

# MIGRANT LABOR IN THE ASIAN PACIFIC ECONOMIC COOPERATION (APEC)

Marcela Romero  
APEC Study Program  
El Colegio de Mexico.

---

This paper was written under the auspices of the Project on Latin America and the Pacific Rim at the University of California, San Diego, where I was a visiting fellow in February – March 1997. Financial support for the UCSD Project has been provided by the Ford Foundation, the John D. and Catherine T. MacArthur Foundation, the Title VI Programme of the U.S. Department of Education, and the Institute of Global Conflict and Co-operation and the Pacific Rim Research Program of the University of California. Special acknowledgements to professors Peter S. Smith and Lawrence Krause, senior advisers and coordinators to the project on Regional Integration in the Americas and the Pacific Rim, and to Ambassador Olga Pellicer, director of the Institute of Diplomatic Studies “Matias Romero” in Mexico. Special thanks to Manuel Garcia y Griego from UC Irvine, Miles Kahler from IRPS/UCSD for their comments and advice for my work, and Julia Adame, Shelley Marquez, Florencia Quintanar and Steven Weingarten from CILAS/UCSD for their support.

## **Introduction.**

The issue of global trade policies and international migration that has been constantly discussed within regional agreements such as the North American Free Trade Agreement (NAFTA) and the European Union (EU), is again a matter of concern for the Asian Pacific Economic Co-operation (APEC). This paper explores the possibility of a multilateral approach to such a topic, within the context of the Asia Pacific regional project.

In APEC, eighteen economies<sup>1</sup> are studying different forms of boosting the economic growth of the members through liberalisation and facilitation of trade and investment, and with different projects of economic and technical co-operation in various sectors.

While doing this, they are applying the principle of investment and capital flow to the less developed economies, as a way of creating new job opportunities that will eventually stop the emigration process. However, an important but often unrecognized fact is that globalization of the world economy unavoidably means not only a growing mobility of capital but also an important mobility of labor.

Prior research has shown that migration behaviour may result from a series of events and decisions, depending on the specific social or economic conditions of a named economy or region. Almost all the economies that conform APEC have a long tradition of mobility of their population due to wars, floods, and economic crisis or as part of settlement projects. This population have already generated social and economic links in the countries where they have established and could influence in the future trends and policies regarding the immigration of compatriots.

“Migration occurs because of demand-pull factors that draw migrants into industrial countries, supply-push factors that push them out of their own

---

<sup>1</sup> Within APEC the terminology when in reference to its members is “economies” responding to a request of the Peoples Republic of China, since Hong Kong and Taiwan are participating at an equal to equal level.

countries and intervening variables such as networks of friends and relatives already in industrial societies, who serve as anchor communities for newcomers. Although most of today's migration streams have their origins in the colonial or labor recruitment policies of industrial countries, it appears that government-approved demand-pull factors are waning importance in explaining current immigration levels, while supply-push and network factors are becoming more important. The fact that supply-push and network factors are not under the direct control of industrial country governments does much to explain these countries' sense that they have lost control over immigration."<sup>2</sup>

While APEC economies understand that freedom of movement is a basic human right and needs to be respected, they also know that if governments do not promote some kind of equality in the development process, they will have to face the fact that people will very likely search for better opportunities elsewhere (R. Iredale, 1996).

Indeed, the task ahead is very complex if the issue is to be seriously discussed within this regional approach. Although the APEC economies have given certain attention to these social issues within their agenda, they should not wait for the results of their major project of economic development, as a *panacea* to give remedy to other problems.

If the APEC project has any success, the results will appear in the medium to long term, and many of the causes of the migrant labor flow are exactly the ones provoked by the process of integration of small economies into the competition of large trans-national capitals. The situation needs to be resolved today in order to prevent future conflicts.

When referring to migrant labor in the Asia Pacific region, we are dealing with a moving population that amounts to nearly the population of Japan<sup>3</sup> within a region where there are still serious political and security conflicts (which will be mentioned later) that need to be solved.

Although migrant labour has not been included as a priority subject in the agenda of multilateral conversations within APEC, in the past year a new interest in the matter has appeared within the community. In the 1996 Manila Meetings<sup>4</sup> the subject was included in the Ministerial Declaration and some important changes resulted. APEC seems to be reorienting the discussions from a debate highly centred on free trade and investment to a more structural approach that deals with capital (national savings and international flow

---

<sup>2</sup> Martin, P. L. "The United States: Benign Neglect" in Controlling Immigration: a global perspective. Cornelius, W. , Martin, P. & Hollifield, J. Stanford University Press, Stanford, California. 1994 p. 89

<sup>3</sup> Almost 1% of the total population of the region is currently working (or dependent) in a different country from their country of origin.

<sup>4</sup> The Presidency of APEC is held by each member economy during one year which is responsible of hosting the major meetings of the Forum: which includes meetings of the senior officials, the Ministers of Foreign Affairs, Commerce and the Economic Leaders or Chiefs of State. The major meetings of the Working Groups, ministerial and regular ones are usually held in the countries that offer to host. In 1996 the Presidency was held by The Philippines and in 1997 will be held in Canada.

of capital), technology and sustainable development. APEC seems to be giving new value to the work-capital-technology and sustainable development circle, as a whole.

The timing seemed right. The Individual Action Agendas concerning trade and liberalisation steps towards the 2010/2020 deadline were presented by each economy, and specific actions had to be announced in the area of technical and economic cooperation. APEC had to give a more social face to the whole process since it claims to be “the centre of gravity of a global economy”.

In this paper I will use some figures concerning the flows of labor migration and patterns of mobility of workers in the Region to give a general outlook of the current situation. Also, the review of various documents of APEC will help to outline what has been done on the subject and the proposed projects to deal with it. I will also describe the various attempts in other regional projects for a bilateral or multilateral approach to migrant labour, and will ponder the possible difficulties that APEC might confront in approaching the subject. Finally I will review the possible benefits that might ensure dealing with the issue under the frame of the Asia Pacific Economic Cooperation project.

This broad overview of the size of the migrant labour phenomenon amongst the economies of APEC will support the argument of this paper: despite the conflicting character of the issue, facing reality today will prove beneficial in the future.

### **APEC, an immense transpacific trade area.**

With only eight years of existence, APEC has become an important regional project for the promotion of free trade and economic co-operation. It includes the world's fastest growing economies (Singapore, Hong Kong, Taiwan [Chinese Taipei in APEC terminology in response to a request of P.R. of China] and Korea); features the world's two largest economies Japan and the United States of America); and accounts for over half the world's GDP.<sup>5</sup> APEC also brings together economies whose population numbers go from the largest of the world, People's Republic of China with a population in 1995 of 1211.21 million people (1.2 billion) to one of the smallest, Brunei Darussalam with a population in the same year of 300,000 people.

Amongst APEC economies, unemployment rates as a percentage of the labor force range from 1.79% in Taiwan to 9.5% in Canada and the Philippines,<sup>6</sup> and “[it] comprises the

---

<sup>5</sup> APEC Economic Committee, *1995 Report on the APEC Regional Economy: Performance, Structure, Outlook and Challenges*. Singapore, APEC Secretariat. P.3

<sup>6</sup> The numbers for unemployment rates were taken from the APEC Economic Outlook prepared by the Economic Committee in 1996, however non official figures concerning unemployment rate for Mexico give a percentage as high as 18%.

highest income economies [in the world], and those which are at early stages of development”.<sup>7</sup>

As seen in the table bellow, this regional project gathers high income category economies, upper-middle income category economies, lower income category economies and even one low income category economy (the P.R. of China).

