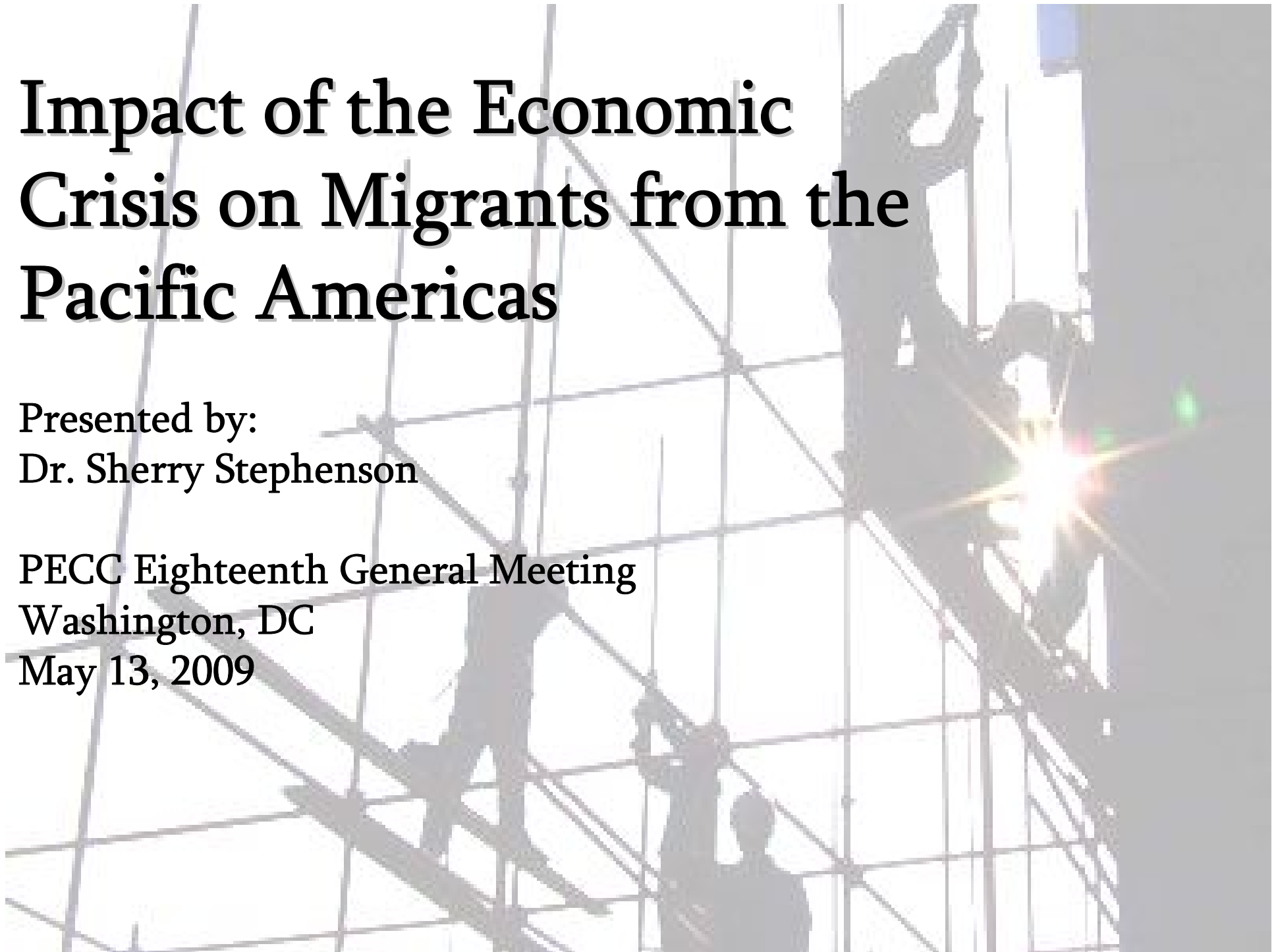


Impact of the Economic Crisis on Migrants from the Pacific Americas

Presented by:
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I. Magnitude of Migration:

- There are more than 200 million estimated international migrants in the world today.
- Migrants comprise 3.0 % of the global population
- The number of the migrants worldwide would equal the size of the fifth most populous country in the world, Brazil.
- Women account for roughly 50 % of global migrants.
- There are roughly 20 to 30 million unauthorized migrants worldwide, comprising around 10 to 15 per cent of the world's immigrant stock.

Source: International Organization for Migration

<http://www.iom.int/jahia/Jahia/about-migration/facts-and-figures/global-estimates-and-trends>

Labor Migration Demographics

- Migrant workers represent around 3 % of the global workforce.
- One third of the world's migrant workers live in Europe, with nearly the same percentage living in Asia and North America.
- Migrant workers in industrialized countries largely work in industry and construction (40 per cent) and service sectors (50 per cent).

