



# **THE BENEFITS OF LABOUR MIGRATION AND THE NEED FOR INTERNATIONAL RECOGNITION OF QUALIFICATIONS**

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Three points:

1. Labour mobility and diaspora are increasingly important to sustainable development in the Pacific
2. The main mobility and remittance opportunities are for skilled migrants; but also for those who complete part or all of their training offshore
3. To enable skills and training to build Solomon islands mobility and economy, and to improve the match of skills and jobs in Solomon islands, internationally recognized qualifications are crucial

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# WORLD BANK 2010: SOLOMON ISLANDS SOURCES OF GROWTH

- ‘Most countries have improved living standards by moving from agricultural production towards manufacturing and services, with accompanying urbanization.
- ‘Geographical disadvantages, combined with [governance and other factors] suggest that Solomon Islands’ progress along this trajectory will be highly constrained over the medium term.
- ‘Effective strategies to promote improved living standards need to recognize the constraints of the country’s geography, improve people’s ability to exploit resources available to them **or to access centers of economic activity**



Solomon Islands Growth Prospects  
Constraints and Policy Priorities

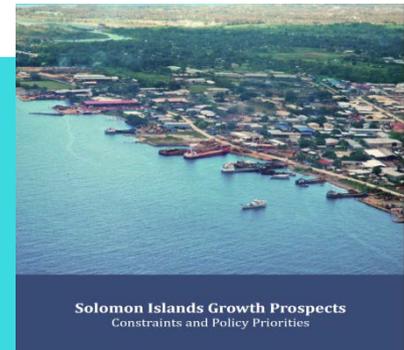


# WORLD BANK 2010: SOLOMON ISLANDS

## SOURCES OF GROWTH

Future economic growth in Solomon Islands will come from four primary sources:

1. **A vibrant smallholder agriculture sector**
2. **Natural resource industries that benefit Solomon Islands.**
3. **An internationally mobile workforce.** Growth in the local private sector will not be sufficient to provide jobs for the rapidly growing labor force. For many Solomon Islanders the best prospects for well-paid, productive employment may lie overseas. Short-term regional labor schemes can lead to remittances and the acquisition of skills that benefit the local economy. In the longer-run, integration of the Solomon Islands labour market with regional partners would allow Solomon Island workers to make the best use of their skills and partner countries to address growing labor shortages. P i



# REMITTANCE CORRIDORS: NEW RIVERS OF GOLD?

The value of remittances to poor countries is enormous.

Since 1996 they have been worth more than all overseas-development aid, and for most of the past decade more than private debt and portfolio equity inflows.

In 2011 remittances to poor countries totalled \$372 billion.

Given that cash is ferried home stuffed into socks as well as by wire transfer, the real total could be 50% higher.

