

Third Ministerial Consultations on Overseas Employment and Contractual Labour for Countries of Origin in Asia

Bali September 20-21, 2005

Summary of Statements and Recommendations of the Ministers

1. Background

The third Ministerial Consultations were held in Bali, Indonesia in September 20-21 2005. The Consultations were chaired by H.E. Mr. Fahmi Idris, Minister of Manpower and Transmigration of the Republic of Indonesia and organized in cooperation with IOM. Earlier, in response to the request of several Asian countries of origin, IOM organized ministerial level Consultations in 2003 and 2004. The ten original participating States (Bangladesh, China, India, Indonesia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Vietnam) made recommendations for the effective management of overseas employment programmes and agreed to a regular follow-up.

The aim of the Ministerial Consultations is to provide a forum for Asian labour sending countries to:

- Share experiences, lessons learned and best practices on overseas employment policies and practices
- Consult on issues faced by overseas workers, countries of origin and destination; propose practical solutions for the well being of vulnerable overseas workers; optimise development benefits; and enhance dialogue with countries of destination
- Review and monitor the implementation of the recommendations and identify further steps for action

The three thematic foci of the consultations are:

- Welfare of overseas workers and support services
- Facilitating the managed movement of labour and optimising its benefits
- Institutional capacity building and interstate cooperation

Achievements so far have included:

- Identification, at ministerial and senior official levels, of policy challenges and needs, and exploration of the range of possible responses and exchange of experiences in programme development

- Development of training curriculum for labour attaches and administrators and implementing joint training courses
- Preparation for potentially establishing a common Overseas Workers Resource Centre
- Implementation of recommendations at the national level

The third Ministerial Consultations at Bali Indonesia were greatly enriched by the participation of countries of destination, namely delegations from Bahrain, Italy, Kuwait, Malaysia, Qatar, Republic of Korea, Saudi Arabia and the United Arab Emirates. Afghanistan was welcomed as a new member to the group after participating as an Observer in 2004. International and regional organizations participating in the Consultations included ASEAN, EC, GCC, ILO, UNIFEM and World Bank.

It was recognized that the term “expatriate and contractual labour” was a more accurate description of labour flows to GCC countries.

The Consultations recognised the contribution of countries of destination to the development of effective approaches to the management of overseas employment.

2. Challenges identified and policy responses

According to best estimates, over the period 1995-99 some 2.6 million Asian workers left their countries every year under contract to work abroad. The South Asian countries accounted for 46 percent of this outflow and South East Asia made up 50 percent. A large proportion of workers from South and South East Asia continue to leave for the Gulf States to perform all types of service, trade and construction jobs while others head to OECD countries.

In this context, the participants in the Ministerial Consultations on overseas employment for countries of origin in Asia (the “Colombo process”) discussed new patterns of labour movement that have emerged in the region over the last decade. There has been a significant flow of professionals and technical workers to North America and Europe, especially in the IT and nursing sectors. There also has been a rapid growth in intra-regional labour movement, with flows particularly from South East Asia to the developed or emerging East Asian economies.

According to the latest UN Population Division statistics the erstwhile 15 members of the EU are now home to some 26 million migrants, making the foreign born population slightly more than seven percent of the total. Traditionally the UK and France owing to their historical linkages have had Europe’s largest Asian populations and in recent years the Asian inflows to these countries have intensified. In recent years other European States too have become important destinations for Asian overseas workers. Germany, Italy and Spain have sizeable Asian populations.

As Asian overseas worker populations grow in numbers and diversify in terms of destination and source, their impact is increasingly felt. In general experts feel that the overall number of Asian overseas workers will increase. Labour movement will remain important, as there will continue to be a need at least for highly skilled workers and service personnel.

The Ministers agreed therefore that close and continuing attention should be given to the management of overseas worker flows. It is essential to pursue bilateral and regional consultations. Orderly labour movement and employment policies consistent with the welfare of workers are possible, provided there is cooperation between countries of origin and destination.

The delegations identified the following four areas of management as essential to meet the challenges of the coming years:

- Ensuring the welfare and well-being of vulnerable overseas workers, especially women, during recruitment and employment, and providing appropriate services to overseas workers in terms of pre-departure information and orientation, support services during their stay abroad, and reintegration assistance.
- Optimising benefits of organised labour flows, including the development of new markets, increasing remittance flows through formal channels and enhancing their development impact.
- Building institutional capacity and inter-ministerial coordination to meet labour movement challenges.
- Increasing cooperation between countries of origin and destination countries in ensuring the welfare of overseas workers, in meeting labour market needs and prevention of irregular movements.