Source: International Organization for Migration

<http://www.iom.int/jahia/Jahia/about-migration/facts-and-figures/labour-migration-and-demographics>

Global Migrant Population, 2005

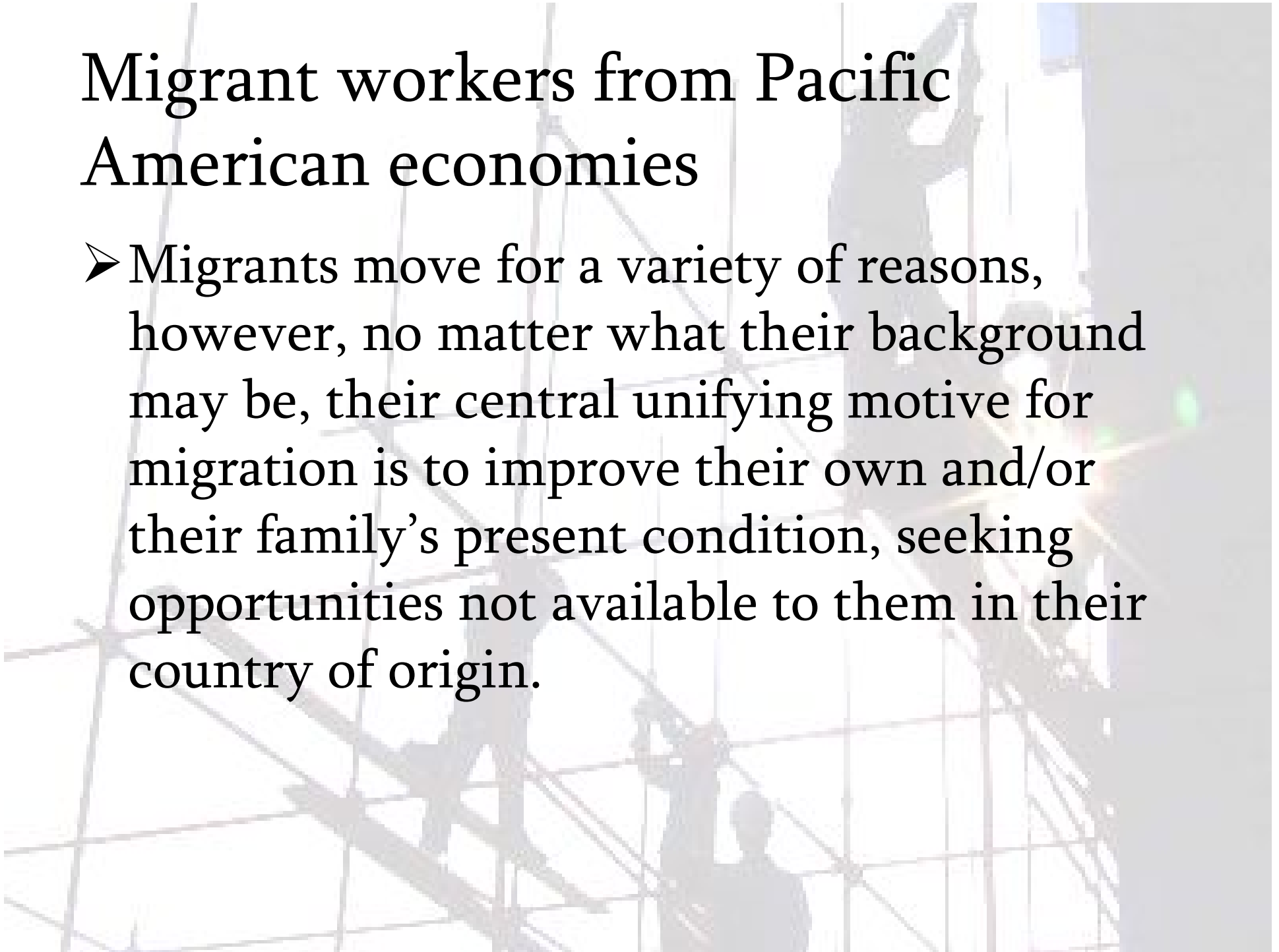
Geographic Area	Migrants (millions)	Percentage of the Area's Population
Europe	64.1	8.8
Asia	53.3	1.4
North America	44.5	13.5
Africa	17.1	1.9
Latin America	6.7	1.2
Oceania	5.0	15.2

Source: International Organization for Migration, 2005

<http://www.iom.int/jahia/Jahia/about-migration/facts-and-figures/regional-and-country-figures>

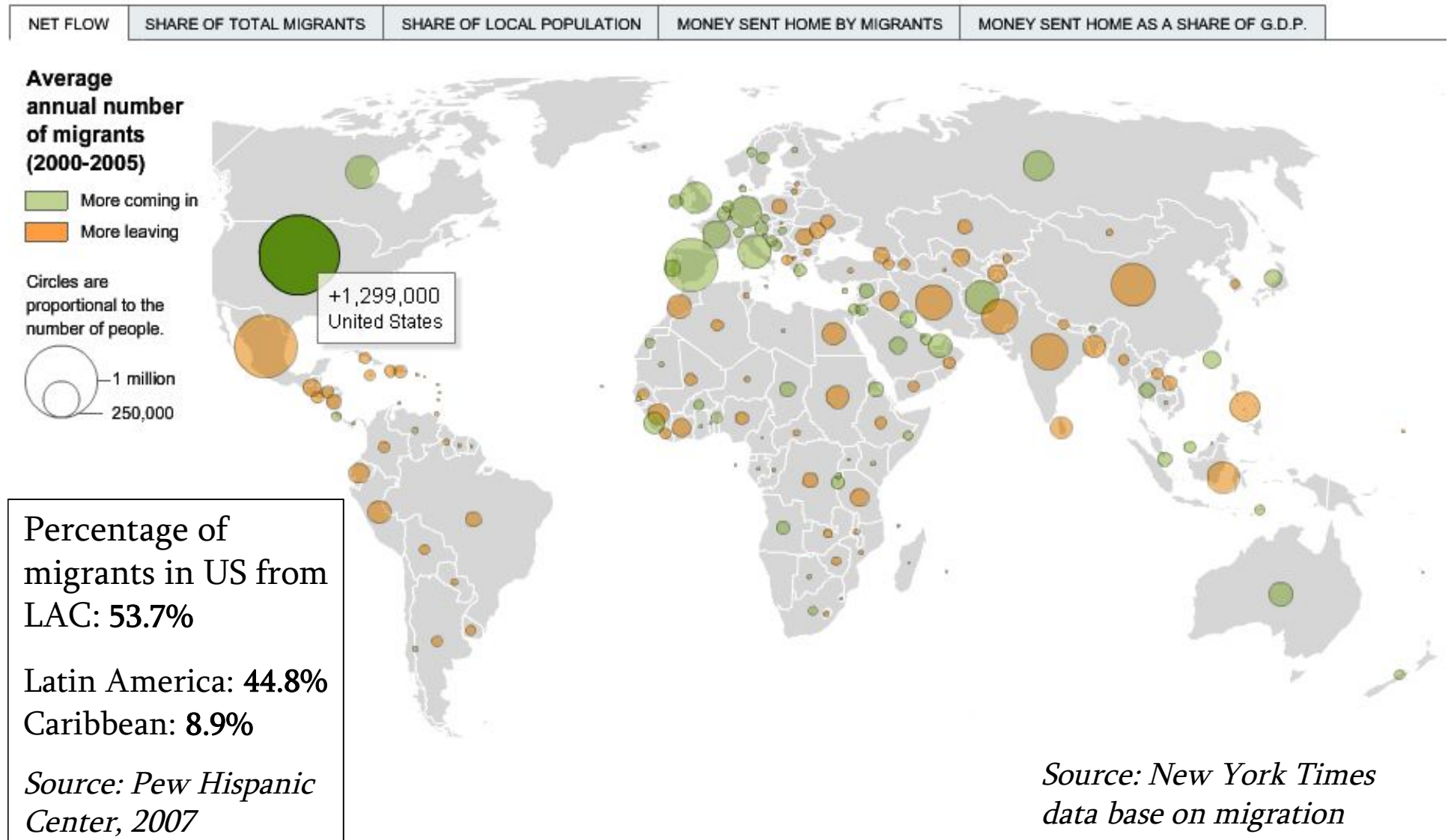
Migrant workers from Pacific American economies