Economist: April 28 2012

<http://www.economist.com/node/21553458>

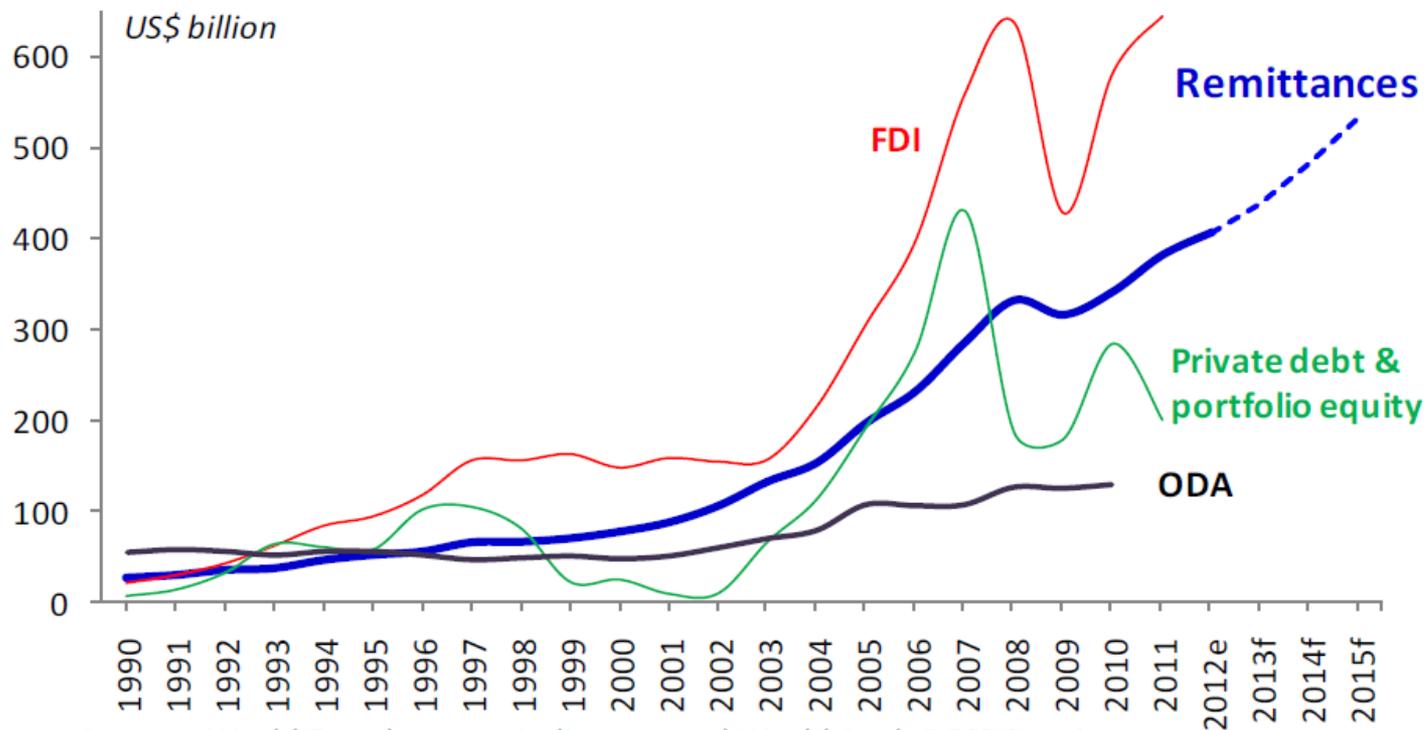


# Migration and Development Brief 19

Migration and Remittances Unit, Development Prospects Group

November 20, 2012<sup>1</sup>

Figure 1: Remittances and other resource flows to developing countries



Sources: World Development Indicators and World Bank DECPG estimates

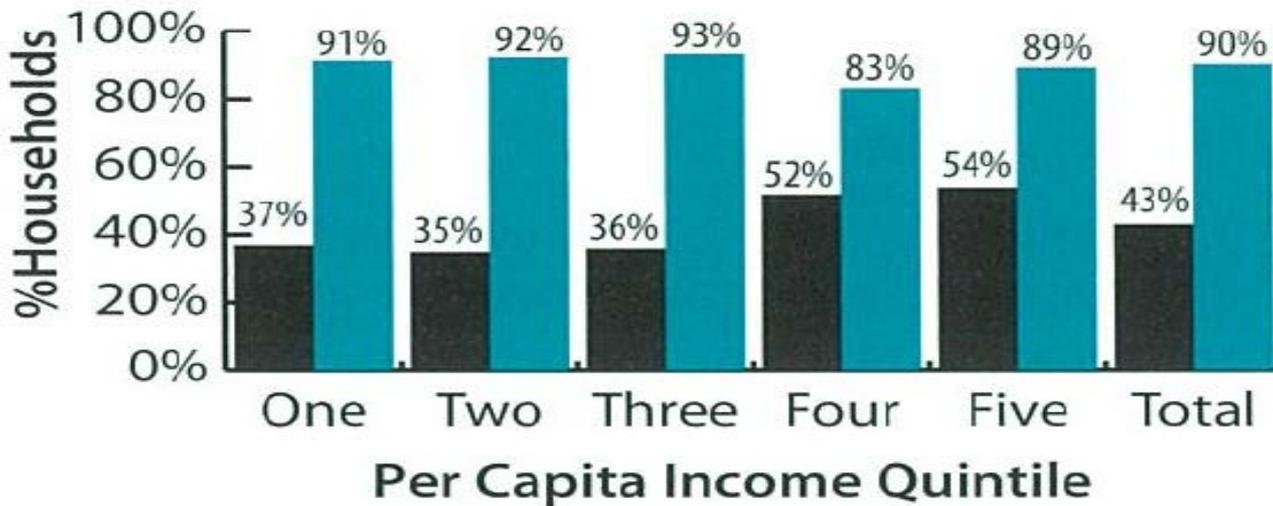
3 TIMES OFFICIAL DEVELOPMENT ASSISTANCE

[HTTP://SITERESOURCES.WORLDBANK.ORG/INTPROSPECTS/RESOURCES/334934-1288990760745/MIGRATIONDEVELOPMENTBRIEF19.PDF](http://siteresources.worldbank.org/INTPROSPECTS/RESOURCES/334934-1288990760745/MIGRATIONDEVELOPMENTBRIEF19.PDF)

