down against the US dollar. This increased the competitiveness of the country's exports. In the 1980s, GDP rose steadily but was still low compared with that of Botswana. The government maintained policies to encourage the establishment of small enterprises, but domestic expenditure consistently exceeded GDP between 1978 and 1982, as government and private consumption increased, causing a dramatic fall in savings (McLoughlin and Mehra 1988). However, the needs of the rural population are not entirely met from

agricultural produce. The households depend a great deal on remittances sent by migrants in non-farm employ (especially those employed in South African mines) and this has been the case since the middle of the twentieth century. Pendleton et al. (2006) observed that remittances of cash and goods account for 81 per cent of household income in Swaziland. The constraints on economic sustainability in Swaziland include inadequate or inappropriate use of modern technology in agriculture, a fall in demand for export goods and the dramatic increase in HIV/AIDS in the country.

There are conflicting data on the educational attainment of the Swazi diaspora. Some reports put the proportion of Swazi emigrants with skills at 0.5 per cent. Probably because mine workers once constituted 62 per cent of all Swazi emigrants, the assumption is that most of them are unskilled. Whereas the World Bank (2011) reports that professionals are fewer than 4 per cent and skilled manual workers are 6 per cent of all migrants, the United Nations (2009) states otherwise (43% tertiary educated). The peak duration of absence from home is between one and six months, which is less than the overall peak for southern African migrants (between six and twelve months). Some 29 per cent of its physicians and 3 per cent of its nurses live and work elsewhere. This has affected health services considerably and Swazis have become increasingly dependent on South African health facilities for treatment of HIV/AIDS. Meanwhile, staff retrenchment in South African mines has affected the volume of remittances to many rural households.

Remittances

Swazi migrants remit less than their Botswana and Lesotho counterparts. Pendleton et al. (2006) found that, on average, Swazis remitted R6,279 home annually while Batswana and Basotho sent home R10,413 and R9,094, respectively. The United Nations recorded remittance inflow to Swaziland in 2007 as $99 million, with 94 per cent of this accruing from Africa (almost wholly South Africa) and only 3 per cent being from the EU. The outflow of remittances was quite low ($8 million), netting the country a remittance gain of $91 million. The strong reliance of rural households on cash remittance is reflected in the frequency of remitting. About 71 per cent of Swazi migrants remit once a month and an additional 10 per cent remit more than twice in three months (Pendleton et al. 2006).

Again, the unofficial modes of transferring remittances to individuals and families in Swaziland are the most popular: 74 per cent of remitters prefer to take the money home personally or send it by a friend or co-worker (see Table 9.4); about 10 per cent use post offices while 6 per cent use their wives' TEBA accounts. Over three quarters of migrants remit goods personally. The burden of carrying large amounts of goods does not seem to favour having them sent by friends and co-workers. As observed elsewhere, most of the remittances are spent on food and groceries. The next popular items of expenditure are fuel, farming and education as well as agricultural needs such as seeds, tractor hire and fertiliser. Transport fares also take a fair share of the remittances. Still, it appears that Swazi households do not depend on remittances for food as much as households in Lesotho and Botswana do.

Potential addition to the diaspora

With the exception of Zimbabwe, Swaziland had the highest proportion (56%) of persons who had seriously considered moving to live and work in another country. As many as 55 per cent of the students were likely to leave the country within two years of graduating, and 59 per cent would leave after five years. The peak MLD was southern Africa (effectively South Africa) (39%), and another 28 per cent and 22 per cent would most likely move to Europe and North America, respectively. Unsatisfactory performance of the economy had the greatest influence on the emigration intentions of Swazi students. Apart from Zimbabweans, Swazis were the nationals in the SADC region who most perceived economic conditions as being better or much better in the MLD than at home. The low income offered in Swaziland was by far the greatest emigration motivator. Second was the difficulty in getting a job of one's choice, followed by low prospects of professional advancement.

The field visits and other previous visits to the country produced information which suggests the existence of much nepotism in the appointment and promotion processes. This seems to have demotivating effects on potentially good work performers, leading generally to emigration or taking up second and third jobs. It also contributes to minimising national production which, in turn, reduces the chances of national economic recovery. Informal interviews during the fieldwork also exposed the tendency of teachers to move to South Africa, thereby depriving the home country of the best of this professional group. The SAMP study echoed this effect, as a considerable proportion of potential Swazi emigrants (5%) were motivated to move by the ability to find good schools for children. However, emigration of teachers may not be the primary problem, because three other countries in the SAMP study (Botswana, Namibia and Lesotho) have more than 5 per cent of their potential emigrants influenced by availability of good schools. Meanwhile, only 1 per cent of Zimbabweans intended to move for this reason; and Zimbabwe has been credited with high educational standards, thereby attracting several educational migrants from Botswana and other SADC countries in the past.

Just like in Lesotho, a high proportion of Swazis (44%) intended to stay in the MLD for two to five years and, on average, nearly 60 per cent wished to become permanent residents or citizens of the MLD. But there is a slim chance of this intention being implemented, largely because of the strong cultural allegiance of Swazis. Indeed, the peak frequency of visiting home (32%) after emigrating was once every few months and the peak frequency of remitting money was monthly – at 67 per cent, the highest proportion in the region. Moreover, about 30 per cent of the final emigration decisions would be taken by other family members.

9.4.4 Namibia

Compared with the other three countries in this study, very little information exists on international migration of Namibians. The focus of the limited migration studies in the country is on internal migration, mostly analysing the effect of rural poverty on rural–rural migration. Even SAMP could not obtain much about Namibia from its regional studies beyond potential brain drain and migration across the

Namibia–Angola border. The lack of interest in international migration may be partly explained by the history of the country's relationship with South Africa, to which the majority of southern Africans go, and lack of inclination to move to Western countries as a result of unpleasant experiences with German occupation. Relations with South Africa are also tainted by the extension of the apartheid-induced discrimination which accompanied South African occupation of the country (an experience which other southern Africans did not have to endure). Incentives to emigrate may be affected by the educational achievement of the young. Although the government provided opportunities for universal primary education, the retention rates of students at primary and secondary levels are low. In the 1990s fewer than 30 per cent of boys and about 38 per cent of girls completed primary school. It was even lower at secondary school level, with fewer than 20 per cent of boys and girls successfully completing their education. Hence, the literacy rate in English, the official language, is below 50 per cent (Arowolo 2000). Notwithstanding this situation, Namibia has about 16,500 nationals living outside the country, the smallest number of the four study countries.

Namibia is a lower middle-income economy, with a total population estimated at 2.2 million in 2009. Some 70 per cent of the population lives in rural areas, where female-headed households (43%) are more common than in urban areas (40%), largely because of rural–urban migration by men. Remittances from internal migration contribute a lot to household consumption in rural areas. Agricultural production was affected by several factors, including rapid population growth. Since the 1990s, Namibia's economy has been driven primarily by diamond (which contributes 25% of GDP) and uranium mining. Other major economic sectors include manufacturing and tourism. Notwithstanding per capita GNP of over $5,000, the level of income inequality is among the highest in the SADC region. Unemployment increased from 20.2 per cent in 1999 and 21.9 per cent in 2002 to 29.4 per cent in 2008.

Very little is known about the transfer and use of international remittances in Namibia compared with the three other countries in this study. Information from the United Nations and World Bank indicates that remittances to Namibia increased from $65 million in 2003 to $100 million in 2007 and the total was estimated to be $118 million in 2010.

Potential addition to the diaspora

With 29 per cent of Namibian students having seriously considered emigrating, Namibians seem to be the least motivated in the SADC region to leave home. This may be partly explained by the students' optimism about the country's future national economic prospects. Namibians were the only ones in the SAMP study to have fairly favourable opinions about the future of almost everything, including cost of living, prospect of professional advancement, income level and quality upkeep of public amenities. Still, about 58 per cent felt that they were likely to emigrate within five years of graduating. With the exception of Zimbabweans, Namibians were the only SADC nationals whose principal MLD was not South Africa. The peak (45%) choice of most likely destination was Europe, while 25 per cent and

18 per cent preferred North America and Australia or New Zealand, respectively. Only 7 per cent were most likely to move to South Africa. Although income had the most important influence on emigration considerations, the motivators were less skewed towards economic factors than in most other countries in the region. The potential emigrants were also highly concerned about finding good schools for children, availability of good-quality affordable products and high-quality upkeep of public amenities.

About 8 per cent of the potential emigrants had already applied for permits to work in the MLD. As was the case in all of the SAMP study countries, some Namibian students had reportedly applied for permanent residence and citizenship in the MLD. These may be clients or potential clients of people smugglers or human traffickers because, as they have not resided in the MLD yet, it is unlikely that any of the applications would be approved. Still, about 34 per cent and 26 per cent of the sample wished to become permanent residents and citizens, respectively, of the MLD and 11 per cent were willing to give up Namibian citizenship in due course. The peak length of stay in the MLD was split between one to two years and two to five years (26% in each case), while 22 per cent intended to stay for more than five years. Like other SADC nationals, Namibians intended to maintain close socio-economic links with the ancestral home. The peak frequencies of home visits and remitting were yearly and monthly, respectively. About 30 per cent of the migration decisions were likely to be made by other family members.

9.5 Observations from the field

The field investigation revealed no immediate certainty about the total number or proportion of Basotho, Batswana, Namibian and Swazi emigrants living in various continents, for example Africa, Europe and North America. This is largely because immigration departments are primarily interested in the effects of international migration in their national territories. Although SADC governments have acknowledged the positive effects of African diasporas, they have not yet revised the terms of reference which guide the actions of the immigration departments (for example to include initial destinations of emigrants and residential changes over time). There was a general lack of knowledge about the number or proportion of economic and student migrants who work or study outside their country of nationality. Beyond remittances, there was little definite information about the educational status of people in the diaspora, and there was limited knowledge of the definition of diaspora and its implications for development in the home countries. The statistics or information about numbers of professionals (i.e. medical doctors, nurses, engineers, accountants etc.) who lived and worked outside their countries were also uncertain. A couple of times, the collection and analysis of diaspora statistics were expected to be done by other ministries. For example, the Immigration Department in Swaziland referred the question on the number of economic professionals in the diaspora to the Ministry of Labour and the latter subsequently referred it back to the former. Others referred this issue to TEBA on the assumption that almost all Swazis living abroad were in South African mines.

On the number or proportion of students outside Botswana, Lesotho or Swaziland, each country's ministry of education was cited as the best source. But the ministry did not seem to have the complete picture partly because of a lack of interest in the migration process. However, it is clear from the United Nations' Demographic Yearbook that less than 75 per cent of the Swazi diaspora is in South Africa. Moreover, as observed earlier, the preferred destinations of potential emigrants in the SAMP data indicate that fewer than 50 per cent of Swazis chose South Africa as their MLD. Therefore the public feeling that over 90 per cent of Swazi emigrants are in South Africa is an exaggeration of the fact. The limited knowledge of number and proportion of nationals in the diaspora and their characteristics is excusable because, after several decades of post-independence concentration on maximising national security, African governments have only recently started to accept the notion of the diaspora–development relationship for policy consideration. It was unfair to expect at this stage that the information requested would be easily recalled, even if available.

It was also revealed that none of the three countries (Botswana, Lesotho and Swaziland) has ever formulated a comprehensive international migration policy. Both government officials and university academics seem convinced that the governments were implementing immigration control actions on the basis of immigration policies. Actually, they operate from the immigration acts, which simply outline a few vital actions related to immigration (including identification of international travel documents, irregular migration, apprehension and deportation). Although the acts have been amended to improve performance, they do not include details relevant to human rights, for example, as does the Immigration Bill of South Africa. They certainly exclude most aspects of emigration, especially emerging ones such as diaspora, remittances, brain circulation, xenophobia and human trafficking. The reality is that, whereas arrival cards at border posts and airports provide for a distinction between short visits and migration, the departure cards do not seek information from nationals and non-nationals from which statistics on emigration (a time-specific move) may be obtained. Where nationals fill in departure and arrival cards (not done in Botswana), they give information, indirectly, about the occupation and education of out-bound and in-bound travellers. The occupation and education of migrants change with increasing duration of residence away from home. In most cases there was uncertainty about the government's plan to formulate a comprehensive immigration policy. However, there was certainty that the governments of all three countries planned to formulate comprehensive immigration policies.

It was clear that none of the countries visited has a diaspora policy, and only in Lesotho was certainty expressed that such a policy is being considered. Apart from Lesotho, the key informants had no idea about their government's plan to partner with the diaspora. However, everyone interviewed knew that migrants generally remit money and goods to their non-migrant families. Among the goods mentioned are electronic equipment, such as mobile phones, DVD players, computers, TVs and agricultural aids. Although no one was specific about the amount of remittances, most knew how they are transferred and used. The information provided is consistent with general knowledge that most of the remittances are spent on domestic consumption, such as food, groceries, school fees and other household needs. It is not certain that remittances are invested in viable

businesses. It was suggested that several migrants, especially those working in South African mines, save enough to invest in small shops, houses or agricultural expansion (especially in Lesotho and Swaziland) and to purchase minibuses for commercial use, but it seems that the investors were not fully equipped with business skills and knew little about capital needs and running the business. There was no success story. Examples were given of villages in Swaziland and Botswana which seemingly prospered from remittances during peak periods of recruitment in South African mines but declined after the retrenchment of foreign workers in the mines.

There is some knowledge about the contribution of social remittances to development in the three countries. But only once (in Swaziland) was reference made to the effect of emigration and foreign intervention on political development. Apparently, the South African trade union movement once attempted to pressure the Swazi government to effect political change.

9.6 Data needs

This section addresses the dearth of migration research and data, but it implicitly covers diaspora research, which is the focus of this chapter. Among the primary concerns about international migration in the SADC region is the lack of consistency between the figures produced by various statistical sources of SADC emigrants living in other African countries (or in South Africa). Most reports point to South Africa hosting the highest proportion of SADC nationals. Although this may be true, there is definitely much disagreement between the statistics of numerous sources. For example, the *Migration and Remittances Factbook* (World Bank 2011) reports the number of Namibian emigrants as 16.5 thousand. Meanwhile, Ajayi et al. (2009) had reported it to be 15.1 million in 2007. This may be an editing error, given the similarity between 15.5 and 16.5 (three years later). The attitudinal surveys of SAMP revealed much less preference for South Africa, thereby indicating considerable inconsistency between the destination intentions of SADC nationals and reality.

Among the conclusions of the Global Forum on Migration and Development in 2006 was the serious lack of the data and evidence needed to guide the actions to be taken within international migration and development. This was not the first call to improve the evidence, availability, timeliness and reliability of migration data. In his classic article, Byerlee (1974) calls attention to the importance of migration to economic and social development and the need for in-depth research into the subject. The article is clearly informative about the role of migration as a means of redistributing human capital and income, transferring investment capital and attaining gender equality. It also emphasises the importance of such research in the development of theories that would guide the formation and successful implementation of economic and social policies. Methodological improvement is also addressed. Although the article received global acclaim for its contribution to scholarship, the main thrust of its message was practically ignored as social science researchers shifted attention to fertility and infant/child mortality studies. However, since the late 1980s, there has been a strong and positive response to the shift of interest among funding organisations from migration towards issues related to reproductive health. According to Findlay and Gould (1989: 10),

'government, employers and academic researchers … need to acquire rather different information from the past and make it available whenever possible in a more flexible form. Research is needed on systems of collecting, managing and presenting data on skilled international labour migration.' This is consistent with Black's (2003) observation of an urgent need to focus research on migration issues in order to obtain the basic information required to develop policies on irregular migration.

