Pakistan Migration Report 2020

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Lahore School of Economics
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Preface

The Pakistan Migration Report 2020 published by the Centre on International Migration Remittances and Diaspora (CIMRAD) is an important step in our efforts to timely monitor the flows of overseas migration from Pakistan and resultant remittances both of which together have a significant impact on the economy of Pakistan especially on the employment and labour market as well as providing vital support to the balance of payments situation.

The report goes further into analysing the situation regarding migration flows into Pakistan as well as return migration, both of Pakistani migrants abroad as well as refugees living in Pakistan returning to their home country, mainly Afghanistan. The report also documents the flow of irregular migrants from, and to, Pakistan and various efforts aimed at curbing this phenomenon. Special attention is given in the report to identifying areas for improving governance of migration flows aimed at reducing exploitation by recruitment agents and visa providers of would be migrants seeking jobs overseas. At the same time suggestions are made for improving governance of remittances and maximizing their flow through official channels in order to achieve maximum development impact.

CIMRAD hopes to make this a regular publication and welcomes comments on this report.

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Main Conclusions and Recommendations

Since the late 1970s, overseas migration and resulting remittances have had a far-reaching impact on the Pakistan economy. Indeed during certain periods, more than a third of the increase in the labour force has found employment abroad, acting as a safety valve to rising pressures on the domestic unemployment and labour market situation. Similarly, remittances have played a major part in easing the current account deficit and in recent years remittances have almost equaled the country’s total export of goods and services. Remittances have also played a critical role in reducing poverty especially in rural areas.

An important message of this report is that while overseas migration and remittances will continue to play a significant role in shaping Pakistan’s economy, its overall importance as an engine of economic growth and easing pressures on the employment and labour market situation and providing balance of payment support will gradually decrease especially as the rate of growth of remittances inevitably declines (from a fifteen-fold increase during 2000-2020). This changing situation makes it imperative that Pakistan starts putting in place new engines of growth, which will create productive and decent jobs as well as significantly increase export earnings. It should also be recognized that all of the above efforts will be impacted negatively if the current high rates of fertility and population growth in Pakistan continue.

Yet at the same time, it is vital that Pakistan must put in place policies, mechanisms and institutions that will ensure that remittances flow through official channels, increase competitiveness and earnings through upskilling of potential migrants seeking employment abroad, aggressively seeking out new markets as industrialized countries (including EU and Japan) face labour shortages due to ageing and make Pakistan an attractive business and investment corridor for the Pakistani diaspora abroad.

To realize these objectives the following specific recommendations are made:

Overseas Migration

- The legal framework for migration governance is still guided by the Emigration Ordinance promulgated in 1979, and amended periodically. Efforts at formulating, and adopting a revised policy have not succeeded thus far. A draft policy document on “National Emigration and Welfare Policy for Overseas Pakistanis”, has been prepared and widely shared with several stakeholders in the last few months. This document must be presented to, and approved, by Parliament in order to provide an updated legislative framework for migration governance. At the same time, a mechanism for evaluation of the effective implementation of various policies must be instituted.

- More than half of all labor migrants from Pakistan continue to fall in the category of unskilled/semi-skilled workers. Unskilled and semi-skilled workers are often employed in the riskiest jobs most vulnerable to abuse, and their proportion among labour migrants must be reduced through upskilling of our human resources. Efforts at enhancing the skill levels of Pakistan’s labour force, and its overseas migrants should be strengthened. There is need to put in place a systematic mechanism for evaluating the effectiveness of the current programs
underway for vocational and technical training. Thus, programs aimed at upskilling must be regularly evaluated, and their deficiencies removed.

- Knowledge about return migration to Pakistan remains especially weak. No data collection system is in place to capture return flows in order to provide assistance where needed, or reintegrate migrants productively in the community. Programs designed to achieve the above goals could be launched with focused interventions. The proposed “National Emigration and Welfare Policy for Overseas Pakistanis” identifies the strengths of returnees as one of the three pillars for reaping the benefits of migration and should be implemented effectively once adopted.

- Irregular migration from Pakistan seems to have increased in the last few years. Progress has been made in terms of identifying, documenting, and curbing some of this irregular migration. Additional efforts in this regard must identify the routes and intermediaries that enable such migration to exist and continue. Given the current economic slowdown in Pakistan, it is likely that this type of migration will exacerbate in the years to come. Since irregular migration is especially risky and involves the most vulnerable persons, curbing it at the source deserves focused attention and the allocation of necessary resources.

- The largest percentage of deportees come back from the Gulf countries, especially Saudi Arabia. There is a need to better understand the reasons why migrants become irregular in the host country, primarily due to overstaying their valid visa, and are then subject to deportation. In some cases, they do not avail the opportunity for regularizing their stay even when given the opportunity in an amnesty. Pakistani embassies in host countries could play a more effective role in advising and assisting migrants in an irregular situation.

- Partnerships with international agencies such as the ILO, IOM, UNHCR, UNODC, ICMPD and others have been very useful, both in terms of adding to the knowledge on overseas migration from Pakistan, as well as the establishment of specific programs to aid migrants. The ILO published a comprehensive migration report on labor migration in 2015, while the ICMPD focused on migration through the silk route countries from Pakistan in 2013. The UNHCR has been instrumental in facilitating and organizing the return of documented Afghan refugees to their country, while the IOM has served the same purpose in case of undocumented Afghan refugees. Such international collaborations should be continued and strengthened.

- Another area of deficient information and lack of policy direction relates to the group of Bangladeshi, Burmese, or other migrants who are residing in Pakistan in an illegal status. Unlike the situation of Afghan refugees for whom a system of legal documentation was put in place, the above groups remain unrecognized and forgotten in the migration discourse. As a result, the above groups face difficulties in gaining employment and public services. In certain cases, they also face discrimination and harassment by various authorities. This situation needs to be ameliorated through mechanisms for regularizing their status in a transparent and efficient manner.

- New initiatives of cooperation such as the sharing of their labour demand database by the UAE with Pakistan appears to be a promising step for suitable placements of Pakistani workers and for devising training programs to equip our workers with the needed skills. Further initiatives like the above should be encouraged. At the same time, joint research efforts to understand the
challenges and opportunities for employment in host countries should be explored through forums such as the Abu Dhabi dialogue.

- Women’s labour force participation remains low among the Pakistani migrant community worldwide but especially in the Gulf. Two major reasons for this are the concentration of Pakistani migrants in low-skilled occupations primarily in the construction sector where men predominate, and cultural values that discourage the migration of women in occupations such as domestic service that are in high demand in the Gulf. Government institutions should make their training programmes more inclusive of women by providing skills and training required by the international market. The field of health services such as nursing might be a priority area in this regard.

- The cost that a low-skilled worker has to bear in order to secure a job in the Gulf region continues to be excessively high as shown by recent research on labour migration from Pakistan to Saudi Arabia and the UAE conducted by the ILO with EU support. On average, a Pakistani worker pays about US $3,500 that is several times higher than the fees allowed by the Government. Among the main reasons of the high recruitment cost, the fraudulent role of intermediaries in Pakistan as well as host countries is central. The practice of visa trading where the sponsor (kafeel) charges high amounts for providing a work visa is still prevalent. There is an urgent need for addressing these issues to reduce the recruitment cost that seriously reduces the benefits of migration and may result in long-term indebtedness for the migrant. An in-depth study of the visa market in Pakistan, including the roles of agents and sub-agents would help to identify the processes that enable the persistence of excessive recruitment costs in order to suggest policies for curbing this practice.

- There is a need to gather, publish, and disseminate timely data on several aspects of international migration. In the absence of migration questions in the 2017 Population Census, a global picture on the current migrant stock and its characteristics is missing. The concerned agencies should incorporate migration questions in other national level surveys to make up for this gap. The data provided by the BEOE on its website for registered labor migrants is highly invaluable in providing a regular and current picture of the annual outflows of workers, albeit mostly to the Gulf countries. While progress has been made in terms of adding EXCEL tabulations on the BEOE website, several other variables such as gender, education level, and years of work experience are important characteristics that should be added to this database. The BEOE tabulations do not lend themselves to further analysis across tables, since the database is not available in a raw format. A comprehensive database that would allow such analysis is currently being developed by the BEOE, including several variables related to labor migration. It is imperative that researchers are provided access to this new database for in-depth analysis of the linkages between worker characteristics and their success in the overseas labor markets.

**Remittances**

- While the amount of remittances are still increasing in Pakistan though at a lower rate, it is important to note that, the country's share within South Asia and the low-and middle-income countries has been decreasing. We used two different estimation techniques in this report to quantify the expected volume of remittances to Pakistan in 2020 and 2021. Based on a trend analysis of the past ten years, our projected figures suggest an average 5% increase in 2020 and
10% increase in 2021 from the amount of remittances received in 2019. Comparatively, by analyzing the trend in Pakistan’s share of remittances within South Asia and the low- and middle-income countries, the projections turn out to be much lower with an average of 1% increase in 2020 and only 3% in 2021.

- Among the host of factors responsible for the country’s decreasing share of remittances in the region and among the low-and middle-income countries is the fall in deployment of Pakistani migrant workers abroad. The government needs to play its role in bridging the informational gap between the emerging opportunities of employment in countries such as Malaysia and Japan, and the potential employment-seekers by setting up a designated division/unit with one window information, documentation and application processing facility.

- In addition to providing balance of payment support, remittances have been found to significantly contribute towards economic growth of Pakistan. Prioritizing engagement with the Pakistani diaspora abroad as well as the returnees to engage in entrepreneurial activities can help provide the necessary stimulus to economic growth by bringing in innovation and creating more jobs. However, it is crucial that productive investment opportunities with attractive rates of returns are made available to this community in order to channel resources away from less productive activities such as purchase of land or short-term government bonds.

- Government of Pakistan in collaboration with the State Bank of Pakistan and the banking industry has introduced a number of technology driven initiatives to improve the efficiency of the remittance transmission infrastructure and compete with the informal market. These include the introduction of Real Time Gross Settlements (RTGS) for inter-bank transfers and settlement of remittance related transactions on the same day, promotion of home remittances through M-wallet accounts and use of the blockchain technology for transfer of remittances between Malaysia and Pakistan. While these initiatives do provide a supportive environment for transfer of remittances through convenience, security and affordability, it is important that their performance and usage be regularly monitored to better understand the strengths and weaknesses of the systems and bring about necessary improvements, also keeping in view the changing demand side factors.

- Cost remains a major factor in determining migrants’ choice of channel to send remittances. There is a need to review these costs constantly, and a comparison with the regional and lower-and middle-income countries’ will help gauge the required level of future efforts. World Banks’ Remittance Prices Worldwide Database provides information on the cost of sending and receiving small amounts of remittances between different corridors. Data on 13 countries from where remittances are sent to Pakistan is available.

- Owing to the high costs of sending remittances through formal channels and the additional verification requirements by banking institutions in line with the recommendations of FATF, the use of informal channels seems to be increasing, as admitted by the State Bank in recent statement. In addition to continuing the efforts towards reducing these costs and increasing the convenience of receipt of remittance by migrant families, the Government needs to toughen its grip on the black market (Hundi and Hawala) that offers a premium exchange rate to remitters as opposed to the open or inter-bank market and simultaneously keeps the remitters and receivers identity hidden.
Public private partnership can also play an important role in formalizing remittance flows. Arrangements/incentives can be provided to the Overseas Employment Promoters (OEPs) in the private sector that are playing an important role in recruitment of migrant workers aboard, by the Government to encourage the use of formal channels by their human resources for sending remittances back home.
PART-I

Recent Trends and Future Prospects
Chapter 1

Overseas Labour Migration

Labor migration, from Pakistan, continues to have a far reaching impact on the domestic employment and labour market situation, both as a result of the large numbers involved and the high volume of financial remittances produced by such movement. While the exact numbers of those who left the country including many with their families are difficult to estimate the number who registered with the Government between 1971-2019 was 11.1 million. These were predominantly those going to the Gulf and many of these have since permanently returned. The Pakistani global diaspora was estimated at 9.1 million in 2017 but this number still appears low with figures as high as 12-13 million often mentioned.

Several publications over the years have documented the trends, patterns and characteristics of Gulf migration from Pakistan (Shah, 1983; Amjad, 1989; Shah 2017; Arif 1998; Arif & Irfan 1997; Gazdar, 2003). This chapter therefore focuses primarily on labor migration during the last decade, and attempts to outline the major factors underlying the observed trends and patterns.

The oil-rich Gulf region continues to be the main recipient of Pakistani workers, heading there on temporary, extendable work visas. About 95% of the total outflow of workers from Pakistan is headed to the Gulf countries. When the demand for labor migrants in the Gulf burgeoned after its oil price hike and the ensuing development plans, Pakistanis were among the first workers to get mobilized to fulfill this demand. The Government played an active role in organizing and regulating labor migration and established a legislative framework as early as 1979. It promoted labor migration through a new cadre of licensed overseas employment promoters (OEPs) who worked through provincial level protectors of migrants. It also established a mechanism to record the statistics of outflows through a dedicated organization, the Bureau of Migration and Overseas Employment (BEOE) in October 1971, to enumerate and publish annual statistics of migrating manpower. Compared to other countries in South Asia, Pakistan was among the first to take systematic steps to ensure that its workers proceeded overseas in a well regulated and transparent manner. Data from the BEOE, published on its website (www.beoe.gov.pk) enables the following analyses for recent labor migration trends and patterns. The BEOE publishes the following tables annually going back to 1971 for most tables:

- Workers registered by each protectorate

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1 In this report Gulf countries are taken as the six GCC (Gulf Cooperation Council) countries namely Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and The United Arab Emirates (UAE).

2 The BEOE database does not capture migrants who went overseas for non-work related reasons such as marriage, study, accompanying the family, transfer of job, or others. Furthermore, it does not capture those workers who went overseas through informal channels, such as friends and family members on a visit visa, and found a job at the destination. Nor does it capture workers who move to their destination country from a third country other than Pakistan. Despite these gaps, it is believed that a large majority of all workers from Pakistan proceed overseas for work after registering with the designated government departments, and paying the requisite processing fees. In case a migrant returns to Pakistan from overseas permanently but then decides to proceed overseas again on another work visa, he/she must go through the registration process again. Published data do not show the number of migrants who registered with the BEOE the second or subsequent times.
• Workers by province of origin
• Workers by district of origin
• Workers by country of destination
• Occupational distribution of workers
• Skill level of workers (grouped into 5 categories)

None of the above information is disaggregated by age, or gender. Also, no further processing of the above data is possible.

1.1 Yearly outflows of Pakistani labor migrants, 2008-2019

Prior to 2007, the annual outflow of Pakistani workers varied between one to two hundred thousand. The annual number more than doubled in 2008, and stayed consistently above 400,000 with an upward trend until it reached in 2015 a peak of 971,908 (Figure 1.1). Following this peak, the trend reversed and after a moderate slowdown in 2016, the numbers fell rapidly by 2018 when less than half the number of workers (382,439) left the country as in 2015. Figures for 2019 show a reversal in the downward trend with the departure of 625,203 workers, a gain of 63 percent.

The changing trends in recorded outflows representing mainly flows to the Gulf and Saudi Arabia, have been associated with fluctuations in global oil prices and resulting development and infrastructure expenditure in these countries. The other major reason is labour migration to new destinations including to Malaysia and the Far East. We therefore examine this diversification in terms of country of destination though again this does not capture unrecorded migration especially to Europe during this period.

Figure 1.1: Annual Outflow of Pakistani labor migrants, 2008-2019

Source: BEOE database, various years
1.2 Destination of Pakistani labor migrants

Destinations of Pakistani workers in 2015, the peak year of migration and the latest year 2019, are shown in Table 1.1. Two Gulf countries, Saudi Arabia and the United Arab Emirates (UAE) were predominant recipients of Pakistani workers in 2015 as well as 2019. More than half of all workers went to Saudi Arabia in 2015 as well as 2019.

A tabulation showing the centrality of Saudi Arabia and the UAE in Pakistani migration is given in Figure 1.2. From 2011-2019, only between 10-19% of all Pakistani workers went to countries other than Saudi Arabia and the UAE. The predominance of the above two countries is not a new phenomenon and dates back several years (Shah, 2017). Why has this predominance persisted and what are some of its implications? Saudi Arabia, being the largest Gulf country that began developing its oil industry in the 1930s and 1940s started attracting Pakistani migrant workers, well before the oil price boom of the 1970s. The presence of the two holy mosques was an additional factor of attraction for Pakistanis, a predominantly Muslim nation. It is well known that once networks of migration develop, such networks act as effective facilitators of additional migration flows.

The case of UAE is similar in terms of historical ties whereby Pakistanis helped establish many of the institutions of the country, and successfully developed long-lasting business relationships. Needless to say that reliance on only two primary destinations makes the situation of future labor migration highly vulnerable to economic as well as policy changes in these two host countries. Thus, an emphasis on diversification of destinations has been placed by the Pakistan government for several years, but the success of such efforts has been limited.

Table 1.1 Top ten countries to which Pakistani labor migrants went in 2015 and 2019

<table>
<thead>
<tr>
<th>Country</th>
<th>Percent</th>
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<th>Percent</th>
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<tbody>
<tr>
<td>Saudi Arabia</td>
<td>55.23</td>
<td>Saudi Arabia</td>
<td>53.22</td>
</tr>
<tr>
<td>U.A.E.</td>
<td>34.54</td>
<td>U.A.E.</td>
<td>33.78</td>
</tr>
<tr>
<td>Oman</td>
<td>5.05</td>
<td>Oman</td>
<td>4.54</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2.14</td>
<td>Qatar</td>
<td>3.09</td>
</tr>
<tr>
<td>Qatar</td>
<td>1.35</td>
<td>Malaysia</td>
<td>1.81</td>
</tr>
<tr>
<td>Bahrain</td>
<td>0.95</td>
<td>Bahrain</td>
<td>1.31</td>
</tr>
<tr>
<td>Iraq</td>
<td>0.07</td>
<td>Iraq</td>
<td>0.37</td>
</tr>
<tr>
<td>Cyprus</td>
<td>0.05</td>
<td>China</td>
<td>0.20</td>
</tr>
<tr>
<td>Sudan</td>
<td>0.05</td>
<td>Cyprus</td>
<td>0.16</td>
</tr>
<tr>
<td>Italy</td>
<td>0.05</td>
<td>U.K.</td>
<td>0.14</td>
</tr>
<tr>
<td>All Others</td>
<td>0.52</td>
<td>Sudan</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>All Others</td>
<td>1.28</td>
</tr>
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Source: BEOE database, various years
In 2019, Oman and Qatar became the third and fourth most important destinations for Pakistani workers, indicating some diversification within the Gulf region migrants. Malaysia has also gained prominence in recent years as a destination country. In 2014 and 2015 about 20,000 workers went to Malaysia before the annual number fell to 11,323 in 2019 (www.beoe.gov.pk). However, Malaysia still remains a relatively small recipient attracting only about 2.6% of all migrants in 2019.

Significantly, unlike the other Gulf countries, Kuwait received only a handful of workers during the last decade, mainly as a result of host country policies that have imposed a virtual ban on the immigration of Pakistani workers. When viewed in a historical context, Kuwait was an important destination country for Pakistan and received a total of 180,755 workers during 1971-2010. In 2019, however, this number had shrunk to 126. Similarly, Libya and Iraq were also significant recipients of Pakistani labor migrants with 72,112 workers moving to Libya and 68,135 to Iraq during 1971-2010. However, the annual outflow to these two countries declined to 17 and 2306, respectively, in 2019. This was mostly due to the political upheavals and military conflicts faced by these countries where long-time dictatorships were overthrown, primarily by the USA with help from the international community, and the resulting economic crises.

\*
1.3 Skill level of Pakistani labor migrants

Figures 1.3 and 1.4 show the skill level of Pakistani labor migrants from 2008-2019 in terms of number and percentage. BEOE data, published in five categories, was re-grouped into three categories as follows: Highly skilled+ highly qualified; skilled and unskilled+ semi-skilled. The number of unskilled/semi-skilled workers remained the highest almost through the entire period of observation. In the peak migration year, 2015, more than half a million unskilled/semi-skilled workers left the country, comprising over half of all out-migrants in that year. With the exception of two years, the percentage of such workers fluctuated between roughly 55-60% during 2008-2018. The percentage of unskilled/semi-skilled workers stood at 56% in 2019.

**Figure 1.3: Pakistani out-migrant workers according to skill level, 2008-2019**

![Chart showing skill level of Pakistani labor migrants from 2008 to 2019 with details of highly qualified/highly skilled, skilled, and semi-skilled/unskilled workers per year.]

*Source: BEOE database, various years.*
Figure 1.4: Pakistani out-migrant workers according to skill level, 2008-2019 (Percentages)

Source: BEOE database, various years.

The Pakistan government has been making various efforts at raising the skill level of the workforce, including labor migrants. (A brief description of such programs is included in Chapter 8 under institutional framework). The success of the government’s efforts is not evident from the data provided by the BEOE. The percentage of highly skilled/qualified reached 10 and 11% in 2008 and 2010 respectively, but remained just around 2-3% for most of the years. A slight upward trend was seen in 2017 and 2018 when 5.2% and 6.7% of labor migrants were highly skilled/qualified, but the percentage fell to 4 percent in 2019.

In terms of the five leading occupations, Figures 1.5 and 1.6 show that the category of general laborers comprised about 36% of all labor migrants in 2015 and 39% in 2019, followed by drivers (14% in 2015 and 29% in 2019). The other main categories were masons, technicians and carpenters. Thus, the concentration of Pakistani labor migrants in unskilled and low-skilled work has continued till present. The remarkable increase in out-migration of drivers deserves further study.
Recent Trends and Future Prospects

1.4 Impact of Out Migration on the Employment and Labour Market Situation in Pakistan

The period post-2008 which is the focus of this report saw a sharp decline in overall growth rate of the economy and resultantlty in the pace of job creation and increasing levels of unemployment which reached a high of 6.2 percent in 2012-13. This translates into 3.6 million unemployed which in an economy where there is no comprehensive social protection system and no unemployment benefits is a very high number.