- Migrants move for a variety of reasons, however, no matter what their background may be, their central unifying motive for migration is to improve their own and/or their family's present condition, seeking opportunities not available to them in their country of origin.



Snapshot: Global Migration

Nearly 190 million people, about three percent of the world's population, lived outside their country of birth in 2005.
A look at the flow of people around the globe.





NET FLOW

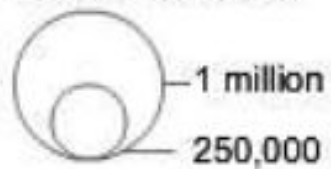
SHARE OF TOTAL MIGRANTS

SHARE OF LOCAL POPULATION

**Average
annual number
of migrants
(2000-2005)**

 More coming in
 More leaving

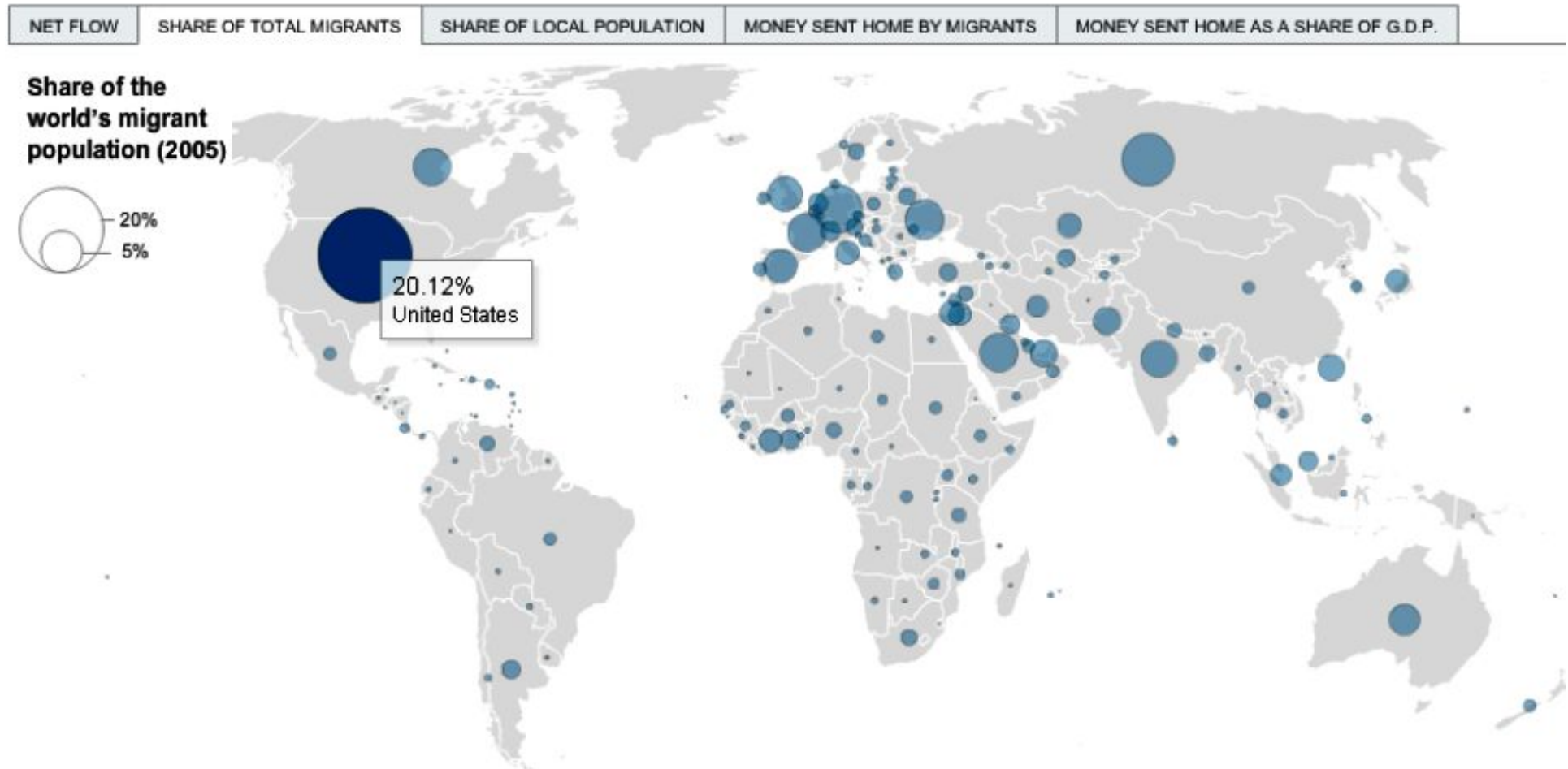
Circles are
proportional to the
number of people.