There have been great advances in the collection and processing of data on internal migration since the mid-1980s, but the systems for collecting and managing international migration data have received much less attention. This limitation was compounded by changes in the nature of international migration, and particularly the increased importance of skilled transients. Also, there is still no universally acceptable definition of key concepts. Migration itself is defined variously according to convenience. For example, the United Nations defines international migrants as people who have lived in the host country for at least one year. This restricts the threshold for migration and leaves out people who have 'migrated' for shorter-term business and education (Campbell 1988). The United Nations has advised that in censuses migration data should be collected on the basis of place of birth and place of previous residence. However, the analyses in several African countries are still done from the place of birth statistics only. This introduces technical problems in the interpretation of the data. It also limits the variables that could practically be included in the study. Worse, it introduces errors in the reports. Where national censuses and surveys were conducted in a period which included festive seasons, visitation has been erroneously found to be the primary reason for migrating. The place of previous residence gives a realistic picture of motivation for migration and allows control for duration of stay at the destination and is therefore the most appropriate method.

No region in the world has developed migration strategies which guarantee that the negative experiences suffered by many individuals in diaspora will be reduced in the long term. As mentioned earlier, one of the reasons for this is the complex nature of the migration process. This has discouraged demographers and other social scientists from seriously and continuously researching current and emerging migration issues. Migration is really not more complex than fertility and mortality, and the wealth of theories of migration is testimony to this. What apparently distinguished the other subject areas from migration was the perception that they held serious health risks associated with reproduction and child care, whereas the risk associated with migration was insignificant. Before 1980, migration was not widely perceived to be a serious health issue. The economic and social models focused on economic and social risks. However, global experiences indicate that international migration involves serious health risks, and indeed may have fatal consequences.

Because empirical research on irregular migration, including human trafficking, is scarce, very limited data exist on volumes of irregular migration or on the characteristics, activities and aspirations of migrants in Africa. Some work has been done in the EU and South Africa, but the elusive nature of these migrants renders the results unreliable. Various attempts to determine the number of irregular migrants in South Africa have produced diverse and usually misleading estimates. The Human Sciences Research

Council (HSRC) estimated that were between 2.5 and 4 million irregular migrants in the country. Although this was subsequently discovered to have been grossly exaggerated (Crush 1999, Waller 2006), it fuelled widespread alarm in public and political circles.

Regarding the diaspora, there are many areas of its activities that need scientific investigation. Among these are remittance, investment and intention to return home. Little is known about the willingness of members of the diaspora to remit beyond the recipient family, to invest in the ancestral home and to return. The financial ability and professional aptitude of diaspora individuals to successfully implement business entrepreneurship are also still unknown. Some studies have been done in these areas in the SADC region by the SAMP, but they barely scratch the surface of the problem. There is increasing progress in this subject in west and east Africa. There is an apparent assumption that almost everyone in the diaspora is prepared to invest or return. However, it should be considered that many skilled Africans left the continent quite disappointed at the political economies of their countries and may not be eager to take immediate actions that may sustain the corrupt systems they fled. There is a need to reassure the diaspora that its developmental effort would not be something to regret in future. Considering the huge investments involved in maximising skills abroad, several professionals in the diaspora may not willingly return home because the political economies of many African countries have not evolved from the previous state of bad governance. It is necessary to know what proportion of the diaspora is willing or unwilling to invest in the home country or return before formulating long-term policies on diaspora links.

In this regard, this chapter calls for developed and developing states to undertake longitudinal World Migration Surveys, along the lines of the World Fertility Surveys and Demographic Health Surveys. These surveys would serve to inform migration policies as well as monitor progress and identify problems during their implementation. If, as Widgren and Martin (2002) predict, migration will increase for the next 21 years, now is the time to obtain reliable data that would ensure its eventual decline – as well as the maximisation of returns from migration and the minimisation of its costs.

A major challenge to attaining meaningful partnerships with the diaspora is lack of coherence between government departments. This has been particularly apparent in Lesotho, where the African-Caribbean Partnership, in collaboration with the International Organization for Migration, is in the early stages of establishing an experimental observatory to build capacity, train government staff and give financial and expert support to the government to deepen socio-economic links with the diaspora. The government of Lesotho (a new IOM member) requested this project, and this is an encouraging step in the right direction. However, progress in establishing the project is seemingly slow. There has been no parliamentary debate on diaspora partnership.

Other challenges include:

- adequate data mobilisation;
- maximising diaspora trust in home governments; and
- policy cohesion between ministries.

9.7 Final recommendations

The potential of diaspora remittances to reduce poverty in the short or long term depends almost entirely on the success of national development policies. Poor physical and financial infrastructure, underdeveloped markets, corruption and poor investment climate would restrict the potential of remittance-focused strategies for those who receive them. Because many African economies fall in the category of weak infrastructure, it is unlikely that remittances would contribute significantly to long-term sustainable development at the macro level. To attain improved macroeconomic development with diaspora involvement requires applying models that would utilise human capital from the diaspora to a large extent. Three models worth trying are:

- the Taiwanese 'brain trust' model, which focuses on attracting human capital from the diaspora;
- the Chinese model, which focuses on attracting direct investment and trade opportunities through overseas Chinese communities; and
- the Indian model, which is multipronged, seeking direct investment, portfolio investment, technology transfer, market opening and outsourcing opportunities.

Other recommendations are:

- In view of the foregoing, all regional unions that have not formulated and/or implemented protocols that would at least facilitate movement of people should do so immediately because they are more likely than otherwise to have positive effects on national economies and societies. In view of current and future brain drain, and possible effects of immigration, it is expedient for each member state to develop an immigration policy that spells out what migrants should expect in terms of settlement and establishment and management of trade and business enterprises.
- It is expedient for governments in the four study countries (Botswana, Lesotho, Namibia and Swaziland) to borrow from a project (for example, that of Mauritius) which has been designed to map out the diaspora overseas, including location and profile of the diaspora, and develop a preliminary roadmap to enhance the involvement and contribution of the diasporas in the development strategies (IOM 2010).
- It is important to consider that international and internal migrations are no substitute for sound policies for national economic development. As African governments' efforts to maximise the positive economic and social impacts of migration are intensified, there should be a simultaneous strengthening of solutions to unemployment, poverty, low income and corruption in each country.
- Deepen social integration within and between the regional integrated unions. The plausibility of a plan towards cultural integration in Africa is worth considering by the AU and regional economic communities (RECs). Just as it has helped to strengthen the diaspora, it could also help to strengthen implementation of

strategies which were designed to improve human rights issues in the welfare of international migrants and their families. National laws on migration management should be improved to be more specific about whom to admit or deport.

- One of the areas that require immediate and seriously focused attention is the Plan of Action of the second Decade of Education for Africa, 2006–2015 (African Union 2006). Education is a very important determinant of the success of the RECs' co-operative actions on migration management for development. However, at the end of the first decade (2006), very few of the objectives of the plan of action had been achieved. Successful implementation of the policies aimed at deepening social integration may not achieve maximum effect if the plan receives minimum attention. Increased literacy and awareness of the rights of migrants will assist the dialogue and creation of the migration and development strategies.
- Develop close links between educational institutions and the labour market through research and internship, among others. Governments and NGOs should also commit to the implementation of the Ouagadougou Declaration on Employment and Poverty Alleviation in Africa.
- A further obstacle to maximising diaspora and immigrant influence on socio-economic development in the source and destination countries is several African countries' practice of not permitting dual citizenship. Dual citizenship increases confidence in the intention to invest in home and destination countries.
- Efficiency of transfer and use of remittances could be facilitated by removing all restrictive licensing of money transfer agencies. For instance, bank rates and other rates charged by money transfer agencies constitute indirect taxes and limit the amount remitted as well as mode of transfer. Zero-tax alternative and reliable money transfer systems could be provided that would be accessed easily in remote areas. Visits may be reduced and unofficial methods of transfer increased if these and other restrictions on actions are minimised or abolished. This will also increase savings and ensure viable investment. Abolishing these measures would involve total government control of MTOs (which may very likely become unproductive). Implementation of this recommendation will therefore rely greatly on collaboration between government and private sectors.
- Within the framework of immigration policies, it is expedient that African countries formulate national diaspora policies which would include educating their populations on the subject, capacity building, advocacy, and monitoring and evaluation. Ties between African governments and the diasporas would be best strengthened if each country established a department of/for diaspora within the Ministry of Labour and Home Affairs. This department should, among other things, introduce cultural and other programmes which will improve nationals' awareness of the important contribution of the country's diaspora to social and cultural development in the sending country.
- Within the framework of international policy, the Ministry of Labour should develop mechanisms to strengthen youth employment. This may be done in

several ways, including financing projects related to self-employment and training in small and medium-sized enterprises and setting up programmes which would attract investments in the sending countries. The latter would involve improving the economic climate of the country and offering concessions to investors.

- The private economic sector in each country should be fully involved in the diaspora linkage process. Every practice which forms an obstacle to private investment in the country should be removed and investors permitted to operate in local markets within one month of the declaration of intent to invest.
- Although gender has been mainstreamed in many areas of population development, its position in migration studies lacks depth. Women are the most affected by international migration factors (including poverty, human trafficking, unemployment and income). The empowerment of women in the SADC region should be strengthened to minimise the negative effects (including sexual harassment) of their actions as international migrants, and to ensure the complete success of migration and development policies.

From a regional integration perspective:

- National employment policies should include integration and mainstreaming of labour migration and its contribution in both sending and receiving countries. This should be accompanied by the promotion of positive roles of labour migration to deepen social integration in the RECs.
- Funding mechanisms should be instituted to maximise the investment potential of remittances to sending countries. This requires enhancing good governance which will improve trust in governments and increase the willingness of the diaspora to co-operate in national development programmes. It will also boost the chances of reverse transfer of technology (otherwise known as brain circulation).

9.8 Conclusion

The relationship between migration and development has been recognised universally, and several calls for regional co-operation and dialogue with government and non-governmental partners have received positive responses. Although the main concerns have been the negative effects of international migration, including brain drain, many African governments now realise the dominance of South–South migration in, from and to Africa and are increasingly recognising the positive effects that migration has, and will continue to have, on national economic, social and political development. Brain drain is now acknowledged to have win–win effects through the new diaspora, remittances and brain circulation. While there remain negative factors in the migration and development process, such as human rights, human trafficking and xenophobia, research points to education as a powerful tool for the effective control of these practices. Hence, the net effects of migration reward migrants as well as family members who remain at home, thereby contributing significantly to poverty mitigation in many African countries and bringing the continent closer to achieving a crucial MDG. Migration is culturally rewarding and this is perhaps even more obvious than the contribution of financial remittances by African migrants. Theory

and practice make it clear that the propensity of Africans to remit is largely influenced by altruism, which derives from the parent–child relationship and culturally instilled expectations of the roles of children in their (extended) family's development. The increasing volume of remittances from migrants since the late 1980s is largely due to an astronomical rise in the generation of financial capital, especially in the USA, Europe and Asia. Although this is projected to persist, regardless of the ongoing global financial crisis, it is expedient for African governments to be more focused on improving national economic development and revising their legislation to suit the development of migrants and non-migrants in the country.

The contemporary benefits of diasporas throughout the world were overlooked for quite a while, partly because many researchers associated the term with classic diasporas, but also because not much attention was paid to the positive effects that may accrue from brain drain, which is perceived with regret. Given that economic and political mismanagement worsened poverty in Africa, and that remittances received from international migrants have helped many households survive the bruising effects of ethnic conflicts and structural adjustment programmes, it has been accepted throughout the continent that the diasporas (classic and new) could be harnessed to assist economic development in the continents. In the process, attention has been called to the social benefits of ideas received from the diaspora. Hence, the SADC is among the first of the RECs to have taken action, through the Regional Consultative Process on Migration and with assistance from international organisations such as the IOM, the United Nations and the World Bank, to put measures in place which will maximise the chances of utilising the diaspora to attain economic and social development in the region. Although progress has been made in this direction in Botswana, Lesotho and Swaziland, this study does not reveal much about the position in Namibia. Meanwhile, there are clearly several economic, political and administrative challenges which must be overcome soon to achieve the goal of involving the diaspora in the economic and political activities of countries in the SADC region.

Appendix 9.1 Questionnaire for Key Informants

Data collection instrument:

Commonwealth Secretariat

Migration and Development: The Role of the Diaspora in the SADC Region

(SWAZILAND)

July – September, 2011

Questionnaire Protocol for Migration Experts (University)

1. How many migrants from Swaziland are currently living outside the country?..... Don't Know.....
2. How many are living in Africa..... EU..... USA..... Elsewhere..... Don't Know.....

3. How many are economic migrants?..... Don't Know.....
4. How many are students?..... Don't Know.....
5. What are their levels of education? No Educ..... Tertiary..... Tertiary.....
6. How many are professionals? Med. Doctors..... Nurses..... Economist..... Scientist.....
7. What is attitude of the host population towards the migrants? Good..... Bad..... D.K..... .
8. Are they allowed to work? Yes..... No..... D.K.....
9. Do they have access to jobs? Yes..... No..... D.K.....
10. What rights do they have?.....
11. How are they impacting Swaziland in terms of economic, social, infrastructure, public service, health services as well as politically? Very Good..... Good..... None.....
12. Do the remit money and goods to Swaziland? Yes..... No..... D.K.....
13. Are the remittances helpful at home? Yes..... No..... D.K.....
14. How do they remit?.....
15. Who do they remit to?.....
16. How much do they remit (Total)?.....
17. What are the remittances used for?.....
18. Do the migrants invest in Swaziland? Yes..... No..... D.K.....
19. What do they invest in?.....
20. Do the investments make an impact on the development? Yes..... No..... D.K.....
21. What social contributions does the Diaspora make to Namibia?.....
22. What political contributions does the Diaspora make to Namibia?.....
23. Does the government remit to migrants? Yes..... No..... D.K.....
24. What plans do you have to partner with migrants in Diaspora?.....
25. Why do you want to partner with the Diaspora?.....
26. What efforts are being made to partner with the Diaspora?.....
27. Is there a policy on the Diaspora? Yes..... No..... D.K.....
28. If No, are there plans to develop one? Yes..... No..... D.K.....
29. Does Swaziland have a comprehensive international migration policy? Yes..... No.....
30. If No, are there plans to develop one? Yes..... No..... D.K.....

31. What has been done or is currently done to encourage research in the Diaspora and migration?.....

32. Does government influence monetary transfer to Swaziland? Yes ..... No .....

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Chapter 10

International Migration and Development in Lesotho: A Complex Interrelationship

Daniel Tevera[1]

10.1 Introduction

The southern Africa region can conveniently be divided into migrant-origin countries (e.g. Mozambique, Malawi, Lesotho, Zimbabwe and Swaziland) and migrant-destination states (South Africa, Botswana and Namibia). Regional studies carried out by the International Organization for Migration (IOM) and the Southern African Migration Project (SAMP) identify several economic, ecological and political factors as the main migration triggers, with push and pull forces determining the sources and destinations (IOM 2005, 2007, Crush et al. 2006, Pendleton et al. 2006).

International migration from small states, such as Lesotho, has increased considerably during the twenty-first century and, as a result, there has been renewed interest in this phenomenon among policy-makers, economic and spatial planners, and academics (Crush et al. 2006, Crush 2002, Appleyard and Stahl 2007, Gamlen 2010, Roberts 2006, Pendleton et al. 2006, UNDP 2010, Thomas-Hope 2011, Tevera 2011). At the policy level, this interest is reflected by the burgeoning literature on the migration and development nexus that has been generated by international agencies such as the Commonwealth Secretariat, the United Nations Development Programme (UNDP), the IOM, the International Labour Organization (ILO), the UK Department for International Development (DFID) and the World Bank (DFID 2007, Commonwealth Secretariat 2004, UNDP 2009, IOM 2008). In the case of Lesotho, migration literature reveals that high migration rates co-exist with high levels of poverty (Ulicki and Crush 2007, Sechaba Consultants 2004, Gustafsson and Makkonen 1993, Cobbe 1982, 1986).

