

A low-angle photograph of a construction site under a blue sky with light clouds. Several workers are visible on a wooden and metal scaffolding structure. One worker in a red shirt is on the left, another in a white shirt is in the center, and two others are on a higher platform to the right. The structure is made of wooden beams and metal poles, with rebar visible. The overall scene depicts manual labor in a construction context.

Labor Migration in the Maldives

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Geography

- 1200 islands
- 188 permanently inhabited
- 127 industrial
- 111 islands-resorts
- Provision of goods & services – expensive and hard



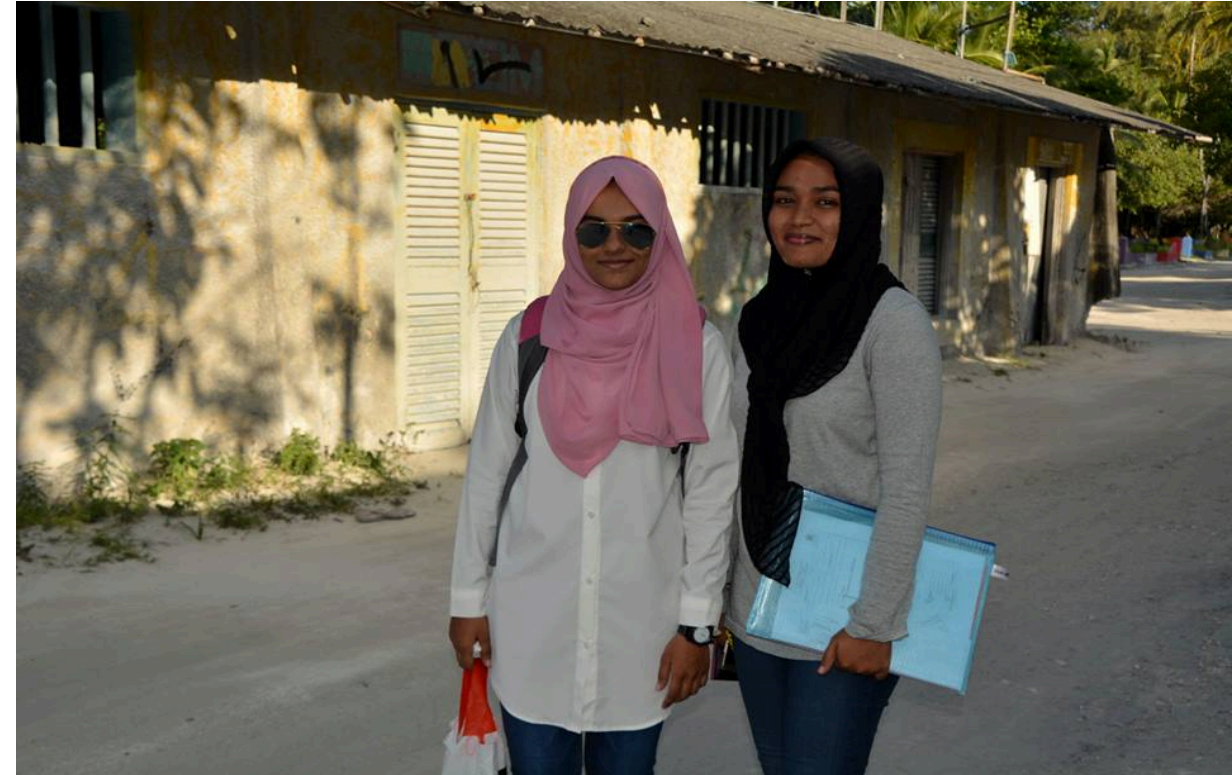
Population

436 000 including migrants (1102 people/km²)

Capital: one third of country's
population on 5.8 km²



Atolls: 58% of all islands below 1000



Environment

Dry, infertile land. Ag. Sector has been shrinking. Often limited to container gardening.



But very prone to sea level rise and flooding.



Environment

80% of land – less than 1 m above sea

42% of the pop and 70% of infrastructure
within 100 meters from the shore



Fishing – 1.5% of GDP, weakened by
reliance on intermediaries

As fishing declined, govt. has attempted to
move population to other areas and jobs



Economy

Tourism: 29% of nominal GDP / upper middle income

Formally 55%/45% Foreign/Maldivian labor

Construction: 2002-14 6.7% average growth rate spurred by tourism and related activities: construction, transport, communication

No quota, vast majority foreign labor



Labor Market

But young Maldivians (esp. women) have not been seeking employment in the fastest expanding sectors.

