



Agenda

for Policy Breakfast on

Fairer Labour Migration



Remittance is an important economic determinant and a stable source of foreign exchange to developing economies like Bangladesh. During the last decade, remittance growth has far exceeded other financial inflows like Foreign Direct Investment (FDI). Remittance is but just one of the welfare impacts of international migration; labour migration also helps in reducing pressure on the domestic labour market.

Nearly 2.2 million people get into the Bangladesh labour market each year. Capacity to absorb this number within the domestic economy is rather limited. Bangladesh is in a creditable position to

provide much needed workers, thereby extracting a positive outcome of its migrant workforce.

However, the costs of labour migration undermine the impact of migration on development. While the cost structure differs based on the country of destination, skill of the migrant worker, and the type of work migrants from Bangladesh pay the highest recruitment fees in the world. The objective of this policy breakfast is to highlight the current practices and underlying causes resulting in high migration cost, and discuss steps that can be taken to promote a fairer migration process.



13,609.77 million USD earned through overseas employment in 2016



37% of import can be paid off through remittance



757,731 people migrated overseas for employment in 2016



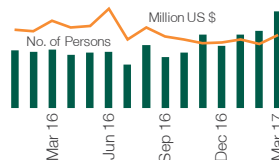
1,675-5,150 USD is paid by Bangladeshi migrant workers as recruitment fees



7.83% of the GDP, in 2015, came from remittances earned by migrant workers



62% of a worker's anticipated wages is spent behind the recruitment costs



remittance inflow through formal channel dropped although more migrant workers went abroad

Issues related to High migration cost



Information asymmetry

- Recruiting agencies circumvent from showing the job contract to migrant workers.
- In cases where workers do receive the job contract, it is usually in a legal language not understood by, or explained to the workers.
- Aspirant migrants are not equipped with adequate information, thus putting them at a disadvantage.



Malpractices of informal agencies

- Recruitment fees charged to migrants often exceed the actual cost incurred by agencies.
- Origin country recruiters collude with destination country recruiters to exploit uninformed migrants for visa trading and contract substitution upon arrival in the destination country.
- Non-issuance of payment receipts to migrants.



Weak monitoring and regulatory mechanism

- Migration policies are not effectively implemented due to poor monitoring mechanism.
- Most regulatory frameworks apply to formal recruitment agencies, but do not adequately cover informal social networks like sub agents brokers (dalal) and friends and family working as brokers.



Agenda for discussion

01

What are the other contributing factors leading to a high migration cost?

02

How can we effectively disseminate information about migrant rights, migration process, and government-provided services and resources amongst aspirant migrants?

03

What steps can be taken to promote safer and fairer migration?

04

Does this cause demand for policy decisions to be made?

About Policy Breakfast

IID's Policy Breakfast series promotes evidence-informed and solution-driven debate among key influencers of policy community under Chatham House rule for candid discussion.

IID have been partnering with national and international organizations for this, including National Democratic Institute (NDI), High Commission of Canada in Bangladesh and icddr,b, among others