APEC Economies: some indicators.

	Population mid-1993 (millions)	GNP per Capita, 1993 (US\$)	Average annual growth in GNP 1980-93 (%)	Adult illiteracy 1990 (%)	Labour Force 1993 (millions)	Labour Force growth 1980-93 (%)
Australia	17.6	17,500	1.6	<5	8	1.6
Brunei	0.274	a	--	--	--	--
Canada	28.8	19,970	1.4	<5	14	1.1
Chile	13.8	3,170	3.6	7	5	2.2
China	1,178.4	490b	8.2	27	707	2.0
Hong Kong	5.8	18,060	5.4	--	3	1.9
Indonesia	187.2	740	4.2	23	76	2.3
Japan	124.5	31,490	3.4	<5	63	0.8
Korea	44.1	7,660	8.2	<5	20	2.3
Malaysia	19.0	3,140	3.5	22	8	2.8
Mexico	90.0	3,610	-0.5	13	33	3.1
New Zealand	3.5	12,600	0.7	<5	2	1.7
Papua New G.	4.1	1,130	0.6	48	2	1.5
Philippine	64.8	850	-0.6	10	24	2.5
Singapore	2.8	19,850	6.1	<5	1	1.3
Chinese T	20.7c	7,954c	7.1c	7c	8.9c	--
Thailand	58.1	2,110	6.4	7	31	2.1
United States	257.8	24,740	1.7	<5	125	1.0

Source: World Bank 1995.

- a. Estimated to be high income (around US\$8,626)
- b. Preliminary estimate
- c. For 1992/PECC, HRD Outlook 1994-1995.

In this magnitude, heterogeneous scenario, labor mobility covers all existing patterns and types that are usually analysed by specialists. The three major labor importers in the world are members of the Forum: Australia, Canada and the United States. The two largest exporters of migrant labor in the world, Mexico and the Philippines; nations that

<sup>7</sup>“In 1995, the GDP of the APEC economies totalled about \$13 trillion, implying that the APEC economies accounted for close to 55% of the world income...” “Perspectives of the Manila Action Plan of APEC”. PECC/PIDS/The Asian Foundation. Second edition. December 1996

import labor, others that import and export labor<sup>8</sup>, and others, like Japan and the Republic of Korea that have shifted from being exporters to become importers of labor<sup>9</sup>.

The geographic magnitude of APEC is proportional to the size of its problems and tasks ahead. The economic leaders of APEC<sup>10</sup> use in their common declarations terms like: “the need to build a community” or the need to “show the world that the APEC process is worthy of great credibility...”<sup>11</sup>. However, the task is greater than trying to implement an economic theory that might or might not work, it is also examining highly political subject directly related to specific problems of the anticipated community. The credibility can be achieved not only by succeeding in the liberalisation project but also by allowing more social issues to be resolved.

### **General outlook of migrant flows in the economies of APEC.<sup>12</sup>**

Despite the difficulties of obtaining accurate data from the region, there are various attempts to clarify the situation of overseas workers and evaluate the conditions in the zone.

The circumstances that influenced the various patterns of migration in the zone vary as much as the extension of the geographical area that it comprises, however, there is a constant variable that is common in all member economies, and that is a drastic economic transformation in the last ten years.

Whatever the results, the majority of the members within APEC have gone through a major change in their economies. Some have ended up with a mismatch of labor demand and labor supply, or their per capita income is now much higher than that of its neighbors, and therefore attractive for migrant labor. Others have shifted from consumer goods exporters of consumer goods to exporters manufactured goods with a sudden demand for labor. Still others have not been able to keep up with the fast pace of

---

<sup>8</sup>Mexico apart of being one of the major exporters also imports labour from the southern neighbouring countries.

<sup>9</sup>Although Japan and Korea are now considered net importers of labour, currently both countries, as other important economies in the region, are exporting highly skilled labour as managers or high level technicians working for Japanese or Korean companies abroad. An argument may arise in the sense that these workers may or may not be considered as migrant labourers since they are working for capitals of their own countries, however, we have to consider that their participation is closing the possibilities for nationals of the hosting countries to work at those levels.

<sup>10</sup> The term “economic leaders” is used when referring to Presidents or Prime Ministers, for the same reason that the term economies and not countries is used. The decision was taken in response to a request of the Peoples Republic of China not to use those terms since Hong Kong and Taiwan are sitting to talk at the same table with them.

<sup>11</sup> *APEC Ministerial Meeting Joint Statement*. Manila, The Philippines. November 22-23, 1996.

<sup>12</sup> This section relies extensively based on ILO data. Rashid Amjad. *International Labour Migration and its Implications in the APEC Region*. Paper presented at the Regional Conference of the APEC Study Centres Network in May 1996. Cornelius, Martin and Hollified.Ed.. *Controlling Immigration: A Global Perspective* Martin, Mason and Tsay. Ed. “Labour Migration in Asia.” in *Asean Economic Bulletin* Vol. 12 Number 2 November 1995 and *Asia Club Papers No. 3* of the Tokyo Club Foundation for Global Studies. April 1992.

economic growth of their neighbors, and the disparities of income levels in comparison with the more developed have increased their character as providers of labor.

In all these procedures of transformation of the economies labor mobility has played a major role and it is likely to continue doing so while other forms of sub-regional integration emerge such as the known growth triangles<sup>13</sup>. In the last decade there has been an important increase of foreign labor force arriving to economies that did not have the tradition of hiring foreign workers. For example, by 1984 Japan had around 841,000 foreign workers and by 1993, these amounted to 1,320,000; Korea had none registered foreign labor in 1980 and by 1992 it had 66,000, the same as Chinese Taipei that had no registered foreign workers in 1980 and 247,000 by 1994.

Apart from the economic factors, state policies also exert influence in the volume, direction and consequences of migration. Each economy deals with the phenomenon individually. Government policies and attitudes vary and this gives a special characteristic to each case. Permissive, ambivalent, not compromising, or restrictive policies towards migrant labour depend on the needs in terms of production in each economy or the pressure of a certain social grouping within it. As a whole, economies can be classified in three main groupings: the importers, the importers-exporters and the exporters.

Amongst the importers are the three largest labor importers in the world, Australia, Canada and the United States, in addition to New Zealand, Japan, Republic of Korea, Taiwan (Chinese Taipei), Singapore and Hong Kong. Classified as importers-exporters are Malaysia, Mexico and Thailand; and the exporters are: Indonesia, Philippines, Papua New Guinea and the People's Republic of China. The cases of Brunei Darussalam, and Chile can not be strictly framed in any of these general groupings. Chile is currently receiving a reduced number in foreign labor mostly from neighbouring countries in South America and, although Brunei imports labor, the amount does not represent a significant problem for its economy or relationship with its neighbors.

Labor migration has different features within the zone. That between the economies in the American Continent, the one between Asian economies, and the exchange crossing the Pacific Ocean. The one that occurs in the American Continent is characterised by a constant flow towards the United States, and although some U.S. citizens choose other countries in the Continent as a place to work, the number is minor.

With respect to the flows among Asian economies, worker migration develops in three major forms: between South East Asian and Industrial East Asian economies; between South East Asian economies; and between the economies of the North of Asia.

---

<sup>13</sup> This new forms of economic regionalism play part in a push-pull factor of labour mobility. The great success of the first of these triangles (Singapore-Johore-Riau triangle centred on Batam Island near Singapore) has proved attractive to other similar projects in the region.