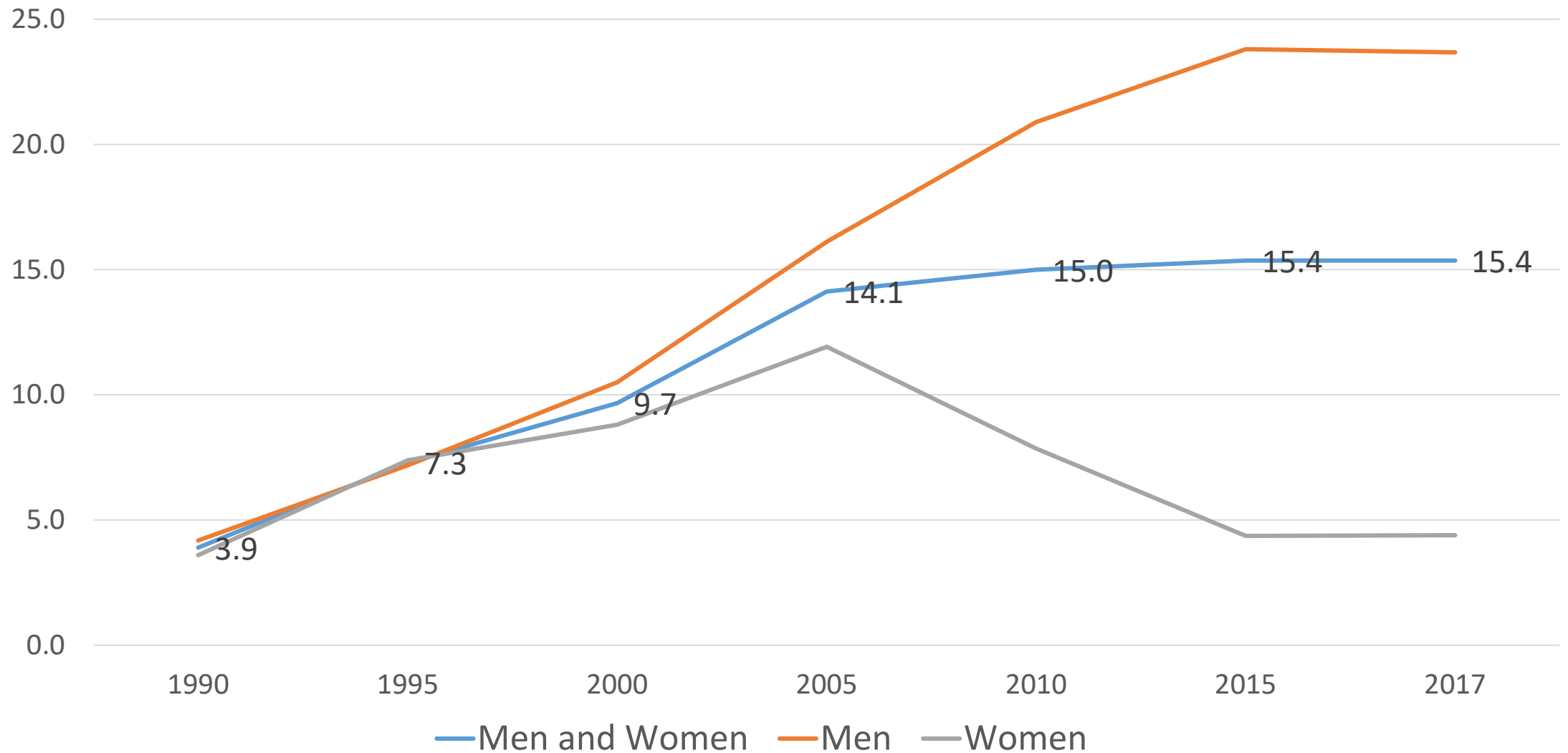
Youth NEET (23.5%) (21.5% M / 25.3 % F)

Why?