Recent literature on migration as a field of academic enquiry reveals an ongoing international debate on the nexus between migration and development (Gamlen 2010, De Haas 2010, Thomas-Hope 2011, Massey 1998, Adams and Page 2005, Lowell 2001). Findings of previous studies on the developmental impact of migration are quite mixed (Nyberg-Sorensen et al. 2002, Gamlen 2010, De Haas 2010, Kapur 2001). On the one hand there is the view that migration has a positive impact on development by alleviating poverty, raising household incomes and reducing spatial disparities. For example, studies by De Haan (1999), Ellis (1998), Faist (2008) and Kapur (2001) reveal the positive role that migration can play at the household level in terms of improving and diversifying livelihoods, reducing poverty and generally improving household resilience. A study by Gustafsson and Makonnen (1993) noted that, if it were not for remittances, 11–14 per cent more households in developing

countries would fall below the poverty line. Gamlen (2010) argues that properly managed migration promotes economic development by empowering migrants, generating wealth and balancing inequalities. Current thinking on the migration–development nexus is that, if properly managed, migration will promote development but if poorly managed it will undermine the process (IOM 2003, 2010, Ratha and Shaw 2007, World Bank 2006, Gamlen 2010, Manning 2010, RCMD 2010, Newland 2010, Morgan et al. 2005).

On the other hand, there is the view that, in the long term, migration has significant anti-developmental effects which overwhelm any possible benefits. Crush et al. (1991) have argued that, in southern Africa, migration has intensified poverty. Studies by Crush et al. (2006) and the IOM (2005, 2007) highlight the potentially critical role of migration regarding its contribution in spreading HIV and AIDS.

This chapter seeks to explore the challenges and benefits experienced by Lesotho as a result of migration. It also considers the developmental costs and benefits of migration at the household level. Finally, it provides an overview of the policies that have been implemented in order to minimise the socio-economic costs of migration. The following questions are addressed in this chapter. First, what migration-related challenges and benefits has the government of Lesotho been facing since late 1970s? Second, what migration policy strategies have been undertaken by government, the private sector and funding agencies?

The chapter is based on a study that was carried out in two phases between 2011 and 2012. The first phase was a desktop review of existing and current research on migration and development in Lesotho. This was complemented during the second phase by the gathering of specific data on various migration management and policy issues experienced in the country as viewed by government officials, private sector informants, worker organisations and multilateral organisations. Fieldwork in Maseru, the capital of Lesotho, took place from 16 to 19 November 2011. During this visit, key informants such as representatives from government organisations, migration and health (national and international) non-governmental organisations (NGOs), and representatives of relevant sector and employers' organisations were interviewed.

10.2 Geographic and socio-economic context

Lesotho is a landlocked country in southern Africa covering 30,350 km^2. Only 13 per cent of the land area is suitable for cultivation and it receives a small amount of annual rainfall that is highly variable and unreliable. In recent years the country has experienced recurring natural disasters, including droughts and cyclones, which have adversely affected agricultural performance. As a result the country faces serious food security challenges (with 17 per cent of the population food insecure) and has to import most of its cereal requirements (World Bank 2010, Government of Lesotho 2008).

According to the 2006 census, the country had a population of 1.87 million, and 82 per cent of this population resided in rural areas and depended on agriculture

for their livelihoods (Government of Lesotho 2009). Estimates suggest that by 2011 the population had marginally increased to 2.1 million with as much as 20.5 per cent of the total residing outside the country (see Table 10.1). This makes Lesotho a classical emigration country. Ministry of Labour and Employment officials in Maseru acknowledge that there are information gaps on the number of individuals in the diaspora. The World Bank estimates that the rate of unemployment is 45 per cent and that 43 per cent of the population lives below the poverty line (World Bank 2010). Of the 20,000 young job-seekers who attempt to join the labour market annually, only 50 per cent succeed in doing so.

The country has a per capita income of just US$600, which makes it one of the poorest countries in Africa. Its adult HIV infection rate of 23.6 per cent in 2008 makes it one of the most infected countries in the world (Government of Lesotho and UNAIDS 2009). The economy of Lesotho is closely intertwined with that of South Africa by virtue of location (it is completely surrounded by South Africa) and culture (Sesotho is Lesotho's national language and it is widely spoken in South Africa, which makes it relatively easy for Lesotho nationals to evade detection should they decide to stay in the country illegally). The Lesotho currency (the loti) is pegged at par to the South African rand and the country gets at least 30 per cent of its total government earnings from Southern African Customs Union (SACU) receipts. Until about 2000, the main source of employment and foreign exchange were the South African mines.

Lesotho is a labour-exporting country; migrant labour in neighbouring countries is an important source of employment for its citizens (MacDonald and Crush 2002, Crush et al. 1991). Most of this migration has been in the form of temporary or contract work in the South African gold, coal and diamond mines. In the early 1990s about half a million Basotho nationals were working in South Africa and remitted on average about R20 million every month through the deferred payment scheme. According to the World Bank's estimates, remittances account for about 28 per cent of national income. Half of the income of rural households is derived from migrants working in South Africa, mainly in the mining sector (Duvenage 2009). Seasonal labour within the agriculture sector is important for poor Basotho households from which persons migrate seasonally to work on South African farms.

Unemployment, socio-economic instability, political unrest, shocks related to climate change (e.g. drought and floods) and the unequal distribution of resources are the

Table 10.1 Immigration and emigration statistics for Lesotho

Statistic	Figure
Total population (2009)	2,100,000
Number of emigrants (2010)	427,500
Emigrants (% of total population) (2000)	20.5
Skilled (tertiary) emigrants as (% of total population)	4.3
Emigration of physicians (%)	33.3
Number of immigrants (2010)	6,300
Immigrants (% of total population)	0.3

Sources: World Bank (2010, 2011)

primary migration triggers throughout most of Africa. In Lesotho, migration triggers, such as lack of cultivable land, low wage levels, poverty and the lack of opportunities at home, have led many citizens to migrate internally and to neighbouring South Africa. Other motives for migration relate to the diversification strategy whereby male household members leave home in search of employment to complement the earnings from farm activities.

A SAMP survey carried out in Lesotho reveals that, despite the strong migration drivers that continue to fuel migration streams across the border, over 93 per cent of Basotho migrant miners working in South Africa did not consider a permanent move to South Africa as a solution (Crush et al. 2006, Sechaba Consultants 2002). The miners who said they would move to South Africa also indicated that they would keep a home in Lesotho. The findings are highly significant, for they show that most Lesotho citizens are willing to migrate to South Africa in search of better opportunities, but that the vast majority of Basotho migrants consider a permanent move to another country as not only unlikely but also undesirable. Of those likely to move, the majority would continue to maintain close contact with their home country and would wish to retire there (Crush et al. 2006).

Because of volatile economic and environmental conditions many Basotho continue to drift from rural to urban areas and ultimately to South Africa in search of employment opportunities. Both men and women with limited formal training have been driven into the South African labour market by poverty. Many have ended up engaged in domestic work in South African towns or farm labour in rural areas (Ulicki and Crush 2007). On average, a thousand migrants cross the Maseru border per day in both directions mainly to trade, shop, work and seek essential services.

10.3 Migrant mine and agricultural workers: challenges and benefits

Cross-border migration patterns have ranged from highly formalised and regulated contract systems in the South African mines to various forms of informal or unregulated movements across borders. Two main patterns characterise post-1990 migration trends in the country. First, the emigration of skilled labour has increased considerably, largely because of poor national economic performance and socio-political challenges (Duvenage 2009). Second, female migration has increased despite the constraints resulting from the dependent position of women within the patriarchal Basotho households (Dodson et al. 2010, Lefko-Everett 2007).

International migration from Lesotho is dominated by movements to destinations in the Southern African Development Community (SADC) region (especially South Africa) and to a lesser extent to overseas destinations, such as Europe, North America and Australia. The huge gap in economic, educational and occupational opportunities between Lesotho and South Africa explains why most Basotho nationals have migrated to South Africa at one point in their lives. Historically, the process of labour migration from Lesotho to South Africa goes back to the nineteenth century and has been dominated by men in search of unskilled and semi-skilled employment in the mines and on commercial farms.

Migrant workers from Lesotho are recruited for work in the South African mines through an agency called The Employment Bureau of Africa (TEBA) Limited. The contracts are one year long and renewable (IOM 2007). The majority of mines employing Basotho miners are in the Free State, Mpumalanga, North West, Limpopo and Gauteng provinces (IOM 2007). Many Basotho are hired as semi-skilled workers, such as machine operators, locomotive drivers and general labourers. They generally reside in single-sex hostels, where they are not allowed to bring their families. Since most mines are located in geographically remote areas, it is not easy for mine workers to bring their spouses to join them in residential areas near the mines, and this has been a source of social problems, such as prostitution. However, recent policies allow mine workers to invite their spouses to come and reside in rented mine accommodation for periods generally not exceeding seven days per visit. This policy is expected to go a long way in reducing commercial sex, which in the past was caused by long periods when mine workers were away from home.

Before 1996, all mine recruits were male but since 2001 female miners have regularly been recruited and in recent years constituted at least 3 per cent of the total Basotho mine worker population (IOM 2007, Ulicki and Crush 2007). Female labour migration has risen since the mid-1990s, as women are increasingly seeking employment on commercial farms in the Mpumalanga province of South Africa (IOM 2007, Dodson et al. 2010). While migration by women has increased, it remains a very much smaller phenomenon than male migration. This is because structural problems and patriarchal values that have impeded female migration in the past have not yet completely disappeared.

From the late 1960s to the mid-1970s, the number of Lesotho's nationals working in mines and on farms in South Africa outnumbered the size of the labour force in the formal sector within Lesotho, by at least five to one (Cobbe 1982, 1983, 1986, Bardill and Cobbe 1985). In 1972 Lesotho was the largest exporter of migrant workers to the South African mines, providing 54 per cent of the foreign migrant labour force (James 1992). However, since the mid-1990s, increased mechanisation of mining activities and preference for national labour have contributed to the retrenchment of Basotho mine workers in South Africa. The number of mine migrants from Lesotho dropped sharply from 99,707 in 1990 to only 46,049 in 2005, thereby reducing the volume of remittance flows back home from Basotho mine workers in South Africa. The proportion of households in Lesotho with at least one household member working as a migrant in the South African mines also declined from 50 per cent in the early 1980s to just 12 per cent in 2002.

The decline in mine employment has affected migration from Lesotho in at least three ways. First, it led to the diversification of labour migration patterns as new migrants had to search for employment opportunities in other sectors of the South African economy. Second, the migration rates for female household members increased as they searched for employment in South African economic sectors such as domestic service and commercial farming, where female employees have been historically dominant. Third, many former mine workers returned to South Africa as undocumented migrants.

The majority of Basotho nationals migrating to South Africa do so legally through established border posts, such as the Maseru Bridge. There is however, an increasing stream of undocumented migrants who regularly cross the porous Lesotho–South Africa border, which cuts across communities that speak a common language and share several cultural and family ties. Most irregular migrants are employed as farm workers in commercial agriculture and some engage in informal sector activities, such as street trading. A study by the IOM (2007) on temporary Basotho farm workers in South Africa reveals a steady increase in the number of people crossing the Quthing/Tele border post between Lesotho and South Africa.

Undocumented migrants often find themselves in vulnerable positions because they are unable to exercise their rights and entitlements. For example, there have been occasional cases of undocumented Basotho migrants on South African farms being deported, as farmers have been known to inform the police at the end of the month, before pay day, about the presence of vagrants at the farm. As a result, the undocumented farm workers are arrested and deported. It is difficult to establish the number of undocumented Basotho migrants on South African farms for lack of reliable information, as estimates are usually based on the number of deportations. However, deportation figures include multiple deportations of some migrants, since some persons get deported as often as ten times a year, finding their way back to South Africa using clandestine methods (Oucho and Crush 2001, MacDonald and Crush 2002).

Commercial agriculture sector labour migration became established in the 1990s, through the recruitment activities of eastern Free State vegetable farmers, whose demand for seasonal labour facilitated the temporary migration of unskilled men and women from many rural areas of Lesotho (Sechaba Consultants 2002). Since the late 1990s there has been a geographical shift in migrants' destination areas as many Basotho are recruited to work for the Ceres commercial farms, mostly in the Western Cape province of South Africa. The main recruiting office for Basotho farm workers is located in the town of Quthing in southern Lesotho. The Quthing farm workers' recruitment office gets its workers from all the districts of Lesotho but most come from the predominantly poor Mafeteng district, in the eastern part of the country.

It is estimated that about 300 Basotho nationals are recruited at the district labour office weekly to work on farms in the Western Cape alone. The recruitment process is long and occurs in a generally inhospitable environment. Typically, prospective farm workers have to wait in a given area for as long as a month before they are recruited, depending on the availability of recruiting agents. During the data-gathering visit to Lesotho, Ministry of Labour and Employment officials who were interviewed reported that conditions are difficult during the waiting period, as prospective farm workers have to sleep in the labour office corridors because no accommodation is provided for them.

Lesotho and South Africa have a bilateral treaty on the recruitment of temporary labour from Lesotho but its operation presents several challenges, as farm workers often sign contracts without being aware of the conditions under which they will work (Ulicki and Crush 2007). Although the migrant labour schemes have been

praised for encouraging migrants to return home, they have also been condemned for not encouraging migrants' integration in South Africa.

10.4 Impacts of migration on the economy

10.4.1 Migrant labour

Although the main migration challenges include national brain drain and its effects on service delivery, migration is nevertheless associated with cash and goods transfers through which migrants remit a part of their earnings to family members and friends back home. Thus, remittances are generally considered to have a strong developmental impact in the receiving countries through poverty reduction, expansion of social projects and increased investment (World Bank 2006, Adams and Page 2005, Roberts 2006).

Discussions with various government officials, international partners, NGOs and scholars, carried out in Lesotho by the author in December 2011, revealed that semi-skilled migrant labour from Lesotho has considerable development potential. The official from the United Nations Development Programme (UNDP) emphasised that benefits that have accrued from several decades of labour migration to South Africa include new skills and cultural diversity. Officials from the Ministry of Labour and Employment noted that migrants returning from mine work have contributed to national economic growth by supplying low-skill segments of the market with experienced labour and by promoting entrepreneurship. For example, in the rural areas, returned migrants have used their skills, expertise and ideas in ways that have contributed to local development. Sechaba Consultants officials pointed out that their studies reveal that the majority of household that have sent male migrants in Lesotho regard migration as having positive or very positive impacts.

Despite the positive impacts of migration on the Lesotho labour force, the migration process also presents considerable challenges because many migrant workers, especially low-skilled workers, face exploitative working conditions and enjoy only limited human and labour rights in the host countries. In recent years Lesotho has experienced an increasing loss of its skilled professionals, with the health sector being the most affected.

In the public health sector the migration of doctors, pharmacists, nurses and other health workers is undermining the ability of the healthcare system to cope with the burden of diseases. More than 50 per cent of state registered nurses and about half of the medical doctors left the country between 1990 and 2010.