If it had not been for the significantly high numbers of outmigration during this period the level and number of unemployed would have been much higher. Figure 1.7 clearly show this when we compare the existing unemployment rate with the significantly higher unemployment rate if there had been no outmigration from Pakistan.

Outmigration has therefore acted as a safety valve in easing labour market pressures in a period of relatively low economic growth in Pakistan.

Figure 1.5: Five leading occupations where Pakistani labour migrants were employed, (percentages), 2015

Figure 1.6: Five leading occupations where Pakistani labour migrants were employed, (percentages) 2019

Source: BEOE database, various years.

Source: Derived from Pakistan Economic Survey 2018-19 (for labour force and unemployment); BEOE for total registered overseas migration.
The other question is whether outmigration has hindered economic growth in Pakistan, not in terms of unavailability of labour given the high growth of population and labour force but in terms of availability of skilled workers. In terms of available data as shown above those going abroad for work were mainly unskilled and semi-skilled workers and therefore did not present a skill constraint economic growth.

However, to the extent that registered workers going overseas were mainly to the Gulf workers going to developed industrial countries include a significant proportion of professionals or highly qualified workers eg. doctors, engineers, bankers, economists, accountants and managers. These outflows could have acted as a constraint in earlier years but not so much post-2008 given the rapid expansion of higher education in Pakistan including in the professions going abroad. However, to the extent that those going abroad may have been professionally more experienced and better qualified in terms of marks or positions in examinations there was a "brain drain" from Pakistan to their destination.

1.5 Return Migration

Return migration to a home country can range on a spectrum from totally voluntary to totally forced. Pakistani return migrants fall in three main categories along this spectrum, totally voluntary, reluctantly voluntary, and forced returnees, particularly deportees. As noted by Erdal (2015), governance of return migration is complicated by the multiple forms of returnees to Pakistan. Workers from the Gulf region are the largest group of returnees who may decide to return (voluntarily) upon the completion of their contract or may have to leave (reluctantly) as a result of the non-renewal of their work contract. In case they decide to continue living in the host country in violation of their legal visa status, they are deemed irregular migrants. It is well-known that the Gulf countries typically do not offer the possibility of awarding citizenship, although some schemes for permanent residence of skilled workers have emerged recently in the UAE, Saudi Arabia, as well as Qatar. Thus, return to the home country is the migrant’s only option.

Lack of data on return migration precludes a comprehensive analysis of the number and characteristics of returnees of various types. Questions on return migration were never included in the Population Censuses, or major surveys. A rough estimate of the number of returnees from the Gulf region may be made as follows. Assuming that the registered data for labor migrants captures almost all outflows from Pakistan, a total of 11.1 million workers went overseas during 1971-2019. If it is further assumed that the stock of migrants who are still working in the Gulf is 4-5 million, as indicated by the statistics of the host countries, we may infer that a total of about 6-7 million temporary migrants have returned to the country. In terms of returns from Europe, North America or Australia, instances of return are far fewer since most migrants to those destinations reside there permanently.

A few studies conducted during the 1980s and later (described in the Appendix) enable some discussion of return migration to Pakistan. Based on an ILO/ARTEP survey conducted in 1986, Arif and Irfan (1997) examined the occupational change among Pakistani return migrants from the Middle East. They showed that there was a clear move from production-service occupations into business and agriculture occupations which was attributable to the economic resources gained from overseas migration. In another study based on the same dataset, Arif (1998) looked at the reintegration of return migrants. He reported that unemployment rates were much higher among return migrants compared with non-migrants. In a recent study on return migrants
conducted in 2007, Arif (2009) reported that returnees had stayed abroad for an average of 4.7 years, about half had been recruited through recruitment agents and about one-fifth through friends and relatives. It was also re-confirmed by the study that recruiters in Pakistan typically charged more fee than the maximum of 4,500 rupees allowed by the government. Studies of return migrants from developed countries are rare. Bolognani et al., (2009) conducted a study of returnees from the UK to Pakistan using qualitative case studies with 20 returnees. In their assessment of the experiences and motivations of migrants for return they found that aging and desire to be in the home country during the last years of life was an important factor in return to Pakistan. Among returnees from Norway to Pakistan, Erdal (2015) found that such returns were often motivated by lifestyle choices and the obligations of transnational networks. However, such returns were not always permanent but involved a circulation of returnees between Norway and Pakistan. Finally, in research focused on returnees from the United Arab Emirates (UAE), Szelenyi (2016) found that even though several return migrants complained bitterly about their UAE experience, most were willing to return to the UAE if given an opportunity.

Other than the voluntary returnees discussed above, an increasing number of Pakistanis have returned from the Gulf region, as well as European countries, as a result of deportation or forced return, that in some cases is facilitated by the deporting host country. A description of such returnees is given in Chapter 8.

1.6 Conclusion

In summary, the following broad patterns may be highlighted. First, labor migration to the Gulf countries has become a very important feature of Pakistan’s history. About 95% of the 11.1 million of the registered workers went to this region. The last decade saw some of the highest peaks in annual outflows reaching about one million in 2015. However, this high volume was drastically reduced in 2017 and 2018 but was reversed in 2019 by about 63 percent. Second, in terms of destination, two countries (Saudi Arabia and the UAE) continue to dominate, as they did in the past, receiving 80-90% of all registered workers during the last decade, while recorded migration to Malaysia has increased slightly. Over the last decade unrecorded migration has been mainly to Europe variously estimated at up to a million workers. Third, Pakistan has not succeeded in enhancing the human capital attributes of its labor migrants and more than half continue to consist of unskilled and semi-skilled workers, such as general laborers. Fourth, overseas migration has acted as a safety valve against higher levels of unemployment than might have been experienced during the last decade in the absence of migration. Fifth, it may be estimated that 6-7 million migrant workers have returned to Pakistan during the 1971-2019 period. However, very little research has been conducted on return migration and presents an important area of investigation for future.
References


2.1 Introduction

Remittances have been hailed as the “new development mantra” given the extraordinary pace at which these flows have increased over the last twenty years and their far-reaching impact on the Pakistan economy. In Pakistan, remittances increased manifold from US$0.98 billion to over US$20 billion in 2018-19 and increased their share from 1.4 percent of GDP in 1999-20 to 7 percent over this period.

Pakistan’s recent migration history started in the mid-1970s with the major flows of contract workers to the six Gulf countries, especially Saudi Arabia and the UAE. The remittances sent from these countries accounted for over 60 percent of total remittances over the last twenty years. The rest of the remittances are accounted for from the more permanent migration to the UK (which started in the early 1950s) and then to the United States (in the 1980s) and relatively more recently to Europe and South-East Asia especially Malaysia. It is difficult to estimate the exact numbers living abroad but estimates (including contract workers) for the Pakistan diaspora are around 8.8 million, though this number is generally considered to be an underestimate (OPHRD, 2018).

2.2 Remittance Flows

Post-9/11, there was a sharp and major sustained increase in remittances and their volume relative to GDP also rose significantly (Figures 2.1 and 2.2).

Figure 2.1: Total Workers’ Remittances, FY90-FY19

Source: State Bank of Pakistan, 2015 & 2019
Figure 2.2: Total Workers’ Remittances, FY90-FY19

Source: World Development Indicator, World Bank

The causes of this almost twenty-fold increase in remittances over the last two decades has been investigated by many studies including Kock and Sun (2011), Amjad et al. (2015) and Khalid (2017). Since this increase is not in conformity with the numbers going abroad during this period, three main explanations have been put forward. First that the skill levels of the out-migrants increased significantly. Second that the numbers going overseas went to countries where the overall wage levels were significantly higher as compared to previous destinations. Third, that remittances coming through official mainly banking channels increased significantly post-9/11 in 2001 due to much increased checks and penalties on flows through informal or illegal channels.

As to the actual cause of this manifold increase in remittances we can to a major extent discount the first as there was no significant change in skill levels (see Chapter 1). However, the second and especially the third that flows through official channels increased could be significant factors though again the extent to which these explain the increase is difficult to gauge. It is now estimated that of the remittance flows in recent year only 10-15 percent come through unofficial channels (Khalid, 2017).

Another reason for this increase could be the launch of the Pakistan Remittance Initiative (PRI) in 2009 to encourage flows through official channels jointly the Ministry of Finance, Ministry of Overseas Pakistanis and the State Bank of Pakistan to encourage flows through official channels.

The PRI included measures to reduce the cost and time associated with transferring money through the banking system and has proven very successful in ensuring that remittances flow through official channels. Although difficult to estimate, it is possible that as much as 85–90 percent of total remittances are now sent through official channels and recorded by the State Bank of Pakistan (see Chapter 10 for further details).
Figure 2.3: Average Annual Workers’ Remittances by Major Countries/Region Wise Decade (1990-2019)

Source: State Bank of Pakistan, 2015 & 2019

2.3 Remittance flows by countries/regions

The sharp increase in remittances first 2000-2010 and then 2010-19 is clearly seen in Figure 2.3, which shows the average annual remittances received from the major remittance sending countries. There is almost a 7 fold increase in remittances from Saudi Arabia and a 6 fold increase from UAE. The increases from UK, USA and EU countries is also remarkably high. Malaysia emerged as a major source of remittances in the period 2010-2019.


Figure 2.4: Sources of Remittances, Major Countries in FY 2019

Figure 2.5: Sources of Remittances, Major Countries in FY 2010
The share of remittances in total remittances from different countries are shown separately in Figure 2.4 and Figure 2.5 for the FY 2019 and FY 2010 respectively. They show that during the ten years, Pakistani migrants in USA, UK and Saudi Arabia remained the majority and stable sources of remittance flows. Malaysia has emerged as the most prominent new markets for Pakistani migrants, constituting a share of 7 percent of the total remittances received in 2019.

2.4 Remittances and the Balance of Payments

In Pakistan, despite remittances increasing to almost 80 percent of its total exports of goods and services in 2018-2019, this was not enough to compensate for the unsustainable current account deficits that emerged in 2008 and 2013 and in 2018 or to avoid turning to the IMF for support, resulting in deflationary measures to restore macroeconomic stability. An important difference post-2008 is that, while Pakistan’s exports grew slowly during 2008–2013, stagnated and then fell during 2013–2019.

Assuming there has been a shift in remittance flows from unofficial to official channels, what impact would this have on the economy? Amjad (2010) argues that formal flows have a greater impact: not only do they ease the country’s balance of payments, but they also have a larger multiplier impact on the economy because the effect of spending these remittances by migrant households is not counteracted by internal transfers of income in the shape of foreign exchange abroad. Given that the study period covered 2000–2016, when remittances were, increasingly, transferred through official channels, their impact on the domestic economy would have eased gradually. However, the favourable impact of remittances being sent through official channels would have been greater post-2000 than in the 1990s.

2.5. Remittances and Poverty

Figure 2.6: Pakistan, Poverty Headcount Ratio at old and new Poverty Lines, 1998/1999 to 2013/2014

![Graph showing poverty headcount ratio from 1998-99 to 2013-14](image)

Source: State Bank of Pakistan, 2016

Pakistan has witnessed a significant decline in poverty post-2001 and that this decline continued post-2007-08 till 2013-14, years of low growth and high inflation has led to considerable
debate on the possible causes of this decline. It is important to note that while percentage of those living below the poverty line varies considerably if we use the old poverty line based on caloric or Food Energy Intake (FEI) or the new higher cost of basic needs (CBN) in both cases the trend reflects a sharp decline.

Almost all studies covering the pre-2000 and the post-2000 period show a very strong association between remittances and poverty (Amjad & Kamal (1997) and Amjad (2017)). To test the association between remittances and poverty in Pakistan between 2000 and 2018, we carried out a simple regression analysis and found a negative relationship between the two, i.e. an increase in remittances contributed to a decline in poverty in Pakistan. Poverty headcount measure as per the international poverty line definition of less than USD 1.90 per person per day shows a significant role of remittances in decreasing poverty.

Another important finding of our regression analysis is that GDP per capita has had a significant effect on poverty in Pakistan between 2000 and 2018. The role of remittances in stimulating economic growth has been well established in literature. Iqbal & Sattar (2005) found a significant positive relationship between remittances and real GDP growth of Pakistan between 1972-73 and 2002-03. Similarly, Ahmed et al. (2011) found evidence of a statistically significant short and long-term relationship between remittances and economic growth of Pakistan using data from 1976 to 2009. Higher and stable economic growth can then contribute to economic uplift of poor households by providing better education and health facilities. Therefore, there is a need to divert remittances to productive investments and uses to help the poor strata of the economy.

1 Details of the regression model and results are available in the annexure
References


World Development Indicator, World Bank
Recent Trends and Future Prospects

Annexure

Figure A-2.1: Total Workers’ Remittances, FY90-FY99

% of GDP

Source: World Development Indicator, World Bank

Figure A-2.2: Total Workers’ Remittances, FY10-FY19

% of GDP

Source: World Development Indicator, World Bank
**Figure A-2.3: Total Workers’ Remittances, FY00-FY09**

% of GDP

Source: World Development Indicator, World Bank

**Figure A-2.4: Sources of Remittances, Major Countries in FY 90**

Source: State Bank of Pakistan, 2015

**Figure A-2.5: Sources of Remittances, Major Countries in FY 00**

Source: State Bank of Pakistan, 2015
Remittances and Poverty Theoretical Framework and Results

We setup a basic model with poverty headcount as a function of GDP per capita, and remittances as a percentage of GDP. Three alternative measures of poverty headcount were used to see if the difference in the measure itself contributed to varied dynamics between the variables. The three poverty headcount measures we used were:

- Poverty Headcount as per New National Poverty Line
- Poverty Headcount as per Old National Poverty Line
- Poverty Headcount as per International Poverty Line of less than USD 1.90 per person per day

In the first step, we estimated three equations using data from 2000-2015. The results are given below. *, **, *** show that the variables are significant at 10, 5 & 1% level respectively:

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Log of poverty headcount (old national poverty line)</th>
<th>Log of poverty headcount (new national poverty line)</th>
<th>Log of poverty headcount (USD 1.90 international poverty line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log GDP per Capita</td>
<td>-4.57***</td>
<td>-2.53***</td>
<td>-5.13***</td>
</tr>
<tr>
<td>Log of Remittances as a % of GDP</td>
<td>-0.12</td>
<td>-0.08</td>
<td>-0.33*</td>
</tr>
<tr>
<td>Constant</td>
<td>17.74***</td>
<td>10.80***</td>
<td>19.72***</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.89</td>
<td>0.84</td>
<td>0.90</td>
</tr>
</tbody>
</table>

In the second step, we updated the data set from 2015 to 2018, and estimated the same model using only poverty headcount as per International Poverty Line of less than USD 1.90/day since it showed a significant negative relationship between remittances and poverty. The results are given below. The addition of recent years’ data seems to have further increased the significance of remittances in decreasing poverty. It can be inferred that in recent years remittances are playing a more direct role in supplementing household income and helping them out of poverty.

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Log of poverty headcount (USD 1.90 international poverty line)</th>
<th>Log of poverty headcount (USD 1.90 international poverty line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log GDP per Capita</td>
<td>-5.13***</td>
<td>-5.29***</td>
</tr>
<tr>
<td>Log of Remittances as a % of GDP</td>
<td>-0.33*</td>
<td>0.32**</td>
</tr>
<tr>
<td>Constant</td>
<td>19.72***</td>
<td>20.30***</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.90</td>
<td>0.94</td>
</tr>
</tbody>
</table>
Chapter 3

Future Prospects of Migration and Remittances

3.1 Pakistan and the Global and Regional Trends of Remittance Flows

Remittance flows to low- and middle-income countries reached around $551 billion in 2019, and according to the World Bank forecasts are projected to reach $574 billion and $597 billion by 2020 and 2021 respectively (World Bank, 2019). However, despite the increase in dollar terms, growth of remittance flows has slowed down; from 9.1 percent in 2017 to 8.6 percent in 2018 and further to 4.7 percent in 2019. The declining trend is expected to persist with figures dropping to 4.2 and 4.0 percent in 2020 and 2021 respectively.

Regionally, South Asia saw remittance inflows grow by 12.7 in 2018 but slowed down to 5.3 percent in 2019. Following the global trends for 2020 and 2021, volume-wise the region will continue the upward trajectory and remain the second highest remittance-receiving region after East Asia and the Pacific (World Bank, 2019). Within the region, Pakistan received $21.9 billion in 2019 and was the second highest remittance receiving country, next to India and above Bangladesh, and ranked in the top ten globally. The country’s share of remittances in 2019 was 15.76 percent within South Asia and 3.94 percent worldwide.

**Figure 3.1: Comparison and Trend of Remittance Flows 2017-2019**

![Graph showing comparison and trend of remittance flows 2017-2019](image)

*Source: World Bank, 2019*

Factors affecting the inflow of remittances include the country’s stock of migrants, economic growth of the source countries, variations in exchange rates and oil prices. The major source of remittances to Pakistan are Pakistani migrant workers in Saudi Arabia and the United Arab Emirates (UAE), with an average of 25 percent and 22 percent of the total remittances being received from the two respectively. To test the role of the above mentioned factors in determining the growth rate of remittances to Pakistan, we estimated a model on the Saudi Arabian economy.
using data from 1973 till 2018. Our results confirm the role of these factors referred to in the large literature on remittances\(^1\). Change in the demand for Pakistani labour\(^2\) came out to be the significant variable in explaining the change in remittance flows. The same exercise however could not be carried out for the UAE, due to limited availability of data.

### 3.2 Pakistan and the Global and Regional Trends of Outflow of Migrants

According to the International Organization for Migration (IOM), in 2019 the estimated number of international migrants, i.e. people living in a country other than their country of birth, was 272 million. In 2017, the number was 258 million according to the United Nations Department for Economic and Social Affairs (UNDESA) and is expected to have been around 266 million in 2018 (KNOMAD, 2019). These numbers include the refugees. While the number of migrant population has been increasing in size over the past five decades, as a proportion of the world population it has remained relatively stable; ranging between 2.3 and 3.5 percent in 1970 and 2019 respectively (IOM, 2019).

Around 74 percent of the world migrants in 2019 were of working age (20 to 64 years), and Asia comprised of more than 40 percent of the total migrant population. Within Asia, South Asian countries such as India, Bangladesh and Pakistan were in the top ten migrant origin countries (IOM, 2019).

**Figure 3.2: Areas of Origin of International Migrants 2017 and 2019**

<table>
<thead>
<tr>
<th>2017</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>India</strong></td>
<td><strong>16.6</strong></td>
</tr>
<tr>
<td><strong>Mexico</strong></td>
<td><strong>13.0</strong></td>
</tr>
<tr>
<td><strong>Russian Federation</strong></td>
<td><strong>10.6</strong></td>
</tr>
<tr>
<td><strong>China</strong></td>
<td><strong>13.0</strong></td>
</tr>
<tr>
<td><strong>Bangladesh</strong></td>
<td><strong>7.5</strong></td>
</tr>
<tr>
<td><strong>Syrian Arab Republic</strong></td>
<td><strong>6.9</strong></td>
</tr>
<tr>
<td><strong>Pakistan</strong></td>
<td><strong>6.0</strong></td>
</tr>
<tr>
<td><strong>Ukraine</strong></td>
<td><strong>5.9</strong></td>
</tr>
<tr>
<td><strong>Philippines</strong></td>
<td><strong>5.7</strong></td>
</tr>
<tr>
<td><strong>United Kingdom</strong></td>
<td><strong>4.9</strong></td>
</tr>
<tr>
<td><strong>Afghanistan</strong></td>
<td><strong>4.8</strong></td>
</tr>
<tr>
<td><strong>Poland</strong></td>
<td><strong>4.7</strong></td>
</tr>
<tr>
<td><strong>Indonesia</strong></td>
<td><strong>4.2</strong></td>
</tr>
<tr>
<td><strong>Germany</strong></td>
<td><strong>4.2</strong></td>
</tr>
<tr>
<td><strong>Kazakhstan</strong></td>
<td><strong>4.1</strong></td>
</tr>
<tr>
<td><strong>State of Palestine</strong></td>
<td><strong>3.8</strong></td>
</tr>
<tr>
<td><strong>Romania</strong></td>
<td><strong>3.6</strong></td>
</tr>
<tr>
<td><strong>Turkey</strong></td>
<td><strong>3.4</strong></td>
</tr>
<tr>
<td><strong>Egypt</strong></td>
<td><strong>3.4</strong></td>
</tr>
<tr>
<td><strong>Italy</strong></td>
<td><strong>3.0</strong></td>
</tr>
</tbody>
</table>

**Source:** UNDESA, 2017 & IOM, 2019

---

\(^1\) Details of the model are available in the annexure

\(^2\) Also representative of the change in country’s stock of migrants
However, since after 2015 the South Asian region experienced a fall in deployment of migrant workers owing to lower demand from the GCC countries especially Saudi Arabia. India experienced a decline of 15 percent in 2018, followed by Pakistan with a 30 percent decline and 37 percent from Bangladesh (KNOMAD, 2019).

We also modelled the demand for Pakistani labour in Saudi Arabia, and found out positive impact of increase in non-oil Gross Domestic Product (GDP), government consumption expenditure, domestic investment, and oil prices. Relevant test results also confirmed that causality did run from these variables to the change in demand for Pakistani workers. As in the case of remittances, a model for labour demand for Pakistani workers in the UAE could not be estimated due to limited availability of data.

The Saudi economy is dominated by revenues from the oil sector. Due to oil production cuts under the OPEC+ agreement and low and volatile oil prices the Saudi economy experienced a slowdown. According to the IMF, the economy’s growth rate was expected to slow down to 0.2% in 2019 compared to 2.2% in 2018 (Reuters, 2019). However, growth in the non-oil sector was expected to be 2.9% in 2019 (IMF, 2019). As suggested by our model, non-oil GDP has a positive relationship with demand for Pakistani labour; in line with this result, it was observed that the number of Saudi Arabia bound Pakistani migrants picked up in 2019; as shown in Chapter 1.