While reliable estimates are difficult to establish, ILO (International Labour Organisation) estimates of non-nationals in 1990 in both main regions that conform to APEC give us a total of 19 to 25 million people, that is 15 to 17 million in North America and 4 to 7 million in South, South East and East Asia.

When referring to the major destinations within the area:

- 45% of the migrants that the United States received between 1981-1990 were from APEC economies;
- During 1980-1989 about 1.26 million immigrants landed in Canada of whom about 41% were from countries in the Asia-Pacific region;
- In 1991-92 of the 107,391 arrivals to Australia, 33% were from APEC economies;
- Between 1987 and 1992 about 34,000 people from P.R. China, Hong Kong, Malaysia, Singapore and Taiwan gained permanent residence status in New Zealand.

Intra-Asian movement reaches the following numbers:

- There were 1.32 million foreign workers in Japan in 1993, that accounted for 1.5% of the workforce;
- In 1994 Hong Kong estimated stock of foreign workers at 220,000 or 7.3% percent of the workforce;
- In the Republic of Korea there were around 150,000 legal, illegal and trainee workers that accounted for less than 1% of its workforce (12 million);
- In Chinese Taipei, there were about 220,000 mostly legal workers, about 2% of the country's labour force;
- In Singapore there were in 1995 about 250,000 foreign workers, around 18% of the workforce;
- In 1994 Malaysia had 1.1 million foreign workers or about 15.5% of the workforce/ at the same time there were 250,000 Malaysians working abroad;<sup>14</sup>
- Thailand has around 500,000 workers employed abroad and around the same figure of foreign workers within its territory;
- The estimate stock of Filipino workers abroad is around 4.2 million in 1995, of which permanent migrants are estimated at 2 million, circulatory stocks in the range of 1.5 to 2.1 million and the rest are illegal migrants;
- In 1992 official labour outflows from Indonesia were 166,244, however a significant number leave unofficially, mainly towards Malaysia;
- The attempts to estimate illegal migration from P.R. of China have claimed that it reached between 100,000 to 200,000 per year, apart from the Chinese in training programmes or foreign contracts, and students that do not return to the homeland after completing their studies (between 1978 and 1989 only 40% returned home);<sup>15</sup>

---

<sup>14</sup> "Malaysia's builders employ some 75,000 foreigners, an astounding 80% of all construction labour..." Hiebert, M. et al "Give and take" *Far Eastern Economic Review*. May 25<sup>th</sup> 1995. P.54-56

<sup>15</sup> Between 1987 and 1994, 120,00 Chinese students and scholars left China. It is interesting to note that since Shanghai's April 1993 decree that would "roll out the red carpet to Chinese students who came home to open their own businesses", about 100 to 200 foreign educated Chinese have returned. Rubin, K. "Homeward Bound" in *FEER*. May 18, 1995. P.74

- In Brunei Darussalam 45,000 are temporary or other residents employed by establishments in the public and private sector (figures of 1991);
- Of the 716,000 new immigrants the United States of America received in 1995, 89,932 were of Mexican origin, and out of the 5 million illegal resident population in the U.S., 54% is of Mexican origin.

In terms of illegal immigration, although numbers are difficult to come by for obvious reasons, there are staggering figures for 1992 that are interesting to mention: Singapore has around 200,000 to 300,000 undocumented workers from Malaysia, India, China, the Philippines, Sri Lanka and Thailand. In the Malaysian Peninsula alone, nearly 470,000 illegal immigrants declared themselves during an amnesty that ended in summer 1992. Thailand is home of 200,000 illegal workers. The Republic of Korea registered around 46,000 illegal immigrants, while Chinese Taipei had within its borders some 60,000 and Japan 280,000.<sup>16</sup> Finally, out of the 5 million illegal resident population in the United States, 54% is of Mexican origin.

In general, the dominant pattern of these migratory flows is that of individuals looking for better jobs opportunities for a better lifestyle in another country. These migrations can be permanent or temporary. As was noted at the beginning, this is a result of wealth and income distribution disparities and the divergent rates of growth and opportunities of employment.

In the Asia Pacific Region the contrast appears between countries with high living standards and small rates of reproduction and even aging populations, and economically depressed countries with constantly growing large populations. Under these circumstances, the demand-pull/supply-push factors respond to the need of economic pressures. These pressures can be illustrated using the annual labor supply and demand projections for Selected Pacific Rim countries prepared by the Pacific Economic Co-operation Council (PECC) (G. Withers, 1994).

Projected growth in labour demand and supply in selected Pacific Rim economies, 1994-1995

Country	Labour force (million) 1993	Labour demand growth (percentages)		Annual labour supply growth	Excess supply growth (percentages)	
		1994	1995		1994	1995
Australia	8.6	1.1	1.0	1.2	0.1	0.2
Canada	14.0	1.1	0.6	0.7	-0.4	0.1
China	695.9	1.1	1.3	1.8	0.7	0.5
Taiwan	8.9	2.7	2.8	2.3	-0.4	-0.5
Hong Kong	2.9	1.5	1.6	1.3	-0.2	-0.3

<sup>16</sup> Prasai, S. "Asia's Labour Pains." *FEER*. April 29, 1993. P. 23

Indonesia	78.1		2.1	2.4		3.0		0.9	0.6
Japan	66.0		0.1	0.2		0.3		0.2	0.3
Korea, Rep.	30.2		0.3	0.4		1.8		1.5	1.4
Malaysia	7.6		3.1	3.3		2.8		-0.3	-0.5
New Zealand	1.6		0.8	0.6		0.6		-0.2	0.0
Philippines	24.8		2.2	2.3		2.4		0.2	0.1
Singapore	1.6		2.7	2.8		1.6		-1.1	-1.2
Thailand	33.0		3.8	4.0		1.8		-2.0	-2.2
United States	128.5		0.8	1.0		1.1		0.3	0.1

Source: PECC (1994).

### Various governmental policies to regulate labor mobility.

Although the scope of this paper is not broad enough to approach all experiences in relation to the application of policies in this respect, I have selected certain cases to give a general picture of the differences in attitude of each government that may be illustrative.

First, Japan and two of the new industrialised economies (NIE's) –Korea and Chinese Taipei- that are learning to cope with surplus of labor; then, the Philippines for its open acceptance about the importance of remittances for its economy. The U.S. example for the size of the immigrant population it has to deal with and Canada, for its open acceptance of its need of foreign labor.

The case of Japan as for the rest of the NIE's is confronting a completely new event in its economy, foreign labor, an issue never considered before. The government attitude in general is based under the understanding that foreign workers are not to be accepted on a permanent basis. Japan defined its current immigration problem in terms of visa overstayers –foreigners who were legally admitted to Japan on short-term visas but who never returned home. "...Three fundamental tenets can be identified as the basis for Japan's current immigration policy: admitting foreign workers, on whatever basis, should be a last resort...no unskilled workers (what the Japanese call "simple labor") should be admitted...all foreigners should be admitted on a temporary basis only..."<sup>17</sup>. To regulate immigration flows, Japan has adopted two major policy instruments: restrictive visa issuance and employer sanctions.

Despite the above mentioned attitude, Japan has developed a "guestworker" or temporary worker programme, with which foreign workers are allowed to work as trainees earning half the salary of a Japanese worker. This programme is developed more as a special favor to the sending countries since Japan denies its needs of foreign labor.

<sup>17</sup> Cornelius, W. "Japan: The Illusion of Immigrant Control" in *Controlling Immigration: A Global Perspective*. P. 386-387.