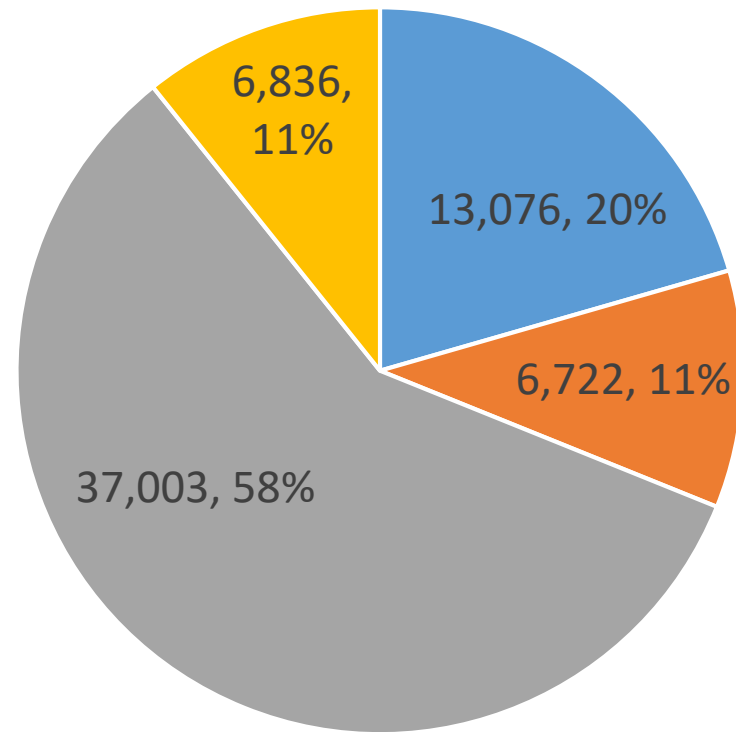
- Distance & lack of transportation
- Cannot participate (HQ)
- ✓ Hard skills (limited training opportunities)
- ✓ Soft skills (attitudes)
- Do not want to participate (LQ, Q)
- ✓ Pay and working conditions
- ✓ Social expectations (3D, not for Maldivians, not for women)
- Employers' preference for certain positions to be filled by migrants

Migrants: at least 15% of the total population



Source: UNPD, 2018

Over half of migrant workers from Bangladesh. Circa 90% from Bangladesh, India, Sri Lanka.



■ India ■ Sri Lanka ■ Bangladesh ■ Other countries

Source: Maldives Immigration, 2017

Where do migrants work?

- Tourism (1/3) & construction (1/3)
- Specific occupations tend to be filled by specific nationalities, e.g. cleaners (Bangladesh), maintenance (India), cooks (SL)
- Due to workers' skills but also employers' / recruiters' practices (homogenous teams easier to recruit and manage, reliance on intermediaries, pay according to nationality).
- Certain sectors and employers enjoy easier access to foreign workers than others (no transparency in who gets access to foreign workers). Result: unfair competition, visa trading, irregular employment, high migration costs to workers.

Tourism

Luxury / One Island –One Resort Model

- ✓ goods and labor are imported from abroad
- ✓ 79% of beds resorts or boats vs. 21% guesthouses/hotels (2008-17)
- ✓ Inhabited islands – based tourism is nascent & restrained (infrastructure, culture, ownership)
- ✓ Hospitality training – nascent and not appreciated

Result:

Only 15% of the employed Maldivian men and 4% of the employed Maldivian women work in tourism



Construction

- Public: dependent on Chinese capital, technology and labor
- Private: dependent on Bangladeshi and Indian laborers
- Large demand in both, but bad reputation: 3D/migrants' jobs characterized by unattractive working and living conditions including high injury and death incidence rates
- Result:

Maldivians are attracted to a limited number of office jobs which do not require specialized training. Do not want to enter private and cannot enter public constr. work.



Health Care & Education

- High demand, especially in the atolls
- No medical school, except newly launched nursing program
- Local workers lack the skills and / or will to work in the atolls

Result:

- High labor turnover due to relatively low wages, professional growth opportunities & working environment, living conditions & better alternatives in other countries



Migrant workers' admissions have ...

- Boosted the **growth of sectors vital to Maldives' development**, esp. tourism, construction, health and education
- Sped up a number of **critical infrastructure projects** (esp. after tsunami)
- Helped Maldivian employers **overcome labor shortages** and the countries of origin mitigate unemployment
- Transferred **basic knowledge** (e.g. in health care, management) from abroad
- Generated **tax revenues** for the Maldives and **remittances** for the countries of origin

...but they have not been matched by adequate assessment of labor shortages, activation of local workers, migrants' recruitment and their labor market integration

- **Not all employers** found it **easy to hire migrant workers**, while others were able to rely almost exclusively on them, creating so called “migrant jobs” that locals are not willing or able to access
- Many employers who were able to hire migrants **did little to attract local workers** :
 - ✓ wages and working conditions
 - ✓ training programs (studies and internships)
 - ✓ mechanization, rationalization of production
- Possibly because employers who obtained access to migrant workers **assumed that they would continue to be available** & took production decisions based on this assumption (e.g. resorts in isolated places). What if access is curbed?
- Unequal access to foreign workers → growth of **fee-charging recruiters** and irregular migration (visa trading, mismatches btw. employers and migrants expectations, high migration costs, overstays)
- Instead of lowering **migration and remittance costs**, Maldives has increased them. This will contribute to more irregular work and make it more difficult to attract workers in the future.