*Source: New York Times
data base on migration*

Share of the World's Migrant Population (2005)

Nearly 190 million people, about three percent of the world's population, lived outside their country of birth in 2005.
A look at the flow of people around the globe.



*Source: New York Times
data base on migration*

II. Economic Crisis and Impact on Migrants

A. CONCENTRATED IN CERTAIN SECTORS

- According to the IADB, the global slowdown has resulted in job losses in the U.S. and Canada in sectors that have been *magnets* for immigrant labor in the Americas,
Construction;
Manufacturing;
Tourism.
- Industrial paralysis in Japan has affected migrants from the Americas, especially from Peru and Brazil.

Source: IADB, 2009 <http://www.mcclatchydc.com/117/story/64085.html>

Migration pressure: Job losses in Latin America in 2009

- As many as 2.4 million workers in Latin America may lose their jobs in 2009, raising the region's unemployment rate for the first time in 6 years (ILO)
- Global economic crisis will 5 years of job growth that brought the region's unemployment rate in 2008 to its lowest level in 16 years.
- Latin America's economic growth will slow to 1.9 % in 2009 from 4.6 % last year (less than population increase in many countries)
- Urban unemployment will rise to between 8.0 and 8.3 % in 2009.

Sectors for Migrant Employment

Migrants in the United States move to other sectors when some decline

Migrant employment (millions)



Source: U.S Current Population Survey

B. Crisis has impacted Remittances and will create social hardship

- Reduction in remittances will bring great economic difficulties for:
 1. Governments of remittance receiving countries due to increased pressure on social programs
 2. For families of migrant workers who depend on this source of income: one out of ten people on the planet benefits directly from remittances

Source: El Universal <http://www.el-universal.com.mx/notas/583973.html>

The Global Scale of Migrant Money Flows (2006)

A new study suggests that 1 in 10 people on the planet directly benefit from money sent home by migrants working in other countries. Here are figures detailing that money's impact on developing nations in 2006.