The brain drain presents several challenges to the government of Lesotho. First, it poses an economic danger to Lesotho because it presents a loss of human capital that was developed through state-subsidised educational programmes. Second, emigration of health workers from the country has resulted in significant depletion of essential skills in the health sector, as evidenced by the fact that vacancy rates are high for various categories of healthcare practitioners. The declining number of qualified health personnel highlights one of the biggest obstacles to achieving the

Millennium Development Goals (MDGs) related to the health and wellbeing of the national population.

Lesotho faces a huge challenge in stemming the exodus of professionals and skilled personnel to other countries. The brain drain seems unlikely to slow down unless the government finds additional ways of addressing the factors contributing to this outward movement, which are chiefly based on the country's economic situation (Crush et al. 2006, Dodson et al. 2010, Sechaba Consultants 2004, MacDonald and Crush 2002). Analysis of the brain drain from Lesotho shows a complex interplay between conditions at home and opportunities in other accessible countries. The main reasons for loss of skills, especially medical workers, academics, teachers and technicians, were reported to be relatively low salaries and benefits, poor working conditions and lack of career opportunities. In view of this, it is imperative that the government implement measures to curb the emigration of skilled people and professionals from the country. However, a coercive approach to the brain drain would not help, as it would intensify the level of discontent.

10.4.2 Remittances

Remittances, in the form of cash and goods, have become an essential part of many household budgets and have reduced vulnerability to poverty in both rural and urban areas (Crush et al. 2006, Dodson et al. 2010, Pendleton et al. 2006).

Basotho migrants in South Africa maintain a web of connections with their country and that has created beneficial feedback effects such as the transfer of remittances, skills and technology. The remittances are transferred through both formal and informal channels. Formal channels include money transfer services by banks and non-bank financial institutions, such as foreign exchange bureaux or dedicated money transfer operators. Informal transfer systems include sending remittances through relatives, friends, trusted agents, acquaintances and personal carriage of cash or goods by migrants during visits back home. Active social ties between migrants and family members and other contacts provide the personal links and local information necessary for sending remittances informally.

Lesotho has been dependent on cash and goods remittances from the mines in South Africa since the second half of the nineteenth century (IOM 2007). The importance of remittances to the economy of Lesotho is emphasised by the fact that Lesotho is one of the few countries in Africa where the value of international remittance flows is greater than official development assistance received (UNDP 2010). Data from the 1970s to the 1990s reveal that, while remittance earnings provide a positive flow to Lesotho, the positive effects are offset by the withdrawal of labour from the domestic economy (Bardill and Cobbe 1985, Sechaba Consultants 2004).

Remittances made up 25 per cent of gross domestic product (GDP) in 2006 and the country has consistently been among the top remittance-receiving countries in Africa, in terms of share of GDP and foreign exchange earnings (UNDP 2009). According to an FAO (2008) study, about half a million Basotho nationals, mostly men, were working in South Africa and on average remitted about R20 million every

month through the deferred pay scheme. In Lesotho the contribution of remittances to national economic growth and to the livelihoods of people is quite evident. First, they promote access to financial services for Basotho diaspora members and their families. This explains why households with migrant incomes are often much better off than non-migrant households and national economies of poor countries often benefit from this flow of capital. Second, remittances provide foreign exchange to the country and help to improve the balance of payments.

At the household level, remittances significantly supplement earnings of individual households in both rural and urban areas. Clearly, remittances seem to provide a 'safety net' that sustains many households throughout the country. Studies also show that remittance flows have reduced vulnerability at the household level through poverty reduction (Crush et al. 2006, Dodson et al. 2010, Pendleton et al. 2006). However, the available information shows that households mainly use remittances for consumption (e.g. to pay school fees, medical expenses, debts and funeral costs) and to a lesser extent for investment (e.g. land acquisition, house construction, purchase of livestock and establishment of small businesses). A study by Crush et al. (2006) showed that cash remittances to migrant sending households are mostly used for school fees, food, clothing, transport, funeral costs and purchasing seeds.

SAMP studies noted the existence of gender differences with respect to the use of remittances. According to the study, male Basotho mine migrants tended to use their earnings for long-term investments back home, such as cattle that would generate income during retirement (Dodson et al. 2010, Pendleton et al. 2006). This way, cattle are a type of 'retirement fund' for migrant households. Female migrants, on the other hand, tended to use their cash remittances to finance everyday living expenses, such as food, school fees, household utensils and furniture.

However, although families benefit from the remittances sent to them by migrant family members, they also face many challenges in the absence of these family members. For example, wives are left to raise the family and often go for long periods without seeing their husbands. Other social effects of migration consist of changes within families in terms of gender roles and possible child labour in cases where there are labour shortages arising from the migration of several family members.

10.5 Management of migration and regulation of remittance flows

10.5.1 Policing and managing migrant labour

Lesotho is an example of a country where the institutional and policy framework has been focused on labour migration in the following ways:

- The government of Lesotho has signed and ratified the UN International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. This convention states that migrant workers and their family members shall have the right to receive any medical care that is urgently required for the preservation of their life or the avoidance of irreparable harm to their health (IOM 2007).

- The National Strategic Plan (NSP) on HIV/AIDS, 2006–2011, identifies migrant populations, among other groups, as highly vulnerable to HIV infection. Although the NSP does not distinguish between the various sectors of migrant populations, sex workers are singled out (as a marginalised segment of the mobile population) for the provision of special services geared towards reducing their vulnerability to infection and the spread of HIV and AIDS.
- Lesotho's Poverty Reduction Strategy Paper of 2004/05 to 2006/07 recognises that, during the past 150 years, contract jobs in South Africa have been a major livelihood strategy for Basotho nationals. Although poverty reduction strategies (PRSs) of Lesotho acknowledge the positive and negative effects of migration, little has been done by the government to include migration policies and strategies in national development plans.
- The Ministry of Home Affairs conducts monthly community education programmes whereby families of migrants are informed about the risks associated with migration and disease, especially HIV and AIDS. Many migrants have benefitted indirectly from the ministry's community education programmes, as the families of mobile populations who frequently pass through the border areas are often part of a complex sexual network that links transient and residential communities. The Ministry of Labour and Employment focuses on empowering and enlightening the spouses of migrants through public education programmes similar to those carried out by the Ministry of Home Affairs.
- There are several joint initiatives that provide migrants and their families with basic information on how to protect themselves from infectious diseases. The United States Agency for International Development and the government of Lesotho have a programme that provides Basotho miners working in South Africa with information and training on HIV/AIDS and anti-retroviral therapy during the times when they return home at weekends. Additionally, the IOM recently co-implemented with TEBA a project called 'On-the-Ground' whose aim was to sensitise migrants on the risks of possible exposure to HIV and AIDS.
- The Lesotho Federation of Labour (LFL) and the Lesotho Nursing Council provide different types of services to various categories of migrant workers. The LFL assists mine workers to access compensation and insurance funds when they return home; and the Lesotho Nursing Council provides various services to nurses intending to take up employment outside the country or those who want to return home and continue working as nurses.

10.5.2 Regulating remittance flows

A bilateral agreement between the government of Lesotho and the government of South Africa has had the effect of promoting remittances because, under the agreement, Basotho mine workers receive a portion of their wages as a deferred wage. The deferred portion of the wage is compulsorily sent to the migrant worker's home country, where it is collected on completion of the contract. Basotho mine migrants in South Africa have a contractual obligation to remit to their home country (through the employer) 30 per cent of their earnings in the form of compulsory deferred pay.

Neither the Chamber of Mines nor the National Union of Mine Workers is enthusiastic about the compulsory deferred pay system. Human rights groups are not in favour of the system for the fundamental reason that it violates the basic rights of a worker to earn a full salary which they are free to spend as they see fit. However, the government of Lesotho and many other governments of the home countries strongly support the system because the remittances are an important source of foreign currency. A SAMP survey in Lesotho showed that, whereas most miners were opposed to the system, most miners' wives were highly enthusiastic about it (Pendleton et al. 2006).

TEBA and the banks have instituted systems for voluntary deferment of wages, and these are very popular with migrant workers. TEBA's voluntary systems in fact remit more funds to the home countries than the compulsory deferred pay system. However, home governments highly support it largely because they benefit from the interest on deferred pay.

However, current regulatory provisions tend to exclude many remitters, especially the undocumented migrants and part-time workers, from the formal remittance market. Also, regulatory provisions add to the cost of completing a remittance transaction, which effectively excludes the very poor from the formal remittance market. A study carried out by Pendleton et al. (2006) noted that members of most of the migrant-sending households surveyed in Lesotho regularly brought cash remittances back home or asked a friend or co-worker to bring the cash back home.

Both the immigration laws and the requirements of cash-remitting banks cause problems. For example, under the current South African immigration laws, proof of legal residence is a requirement when one wants to open a bank account or to remit some money using formal channels. Furthermore, the foreign exchange market in Southern Africa is highly regulated. Banks and bureaux de change are virtually the only agents allowed to handle foreign exchange transactions. Before transferring funds, the remitter is required to have clear evidence that the funds were legally earned and that the remitter has a valid work permit. Most semi-skilled and low-income migrants are likely to have inadequate documentation, as most would not be in a position to produce a utilities bill as proof of residence.

10.5.3 Assessment of policy and institutional practices

Several lessons can be learnt from Lesotho's achievements and shortcomings regarding the management of migration. The intermittent discussions between the public and private sectors about minimising the costs and risks of temporary labour migration are important and should be intensified. Clearly, there is a need for the governments of Lesotho and South Africa and the private sector recruiting companies to address these costs and risks while at the same time ensuring that issues relating to duration of stay, enhancement of skills, and return and re-integration of migrant workers are also discussed. In this way, temporary labour migration between Lesotho and South Africa could be used as a crucial element of human capital development through the provision of training and skill acquisition.

However, there are several policy gaps which require attention. First, large-scale labour migration continues to pose a significant challenge to the protective capacity

of national labour law frameworks, partly because of how migration is managed. Although there have been some developments at the regional level to address this challenge, little progress has yet been made. Second, labour law continues to be subordinated to political and economic objectives, as reflected by the concern of the government of Lesotho to maintain the existing contract labour agreements with South Africa. As a result there has been a tendency to avoid dealing with instances of non-compliance with labour law, particularly by foreign labour contractors. Third, the continued use of labour brokers to recruit migrant workers poses considerable challenges to the national labour laws that are based on the existence of a conventional employment relationship as the mechanism through which rights are conferred. To give adequate protection to Basotho migrant workers in South Africa, the Ministry of Labour and Employment should monitor temporary labour mobility more closely. Failure to do this will undermine the economic and social development goals of the country.

Fourth, the existing national migration frameworks are not sufficiently integrated into poverty reduction strategies. If migration is to become an effective vehicle to improve the social and economic situation of the poor, it has to be connected to other government development policies and systematically factored into the current national poverty reduction strategies. Also, immigration policy has weak links with the national poverty reduction strategies (as evidenced by poverty reduction strategy papers) yet only limited attempts have been made to integrate migration realities into national economic planning strategies. Not surprisingly, immigration policies and poverty reduction strategies in Lesotho are quite separate.

Fifth, although bilateral labour migration agreements exist with several countries, there is little evidence to show their effectiveness, as the direct recruitment of Basotho medical professionals and teachers by both developing and industrialised countries is still a major challenge. New labour export schemes are needed. These will require some bilateral agreements between the governments of South Africa and Lesotho on new temporary labour schemes that provide maximum benefits to migrants and both home and receiving countries. This should help to improve on the current practices whereby labour migration is much more influenced by the policies of the South African government and various mining organisations than by the government of Lesotho's policy.

Sixth, although the government acknowledges the contribution of its diaspora to national development, it has not yet developed programmes that aim to encourage the involvement of Lesotho's nationals in other countries. The current ad hoc diaspora engagement initiatives that are organised by the government in collaboration with agencies, such as the IOM and the UNDP, need to be strengthened in order to attract many members of the diaspora to return.

10.6 Policy proposals

The government of Lesotho has a keen interest in promoting positive migration practices but much more needs to be done. The government needs to collaborate with

multilateral institutions and the private sector to put in place frameworks that can promote the linkages between migration and development. These policy initiatives could relate to labour retention, return migration and labour recruitment, as well as to remittance transfers, all in the context of mainstreaming migration into national development policy while also promoting the rights of migrants.

Labour retention policies: Brain drain has detrimental effects on the national economy by hampering the growth and development of industries and service sectors because of shortage of skills. The New Economic Partnership for African Development specifically recognises the reversal of 'brain drain' as a sectoral priority. The government of Lesotho needs to consider countering 'brain drain' and mitigating its effects on the national economy as important policy objectives. This requires at least two approaches. First, there is a need to counter the exodus of skills by promoting the retention of national human capacities and targeting economic development programmes to provide gainful employment. Also, the government should aim to regulate international recruitment agencies to avoid excessive depletion of skills in key socio-economic sectors such as health and education. Second, there is a need to counter the effects of brain drain and promote brain circulation possibilities by encouraging nationals abroad to contribute to the development of the country through programmes such as temporary and permanent return migration. To achieve this, the government will have to consider implementing several strategies including retention strategies for skilled professionals.

Remittance transfers: The government of Lesotho needs to find ways to facilitate the flow of remittances into the country. This could be achieved by reducing the level of time-consuming red tape that discourages diaspora investors. Second, make formal remittance channels more attractive by reducing transfer costs and by expanding cash-receiving infrastructure, such as microfinance institutions, especially in the small urban areas.

Mainstreaming migration: This could be achieved by putting in place strategies aimed at reducing poverty, improving living and working conditions, creating employment opportunities and developing skills that can contribute to addressing the root causes of migration.

Labour and human rights of migrants: There is a need to strengthen responses to the needs of migrant women, particularly ensuring that their health needs, labour rights and human rights are respected. Efforts should be made to continue integrating gender perspectives in national migration management policies and strategies. Also, there is a need to promote informational/educational campaigns that raise awareness about the gender dimension of migration among policy-makers and personnel involved in migration management.

Note

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Chapter 11

International Recruitment: Current Trends and Their Implications for Small States

Jon Sward

11.1 Introduction: international recruitment and skilled migration – a polarising debate

The mobility of skilled professionals is one of the salient features of present-day globalisation, due in no small part to global labour shortages in key sectors such as health and education. However, these flows are increasingly complex, as would-be migrants respond to shifting realities both at home and abroad in a dynamic and rapidly changing global economy. Furthermore, the mobility of the skilled is not always a straightforward process. On one hand, skilled workers around the globe are increasingly aware of opportunities abroad and are often able to communicate with migration intermediaries in real time, thanks to increasing access to the internet. On the other hand, skilled workers' mobility may be constrained by lengthy visa processes, difficulties in attaining relevant work licensure or other qualifications in destination countries, abusive practices of employers or recruitment agencies, and deep-rooted austerity programmes in many traditional receiving countries that have hardened 'anti-immigration' stances and may limit opportunities for highly skilled and low-skilled migrants alike.

This report focuses on international recruitment of the skilled, with a particular emphasis on the impact that this has on small countries within the Commonwealth (see especially section 11.4). The international recruitment of the skilled is a politically contentious issue, with much of the debate in both policy and academic circles focused on the recruitment of skilled health workers – especially physicians and nurses – from developing countries to comparatively wealthy nations in the Organisation for Economic Co-operation and Development (OECD) such as the United States, the United Kingdom, Canada, Australia and New Zealand. In response to developing countries' concerns, a series of policy measures have been implemented in the last decade, notably the UK Department of Health's code of practice on the ethical recruitment of health personnel from low-income countries, the Commonwealth Secretariat's Protocol on the Ethical Recruitment of Health Workers, the Voluntary Code of Ethical Conduct of the Recruitment of Foreign-Educated Health Professionals to the United States, and the World Health Organization's Global Code on the ethical recruitment of health personnel. The Commonwealth's protocol on health worker recruitment is paralleled by a separate protocol on the ethical recruitment of teachers within the Commonwealth.