For 2020, according to the IMF, despite the austerity measures and fiscal consolidation reforms in Saudi Arabia, real GDP growth rate is projected to rise due to increase in the crude oil production (IMF, 2019). A strengthening Saudi Economy is expected to further increase demand for our labour and therefore more remittances.

In the context of UAE which was the largest destination for Pakistani workers in 2018 where more than 54 percent proceeded, has recently (end of 2019) offered Pakistan the access to its labour market database (Dawn, 2019). The initiative will facilitate the export of Pakistani workforce by providing information of job opportunities and required skill set by the UAE labour market. By providing the necessary training, Pakistan can better capitalize on the opportunity.

Apart from the GCC countries, another potential market for expansion of Pakistani labour force is Malaysia. According to a 2019 BEOE report, there is a huge demand for security guards in Malaysia, which is currently being met only by Nepal. The Malaysian government is looking to fulfill the gap by recruiting resources from other countries. The government of Pakistan is making efforts to provide well-trained security guards to Malaysia (BEOE, 2019). If Pakistan is successful in its efforts, avenues to a huge market for outward migration will open up that in turn will increase the remittance flows.

More recently, Japan too has shown interest in hiring skilled workers from Pakistan by signing a memorandum of cooperation. Workers will be required to pass an examination and basic Japanese-language comprehension test to qualify for employment. The agreement is expected to open sectors such as construction, manufacturing, engineering, information technology and nursing (Yousafzai, 2019).

3.3 Future Projections

Based on recent trends observed in the remittance flows to Pakistan that have been on a rise, with a 95 percent confidence level, the projected figures turnout to be in the range of $22.8
and $23.3 billion in 2020, while in 2021 they are expected to amount between $23.9 to $24.4 billion.

However, if Pakistan’s share of remittances within South Asia and the low- and middle-income countries is analyzed for projection estimates, a declining trend can be observed. Table 3.1 shows this information for the last three years. Apart from the declining number of Pakistani migrant workers abroad in these years as compared to other countries such as India and Bangladesh, another contributing factor of significance is the use of informal channels to send money home. The same was recently pointed out by the Governor of the Central Bank of the country (State Bank of Pakistan) at the fourth annual banking award ceremony. He stated the comparatively higher costs of formal channels for sending money and additional questions and verification requirements by the banks in line with the Financial Action Task Force’s (FATF) recommendations as the reasons behind the increased use of informal channels. According to an estimate, around $8 billion worth of remittances were received in the country in a year through unofficial channels (Siddique, 2020).

Table 3.1: Pakistan’s Share of Remittances between Low- and Middle- Income Countries and within South Asia

<table>
<thead>
<tr>
<th>Year</th>
<th>Pakistan’s Share – South Asia</th>
<th>Pakistan’s Share – Low- and Middle- Income Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>16.83</td>
<td>4.07</td>
</tr>
<tr>
<td>2018</td>
<td>15.90</td>
<td>3.99</td>
</tr>
<tr>
<td>2019</td>
<td>15.76</td>
<td>3.97</td>
</tr>
</tbody>
</table>

Assuming that the decline in Pakistan’s share of remittances continues, and based on the global and regional projections of the World Bank, projected figures for Pakistan are expected to be slightly less than those projected using the trend. In 2020, they are estimated to reach between $21.9 and $22.4 billion, and $22.2 to $23.1 billion in 2021.

Table 3.2: Comparison of Projected Remittance Flows to Pakistan (billion USD)

<table>
<thead>
<tr>
<th>Year</th>
<th>Based on Pakistan’s Share of Remittance</th>
<th>Based on Remittance Flows to Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>21.9 – 22.4</td>
<td>22.8 – 23.3</td>
</tr>
<tr>
<td>2021</td>
<td>22.2 – 23.1</td>
<td>23.9 – 24.4</td>
</tr>
</tbody>
</table>
3.4 Conclusion

If Pakistan is able to take advantage of the new emerging opportunities discussed above, that will increase the stock of our migrants abroad and simultaneously create a more conducive environment for remittances to be channeled through the banking sector and other official channels, the projected volume of remittances may turn out to be higher.

Overall, the future prospects of outward migration and consequently remittance flows seem encouraging for Pakistan. The burden of capitalizing on the new emerging opportunities and sustaining the existing ones rests on the efforts of the government in effective marketing of the country’s manpower, streamlining and broadcasting the opportunities to the potential employment-seekers and equipping them with the internationally required high in demand basic skill sets. Active and successful diplomatic initiatives could further add to the above trend.

Despite that the current government has introduced a number of initiatives to incentivize the expatriate workers and other overseas Pakistanis to remit money through formal channels, as well as for the currency dealers, efforts need to be made towards reducing the costs of sending remittances. The importance of this aspect is highlighted by its inclusion in the migration-related Sustainable Development Goals; SDG indicator 10.c.1.

Source: World Bank, 2019 & Own Calculations
References


Annexure

The theoretical framework has been derived from Qamar (2016). Two models have been set up. The first looks at the change in demand for Pakistani labour in the chosen country. While the second attempts to understand factors responsible for change in remittances received from the country. In our case we estimated the models for Saudi Arabia only and using data from 1973-2018.

Key independent variables for the two models are detailed below:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>$Y_t$</td>
<td>Growth Rate of Labour Demand</td>
<td>Growth Rate of Remittances</td>
</tr>
<tr>
<td>$X_{1t}$</td>
<td>Log Non-Oil GDP</td>
<td>Lagged Growth Rate of Remittances</td>
</tr>
<tr>
<td>$X_{2t}$</td>
<td>Log Government Current Expenditure</td>
<td>Growth Rate of Labour Demand</td>
</tr>
<tr>
<td>$X_{3t}$</td>
<td>Log of Gross Fixed Capital Formation</td>
<td>Log Non-Oil GDP</td>
</tr>
<tr>
<td>$X_{4t}$</td>
<td>Log Imports</td>
<td>Real Oil Price (USD per Barrel)</td>
</tr>
<tr>
<td>$X_{5t}$</td>
<td>Real Oil Price (USD per Barrel)</td>
<td>Growth Rate of Relative Exchange Rate of Saudi Riyal to Pak Rupee</td>
</tr>
</tbody>
</table>

In case of Model 1, we estimated a VAR model with lag order of 2. Net effects of all variables are given in the table below:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Net Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log Non-Oil GDP</td>
<td>100.51</td>
</tr>
<tr>
<td>Log Government Current Expenditure</td>
<td>5.01</td>
</tr>
<tr>
<td>Log of Gross Fixed Capital Formation</td>
<td>206.15</td>
</tr>
<tr>
<td>Log Imports</td>
<td>-410.34</td>
</tr>
<tr>
<td>Real Oil Price (USD per Barrel)</td>
<td>1.20</td>
</tr>
</tbody>
</table>

To check the causal relationship between the variables we used the Granger Causality test, results of which are given below:

<table>
<thead>
<tr>
<th>Variables</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log Non-Oil GDP</td>
<td>0.298</td>
</tr>
<tr>
<td>Log Government Current Expenditure</td>
<td>0.994</td>
</tr>
<tr>
<td>Log of Gross Fixed Capital Formation</td>
<td>0.040</td>
</tr>
<tr>
<td>Log Imports</td>
<td>0.013</td>
</tr>
<tr>
<td>Real Oil Price (USD per Barrel)</td>
<td>0.064</td>
</tr>
<tr>
<td>All</td>
<td>0.000</td>
</tr>
</tbody>
</table>

---

3 Ms. Faha Qamar is an MPhil graduate of the Graduate Institute of Development Studies, and developed the framework as part of her thesis submitted in partial fulfilment of the requirements for the degree of MPhil Development Studies. Qamar, F. (2016). *The Impact of Fall in Oil Prices on Migration and Remittance Flows between Saudi Arabia and Pakistan* (Unpublished MPhil dissertation). Lahore School of Economics, Lahore.
A simple linear regression was estimated for Model 2. The results are given below:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lagged Growth Rate of Remittances</td>
<td>0.57***</td>
</tr>
<tr>
<td>Growth Rate of Labour Demand</td>
<td>0.46***</td>
</tr>
<tr>
<td>Log Non-Oil GDP</td>
<td>-24.59</td>
</tr>
<tr>
<td>Real Oil Price (USD per Barrel)</td>
<td>0.11</td>
</tr>
<tr>
<td>Growth Rate of Relative Exchange Rate of Saudi Riyal to Pak Rupee</td>
<td>1.29</td>
</tr>
<tr>
<td>Constant</td>
<td>132.41</td>
</tr>
<tr>
<td>Adjusted R-Squared</td>
<td>0.72</td>
</tr>
</tbody>
</table>

*** shows that the variables are significant at 1, 5 & 10% levels
PART-II

History and Main Characteristics of the Pakistani Migrants and Diaspora
Chapter 4

History of Migration to, and from, Pakistan

4.1 Independence: Movements from & into Pakistan

Emigration from eastern and central Punjab to western Punjab (now in Pakistan) began in the 1880s when the British embarked on its greatest social engineering project in India, namely the development of canal colonies. The project entailed not just the development of hydraulic infrastructure but also the establishment of settlements around the canals to attract agrarian castes from all over Punjab to stimulate agricultural production in India (Gazdar, 2003; Krishan, 2004). According to the Census Report of Punjab 1931, 1.6 million individuals migrated to the canal colonies from the various districts of Punjab between 1901-1931 (qtd. in Agnihotri, 1987).

With the partition of India in 1947, most of the Hindus and Sikhs families that had settled in these colonies returned to East Punjab (now in India) (Gazdar, 2003). However, the migratory movement following the partition was not limited to the canal colonies. According to the 1951 Census, almost 6.4 million immigrants came to Pakistan from India due to the partition of the Indian Subcontinent (Karim & Nasar, 2003). A steady stream of population exchange between India and Pakistan continued up until 1971. Although, with introduction of passports between the two countries in 1953, migration could be legalized, illegal migration continued to take place from the Rajasthan-Sindh border. Once this border was closed after the war of 1965 between India and Pakistan, the flow of migrants shifted to the India-East Pakistan border. This border too closed down in 1971 with the creation of the independent state of Bangladesh. With the creation of Bangladesh, 500,000 migrants that identified themselves as Pakistani were now left in Bangladesh. Subsequently, some 200,000 resettled in Pakistan in the 1970s while the rest remained in Bangladesh as “stranded Pakistanis” - unwelcomed by the Pakistani governments, as well as the Bangladeshi government.

An overview of the migrant stock in Pakistan assessed from the first five Population Censuses by Karim & Nasar (2003) is reproduced in Table 4.1. The first Census of Pakistan held in 1951 showed that the country had 6.4 million life-time international migrants, who were born primarily in India and had moved to the geographical boundaries of Pakistan during the Partition of 1947. This number declined to 2.2 million in the fifth Census held in 1998, mainly as a result of mortality. Thus, the percentage of life-time international migrants declined from 18.9% of the total population in 1951 to only 1.9 % in 1998. The results of the sixth Census, held in 2017, have not been released to enable a comparison with the above figures. Furthermore, data for such a comparison were not collected in the 2017 Census.
Table 4.1 Number and Percent of Life time International Migrants in Pakistan and their Place of Origin, 1951-1998

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Life time Migrants</td>
<td>6,358,117</td>
<td>5,951,710</td>
<td>5,693,677</td>
<td>4,786,675</td>
<td>2,460,541</td>
</tr>
<tr>
<td>Place of origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mainly India &amp; Other Countries</td>
<td>(100.0%)</td>
<td>(95.4%)</td>
<td>(96.6%)</td>
<td>(84.4%)</td>
<td>(90.2%)</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>---</td>
<td>271,001</td>
<td>193,671</td>
<td>93,577</td>
<td>236,371</td>
</tr>
<tr>
<td>Not reported</td>
<td>---</td>
<td></td>
<td></td>
<td>651,977</td>
<td>4,945</td>
</tr>
</tbody>
</table>

Source: Karim and Nasar (2003)

4.2 Migration to Britain

Migration of Pakistanis to Britain started soon after Independence in 1947. To man the Postwar Britain economy, the British government encouraged Commonwealth citizens to migrate to the country (Amjad, 2017). In the 1950s and 1960s young men of working age began to migrate to Britain in search for jobs. An overwhelming majority of migrants (about 95%) originated from rural areas while the remaining 5 percent came from urban centers like Lahore, Karachi, Peshawar, and Quetta (Dahya, 1973). In this period, the migrants came mainly from villages in four major regions in Azad Jammu and Kashmir (AJK): Mirpur, Nowshehra, Chhachh and certain villages in Rawalpindi, Jhelum, Gujrat and Lyallpur districts (Dahya, 1973: p. 244).

This region had a long-standing tradition of work-related movement of men. During the inter-war period, merchant seamen from these regions settled in British seaports. We find proof of this in the Punjab Gazetteer: “from the northeast corner of the Chhachh very large number of men go out as stokers on the P. & O. and British India and come back shattered in health, but full of money (qtd. in Dahya, 1973).

Initially due to the lack of jobs, these early migrants made a living as itinerant peddlers (Ballard, 1987). As British industries grew with the Second World War, so did the demand for labour, which was met by young labourers from Mirpur. These workers stayed on to benefit from the post-industrial boom in Britain. The jobs available to these individuals demanded heavy labour under extreme conditions for a low pay. These were usually the jobs that the indigenous population was unwilling to do, “but to Kashmiri peasant farmers they offered the prospect of unparalleled prosperity, especially since their traditional jobs as stokers were disappearing rapidly as coal-fired ships were phased out after the war” (Ballard, 1987: p. 29-30). These temporary settlers returned after making sufficient fortune and arrangements for their kinsmen back home to arrive and continue the chain. This cycle formed the backbone of post-war migration (Dahya, 1973).

By 1987, the demographic imprint of this initial wave of migration was such that a quarter of British-Pakistanis could trace their ancestral roots to Azad Jammu and Kashmir. The scale of this migration had also caused a major demographic shift in Mirpur itself with half or more of its population living in Britain at the time (Ballard, 1987).

---

1 A British shipping and logistics company
Further impetus to migrate from Mirpur came in 1966 when, upon the completion of Mangla dam, most of Mirpur’s fertile land became flooded (Amjad, 2017; Ballard, 2003). To compensate the displaced, the UK government (one of the international guarantors for the irrigation project) awarded them migrant status to the UK. These individuals, mostly uneducated, took up low-paid industrial jobs in the UK (Gazdar, 2003).

Apart from working class migrants, a substantial number of middle-class, educated Pakistanis also settled in Britain (Amjad, 2017; Werbner, 2005). Among these migrants were highly skilled professionals from fields such as medicine, engineering and IT, many of whom permanently settled in Britain (Amjad, 2017). Also among this class were individuals, mostly Punjabi or Urdu-speaking, who became involved in entrepreneurial activities from very early on. Large industrial cities like Birmingham, Manchester, Liverpool, and Oxford accommodated their entrepreneurial spirit by providing hospitable economic environment for doing business.

Studies in the past have shown a strong presence of traditional structures of dependency and control sustained by consanguinity and remittances between the diaspora in UK and the families back home. These connections have helped alleviate poverty in the places of origin and in boosting local economies (Dahya, 1973). Although, more recent studies show that the monetary connection tend to loosen once the migrants brings his family to Britain, local economies continue to flourish due to factors like chain migration and investments of migrants in houses and small entrepreneurial activities in the home country (Ballard, 2003).

Despite a long, flourishing history of migration of Pakistanis to Britain, Pakistanis remain one of the poorest communities in the UK with two-thirds living below the poverty line (DWP, 2004). Unemployment rate among Pakistani men and women stood at 16 and 18 percent respectively in 2001 as compared to the national average of 6 and 5 percent (Dobbs et al., 2006). Within the employed population, only 13.8 percent of Pakistanis are involved in highly-skilled occupations whereas 23.2 percent of them work in low-skilled jobs (Samad, 2012).

### 4.3 Migration to the United States

Unlike Britain, emigration to the US by British Indians was limited in the first four decades of the twentieth century (Barkan, 2013). The national origin quotas imposed by the United States (enacted in 1921-1929) restricted immigration. Despite this restriction, quite a few Punjabis - composed of Muslims, Hindus, and Sikhs - had settled in California. “According to one major estimate 6,000 to 7,000 Indian men came to California between 1899 and 1914 and established rice farms, fruit orchards, and vineyards there. In 1901-1902, about 100 students from British India came to American universities” (Zaki, 2013: p. 1183).

From 1947 to 1965, immigration remained quite low. According to the estimates, only 1,795 people immigrated. These included people who had come to reunite with their families, students, and those involved in businesses. With the 1946 Luce-Cellar Act that awarded the Indian immigrants the right to own property and acquire citizenship, doors for Pakistanis to migrate to the United States were opened.

The Hart-Celler Act of 1965 called for a discontinuation of national origin quotas. However, this Act was not fully implemented until 1968. This development facilitated family reunions and immigration of educated and skilled workers from Pakistan. Mostly students, engineers, physicians, other professional degree holders and skilled workers migrated to the US in
the 1960s and 70s. Students of engineering, natural sciences and other disciplines who had gone to the US to study also ended up extending their stay and getting their status changed to permanent residents and eventually citizens.

Unlike the occupational profile of the emigrants in the 1960s and 70s the migrants from Pakistan in the latter half of 1980s constituted a mixed pool including the less educated and low-skilled workers. The Immigration Reform and Control Act (IRCA) of 1986 allowed many Pakistanis to legalize their status in the US by encouraging agrarian, undocumented, and unskilled workers to seek amnesty and obtain permanent residence in the US (Zaki, 2013). Despite this change, Pakistan still figured among the countries sending relatively lower number of migrants than several others and was thus included in the Immigrant Visa Lottery scheme leading to an increase of migration rate by almost 70% (Bolognani & Lyon, 2011). Pakistan was excluded from this scheme only in 2001 (Bolognani & Lyon, 2011). In 2009, the total number of Pakistanis admitted to the US as permanent residents stood at 357,130 (Zaki, 2013).

Immigrants in the US are generally more prosperous than their British counterparts with 32 percent working in highly-skilled occupations (Amjad, 2017). According to the estimates of Migration Policy Institute (2015) the median household income of Pakistani-American families was nearly US$60,000 whereas the median income of Americans overall stood at US$50,000 (qtd. in Kugelman, 2017). Remittances from Pakistani-Americans remain abundant: in 2012, the Migration Policy Institute estimated them to be US$1.1 billion as compared to the total US$14 million remittances to Pakistan from around the world (Kugelman, 2017).

4.4 Migration to Canada

Migration to Canada from Pakistan did not begin until early 1960s. With the introduction of points system to Canadian immigration rules in 1967, preference was given to educated English and French speaking individuals of working age (Fatima, 2018). Educated Pakistanis with professional skills began to benefit from this opportunity and moved to Canada settling mostly in Quebec and Ontario. A steady stream of migrants from Pakistan has been sustained over the years. By 2001, Pakistan became the third largest source of immigrants to Canada amounting to 6.1 percent of the total migrant population in Canada (Haider, 2013 qtd. in Fatima, 2018). By 2017, over 215,000 Canadians of Pakistani origin lived in Canada, constituting the 6th largest migrant community in Canada (High Commission of Canada in Pakistan).

4.5 Migration to the Middle East

Connection between the Middle East and Pakistan goes as far back as 4,000 years ago. The Indus delta and Mesopotamia have had a longstanding trade link. To this day, individuals with subcontinental origin run some of the leading trading houses in the Gulf. Military links between Makran coast and Oman also exist. The ties were further strengthened by the ex-soldiers from the British Indian army who decided to stay on in the Middle East after various campaigns and established the basis for chain migration into the jobs created by the gradual expansion of the oil market in the post-war years (Burki, 1991).

With the oil prices boom of 1970s, the newly rich states of the Gulf embarked on various infrastructural development projects, which created a huge demand for labour which could not be met entirely with the local population. For example, according to the second five-year developmental plan of 1975 of the government of Saudi Arabia, a total of 450,000 unskilled
History and Main Characteristics of the Pakistani Migrant and Diaspora

workers were needed to man the development of infrastructural projects (Burki, 1991). Of the 450,000 only 300,000 were available locally so the shortfall of 150,000 had be met by importing workers from the labour-surplus countries. The much smaller countries, such as the UAE, faced this problem even more strongly and deeply, as they needed imported labour not just for unskilled work but also for a variety of jobs to sustain the fast developing modern sector. The demand and supply gap was met with scores of labour migrants from all over the world. Labour recruited for manual work came initially from Egypt and Palestine but later from the Indian subcontinent and most recently from a wide range of countries in South and Southeast Asia (Burki, 1991).

During 1971-81, a total of 776,174 migrant workers went overseas after registering with the Government’s Bureau of Emigration and Overseas Employment (BEOE), with over 95 % heading to the oil-rich Gulf countries. The stock of workers in the Gulf was estimated to range between 1-2 million in the early 1980s (Shah, 1983). According to the 1981 Census, about 1.7 million Pakistanis left their household during the previous ten years and were still abroad (Khan and Karim, 1983). Migrants constituted 6-8 % of the total labor force of Pakistan and consisted largely of males aged 25-40 years (Akbar, 1981). It was estimated by Gilani et al. (1981) that 70 % of the migrants were married but only 4 % were accompanied by their families. During this period, the main destinations included Saudi Arabia, and United Arab Emirates. Substantial number of migrants also went to Iran, Iraq, Bahrain and Oman (Gazdar, 2003). Over the years, the Gulf has remained the most popular destination for Pakistani workers seeking employment.

The immigration of Pakistanis to the Gulf was facilitated by the presence of agents who made agreements with the construction companies to supply a certain number of workers with specified skills. Most of their recruits came from the barani areas of Punjab, North Western Frontier Province and Azad Jammu and Kashmir where there was not only a long-standing tradition of working away from home but also a sufficient population that had enough resources to pay the hefty fees that the agents had begun to charge for their travel arrangements. By the early 1980s the agents were charging as much as PKR 20,000 for no more than a labourer’s job. According to the latest estimates the average cost of finding a job and starting work in Saudi Arabia or the U.A.E. is $3,489 (Amjad et al., 2017).