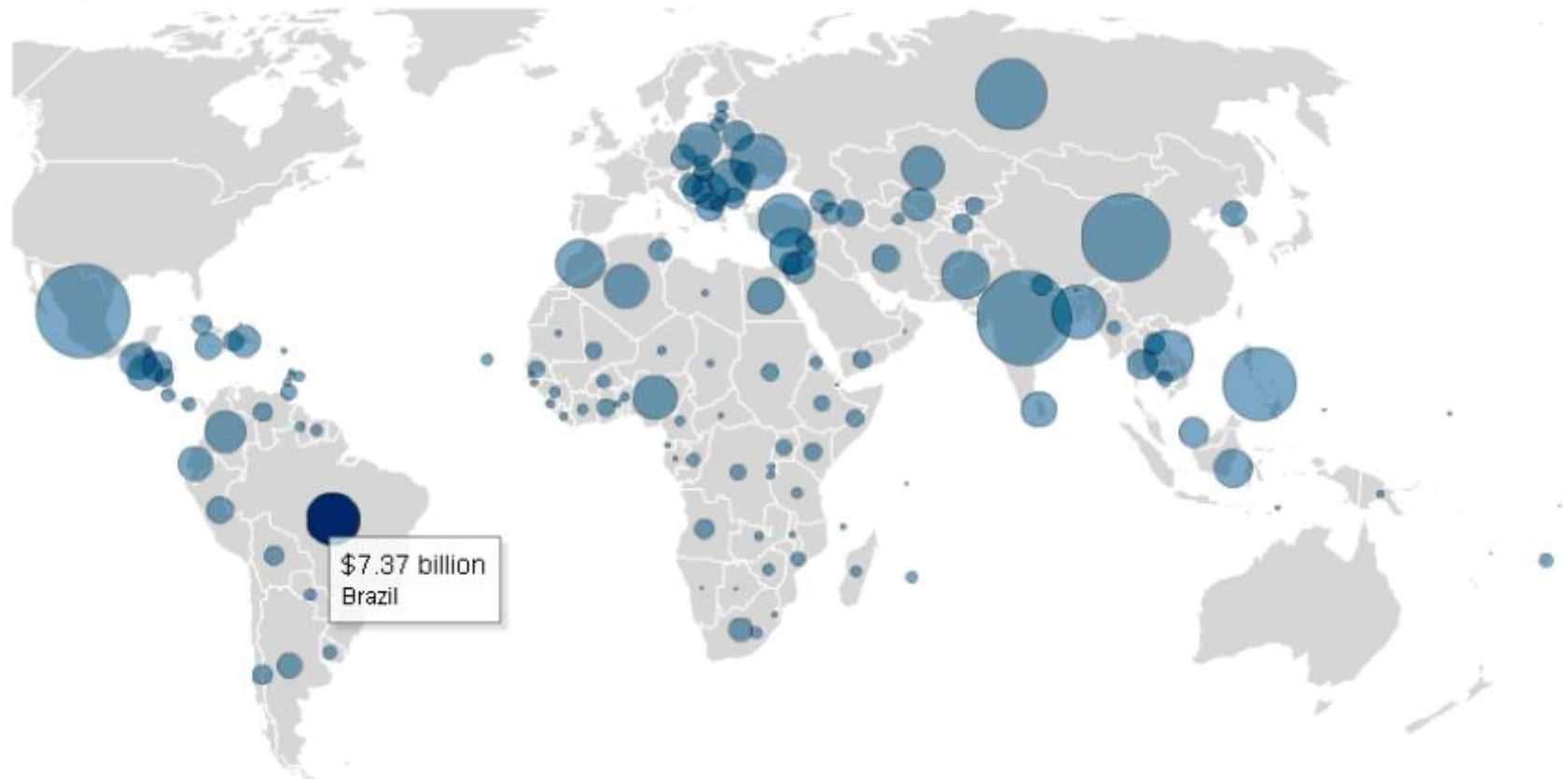
REMITTANCES PER COUNTRY

REMITTANCES AS PERCENTAGE OF GDP

REMITTANCES PER MIGRANT

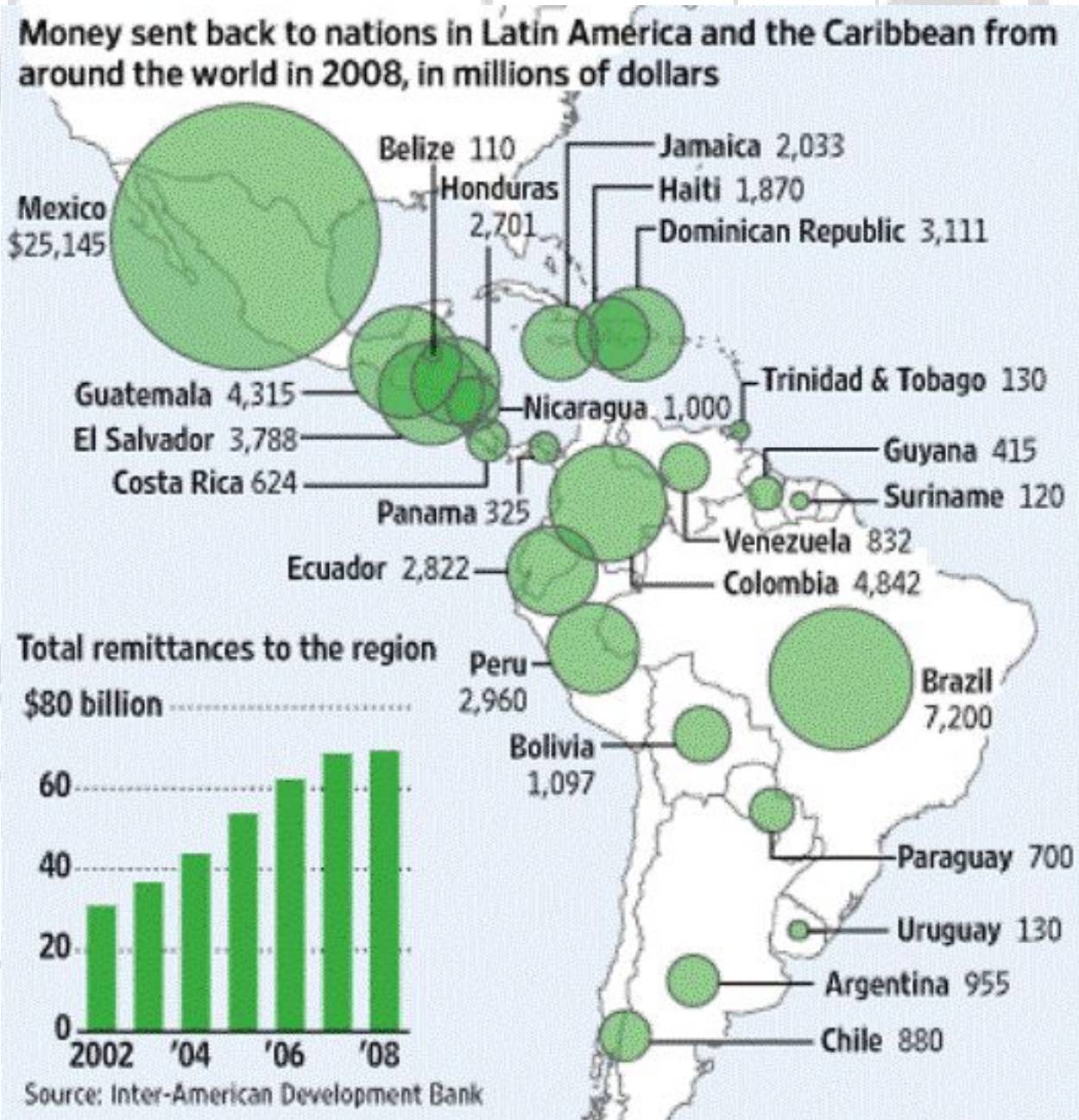
Remittances per country

Circles are sized according to the amount sent home by migrants.