Broadly speaking, these codes condemn the 'active' recruitment of professionals and are typically voluntary as opposed to legally binding. However, there is an unresolved tension in policy discussions between the rights of developing states, including small states, to retain their skilled workers and the rights of the skilled themselves to move. In fact, there is evidence to suggest that many skilled persons train with a view towards migrating, and that emigration by individuals in professional sectors can give more individuals an incentive to invest in training in that sector, even if this does not equal a net 'brain gain' (Beine et al. 2001). Although policy-makers often view recruitment agencies as having a coercive influence on skilled workers in developing countries, it is clear that in some cases the workers initiate contact with employment agencies themselves, as these agencies are capable of acting as valuable intermediaries that can help would-be migrants to navigate immigration processes and gain access to jobs in destination countries (Pittman et al. 2007: 12).

Thus, at the onset, it is worth considering the broader realities in which various forms of skilled recruitment – and skilled migration more generally – occur. The mobility of the skilled is not only a characteristic of South–North migration flows, but also a highly relevant aspect of intra-OECD migration flows, with a high level of movement of skilled personnel between different states (Skeldon 2009: 9). As Skeldon (2009: 9) argues, 'One of the basic features of the skilled international migration system is that it is dominated by migrants from the developed world itself, plus a relatively small number of middle-income developing countries', as was evidenced by the fact that in 2000 the United Kingdom, Germany, South Korea and Canada were among the ten countries with the largest numbers of skilled migrants living and working outside their borders. Furthermore, although present-day academic and policy discourses on brain drain gravitate towards the migration of skilled professionals from developing regions, particularly sub-Saharan Africa, Asia-Pacific and the Caribbean, the term 'brain drain' was first used to describe the emigration of doctors and scientists from the UK to North America in the 1960s (Skeldon 2009: 9).

Significantly, a constructive debate on international recruitment is constricted by a general paucity of data on what proportion of skilled migration from developing countries is due to the 'active' recruitment of migrants. The paucity of data is compounded by the fact that there is limited research on the practices of recruiting agencies, many of which do not operate with a high degree of transparency. The result of this lack of information is that in many cases both migration researchers and policy-makers have only an uncertain understanding of the way in which recruitment firms recruit prospective migrants. The lack of a solid evidence base on the role that recruitment plays in the international migration of the skilled has perhaps contributed to an over-reliance on anecdotal accounts detailing the practices of recruitment agencies. So, although there is strong evidence of questionable practices on the part of some recruiters, it is extremely difficult to establish the overall magnitude of these problems.

Given the partial understanding of how significant the international recruitment of the skilled is, and how recruitment agencies operate in practice, there are several important points to bear in mind from both sending and receiving country

perspectives. It is clear that the adoption of immigration legislation in key destination countries favouring the immigration of the skilled has been important in facilitating skilled flows from the developing world to select OECD destinations. Although it would perhaps be going too far to construe these policies as a form of 'active' recruitment in their own right, there can be little doubt that the policy efforts of countries such as the United States, the United Kingdom, Canada, Australia, New Zealand and others to attract skilled migrants has created the wider context in which a rapid expansion in the migrant recruitment industry has taken place. Conversely, for sending countries, there may be a temptation to blame the recruitment industry for the widespread emigration of skilled professionals – even when many of these workers are leaving of their own accord.

As should be clear by now, any investigation of the international recruitment industry must necessarily navigate politically contentious topics such as brain drain, the rights of the skilled to leave their countries of origin to pursue better opportunities abroad, and the entrenched inequalities that are characteristic of the twenty-first-century global economy. Given the lack of data on skilled recruitment, this chapter discusses recruitment that is occurring from small states, against the backdrop of wider patterns of emigration from those states. As will be shown, the challenges of emigration of the skilled, in many cases encouraged by recruiters, are often particularly acute for small states, partly because they may lack both the training facilities and fiscal resources to easily replace these workers. However, to return to the brain drain debate, it is important to bear in mind that the outflow of workers is not necessarily a permanent phenomenon and, under the right conditions, brain drain can later give way to brain circulation or even brain gain (Tanner 2005: 20).

This report is structured as follows: section 11.2 examines emerging patterns of recruitment and the diversification of skilled migration flows, including an assessment of skilled flows from Commonwealth small states; section 11.3 focuses on the impacts of the recruitment industry in the global North, including case studies on nurse and teacher recruitment in the USA, and recruitment in the UK medical sector; section 11.4 focuses on the impact of the international recruitment on small states, including case studies on health worker emigration from Mauritius and Barbados, and teacher emigration from Guyana; section 11.5 discusses factors that may affect future trends of skilled recruitment; and section 11.6 introduces policy options in the area of skilled recruitment.

11.2 Skilled migration in the current epoch of globalisation: emerging patterns of recruitment and shifting flows of the skilled

Although there is a consensus that international recruitment is key to facilitating various types of migration, surprisingly little research has investigated how the recruitment of skilled professionals takes place or the practices that constitute 'international recruitment'. This section will explore recent trends in skilled recruitment by considering, first, the range of activities and processes that fall under

this broad and often ambiguous heading. As this discussion will show, it is extremely difficult to disaggregate the recruitment of the skilled from patterns of skilled migration more generally, and it is important to note that these flows are becoming increasingly diverse. Second, the shifting nature of these flows has particular implications for small states, which will also be touched on.

Within emerging trends of international labour migration, the role of the recruitment industry is highly fluid, often shifting its focus in order to meet temporary labour market demands. Thus, as Kuptsch (2006: 1) argues, 'the ultimate shape of the [recruitment] industry is not clear.' The fluid nature of the global recruitment industry is partly due to the increasing diversification of migration flows of workers, which transcend the predictability of 'traditional' migration corridors based on linguistic or colonial ties, and have become increasingly complex. Again picking up Kuptsch's argument, 'global sources of workers and destinations of migrants are diversifying, as more countries send workers abroad and recruit or tolerate the entry of migrants. Within sending countries, migrants are being drawn increasingly from the top and bottom rungs of the job ladder' (2006: 1). Thus, while much of the policy and academic debate has focused on the recruitment and emigration of skilled professionals, the migrant recruitment industry also facilitates the movement of relatively low-skilled manual labour to key destinations, with arguably the most relevant migration corridor being from Southeast Asian countries to the Gulf Cooperation Council (GCC) states (for example, see Baruah 2006).

The recruitment of skilled workers has been taking place against a backdrop of increased global competition for skilled workers. In general, skilled migration commonly relates to persons 'having a university degree or extensive/equivalent experience in a given field' (Iredale 2001: 8), but there is no doubt that much of the attention on skilled recruitment has been focused on the recruitment of skilled health workers, in part because these professionals are assumed to play a pivotal role in developing countries achieving health-related benchmarks articulated in the Millennium Development Goals. However, as Connell (2010: 4) notes, the international migration of skilled health workers parallels, to some extent, the increasing mobility of other types of professionals, particularly information technology (IT) workers, engineers and teachers. For Connell (2010: 4), these flows represent an often overlooked aspect of globalisation, reflecting 'the growth and accelerated internationalisation of the service sector in the last two decades, rising demand for skilled workers in developed countries (where training is increasingly costly) and their supply in countries where once they were absent.' This is reflected by the fact that 'traditional' settlement countries (including Australia, Canada, New Zealand, the United States and the United Kingdom) have implemented policies to attract highly skilled migrants (Cerna 2010: 1).

One striking feature of the shift in patterns of skilled migration and recruitment, particularly among skilled health workers, has been the rapid increase in the number of skilled women who are moving internationally. Available data suggest that, broadly speaking, skilled women are more likely to migrate from developing countries than men, although in some cases this appears to be in part for non-economic reasons, such

as family reunification (Docquier et al. 2011). This marks an extreme departure from earlier patterns of skilled migration. As Connell (2010: 4) observes of the emigration from the health sector among countries in the Pacific, 'Thirty years ago, doctors – mostly men – were the main migrant group, but nurses – mostly women – have become more numerous, and migration has taken a new gendered structure'. The growth in the international migration of skilled women is one of the most important shifts in skilled migration trends, and it is evident that, in sectors such as nursing and teaching, international recruitment agencies are playing a pivotal role in facilitating this type of migration.

11.2.1 Defining international recruitment

Any discussion of international recruitment must attempt to define what exactly this comprises. This is not a straightforward endeavour, as a number of heterogeneous activities fall under the banner of recruitment, including active recruitment by third-party recruitment agencies, direct recruitment by states or large employers, or even 'back door' recruitment of foreign-educated skilled workers who are already working in destination countries. The situation is made still more opaque by the fact that few studies have investigated the ways in which recruitment agencies actually recruit workers. As Connell and Stillwell (2006: 243) note, despite the widespread consensus regarding the importance of recruitment agencies in facilitating the international movement of workers within the health sector, there is surprisingly little information available on how such agencies operate, and whether reported abuses related to recruitment are systematic or limited to a small share of the recruitment market.

However, based on the studies that do exist, it is possible to gain some valuable insights into the operation of the recruitment industry in select sectors. For example, a 2007 study by Pittman and colleagues that focused on US-based nurse recruitment firms uncovered a rapidly changing industry. Using a web-based search methodology, the survey identified 267 international nurse recruitment firms operating in the United States, ranging from large, multinational recruitment firms to small 'mom-and-pop' arrangements (Pittman et al. 2007: 4). According to the study, this represented a significant increase over the number of firms operating in the late 1990s, when according to industry insiders around 30 to 40 US firms were involved in international nurse recruitment (Pittman et al. 2007: 4). This explosion in the number of US-based recruiters appears to have occurred in response to a mushrooming nurse shortage in the USA, which, combined with economic growth during these years, created a robust demand for foreign-educated nurses. The financial crisis of 2007–08, coupled with the consolidation of firms within the recruitment industry itself, appears to have partially reversed this trend: a reappraisal of the situation by Pittman and colleagues (Pittman et al. 2010) suggested the number of US-based firms involved in nurse recruitment had shrunk to 211 by January 2010, partly because of smaller recruiting firms being purchased by larger competitors.

A 2009 study by the American Federation of Teachers (AFT) suggests that similar trends have emerged in the teacher recruitment market in the USA, albeit on a smaller scale. The study identified 33 recruitment agencies that actively recruit

foreign-trained teachers to work in the USA (American Federation of Teachers 2009: 15). The study cautioned that recruiters often promote positive aspects of teaching in the USA, while failing to explain potential drawbacks such as income tax rates and the relatively high cost of living (American Federation of Teachers 2009: 14). This is a complaint about the recruitment industry voiced by migrants across various sectors, and has also emerged in focus group discussions held with North African teachers recruited for teaching positions in the UK (K Ochs, interview, 2011). The AFT's study suggests that in some cases recruitment agencies collect fees only from teachers, whereas in other cases school districts or private institutions bear the cost of recruitment agencies' services, and in a limited number of instances both migrants and client institutions were charged (American Federation of Teachers 2009: 15).

In other cases, available evidence suggests that international recruitment occurs in even more circuitous and indirect ways. In the UK, for example, a survey of 400 London-based, foreign-born nurses showed that 'back door' recruitment from the UK private sector to the National Health Service (NHS) was relatively commonplace (Buchan et al. 2006). The study, which included nurses from both OECD countries and the global South, found that about two thirds of nurses had used a recruitment agency to enter the country, and more than half had switched jobs since arriving in the UK, typically moving from the private sector to the NHS. These 'back door' flows are particularly significant, as the private sector does not face the same ban on active recruitment that the NHS does under the UK code of ethical health worker recruitment, and such private–public movements of health workers are not barred under the code (Buchan et al. 2006). There is also strong anecdotal evidence of a 'carousel effect' among skilled migrants, with nurses, for example, sometimes moving multiple times, to a different receiving country each time. This can complicate the potential regulation of recruitment, as sometimes nurses are recruited in their country of current employment, rather than their country of origin (Pittman et al. 2007: 15).

Although small states contribute a relatively small number of skilled professionals to the international stock of skilled migrants because of their small population size, there is clear evidence to suggest that small states are in some instances targeted by recruitment agencies or by employers directly. Pittman's study of the US-based nurse recruitment industry identified 11 recruitment agencies working in the Caribbean (Pittman et al. 2007: 19), and the recruitment of teachers from Caribbean countries including Jamaica and Guyana in the late 1990s is also well documented (American Federation of Teachers 2009: 34). However, recruitment from small states does not always follow predictable patterns. For example, Connell and Stillwell (2006: 243–4) observe that 'In this century there has been active recruitment of Fijian nurses for [the United Arab Emirates], a country that few in Fiji would have had any knowledge of until then.' This followed recruitment of Fijian nurses in the 1990s to nearby countries including the Marshall Islands, Nauru and New Zealand (Connell and Stillwell 2006: 244).

These examples provide a window – albeit a limited one – into the way in which the recruitment industry actually operates in certain contexts of skilled recruitment,

though they fail to expand on the range of strategies used by recruiters to attract prospective migrants. The literature on skilled emigration suggests that a variety of techniques are used by recruiters to target skilled workers. In the case of widespread Western recruitment of health professionals in South Africa, for example, reported methods include advertising in national newspapers and journals, sending text messages or personal emails to health workers directly, promoting employment abroad through internet sites and holding recruitment workshops (Mills et al. 2008: 685). Most codes and protocols on the ethical recruitment of skilled health workers rely on the notion that only the 'active' recruitment of health workers should be limited under these codes – and in practice there exists ambiguity between providing information about employment opportunities abroad and active recruitment. This distinction has been further blurred by internet-based recruitment, which has clearly been a significant innovation that has broadened the horizons of international recruitment in recent years, allowing new types of exchanges between recruiters and would-be migrants. Connell (2010: 3) argues that web-based information on jobs abroad has made it easier than ever for health workers to effectively 'recruit themselves' by initiating contact with recruitment agencies, who can then assist them with the immigration process and job placements.

11.2.2 Shifting patterns of skilled migration

From the available data and evidence, it is difficult to ascertain the impact that international recruitment has on small states. This is in part because it is not possible to disaggregate in existing sources of macro-data the professionals who have migrated using recruitment agencies from the overall stock of skilled migrants. However, it is clear that, in general, flows of skilled professionals have become more complex in the past several decades. The emergence of new patterns of skilled health worker migration, or what Connell describes as the 'global care chain', is a case in point. Connell (2009: 6) notes that relatively simple flows of migrants from sending countries to migration destinations have been displaced by more complex flows that operate at regional and global levels:

> Australia and New Zealand recruit and absorb from the Pacific island states (which recruit from Burma and China) as they in turn supply the United Kingdom. Fiji loses nurses to the Marshall Islands and Palau; many move on to the United States, the United Kingdom and the United Arab Emirates (UAE). In the Caribbean, Guyanan [sic] nurses move to several countries, including St. Lucia and Jamaica. Jamaican nurses travel to the Virgin Islands and the United States, while Jamaica recruits from Ghana … Dependent territories, such as Anguilla in the Caribbean and Guam and American Samoa in the Pacific, gain workers from nearby independent states. In both the Caribbean and the Pacific, two-tier systems, part of the hierarchy within the global care chain, link relatively small and poor island states to nearby richer states and territories, and then onwards to the developed world, culminating in the United States.