The Republic of Korea on the other hand, experienced one of the fastest transitions from a labor exporter to a labor importer economy. In 1982, 200,000 Koreans emigrated to the United States and the Middle East, and in 1992 Korea received 100,000 legal and illegal workers<sup>18</sup>

Korea, as well as Japan, is restrictive in accepting foreign workers. Both countries have developed training programmes that allow them to hire workers to whom they only pay half the salary of a national, accept to engage in the “3D’s” (dirty, dangerous and demanding) kind of jobs and are under temporary work permits. Small and medium enterprises prefer to hire trainees than having to pay the high costs of automation.

No matter what hardships these migrant laborers have to experience, anything seems more promising than to remain in their own countries without a choice for a better lifestyle. It is very probable that the inflow of trainee-workers will continue as long as the income differences amongst neighboring countries persist. Just to have an idea, nowadays the income of an Indonesian worker is 1/20 of that of a Korean. Using Japan as a reference point of 100.0 ratio of GNP per capita, Abella offers some other numbers for 1991: 1.4 for China, 2.3 for Indonesia, 9.4 for Malaysia, 2.7 for the Philippines and 6.1 for Thailand (Abella, 1995).

Chinese Taipei efforts to control and regulate the entry of workers within its boundaries have increased. Work permits are given for only 1 to 3 years with possible extensions; there are only specific sectors such as construction, manufacturing or personal service where foreign worker can apply for a job. The Government yields from the program by forcing each worker to save 30% of its salary that the Government itself puts aside in a savings account and hand in to the worker upon his/her arrival back to his/her own country of origin.

“In the last ten years younger Taiwanese have become less interested in manufacturing and construction jobs and have moved to service-sector work...Initially only companies involved in major public-work projects were authorised to hire contract workers and Taiwan’s Council of Labour Affairs set a national quota at 15,000. Today the government has authorised 270,000 contract laborers to work on the island. Of that number, 160,000 are currently employed, one quarter of them in the construction industry.”<sup>19</sup>

However, despite all efforts of regulation, still in 1992 the number of workers without special permits were equal to 10% or more from the ones working legally.

In Singapore one out of five workers is a foreigner. The Government’s attitude towards foreign labor is completely different from the rest of the economies of the region. It is open but selective. The immigration of professional workers is totally accepted and the

---

<sup>18</sup> Minimum wage in dollars per day in 1995 for the Philippines was 5.2, Thailand 4.5, Malaysia 2.9, Indonesia 1.8, China 1.2 and Vietnam 0.9. *Far Eastern Economic Review*, June 8, 1995. P. 57

<sup>19</sup> Baum, J. “Toil and trouble” in *Far Eastern Economic Review*. May 25, 1995. P.56

workers are given certain incentives to stay. Less skilled workers are received under temporary basis and considered as economic buffers that can be hired or expelled when necessary. The current trend is to select immigrants carefully in order to maintain economic prosperity and social stability.

In the case of the Philippines, the Government supports organizations that promote migrant labor. The incapacity of the economy to give more jobs to its population and the amount of Filipino workers abroad have forced a situation of having to administer the migration of laborers. Under these circumstances, the Government has signed a series of bilateral agreements with the countries where there are Filipino workers work, in order to improve their living and working conditions. The government has also established mechanisms to keep certain percentage of the remittances that migrant workers send back to their families in the Philippines, since it has become the major source of foreign currency. The Philippine Government has openly declared that labor migration is very important for the development of its economy and can not refrain it for the time being.

According to some indicators that appeared in the Far Eastern Economic Review of February 2, 1995, the annual foreign aid receipts for that year were \$0.8 billion dollars in contrast with remittances from the Filipino overseas workers received that were \$2.0 billion dollars.<sup>20</sup>

Of the Region's major destinations for migrant labor, the United States and Canada need special mention. The U.S. has developed in the last decade two important instruments in order to deal with immigration. First, in 1986 the U.S. Congress enacted the Immigrant Reform and Control Act to deal with illegal immigrants (legalizing the status of those that had arrived before 1982, applying sanctions to employers of illegal workers and conforming a special legalization for certain undocumented workers as part of the special Agricultural Workers program). Then, after addressing if not solving the problem, the Immigration Act of 1990 was created, responding to the undeniable requirement of foreign labor that can respond to the transformation of the economy and to the decline of fertility rates.<sup>21</sup>

The new law expands the proportion of employment based visas according to a new preference system that classifies people with "extraordinary ability", "exceptional ability" "other workers" and "special immigrants" (religious workers, those with foreign medical degrees, U.S. government employees, etc.) (K. Calavita, 1994).

Despite all efforts, the United States continues to be the major destination of foreign workers and foreign settlers. By 1990, the same year of the unveiling of the new Immigration Act, the U.S. received 1 million 537 thousand immigrants. The admission

---

<sup>20</sup> The same source gives the comparison in the case of Thailand. In 1995 that country received \$0.6 billion dollars of aid in contrast with the \$1.3 billion dollars of remittances.

<sup>21</sup> "...immigration now accounts for a substantial portion (approximately 30 percent) of population growth in the United States, as well as providing over 33 percent of new work force entrants." Calavita, K. "U.S. Immigration and Policy Responses: The Limits of Legislation." in *Controlling Immigration: A Global Perspective*. Cornelius et al. p. 74

trend has continued in about 850,000 immigrants annually (for family reunion, economic and working interests or as refugees) and an estimated gross 2 million illegal entries each year.

Canada deserves special mention for its comfortable immigration policy that responds mainly to the importance that the country gives to immigrants as a part to its development strategy. Responding to this interest, a new recruiting policy of highly skilled workers has been enacted. Canada has recently unveiled a 10-year plan that adjusts the numbers of immigrants depending on their status: family class, economic class or refugees. Priority will be given to the economic class because of the significant capital that immigrants bring with themselves and the skills that will help them to adapt in a rapidly changing economy. “In 1993, there were 8,326 business immigrants, of these, 6,448 immigrants [arrived to Canada] from Asia and the Pacific countries, with Hong Kong, Chinese Taipei and South Korea being the top three sources...”<sup>22</sup>

The changes in Canada’s Immigration Act give new emphasis on skilled labor. There is a recruitment campaign to attract desirable immigrants and much of the promotion is being conducted in Asia, amongst other regions, giving special emphasis to high technology specialists.

Despite the wide variety of attitudes towards the same phenomenon, with a predominance to tighten entry restrictions and monitoring illegal immigrants, it seems as difficult as it has always been<sup>23</sup> to effectively regulate the flows of migrant workers and the employment of those working illegally. There are key sectors of the industrialized economies that still demand foreign labor for its attractive feature of being cost efficient, in total disposition to work and easily disposable. “The structure and composition of labour force needs are clearly economic in nature, but they have profound political implications. Furthermore, tension often exists between the true needs of the economic structure at a given point in time, and the political ability or willingness to recognize those needs.”<sup>24</sup>

Credibility of the APEC project will not only rely in economic success. The further the negotiations go the greater will be the need to include certain general standards and workers rights. APEC members will need to establish some basic rules to be followed, such as being certain that all member economies adopt policies in line to the International Labour Organisation (ILO). Policies such as Conventions 97 and 143 that provide for equal treatment of migrant workers vis-à-vis national workers, multilateral action for the management of economic migrants, and the need to stop trafficking with human labor.

---

<sup>22</sup> Booth, P. “The Economic Situation in Canada and its impact on Employment” in *Papers on Human Resource Development/Labour Market Issues*. HRD Outlook, 1995-1996. Pacific Economic Cooperation Council.

<sup>23</sup> Or even harder if we take into consideration the many facilities given nowadays to migrant laborers in terms of transportation, labour brokerage networks, family reunification programs and economic gains.