# REMITTANCE CONTRIBUTIONS TO HOUSEHOLD INCOME

LUTHRIA ET AL 2006 AT HOME AND AWAY: EXPANDING JOB OPPORTUNITIES FOR PACIFIC ISLANDERS THROUGH LABOUR MOBILITY

## % of Households Receiving Remittances by Per Capita Income Quintile



■ Fiji  
■ Tonga

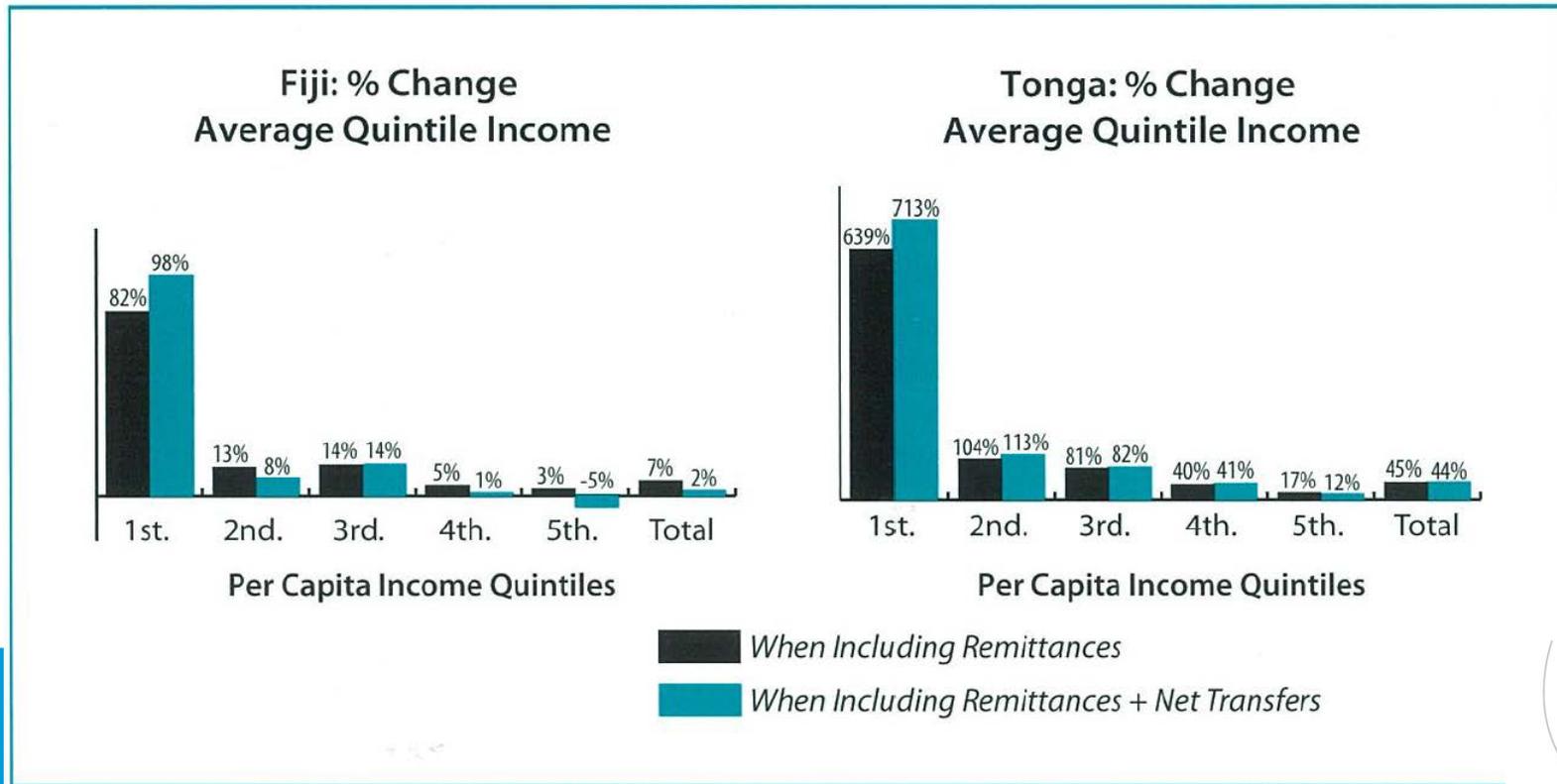


- ‘Migration has become so substantial that in Fiji as many as one third of all households had at least one overseas migrant (compared to 60% in Tonga) and 43% received remittances (compared with 90% in Tonga). p51