Initially even manual work was very attractive because of the high pay scale (Ballard, 2009). In the mid-1980s as the real price of oil dropped to the level at which it stood in the early 1970s, most oil states incurred large budget deficits. As the states began to economize, the wages were compromised. Contractors were heavily squeezed who in turn began to cut down wages of the workers, resulting in the return of several workers (Ballard, 2009).

4.6 Migration to Europe

Migration from Pakistan to Europe has progressed through three clearly defined phases (Zafar, 2017). The first can be linked to the demand for cheap labor in Europe as it recovered from the ravages of the Second World War. Passports became a travel requirement only after the First World War and few additional documents were necessary until the 1960s. This allowed the working class, adventurers and the wealthy from the colonies to move freely. Following the old silk routes, it was possible to drive overland from Pakistan through Afghanistan or Iran across the Middle East and Turkey to Europe with almost no border controls until the early 1970s. Pakistan’s Western and Northern borders were safe and peaceful. The oil boom had yet to occur and Turkey was almost European. For young men, this widened their horizons while providing an economic rationale for immigration: that of ensuring a more secure future for their families.
The second migratory phase can be attributed to a combination of policy decisions and demographic changes in Europe. The economic prosperity of countries that joined the European Union (EU) in 1993, their aging population and shrinking workforce, created favorable conditions for migrants both legal and irregular. And, the Schengen Agreement of 1995 made it easier for migrants from Pakistan to enter, move around, and disappear within the EU. Initially Italy became a desirable location with the regularization of immigrants in the 1990s and hosts one of the largest Pakistani communities. Spain’s more liberal visa process made it the most popular option for many low-skill emigrants as well as for those of undetermined status living in other European countries. The higher cost of living in northern Europe was another reason for this shift. The concentration of the largest Pakistani population outside of the UK is in Barcelona with its Afro-South Asian ethnic mix (Zafar, 2017).

Since September 11, 2001, the general pattern of migration has changed from legal to irregular migration. More less educated young men are overstaying their visitor visas (Gazdar, 2003). Their irregular status provides little chance of settlement and family reunification is no longer possible. Their numbers are difficult to estimate as there are no records of how many succeed in entering a EU country, the number in transit and in detention centers and those deported. At the same time family reunification made difficult by stringent rules of a minimum wage earned by the sponsor continues at a low level. With severe restrictions on migration current migrants tend to be people with relatively strong initial endowments of financial, human and social capital (Gazdar, 2003).

4.7 Migration to Australia

Migration to Australia from Pakistan dates as far back as the 1860s when the ‘Afghans’ came to Australia from Karachi, Punjab, and Kashmir as camel men (Sarwal, 2012). From the period 1860 to 1930 around 30,000 people migrated Australia from Northern India (most came from the regions that now constitute Pakistan) (Malik, 2009). They made very important contributions to the communication network from Adelaide to Darwin and railway network across Australia’s remote regions. Migration from Pakistan dwindled following the White Australia Policy starting in 1901 and rekindled only after World War 2. During the 1950s and 1960s students from Pakistan started going to Australia under the Commonwealth Scholarship and Colombo plan and their numbers increased in 1970s. This migratory movement intensified in 1970s and 1980s when students, professionals, and their families began to move to Australia under the various initiatives of the Australian government (Malik, 2009; Sarwal, 2012). By 2001, more than 9,000 Pakistanis lived in Australia (Saeed, 2003).

4.8 Migration to South-East Asia

Migratory links to the South East Asian region precede the independence of Pakistan. During the colonial period thousands of individuals from the North-West Frontier Pakistan and Punjab migrated to the present-day Singapore and Malaysia as independent merchants or as part of the security forces (Chohan, 2015; Khan, 2018).

Pakistani workers began to migrate to South Korea in large number in the 1980s and 1990s due to certain diplomatic missions and bilateral agreements during the period (Byungmin, 2019). According to the BEOE statistics, between 1971 and 2010, the total outflow of Pakistani workers to South Korea amounted to 15,343 (BEOE, 2019). In 2006, the two governments signed an MOU to promote emigration of Pakistani unskilled workers to South Korea. However, the global financial crisis of 2007 and political instability in Pakistan has interrupted the progress of this bilateral agreement. Since 2011, migration of Pakistani students to South Korea has also picked pace. The Korean Educational Statistics Service reported that the number of Pakistani students in the country had reached 1,344 in 2018 (Byungmin, 2019).
4.9 Migration to Pakistan

Pakistan is home to an ethnically diverse Muslim migrant population that continues to exert long-term influences on its social, cultural, economic, and political realities. It has hosted Muslim migrants from various Asian countries – such as Afghanistan, India, Burma, and Bangladesh since its inception in 1947. The first wave of migration of Muslims to Pakistan began with the partition of India in 1947 as mentioned above. The second wave began in the 1980s when Asian Muslims from poor or conflict-ridden communities, such as Bangladesh, Burma, Afghans, began to seek refuge in Pakistan. The Bengali and Burmese migrants, unlike partition-linked Muslim emigrants, were not accorded refugee status and continue to live in Pakistan with an illegal or semi-legal status; hence reliable estimates of these immigrants have remained elusive, however, guesses range from 1 to 3 million (Gazdar, et al., 2005).

With the creation of Pakistan immigration issues also emerged on its border with Afghanistan. The border (formed rather arbitrarily) created a physical barrier between extended families, tribes and ethnic groups. Hence, movement of people between Pakistan and Afghanistan has remained a constant feature along this border. Following the Soviet invasion of Afghanistan in 1979 hordes of refugees fled to Pakistan and Iran. It was estimated that about 2.3 million Afghans fled to Pakistan (Kronenfeld, 2008). Over the last three decades, the number of Afghan refugees has been reducing due to repatriation, and exacerbating due to civil conflict and natural disasters such as droughts. A fuller picture of this history is contained in Chapter 7. In 2005, a Census of Afghans in Pakistan was carried out yielding an estimate of 3,049,268 Afghans residing in Pakistan. (GoP & UNHCR, 2007).

Pakistan also hosts an estimated 300,000 Bengali and Burmese migrants – most of them are Rohingyas or of mixed Bengali-Burmese origins (Hasan, 2010; Egreteau, 2012). These migrants mainly work in the fishing industry and as crew members on trawlers and deep-sea going vessels in Karachi. About half of them live in informal settlements on state land near the coast whereas the rest live in nearby katchi abadis (Gazdar, 2003). Muslim Rohingyas joined the flows of refugees into Bangladesh, Pakistan, and beyond, starting in the late 1970s (Egreteau, 2012). The flow of migrants to Pakistan intensified after the independence of Bangladesh in 1971 when the authorities of the newly formed state began to push its Urdu and Burmese speaking population to Pakistan. The expulsion of Rohingyas from Myanmar, intensifying in 1978 and 1991, led to their forced migration to the outskirts of Karachi (Egreteau, 2012). Pakistan also hosts some 300 Uyghur families who moved from Xinjiang to Pakistan between the 1930s and 1990s (Rippa, 2014).

4.10 Conclusion

The raison d'etre of Pakistan set the stage for the deep demographic shift that occurred with the migration of Muslim population from all over Asia. With the promise of being home to the Muslim population, Pakistan invited Muslim communities into its borders leading to the migration of Indians, Afghans, Bengalis, and Burmese. Whether or not Pakistan has fulfilled its promise of being home to these communities will be explored in Chapter 7 and 8.

Pakistani population over the years has proved to be highly mobile – migrating mainly for the purpose of seeking economic opportunities. While migration to most parts of the world finds its roots in the geopolitical circumstances occurring due to colonization and later, independence of India, the story of migration to the Gulf dates even further back.
References


Size and Places of Origin in Pakistan

5.1 Migrants as a proportion of the total population and households, 2017-18

Despite the relatively large numbers and massive contributions to the economy, labor migrants comprise only a miniscule percentage of the total population of Pakistan and each province, when examined as a proportion of the population enumerated in the 2017 Population Census. Only 0.22% of the total population and 0.43 of the male population comprised of labor migrants in 2017 (Table 5.1). At the provincial level, substantial percentages of the total population and male population of FATA comprised of labor migrants (0.62 and 1.21, respectively). On the contrary, the relative percentages in the province of Baluchistan were only 0.04 and 0.07, respectively. Despite the small percentages of labor migrants in the total population, migrants formed substantial percentages of all household members working overseas, as shown by the results of two recent surveys.

Table 5.1: Province-wise labour migration in 2017, as a percentage of the total population and male population in 2017 Census

<table>
<thead>
<tr>
<th>Administrative Unit</th>
<th>Total Population</th>
<th>Male Population</th>
<th>Number of labour migrants, 2017*</th>
<th>As % of total population, 2017</th>
<th>As % of male population, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistan</td>
<td>207774520</td>
<td>106449332</td>
<td>462968</td>
<td>0.22</td>
<td>0.43</td>
</tr>
<tr>
<td>KPK</td>
<td>30523371</td>
<td>15467645</td>
<td>107366</td>
<td>0.35</td>
<td>0.69</td>
</tr>
<tr>
<td>FATA</td>
<td>5001676</td>
<td>2556292</td>
<td>31000</td>
<td>0.62</td>
<td>1.21</td>
</tr>
<tr>
<td>Punjab</td>
<td>110012442</td>
<td>55958974</td>
<td>261849</td>
<td>0.24</td>
<td>0.47</td>
</tr>
<tr>
<td>Sindh</td>
<td>47886051</td>
<td>24927046</td>
<td>53590</td>
<td>0.11</td>
<td>0.21</td>
</tr>
<tr>
<td>Balochistan</td>
<td>12344408</td>
<td>6483653</td>
<td>4528</td>
<td>0.04</td>
<td>0.07</td>
</tr>
<tr>
<td>ICT</td>
<td>2006572</td>
<td>1055712</td>
<td>4635</td>
<td>0.23</td>
<td>0.44</td>
</tr>
</tbody>
</table>

* Excludes 33,318 labour migrants originating in Azad Kashmir.


The latest Multiple Indicator Cluster Survey (MICS) of Punjab, held in 2017-18 shows that of the 327,980 members enumerated in the sample, 9.8% were working overseas (Bureau of Statistics, 2018) (Table 5.2). Rural households reported a slightly higher percentage of migrants than urban households (10.0% and 9.4%, respectively). Wealth status of the household was positively associated with the percentage of migrants overseas. Only 2.9% of the households in the lowest quintile had an overseas migrant compared with 16.6% of households in the highest quintile. A similar association was present in terms of remittance receipts by poorer vs richer households.
Table 5.2: Percentage of past household members working outside country, and percentage of household members who received remittances from abroad during the year preceding the survey Punjab, 2017-18

<table>
<thead>
<tr>
<th>Area of residence</th>
<th>Members working abroad(^1)</th>
<th>Total Number of household members</th>
<th>Households receiving remittances from abroad(^2)</th>
<th>Total Number of households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punjab</td>
<td>9.8</td>
<td>327,980</td>
<td>8.4</td>
<td>51,660</td>
</tr>
<tr>
<td><strong>Area of residence</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>10.0</td>
<td>208,708</td>
<td>8.4</td>
<td>32,234</td>
</tr>
<tr>
<td>All Urban</td>
<td>9.4</td>
<td>119,272</td>
<td>8.4</td>
<td>19,426</td>
</tr>
<tr>
<td>Major Cities</td>
<td>7.9</td>
<td>64,987</td>
<td>7.1</td>
<td>10,807</td>
</tr>
<tr>
<td>Other Urban</td>
<td>11.1</td>
<td>54,282</td>
<td>10.0</td>
<td>8,619</td>
</tr>
<tr>
<td><strong>Education of household head</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None/pre-school</td>
<td>8.9</td>
<td>127,754</td>
<td>7.1</td>
<td>19,775</td>
</tr>
<tr>
<td>Primary</td>
<td>9.7</td>
<td>58,040</td>
<td>8.6</td>
<td>9,044</td>
</tr>
<tr>
<td>Lower Secondary</td>
<td>10.3</td>
<td>43,763</td>
<td>8.9</td>
<td>6,826</td>
</tr>
<tr>
<td>Upper Secondary</td>
<td>11.1</td>
<td>60,304</td>
<td>9.8</td>
<td>9,523</td>
</tr>
<tr>
<td>Higher</td>
<td>10.2</td>
<td>38,119</td>
<td>9.2</td>
<td>6,492</td>
</tr>
<tr>
<td><strong>Wealth index quintile</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowest</td>
<td>2.9</td>
<td>65,595</td>
<td>2.3</td>
<td>10,860</td>
</tr>
<tr>
<td>Second</td>
<td>5.4</td>
<td>65,599</td>
<td>4.7</td>
<td>10,226</td>
</tr>
<tr>
<td>Middle</td>
<td>10.1</td>
<td>65,591</td>
<td>8.5</td>
<td>9,913</td>
</tr>
<tr>
<td>Fourth</td>
<td>13.9</td>
<td>65,599</td>
<td>11.7</td>
<td>10,154</td>
</tr>
<tr>
<td>Highest</td>
<td>16.6</td>
<td>65,596</td>
<td>14.8</td>
<td>10,507</td>
</tr>
</tbody>
</table>

\(^1\) Non-MICS indicator SR.S5 – Population working abroad (past households members)  
\(^2\) Non-MICS indicator SR.S6 – Household receiving remittances  

*Source:* Bureau of Statistics, 2018

Data from the latest Demographic and Health Survey (DHS) for Pakistan, held in 2017-18 included several questions on international migration (NIPS & ICF, 2019). Table 5.3, extracted from the DHS report, provides information on migrants during the previous ten years. In case an emigrant had gone overseas and returned to Pakistan during the ten years he/she was not counted. Only those who were currently working/residing overseas were included. In the 11,869 sampled households, about 7% reported that at least one household member had emigrated during the ten years prior to survey, a majority (5.7%) to the Middle East followed by 0.9 % to Europe. Rural households reported more migrants than urban households. The province of Khyber Pakhtunkhwa reported the largest percentage of migrants while Baluchistan reported the lowest (12.2% vs. 0.7% to the Middle East). The region of Azad Jammu and Kashmir reported the relatively highest percentage compared to all the provinces (14.7% to the Middle East). Other information provided in the DHS report shows that 88 % of all migrants went overseas in search of better economic opportunities, 4.1% as a result of marriage, 3.5 % to accompany the family, 2.9 % to study, 1.1% on transfer of job station, and 0.4% for other reasons (NIPS & ICF, 2019, Table 17.17).
Table 5.3: Percentage of household reporting that a household member had emigrated in the last 10 years, by background characteristics of the reporting households and destination of the emigrant, Pakistan DHS 2017-18

<table>
<thead>
<tr>
<th>Background characteristic of household reporting an emigrant</th>
<th>Destination of emigrant</th>
<th>Number of households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residence</td>
<td>Middle East</td>
<td>Europe</td>
</tr>
<tr>
<td>Urban</td>
<td>4.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Rural</td>
<td>6.5</td>
<td>1.0</td>
</tr>
<tr>
<td>Region</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Punjab</td>
<td>6.1</td>
<td>1.4</td>
</tr>
<tr>
<td>Urban</td>
<td>5.8</td>
<td>1.2</td>
</tr>
<tr>
<td>Rural</td>
<td>6.3</td>
<td>1.5</td>
</tr>
<tr>
<td>Sindh</td>
<td>2.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Urban</td>
<td>2.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Rural</td>
<td>1.7</td>
<td>0.0</td>
</tr>
<tr>
<td>Khyber Pakhtunkhwa</td>
<td>12.2</td>
<td>0.6</td>
</tr>
<tr>
<td>Urban</td>
<td>7.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Rural</td>
<td>13.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Balochistan</td>
<td>0.7</td>
<td>0.1</td>
</tr>
<tr>
<td>Urban</td>
<td>1.2</td>
<td>0.0</td>
</tr>
<tr>
<td>Rural</td>
<td>0.6</td>
<td>0.1</td>
</tr>
<tr>
<td>ICT Islamabad</td>
<td>4.4</td>
<td>1.3</td>
</tr>
<tr>
<td>FATA</td>
<td>8.7</td>
<td>0.3</td>
</tr>
<tr>
<td>Total</td>
<td>5.7</td>
<td>0.9</td>
</tr>
<tr>
<td>Azad Jammu and Kashmir</td>
<td>14.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Urban</td>
<td>12.4</td>
<td>3.2</td>
</tr>
<tr>
<td>Rural</td>
<td>15.2</td>
<td>3.8</td>
</tr>
<tr>
<td>Gilgit Baltistan</td>
<td>2.7</td>
<td>0.0</td>
</tr>
</tbody>
</table>

1 Total excludes households in Azad Jammu and Kashmir and Gilgit Baltistan reporting an emigrant

*Source:* NIPS & ICF, 2019

### 5.2 Origin of Pakistani labor migrants

Pakistani labor migrants originate from all across the country. In terms of the top ten districts from which labor migrants originated in 2019, no single district sent more than 4% migrants (Table 5.4). Only about one-third of all labor migrants in 2015 belonged to the top ten districts shown in the table, while the diversity was even greater in 2019. Thus, a great deal of variation in origin of migrants exists at the district level. The top district of origin in 2015 was Karachi (central) while Swat was the top district in 2019. A different picture emerges when viewed at the provincial level.
Table 5.4: Top ten districts generating Pakistani labour migrants, 2015 & 2019

<table>
<thead>
<tr>
<th>Districts</th>
<th>2015 Percentage</th>
<th>2019 Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karachi (Central)</td>
<td>6.81</td>
<td>Swat</td>
</tr>
<tr>
<td>Sialkot</td>
<td>3.58</td>
<td>Lower Dir</td>
</tr>
<tr>
<td>Gujranwala</td>
<td>3.45</td>
<td>Sialkot</td>
</tr>
<tr>
<td>Dera Ghazi Khan</td>
<td>3.35</td>
<td>Dera Ghazi Khan</td>
</tr>
<tr>
<td>Faisalabad</td>
<td>3.34</td>
<td>Gujranwala</td>
</tr>
<tr>
<td>Lahore</td>
<td>3.19</td>
<td>Lahore</td>
</tr>
<tr>
<td>Swat</td>
<td>3.01</td>
<td>Faisalabad</td>
</tr>
<tr>
<td>Lower Dir</td>
<td>2.83</td>
<td>Mardan</td>
</tr>
<tr>
<td>Rawalpindi</td>
<td>2.36</td>
<td>Upper Dir</td>
</tr>
<tr>
<td>Gujrat</td>
<td>2.04</td>
<td>Rawalpindi</td>
</tr>
<tr>
<td>Other</td>
<td>68.08</td>
<td>Other</td>
</tr>
</tbody>
</table>

Source: BEOE, various years

In terms of the provincial origin of migrants Khyber Pakhtunkhwa (KPK) continues to send significantly more workers proportionate to its share in the total population of the country, as does FATA. On the contrary, Sindh and Baluchistan send significantly fewer workers (Figures 5.1 and 5.2 and Table 5.5). Almost half of all migrants belonged to Punjab in 2015 as well as 2019, close to the proportionate share of this province in the population. In 2019 about 30% belonged to KPK and 9% to Sindh. Baluchistan contributed less than 1% of labor migrants in each year. When viewed as a percentage of the total population, proportional representation in labor migration did not coincide with the provincial distribution of the population in 2017 (Table 5.5). For example, the province of KPK comprised only 14.7% of the population while its proportion among labor migrants was 23.2%. FATA was also over-represented among the labor migrants compared to its proportion in the population (6.7% vs. 2.4%). On the contrary, Sindh comprised 23% of the total population but only 11.5% of the labor migrants. Thus, certain regions continue to hold a greater prominence in labor migration as noted in the past (Shah, 2017).

Figure 5.1: Percent distribution of emigrant workers by province of origin, 2015

Figure 5.2: Percent distribution of emigrant workers by province of origin, 2019

Source: Bureau of Migration & Overseas Employment, various years.
Table 5.5: Percentages of Total population of Pakistan by province in 2017 and percentage of labour migrants by province

<table>
<thead>
<tr>
<th>Province</th>
<th>Percent of Population*</th>
<th>Percent of Labour Migrants**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistan</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>KPK</td>
<td>14.7</td>
<td>23.2</td>
</tr>
<tr>
<td>FATA</td>
<td>2.4</td>
<td>6.7</td>
</tr>
<tr>
<td>Punjab</td>
<td>53.0</td>
<td>56.6</td>
</tr>
<tr>
<td>Sindh</td>
<td>23.0</td>
<td>11.5</td>
</tr>
<tr>
<td>Balochistan</td>
<td>5.9</td>
<td>1.0</td>
</tr>
<tr>
<td>ICT</td>
<td>1.0</td>
<td>1.0</td>
</tr>
</tbody>
</table>

*Excludes Azad Kashmir and Gilgit-Baltistan

**Excludes 33,318 labour migrants originating in Azad Kashmir.


5.3 Conclusion

In Pakistan’s total population in 2017, overseas labour migrants constituted only about 0.43 percent. As a proportion of all residents in households, however, surveys indicate that 7-10 percent of Pakistani households had at least one migrant worker in 2017-18. The districts of Swat and Lower Dir sent the largest percentage of migrants in 2019. In terms of the proportionate share of migrants as a percent of their share in the population, KPK was over-represented while Baluchistan was under-represented. A majority of migrants originated from the Punjab province, consistent with their proportionate share in the country’s population.
References


Chapter 6

Diaspora

6.1 Introduction

In 2017, Pakistani diaspora was estimated to be more than 8.8 million (OPHRD, 2018). However, the actual number is believed to be much higher: for example, in a recent statement, Sayed Zulfiqar Abbas Bukhari\(^1\) claimed that nearly 10 million Pakistanis are living abroad (JIA, 2019). Pakistani diaspora is spread all across the globe forming a set of very diverse communities, varying in size, demographics, and socio-economic profile. Saudi Arabia, UAE, United Kingdom, and United States host the largest numbers of Overseas Pakistanis. Other countries such as Italy, France, Canada, South Africa, and Australia are also prominent destinations for overseas Pakistanis.