<sup>24</sup> Calavita, K. “U.S. Immigration and Policy Responses” in *Controlling Immigration...* Cornelius et al.

## What has been done in APEC?

As above described figures show, not confronting this sensitive issue could save possible frictions within the community in process. After all, there are other attempts of regional economic integration that seem to be doing well with weak approaches to such a difficult topic. However, some reports related to future trends of population growth and possible implications towards the labour markets raised concern among decision makers in APEC economies.

Words of concern had been raised previously. In 1993 Glenn Withers, director of the Economic Planning Advisory Council in Canberra, Australia, suggested that migration should be on the APEC agenda, and even proposed the creation of a separate instrument from the International Organisation for Migration (IOM) specific to the region, that could be known as Asia-Pacific Migration Council or Committee. He was informed that by that time doing so was premature and the region was not ready for significant steps on migration. (Withers, 1994).

One year later, in April 1994, the first Regional Consultations on Illegal Migration were held in Canberra with the participation of seventeen countries from the Asia-Pacific region plus the United Nations High Commissioner for Refugees and the IOM. The Australian government hosted the meetings and consultations. The main purpose was to increase the level of understanding and knowledge amongst the participants.

Later on, another regional effort was the Pacific Economic Co-operation Council (PECC)<sup>25</sup> proposal to organize in June 1995, as part of the works of the Human Resource Development (HRD) Task Force, a meeting in Chinese Taipei. During the meeting, each economy identified some labour market issues and their implications for labor markets and manpower planning and training. With the resulting papers, the Task Force identified some common features and stated: “all are experiencing difficulties associated with temporary immigration and with the development of immigration policies”<sup>26</sup>

Although PECC is an independent institution from APEC, it has been included in APEC meetings as an observer and its proposals are usually taken into consideration. On the concluding remarks of the HRD Task Force meeting, there was an acknowledgement of the “significant levels of international migration of both high and low-level man power”.

---

<sup>25</sup>PECC is a tripartite, non-governmental organization committed to promoting economic cooperation in the Pacific Rim. It comprises representatives from 22 Asia-Pacific economies who meet regularly to work on practical government and business policy issues to increase trade, investment and economic development in the region. It is the only organization in the region that brings business, government and researchers together on an equal footing to address key trade and investment issues. Its members are: the 18 members of APEC, Australia, Brunei Darussalam, Canada, Chile, P. R. China, Hong Kong, Indonesia, Japan, Rep. Of Korea, Malaysia, New Zealand, Mexico, Philippines, Singapore, Chinese Taipei, Thailand and the United States; plus Colombia, Pacific Island Nations, the Russian Federation and Vietnam. *About PECC*. <http://www.pecc.net>

<sup>26</sup> “Human Resources Development Outlook 1995-1996”. Fourth Meeting PECC-HRD Task Force, Chinese Taipei, June 1995.

The fact that most of low skilled workers are illegal residents of their host country, exposes them to abuse and exploitation.

The PECC/HRD Task Force meeting concluded that the driving force of this regional labor flow is the labor shortage in the receiving economies and therefore it is “imperative that policy-makers in the labour countries find the political will to confront this reality and [...] introduce policies and bilateral co-operation with sending countries in order to provide basic labor rights for these migrant workers.”<sup>27</sup>

The Human Resource Development Working Group of APEC also approached in some way the subject within the frame of its responsibilities. The HRD acknowledged the need for assistance and training programmes and better qualifications for the population of member economies and was presented as part of a work plan of Programme 21 during the Osaka meetings in November 1995, as part of the Osaka Action Agenda.

Also, ASEAN labour ministers took an encouraging step by meeting in Singapore at the end of April 1996. At that time the ministers agreed on multilateral talks on labour standards and regulations.

Another approach to the subject came from the APEC Study Centres Network Meeting held in Manila May 1996. During this meeting Rashid Amjad, Director of International Labour Organisation’s (ILO) South East Asia and the Pacific Multidisciplinary Advisory Team, was invited to present a paper on International Labour Migration and Its Implications in the APEC Region. In this paper, using ILO’s data, Amjad gave a general overview of the movement of workers within the region, and pointed out the need to take migrant labor into consideration for the APEC project to be successful.

The need of approaching the subject did not come from within APEC itself, however PECC concluding remarks, and the analysis within the Study Centres Network did find echo within APEC high officials.

The subject was finally approached by APEC in 1996. Although the attempts are mainly related to the process of qualification of labor there is an explicit consent that the whole process of trade and investment liberalisation and facilitation (TILF) has an enormous impact on labor and needs to be taken care of.

During the Osaka Summit (November 1995), the Economic Leaders proposed an Initiative on the “Impact of Expanding Population and Economic Growth on Food, Energy, Environment in APEC” better known as FEED. By referring to population problems the door was opened to deal with labour force, labour markets and migrant labour.

---

<sup>27</sup> “Human Resources Development Outlook 1995-1996” p.10

The Chair of the Economic Committee, in charge of developing the research on the FEEP, prepared a discussion paper with a framework in which to address the issues and posed a number of specific questions as preliminary ground for research. After using the UN's projections of world population in a medium case scenario, the report underlines that by the year 2050 the population in APEC economies would reach just under 3 billion people, an increase of 36% from the level in 1996. Then, with these numbers in mind posed questions like:

What are the implications of population distribution between rural and urban settings for labour force growth, land available for cultivation and distributions of infrastructure requirements?

What will be the growth in the working age population (as opposed to total population), the evolution of labour force participation rates, and growth in human capital through improvements in education and training?

Given the scope for substitution of labour and capital, what are the implications of long-run trends for employment, productivity and income distribution?

This preliminary research and the questions raised by it started certain pressure on the level of importance this issues have while planning a medium to long term programme of development in the region.

APEC Senior Officials requested to the Economic Committee at their meeting in Manila on February 1996 to prepare "an integrated, policy-oriented overview of APEC activities addressing structural issues that could influence the prospects for sustainable growth and equitable development in the APEC region over the medium and long term".<sup>28</sup>

Before looking at this report's analysis on migrant labour, it is important to point out that the economic and technical co-operation was considered since the beginning of the APEC programme as one of the three pillars that sustain its objectives (the others being liberalisation and facilitation of trade and investment). But it was not until the Osaka Ministerial and Summit that its goals were established: "to support sustainable growth and equitable development in the Asia Pacific Region while reducing economic disparities among APEC economies and improving economic and social well-being"<sup>29</sup>

With this document and Manila's Ministerial and Economic Leaders' Declarations, APEC recognises that there are structural issues that if not addressed could reduce or limit the project as a whole. However the way migrant labour is considered treats only part of the phenomenon.

The document of the Economic Committee reports that "to sustain the contribution of labour to growth in the Region will require increasing labour force participation, improving the efficiency of labour markets, and sustaining growth in human capital through schooling and job-related training."<sup>30</sup>

---

<sup>28</sup> The State of Economic and Technical Co-operation in APEC. Economic Committee. November 1996.

<sup>29</sup> *Osaka Action Agenda*. APEC. November 1995.

