

IMPORTANCE OF OVERSEAS WORKER'S MIGRATION AND REMITTANCES IN PAKISTAN.

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1. INTRODUCTION

This paper is divided into four sections. The first section deals with the growth in number of migrants and its relation to total labour force and total unemployed labour force. Section two discusses the characteristics of migrants by skill (i.e. production workers, professional workers, clerical workers, agricultural workers and management workers. Third section explains the relationship between overseas workers remittances and gross domestic product (GDP), exports and imports. It also deals with the impact of overseas workers migration and remittances on trade. The last section describes the conclusion of the paper.

2. GROWTH IN NUMBER OF MIGRANTS

The overseas workers migration from the area now constituted as Pakistan started as early as 1833, when a group of workers went to British colonies. Then in 1861, a convention was signed legalising emigration of workers from the Sub-continent to the French colonies. So when Pakistan came into existence on 14th August, 1947, it was not surprising that the process of emigration to USA, Canada, Europe and in particular to United Kingdom (UK) gained momentum in the wake of post-war reconstruction (Pakistan Manpower plan 1983-88).

Over the last two decades the phenomenon of overseas workers migration from Pakistan to the countries of Middle- East has had a far reaching impact on the domestic economy. No factor has more dramatically affected the domestic employment situation and the balance of payment position as the outflow of workers and inflow of workers remittances from the Middle - East. According to the sixth five year plan as much as one - third of the increase in the labour force during the years 1978-83 was absorbed by migration to the Middle-East. At its peak in 1982-83 official flow of remittances from the Middle-East were equivalent to 70 % of the total exports of goods and non-factor services (Rashid Amjad, 1986). At present about 2 million Pakistanis are working in the Middle-East. Remittances from these workers reached 2.5 billion in 1983 exceeding foreign aid receipts.

Pakistani workers seeking Middle-East employment can proceed through various channels. The two official agencies are the Bureau of Emigration and Overseas Employment