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Migration Trends from Pakistan

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There are several forms of international migration from Pakistan towards many regions: North America, European Union states, Persian Gulf and East Asia. These forms of trans-border movement vary extensively over time and place of destination. Pakistan was also among the other countries that supplied work force to European progression towards industrialization in the 1950s. That trend changed in the 1970s when geo-political changes and economic configurations resulted in sharp decline in expatriate labor to Europe. Later that trend transformed into re-unification of immediate family members of settled migrant workers and immigration to North America. Migration to East Asia and specifically to Persian Gulf States is of more significance both in terms of numbers and the new pattern of return migration due to short contractual arrangements.

The recorded estimates of Pakistani migrants working abroad are available from 1971 when the Government of Pakistan set up the Bureau of Emigration and Overseas Employment to deal with export of Pakistani manpower mainly to the Gulf States. According to their records, Pakistan is totally reliant on Gulf States labor markets over a long period. Since 1971, around 3.6 million laborers preceded for six Middle Eastern countries, mainly to Saudi Arabia. However, registration of immigrants living in Europe and North America does not fall under the Bureau of Emigration and Overseas Employment and their figures are not included in the mentioned total migrant numbers. Beside this, according to the Year Book (2004-05) of the Ministry of Labour, Government of Pakistan, the estimate of overseas Pakistanis is over seven million including illegal immigrants and overstayers. (Ministry of Labour 2005) Once encouraging expatriates by opening their doors, now the GCC countries consider the immigration levels very high and are implementing plans to lower it by restricting further inflow. The GCC labor market is maneuvering due to internal and external shocks, like continued regional instability due to two gulf wars, and failure to establish manufacturing base resulting in negative effects on economy. On the other hand the continued influx of migrant workers created serious imbalance in local and expatriate populations and predominance of expatriates in labor force caused increased unemployment.

Due to these changes, the host Gulf countries took radical steps by formulating restrictive policies to deal immigration with two common stances: indigenization of work force and making the work environment unattractive for immigrant workers already employed. Both these initiatives led to negative implications on the conditions of migrant workers, especially those with less education and low levels of skills.

To increase the local participation in work force, GCC countries are gradually banning entry of foreign workers in various job sectors. There is a wide difference between wages of local and non-local workers employed in the same sector making the survival of expatriates difficult due to increases in levies associated with work permits and other living essentials. Besides economic discrimination, the human rights of migrant workers are also at stake due to the absence of anti-discrimination legislation and policy tools for the protection of migrant workers. Gaps in entry and migrant management programs are also resulting in over-sized illegal expatriate community. Despite the fact that most of them are victims of ill practices of employers and suppliers, the law enforcing authorities often react harshly towards illegal migrants with severe fines,

imprisonment and finally deportation without any amnesty and proper court proceedings.

These conditions are affecting a large segment of Pakistani migrant workers for the past couple of years. Well aware of these major shifts in the Gulf countries, Pakistan is still pumping human resources in these stranded markets.

Remittances Inflow

Soon after its emergence, Pakistan has been struggling to achieve a stable economic status, for which the economic managers of every regime experimented with various development plans. All these efforts failed to supplement the national economy, leaving country at the mercy of international finance market creditors. The economic boom of the 1970s in the Gulf States provided a great leap to Pakistan's impoverished economy in the form of workers' remittances. From the 1970s to 2007, migrant workers from the world over remitted \$69284.83 million constituting the single largest source of foreign exchange earnings for the country.

The case of remittance inflow is far different from migrant outflow from Pakistan. Though the number of migrant workers in Europe and North America is far less than the Gulf States, their share in remittances inflow almost matches the amount transferred from the Gulf States.

The reasons behind this wide contrast are many and spread over a period of two decades. After witnessing highest peaks till the 1980s, the decline in economic activities in the Gulf region also resulted in sharp decline in workers' remittance flow to Pakistan. Another factor behind this was the emergence of informal (Hundi) channel with low transfer charges, high offering of exchange rate and its easy to follow process at both ends of sending and receiving countries. As compared with formal banking, the outreach of informal (Hundi) channels extends to almost the whole geographic sphere of Pakistan, making it popular among migrants and their families (constituting major share of over 50 percent of the total migrant stocks) In some parts of the country, with -intensified transnational migration, the return migrants serve as a carrier of remittances for the families of their fellow migrants.

The commencement of resident Foreign Currency Accounts by the banking sector in early 1990s further affected the inflow of formal remittances as migrant workers started maintaining some amount of their earnings in those accounts.

Post 9/11 events and radical steps taken by western countries to curb the extremists and their financial connections also influenced the flow of remittances. Fear of immediate deportation and confiscation of hard earned financial reserves forced the Pakistani migrants to send back their finances to Pakistan. This resulted in substantial increase and covered the gap occurring due to informal (Hundi) channels. The outcomes of post 9/11 measures in the Gulf proved quite adverse on the transfer of workers' remittances. More restrictions on financial transfers from the Gulf to Pakistan further pushed the migrants to rely on informal channels of transfers.

Almost half of the migrant workers from Pakistan have low levels of education and skills. As a result they get small remunerations, and their pay scales have been stagnant for a long time. The result of this stagnation is quite visible on the lives of migrant families. Some recent researches reveal that the migrant families neither save nor invest remittances. The reasons behind it are the unawareness on the part of migrant families; and, non-existence infrastructure. There are evidences in many countries that workers' remittances played a major role in the transformation of grass root level economies. Many NGOs evolved efficient models that pool the remittances for micro-credit initiatives at the village levels. This new concept is replicated widely all over the world, but is still not the focus of policy makers and organizations working in micro-credit sector of Pakistan.

Both the declining flow of workers' remittances from the Gulf (through informal system) and proper remittance utilization mechanisms are threatening the livelihood of millions of Pakistani migrant sending families, who need immediate attention for alteration in

existing state-led migration management set-ups and a fusion of new concepts of remittances in the livelihoods of other than migrant families.

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