<sup>30</sup> *The State of Economic and Technical Co-operation*. APEC Economic Committee P.4-5

In order to fulfil these objectives the report describes challenges that range from full participation in the market labour force by the whole population (women, older workers – especially for those ageing countries- and integration of young people) to dealing with the erosion of economic opportunity for the low skilled, and “...skills shortages emerging in the fastest growing economies in the region to prevent capacity bottlenecks and to contain inflationary pressures, in part by facilitating inter-economy movement of labour.”<sup>31</sup>

To address these issues APEC has developed a broad programme of economic and technical co-operation activities related to in the Economic Committee’s Report such as: “efforts to improve labour market information; education and training activities, in particular lifelong learning policies and practices, and use of technologies in education; business and public sector management training, and efforts to promote international mobility, particularly of professionals.”<sup>32</sup>

In the specific issue of labour migration, the Committee proposes future projects, such as:

- A study of intra-regional migration in APEC;
- A study of to study temporary labour migration as part of a project on Forecasting and Strengthening the APEC labour market and some other projects related to professional qualifications done by the Human Resources Working Group;
- The Transportation WG to survey the licensing requirements of aviation workers in order to establish better conformance with ICAO standards;
- Continued work on the collective action plan on business mobility done by the Trade and Investment Committee;
- And the creation of the APEC Centre for Technology Exchange and Training of Small and Medium Enterprises.

With these proposals APEC is transcending its original goals and even migrant labour is already included in the agenda. However, the main feature of these proposals is the fact that they suggest various activities directed primarily towards the creation of the necessary conditions to keep workers in their country of origin. Mobility of workers is only considered as a response to the needs of the market. Nothing is said about the movement of workers that is currently going on in the zone and a possible way to approach to the phenomenon.

A word of alarm must be raised in the sense that “trade, more investment and increased aid may be desirable but they are not the magic bullet for resolving supply-push emigration in the 1990’s...it is more likely that the economic and social restructuring that

---

<sup>31</sup> *The State of Economic and Technical Co-operation ... P.6*

<sup>32</sup> *The State of Economic and Technical Co-operation ... P.7*

is often necessary to accelerate economic growth may initially increase supply push emigration. Development is the eventual remedy for supply-push emigration, but in the short term, [it] tends to cause a migration hump, or more, rather than less, pressure to emigrate”<sup>33</sup>

### **Other regional experiences in dealing with migrant labour.**

Looking at the way migrant labour is being dealt with in economic regional integration schemes like the European Union or the North American Free Trade Agreement can give us an interesting overview of the challenges ahead for APEC, even considering the uniqueness of each experience according to their own circumstances.

#### The European Union.

The situation in the European experience is not how to control internal labour mobility but how to control the inflow of abundant labour force from outside the Union’s boundaries without closing the possibility of employing guest workers when needed.

In this sense the European Union faces a serious dilemma. If the intended transformation of Eastern Europe fails and the African countries continue with their low performance of development, immigrants will be seen arriving on a large scale. Therefore, for the E.U. to include labour mobility in their regional project can only be considered if their external barriers are strengthened. The proposed changes planned within the E.U. in the location and composition of production will require accompanying changes in employment. “Yet European workers have been notoriously hesitant to change occupations and to migrate between regions, even within European countries”<sup>34</sup>

The internal dimension of the Western European integration, the nine members of the Schengen group (the 12 EC members minus Britain, Ireland and Denmark) “are committed to dismantling all passport controls, although their transition to passport-free Europe has been delayed repeatedly. Mutual recognition of technical credentials, portability of pension rights and other measures to enhance intra-EC labour mobility are also in the process of implementation”<sup>35</sup>

---

<sup>33</sup> Martin, P. L. “The United States: Benign Neglect toward Immigration” in *Controlling Immigration: A Global Perspective*. Ed. By Wayne A. Cornelius, Philip L. Martin & James F. Hollifield. Stanford University Press. Stanford, California 1994. P. 89

<sup>34</sup> L. Ulman, B. Eichengreen and W. Dickens ed. *Labour and Integrated Europe*. The Brookings Institution. Washington, 1993. P.3

<sup>35</sup> \_ Mentioned by Barry Eichengreen. “Thinking about Migration: Notes on European Migration Pressures at the Dawn of the next Millennium”. *Centre for International and Development Economic Research. Working Paper No. C93-019*. July 1993. P.18

However, the negotiations amongst the member countries of the EU in this respect are plagued with discomfort in how restrictive immigration measures must be. Not all members exert tight border controls. The southern countries of Europe (Greece, Italy, Portugal and Spain) are characteristically labour importing countries therefore lacking a need for strict controls, as the northern Europeans would expect. On the other hand it is hardly feasible that a tight wall can be built to protect Western Europe from its neighbouring countries full of job seekers.

In order to fulfil the 'Single Market Programme' and the economic and monetary union envisaged by the EU for the next century, there would be a need to relocate the labour force. And, since western Europeans have no propensity to move easily, guest workers will be needed while implementing the labour market adjustment to the region's specific needs.

Under these circumstances the EU faces the same situation that is discussed in other projected economic integration regions. That is to expand aid, trade, and investment to the neighbouring East and South, in order to create the conditions for workers of those regions to stay at home while preparing the grounds for allocating guest workers as needed.

#### NAFTA (the case of the Parallel Agreement on Labour between Mexico and the U.S.)<sup>36</sup>

In the case of NAFTA the phenomenon is treated under different circumstances. Not only geographically or economically speaking, but because the terms of negotiation are not between nations in same levels of development but between an exporter and an importer of labour force.

As the enforcement of NAFTA was conditioned by some of its opponents in the U.S., to the inclusion of a parallel agreement on sustainable development and labour, the approach to these subjects received a different emphasis from the rest of the Agreement since including them was not the result of government decision or political will, but more as the result of a bargain.

Under these circumstances the fact that labour is included can be considered a gain. The agreement establishes mechanisms to discuss labour conflicts or problems in the bilateral relationship, assess labour conditions through consultations with groups of experts, and the resolution of controversies. For this purpose even a Commission for Labour was created.<sup>37</sup>

---

<sup>36</sup> This section mainly relies on information from the NAFTA Agreement. S. Anderson, J. Cavanagh and D. Ranney. *NAFTA's First Two Years: The myths and realities*. March 26, 1996. TLC Bulletin, S.R.E. Mexico.

<sup>37</sup> The effort is there: a Bi-National Study of 20 experts –10 Mexicans and 10 from the U.S.- will meet I July 1997 to exchange views and research concerning labour. A conference on child labour held under the auspices of the NAFTA Agreement was took place in San Diego on the 24<sup>th</sup>. And 25<sup>th</sup>. of February 1997.

Despite the polemic that arose in both countries with the establishment of this Parallel Agreement, it is in fact quite lax and ambiguous. It has no reference to migrant labour and it is limited to the surveillance of each country's legislation towards labour rights and the gains of the labour movement in the world. The basic argument behind the establishment of this Agreement was that Mexico was practising social dumping by paying low salaries to its workers and that meant an unfair bilateral trade game between the two countries. The paradigm here is that US standards for basic labour rights applied to Mexico are not applied to migrant workers within its own territory. When the Mexican Government proposed the issue of labour rights for migrant workers to be included in the Parallel Agreement on Labour, the petition was rejected.

The U.S. considers the issue as one to be dealt with unilaterally. There is too much at stake, the U.S. is the major recipient of immigrants and migrant labour in the world.

This bilateral experience will be useful when talking in APEC about the matter, since both countries are member economies. It would seem very difficult to expect the political stance of both countries to change in favour of a multilateral accord.

### **Possible difficulties and benefits of including migrant labour into the APEC discussions.**

Underlying any scheme of regional economic integration there are political and national security interests and some external circumstances that have to be considered. In this paper I will mention three of the major factors that could rebound in the short run concerning migrant labour in the Asia-Pacific zone.

1. Unemployment. The newly industrialised economies of Asia have no experience managing large ratios of unemployment. There is a need to prevent a negative reaction when confronting an ever increasing flow of labour in the coming years, by preparing a basic document of commitment for labour and human rights.