In this chapter we attempt to describe the Pakistani diaspora in various parts of the world according to their size, demographics, citizenship status, and living conditions.

6.2 Pakistani Diaspora in the Gulf

The stock of Pakistani migrants in various Gulf countries during the period 2010-2014, as calculated by Shah (2017), was estimated to be 3.04 million. Out of the six Gulf countries, Saudi Arabia and UAE hosted the largest percentage of Pakistani Diaspora: 49.3 and 39.3 percent respectively. The detailed breakdown of the stock of Pakistani migrants in the Gulf is given in Table 6.1.

<table>
<thead>
<tr>
<th>Country</th>
<th>Estimated number of migrants</th>
<th>As % of total stock of migrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>48,991</td>
<td>1.6</td>
</tr>
<tr>
<td>Kuwait</td>
<td>120,040</td>
<td>3.9</td>
</tr>
<tr>
<td>Oman</td>
<td>84,658</td>
<td>2.8</td>
</tr>
<tr>
<td>Qatar</td>
<td>90,000</td>
<td>3.0</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>1,500,000</td>
<td>49.3</td>
</tr>
<tr>
<td>UAE</td>
<td>1,200,000</td>
<td>39.4</td>
</tr>
<tr>
<td>Total</td>
<td>3,043,689</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Shah, 2017

Although the Gulf countries do not publish data on the characteristics of migrants, some studies have attempted to paint a general picture of their characteristics. Pakistani migrants in Gulf are mostly employed in low-skilled occupations. Studies show that migration to the Gulf from Pakistan has been dominated by the male population and female migration to this region remains miniscule (Arif, 2010; Shah & Al-Qudsi, 1991). For instance, in 2006, BEOE processed only 73 applications of women

\(^1\) Sayed Zulfiqar Abbas Bukhari is Pakistan’s special assistant to the Prime Minister on Ministry of Overseas Pakistanis and Human Resource Development.
out of a total of 183,191 applications (Arif, 2010). A possible reason for the male predominance could be the absence of females in the domestic services sector as the Government rules prohibit the recruitment of females under 35 in domestic services (Shah, 2017). Family reunification in the Gulf remains difficult and there are only a small proportion of migrants that qualify for family visas. Shah (2017) also notes that migration to Gulf is considered to be a means of migrating to a Western country by the relatively educated and skilled Pakistani diaspora in the Gulf.

The total outflows of Pakistani workers to the Gulf stood at 9.7 million for the period 1971-2017 (BEOE, 2019). The stock of Pakistani immigrants to the Gulf amounted to nearly 4.7 million in 2017 (OPHRD, 2018). About the remaining 5 million, it can be assumed that they either returned to Pakistan or migrated to the Western countries.

6.3 Pakistani Diaspora in the UK

Pakistani residents in the UK in June 2019 were estimated to be 533,000 (ONS, 2019). Geographically, the Pakistani diaspora in the UK is concentrated in London, Greater Manchester, and West Yorkshire counties (ONS, 2019). The largest concentration of Pakistani migrants can be seen in Glasgow, Bradford, Birmingham and London (British Council, 2019).

British-Pakistani population is almost equally divided between males and females. In the population pyramid, Pakistanis in the UK are concentrated in the younger age group, with the median age for Pakistani men and women being 22 years (Dobbs et al., 2006). This is indicative of family migration, and relatively high levels of fertility.

In 2001, 13.8% of the Pakistanis of working age belonged to the highly skilled occupational group whereas 23.3% worked routine or manual jobs (UK Census 2001, qtd. in Dobbs et al., 2006). Employment in highly-skilled occupational group remained low as compared to the national average of 28.1%. A possible reason for this disparity could be that most of the Pakistani migrants to the UK come from the rural areas of Punjab who do not have the adequate skills and qualifications typically required for the high-skilled jobs (Dobbs et al., 2006).

The percentage of women working remained low as compared to that of men. In 2001, women from working age population were almost 5 times more likely than Pakistani men to be economically inactive. 44.1% of the women from the working-age population had never worked or were long-term unemployed as compared to 8.7% male population (UK Census 2001, qtd. in Dobbs et al., 2006).

6.4 Pakistanis in North America

6.4.1 United States

The stock of Pakistanis in the United States in 2018 was estimated to be 526,956 according to the American Community Survey (United States Census Bureau, 2018) constituting less than 0.2 percent of the total US population. According to the Migration Policy Institute, about two thirds of all Pakistani immigrants in the US have citizenship (Kugelman, 2017). The Pakistani diaspora is concentrated in the states of New York, Texas and California (Kugelman, 2017). Median age of Pakistani in the US was reported to be 31.7 (United States Census Bureau, 2019).
The Pakistani diaspora in the US is known to be quite educated and prosperous. The American Community Survey reported that 26.9% of the total Pakistani population held a graduate or a professional degree. A vast majority of the Pakistani Diaspora is employed in management, business, science, arts, and service occupations as shown in table 6.1. The median household income of this group stood at US$60,000 in 2015 as compared to the overall average of US$50,000. However, the percent of Pakistani-Americans living in poverty is higher than the national average: 15.8 and 11.8 respectively (United States Census Bureau, 2019).

Labour force participation of Pakistanis is similar to that of the entire US population: in 2017 of the total Pakistani population aged 16 and above, 61.3% was in the labour force as compared to the national average of 62.7% (U.S Bureau of Labour Statistics, 2019; United States Census Bureau, 2017). Women’s labour force participation among the Pakistani Diaspora in the US is substantially higher than in other destinations and stands at 44.2% (United States Census Bureau, 2017).

Table 6.2: Occupational breakdown of Pakistani diaspora in the U.S.

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Civilian employed population 16 years and over</td>
<td>220,147</td>
</tr>
<tr>
<td>Management, business, science, and arts occupations</td>
<td>49.7%</td>
</tr>
<tr>
<td>Service occupations</td>
<td>10.6%</td>
</tr>
<tr>
<td>Sales and office occupations</td>
<td>26.2%</td>
</tr>
<tr>
<td>Natural resources, construction, and maintenance occupations</td>
<td>2.4%</td>
</tr>
<tr>
<td>Production, transportation, and material moving occupations</td>
<td>11.2%</td>
</tr>
</tbody>
</table>

Source: United States Census Bureau (2019).

6.4.2 Canada

The total number of Pakistanis in Canada stood at 215,560 in 2016 according to the Census Profile, Canada (Statistics Canada, 2016). The Pakistani diaspora in Canada is constituted of well-educated and highly-skilled individuals as Canadian immigration regulations have given preference to those with advanced educational degrees and professional skills. They are mostly concentrated in Toronto, Quebec, Alberta and Ontario (Fatima, 2018).

6.5 Europe

There are approximately 2.2 million Pakistanis in Europe residing mostly in United Kingdom, Italy, Greece, France, Spain, Germany and Denmark (Abbasi, 2010). The Pakistani diaspora in Europe mostly comprises of poorly educated, semi or non-skilled individuals from the rural areas (mostly in Punjab). However, the second or third generation migrants have a different profile: they are mostly well-educated and skilled professionals working in the fields of medicine and information technology (Abbasi, 2010).

Estimates show that about a million Pakistanis – or 12 percent of all Pakistani migrants – live in mainland Europe (Zafar, 2017). Italy, Spain, Greece, France, Germany, the Netherlands, Norway and Denmark are home to large Pakistani communities. Second and third generations of Pakistani origin immigrants have been born and grown up in these countries, have assimilated into
the local cultures but there are others, and these are growing in numbers, who have withdrawn into their ethnic and religious communities. The overall environment is no longer welcoming for those with a migrant status (Zafar, 2017).

6.6 Pakistani Diaspora in Other Regions

6.6.1 East and South East Asia

Migration from Pakistan to South East Asia forms an important migration corridor. Japan, Korea, Malaysia, Singapore and Thailand are the largest recipients of Pakistani migrants in the region. A detailed summary of the number of Pakistani workers in the region registered with BEOE is given in Table 6.3. Since the early 1990s young men also travelled to East Asian countries such as Japan and South Korea on visitor visas and then overstayed illegally. Many ended up in low-paid service sector jobs. These new migrants have not been able to regularise their residential status and have become particularly vulnerable following the introduction of more stringent security measures in a number of developed countries (Gazdar, 2003).

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>South Korea</td>
<td>12</td>
<td>7</td>
<td>12</td>
<td>46</td>
<td>13</td>
<td>17</td>
<td>9</td>
<td>13</td>
<td>25</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2092</td>
<td>1309</td>
<td>2031</td>
<td>20577</td>
<td>20216</td>
<td>10625</td>
<td>7174</td>
<td>9881</td>
<td>11323</td>
</tr>
<tr>
<td>China</td>
<td>180</td>
<td>220</td>
<td>155</td>
<td>254</td>
<td>355</td>
<td>482</td>
<td>457</td>
<td>854</td>
<td>1252</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>26</td>
<td>17</td>
<td>20</td>
<td>38</td>
<td>29</td>
<td>38</td>
<td>54</td>
<td>57</td>
<td>60</td>
</tr>
<tr>
<td>Japan</td>
<td>48</td>
<td>62</td>
<td>44</td>
<td>69</td>
<td>82</td>
<td>102</td>
<td>153</td>
<td>258</td>
<td>391</td>
</tr>
<tr>
<td>Singapore</td>
<td>62</td>
<td>47</td>
<td>42</td>
<td>76</td>
<td>68</td>
<td>33</td>
<td>54</td>
<td>65</td>
<td>82</td>
</tr>
</tbody>
</table>

Source: BEOE, 2019

Pakistanis in Malaysia form the largest Pakistani diaspora community in Southeast Asia and they also make up the 6th largest group of foreign workers/nationals in Malaysia (Malaymail, 2017). In 2016, BEOE reported an outflow of 80260 Pakistani workers to Malaysia in the period 1971-2016. The movement had been facilitated by an MoU signed between the Government of Pakistan and Malaysia in 2005. However, recently, Pakistani immigrants in Malaysia have come under much attention as the Government of Malaysia has started taking action against illegal migrants in the country. In January 2020, Special Assistant to Prime Minister on Overseas Pakistanis and Human Resource Development Sayed Zulfikar Abbas Bukhari, stated that over 8,000 Pakistani workers had returned from Malaysia under the Amnesty Scheme and Amina Baloch, Pakistan’s High Commissioner in Malaysia, noted that some 20,000 Pakistanis were still living illegally in Malaysia (The Nation, 2020).

6.6.2 Australia

Pakistani community is one of the fastest growing migrant communities in Australia, and contributes the highest number of people to the country’s Muslim population. According to the Australian Bureau Statistics, as of June 2018, 84340 Pakistanis resided in Australia including temporary and permanent visa holders (ABS, 2018). The state of New South Wales had the highest number of Pakistanis, followed by Victoria.
Apart from work, Pakistanis also migrate to Australia to pursue higher studies. According to Australian Bureau of Statistics 2018, the total number of higher education Pakistani students in Australia in 2018 was 11,052, constituting 13% of the total Pakistanis residing in Australia as of June 2018 (Department of Education, 2018). Higher studies in Australia are officially encouraged in Pakistan through provision of scholarships.

Pakistani diaspora in Australia are mostly highly educated and belong to the middle or upper-middle class (Saeed, 2003). Furthermore, most of them are permanent migrants.

6.6.3 Norway

Pakistanis began to migrate to Norway in 1960s and early 1970s. With more than 25,000 migrants, Pakistanis constitute the largest immigrant group in Norway (Orderud & Onsager, 2005). About 73 percent of these immigrants live in Oslo. The Pakistani diaspora community in Norway constitutes a relatively high percentage of children under fifteen and a growing percentage of senior citizens.

Self-employment among Pakistanis is high according to the Norwegian standards and is dominated in the food retailing sector. In 1997 about 45 percent males and 59 percent of the females were self-employed in this sector. Furthermore, about 31 percent of Pakistani men were involved in the restaurant business (Orderud & Onsager, 2005).

6.7 Conclusion

Although the Pakistani diaspora varies in terms of its socio-economic profile, a factor that unequivocally binds them together is the need to escape the economic conditions in their home country. The quest for better job opportunities motivates them to move – temporarily or permanently – to various parts of the world. The immigrants in the US and Canada are generally well-educated, settled and economically better-off than their counterparts in the Gulf. The diaspora in Europe is more diverse and constitutes a mix of skilled and low-skilled workers, students and asylum seekers.
References


PART-III

Afghan Refugees, Irregular Migrants and Deportees
Chapter 7

Afghan Refugees

Contrary to the types of orderly, regular, and usually safe migration discussed in preceding Chapters, this Chapter focuses on various types of migration that is essentially less voluntary in nature, and may put the migrant in a highly risky and vulnerable situation. Data on irregular migration are among the least available bits of information and perhaps the hardest to collect in Pakistan, as elsewhere. Defining irregular migration is not a simple matter either (Fargues and Shah, 2017). We look at irregular migrants to Pakistan as well as those from Pakistan. Four relatively clear types of non-regular and forced migrants may be identified in the context of Pakistan: (i) Refugees, especially from Afghanistan; (ii) Non-Afghan migrants in an irregular status in Pakistan; (iii) Pakistanis in an irregular status in other countries; and (iv) Pakistani deportees, forced returnees and trafficked migrants. Each of these categories is discussed below.

7.1 Number of Afghan Refugees

As discussed in Chapter 4, refugee migration from India to Pakistan was a defining feature of the creation of the new country in 1947, when more than 6 million persons moved, comprising almost one-fifth of the total population of Pakistan in 1951. The second major influx of refugees into Pakistan consists of those from Afghanistan. Starting at a sizeable level following the Soviet invasion of Afghanistan in 1979, it was estimated that Pakistan received about 2.5 million refugees during 1981-1990, and the number went up to 3.3 million by the end of 2001 (CSSR, 2006). We focus here on recent trends during the last two decades.

The first and only Census of Afghan refugees in Pakistan was carried out in 2005 by the government of Pakistan Census Organization (PCO) in collaboration with the UNHCR (PCO and UNHCR, 2005). The Census covered “all Afghans who arrived in the country after 01 December 1979 and currently residing in different parts of Pakistan. Any person who produced a validly obtained Pakistan identity card (NIC) was not covered in the exercise”. The Census included those born in Pakistan and covered all areas within Pakistan. It was found that 548,105 Afghan families, comprising 3,049,268 individuals were residing in Pakistan in 2005. It was believed that the Census presented the clearest quantitative and qualitative demographic data to date on Afghans in Pakistan. Some critics believe, however, that the Census missed out several persons, and may in fact be an undercount (Ghufran, 2006). It was also argued that the large number enumerated in 2005 implied that the number of Afghans in Pakistan may have spiked to more than 5 million prior to the repatriations in 2002 onwards. Several reasons that may have led to the presence of a large number, despite repatriations, are given in the Census report (PCO and UNHCR, 2005).

The 2005 Afghan Census also collected information on several demographic and other characteristics of the refugee population. Almost one-fifth (19.4%) of Afghan residents were aged less than 5 implying that many of them were born in Pakistan. Afghans were residing in Pakistan primarily as families, as reflected by the almost equal numbers of men and women (51% and 49%, respectively). The average family size was 5.6. More than half (57.7%) were living outside the refugee camps that had initially been established for them. About 80% had arrived in Pakistan between 1979 and 1985. In terms of employment status, a majority (58%) said they earned a
livelihood through daily wages while 15.5% were self-employed. Only 6.7% were in some kind of salaried employment. When asked about their intention to return to Afghanistan, an overwhelming majority (83%) stated that they did not intend to return to Afghanistan. The main reason for this intention was given as lack of shelter in home country reported by 57.2%, followed by lack of livelihood facilities reported by 18.2%.

7.2 Registration of Afghan Refugees

Following the Afghan Census in 2005, a comprehensive exercise was undertaken by the Government of Pakistan in collaboration with the UNHCR to register the Afghans residing in Pakistan and issue them with Proof of Registration (PoR) Cards. A comprehensive report of this exercise was published in 2007 (GoP and UNHCR, 2007). A target to register 2.46 million Afghans was set in view of the fact that 580,000 of the 3.05 million Afghans enumerated in the 2005 Census had been repatriated with UNHCR assistance during March 2005 and October 2006. By February 2007, a total of 2.153 million Afghans (87% of the target) were registered. Over 1.5 million cards for all Afghans aged 5 years and above were printed and distributed following the registration. Those aged less than 5 are issued a PoR card once they reach age 5 through PoR modification centers established for this purpose. The objective of registering the Afghans was to provide a proof of their identification to show that the card holder was a legal resident of Pakistan and was an Afghan citizen temporarily living in Pakistan. While a majority of Afghans in Pakistan may be registered, an unknown number are present without any proof of registration.

According to the most recent estimates, the number of Afghans holding PoR cards was 1,409,475 as of July 31, 2019 (UNHCR website) Hussain (2019), quoting the Chief Commissioner for Afghan refugees in Pakistan, reported that the following numbers of documented and undocumented Afghans were present in Pakistan at the beginning of 2019: (i) registered Afghan refugees numbering 1.4 million, (ii) newly-documented Afghans (Afghan citizen card holders) with a total population of 0.84 million, and (iii) undocumented/unregistered Afghans with a total number of 0.5 million. Thus, an estimated 2.74 million Afghans were still residing in Pakistan in early 2019. The above estimate is close to the one provided by a joint report of UNHCR and IOM that showed the number of Afghan refugees in Pakistan to be around 2.4 million in 2018, with 1.4 million holding PoR cards (IOM and UNHCR, 2018).

Among the PoR cardholder refugees, 54% were male and 46% were female according to UNHCR estimates as of July 31, 2019 (UNHCR, update, July 31, 2019). About 58% were living in the KPK province, 23% in Baluchistan, 12% in Punjab, 5% in Sindh, and 2.3% in Islamabad as of July 31, 2019. A large majority (85%) were Pashtun, 6% were Tajiks, 3% were Uzbeks, and the rest belonged to other ethnicities. The largest percentages had originated from Nangarhar and Kunduz (17.8% and 12.6%, respectively).

In addition to the Afghan refugees, the UNHCR estimates that the following persons of concern were also present in the country in mid 2019:

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somalia (refugees)</td>
<td>177</td>
</tr>
<tr>
<td>Other (refugees)</td>
<td>322</td>
</tr>
<tr>
<td>Asylum seekers</td>
<td>6,978</td>
</tr>
</tbody>
</table>
7.3 Undocumented Afghans in Pakistan and their Registration

Estimating the number of undocumented residents is a highly challenging exercise in any country, including Pakistan. The estimates of such persons tend to vary widely across different sources. A rough estimate about the number of undocumented Afghans in 2005-2007 may be made as follows. Considering the difference between the estimated number of Afghans in Pakistan counted in the 2005 Census and the ones who were registered by February 2007, it may be inferred that roughly 310,000 undocumented Afghans were residing in Pakistan at that time.

In order to manage the presence and stay of undocumented Afghans, Pakistan and Afghanistan agreed in March 2015 to set up a joint committee to work out a mechanism for documentation of unregistered Afghan nationals in Pakistan, estimated to number about 2 million (Dawn, March 10, 2015). A mechanism to register undocumented Afghans was established and launched in August 2017. The Pakistan National Registration and Database Authority (NADRA) set up 21 centers across Pakistan to register undocumented Afghans over a six-month period. It was decided that such persons would be provided Afghan Citizen Cards (ACCs), after due screening and determination that they fulfilled the criteria to receive such cards. It was also agreed that members of the Afghan Ministry for Refugees and Repatriation would be present at the registration centers to monitor the process. It was estimated that nearly one million Afghan nationals who were living illegally in Pakistan would get registered (Nation, August 16, 2017).

Government efforts to register undocumented Afghans were appreciated by international refugee agencies (www.un.org/news/, 21 July 2017). While the efforts at registering undocumented Afghans were fairly successful, it seems that the coverage was not complete, as of March 2019, and an estimated half a million undocumented Afghans were still present in the country (Hussain, 2019).

7.4 Repatriation of Registered and Undocumented Refugees to Afghanistan

The governments of Pakistan and Afghanistan have launched repatriation programs whereby the refugees can return to their home country in an orderly, safe and dignified manner. International agencies such as the UNHCR and the International Organization for Migration (IOM) are playing key roles in facilitating and monitoring such returns. The UNHCR deals with the repatriation of Afghans who are registered with Pakistani authorities and hold PoR cards, and the IOM with those who are undocumented.