# REMITTANCES AND POVERTY

LUTHRIA ET AL 2006 AT HOME AND AWAY:  
EXPANDING JOB OPPORTUNITIES FOR PACIFIC ISLANDERS THROUGH LABOUR MOBILITY

FIGURE 3.11 PERCENTAGE CHANGE IN AVERAGE QUINTILE INCOME



# AT HOME AND AWAY

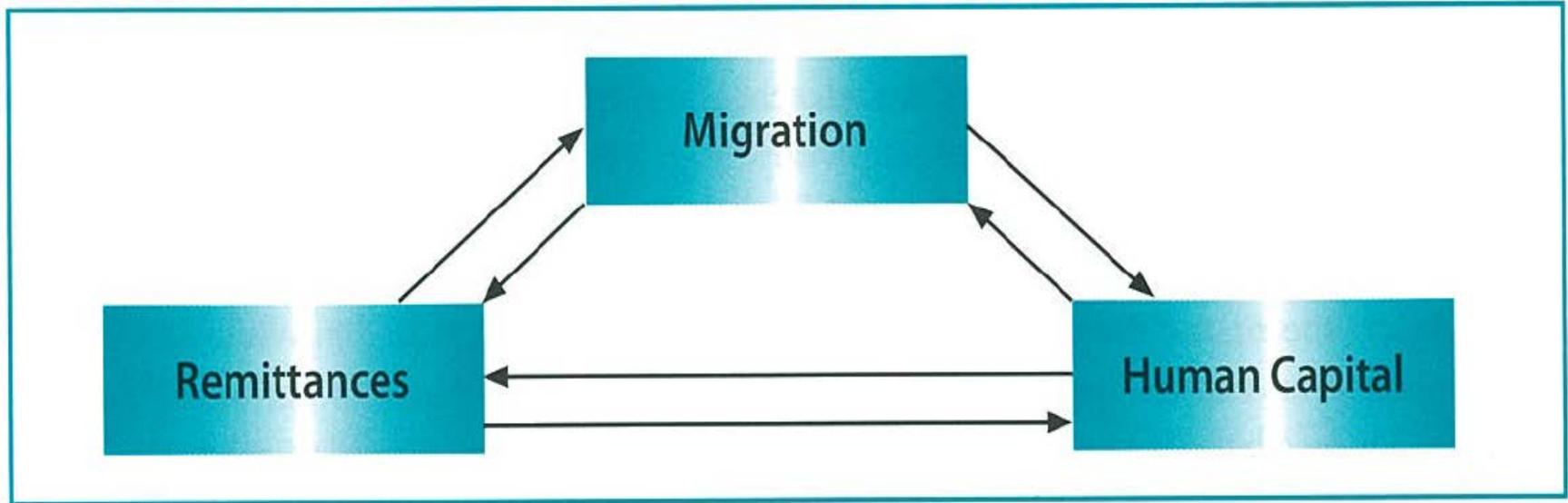
LUTHRIA ET AL 2006 AT HOME AND AWAY

- ‘Migration has reduced the level of open and disguised unemployment in the migrant sending countries p50
- ‘Migration can contribute to social stability as well as economic development . Remittances are associated with better secondary level educational attainment (by alleviating the budget constraint to education).
- ‘Having a migrant in the household increases the likelihood of other household members acquiring post-secondary education (by inducing greater investment in education). p viii
- ‘These findings indicate that larger investments in education, as the result of increased remittances, could augment supply of skilled workers in source countries by increasing both incentives and ability to finance education. P ix

# THREE INTERACTING/ REINFORCING FACTORS

FIGURE 3.10

INTERDEPENDENCIES BETWEEN MIGRATION, REMITTANCES, AND HUMAN CAPITAL



# THE BENEFITS OF LABOUR MIGRATION AND THE NEED FOR INTERNATIONAL RECOGNITION OF QUALIFICATIONS

Three points:

1. Labour migration and diaspora (including mobility for training) are increasingly important parts of sustainable development in the Pacific
2. The main mobility and remittance opportunities are for skilled migrants; but also for trainees who complete part or all of their training offshore.
3. To enable skills and training to be a part of Solomon islands future mobility and economy, and to enable a match between skills and jobs here in Solomon islands, internationally recognized qualifications are crucial

# HARNESSING THE SKILLS OF MIGRANTS AND DIASPORAS TO FOSTER DEVELOPMENT: POLICY OPTIONS

International students account for over 6% of the total student population of OECD countries and constitute a major source of highly-skilled labour for those countries.

In recent years, most host countries have made it easier for students to change their immigration status after completing their studies, so as to allow this pool of skilled labour to settle there.

[http://www.oecd.org/els/mig/Policy\\_Brief\\_Migrants\\_En\\_BD%20DEFINITIF.pdf](http://www.oecd.org/els/mig/Policy_Brief_Migrants_En_BD%20DEFINITIF.pdf) p10



# NZ LABOUR AND IMMIGRATION RESEARCH CENTRE 2013 MIGRATION TRENDS AND OUTLOOK

International students have become an important source of skilled migrants for New Zealand and other countries.

Many countries attract international students by providing opportunities to work or stay in the country permanently after completing study.

Over the last decade, 1 in 5 international students gained permanent residence in New Zealand within five years of being issued their first student visa. In 2011/12, 38 % of skilled principal migrants were former international students.