In this context, the definitional difference between sending and receiving countries is breaking down, as many countries increasingly export *and* import healthcare

workers. However, the countries that come off the worst in this global circulation of skilled health workers have poorly performing economies, and emigration can lead to a vicious circle creating steadily worsening working conditions for those who remain behind (Docquier et al. 2011). Not surprisingly, this often encourages further emigration, particularly if efforts are not made to improve working conditions.

Data on emigration from small states are limited by the fact that often the most accurate figures come from receiving countries, with census data providing the best form of macro-data on skilled flows. The fact that there are high levels of skilled emigrants from small states abroad is well documented by the 2000–01 round of national census data, which showed extremely high rates of emigration of the skilled from many small states in the Commonwealth (see Table 11.1). Indeed, census data show that nine of the ten countries that have the highest percentage of tertiary-educated migrants living in OECD countries are small states within the Commonwealth. The 2010–11 round of national censuses was not available for analysis at the time of writing, so the 2000–01 round of census data remains the best source of comprehensive, comparable data on emigration flows, and provides some level of insight into the wider context in which the recruitment of the skilled is taking place.

However, these data, although widely cited as evidence of the extensive 'brain drain' from such small nations, are actually a somewhat poor way of measuring the loss of locally trained professionals, and an even more blunt instrument with which to understand levels of international recruitment. In fact, when Beine et al. (2007) controlled for age in this dataset, counting only tertiary-educated individuals who entered their host OECD country after the age of 22, the rates of emigration among the tertiary-educated decreased fairly significantly for many countries, indicating that some tertiary-educated emigrants undertook a significant proportion of their education abroad (see Table 11.2). Although these data still show very high rates of emigration of tertiary-educated workers, they also succeed in highlighting the fact that many of the skilled who are abroad were probably educated there as well. Indeed,

Table 11.1 Top source countries of tertiary-educated workers, 2000–01

Country	Percentage of tertiary-educated workers who have emigrated
Guyana[a]	89.0
Grenada[a]	85.1
Jamaica[a]	85.1
St Vincent and the Grenadines[a]	84.5
Haiti	83.6
Trinidad and Tobago[a]	79.3
St Kitts and Nevis[a]	78.5
Samoa[a]	76.4
Tonga[a]	75.2
Saint Lucia[a]	71.1

Note: [a] Commonwealth country.
Source: 2000 OECD population censuses

Table 11.2 Emigration rates of tertiary-educated persons who emigrated when they were 22 or older (only countries with populations above 250,000 included)

Country	Percentage of tertiary-educated nationals who have emigrated
Guyana[a]	81.9
Jamaica[a]	74.6
Haiti	73.7
Trinidad and Tobago[a]	67.5
The Gambia	60.4
Cape Verde	55.5
Sierra Leone[a]	48.4
Barbados[a]	47.5
Mauritius[a]	45.1
Fiji[a]	44.5

Note: [a] Commonwealth country.
Source: Beine et al. 2007

even in cases where people moved after the age of 22, it is hard to establish whether they received their professional skills training at home or abroad, particularly at the level of post-graduate education.

Another reason that such net emigration rates tell only part of the emigration story is that they do not give any indication of where skilled professionals are migrating to. In the case of countries in the Caribbean and the Pacific, overall patterns of emigration are overwhelmingly from the global South to the North, with some 85.2 per cent of total emigrants from the Caribbean and 75.6 per cent of emigrants from the Pacific residing in the global North in 2000 (ACP Group of States Secretariat 2011: 60). In part, this reflects a larger 'culture of migration' from many of these small island states to relatively nearby OECD high-income economies, or to states where former colonial ties exist. These wider patterns of emigration are reflected in the flows of skilled emigration from these regions captured in census data, which show significant emigration of tertiary-educated migrants from Commonwealth small states to traditional settlement countries such as the United States, the United Kingdom, Canada, Australia and New Zealand. These stocks hint at particular flows of skilled migration from small states in the Pacific and the Caribbean; as Thomas-Hope (2011: 18) observes, 'From Commonwealth countries in ... the Pacific, the movement [of skilled] has been chiefly to Britain, Australia, New Zealand and Canada, as well as to the USA and the Middle East, and from the Caribbean to Canada, Britain and the USA.'

In all cases, the migration of the skilled appears to be part of larger flows of migrants to these countries, as tertiary-educated migrants account for only part of the migration stock in these states, although the degree to which this is the case varies considerably depending on the country of origin. Table 11.3 depicts the top five migration corridors for skilled workers from small states within the Commonwealth[1] to the USA, the UK and Australia. Table 11.3 also illustrates the high stocks of tertiary-educated female

Table 11.3 Top skilled migration corridors: Commonwealth small states to select OECD countries, 2000

Recipient country	Source country	Total migrant stock	Tertiary-educated migrants	Female proportion of skilled (%)
USA	Trinidad and Tobago	159,310	73,565	58.2
	Guyana	172,000	67,128	53.3
	Barbados	46,620	19,198	59.0
	Belize	34,854	15,202	58.4
	The Bahamas	18,704	9,816	62.7
UK	Cyprus	63,880	22,225	45.5
	Malta	27,020	9,209	48.5
	Mauritius	24,102	8,212	40.6
	Guyana	18,124	7,941	57.5
	Barbados	19,666	5,120	63.5
Australia	Fiji	33,257	19,262	50.0
	Malta	46,233	6,530	40.1
	Mauritius	14,794	6,113	48.4
	Cyprus	18,839	5,937	44.5
	Samoa	6,560	2,889	54.7

Note: Percentages rounded to one decimal place.
Source: Author's elaboration from Docquier et al. (2007)

migrants who were living abroad at the time of the last census. In all five of the most common skilled migration corridors from Commonwealth small states to the USA, stocks of tertiary-educated women exceeded those of tertiary-educated men in 2000, emphasising just how strong the gendered dimension of migration flows has become in these countries. The picture is more mixed for the main migrant-sending Commonwealth small states to the UK and Australia, although the pattern generally holds true for small states in the Caribbean and the Pacific.

These flows reflect what it becoming increasingly normal globally. At a global level, macro-data show that skilled women have higher emigration rates to OECD countries than skilled men, although some of this difference is apparently accounted for by interdependencies, such as family reunification, rather than migrating to actively pursue employment abroad (Docquier et al. 2012). The growth in female emigration to OECD countries, which is occurring on a large scale among both highly skilled and low-skilled migrants, is also significant because migrant men and women are being affected in very different ways by the economic upheaval that is occurring in many countries, with female migrants generally faring better than their male counterparts (see section 11.5 for more on these recent shifts).

Despite the fact that skilled migration from the global South still has a strong bias to OECD countries, secondary flows to regional 'economies of transition' are gaining in importance in patterns of African, Pacific and Caribbean migration (L De Boeck, interview, 2011). A database compiled by Docquier and colleagues (2011) includes stocks of tertiary-educated persons in 46 non-OECD countries according to the 2000

round of censuses; it shows that, although such stocks are dwarfed by the stocks of skilled migrants in OECD destinations, some interesting secondary flows of emigrants are nonetheless evident from these data. For example, Trinidad and Tobago served as something of a regional hub for migration from small states within the Caribbean, as it absorbed relatively significant flows of migrants from neighbouring countries, including skilled professionals (see Table 11.4).[2]

11.3 Global North: impacts of skilled recruitment

The migration of the skilled to high-income countries became increasingly prominent in the two decades leading up to the economic crisis of 2008, and this reality was reflected in the transformation of immigration policies in many key migrant-receiving countries in the global North. This marked a departure from the period following the Second World War, when many industrialised states primarily targeted low-skilled immigration, often through the adoption of guest worker programmes (Cerna 2010: 1). Some of the most affected sectors have included engineering, the IT sector, biotechnology, healthcare and teaching (Cerna 2010: 1). Traditional recipient countries such as Australia, Canada, New Zealand and the United States have implemented strategies to attract highly skilled migrants, initially as a means to increase their human capital and then later as a way to shore up worker shortages in key sectors (Cerna 2010: 1).

These policy developments chime with an increasing global competition for the skilled, which is often couched in the terms of global labour market demands, as articulated in the General Agreement on Trade in Services (GATS) Mode 4 regulations on the mobility of workers in the services sector (for example, see Salmon et al. 2007: 1,368). Another significant policy that is aimed at attracting the 'best and the brightest' on a global scale is the European Union's Blue Card Scheme, an EU-wide initiative that allows for the temporary migration of skilled migrants from 'third countries' to EU member states (Cerna 2010: 9). Increasingly, GCC countries, as well as China and India, are also attracting skilled workers, although it is too soon to discern what impact this will have on small states. Even Japan, which has long been resistant to allowing the immigration of workers who are not of Japanese descent, has recently negotiated bilateral agreements with Indonesia and the Philippines to import health workers in response to the rapid ageing of its population (Connell 2010: 7).

Table 11.4 Intra-Caribbean migration of skilled workers to Trinidad and Tobago, 2000

Country	Total stock of emigrants	Stock of tertiary-educated emigrants
Guyana	4,157	292
Grenada	10,682	217
St Vincent and the Grenadines	7,932	157
Barbados	1,434	125
Saint Lucia	935	121

Source: Author's elaboration from Docquier et al. (2011)

The most immediately obvious sector in which the recruitment of foreign-educated professionals is making an evident impact in key OECD receiving countries is health. One indicator of this is the fact that the number of foreign-trained doctors has increased dramatically in certain countries over the past several decades. In the USA, the number of foreign-trained doctors rose from 70,646 in 1973 to 209,000 in 2003, while a comparable rise has also taken place in the UK, which has seen its total number of foreign-trained doctors increase from 20,923 in 1970 to 69,813 in 2003 (Connell 2008: 8). In these countries, foreign doctors now represent 27 per cent and 33 per cent of their respective medical workforces, which shows the magnitude of their reliance on foreign doctors (Connell 2008: 8). Significantly, the USA is also a world leader in postgraduate medical training, and increasingly these medical personnel stay in the USA after earning their degrees. According to the American Medical Association (2010: 4), 25 per cent of all physicians working in the USA in 2007 were 'international medical graduates' who had taken on further training in the USA before entering the workforce.

Similar trends have occurred in other countries that have opened their doors to foreign-trained physicians, including Canada, Australia and New Zealand (Connell 2008: 8). In Canada, 22.4 per cent of the 63,682 doctors practising in the country in 2007 were educated abroad, and in some provinces nearly half of the doctors were foreign-trained, for example 49 per cent of doctors practising in Saskatchewan (Runnels et al. 2011). Similarly, data from New Zealand show that it has one of the highest proportions of overseas health workers in the world (Connell 2010), with some 34 per cent of its physicians coming from abroad (Lowell 2008: 63). Australia forms the other major magnet for internationally educated physicians in Australasia, with an estimated 21 per cent of its physician workforce made up of doctors who have come from abroad (Lowell 2008: 63). What makes these figures more significant is that not all high-income OECD countries have pursued policies allowing increased immigration of health professionals from foreign countries. For example, in countries such as Germany and France, only about 7 per cent of the physician workforce in 2003 was made up of doctors from abroad (Connell 2008: 8).

This section will examine the recruitment of skilled workers in key receiving countries, focusing on the health and teaching sectors in the USA and the UK, in particular. It will look at the role that recruited workers play in key sectors, and will consider how the recruitment of these workers has affected the sector in question. In many cases, the employment of foreign-trained skilled professionals is viewed by firms as a temporary solution to staffing problems – although in some countries high turnover or inadequate domestic training of workers in key sectors makes the employment of skilled workers from abroad a more or less permanent fixture of domestic labour forces. In some cases, the recruitment of migrant workers may exacerbate deteriorating working conditions in sectors with high turnover rates – such as teaching and nursing – as the temporary employment of migrants lessens the demand from workers to resolve the underlying reasons for high turnover in those sectors.

11.3.1 US case study: nurse and teacher recruitment

The USA is often the preferred destination for skilled emigrants from destinations around the world, and the skilled from small states are among those who often harbour ambitions to work in the country. According to the studies mentioned below on the nursing and education sectors, international recruitment clearly plays a significant role in facilitating international flows, but it is equally clear that a significant number of the skilled migrants are moving on their own, or initiating contact with recruiting agencies to help them gain immigration documents and job placements. In some cases, migrating through a recruitment agency can threaten the 'migration project' itself if migrants are exposed to abusive employer practices or if promised job placements do not materialise. However, as has been cautioned in section 11.1, it is unclear how widespread the abusive practices are, in part because such cases are more likely to gain media attention or other forms of scrutiny than success stories.

Active recruitment accounts for a significant proportion of the foreign-educated nurses coming to the USA. A 2006 survey of recently arrived foreign-educated nurses in the USA conducted by the Commission on Graduates of Foreign Nursing Schools (CGFNS) suggested that 41 per cent of such nurses were recruited in their home country (Pittman et al. 2007: 4). This was an increase from the 2003 National Council Licensure Examination survey, which suggested that 35 per cent of nurses were recruited abroad (Pittman et al. 2007: 4). The 2006 GCFNS survey also found that it was marginally more common for nurses to be recruited directly by hospitals than for them to be recruited by third-party firms (Pittman et al. 2007: 4). In the case of the former phenomenon, it appears that direct hospital recruitment of nurses was taking place almost exclusively in India and the Philippines, whereas Pittman et al. found that third-party recruiters were actively recruiting from at least 74 countries, including Caribbean states (2007: 14, 19).

The study found that a diverse set of actors were involved in nurse recruitment to the USA. In some cases, founders of firms were themselves immigrants – a trend particularly common among Filipino Americans (Pittman et al. 2007: 10). Others who had spearheaded international nurse recruitment included US nurses who had worked in domestic nurse recruitment, recruiting agencies that had previously been involved in the recruitment of IT professionals before the dotcom crash of the late 1990s, and companies that grew out of private healthcare systems and were initially formed to meet the internal needs of their parent companies (Pittman et al. 2007: 11). The staffing agency model, whereby nurses have a contract directly with the recruitment agency, typically for a period of 18–36 months, was found to be increasingly common, thanks in no small part to its profitability. Staffing agencies typically charged hospitals or other health services clients US$60–80 per hour for use of their nurses, whereas nurses made between US$25 and US$35 per hour for their work (Pittman et al. 2007: 14).

Although the study found that recruiters were acutely aware of the controversy inherent in recruiting nurses from countries which have severe nursing shortages, it nonetheless found that a number of firms were recruiting from areas with identified

shortages, including 25 recruiting from Africa, 18 from Latin America and 11 from the Caribbean (Pittman et al. 2007: 19). Table 11.5 shows the recruiting firms that were active in the Caribbean at the time, noting those agencies that targeted Commonwealth small states in particular. Significantly, this offers only a partial window into US nurse recruitment abroad, as only 124 of the 267 recruiting agencies identified by Pittman and colleagues stated the countries in which they were recruiting (Pittman et al. 2007: 14).

Focus groups with nurses conducted as part of the study by Pittman et al. (2007: 26) also revealed anecdotal evidence of serious abuses suffered by nurses, in addition to questionable employment practices, although it is important to state that this evidence is limited to Filipino nurses who were working in New York City.[3] Some nurses were not allowed to keep copies of the contract that they had signed, had their immigration documents retained by recruitment agencies and were subject to substantial 'breach fees' if they broke their contract, which according to some nurses were as high as US$50,000 (Pittman et al. 2007: 26). Nurses also complained about being paid less than domestic counterparts, and stated that at times the terms of their original contracts were altered when they entered the USA (Pittman et al. 2007: 26). Around 18 per cent of recruitment firms were also found to charge nurses fees for various services they provided, including assistance with navigating the immigration process and providing job placements, according to the 2006 CGFNS study cited above (Pittman et al. 2007: 14).