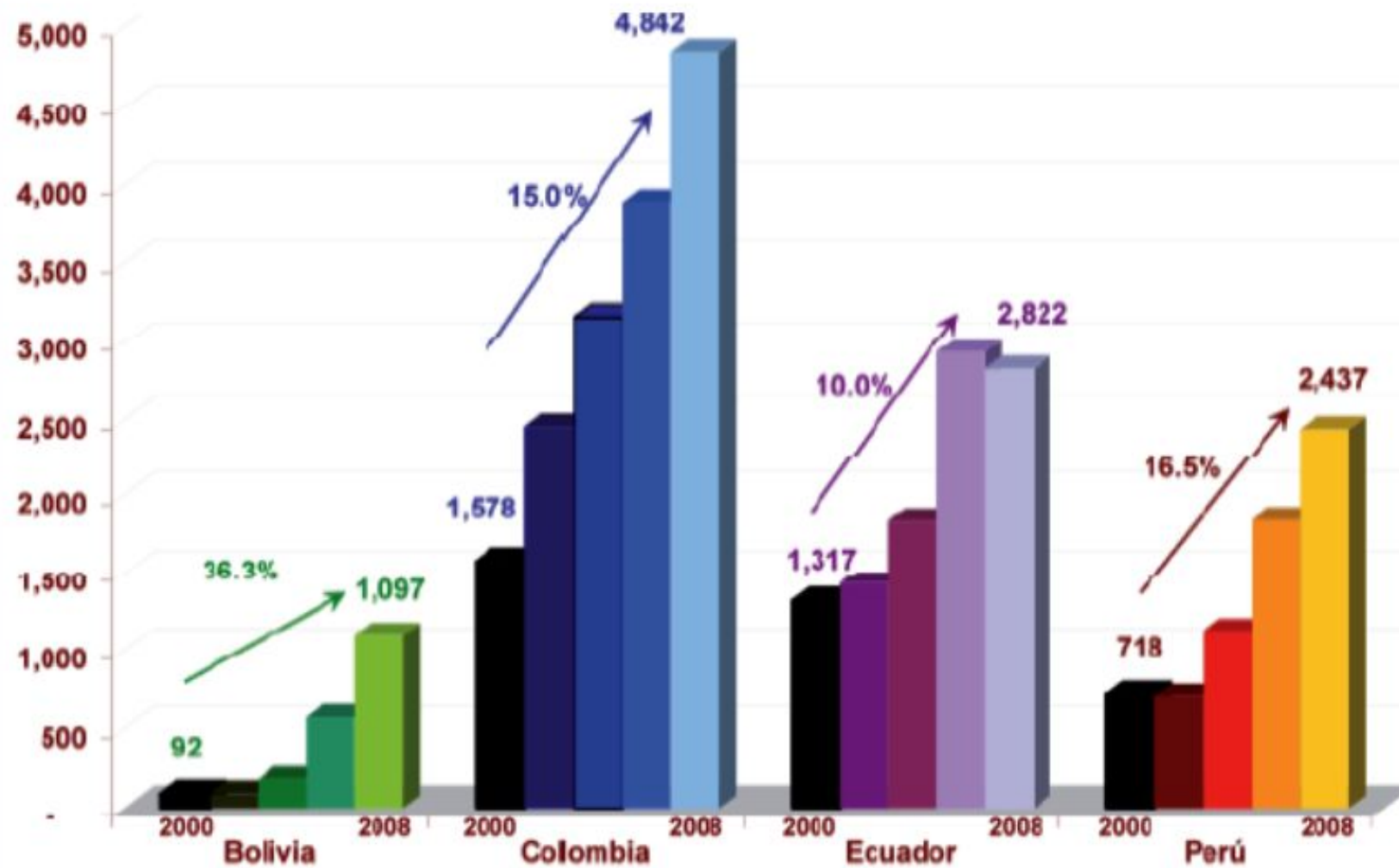
Source: New York Times

Importance of Remittances for the Americas



Andean Community Remittances

Remesas de Migrantes: 2000, 2002, 2004, 2006 y 2008
- USD millones y variación promedio anual-