2. Future geopolitical trends in the zone:

- The return of HK to China could very likely become a key accelerating factor for labour mobility. Already many important businessmen and their families and capitals have fled the territory seeking for other places to live and conduct businesses (major destinations Canada and Australia). And what will happen with the 220,000 migrant workers that considered Hong Kong a place for seeking jobs? They must probably look elsewhere or might even risk entrance despite the new regime<sup>38</sup>

- The possible reunification of Korea. It does not seem possible for North Korea to continue in a state of isolation, in any case South Korea can be overwhelmed by extra

---

<sup>38</sup> China Market News reported that the eighty million strong workforce in state owned enterprises will be cut by 10% over the next five year. As part of a plan to reduce overstaffing, Beijing has allocated \$20 billion for severance pay for the 8 million workers who may be laid off." *FEER*. December 28, 1995 and January 4, 1996.

labour force coming from the North and the whole market would provide less jobs for outsiders.

3. Emigration from non-member economies. There will be a need to consider the consequences of the APEC economic integration programme in neighbouring non-members and the possible increase of emigration of workers from those countries towards a member economy.<sup>39</sup> In 1992 there were around 300,000 Indians working illegally in Singapore. Malaysia reported 100,000 Bangladeshi in 1995 and Taiwan agreed in that same year to allow some 2,000 Vietnamese workers in.<sup>40</sup>

#### The possible constraints of including labour migration:

Discussions on migrant labour are politically sensitive and lead to domestic issues such as the incompetence of some governments to provide work opportunities to the population of a country. Global economic restructuring has been a factor of unemployment, wage decline and job insecurity, and as a result international migration has become an arena of political conflict (Hamilton and Stoltz, *International Migration Quarterly* 1997).

Experience has proved that temporary migration, as a means of relieving economic stress is not easy to manage. The states that have exercised this policy have found it difficult to “close the immigrant tap” of workers;

The specific issue concerning the need of skilled labour of all economies of the Region will have to be discussed. What will be the parameters to regulate brain drain? Developing countries cannot afford to lose highly skilled workers and may experience a double edge to the training programmes under the Human Resource Development Working Group of APEC, when considering that professionals will be tempted to stay in countries where trained.<sup>41</sup>

---

<sup>39</sup> In the case of NAFTA the consequences in the Caribbean countries could be felt in less than two years. “In 1996, the Caribbean Textile and Apparel Institute estimates, Jamaica’s garment exports fell by 7%, with 7,000 jobs eliminated” The Institute estimates that “...123,000 jobs have been lost as a direct result of trade and investment diversion to Mexico”. Rother, L. “Impact of NAFTA pounds economies of the Caribbean”, *New York Times*, January 30, 1997.

<sup>40</sup> *FEER*. April 29, 1993 and August 10, 1995. *The Economist*, August 26, 1995.

<sup>41</sup> There is an open acknowledgement of the need of skilled workers all along the Region, a report on Canada’s position towards this respect gives a very clear picture... “Most provinces are sending representatives to the trade fairs and seminars where they work alongside federal officials trying to persuade potential business immigrants...Currently, a recruitment campaign is underway to attract desirable immigrants...According to officials in the federal business-immigration programme much of the promotion is being conducted in Asia...” Patricia L. Booth. *The Economic Situation in Canada and its impact on Employment*. HRD Outlook. Op. Cit. P.51 Also the U.S. “has taken steps to increase inflows of

As much as there has been will to include labour in the APEC Agenda, despite the difficulties that may arise in having to deal with social dumping in the Peoples Republic of China or labour discontent in the Republic of Korea, there are issues easier to manage such as the creation of new job opportunities through foreign direct investment (FDI) or the agreement on permits for civil aviation workers, that offer immediate results.

However, when dealing with migrant labour, the possibilities of achieving immediate results are dim and would not help to the gleam of political statements. This should not be a constraint. Even if the first attempts may look weak, even if the first subjects to be analysed might seem general, the possibility of reaching an agreement for these general issues could lay a ground of trust for future, more complicated aspects concerning migrant labour.

#### The possible benefits of dealing with migrant labour:

- To agree to some basic protections for migrant workers, besides the ones considered by the United Nations, considering the specific circumstances and experiences of the zone;
- To include the findings on migrant labour behaviour for their consideration within the working groups. By doing so the working groups will be able to recommend specific actions to deal with the phenomenon.<sup>42</sup>
- Exchange information and experiences among member economies;
- Look for new ways of dealing with such sensitive topic, propose a multilateral way of doing so;
- Establish the conditions for governmental conversations that could lead to a way of regulating migrant flows and controlling the continuous attempts of smuggling workers.<sup>43</sup>

---

foreigners with “extraordinary ability” without the need of pre-arranged employment or nomination by a U.S. employer.” Amjad. “International Labour Migration and its implications in the APEC Region” p.5

<sup>42</sup> In W. Cornelius’ Preliminary findings on *The Structural Embeddedness of demand for immigrant labor: new evidence from San Diego and Japan*. (Presentation to the Research Seminar of the Centre for U.S.-Mexican Studies, University of California, San Diego, January, 1997. P.5), the most likely to use foreign labour are overwhelmingly small businesses, therefore in this specific area, the group that deals with Small and Medium Enterprises (SME’s) could use the information about labour mobility in the area as a whole and even include it as a topic of discussion in their sector’s meetings).

<sup>43</sup> Here I am referring to cases like the Chinese nationals arriving through trade maritime vessels or the well organised smuggling groups and labour brokers in Mexico, the Philippines and other countries of the region.

## **Concluding remarks.**

“The international community confronts the urgent challenge of building a new world order”<sup>44</sup> and APEC is an attempt to respond to that challenge.

The reality of this “new world order” show that market forces are much more important than any political or social considerations. This principle must be kept in mind.

From this perspective, it can be said that the fact that the issue of labour and in a minor way migrant labour has been included in Manila’s Agenda, supports the argument of its importance making it impossible to ignore. In this case, as in NAFTA, having considered the issue in the Agenda is already a gain.

Yet, if migrant labour is to be included, the regional agenda requires a comprehensive approach to the topic. It is a regional phenomenon that should be addressed as such and it is advisable to achieve a regional strategy to face it.

Management of labour migration will present policymakers with very complex issues, therefore it is also advisable to develop a cautious strategy to approach the matter since it can be interwoven with sensitive domestic issues that could endanger the whole APEC process. Migration challenges national sovereignty and identity much more directly than do other international movements. (G. Whitters, 1994).

One possible way to deal with labour and migrant labour would be to include civil organisations, besides the governmental and the business oriented, in order to promote transnational alliances of civil groups with the same interests. Although this could be thought of as bringing some trouble<sup>45</sup>, in the long run it would prove beneficial to include them from the beginning of the policy making process in order to pre-empt any future differences.

Some experiences of countries within APEC can be taken into account in order to plan future ways to deal with the phenomenon. Study the Immigration Laws and the results of their applications. Revise bilateral agreements already signed between economies of the Region and assess their results. Study what can be done and what should be avoided in a Regional project.<sup>46</sup>

Aspects such as the process of hiring skilled workers should be considered. The Region is suffering of a shortage of skilled labour and as today skills are market defined, until local schools respond to the demand, countries will have to adjust their immigration and labour

---

<sup>44</sup> Shoji Nishijima. “Cooperation or Rivalry?” in *Regional Integration in the Americas and the Pacific Rim*. Nishijima and P.H.Smith Ed. Westview Press, Harper Collins Publishers Inc. 1996. P.268

<sup>45</sup> As a reaction to NAFTA Parallel Agreement on Labour various academic groupings and trade unions from the three countries have established contact amongst them in order to work together in related issues.