The UNHCR publishes a monthly update on the repatriation of Afghans who moved back to their country with assistance of the UNHCR. The total number of Afghan refugees who returned voluntarily and was recorded by the UNHCR between 2002 and June 2019 was 4,376,488. The number of yearly repatriations for 2005-July 2019 is shown in Figure 7.1. The UNHCR operates two voluntary repatriation centers in Quetta, Baluchistan and Nowshera, KPK to facilitate voluntary repatriation. Families wishing to repatriate are de-registered, and their PoR card is cut in the corner. Returnees receive a cash grant of about US$200 per individual upon arrival at one of the three UNHCR encashment centers in Afghanistan (UNHCR fact sheet, June 2019). In terms of the gender breakdown of returnees, women seem to be over represented among the returnees. For example, during the January-June six-month period in 2019, 54% of the returnees were women while 46% were men. This uneven distribution raises questions about the return of entire families, or a higher return of the ones by female headed households, such as widows with children.
Figure 7.1: Yearly voluntary repatriations of Afghan refugees, 2005-2019

Voluntary repatriation by years (2005 - 31 July, 2019)

<table>
<thead>
<tr>
<th>Year</th>
<th>Torkham Families</th>
<th>Torkham Individuals</th>
<th>Chaman Families</th>
<th>Chaman Individuals</th>
<th>Total Families</th>
<th>Total Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2491</td>
<td>60606</td>
<td>2030</td>
<td>33127</td>
<td>4521</td>
<td>93733</td>
</tr>
<tr>
<td>2018</td>
<td>2809</td>
<td>14511</td>
<td>3125</td>
<td>15902</td>
<td>5934</td>
<td>50413</td>
</tr>
<tr>
<td>2019</td>
<td>640</td>
<td>3559</td>
<td>1956</td>
<td>9750</td>
<td>2596</td>
<td>13309</td>
</tr>
<tr>
<td>Total</td>
<td>5940</td>
<td>78676</td>
<td>7111</td>
<td>58779</td>
<td>13051</td>
<td>137455</td>
</tr>
</tbody>
</table>


The IOM is implementing a program to assist in the spontaneous repatriation of undocumented Afghans in Pakistan and Iran. It maintains a dashboard where it publishes regular updates of the number of repatriated returnees. It has also published annual reports on repatriations since 2015. A total of 119,279 undocumented Afghans returned to their homeland in 2015 and 248,054 did so in 2016 (IOM, 2016). The total number of undocumented returnees for 2017-September 2019 were as follows:

7.5 Research on Afghan refugees

A sizeable body of literature, covering various aspects of Afghan refugee presence in Pakistan has emerged over the years, some of which is briefly reviewed below. Gazdar (2003) provided a comprehensive overview of the Afghan refugee situation in Pakistan. Three qualitative case studies, for Peshawar, Quetta, and Karachi were conducted by the Collective for Social Science Research during 2004-5 (CSSR, 2006). The objective of these case studies was to understand and analyse the transnational networks of refugees in terms of cross-border linkages, livelihood strategies, support networks, and links with Afghanistan. Ghufran (2006) reviewed the situation of Afghan refugees in Pakistan and made some recommendations for future management and policies. Chattha (2013) conducted a study to better understand the policies regarding the resettlement of Afghan refugees in the EU, and interviewed Afghan refugees in Pakistan to assess their knowledge.
about such policies and programs. Bjelica (2016) looked at the mass returns of Afghans after July 2016 and commented on the politics surrounding the spurt in returns. While outlining the protracted presence of Afghan refugees in Pakistan, Khan (2017) suggested several policy options for orderly management and return of Afghan refugees.

7.6 Policies on Afghan refugees

Several writings describe Pakistan as a generous host for Afghan refugees, noting that ethnic and cultural ties between Pakistan’s northern areas and Afghanistan were an important feature that facilitated such accommodation. Some writers describe Pakistan’s policies regarding Afghan refugees as “truly generous and ambivalent”, but believe that Pakistan used Afghans as a political tool in its foreign relation policies (Grare and Maley, 2011). While being a generous host, Pakistan always had a consistent position requiring the eventual return of all Afghans (CSSR, 2006). Over the last two decades, multiple efforts have been made by the Pakistan government to arrive at suitable mechanisms for the repatriation of Afghan refugees. A Tripartite Commission was established between the governments of Pakistan and Afghanistan with the UNHCR to enable such repatriation. An agreement was signed in March 2003, where it was agreed that the principles of voluntary, safe, and dignified repatriation of the refugees would be upheld in the process (Ghufran, 2006). In the 25th meeting of the Tripartite Commission held in March 2015, it was agreed that new approaches would be adopted to support the process of repatriation by empowering returnees at an individual level by strengthening their self-reliance and coping mechanisms upon return (UNHCR, 2015). Repeated extensions of PoR cards is one mechanism through which the legal and secure status of Afghan refugees has been guaranteed by the Pakistan government. The latest such extension was granted in July 2019 extending the validity of the PoR cards to June 30, 2020 following the visit to Pakistan by the Afghan president Ashraf Ghani (Jamal, 2019).

The Afghan refugee influx into Pakistan is now 40 years old. Since Afghans moved to Pakistan primarily as families, there is a whole generation of Afghans who were born in Pakistan. A mechanism has been developed to register new births and issue PoR cards to such children once they reach age 5. During his recent tour of the USA the current Prime Minister, Imran Khan, announced that Pakistan would grant Pakistani nationality to Afghan children born in Pakistan, as well as their parents (Parwani, 2019).

While the generosity of the Pakistan government has been acknowledged, it has also received a considerable amount of criticism for harsh treatment and harassment of some refugees. As noted by Ruiz (2004), Pakistani authorities by 1999 grew increasingly frustrated with the seemingly endless conflict in Afghanistan, and several instances of harsh treatment emerged such as the demolition of Afghan traders stalls in a Peshawar market in June 1999 by the police. In November 2000, Pakistan closed its border with Afghanistan to prevent the influx of more refugees. Over the years, instances of abuse and harassment continued to be noted. Attitudes towards Afghan refugees became especially hostile after the December 2014 attack by the Tehrik-e-Taliban Pakistan attack on the Army Public School in Peshawar where 145 people including 132 children were brutally killed. The Pakistan government believed that the masterminds of the attack were operating from safe havens within Afghanistan resulting in greater hostility towards Afghan refugees (Bjelica, 2016). The Human Rights Watch (HRW) strongly criticized the Pakistan government’s policies to speed up the return of Afghan refugees during 2016, and claimed that the estimated exodus of about half a million refugees “amounts to the world’s largest unlawful mass forced returns of refugees in recent times” (HRW, 2017).
Numerous writers have commented on the difficulties underlying the successful resettlement of Afghan refugees in their home country. As noted by the HRW (2017) report, Afghans returning from the relatively “stable security and economic conditions in Pakistan” are pushed into expanding armed conflict, widespread destitution, and a near-total absence of social services. In addition to being a developing country with limited resources, the Afghan society is multidimensional with numerous interest groups and factions that may be antagonistic to each other, and are likely to complicate the environment of safety and security that the refugees may be willing to return to (Ghufran, 2006). Given the above difficulties it is not surprising that 83% of the Afghans did not intend to return to their home country when asked this question in the 2005 Census. Yet, extensive repatriation programs by the UNHCR and IOM have been effective in the return of many.

### 7.7 Conclusion

Afghan refugees in Pakistan constitute one of the largest groups of persons in the world uprooted due to persisting armed conflict. The exodus started in 1979 and it is estimated that the total number of Afghan refugees in Pakistan may have exceeded 5 million in the early 2000s. In 2005, about 3 million Afghan refugees were counted in a population census conducted on this group. The governments of Pakistan and Afghanistan have launched several agreements to register Afghans in Pakistan and to help them repatriate voluntarily in a safe, orderly and dignified manner. They are being assisted in the above efforts by the UNHCR and IOM. Return to their home country is impeded by the continued internal conflicts in Afghanistan as well as the challenging economic situation. In addition, about 80 percent Afghans said that they did not wish to return when asked this question in the 2005 Census. For many who were born in Pakistan, return presents an unwelcome option in the face of an uncertain future in their home country.
References


8.1 Irregular Migrants in Pakistan

In Pakistan, the National Aliens’ Registration Authority (NARA), established in 2000 (merged with NADRA in 2015) is mandated to register irregular migrants, defined as those residents of the country who are neither citizens of Pakistan, nor legally resident foreigners. The aim of NARA/NADRA is to register such persons, considered as “illegal aliens” and to regularize their status by issuing them with a special renewable identity card for foreigners. Unlike the registration of Afghan refugees and issuance of PoR cards to them, the picture for other non-citizens who are considered as illegal residents in Pakistan is less clear.

According to NARA's estimates, the number of irregular immigrants stood at 3.35 million in 2004 (ICMPD, 2013). A majority of such irregular immigrants originated from the former East Pakistan, and the creation of Bangladesh in 1971. Based on NARA/NADRA reports, the number of Bengalis was estimated by the EBDM (2009) to be 1,030,000 and of Burmese as 100,000; in addition, 2000 Nigerians, 2000 Somalis and 6000 other nationals were estimated to reside illegally in Pakistan around 2008. Pakistan is both a destination and transit country for migrants coming mostly from South Asia, but also from other countries like Somalia and Nigeria (ICMPD, 2013). It is mostly considered a transit point between destinations such as Iran, Turkey, Greece, Central and Western Europe.

The district of Karachi houses most of these irregular immigrants (ICMPD, 2013; UNODC, 2012). While empirical research on these groups remains largely absent, some studies (EBDM, 2009; Gazdar, et al, 2005) are available on the ethnic Bengalis and Burmese residing in Karachi which provide insights into the number, living conditions, and legal status of this population.

Although the entry of ethnic Burmese and Bangladeshis into Pakistan was initially facilitated by the state, they still hold an irregular migrant status. As NARA/NADRA explicitly states, the right to enter Pakistan does not automatically confer them citizenship. Currently, the same irregular status is applied to the children of Bengali and Burmese migrants who were born in Pakistan. According to NARA/NADRA the children of Bengalis and Burmese born in Pakistan are aliens until they are either registered with NARA/NADRA or become citizens of Pakistan according to the Law of Citizenship. However, as far as NARA/NADRA is concerned, possession of CNIC is not a sufficient condition for awarding nationality to these persons.

Some of the Bengalis and Burmese were issued national identity cards prior to 2000. However, in an attempt to weed the country of foreign aliens and irregular migrants, it was decided by the Government after the promulgation of the Foreigners (Amendment) Ordinance 2000 to replace the old National Identity Cards (NIC) with new, computerized identity cards (CNIC) for the entire population aged 18 and above. Due to this change, several Burmese and Bengalis who possessed the old cards were “weed out” since they were not issued new CNIC cards, as reported in a study by Gazdar et al. (2005). Furthermore, CNICs which would allegedly grant these people “non-alien” status are not easy to acquire. Mughal and Baloch (2017) also cite cases of Bengalis who face difficulty in getting their CNICs renewed from NADRA despite the possession of all relevant, legal documents unless heavy bribes could be offered.
A Census was administered by Gazdar, et al. (2005) in Machhar Colony, Orangi, and Korangi neighborhoods in Karachi from which a sample of 100 irregular migrant households was chosen, providing several insights about this population. It was found that only 35.2% of the target population possessed a CNIC in 2005. The lack of clarity regarding the status of the Bengali and Burmese children born in Pakistan creates a huge problem as a major proportion are non-migrants and did not come to Pakistan from another country. Gazdar et al. (2005) reported that 79.2% of the ethnic Bengali and Burmese individuals said that they were born in Pakistan. Despite being born in Pakistan and having some claims to Pakistani citizenship the ethnic Bengalis and Burmese face uncertainty, discrimination and harassment by the police. The primary threat that the respondents reported was the Bangla Cell of NARA which is empowered to make arrests of anyone considered illegal alien by them. The cell however, is obligated to register all those persons found to be aliens. This has seriously restricted the mobility of the ethnic Bengali and Burmese who cannot venture out too far in search for employment lest they are arrested or harassed for ‘border crossing’. NARA has also restricted employment opportunities for the ethnic Bengalis and Burmese by enforcing upon all government agencies the requirement of possession of a valid CNIC or registration with NARA for employment purposes.

In attempts to uplift their conditions and protect themselves, the Bengalis and Burmese have built a variety of linkages (Gazdar, et al., 2005). Such efforts involve networking with local interest groups, political parties, and religious organizations. One such example of networking is efforts by the Bengalis and Burmese to enlist in Razakar Force through which they can associate with the State and attain a certain level of security (Gazdar, 2005). Furthermore, through their diverse set of social networks, they have enabled themselves to sustain themselves in an otherwise precarious environment. Issues like access to residence, certain utilities and public goods, resolution of domestic and neighborhood conflicts, and arrangement for functions like marriage or funerals is facilitated by these networks (Gazdar, et al., 2005).

8.2 Pakistanis in an Irregular Status in Other Countries

As noted by the ICMPD (2013) country report on Pakistan there are no comprehensive estimates of the number of Pakistanis who are living overseas in an irregular situation against the laws of the host country. Figures on deportation and forced returnees, discussed in the next section, provide a rough idea about such migration. However, it is well known that the number who are apprehended and deported generally falls short of the actual number of persons in such situations, to an unknown degree. It is estimated that during the last decade about 300,000 persons have been migrating from Pakistan each year through the use of irregular channels, including the ones for migrant smuggling and human trafficking (ICMPD, 2013). The above number includes Afghans and other nationals, who use Pakistan as a transit country for overseas irregular migration. Pakistanis are among the ten most-detected nationalities that attempt irregular migration to Europe and Australia, as judged by UNODC (I-SAPS, 2017). Eurostat statistics for 2013-14 show that Pakistanis are the second highest nationality to be deported from the European Union, after Albania. As shown in Table 8.1 apprehensions of Pakistani nationals in Europe indicated an upward trend in 2008-2012; more than doubling from 13,210 to 29,455. Of those apprehended in 2012, Greece had the highest number (11,095) followed by the UK (7,195), and this pattern was consistently present over the observed period.

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1 As elaborated by Gazdar, et al (2005), a special police unit, locally known as ‘Bangla cell’ under NARA has been set up to find and arrest “border-crossers”. By virtue of being ethnic Bengali and Burmese, members of these communities are especially vulnerable to arrests and harassment by this department.
Table 8.1: Pakistan Nationals found to be illegally present in the Europe (2008-2012)

<table>
<thead>
<tr>
<th>Country</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>180</td>
<td>190</td>
<td>185</td>
<td>225</td>
<td>275</td>
</tr>
<tr>
<td>Germany</td>
<td>480</td>
<td>515</td>
<td>550</td>
<td>1,445</td>
<td>2,370</td>
</tr>
<tr>
<td>Ireland</td>
<td>95</td>
<td>315</td>
<td>385</td>
<td>220</td>
<td>135</td>
</tr>
<tr>
<td>Greece</td>
<td>2,060</td>
<td>4,295</td>
<td>8,485</td>
<td>18,275</td>
<td>11,095</td>
</tr>
<tr>
<td>Spain</td>
<td>1,880</td>
<td>2,285</td>
<td>2,025</td>
<td>2,005</td>
<td>2,330</td>
</tr>
<tr>
<td>France</td>
<td>1,295</td>
<td>1,000</td>
<td>945</td>
<td>1,140</td>
<td>1,670</td>
</tr>
<tr>
<td>Italy</td>
<td>1,385</td>
<td>800</td>
<td>705</td>
<td>355</td>
<td>400</td>
</tr>
<tr>
<td>Cyprus</td>
<td>450</td>
<td>565</td>
<td>480</td>
<td>490</td>
<td>590</td>
</tr>
<tr>
<td>Austria</td>
<td>165</td>
<td>280</td>
<td>420</td>
<td>1,250</td>
<td>2,440</td>
</tr>
<tr>
<td>Poland</td>
<td>20</td>
<td>25</td>
<td>20</td>
<td>10</td>
<td>155</td>
</tr>
<tr>
<td>Portugal</td>
<td>175</td>
<td>190</td>
<td>95</td>
<td>145</td>
<td>260</td>
</tr>
<tr>
<td>Romania</td>
<td>10</td>
<td>50</td>
<td>40</td>
<td>70</td>
<td>100</td>
</tr>
<tr>
<td>Slovakia</td>
<td>190</td>
<td>200</td>
<td>30</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td>Sweden</td>
<td>0</td>
<td>110</td>
<td>95</td>
<td>130</td>
<td>150</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>4,690</td>
<td>4,510</td>
<td>4,750</td>
<td>6,430</td>
<td>7,135</td>
</tr>
<tr>
<td>Others</td>
<td>135</td>
<td>175</td>
<td>160</td>
<td>320</td>
<td>345</td>
</tr>
<tr>
<td>Total</td>
<td>13,210</td>
<td>15,505</td>
<td>19,370</td>
<td>32,525</td>
<td>29,455</td>
</tr>
</tbody>
</table>

Source: Eurostat, 2013

Note: Annual data, rounded figures

As shown in Chapter 1, the Gulf region is the primary recipient of Pakistani migrants, especially workers. Research on irregular migration in the Gulf region is miniscule, as shown in a recent publication by Fargues and Shah (2017). An unknown number of migrants in the Gulf are residing there in an irregular capacity. Examples from Kuwait and Saudi Arabia shed some light on the topic. Data collected by the Interior Ministry in Kuwait reported that a total of 7,498 Pakistanis had overstayed their residence visa and were living in the country illegally in 2011 (Shah, 2014). During an amnesty declared for such visa violators during that year, 59.2% did not avail the amnesty, 27.2% left the country without paying a fine and 13.4% regularized their status. In addition to overstaying a valid visa limit, another more common form of irregular migration in the Gulf consists of employment by a person who is not the worker’s sponsor (or kafeed). No reliable estimates of this type of irregular migration are available, however, in the case of Pakistani workers or those from many other countries who reside in the Gulf in this capacity. The experience of Saudi Arabia who launched a serious regularization drive in 2013 showed that the scale of irregular residence was massive; about one million persons availed the amnesty to leave the country while 4 million regularized their stay. A sizeable number of the above regularizations are expected to have been among Pakistanis, given their relatively large numbers present in Saudi Arabia.

8.3 Pakistani Migrants Resulting from Human Trafficking and Migrant Smuggling

Pakistan is reported to be a country of origin, destination, and transit for trafficking in human beings (ICMPD, 2013). Pakistan is used by persons from Afghanistan and Bangladesh as a transit route to the Gulf States, Australia and Europe (UNODC, 2013). The number of persons who fall prey to human trafficking and migrant smuggling remains unknown. Some estimates can
be made from the numbers who are apprehended in the host country, asylum seekers, and those who are forced to return to Pakistan, addressed in the next section.

The Federal Investigation Agency (FIA) has identified three main routes through which migrants are smuggled (or trafficked) to Europe and the Gulf, as follows (FIA, 2015):

- Pakistan → Iran → Oman → UAE
- Pakistan → Iran → Turkey → Greece
- Pakistan → Middle East → West Africa → Spain

The Pakistan government has taken serious steps to curb human trafficking and migrant smuggling. With the assistance of the UNODC, a Research and Analysis Center was established at the FIA headquarters in Islamabad in May 2014 (FIA, 2014). Comprehensive annual reports have been published by this Center for 2014, 2015, and 2016/2017.

Pakistan ratified the UN Convention on Transnational Organized Crime on January 13, 2010, that defines trafficking in persons (FIA, 2016/17). At the national level Pakistan formulated an anti-trafficking policy through its ‘Prevention and Control of Human Trafficking Ordinance’ (PACHTO) in 2002, and the ‘Pakistan National Action Plan for Combatting Human Trafficking’ in 2009. PACHTO was replaced in 2018 with a comprehensive human trafficking law, Prevention of Trafficking in Persons Act (PTPA). The new law criminalized all forms of sex trafficking and labor trafficking and prescribed penalties of up to seven years in jail, and a fine of up to 1 million rupees for trafficking (USDS, 2019).

The FIA is the main agency responsible for implementing the laws and apprehending smugglers and traffickers. It has established several Anti Human Trafficking Circles in 16 major cities and several smaller units through the Provincial headquarters. In addition, it is sponsoring public awareness campaigns, especially in the Punjab, and providing organized training sessions to law enforcement officials on how to investigate trafficking cases and treat victims sensitively (ICMPD, 2013).

The USA State Department publishes an annual report assessing the performance of each country of the world on controlling trafficking in persons (USDS, 2019). Since the last two years (2018-19) Pakistan’s position has improved compared to the previous four years, 2014-17. Even though the Pakistan government was judged to not fully comply with the minimum standards for the elimination of trafficking, it was making significant efforts to do so. These efforts include the passing of the country’s first human trafficking law on Prevention of Trafficking in Persons Act (PTPA) in 2018, and the arrest and punishment of some persons involved in trafficking.

8.4 Pakistani Forced Returnees and Deportees

In recent years, Pakistan has been recording the data on nationals who return through deportation from overseas. The number of deportees for 2015-2017 who came back through Pakistani airports from the top ten countries is shown in Table 8.2. A total of 123,093 returned through airports in 2017 and another 21,620 through the Iran land border (FIA, 2016/17). Saudi Arabia has been the largest source of deportees and accounted for about 76% of all such returnees in 2017, with the UAE contributing another 8.4%. According to an estimate by Arif and Ishaq (2017), 6.1% of the 3.2 million workers who were placed in the Gulf countries between 2009-2014 were deported from there. In terms of the major reason for deportation, overstaying the valid visa was the leading reason, reported by about 72% in 2017 (FIA, 2016/17).
The FIA also collects data on the age and gender of deportees. In 2017, 71.5% of all deportees were aged between 18-39. Also, only 5.6% of them were women. The above age-sex profile is consistent with the nature of outflows from Pakistan, especially in case of the Gulf region that is the source of most deportees and where most migrants are males in working ages.

Table 8.2: Number of Pakistani deportees received through Pakistani airports 2015-2017

<table>
<thead>
<tr>
<th>S. No</th>
<th>Country</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bahrain</td>
<td>352</td>
<td>186</td>
<td>136</td>
</tr>
<tr>
<td>2</td>
<td>Greece</td>
<td>1340</td>
<td>958</td>
<td>1987</td>
</tr>
<tr>
<td>3</td>
<td>Malaysia</td>
<td>3910</td>
<td>3700</td>
<td>3165</td>
</tr>
<tr>
<td>4</td>
<td>Oman</td>
<td>4343</td>
<td>1804</td>
<td>3165</td>
</tr>
<tr>
<td>5</td>
<td>Saudi Arabia</td>
<td>61403</td>
<td>58399</td>
<td>93736</td>
</tr>
<tr>
<td>6</td>
<td>South Africa</td>
<td>511</td>
<td>567</td>
<td>511</td>
</tr>
<tr>
<td>7</td>
<td>Turkey</td>
<td>2332</td>
<td>2146</td>
<td>4925</td>
</tr>
<tr>
<td>8</td>
<td>UK</td>
<td>2514</td>
<td>1895</td>
<td>1796</td>
</tr>
<tr>
<td>9</td>
<td>UAE</td>
<td>8690</td>
<td>10003</td>
<td>10393</td>
</tr>
<tr>
<td>10</td>
<td>USA</td>
<td>166</td>
<td>215</td>
<td>280</td>
</tr>
<tr>
<td>11</td>
<td>Others</td>
<td>3406</td>
<td>2867</td>
<td>3026</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>89207</td>
<td>82740</td>
<td>123093</td>
</tr>
</tbody>
</table>

*Source: FIA, 2016/17*

Excluding the deportations from Saudi Arabia and the UAE, five other countries have been identified as the primary points of deportation for Pakistanis, namely Iran, Turkey, Oman, Greece and Spain (ITGOS). As shown in Table 8.3, the number of deportees from the ITGOS (23,196) was at its highest level in 2012, but declined to less than half that number in 2017 (9,525), probably as a result stricter law enforcement in Pakistan as well as the countries that deported the migrants.