Fuente: Bancos Centrales de los países andinos

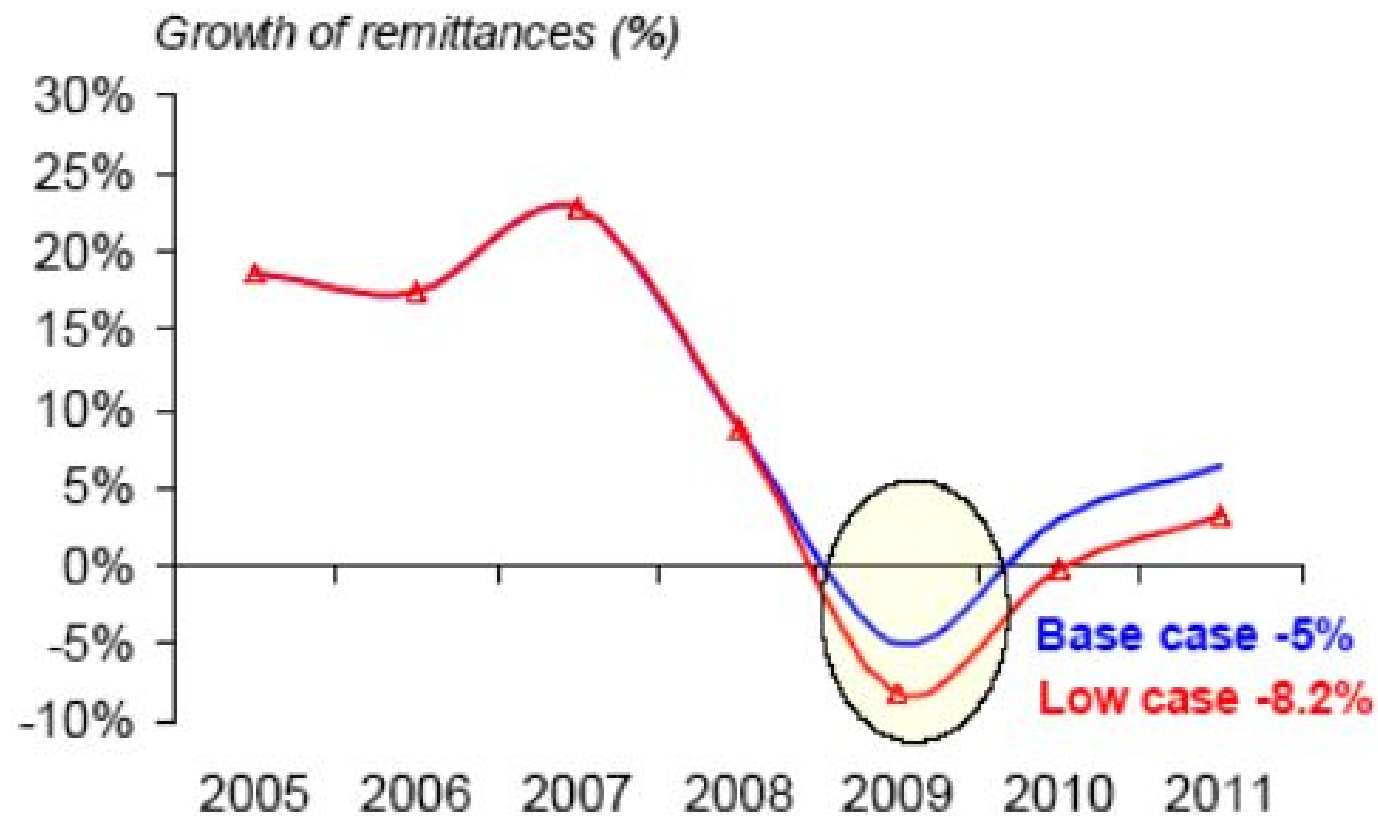
Fall in Remittances in the Americas

Based on previous graph

- Migrant workers are often the lifeline for millions of families in Latin American and the Caribbean -- sent home a record \$69.2 billion in 2008, nearly 1% more than in 2007.
- However, in January 2009 remittances fell.
 - Mexico – 12%
 - Colombia – 16%
 - Brazil – 14%
 - Guatemala and El Salvador – 8%
(all compared to January 2008)
- Despite the challenging economic climate, remittance flows in 2008 kept growing, even if at steadily declining rates. Remittances began to show the impact of the recession on migrant workers' earnings in late 2008. In the fourth quarter of 2008 the money they sent home declined by 2% relative to the same quarter in 2007. This fall is expected to continue through 2008.

Chart – Remittance Flows

Remittance flows will slow sharply in 2009 in US dollar terms



Source: World Bank, 2009

Remittances will pick up if international economy recovers

Outlook for remittance flows to developing countries, 2008-11

	Base case forecast				Low case forecast		
	2008e	2009f	2010f	2011f	2009f	2010f	2011f
Growth rate (%)							
Developing countries	8.8%	-5.0%	2.9%	6.3%	-8.2%	-0.2%	3.2%
East Asia and Pacific	6.6%	-4.2%	1.9%	5.6%	-7.5%	-1.3%	2.1%
Europe and Central Asia	5.4%	-10.1%	4.2%	7.5%	-12.7%	1.6%	5.1%
Latin America and Caribbean	0.2%	-4.4%	2.3%	5.6%	-7.7%	-1.0%	2.5%
Middle-East and North Africa	7.6%	-1.4%	2.9%	5.6%	-5.2%	-0.9%	2.1%
South Asia	26.7%	-4.2%	3.4%	6.8%	-7.3%	0.5%	4.2%
Sub-Saharan Africa	6.3%	-4.4%	3.5%	6.7%	-7.9%	0.0%	3.5%
Low-income countries	13.0%	-5.4%	4.4%	7.5%	-8.2%	1.6%	4.9%
Middle-income countries	8.1%	-4.9%	2.7%	6.0%	-8.1%	-0.5%	2.9%

Source: World Bank, 2009

C. Immigrants and Indebtedness

- Not Credit Card Users: According to recent data from Experian Consumer Research 58% of the Hispanic population have not used a credit card in the past 30 days, 42% of Latinos don't like the idea of being in debt, and 33% pay cash for the things they buy, (and these numbers take into consideration ALL Latinos, not only immigrants).
- Credit card debt is generally not a top problem for immigrants.
- For Hispanic immigrants it is mostly a cash economy – little access to credit but no credit card debt either.

Source: <http://www.thisworldnow.com/GALEO/posts/376-Latino-Immigrants-and-the-Current-Economic-Crisis>

III. Return Migration

- “Contrary to some forecasts, the global economic crisis has triggered no measurable drop in worldwide immigration rates. For most poor immigrants the push to escape dire poverty and political conflict remains far more powerful than any marginal change to the economic health of the richer countries they're looking to get to. Once an immigrant has arrived, though, the sinking economy is playing an increasingly important role in their fortunes — not just because it's harder to find a job, but also because locals are increasingly hostile to their presence. “

Source: Time Magazine, April 1, 2009

<http://www.time.com/time/world/article/0,8599,1876955,00.html?iid=sphere-inline-bottom>)

Most migrants are not leaving, why?

- Economic problems have served to discourage rate of new migrants : the number of Mexicans moving to the United States has slowed from 14.6 per 1000 residents to 8.4 over the past two years.
- However, migrants in host countries are not returning in large numbers:
 - Cost of migration is a disincentive;
 - Re-entry has become more difficult;
 - Social reasons bind to host country (children, schools, etc.)