<sup>46</sup> Study examples like the Canadian Immigration Act reforms prepared in order to prepare for the “growing, unplanned, unpredictable and large scale movements of people” Booth, P. “The economic situation in Canada and its impact on employment” PECC-HRD, P. 53-58

policies to facilitate the immigration of the skilled workers needed.<sup>47</sup> Since work permits and visa requirements will tend to liberalise, it would be important to establish certain regulations to determine working periods for those skilled workers ready to migrate.

The question arises in the sense that it will be a difficult task to regulate the outflow of unskilled workers and also be completely flexible with emigration of the highly skilled. As in these cases normally the skilled workers move towards the industrialised economies, brain drain would only have a negative effect on the home country.

If APEC is to achieve its goal of a free and fair trade within the Region, labour market conditions have to be fair also. Sooner or later matters like labour standards, working conditions, and women and children exploitation, will come up to the table of conversations.

The world is going through a process of dismantling a previous order of things and coming up with a new global order. In the future, the big actors that will bring up changes will be not only the governments but also and most important, the big corporations and economic agencies. Again, in this new process, workers run the risk of not being involved. The proposal here is to include them in the early stages of policy making so that they feel part of the whole process and invited to make contributions.

#### **References:**

Abella, Manuel. "Asian Labour Migration: Past, Present and Future." *ASEAN Economic Bulletin*, Vol. 12, No.2, 1995.

Amjad, Rashid. "Labour Migration and Its Implications in the APEC Region". *Regional Conference of the APEC Study Centres Network*. Manila. May 9-10, 1996.

APEC Economic Committee. *The State of Economic and Technical Cooperation in APEC*. APEC Secretariat, Singapore. November 1996.

APEC Economic Committee. *1996 APEC Economic Outlook*. APEC Secretariat 1996.

APEC. *Asia-Pacific Economic Cooperation Ministerial Meeting. Joint Statement*. Manila, November 22-23, 1996.

APEC. *Declaration on an Asia-Pacific Economic Cooperation. Framework for Strengthening Economic Cooperation and Development*. Manila, November 1996. APEC 96/MM V/WP 5/RP/22-23 Nov. 1996.

---

<sup>47</sup> This is beginning to be felt in economies at all levels of development and not only in the industrialised ones. Deputy Prime Minister of Malaysia Datuk Seri Anwar Ibrahim pointed out that "Malaysia's demand for engineers, assistants and technicians will far outstrip the capacity of Malaysian schools and institutes to supply them..." The paradox here is that Malaysia imports semi and unskilled labour and exports more skilled workers than the ones it receives. *FEEER*. September 29, 1994.

APEC. *Economic Leader's Declaration: From Vision to Action*. Subic, Philippines. November 25<sup>th</sup>, 1996.

“Asia's Labour Pains” in *The Economist*, August 26<sup>th</sup> 1995 p.51

Beltran, Jesus. “Los derechos laborales y la proteccion ambiental en las negociaciones del Tratado de Libre Comercio de America del Norte” in *Frontera Norte* Vol. 7, No. 14, Julio-Diciembre, 1995 pp. 82-93

Cecena, Ana Esther. “Las Migraciones en el Capitalismo” in *Momento Economico* 86. Instituto de Investigaciones Economicas, UNAM. Julio – Agosto, 1996 pp.5-9

Cornelius, W., Martin, P., & Hollified, J. *Controlling Immigration: a global perspective*. Stanford University Press. USA, 1994.

Dixon, Bill. *Summary the Maastricht Treaty* found in [http:// www.dsausa.org/Lit/Maastricht.html](http://www.dsausa.org/Lit/Maastricht.html)

Eichengreen, Barry. “Thinking about Migration: Notes on European Migration Pressures at the Dawn of the Next Millenium”. *Centre for International and Development Economics Research. Working Paper No. C93-019*. University of California, Berkeley, July 1993.

Fong, Pang Eng and Yuen, Ng Chee. “Structural Change and Labour Flows in East and Southeast Asia” in *Asia Club Papers No.3*. Tokyo Club Foundation for Global Studies. April 1992 pp.137-151

Hamilton, N. and Stoltz Ch. Norma. “Global Economic Restructuring and International Migration: some observations based on the Mexican and Central American Experience”. *International Migration Quarterly Review*, Vol. 35, No. 1, IOM, 1997

International Convention on the Protection of the Rights of all Migrant Workers and Members of their Families. December 18, 1990. A/RES/45/158 (30 ILM 1517) found in <http://www.tufts.edu/departments/fletcher/multi/texts/BH938.txt>

Lemco, Jonathan & Robson, William Ed. *Ties beyond trade. Labor and Environmental Issues under the NAFTA*. Howarth & Smith, Totonto, Canada, 1993.

Martin, P., Mason, A. and Tsay, Ch. Ed. “Labour Migration in Asia” in *ASEAN Economic Bulletin*. Vol.12, No.2. ISEAS. November 1995.

Matsunaga, Yusuke. “Labor Mobility in the Asian Region and Japan's Response” in *Asia Club Papers No.3*. Tokyo Club Foundation for Global Studies. April 1992 pp.65-105

Nishijima, Shoji and Smith, Peter. *Cooperation or Rivalry? Regional Integration in the Americas and the Pacific Rim*. Westview Press, USA 1996.

Papademetriou, Demetrios & Martin, Philip. *The Unsettled Relationship. Labor Migration and Economic Development*. Greenwood Press. USA, 1991.

Park, Funkoo. "International Flow of Labor: Past Experience and Current Debate in Korea" in *Asia Club Papers No.3* Tokyo Club Foundation for Global Studies. April 1992. pp.123-135

Ty, Reynaldo. "Human Rights of Migrant Labor and Refugees in the Member States of the ASEAN" in *Foreign Relations Journal* Vol. XI, No.1, March 1996 pp.49-82

Wither, Glenn. "Migration". *Managing the World Economy: Fifty Years after Bretton Woods*. Peter B. Kene, Ed. Institute of International Economics. Washington, D.C. September 1994 pp.311-337

Clippings from the *Far Eastern Economic Review* (FEER) by date:

Prasai, Surya. "Asia's Labour Pains" April 29, 1993 p.23

"Let Them In. Asia benefits from more open immigration" editorial. February 3, 1994 p.5

"Free Labour. The other half of Asia's economic miracle" editorial. September 29, 1994

"Room at the Inn. Migrant labour – the unsung hero of Asia's development" editorial. December 29, 1994 & January 5, 1995

Tiglao, Rigoberto. "Anger of a Nation" March 30, 1995 p.24

Karp, Jonathan. "A New Kind of Hero" March 30, 1995 p.42

Silverman, Gary. "Mothrs to the world. Filipinas help Hong Kong boom - at a personal cost" March 30, 1995 p.48

Rubin, Kyna. "Homeward Bound" May 18, 1995 p.74

Hiebert, Murray et al. "Give and Take" May 25, 1995 p.54

Baum, Julian. "Toil and Trouble?" May 25, 1995 p.56

Fairclough, Gordon. "Seeking Fortune" May 25, 1995 p.58

Thorton, Emily. "What Shortage?" May 25, 1995 p.59

Russell, Gabrielle. "Risks Vs. Rewards" June 15, 1995

Silverman, Gary. "Vital and Vulnerable" (Workers on the Move: in search of prosperity/cover story) May 23, 1996 p.60