A study of recruitment of teachers to the USA conducted by the American Federation of Teachers (AFT) also uncovered a growing recruitment industry, albeit on a smaller scale. The recruitment of teachers has been taking place against the backdrop of significant teacher shortages in the USA, with the AFT estimating that 200,000 new teachers need to be hired each year, including 70,000 in urban, high-poverty areas (American Federation of Teachers 2009: 9). According to US immigration data, 19,329 overseas-trained teachers were working in the USA on temporary visas including H-1B and J-1 visas in 2007, a 30 per cent increase from 2002, when there

Table 11.5 US-based nurse recruitment firms active in the Caribbean, 2007

Recruiting company	Source countries in region
Acirt USA	Caribbean
ALDA Solutions	Caribbean
Amerecares	Caribbean
Assignment America	Bermuda, Jamaica[a], Trinidad and Tobago[a]
D'Jobs International	Puerto Rico
Global Nursing International	Caribbean
Kennedy Healthcare Recruiting	Grenada[a], Haiti
Madison Healthcare	Caribbean
Nurse Immigration USA	Jamaica[a], Trinidad and Tobago[a]
South Nassau Community Hospital	Puerto Rico
World Health Resources	Dominica[a]

Note: [a] Commonwealth country.
Source: Author's elaboration from Pittman et al. (2007, Table 3)

were 14,943 such teachers in the USA (American Federation of Teachers 2009: 10). Most recruitment firms collect fees from either teachers or employers, although a few require payment from both employers and employees, ranging from US$3,000 to US$13,000 (American Federation of Teachers 2009: 15). Recruiters often provide a number of services in exchange for fees, which may include prescreening qualifications, scheduling interviews, securing visas, arranging flights and housing, or conducting orientations (American Federation of Teachers 2009: 15).

Based on a comprehensive review of news coverage of migrant teachers in the USA, the AFT study provides insights into some of the abusive practices that exist in the US teacher recruitment industry, which are not dissimilar to those reported for the US nursing recruitment industry. These include high 'breach fees' in cases where contracts are held directly by recruitment agencies, teachers being employed as 'temps' rather than full-time employees (and thus being paid at lower rates than their domestic counterparts), and unequal benefits for foreign-trained teachers (American Federation of Teachers 2009: 17–19). In one case, a particularly unscrupulous recruiter made false promises to Filipino teacher recruits, charging them US$10,000 apiece for residency and job placements in Texas, but fewer than 100 of the 273 recruits actually had jobs waiting for them when they arrived in the USA – a scenario that eventually led to the recruiter being charged with visa fraud (American Federation of Teachers 2009: 17). Other problems that foreign-educated teachers encountered were culture shock and communication barriers (American Federation of Teachers 2009: 19–20).

There are clearly strong financial incentives for recruiting nurses and teachers, as shortages in both of these sectors have made finding domestic replacements a costly endeavour. A 2002 study by the HSM Group found that the cost of replacing a nurse in the USA could be up to US$92,442, two times a nurse's annual salary (Pittman et al. 2007: 7). Additionally, recruitment of the skilled is becoming a lucrative business in its own right, particularly in the case of the 'staffing agency' model, whereby nurses or teachers are employed directly by the recruitment agency and are essentially loaned to the agency's clients. However, as models of recruitment embrace the concept of 'flexible labour', there are significant questions about the quality of services provided. For example, some nurses interviewed as part of Pittman and colleagues' focus groups stated that they felt they had been given insufficient training before beginning work, and feared that this presented a danger to the patients they were treating (Pittman et al. 2007: 26). Likewise, the problems emigrant teachers reported regarding culture shock and communication barriers hint at a large set of institutional challenges that accompany the international recruitment of the skilled.

11.3.2 UK case study: medical sector recruitment

The migration of doctors and registered nurses to the UK rapidly increased in the early 2000s, with nurse immigration to the country peaking in 2001 and physician immigration peaking in 2003 (OECD 2010). The UK had 13,926 foreign-educated physician registrants in 2003,[4] a figure that steadily decreased year on year to just 5,211 in 2008 (OECD 2010). Physicians from small states within the Commonwealth appear to have played only a small part in the physician surge: 408 physicians from

Barbados emigrated to the UK between 2002 and 2004, but aside from Malta, which regularly supplies doctors to the UK, few other Commonwealth states lost large numbers of physicians to the UK between 1991 and 2004 (Bhargava et al. 2011).

Similarly, large developed and developing countries dominated the growth in the number of emigrant nurses in the UK. Buchan and Sochalski (2004: 589) observe that between 2001 and 2002, for the first time, more foreign-educated than domestically educated nurses were added to the UK nurse register. The approximately 16,000 nurses who entered the UK register that year came largely from the Philippines (7,235), South Africa (2,114), Australia (1,342) and India (994) (Buchan and Dovlo 2004: 8). However, it is clear that migration from small states also played a part in this nursing boom, with 248 coming from the West Indies in 2001–02, part of a total of 1,212 nurses who came to the UK from this region between 1998 and 2003 (Buchan and Dovlo 2004: 8). The number of emigrant nurses registering in the UK since 2003 has decreased to an even greater extent than the number of doctors, however, with just 4,181 foreign-educated nurses joining the UK's nurse register in 2008.

There is no doubt that the active recruitment of health workers played a part in the rapid increase of foreign-educated health workers coming to the UK. In 2001, the Department of Health in England introduced a code of practice for international recruitment for NHS employers, banning the active recruitment of health workers from low-income countries unless there was a bilateral agreement in place with the government in question (Buchan et al. 2009). The code was updated in 2004. A 2004 study that engaged with a number of NHS recruiters found that none of these agencies reported actively recruiting in developing countries other than India and the Philippines in the years leading up to the study, while other common countries of active recruitment included Spain and Australia (Buchan and Dovlo 2004: 11).

However, one of the main limitations of the UK's code of practice is that it applies only to active recruitment in the public sector – and thus does not apply to health workers from low-income countries who are already in the UK. This means that, in practice, international recruitment to the UK involving nationals from low-income countries is still possible, despite the code. For example, a study of 400 London-based foreign nurses from both OECD and Southern countries found that 'back door' recruitment, whereby nurses moved from the UK private sector to the public sector, was relatively common (Buchan et al. 2006). Around two thirds of the nurses surveyed indicated that a recruitment agency had been involved in facilitating their move to the country. Furthermore, over half of the nurses (57%) had switched jobs since coming to the UK, with the majority of these nurses moving from the private sector to the NHS (Buchan et al. 2006).

Overall, the international recruitment of health professionals to the UK helped the NHS to deal with staff shortages, as the health service absorbed large numbers of foreign-educated professionals between 2001 and 2006 (Young et al. 2010). Clearly, the recruitment of skilled health workers presented a 'value-for-money' solution to a temporary staffing shortage in the NHS. For example, by recruiting Ghanaian-trained doctors, the UK saved an estimated £65 million in training costs between 1998 and 2002 (Mills et al. 2008: 688). However, the large-scale integration of the

foreign-trained staff into the NHS brought with it a number of challenges. Among these were pressures on existing staff, time spent on induction and pastoral support for immigrant workers, and human resource and workforce planning challenges (Young et al. 2010). Thus Young and colleagues (2010: 195) conclude that 'the wider costs and challenges, meant … that large-scale international recruitment was not a sustainable solution to workforce shortages'.

11.4 Small states: impacts of skilled recruitment

This section will explore how the emigration of skilled professionals affects small states in particular, by first considering how the 'brain drain' debate relates to small states and then presenting case studies on the emigration of health workers from Mauritius and Barbados and the emigration of teachers from Guyana. From a macroeconomic standpoint, at least, the emigration of professionals appears to accrue economic benefits for some developing countries (Beine et al. 2001). Furthermore, over the longer term, there are some examples of countries with extremely high rates of professional brain drain going on to attain high levels of development, most notably South Korea and Taiwan (Skeldon 2009). In these cases, the mobility of skilled professionals, far from hindering these countries' development, provided a key source of access to the world's pre-eminent economic market in the 1980s and 1990s, the USA.

Like other developing countries, different small states have unequal resources. In the Pacific, some island states are mainly countries of emigration, whereas other, more well-off, small countries are principally the recipients of migrants. For example, while American Samoa, Cook Islands, Fiji, Samoa and Tonga are mainly countries of emigration, countries such as Brunei, the Federated States of Micronesia, Guam, the Marshall Islands, Nauru, North Marianas Islands and Palau are all characterised by net immigration (Connell 2010: 8). Within the Caribbean, there are similar discrepancies in relative wealth between states, with, for example, the success of the tourism industry in countries such as Barbados and the Bahamas and the wealth created by the oil sector in Trinidad and Tobago leading to patterns of intra-regional labour migration (Castellani 2007: 10).

As with other developing countries, there is some limited evidence to suggest that the emigration of the skilled from small countries can in certain contexts have favourable implications for the sending countries' skilled worker stock, as the prospect of emigration creates incentives for more people to undertake training in skilled sectors than otherwise would be the case. Once this happens, so the theoretical argument goes, not all of these skilled people will actually choose to – or have the opportunity to – emigrate, and as a result the country will have a net 'brain gain' due to an overall increase in trained personnel. An empirical example of this occurred in Fiji, which has seen a mass emigration of Fijian skilled professionals of Indian origin due to political upheaval in the country that began with a military coup in 1987 (Chand and Clemens 2008: 2). At the same time as this has been occurring, there has been mass investment in higher education among young Indian Fijians, so that the stock of tertiary-educated people in the country is actually higher than before the onset of the political crisis (Chand and Clemens 2008: 3).

Of course, the very context in which this rapid investment in higher education is taking place draws into question whether or not this particular net 'brain gain', which correlates strongly with Indian Fijians' desire to emigrate from Fiji, will bring long-term benefits for the country, with these skilled persons contributing to the country's development. On a global scale, Bhargava and colleagues (2011) found that, although the emigration of physicians from developing countries did tend to stimulate an investment in training, this was not enough to create a net 'brain gain' in the vast majority of cases. Moreover, the emigration of skilled workers may leave some small states in a particularly difficult position, if they lack training institutions within their own borders.

In some cases, the impact of skilled migration – partly spurred on by recruitment – is evidently a problem. For instance, a recent World Bank report on the nursing sector in the English-speaking Caribbean found that the number of nurses trained in this group of countries who were working in Canada, the USA and the UK was a staggering 21,500 – more than three times the number of nurses who were working within the region as a whole (World Bank 2009). This rate of emigration is not observed in any other region in the world, and yet there are additional contextual factors that risk further compounding the problem. For instance, the annual number of graduates from the region's nursing programmes is constrained by low completion rates, with just over half of accepted students completing nursing programmes, a lack of fully qualified nurse educators, and the potential for rising demand for nurses across the region in the coming years due to an ageing population (World Bank 2009).

However, as has already been mentioned in this report, the mobility of professionals is one of the salient features of the present-day global economy, and most of these flows are within the OECD. As Skeldon argues, developing countries have to accept the fact that, if they train healthcare professionals up to global standards, a certain proportion will emigrate (Skeldon 2009). It is also important to point out that emigration is hardly the only challenge that is facing health systems in many small states. In countries such as Vanuatu and Kiribati, there is a very strong urban bias in the distribution of skilled health workers, especially physicians (Connell 2010: 9). This is a feature of many health systems in the developing world more generally, as in many cases there are few health facilities in rural areas and, where these do exist, there are high turnover rates for health workers (Skeldon 2009).

Given these difficult realities, a number of states within the Caribbean have begun considering innovative new approaches to nurse recruitment and employment. In St Vincent, nurses are being trained directly for the 'export' market in the USA and, at time of hiring, US partners will reimburse the government around US$17,000 for each Vincentian nurse employed in their organisations (Salmon et al. 2007: 1,364). This model attempts to cut out third-party recruiting agencies and ensure that the sending country's government benefits directly from recruitment, with the funds received by the government re-invested in nurse training (Salmon et al. 2007: 1,364). In Jamaica, some nurses split their time between Miami and their home country, working two weeks per month in the United States and the remainder of the month in Jamaica

(Salmon et al. 2007: 1,364). Under this scheme, nurses pay for their own transport, but their work in Miami nevertheless significantly augments their income, and Jamaica does not completely lose their skills and expertise (Salmon et al. 2007: 1,364).

The literature on the recruitment and emigration of teachers is less well established. Several countries in the Caribbean were acutely affected by teacher recruitment in the late 1990s and the early 2000s, and Jamaica was particularly vocal about these losses (K Ochs, interview, 2011). However, more recently, there appears to be a new trend towards teacher unemployment in some Caribbean states. This reflects the fact that recruitment sometimes occurs as the result of short-term shortages rather than long-term trends, as well as the fact that policies – such as the Commonwealth protocol on teacher recruitment – may rapidly change the recruitment landscape.

11.4.1 Mauritius case study: health worker migration to OECD countries

On a per capita basis, Mauritius is one of the more well-off states in Africa, boasting an estimated US$12,356 per capita annual income in 2009, the sixth-highest on the continent. The country has witnessed a significant amount of health worker emigration. The 2000 census figures revealed that an estimated 46 per cent of the country's physicians resided abroad, with the main receiving countries being France, the UK and Canada (Crush et al. 2007: 28; see Table 11.6). The nurse emigration rate is even more extreme, with an estimated 63 per cent of the country's nurses working abroad. This represented 4,531 emigrant nurses, the highest number of any country in the Southern African Development Community (SADC) except South Africa (Crush et al. 2007: 29; see Table 11.6).[5]

The active recruitment of healthcare professionals has clearly played a role in the emigration of health workers from Mauritius, particularly with respect to the substantial flows of nurses from the country to the UK. The president of the country's largest nursing union condemned active recruitment by the British of the country's nurses in 2004, stating that 'The British send recruitment agents who very discreetly make contact with nurses and directly negotiate the contracts. Last week, 26 nurses were lured away by a single recruiter' (quoted by Connell and Stillwell 2006: 245). The census data on nurse emigration are backed up by nurse registration data from the UK, which showed that Mauritius was among the main source countries on the UK nurse register between 1998 and 2003, when 185 nurses from the country became registered in the UK (Buchan and Dovlo 2004: 8).

According to Anazor's (2010) case study of the Mauritius nursing sector, there have been two distinct waves of nurse emigration during the past several decades. The first began in 1982, when 150 Mauritian nurses migrated to work in Kuwait and Saudi Arabia as part of an official government programme, which saw them given three years of unpaid leave (Anazor 2010: 19). This programme was seen as a resounding success, as nurses gained highly technical experience while abroad, and these experiences were important in creating the skills base that allowed Mauritius to open a cardiac centre and renal dialysis unit (Anazor 2010: 19). The initial success of this

Table 11.6 Doctors and nurses from Mauritius in selected receiving countries, 2000

Workers	Home	Abroad	% emigrated				
Doctors	960	822	46				
Nurses	2,629	4,531	63				
Workers	**UK**	**USA**	**France**	**Canada**	**Australia**	**Belgium**	**South Africa**
Doctors	294	35	307	110	36	20	19
Nurses	4,042	107	86	75	195	22	3

Source: Author's elaboration from Crush et al. (2007)

programme resulted in an ambitious government plan to train a further 2,000 nurses at the expense of the state, and in the following years 800 nurses were recruited to go to the Middle East. However, the Mauritian government ultimately put an end to this scheme, as costs of training were being borne by the state (Anazor 2010: 19).