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# MOBILITY PATHWAYS: 'KANAKA MAN'S' STORY

Studied nursing in SI and at USQ

Helped brother into business: saved \$A5000 for tuition fees

Applied to study Certificate Aged Care at a Brisbane technical training school (3 days/ week)

Working part time on student visa (up to 20 hours/ week, sending money home)

Rest Home employer sponsor temporary work visa 457

Possible transition to residence after 2 years



# THE BENEFITS OF LABOUR MIGRATION AND THE NEED FOR INTERNATIONAL RECOGNITION OF QUALIFICATIONS

Three core points:

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2. The main migration and remittance opportunities are for skilled migrants; but also for trainees who complete part or all of their training offshore.
3. To enable skills and training to be a part of Solomon islands future mobility and economy, and to enable a match between skills and jobs here in Solomon islands, internationally recognized qualifications are crucial

# HARNESSING THE SKILLS OF MIGRANTS AND DIASPORAS TO FOSTER DEVELOPMENT: POLICY OPTIONS

Massive underemployment in developing countries, and the persistence of labour shortages at various skill levels in main destination countries..... suggest that labour migration will persist in coming decades.

So that these changes can benefit all, i.e. countries of origin, host countries and migrants themselves, **it is of paramount importance to improve the match between supply and demand with regard to skills**, both at the time of departure and upon return to the home country.

This is the overriding aim of greater international mobility of skills.

[http://www.oecd.org/els/mig/Policy\\_Brief\\_Migrants\\_En\\_BD%20DEFINITIF.pdf](http://www.oecd.org/els/mig/Policy_Brief_Migrants_En_BD%20DEFINITIF.pdf) p11



# HARNESSING THE SKILLS OF MIGRANTS AND DIASPORAS TO FOSTER DEVELOPMENT: POLICY OPTIONS

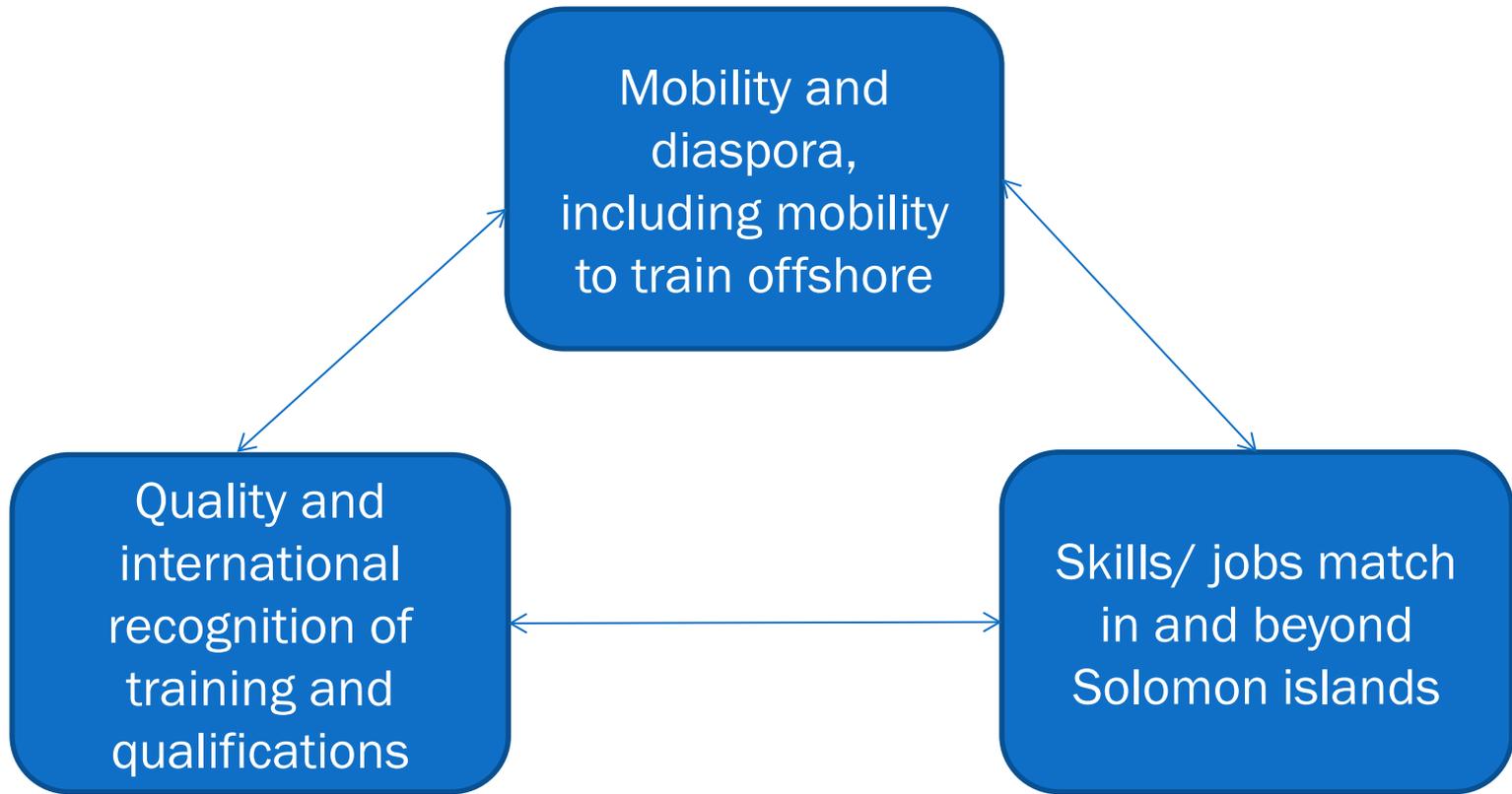
‘The mismatch between skills and jobs for immigrants in destination countries can impact the extent of remittances they are able to transfer and the applicability of their qualifications in the labour market. While migrants who are well integrated into the labour market acquire new technical, linguistic and professional skills, those in jobs not corresponding to their qualifications run the risk of incurring a long-lasting loss of human capital.