While the Pakistan government has developed a fairly comprehensive database for labor migrants who go overseas after registering with it, no such database exists for irregular migrants. Similarly, there is no database for returnees, regardless of their legal status. Efforts at collecting data on deportees and forced returnees seem to have been more successful.

Table 8.3: Number of Pakistanis deported from Iran, Turkey, Greece, Oman and Spain (ITGOS), 2007-2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Deportations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>11341</td>
</tr>
<tr>
<td>2008</td>
<td>18024</td>
</tr>
<tr>
<td>2009</td>
<td>13580</td>
</tr>
<tr>
<td>2010</td>
<td>16530</td>
</tr>
<tr>
<td>2011</td>
<td>23196</td>
</tr>
<tr>
<td>2012</td>
<td>21994</td>
</tr>
<tr>
<td>2013</td>
<td>16094</td>
</tr>
<tr>
<td>2014</td>
<td>12196</td>
</tr>
<tr>
<td>2015</td>
<td>8363</td>
</tr>
<tr>
<td>2016</td>
<td>5078</td>
</tr>
<tr>
<td>2017</td>
<td>9525</td>
</tr>
</tbody>
</table>

*Source: FIA, 2016/2017*
A study was commissioned by the IOM for carrying out a mapping of the institutions involved in managing return migration to Pakistan. I-SAPS (2017) who conducted this research study described the institutional set up and arrangements through which the return of irregular migrants from the EU is currently being managed. The report provides a description of the institutions within Pakistan involved in the above process. The EU and Pakistan have signed an agreement for the organized, safe, and orderly return of Pakistani nationals who are residing in the EU without lawful authorization to do so. The objective of this assisted voluntary program is to “allow humane, dignified and sustainable return options...preparation time for return, assurance to human rights of returnees and avoidance of stigma of forced return”. Apart from the above program for forced returnees, there are no systematic efforts for the assistance and reintegration of such returnees from regions outside the EU from where almost 85% of the deportees come back to Pakistan.

8.5 Conclusion

Pakistan is home to refugees and irregular migrants from several countries, predominantly Afghanistan and Bangladesh. Organized repatriation efforts have been made in recent years for the orderly, safe and dignified return of Afghan refugees to their homeland. Similar programs are lacking in case of Bangladeshi and other migrants. In terms of irregular migration from Pakistan, the country serves as a point of origin, destination, and transit. The number of irregular migrants is unknown, except in cases where such migrants are deported back to Pakistan, or apprehended as illegal residents of the host country. More than 85% of all deportees are coming back from the Gulf countries that is the major recipient of all Pakistani migrants during the last 3-4 decades. Pakistan has made several efforts in controlling trafficking in persons and passed a law to do so in 2018. The country is being assisted by several international organizations to manage irregular migration and to safeguard the wellbeing and rights of migrants who are forced to make vulnerable choices that puts their lives in many kinds of danger.
References


Shah, N. M. (2014). *Recent amnesty programmes for irregular migrants in Kuwait and Saudi Arabia: Some successes and failures.* Migration Policy Centre, GLMM, Explanatory note,


PART-IV

Governance of Migration and Remittances
Chapter 9

Governance of Migration

Effective governance of overseas migration is one of the key ingredients for ensuring safe, orderly, and regular migration. In response to the heightened outflow of labor migrants during the 1970s, the Pakistan government was among the first South Asian countries to establish a legislative and institutional framework to regulate overseas migration.

9.1 Legislative Framework and Policies on Migration

To replace the Emigration Act of 1922, a legislative framework was developed under the Emigration Ordinance XVIII of 1979, and accompanying rules. The Ordinance addressed many major aspects to regulate and facilitate migration. The rules also emphasized the provision of pre-departure orientation and guidance to departing migrants. It laid down the details for the licensing and operation of overseas employment promoters (OEPs) and penalties for those who did not abide by the rules. The 1979 Ordinance, followed by periodic amendments, has guided migration until the present. The OEPS, run by private companies, have been an integral engine for mobilizing the recruitment of overseas workers, since the early 1970s, and serve as a channel for overseas migration in at least half the cases.

In terms of formulating and implementing a revised policy, Pakistan has lagged behind its regional neighbors such as Sri Lanka, Bangladesh and Nepal, despite repeated efforts, (Shah, 2018). Under the guidance of the newly elected government in 2008, a draft National Emigration Policy was prepared in 2009 but was not debated or approved by the Parliament (Government of Pakistan 2009). The main features of this policy focused on devising strategies to maximize the level of outflows and enhance Pakistan’s market share of migrants in the Gulf and other countries, assist migrants in financing migration costs, facilitate remittance inflows to Pakistan, and simplify migration procedures. Another feature of the policy was to encourage skill development of the workforce for emigration, including language training. It also emphasized the protection of migrants through various programs such as a helpline and facilitating the reintegration of returnees. An evaluation of the 2009 Emigration Policy by Jan (2010) concluded that the policy was weak in terms of ensuring the protection of migrant workers and focused largely on Gulf countries, ignoring workers in other parts of the world. Jan also contended that the protective measures suggested by the policy were reactive in nature and did not address the fact that policies of the host countries in the Gulf are, in fact, often the root causes of problems faced by migrants.

A more recent attempt at formulating a National Policy for Overseas Pakistanis was made in 2013 by the Ministry of Overseas Pakistanis in partnership with ILO with a focus on maximizing welfare and empowerment of the Pakistani diaspora working in different countries (ILO 2013). A consultative workshop was held to present a draft proposal suggesting several areas to be highlighted such as ratification of ILO conventions related to rights of migrant workers, encouraging the participation of women in migration, recognizing social protection as a basic human right, supporting social network associations in host countries, and establishing vocational and technical training courses to meet the demand for overseas employment.
9.2 The Currently Proposed Migration Policy

The latest effort at formulating and implementing a “National Emigration and Welfare Policy for Overseas Pakistanis” is currently in the process of consultations with concerned government departments and related international agencies and a draft is expected to be submitted to the National Assembly in the near future. Under the guidance of five thematic working groups key challenges in the promotion of emigration, protection of overseas workers, and reintegration of returnees have been highlighted to point the way for effective policy responses. The three pillars of the new policy are: (1) the promotion and expansion of safe, orderly, and regular migration; (2) Protection and welfare of overseas Pakistanis; and (3) Reintegration of return migrants.

9.3 Policies on Technical and Vocational Training

A broad strategy that has been an important part of the Government policy concerns efforts to raise the skill level of the workforce in Pakistan, including that of potential migrants. A National Vocational and Technical Training Commission (NVTT) was established in 2005 for upgrading skills to enhance the marketability of workers. A National Skills Strategy was adopted in 2009 to improve the quality of Pakistan’s workforce through concerted technical and vocational training programs. The above Strategy was implemented from 2009-13, with an emphasis on competency-based training that would enhance demand-driven skills (ILO 2016). The Strategy was implemented through the establishment Technical and Vocational Education and Training Authorities (TVETs) in each of the four Provinces. A Consultation report issued in November 2014 indicated that even though progress had been made, only an estimated 8% of all workers had received any training, much of which was not certified (GoP, 2014). A series of recommendations were therefore made to strengthen the institutional structure, curriculum, and funding of the training programs. At the present time, concerted efforts continue to be made to enhance the skill level of Pakistan’s workforce through appropriate vocational and technical training. Various International development agencies are assisting the Pakistan government in skill development of the workforce.

9.4 Institutional framework

The Pakistan government set up an administrative structure to regulate the outflow of migrant workers shortly after the upsurge in such outflows. The current setup is governed by the Ministry of Overseas Pakistanis and Human Resource Development (MOPHRD), established in 2013 through a merger of two Ministries, one for Overseas Pakistan and the other for Human Resources. The following major Organizations under this Ministry administer and regulate different aspects of overseas migration:

**Bureau of Emigration and Overseas Employment (BEOE):** The Bureau of Emigration and Overseas Employment (BEOE) was set up on 1st of October 1971, by combining three federal government departments namely National Manpower Council, Protectorate of Emigrants and Directorate of Seamen’s Welfare under the directive of Government of Pakistan. BEOE is a centralized agency of the Federal Government for processing recruitment demands of the Pakistani manpower through Licensed (OEPs) for the different manpower importing countries in the world especially in the Middle East. The Bureau has seven country-wide offices of Protectors (in Karachi, Lahore, Multan, Peshawar, Quetta, and Malakand) that process and approve the paperwork for overseas migrants and regulate the work of the OEPs. It provides licenses to OEPs, and is responsible for monitoring their work, and cancellation of such licenses in case of fraudulent or unsatisfactory services. The protectorates also collect data on various characteristics of migrant workers such as district of origin, country of
destination, occupation, and skill level that is forwarded to the head office in Islamabad and forms the basis of the tabulations produced by the BEOE.

**Overseas Pakistanis Foundation (OPF):** The main mission of the OPF is to ensure the economic and social welfare of overseas Pakistanis working and settled abroad, as well as their families living in Pakistan. It has been establishing schools and colleges, and set up some scholarships for children of migrant workers. It is also making efforts to enhance the contributions of overseas Pakistanis towards the development and progress of Pakistan through their remittances, investments and expertise.

**Overseas Employment Corporation (OEC):** This office receives all government-to-government requests for overseas employment. Its objectives are to promote the emigration of Pakistanis for employment abroad, and assist foreign recruiters to hire Pakistani manpower to fulfill specific demands. It attempts to arrange jobs that minimize worker exploitation and facilitate travel arrangements for prospective workers. It also provides pre-departure training, where necessary.

**Directorate of Worker’s Education (DWE):** Has a mission of “producing a devoted and disciplined manpower” according to the current requirements. It offers courses to accomplish the above task.

**Employees Old-age Benefits Institution (EOBI):** Provides pension benefits to retirees, on the basis of worker (and employer) contributions.

**Workers Welfare Fund (WWF):** Is designed to finance housing estates or construction of houses for industrial workers. It also undertakes worker’s welfare in terms of assisting with education of children up to Secondary level and providing scholarships at the post-Secondary level, providing marriage grants and grants in case of death.

### 9.5 Bilateral, Multilateral, and International Cooperation

Pakistan has signed bilateral memorandums of understanding (MOUs) with the following countries in relation to various aspects of manpower, training, and employment of migrant workers

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Country Name</th>
<th>Date</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>UAE</td>
<td>14-06-2019</td>
<td>In the field of the Manpower</td>
</tr>
<tr>
<td>2</td>
<td>Oman</td>
<td>31.01.2019</td>
<td>In the field of Labour and Training</td>
</tr>
<tr>
<td>3</td>
<td>Korea</td>
<td>07.03.2018</td>
<td>Manpower Sending and Receiving of Workers under the Employment Permit System</td>
</tr>
<tr>
<td>4</td>
<td>Bahrain</td>
<td>19.03.2014</td>
<td>In the Areas of Labour and Occupational Training</td>
</tr>
<tr>
<td>5</td>
<td>Kuwait</td>
<td>06.11.1995</td>
<td>In the field of labour and manpower</td>
</tr>
<tr>
<td>6</td>
<td>Libya</td>
<td>02.05.2009</td>
<td>For Cooperation in the Field of Employment</td>
</tr>
<tr>
<td>7</td>
<td>Qatar</td>
<td>28.03.1987</td>
<td>In the field of Manpower Employment</td>
</tr>
<tr>
<td>8</td>
<td>UAE</td>
<td>22.12.2006</td>
<td>In the field of Manpower Employment</td>
</tr>
<tr>
<td>9</td>
<td>China</td>
<td>20.02.2006</td>
<td>This is regarding Vocational Training</td>
</tr>
<tr>
<td>10</td>
<td>Yemen</td>
<td>06.12.2005</td>
<td>In the field of Technical Education and Vocational Training</td>
</tr>
<tr>
<td>11</td>
<td>Malaysia</td>
<td>20.10.2003</td>
<td>On the recruitment of Pakistani workers</td>
</tr>
<tr>
<td>12</td>
<td>Jordan</td>
<td>29.04.1978</td>
<td>In the field of Exchange of Labour Force</td>
</tr>
</tbody>
</table>

*Source:* MOPHRD, personal communication.
Bilateral MOUs provide a framework for safe, orderly and regular migration of Pakistani workers. However, such agreements are non-binding and sometimes weak in terms of implementation and follow-up. It is noteworthy that Pakistan has signed two MOUs with the UAE, in 2006 and 2019. The UAE is one of the two largest recipients of Pakistani workers and written agreements are likely to streamline and facilitate labor migration to that country. However, no agreement has been signed with Saudi Arabia, the second major recipient of Pakistani workers.

Pakistan is a participant in regional processes including the Colombo Process and the Abu Dhabi Dialogue focusing on the Gulf region. It is also a participant in the Budapest Process (covering the silk route countries and several European countries), and the Global Forum on Migration and Development. Participation in such forum enables the country to address regional and global issues at international platforms, but as noted by a recent World Bank report (2018), the actual impact of such initiatives on migration challenges remains weak.

9.6 Pakistan and Migration-Related Sustainable Development Goals (SDGs)

Among the ten SDG indicators related to migration, Pakistan has addressed at least four. In a recent presentation made by the BEOE shared with us by the MOPHRD, several steps that are being taken by this Organization to implement the indicators were outlined. With regard to reduction of recruitment costs (Indicator 10.7.1), the BEOE is undertaking initiatives such as computerizing the registration process at Protectorate offices, campaigning against illegal job advertisements, ensuring that OEPs inform prospective migrants about total cost of migration, matching foreign jobs with job seekers data etc. Regarding SDG indicator 10.7.2 on establishing a well-managed migration policy, the Government is in advance stages of approving a “National Emigration and Welfare Policy for Overseas Pakistanis”. In terms of reducing the transaction costs of remittances to less than 3% (Indicator 10.c), the Government is ensuring that no fee is charged on remittances above 200 US dollars, opening of bank accounts is facilitated, and awareness campaigns are held to inform migrants about these initiatives. Regarding SDG 8.8 on protecting the rights of migrant workers, the BEOE has established a complaints portal that can help identify workers in difficult or precarious situations. Despite the above initiatives, Pakistan’s implementation of most migration-related SDGs remains weak.

9.7 Reducing the cost of migration

Concern with the high cost of migration borne by low-skilled workers has emerged as an important area of focus for research and policy making aimed at maximizing the welfare of the migrant worker and reducing the exploitive elements found in the migration process. As part of a World Bank initiative in several countries, Amjad et al. (2017) conducted a study in six high-migration districts of Pakistan to assess the average cost of migration from Pakistan, the main components of this cost, and the differences across various categories of migrants including their area of origin. The study focused on two destination countries, Saudi Arabia and the UAE, and the sample was limited to low-skilled migrants. The average cost of migration was found to be 4,290 US$ in case of Saudi Arabia and 2,358 in case of the UAE, both being multiple times higher than the legal processing fee set by the government. The authors offered several policy recommendations to lower the cost of migration, such as review and rationalization of the cost incurred by the authorized OEPs in arranging the migration of a worker, providing better information to prospective migrants about the costs and to better understand the visa market in Pakistan and the role of unofficial and illegal intermediaries in the hiring process that were central actors in increasing the cost of migration.
One aspect that Amjad et al (2017) did not emphasize sufficiently was the role that intermediaries and employers in destination countries played in hiking the cost of migration to the worker in a sending country such as Pakistan. Research from the Gulf region describes the presence of visa trading whereby a national of the host country is able to sell a work visa to the prospective migrant through intermediaries in home (and host) countries, in return for granting the worker his sponsorship (kafalat) in order to get a residence permit or iqama, necessary for residing in the Gulf (Shah, 2013, 2014; Jureidini, 2014). Several researchers believe that the presence of the kafala system in the Gulf is a fundamental cause of the high cost of migration the worker has to bear.

9.8 Conclusion

The above description of Pakistan’s legislative and institutional framework on international migration, and its engagement with international governments and processes leads to the following conclusions. First, the country has not been able to formulate or implement a comprehensive migration policy to provide guidelines for effective management. Second, with the exception of registered labor migrants, it has not established any national level database to measure the stock and flow of overseas migration, or its characteristics. Indeed, the last Census held in 2017 did not include any question on international migration, unlike previous Censuses. Third, although it has signed MOUs with several countries the implementation and follow-up of such agreements needs strengthening. Fourth, the objectives of some of the Organizations under the MOPHRD seem overlapping, and it is unclear whether an effective coordination and cooperation between them exists. Fifth, concerned authorities need to play a greater role in reducing the cost of migration paid by the worker, as a result of practices such as visa trading in the Gulf, as well as fraudulent practices of recruitment agents in Pakistan. While the sending country officials have negligible control over the policies and practices of the host countries, they may increase their vigilance of intermediaries in sending countries who facilitate and perpetuate the high cost of procuring jobs in the Gulf market. Finally, while Pakistan has been participating in regional and global migration forums, its role needs to be made more effective and central in the years to come.
References


Chapter 10

Governance of Remittances

Given the critical role of remittances in providing balance of payments support an important goal of government policy is to maximize the inflow of remittances through official channels. This chapter reviews government efforts mainly through the State Bank of Pakistan to achieve this objective and suggests policy recommendations on how to achieve this goal.

10.1 The Remittance Market in Pakistan

The remittance market in Pakistan can be broken down into the following:

1. Remitters from overseas who demand Pakistani rupees to be paid in Pakistan in exchange for a foreign currency sent, including both temporary workers or permanently settled Pakistanis (or of Pakistan origin) through official or unofficial channels.

2. The remittance market within Pakistan that transfers both officially recorded remittances through banking and other recognized channels under an overall regulatory framework supervised by the State Bank of Pakistan (SBP), as well as unofficial remittances through domestic networks linked with foreign networks abroad.

3. Receivers of remittances—mainly households and families—that are sent through official or unofficial channels, who use these remittances for their own needs or for upkeep of remitters assets or purchase of new assets for the remitter.

Any attempt to divert the flow of remittances from unofficial to official channels requires an analysis of each of the above three segments of the remittance market to determine why remitters prefer one channel to the other. Clearly, given information and data constraints, it is only possible to analyze the proximate causes of these choices.

10.2 Remittance flows through official channels

Migration of Pakistani labour to the Gulf countries started in the early 1970s and with it significant flows of remittances to Pakistan. In 1982-83 these remittances at US$ 2.9 billion exceeded the country’s total exports.

In the 1980s oil prices began to decline and by 1986 had plunged to half their earlier levels. Deeply concerned about this decline the government was keen to analyze its possible impact on outmigration and return migration. The ILO was asked to conduct this analysis with World Bank. This pioneering ILO Report (ILO-ARTEP, 1987) included an important study by Chaudhry (1987) which estimated that only 57 percent of remittances from the Gulf came through formal channels. This study also projected declining out flows of Pakistani labour to the Gulf and with it a drastic decline in remittances to almost half of the peak it had reached in the earlier years of the 1980s.
In the 1990s remittances not only reduced but also flows through unofficial channels increased considerably over this period, mainly through *hawala/hundi* due to the differences between the official and unofficial (kerb) exchange rate as well as because the cost of sending through these channels was less and faster. According to Khalid (2017) “the State Bank of Pakistan (SBP) Taskforce on Home Remittances, reports that by end of FY 2001, formal channels accounted for only 19 percent of all remittances to the country”.

<table>
<thead>
<tr>
<th>Source</th>
<th>Period</th>
<th>Amount (Percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chaudhry (1987)</td>
<td>1980s</td>
<td>57</td>
</tr>
<tr>
<td>State Bank of Pakistan Task Force 2001*</td>
<td>1990s</td>
<td>19</td>
</tr>
<tr>
<td>Amjad et al. (2012)</td>
<td>2011</td>
<td>50</td>
</tr>
<tr>
<td>Amjad et al.</td>
<td>2013</td>
<td>60</td>
</tr>
<tr>
<td>SBP (2019)</td>
<td>2019</td>
<td>40-50</td>
</tr>
</tbody>
</table>

* Cited in Khalid (2017)

**Sources:** See above

This trend was sharply reversed in 2002 post-9/11 as stringent mechanisms were put in place as part of the global anti money laundering led by the United States to track financial transaction suspected of financing terrorist network. In response, the SBP also initiated a number of important steps to discourage the use of *hundi/hawala* as well as brought formal money changers into the mainstream financial system.

The onset of global financial crisis of 2008 led to a decline in the global flow of remittances but surprisingly saw an accelerated increase in remittances to Pakistan. This increase is generally attributed to a significant proportion of remittances from informal and illegal networks to official banking channels.

**Pakistan Remittance Initiative (PRI)**

An important initiative launched in 2009 jointly by the Ministry of Finance, Ministry of Overseas Pakistanis and the State Bank of Pakistan was the Pakistan Remittance Initiative (PRI). A comprehensive review of the existing remittance market in Pakistan was conducted including the setting up of a SBP Task Force on Remittances to suggest how the banking sector could play a more effective role in increasing inflows of remittances through official channels.

Currently the main objectives of the PRI are to (a) facilitate and support faster, cheaper, convenient and efficient flow of remittances; and (b) to create investment opportunities in Pakistan for overseas Pakistanis. The PRI which is housed in the SBP has concentrated its efforts on encouraging existing financial institutions – 24 commercial banks, 17 exchange companies, microfinance banks and the Pakistan Post Office (PRI, 2019) – to extend their overreach to remote locations to which remittances are sent.

In order to make it attractive to send remittances through official channels a scheme of reimbursing cost of remittances had been initiated as early as 1985. Currently, the government reimburses Saudi Riyal (SAR) 20 per transaction of US$ 200 or above to the banks in Pakistan.
number of steps have also been initiated with the close involvement of the PRI to improve the
Payment System Infrastructure especially to ensure straight through processing of home remittances
to families in Pakistan. A recent review conducted on the impact of PRI was overall positive in its
findings (PRI, 2019).