Anazor notes that a second phase of nurse emigration took place between 2000 and 2005, in the wake of a global nursing shortage. According to the Mauritius Nursing Association, around 700 qualified nurses migrated to the UK during this period, representing about 20 per cent of the country's nursing workforce (Anazor 2010: 19). Unlike in the first phase of nurse migration in the 1980s, this was not sanctioned by the state, and wreaked havoc on Mauritian health services, especially as many of the emigrant nurses specialised in areas such as intensive care, cardiac care and surgical nursing (Anazor 2010: 19). Significantly, this disorderly emigration also involved the apparently permanent severing of ties between the nurses and the country's national health service: as Anazor notes, 'All the 700 nurses, the majority of whom were aged 25 to 35 years with 10 to 15 years of service, resigned from the service and none have returned' (Anazor 2010: 20).

In response to the broader emigration of health professionals, the government of Mauritius has put in place a number of measures in an attempt to improve working conditions in the sector in order to make emigration – with or without the aid or recruitment – a less enticing option. These measures include salary increases and the decentralisation of the health sector's management (Crush et al. 2007: 42–3). The country has also provided allowances for health workers deployed on the country's outlying islands, and is investigating ways to improve training and career path opportunities for health workers. Taken as a whole, these measures attempt to resolve some of the country of origin factors that make emigration an attractive option for many health workers. These incentives appear to have yielded some positive results, at least in the first few years after their introduction in 2003; a 2007 survey suggested that the emigration rate of nurses had fallen from 20 per cent to 2 per cent (Anazor 2010: 5). It is also possible that the introduction of the UK Department of Health's ethical recruitment guidelines – which prohibited direct recruitment from Mauritius – played a part in this decline (Anazor 2010: 5).

11.4.2 Barbados case study: sending and receiving health workers

Barbados has a long history of emigration in the country's health sector, with large numbers of nurses moving abroad to the UK, the USA and Canada as early as the 1950s, a flow that continued unabated into the 1960s (Buchan and Dovlo 2004: 28). The strategies devised by the government at the time to counter the country's nurse emigration problem sound remarkably familiar to the policy options on the table today, illustrating that in some respects the fundamental factors that have encouraged the out migration of health workers from the island have changed little over the intervening decades. The plan developed in the 1960s to help offset the effects of the widespread emigration of nurses included an increase in salaries for nurses, the recruitment of overseas nurses on one- to two-year contracts, upgrading of training and an increase in numbers of nursing students (Buchan and Dovlo 2004: 28).

However, these policy interventions were clearly not successful over the longer term, as large numbers of the country's health workforce have continued to emigrate. In 2000, 3,496 Barbadian nurses were working in OECD countries, an estimated 78 per cent of the country's nursing workforce (OECD 2007: 212). At the time, the rate of emigration of doctors was less acute, with OECD data indicating that 275 physicians – or 46 per cent of country's stock – were abroad in OECD countries (OECD 2007: 212). However, the emigration of Barbadian physicians appears to have increased dramatically from 2000, with 214 physicians from the country moving to the UK in 2004 alone, according to UK immigration data (Bhargava et al. 2011). This followed the migration of 148 physicians from Barbados to the UK in 2003 and 46 in 2002, after a number of years of extremely minimal physician migration to the country (Bhargava et al. 2011). Overall, the emigration of nurses appears to be a more entrenched pattern: while the number of physicians working in the public sector increased from 319 in the early 1990s to 386 in 2003, the number of nurses working in the public sector declined by about 17 per cent between 1999 and 2003 as a result of emigration (Pan-American Health Organization 2008: 31).

Again, there does not appear to be any definitive evidence of the extent to which active recruitment facilitated such flows. However, it is clear that recruiters have been active in the Barbados health sector. A 2003 focus group study with nurses in the country suggested that visits from foreign recruiters (primarily from the USA), web-based recruitment by agencies and contact with Barbados-based recruitment firms were among the factors that facilitated emigration (Buchan and Dovlo 2004: 32). However, interviews with Barbadian nurses also pointed to the role of social networks in facilitating migration, as in many cases prospective migrants already had contacts with emigrant nurses working in destination countries (Buchan and Dovlo 2004: 32).

Significantly, Barbados's relative wealth means that it is also a receiving country of immigrant nurses, which, as mentioned earlier in this section, is a strategy that dates back to the 1960s. In the past, the country has actively recruited nurses from Guyana (Buchan and Dovlo 2004: 30), and under the proposed CARICOM Single Market and Economy (CSME) the free movement of labour within the Caribbean means that the country would potentially stand to gain health workers from neighbouring

countries, thanks to its relatively high remuneration (World Bank 2009: 43). Indeed, recruitment of nurses from the Caribbean region, Africa and Southeast Asia has been one of a range of policies pursued by the country's Ministry of Health in recent years as short-term measures to help shore up the country's ongoing nursing shortage (Pan-American Health Organization 2008: 11).

11.4.3 Guyana case study: systematic teacher emigration

Even compared with other small states, Guyana is characterised by relatively high rates of emigration. An estimated 41 per cent of its overall population resides abroad (Durand 2009: 24), and this large emigrant population is reflected in the importance of remittances to the country's foreign exchange; they accounted for 17.3 per cent of the country's gross domestic product in 2009 (World Bank 2011: 50). In 2010, the country received US$300 million in remittances – the fourth-highest total in the group of countries considered to be 'small states' according to the World Bank definition of the category (World Bank 2011: 50).

Although Guyana experiences high rates of emigration across a number of sectors, the active recruitment of teachers has made the country an often-cited example of the 'poaching' of teachers by comparatively wealthy states. According to an estimate cited by the Ramphal Commission, Guyana trains about 300 teachers per year, and loses about the same number to emigration, meaning that the country faces an uphill battle in retaining teachers (Commonwealth Secretariat 2011: 11). According to the Guyana Ministry of Education, the country supplies teachers to the USA, the UK and Canada, and Guyanese teachers are also attracted to opportunities in other Caribbean countries including The Bahamas, Turks and Caicos, and Barbados (Ochs and Jackson 2009). Data from the Guyana Teacher's Union, meanwhile, suggests that Guyanese teachers have recently started moving to Botswana (Ochs and Jackson 2009), which is noted for its reliance on expatriate teachers to support the rapid expansion of its primary and secondary education systems since the mid-1960s (Appleton et al. 2006: 777).

The emigration of teachers from the country has been the source of considerable policy attention in multilateral fora: indeed, the large-scale recruitment of teachers from Guyana and fellow CARICOM countries – especially Jamaica, Trinidad and Tobago, and Barbados – helped to set in motion the policy discussions that led to the adoption of the Commonwealth's Teacher Recruitment Protocol (American Federation of Teachers 2009: 34). Nevertheless, the emigration of teachers from Guyana remains poorly documented at the national level, as no systems are in place to monitor the overseas recruitment of teachers (Ochs and Jackson 2009). The Guyana Ministry of Education has found it difficult to obtain information on recruitment from teachers who leave their posts, and there is not a database detailing Guyanese teachers who are working in other countries (Ochs and Jackson 2009). Additionally, the country has not received requests from other countries or their recruiters to recruit teachers (as required under section 4.2 of the Commonwealth protocol), and it seems that in Guyana this policy framework has had little impact on the inclination of teachers to look abroad for employment opportunities.

11.5 Future trends

Future trends of international recruitment of the skilled will be determined by at least two key factors. First, trends are likely to be affected by fluctuations in demand for skilled labour in some countries that have been welcoming skilled workers on a large scale in the past two decades. This is linked to an emerging politics of austerity in many receiving countries that has led to a tightening of immigration policies across the board, including in some cases for skilled professionals, irrespective of labour market demands in certain sectors. Second, there exists the possibility that the migration of the skilled will become increasingly diverse, and less biased towards OECD destinations, with 'economies of transition' increasingly attracting skilled migrants from both within their regions and further afield. Of course, these two broad issues address only 'pull' factors of migration in destination countries, whereas improvement in sending countries' economies and working conditions can also lead to lower emigration rates, the possibility of return migration or the immigration of skilled professionals from other states. This section, however, will focus primarily on potential transformations in the key 'pull' factors that help to shape the international migration and recruitment of the skilled.

From a labour market perspective, the global financial crisis, coupled with austerity programmes in many receiving countries in response to the crisis, have had a transformative effect on demand in some sectors where international recruitment has been common up to recent years. For example, in the UK health sector, which, as discussed in section 11.3, saw major international recruitment in the late 1990s and early 2000s, the period between 2008 and 2010 witnessed 37,000 job losses, including 15,000 migrant jobs (OECD 2011: 86). In contrast, the education sector in the UK created 350,000 jobs over this period, 50,000 of which were taken by migrants (OECD 2011: 86). In the USA, meanwhile, both the health and education sectors continued to be net recruiters from 2007 to 2010, in contrast with national trends towards growing unemployment. The health sector added 130,000 migrant workers (and 720,000 domestic workers) from 2007 to 2010, while the education sector added 31,000 migrants (and 85,000 domestic workers) over the same period (OECD 2011: 88).

However, labour market conditions do not always directly translate into immigration policy, and this is perhaps particularly the case during times of austerity. As Cerna (2010: 3) observes, 'One political response has been a backlash against globalisation in general, and trade and immigration in particular'. Increasingly, the politics of immigration are having an effect on skilled workers as well as their low-skilled counterparts, as major receiving countries tighten their immigration rules. For example, in response to growing unemployment in 2009, Australia reduced its quota for skilled immigrants and their families from 133,500 to 115,000, and reduced the list of skills in short supply that allowed workers to qualify for temporary 457 visas (Cerna 2010: 8). This was amid calls from Australian unions to halt all 457 visa entries to the country altogether (Cerna 2010: 8).

The Australian case is not an isolated example. In the UK, new rules were introduced in 2009 to ensure that employers advertise jobs to British workers before they are offered to non-EU migrants, and measures were also introduced to limit access of

persons on the country's Highly Skilled Migrant Programme to benefits and social housing (Cerna 2010: 12–13). In the USA, meanwhile, demand for workers in the H-1B temporary skilled visa category has long outstripped the number allowed under the current quota, with 163,000 employer requests being lodged for 85,000 visas during the 2009 fiscal year (1 April 2008 to 31 March 2009) (Cerna 2010: 15). Despite calls for the government to revise the cap on H-1B visa applications, however, this looks unlikely to happen in the short term, as immigration reform has mostly been put off by the US Congress.

It is possible that these political and economic shifts in key receiving countries will lead existing secondary flows of migration to become more prevalent. In the face of increasingly restrictive policies in Europe and North America, migrants from the African, Caribbean and Pacific, in particular, are likely to go wherever the best opportunities are (L De Boeck, interview, 2011). Within the Caribbean, the implementation of the CARICOM Single Market and Economy could enhance already existing intra-regional skilled migration (Thomas-Hope 2010: 3). Finally, it is possible that the growing middle-income economies, such as India, China, South Africa and Brazil, may increasingly become destinations for skilled migrants in the coming decades.

11.6 Policy options

Given the durability of some trends of skilled migration, such as the emigration of skilled health workers from the Caribbean, the success of policies in this area cannot necessarily be measured by stopping emigration flows completely. However, there is a wide array of policies available to deal with the specific issue of international recruitment, as well as wider issues of skilled emigration. Importantly, policy-makers must be aware that skilled migrants may still pursue opportunities elsewhere even if conditions at home are improved, and the high rate of intra-OECD skilled migration is testament to the fact that this is by no means a marker of a lack of development.

Martin (2011: 4), writing in the context of the recruitment of migrants from South and Southeast Asia to the Middle East, argues that a range of policy options are needed to improve the governance of international recruitment, including educating and informing migrants about recruiter practices and working conditions abroad, regulating recruiters, promoting competition and/or ethical recruitment among recruiters, or establishing government recruitment monopolies. Many of these rely strongly on co-operation between non-governmental organisations, community organisations, the private sector, international organisations and governments (Martin 2011: 4). Nevertheless, it remains unclear how transferable such policy measures are to the phenomenon of skilled recruitment from small states, as some such states may lack the human resources capacity to engage in comprehensive policy measures of this kind.

The most commonly pursued policy option related to international recruitment has been the creation of codes and protocols governing the ethical recruitment of skilled personnel from developing countries. These codes have arguably had an impact at the policy level, especially by creating a set of shared principles that can lead to more effective bilateral agreements between governments (Connell and Buchan 2011). However, codes are often limited by their non-binding nature and, the more precise

codes become, the greater the likelihood that they will not be fully endorsed by receiving countries (Connell and Buchan 2011). For example, Canada chose not to fully endorse the Commonwealth protocol on the recruitment of health personnel because it contained specific language on compensation for countries of origin (Connell and Buchan 2011). There are also indications that codes have poor visibility outside the policy world, particularly among prospective skilled migrants in sending countries, who, research has shown, are largely unaware of the UK code of practice for health worker recruitment and the Commonwealth protocol on ethical teacher recruitment (Buchan et al. 2009; Ochs and Jackson 2009).

Beyond establishing codes on recruitment, states can do more to try to engage with recruitment agencies or migrant employers directly. There are existing models of best practice for this, such as the Philippine Overseas Employment Administration (POEA), a dedicated government agency which is tasked with regulating the private sector recruitment industry in the Philippines, including licensing recruitment agencies and negotiating the best deals for overseas Filipino workers (POEA 2011). In addition to encouraging a 'managed migration' approach to international recruitment, engaging with the recruitment industry is one way to gain access to better information on emigration that is occurring, as large recruiters in particular have access to detailed data on emigrants in their internal databases, which are not publicly available (K Ochs, interview, 2011).

In some instances, state agencies may be able to negotiate deals with migrant employers directly, and the St Vincent nurse export programme (mentioned in section 11.4), which aims to train nurses directly for export to the USA in exchange for compensation from US hospitals (Salmon et al. 2007: 1,364), represents a possible model for this. Such an agreement with receiving country employers can ensure that the source country, as opposed to the recruiting company, benefits directly from recruitment. Another example comes from Jamaica, where some nurses split their time between Miami and their home country, working two weeks per month in the United States and the remainder of the month in Jamaica. Although, as indicated above, under this scheme nurses pay for their own transport, their work in Miami significantly augments their income, and Jamaica does not completely lose their skills and expertise (Salmon et al. 2007: 1,364). Bilateral agreements on temporary migration of skilled workers, such as the policy discussed in section 11.3 which enabled the migration of Mauritian nurses to Middle Eastern countries in the 1980s (Anazor 2010: 19), represent another possible policy option.

Such innovative measures go beyond simply attempting to address international recruitment as a process whereby professionals are 'poached' from developing states by wealthier economies. In practice, many skilled professionals may initially undertake training partly to go abroad, or may see migration as a means to access professional development opportunities that are unavailable to them in their home countries – which is particularly relevant in the case of many small states. Policies which restrict movement completely may prove to be counterproductive, possibly encouraging skilled professionals to leave in less than ideal circumstances or to permanently cut professional ties with their countries of origin.

Notes

1 Jamaica was not included in these tables because it has a population of more than 1.5 million, thus exceeding the population threshold for the World Bank's definition of small states.
2 These data do not capture all significant intra-Caribbean flows, as only immigration to select Caribbean countries is assessed.
3 Pittman and colleagues attempted to conduct additional focus groups with nurses in other cities, but nurses were reluctant to participate in these focus groups, and it remains unclear why this was the case (P Pittman, interview, 2010).
4 Buchan et al. (2009) theorise that the number of physician registrants in the UK in 2003 may have been inflated by doctors from countries such as Malaysia and Hong Kong securing precautionary registration ahead of changes in UK registering procedures without any plans to travel and begin working in the UK.
5 Importantly, these data capture only health workers who were actually employed in the health sector abroad, and thus do not capture any potential 'brain waste' in cases where skilled health workers have migrated but are not working in the health sector (Clemens and Pettersson 2008).

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