Source: Time Magazine, April 1, 2009

<http://www.time.com/time/world/article/0,8599,1876955,00.html?iid=sphere-inline-bottom>

Perspectives on Migration

"The world's basic stock of 200 million migrants hasn't really changed, and isn't likely to change," - Jemini Pandya of the Geneva-based International Organization for Migration.

There is a structural need for migrants, and that doesn't go away because of economic problems in the developed world. There will still be jobs that locals don't want to do or don't have skills to do."

"It's not where you're going that matters as much as where you're coming from," - William Spindler of the U.N.'s refugee agency.

It is the push factor that is decisive, whether you're talking about refugees or people looking for work.

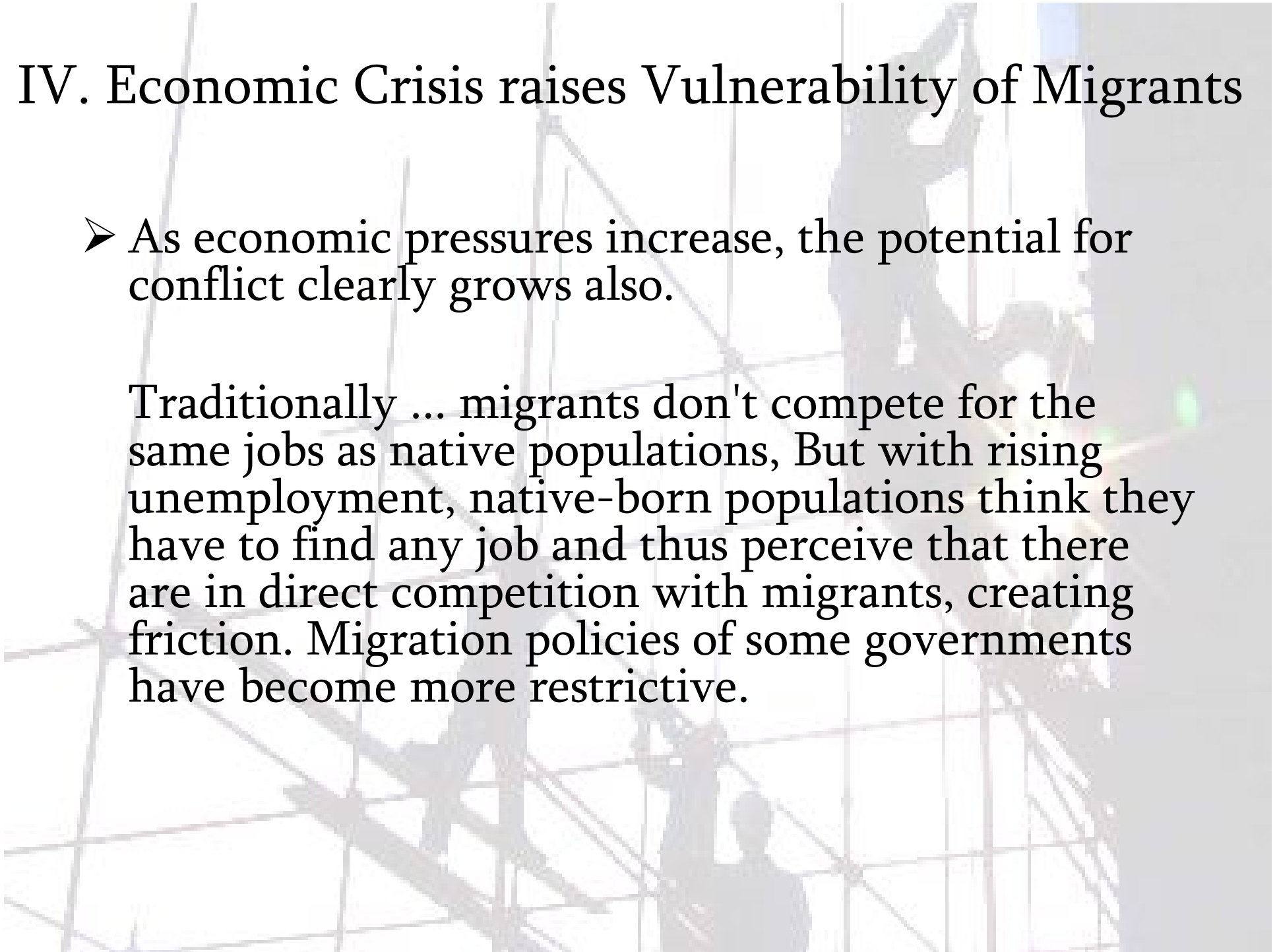
Source: Time Magazine, 2009

<http://www.time.com/time/world/article/0,8599,1876955,00.html?iid=sphere-inline-bottom>

IV. Economic Crisis raises Vulnerability of Migrants

- As economic pressures increase, the potential for conflict clearly grows also.

Traditionally ... migrants don't compete for the same jobs as native populations, But with rising unemployment, native-born populations think they have to find any job and thus perceive that there are in direct competition with migrants, creating friction. Migration policies of some governments have become more restrictive.



Migrants of the Americas more vulnerable in time of crisis

- According to the United Nations, “The economic crisis has a direct impact on migrant workers, putting them at risk of destitution, stigmatization, discrimination and abuse.”
 - Legal recourse for migrants less available or non-existent;
 - Migrants first to be laid off from work;
 - Usually no right to unemployment benefits
 - Increased pressure on firms not to hire immigrants – *“job protectionism”*
- “To save migrants from abuse, and allow them to contribute to development in their home and receiving countries, we must acknowledge them as human beings whose rights, like those of everyone else, must be protected,”
UN Secretary General Ban Ki-Moon.

Source: <http://www.topnews.in/worlds-200-million-migrants-suffer-economic-downturn-299836>