3. Recommendations of the Ministers

The Ministers identified the following measures as being conducive to the effective management of overseas employment programmes and furthering the recommendations made at Colombo in April 2003 and in Manila in September 2004:

3.1. Welfare of Overseas Workers and Support Services

1. Further implementation of the Recommendations made at Manila on Regulatory frameworks and allied measures to prevent malpractice and abuses in recruitment. Special reference is made to the need for close supervision and monitoring of recruitment agencies.

2. Undertaking information campaigns with national partners to inform potential overseas workers of safe recruitment, travel and employment procedures - the risks of irregular movement, regular movement options and regulations of both receiving and sending states, including illegal recruitment; and build the capacity of national partners, including NGOs, as information resource centres for provision of advice to potential overseas workers. This would include compilation of information on country specific legal and administrative regulations and social aspects.
3. Strengthening implementation of the Recommendations made in Manila on Establishment and Operation of Welfare Funds, particularly making the provision of on-site assistance a top priority.
4. Development and introduction of a module on pre-departure orientation for the relevant destination countries, where necessary, including in the main European destination countries in cooperation with the EC and IOM.
5. Working closely with countries of destination in establishing minimum wage levels and ensuring safe and decent conditions of employment for contract workers, particularly women, in low skill and low wage sectors.
6. Further enhancement of cooperation with the GCC; and seeking to hold an annual round-table meeting between the administrative bodies responsible for overseas employment in GCC states and countries of origin in Asia.
7. Taking forward consultations on an Overseas Workers' Resource Centre in the GCC and other major destinations for overseas workers in destination countries in cooperation with the host country. The purpose of the Resource Centre is to add value and pool efforts to provide assistance to and support services to overseas workers, undertake information campaigns among the host society and provide a forum for dialogue and consultation between countries of origin and destination.

3.2. Optimizing the Benefits of Organized Overseas Employment and Cooperation on Managed Labour Mobility Between Countries of Origin and Destination

1. Enhancement of government and private sector capacity to place workers abroad in occupations in shortage (while surplus in the country of origin), as well as promote regional cooperation efforts among countries of origin and destination in availing of legal labour opportunities and reducing irregular movement. Attention will be paid to problems faced by employers in the recruitment process.
2. Ensuring that potential workers are well informed on legal overseas work opportunities and procedures, and the risks of resorting to irregular movement.
3. Development of the capacity of national authorities in countries of origin to assess current and projected foreign labour needs in the countries of destination in the Europe

and Asia and implementation of appropriate strategies and pilot actions in cooperation with countries of destination, EC and IOM. This will include:

- Training in overseas employment market research and marketing. Training and information exchange and dissemination on work opportunities overseas and procedures in European states and destination countries in Asia.
- Establishment of national overseas employment market research units and focal points.
- Updating national manpower profile, review skills profile in relation to foreign employment demand, and enhance quality and certification process.
- Building capacity of private sector in placing workers through training and strengthen legal and administrative framework to prevent recruitment abuses
- Development of links with manpower agencies and government counterparts in destination countries.
- Implementation of a pilot action for the placement of workers within existing schemes in European States and Asia.

4. Organising annual senior officials consultations among Asian countries of origin and main destination countries in Europe on the development of managed labour movements and prevention of irregular movements.

5. Organising a round-table on the management of overseas work, including prevention of irregular flows, in South-east and East Asia.

6. Further implementation of Recommendations made at Manila on Enhancing the Development Impact of Remittances and on Improving Remittance Services.

3.3. Follow-up Arrangements

The Ministers endorsed a regular follow-up on the issue of overseas employment management, and the following common action priorities:

1. Proceeding with consultations on the establishment of an Overseas Workers' Resource Centre as stated in Recommendation 3.1.7.

2. Round-table meetings on:

- a) further cooperation between the GCC countries and Asian countries of origin as indicated in Recommendation 3.1.6. Priority topics include: the exploration of the design and operation of employment contracts; provision of accurate information

to overseas workers; and recruitment practices; with due attention to problems faced by employers.

b) overseas labour in Southeast and East Asia as mentioned in Recommendation 3.2.5.

3. A Senior Officials meeting of Asian countries of origin with European States and main destination countries for Asian workers in Europe, including Italy, as indicated in Recommendation 3.3.4.

4. Following the above meetings the next annual Ministerial Consultations will be held in 12 months time with an invitation to countries of origin and destination. The venue of the Consultations will be decided after informal consultations.

The IOM is requested to assist in organising the above meetings.

In addition to efforts by the concerned governments in taking forward the recommendations, the IOM, ILO and other relevant international organizations and donor agencies are requested to provide assistance wherever appropriate.

The Ministers expressed their gratitude to the Government of Indonesia for volunteering to chair the meeting and the excellent arrangements provided, as well as to the IOM and DFID, U.K., for their valuable support.

Afghanistan
Bangladesh
China
India
Indonesia
Nepal
Pakistan
The Philippines
Sri Lanka
Thailand
Vietnam

Bali, 21 September 2005