REPORT  
2012



Harnessing the skills of migrants and diasporas to foster development:  
policy options

# THE THREE WAY MOBILITY AND SKILLS WIN-WIN?



# **SOLOMON ISLANDS 2009 AND 2070**

**2009**

**20% of 516,000 in urban places**

**Urban population: 102,000 million**

**2070**

**40% of 1.43 million in urban places**

**Urban population: 572,000**

# LOOKING BACK

The current urban population of around 110,000 (allowing for some correction for under-enumeration) is not far from the total population enumerated in the Solomon Islands census of 1959 – **125,000**.

Over the 50 years 1959-2009 the urban population of the Solomon Islands grew to reach the equivalent of the total population in 1959.

# LOOKING AHEAD

Over the next 50 years a similar situation could arise whereby the population of around **516,000** in 2009 might be living in towns in the Solomon Islands by 2060.

There could be a lot more urban residents than this if urbanisation proceeds at a faster rate and more than 40% of the population is living in towns.

# **WESTERN MELANESIA 2010 AND 2070**

**2010**

**20% of 7.64 million in urban places**

**Urban population: 1.53 million**

**2070**

**40% of 18.29 million in urban places**

**Urban population: 7.32 million**

# **OTHER PACIFIC 2010 AND 2070**

**2010**

**50% of 2.32 million in urban places**

**Urban population: 1.16 million**

**2070**

**70% of 3.09 million in urban places**

**Urban population: 2.16 million**

# **A GLOBAL PERSPECTIVE 2010 AND 2070**

**2010**

**50% of 6.9 billion in urban places**

**Urban population: 3.45 billion**

**2070**

**70% of 9.8 billion in urban places**

**Urban population: 6.9 billion**

# EMIGRATION TO OECD COUNTRIES BY COUNTRY OF BIRTH, 2008

| Country of birth       | Emigration rate (%) | Rank       |
|------------------------|---------------------|------------|
| Niue                   | 77.1                | 1          |
| Samoa                  | 40.5                | 7          |
| New Zealand            | 12.4                | 36         |
| Australia              | 1.9                 | 113        |
| Vanuatu                | 1.5                 | 118        |
| Papua New Guinea       | 0.8                 | 136        |
| <b>Solomon Islands</b> | <b>0.8</b>          | <b>138</b> |

# SOLOMONS DIASPORA, 2000-2002

| Place of residence    | Number       | Percent      |
|-----------------------|--------------|--------------|
| Other Melanesia       | 1,400        | 33.3         |
| Australia/NZ          | 1,800        | 42.8         |
| UK/Europe             | 490          | 11.7         |
| Asia/Middle East      | 250          | 6.0          |
| Americas              | 220          | 5.2          |
| Africa                | 40           | 1.0          |
| <b>Total diaspora</b> | <b>4,200</b> | <b>100.0</b> |

# SOLOMONS-BORN, ANZ, 1901-1947

| Year        | Pacific       | Solomons      | % Solomons    |
|-------------|---------------|---------------|---------------|
| <b>1901</b> | <b>10,766</b> | <b>4,000?</b> | <b>35-40?</b> |
| 1911        | 3,614         | 210           | 5.8           |
| 1921        | 4,791         | 235           | 4.9           |
| 1933/36     | 5,247         | 98            | 1.9           |
| 1945/47     | 7,447         | 134           | 1.8           |