While remittances have continued to grow, albeit at a slower rate, there is a growing
feeling expressed by the SBP (and its Governor) that over the past year the amount being sent
through unofficial channels may have again increased in 2019 to 50-60 percent of total
remittances. This could be attributed to the current government’s efforts to document economy as
well as expand the tax net to bring in new taxpayers even though remittances received by family
households are not subject to any tax.

In a recent report by the SBP on developing a National Payment Systems Strategy, Road to
Digital payment (SBP, 2019) it has identified that “the area of greatest weakness in the current
system is the failure of the private sector to significantly expand the reach, reliability and
convenience of accept points and come up with raw product designs to ensure this expansion”.

10.3 Cost and Time taken to transfer remittances

The new Sustainable Development Goal (SDG) target is to reduce average cost of sending
remittances to 3 percent by 2030 (SDG target 10.c) which according to the World Bank data base is
more than half of the current worldwide average cost of 6.8 percent of sending $200 to lower middle
income countries (LMICs). The cost was the lowest in South Asia at around 5 percent, while Sub-
Saharan Africa continued to have the highest average cost at about 9 percent (World Bank, 2019).

A recent study (Rehman et al., nd) on measuring cost of receiving remittances in 2018 and
first two quarters of 2019 came up with some important findings including: (i) average cost of
remittances transaction is decreasing overtime and costs decreased for the amount of $200
transaction from 5.79 percent in 2018 to 4.81 percent in the first two quarters of 2019 and the
cost of remitting $500 is 39 percent lower than $200; (ii) there are noteworthy variations in
costs across countries with Kuwait the least expensive (1.66 percent costs) and Singapore the most
expensive (12.43 percent costs); (iii) importantly in the UAE the cost at 6.19 percent is well above
the average of rest of the Gulf States, and (iv) the cost of remittances transactions through bank-to-
bank significantly decreases as the volume of amount increases.

The study made the following recommendations:

(i) despite extensive coverage of some banks the share of e-branches remains low (14.24
percent) and partnerships with Money Transfer Operators (MTOs) continues to remain on the lower
side which restricts their potential to facilitate remittance inflows; (ii) while overseas Pakistanis are
benefiting from 132 tie-ups with MTOs in a large number of countries the PRI does not have any free
send facility with many of the renowned companies like Western Union and Money Gram International
(possibly because their charges are extremely high and unaffordable for PRI to cover costs); and (iii) as
the majority of overseas workers come from rural areas, banks are encouraged to expand their
geographical outreach to rural areas and to open special booths and issue remittance cards to facilitate
families receiving remittances.
10.4 Encouraging investment in Pakistan

The building of an effective, reliable and efficient business and investment corridor for migrants underscores the diaspora’s positive role in stimulating economic growth through new investment as well as by generating demand for goods that overseas Pakistanis miss and consume. The potential of this market, however, remains largely untapped. As Saigol (2017) argues from the perspective of Pakistan’s business community, the lack of foreign direct investment (FDI) by the diaspora – and, indeed, overall – stems from the lack of a transparent and accountable business environment. If this shows signs of improving not only the Pakistani diaspora but their second and third generations (British and American) may begin to invest significantly in Pakistan.

In order to achieve this, Pakistan must engage with its migrant clusters and make them aware of new investment opportunities in the country. Saigol (2017) suggest the following (i) strengthening its reputation as being more investor-friendly and (ii) helping migrants renew their sense of identity with Pakistan. This can be done by floating migrant bonds and national saving schemes for the diaspora as well as by encouraging its members to invest in education and in small and medium enterprises that target niche markets in Pakistan.

10.5 Social remittances

While this report concentrates on the employment and labour market impact of overseas migration and remittances it is important to point out that the new concept of social remittances has broadened the debate on the link between migration and development by incorporating the importance of the transfer of ‘nonfinancial assets’ and their impact on social values and culture at the household, community and national level. This debate focuses increasingly on the changing role, identity and belief system of migrants who maintain strong ties with their homeland and whose lives are shaped largely by a transnational existence that straddles their host and home countries. The same can be said of family members who do not migrate, but are also affected by cross-border ties. As Levitt remarks, “migration is as much about the people who stay behind as it is about those who move” (Levitt, 2005, p. 2).
References


ANNEXURE

Migration Data Sources in Pakistan
Annexure

Migration Data Sources in Pakistan

*International migration data in Pakistan Censuses*

Despite the significant role that international migratory movement played in the creation of Pakistan, and in many ways following that, data on this demographic process remains incomplete and limited. The fundamental source of migration data has been the Census enumerations of the population, held in 1951, 1961, 1972, 1981, 1998, and 2017. Most of the migration related questions in the five Censuses from 1951-1998 focused on inter-district and rural-urban migration within the country, that enabled several analyses of such movements (Karim & Nasar, 2003; Shah, 1986; Afzal & Abbasi, 1979; Irfan, 1986; Karim & Robinson, 1986).

Among all the questions on migration, only a few have focused on migration across international boundaries. The first four Censuses asked about each person’s place of birth and current residence that enabled an assessment of the percentage of persons born outside the geographical boundaries of Pakistan, i.e., international migrants. The fifth population census held in 1998 asked several questions that provided information on international migration as described below.

**1998 Census data:** In the 1998 Census, Form 2 and Form 2A of the questionnaire contained questions dealing with international migration. Form 2 collected data on household and individual characteristics and was administered to all households. Form 2-A was administered to a sample of households (8 percent) and it attempted to obtain more information on migration and the migrant status of each household member.

The questions relating to migration in Form 2 included the following:

**Question 3:** Residential status of person in the household at the time of the census? (The options given were: household member present, household member temporarily absent, non-household member temporarily present (e.g., guest).

**Question 7:** Nationality? (The options given were: Pakistani, Other)

Migration questions in Form 2A included the following:

**Question 3:** Residential status of person in the household at the time of the census? (Options given: household member present, household member temporarily absent, non-household member temporarily present (e.g. guest).

**Question 6:** Nationality? (The options given were: Pakistani, Afghani, Bangladeshi, Indian, Sri Lankan, Other).

Place of birth? If within Pakistan give district, if outside give country.

A comprehensive analysis of the migration patterns based on the 1998 Census results may be found in Karim and Abu Nasar (2003).
2017 Census data: The latest Census in Pakistan was held in 2017. Until December, 2019 only some provisional results had been published. Unlike the 1998 Census that was based on a complete count and a sample survey of 8% households, the 2017 Census did not include any data collection beyond the complete count (Personal communication, Assistant Census Commissioner). The Population Census of 2017 (Short Form 2) asked the following question that may be used to arrive at a rough estimate of the stock of household members who had been living outside Pakistan for more than six months at the time of the Census.

- How many household members have been living abroad for 6 month or more?
- How many men and how many women?

In addition, a rough estimate of non-citizens may be inferred from the question on citizenship that asks whether the individual is a Pakistani citizen or not.

Quality of Census data

An obvious problem with the quality of Census data in Pakistan is the fact that the enumeration exercise has not been carried out every 10 years as desirable. The gap between the 4th and 5th Census was 17 years, while that between fifth and sixth census was about 19 years. Several other weaknesses in Census data have been pointed out with reference to migration. For example, Karim & Nasar (2003) noted that the third and fourth Censuses covered Pakistani emigrants while the fifth (1998) Census did not. Also, a question on return migration has never been asked in the population Censuses. Regarding immigrants and refugees, the first four Censuses published information on all aliens except Afghan refugees but the fifth Census did not publish any information on aliens. Finally, since the 2017 Census was limited to the two items collected for persons living abroad for more than six months, it does not lend itself to any analysis of internal or international migration for Pakistan.

An evaluation exercise was organized by the United Nations Fund for Population Activities to study the implementation of the 2017 Census (UNFPA, 2017). The evaluation team made the following major conclusions. They observed that the enumerators sometimes inferred or directed the responses, on various items including ethnicity. The enumerators sometimes inferred or directed responses, on such questions as religion, ethnicity, use of energy, water, household amenities and literacy. They seldom asked the questions on disability and transgender, and often inferred the information from indirect questions.

The age records were mainly obtained from the CNIC card and most often verified by the accompanying army officer through an SMS to NADRA. Sometimes other information on household members were also verified through the same means. Sharing census data with a third party institution majorly represents a breach of confidentiality of the collected data according to the basic census practices and procedures.

The UNFPA team noted that the army also administered a questionnaire which had information on total number of household members and the detailed nationality of the head of household. They found this practice to be very unusual and questionable especially given the fact
that the main questionnaire had no provision for detailed nationality. In the opinion of the UNFPA team, this indeed raises concerns about the respect of international best practices in terms of protection and confidentiality expected to be assured to the respondents in a Population Census.

**International Migration Data in Nationally Representative Sample Surveys**

In recent years, some nationally representative sample surveys have included questions on international migration. A brief detail of the main ones is as follows.

**Multiple Indicator Cluster Surveys (MICS)**

The MICS Surveys, conducted at the provincial level in Pakistan since 2003-4, have included some questions on international migration, typically on the number of family members living abroad and whether the household is receiving remittances and if so, the amount of such remittances. The questions relevant for international migration asked in the 2014 MICS survey for Punjab were as follows:

- **RM1:** Is any family member of this household who does not usually reside in the household, working outside this village? (Options given: Yes, No)
- **RM2:** How many members are working outside this village, city or country? (Options given: Number of persons)
- **RM3:** Where are they working? (Options given (all applicable): Other village/city; other district; other province; overseas; Don’t know)
- **RM4:** Did the household receive (from within the country or overseas) any remittance (in cash) during the last year (money which will not be repaid)? (Options given: Yes; No; Don’t know)
- **RM5:** How much amount was received from inside the country during the past year? (Amount in rupees)
- **RM5A:** How much amount was received from overseas during the past year? (Amount in rupees)

For children aged 0-17, the following question was asked:

- **HL14A:** Where does (child’s) natural father live? (Options given: In another household in this country: Institution in this country; Abroad; Don’t know)

In the latest round of MICS surveys conducted in 2017-18, the following questions on international migration, remittances, and cash donations were included:

- **RM1.** Has there been a member of this household who used to live here but is now working outside the country (Options given: Yes, No)
- **RM2.** How many members are working outside? (Options given: Number of persons)
RM3. Did the household receive any remittance in cash from outside country/overseas during the last year (*Money will not be repaid*)? (Options given: Yes, No, Don’t know)

RM4. Did the household receive any cash donation such as zakat or other means form within the country during the last year (*Money will not be repaid; Support from family, other relatives, friends or neighbors*) (Options given: Yes, No, Don’t know)

Data from the MICS surveys is available for public use by requesting the concerned Organizations. Reports based on these surveys are published on the website of [https://www.unicef.org/pakistan/topics/multiple-indicator-cluster-survey](https://www.unicef.org/pakistan/topics/multiple-indicator-cluster-survey)

**Pakistan Demographic and Health Survey (PDHS), 2017-18**

The latest PDHS collected migration data in two modules, in-migration and out-migration, as part of the household questionnaire. The in-migration module provides information on the incidence of in-migration from within or immigration from outside the country, the duration of continuous residence among in-migrants, and reasons for migration. The out-migration module profiles the out-migrant population during the 10 years preceding the survey, indicating whether any member of the household emigrated during the last 10 years and was still residing overseas. The 2017-18 PDHS also enables estimation of how many households received remittances during the year preceding the survey, although information on the value of remittances received is not available in the survey.

The specific questions relating to international migration in the PDHS are as follows. The first four questions on in-migration were asked for each usual household member. The rest of the questions were asked for each household member who had lived in the house in the past 10 years but had then moved away.

**In-migration**

1. Name of village/city where the person was born (Options given: city if urban; district if rural; outside Pakistan)

2. From where did the person move to this village/city? (Options given: city if urban; district if rural; outside Pakistan)

3. In which year did the person last move to this village/city?

4. What was the primary reason for the person to move to this village/city? (Options given: Better economic opportunity; marriage; accompanying family; study; transferred on job; escape from violence/natural disaster; other reasons; don’t know)

**Out-migration**

5. Names of persons who are living outside of the household (migrant)

6. Relationship of migrant to household head

7. Sex of the migrant (Options given: Male; Female)
8. The month and year the migrant moved away

9. Age (in years) when migrant moved away

10. Highest grade of education (completed) of migrant when moved away

11. The main reason for migrant to move away (Options given: Better economic opportunity; marriage; accompanying family; study; transferred on job; escape from violence/natural disaster; other reasons; don’t know)

12. Where has migrant travelled to? (Options given: Name of city or district in Pakistan; country if outside Pakistan)

13. Whether any money was sent to, or received from migrant during the past one year (Options given: sent money; received money; neither sent nor received money; don’t know)

A final report including a comprehensive chapter on migration was published in January 2019. Raw data from this survey is available for public use by writing to the concerned authorities at http://nips.org.pk/abstract_files/PDHS%202017-18%20-%20key%20-%20findings.pdf

Occasional Surveys in Pakistan on Migration Related Issues

This section outlines some of the major surveys that were conducted over the years to collect information on various aspects of migration, focusing particularly on labor migration to the Gulf states.

The ILO/ARTEP conducted two household surveys of Pakistani migrants who returned from the Middle East in 1980 and 1986. With the collaboration of the World Bank, between February 1980 and April 1980, the Pakistan Institute of Development Economics, Islamabad, conducted three surveys: Migrant Household Survey, the Non-Migrant Household Survey and the Return Migrant Household Survey (RMHS). The 1980 RMHS covered the three phases of international contract migration in Pakistan: the prior-to migration phase, the migration phase and the return migration phase. The sample size was 277 households, each having at least one male return migrant from the Middle East. The 1980 RMHS was conducted in the same randomly selected sample locations, in four provinces of Pakistan and Azad Kashmir, as those in which the Migrant Household Survey was conducted.

Due to the lack of reliable statistics on migrant families, the survey population in the preceding studies was determined by a large sample, consisting of 12000 interviews conducted with departing passengers at Karachi, Lahore and, Islamabad international airports between September 20, 1979 and November 10, 1979. The data collected from these airports served as the frame for selecting the statistical sample for migrant and return migrant households. Additional details of these surveys may be found in Gilani et al., 1981a and 1981b. and in several articles published on the basis of data collected in these surveys, such as Arif 1998; Arif & Irfan 1997; Arif & Shahnaz 2000; Kazi 1994.

Arif (2009) conducted an IOM sponsored study on the social and economic impacts of migration and remittances received by households in Pakistan from Saudi Arabia. This study was based on face-to-face household surveys of 548 migrant-sending families in 9 high migration
districts of Pakistan. The study focused on male migrants. A comprehensive, structured questionnaire was prepared jointly by IOM and the Pakistan Institute of Development Economics (PIDE). A comprehensive report containing the major findings and policy implications was published.

In the summer of 2015, a study was conducted by Amjad et al. (2017) on the cost of migration from Pakistan to Saudi Arabia and the UAE, as part of a larger survey effort conducted in several countries by the World Bank. The objectives of this study were to assess the costs of migration for low-skilled workers; the variations in these costs according to the occupational category and origin of migrant; and the components of such costs. Face-to-face interviews were conducted with migrants in six high migration districts. A purposive or snowball strategy was used to select migrants from the six districts. A total of 877 respondents were included. A comprehensive analysis of findings was published in Amjad et al. (2017).

Other than surveys related to labor migration, especially the Gulf, some surveys have been conducted on the next most important subgroup that has had wide ranging impacts on Pakistan, namely the Afghan refugees. The Collective for Social Science Research (CSSR) in Karachi conducted three case studies of Afghans living in urban areas of Karachi, Quetta and Peshawar in 2004-5. These case studies were conducted as part of a long-term three country (Afghanistan, Iran and Pakistan) study of transnational networks by the CSSR’s Afghanistan Research and Evaluation Unit (CSSR, 2006a, 2006b, & 2006c).

A Census of Afghans in Pakistan was conducted in 2005 by the Ministry of States and Frontier Regions (SAFRON), Population Census Organization (PCO) and United Nations High Commissioner for Refugees Islamabad (UNHCR), (GoP & UNHCR, 2005). This census covered “all Afghans who arrived in the country after 01 December 1979 and currently residing in different parts of Pakistan. Any person who produced a validly obtained Pakistan identity card (NIC) was not covered in the exercise.” The Census of Afghans living in Pakistan was carried out from 23rd February, 2005 to 11th March, 2005 all over the country except in Northern Areas (Gilgit, Sakardu) due to law and order situation.

The Afghan population that arrived in Pakistan post 1979 was considered prima-facie refugees fleeing conflict and persecution. No comprehensive registration of Afghans in Pakistan was conducted. Refugees were not covered in the 1998 Census enumeration of Pakistan. Similarly, they have not been included in the 2017 Census (UNFPA, 2017). Thus, there had been a lacuna in base line data for the Afghan population that was partially filled by the 2005 Census.

The 2005 Census was followed by a comprehensive effort to register all Afghans residing in Pakistan with the collaboration of Government of Pakistan (GoP) and the United Nations High Commissioner for Refugees (UNHCR). The National Database and Registration Authority (NADRA), under the Ministry of Interior was responsible for issuing Proof of Registration (PoR) cards that would be valid for three years. Between October 2006 and February 2007 2,153,088 Afghans were registered under this scheme. A report containing several features of the Afghan population in Pakistan was published (GoP & UNHCR, 2007). A detailed account of Afghans in Pakistan is contained in Chapter 7.
**Labor Migration Database, Government of Pakistan**

The government established a system for recording labor migration data starting in 1971. A database was developed where information on each worker who registered with the Protectorates of Emigration, under the Ministry of Overseas Pakistanis and Human Resource Development was collected and published. This database is managed by the Bureau of Emigration and Overseas Employment (BEOE). It publishes tables for the annual flow of labor migrants according to occupation of worker, skill level, place of residence (district and province) in Pakistan, and destination country. In addition to the annual tabulations, the BEOE has published annual reports on the migration situation in the country since 2016 (www.beoe.gov.pk).

The tabulations provided by the BEOE were provided only in a PDF format until recently when the same tables are now also provided in EXCEL. However, the data provided in the tables remains limited to a few items. Also, the database does not lend itself to further analysis since it is not available in a digitized format.

Starting in October 2018, the BEOE has developed a digitized database with 36 items that will greatly enhance the capability of in-depth analysis (Personal Communication with the DG BEOE on July 29, 2019). The BEOE will be able to run special tabulations from the newly developed database upon request. The two forms used for collecting such data are given at the end of this chapter.

**Other Pakistan Government databases with potential data on international migration**

- The National Alien Registration Authority (NARA) was created by the Government of Pakistan in 2000 under the Ministry of Interior and Narcotics Control, with headquarters in Karachi. Its main purpose was to legally register and document immigrants and other foreign residents in the country. In 2015, NARA was merged with The National Database and Registration Authority (NADRA) which has taken up the task of registering non-natives residing and/or working in the country with their biometrical information system.

- **Arrival and Departure database**: Records of persons arriving in, and leaving a country, are kept by several countries and can provide a useful source of information. International airports in Pakistan are now equipped with technology whereby all arrivals and departures are recorded in an electronic database. This database could be a potential source for analyzing movements of persons to and from the country.

**International migration data on Pakistani nationals, or with Pakistani origin, in major receiving countries**

Some of the major international data sources that provide an idea about the stock of migrants in Pakistan include the database by the United Nations Population Division (https://www.un.org/en/development/desa/population/migration/publications/), Eurostat (https://ec.europa.eu/eurostat/statisticsexplained/index.php/Migration_and_migrant_population_statistics). Censuses and other electronic databases concerned with immigration and visa status of the residents of the host country also provide a source for analyzing Pakistanis (or persons of Pakistani origin) residing there.
Two international programs that may be highlighted are the Gulf Labor Markets and Migration (GLMM) program, of Gulf Research Center and European University Institute, (www.gulfmigration.eu) launched in 2014. This program focuses specifically on the population, labor force, and migration aspects in the Gulf region including the six Gulf Cooperation Council (GCC) countries. The second major program is the Global Migration Data Analysis Center (GMDAC) established by the IOM in 2016 (https://gmdac.iom.int/)
References


Centre on International Migration, Remittances and Diaspora (CIMRAD)

The Centre on International Migration, Remittances and Diaspora (CIMRAD) was established in 2014 by the Lahore School of Economics and is the first institute of its kind in Pakistan. The Centre specializes in the study and analysis of international migration and its social and economic consequences – with a focus on the diaspora and the flow of remittances.

According to the estimates of the United Nations in 2019, there were 272 million international migrants. Between the years 1990 and 2019, the number of international migrants increased by more than 77% (an increase of 119 million migrants), with most of this growth having occurred between 2000 and 2010. Pakistan is a net emigration country and is listed as the 6th largest net emigration country in the world. Labour migrants, especially to the oil-rich Gulf countries, are a vital component of overall migration from Pakistan and numbered about 11 million during 1971-2011.

Total remittances to developing countries are estimated by the World Bank at US $550 billion in 2019, that outweigh the total development assistance and are in fact much greater than foreign direct investment to developing countries (excluding China). Pakistan received an amount of US $21 billion as remittances in the year 2019 which are equivalent to over 7.9% of its GDP in 2019. These remittances are contributed by the strong and dispersed Pakistani diaspora, estimated to be 9.2 million according to the Government of Pakistan but may well be much higher.

Total remittances received by Pakistan are almost equal to its total export earnings and its diaspora abroad is an important source of demand for its export products (including fruits, food products, and high-end furniture and clothing). In view of their increasing importance, it is vital to identify and suggest policy measures aimed at maximizing these remittance inflows through official channels and making best use of them for economic development.

While remittances can be beneficial to a country, international migrants can create a loss of skilled labor for their home country. For their host countries, migrants can create cultural tensions. For labor migrants themselves, they can face labor exploitation. These complex social, economic, and cultural issues will all be explored through the lens of CIMRAD’s research.

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