# SOLOMONS-BORN, ANZ, 1966-2006

| Year | Pacific | Solomons | % Solomons |
|------|---------|----------|------------|
| 1966 | 34,370  | 600      | 1.7        |
| 1976 | 75,690  | 850      | 1.1        |
| 1986 | 123,350 | 1,150    | 0.9        |
| 1996 | 185,980 | 1,570    | 0.8        |
| 2006 | 245,340 | 2,050    | 0.8        |

# SOLOMONS-BORN IN ANZ AS PERCENTAGE OF SOLOMONS POPULATION, 1901-2006

| Year | Solomons | ANZ    | % ANZ |
|------|----------|--------|-------|
| 1901 | 110,000? | 4,000? | 3.8   |
| 1946 | 110,100  | 130    | 0.1   |
| 1986 | 285,200  | 1,150  | 0.4   |
| 2006 | 492,700  | 2,050  | 0.4   |

# SOLOMON IS-BORN POPULATIONS IN AUSTRALIA AND NZ, 2001 AND 2006

| Year            | Australia  | New Zealand | Solomon Is  |
|-----------------|------------|-------------|-------------|
| 2001            | 1,326      | 505         | 428,000     |
| 2006            | 1,498      | 549         | 493,000     |
| Change          | + 172      | +42         | +65,000     |
| <b>% change</b> | <b>8.3</b> | <b>12.8</b> | <b>15.2</b> |

# SOLOMON IS-BORN POPULATIONS IN AUSTRALIA AND NZ, 2006 AND 2011

| Year            | Australia   | New Zealand    | Solomon Is  |
|-----------------|-------------|----------------|-------------|
| 2006            | 1,498       | 549            | 493,000     |
| 2011            | 1,757       | (705?)         | 553,300     |
| Change          | + 259       | (+155?)        | +60,300     |
| <b>% change</b> | <b>17.3</b> | <b>(28.2?)</b> | <b>12.2</b> |

# AUSTRALIA'S SOLOMONS POPULATION, 2011

| Solomon Islands population                | Number     |
|---|------------|
| Born in the Solomon Islands               | 1,758      |
| Solomon Islands ancestry                  | 1,406      |
| Solomons ancestry, Solomons-born          | 698        |
| Sole ancestry Solomons                    | 650        |
| <b>Sole ancestry Solomons-born (SASB)</b> | <b>494</b> |
| % Solomons ancestry who are SASB          | 35.1       |
| % Solomons born who are SASB              | 28.1       |

# AGE STRUCTURE OF SOLOMONS-BORN IN AUST, 2011

| Age group    | Solomon<br>s | Vanuatu     | PNG        | Pacific    |
|--------------|--------------|-------------|------------|------------|
| 0-14         | 13.1         | 8.8         | 7.5        | 6.3        |
| <b>15-24</b> | <b>16.9</b>  | <b>13.4</b> | <b>8.7</b> | <b>8.9</b> |
| 25-39        | 28.4         | 28.5        | 30.1       | 30.1       |
| 40-59        | 36.4         | 34.6        | 44.1       | 43.0       |
| 60+          | 5.1          | 14.7        | 9.5        | 11.7       |
| Total        | 1,757        | 1,107       | 26,652     | 122,357    |

# YOUNG ADULTS (15-24), OCEANIA 2010 AND 2050 (000'S)

| Area             | 2010         | 2050         | Difference   |
|------------------|--------------|--------------|--------------|
| <b>Melanesia</b> | <b>1,658</b> | <b>2,757</b> | <b>1,099</b> |
| Micronesia       | 96           | 100          | 4            |
| Polynesia        | 126          | 129          | 3            |
| New Zealand      | 628          | 679          | 41           |
| Australia        | 3,147        | 3,671        | 524          |



# BRAIN DRAIN VS BRAIN GAIN

## Brain Drain?

- Nearly 1/3 of migrants to OECD countries are university graduates (as opposed to 6% at home)
- Loss of top talent (but these people are mobile anyway)
- Need to safeguard core capabilities

## Or Brain Gain?

- Circular migration and returnees' knowledge
- More incentives for all to learn and engage
- Remittances improve secondary school attainment
- Builds educational institutions' capability and currency
- Higher skills training for everyone: *and better skills matching?*

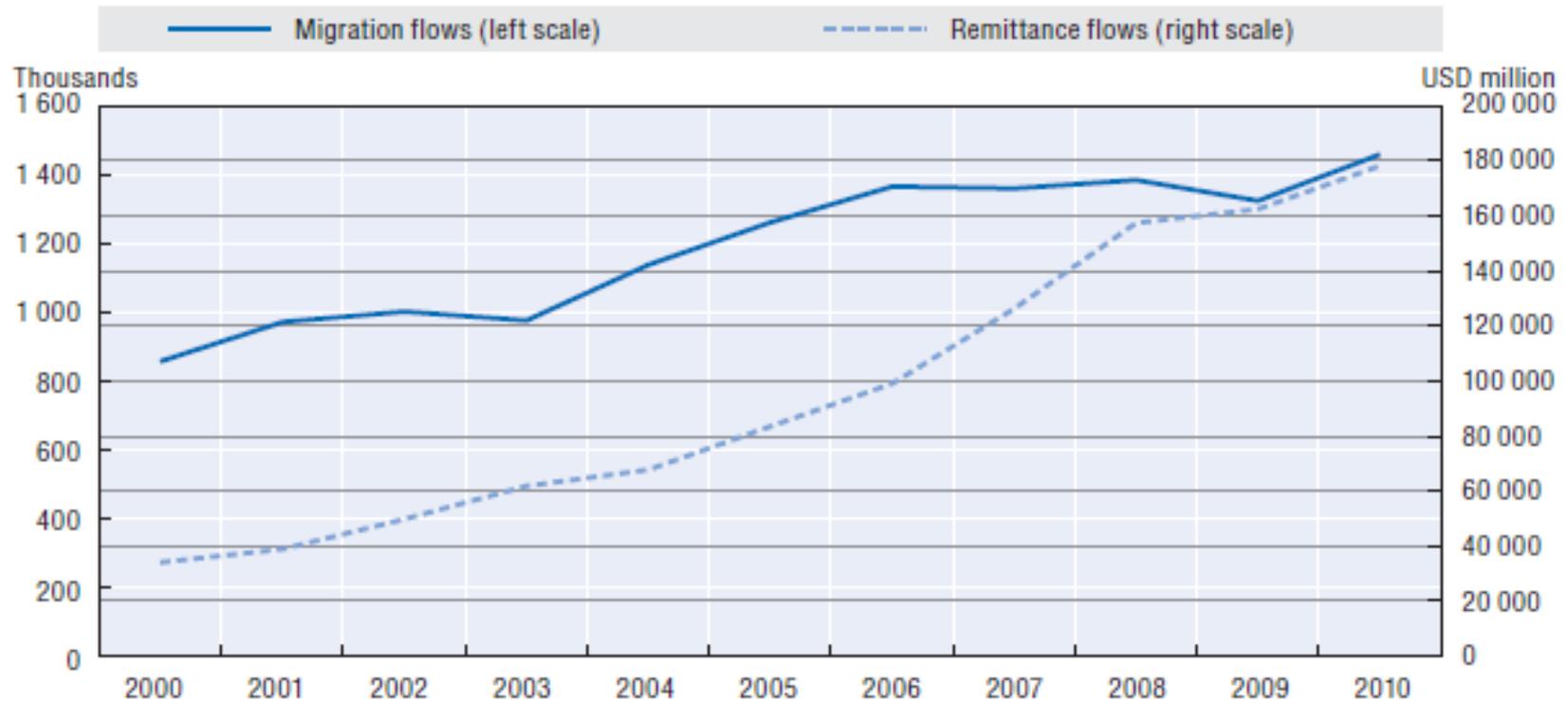
# HARNESSING THE SKILLS OF MIGRANTS AND DIASPORAS TO FOSTER DEVELOPMENT: POLICY OPTIONS OECD SEPTEMBER 2012

Today's migration flows are characterised by a higher level of skill, a higher proportion of women and a broader range of destination countries than in the past.

[http://www.oecd.org/els/mig/Policy\\_Brief\\_Migrants\\_En\\_BD%20DEFINITIF.pdf](http://www.oecd.org/els/mig/Policy_Brief_Migrants_En_BD%20DEFINITIF.pdf) P4



Figure 2.1. Migrant flows from Asia and Oceania to OECD countries and remittance flows, 2000-10



Source: OECD International Migration Database; World Bank.

OECD (2012), *Connecting with Emigrants: A Global Profile of Diasporas*, OECD Publishing.  
<http://dx.doi.org/10.1787/9789264177949-en>

StatLink  <http://dx.doi.org/10.1787/888932671909>



# HARNESSING THE SKILLS OF MIGRANTS AND DIASPORAS TO FOSTER DEVELOPMENT: POLICY OPTIONS OECD SEPTEMBER 2012

Many migrants have established roots in their destination countries while at the same time are better connected with their home countries because of easier transport and new tools of communication.

Migrants possess real and substantial resources, both in financial terms,... and in terms of human capital

In addition, migrants are key players in trade links between their home and destination countries, and some initiate projects that expand employment and infrastructure, at the local level in particular.

[http://www.oecd.org/els/mig/Policy\\_Brief\\_Migrants\\_En\\_BD%20DEFINITIF.pdf](http://www.oecd.org/els/mig/Policy_Brief_Migrants_En_BD%20DEFINITIF.pdf) P4



