

Migrants as partners in community development: Unlad Kabayan's experience

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Unlad Kabayan is a social entrepreneurship NGO linking migration to community development. In Tagalog, 'unlad' means to develop, progress, or prosper, while 'kabayan' are our fellow Filipinos abroad.

Hong Kong roots

Although we're based in the Philippines, with a main office in Quezon City and project areas around Mindanao, our roots are actually in Hong Kong. In 1989, May-an Villalba, Unlad's director, founded a regional NGO in Hong Kong called the Asian Migrant Center (AMC). It was a crisis intervention center not only for Filipino migrants but also Indonesians, Thais and Vietnamese who were largely domestic workers or entertainers. AMC provided counseling and legal assistance to migrants in distress, and skill-building activities like culture and language lessons, and leadership training, among others.

In the course of AMC's work, May-an discovered that if migrants had enough decent job opportunities back home, many of them wouldn't go to work overseas. They wouldn't want to be separated from their families and communities. But the reality was, many migrants in Hong Kong couldn't go home because they hadn't prepared for their return, they had no savings to show for it. They were constantly sending home a large part of their income to their families.

When a case of rape or physical assault was won by a migrant, May-an asked the woman what help she would need to return home. The migrant replied, "I will look for new employment, and God will help me find a kinder employer. I can't go home. I have no money, no job waiting, no explanation to tell my husband about my sudden return." Unless there would be enough decent jobs and livelihood in the Philippines, the cycle of labor migration would continue.

Migrant savings for alternative investment

In 1994, through a program called Unlad Kabayan, AMC validated its experiences through baseline research conducted in Malaysia, Hong Kong and the Philippines. In 1996, Unlad was founded in the Philippines as a separate NGO to pioneer the Migrant Savings for Alternative Investment (MSAI) program, initially as a reintegration strategy for migrant workers, but eventually as an alternative economic model.

It's our human right to live and work wherever we wish, of course. In Unlad, we recognize that labor migration is there and the trend will continue. But it's also a reality that many overseas

Filipinos will eventually come home, whether because of wars or conflict, problems with family members left behind, or because they wish to retire in the Philippines eventually. We believe that when decent jobs and livelihood are created in the home country, going abroad to work can eventually become an option rather than a necessity for many Filipino families.

Philippine migration landscape

In 2006, there were around 8.2 million Filipinos overseas, including temporary workers, permanent immigrants and undocumented migrants. Around 10% of our population, or 25% of the total labor force, are spread out across 193 countries.¹ According to the Philippine Overseas Employment Administration (POEA), more than 73% of newly deployed overseas Filipino workers are female, with the global labor demand for domestic workers, caregivers, nurses, entertainers and teachers. The International Organization on Migration (IOM) states that after China and India, the Philippines is the third largest migrant-sending country in the world.

Remittances have become a leading source of foreign exchange, an average of 9% of our gross national product (GNP) in the last five years and over 23% of export earnings.² The Central Bank of the Philippines reports that in 2006, remittances reached US\$ 12.8 billion, not including those sent through informal channels. Remittances are projected to reach US\$ 15 billion in 2007.³

Brief history of migration

Labor migration has long been a trend for Filipinos. In the early 20th century, Filipinos worked in sugar and fruit plantations in the US. There was the Ilocano *sacadas* working as pineapple pickers in Hawaii or apple pickers in the Midwest. During World War II, Filipinos migrated as soldiers, and in the 1950s, as doctors and nurses.

In recent decades, the 1970s saw the rise of Filipino construction workers in the Middle East, while in the 1980s there were factory workers, entertainers and domestic workers in Taiwan and Japan. From the 1990s until the present, Filipinos went to destinations in all regions, as domestic workers, caregivers, nurses, IT (information technology) workers, teachers, and other professional and skilled workers.

Push and pull factors

Filipinos leave the country for work because of push factors like poverty, a desire to help their family, lack of decent work and underemployment. Developed countries have pull factors for migrants who wish to gain professional growth and increase their social status. Many also join their family members overseas to settle there permanently.

But migrants also come home voluntarily to be reunited with their families. Forced or early return takes place because of problems with family members left behind, or wars and conflict, deportation and repatriation. This was the case for migrant workers in Lebanon in 2006, when many overseas Filipino workers (OFWs) spent the Christmas holidays in repatriation centers, and in 1997, amidst fear over job security, when the British government returned Hong Kong to China.

Planning for the future

Unlad Kabayan's experience in MSAI, or Migrant Savings for Alternative Investment, stems from the urgent need for migrants to plan and prepare for their eventual return and reintegration in the home country. Through the years, since we started in 1996, we have given MSAI orientations and mobilized savings among OFWs in Hong Kong, Taiwan, Japan and Korea, together with our NGO partners around Asia. We also have links with NGO partners and individual migrant investors around Europe. The idea is to improve the savings consciousness and financial literacy of OFWs, to help them build up capital for a future business while still working abroad. For those who may not be entrepreneurial, we encourage to become savers and investors.

We help migrants identify business opportunities, assessing their business skills and capacity to learn, as well as the opportunities and threats in the business environment. The key is to match their skills with the chosen business.

We also provide technical assistance in business planning and drawing up feasibility studies. At this stage, many questions come up. What is your product? How will the product be produced? Who is your market? How much will the product cost? How much will you profit?

Social screens

It's also about raising the consciousness of returning migrants and their families, that it pays to make your chosen business contribute to the overall welfare of the community. Social screens are a deciding factor in choosing whom to assist in which entrepreneurial effort. More questions will come up. Does the community need your product or business? Do you provide jobs to others? Do you pay fair wages? How do you dispose of your waste? Do you use local materials?

It's about making a difference in society. In recent years, there have been an increasing number of conferences on labor migration and its potential for development, both in the Philippines and in international discourse. In these discussions, more often than not, government, academe, private business and NGOs comprise the panel of presenters, with a lack of representation from migrant workers and returnees. If we reflect on this, can we also ask ourselves if we are here to talk *about* migrants and remittances, but not talk *with* them?

Our view is labor migration is there as a temporary stop-gap measure to address problems that have been there for a long time: poverty, lack of decent work, unequal distribution of wealth, globalization. It can't be sustainable for the Philippines to rely on labor export for genuine development, not when the growth of our economy continues to rely on developed countries. Not when Filipino doctors go abroad to work as nurses and caregivers, or when Filipino professionals leave to take on the world's 3D jobs—dirty, difficult and dangerous.

Multi-stakeholder partnership

The economic benefits of labor migration can't be denied. Migrant families have higher purchasing power and are able to send their children to better schools, access health services, and have more opportunity to travel. But these gains also come with many social costs, and the Philippines still needs to work towards a self-reliant economy. A multi-stakeholder partnership is needed in migration for people-centered, rights-based development.

If we encourage migrant returnees and their families to start community enterprises, and if we mobilize overseas Filipinos to invest in these enterprises and initiatives, other stakeholders should also do their part. Local and national government, as well as the private sector, should provide incentives and a supporting environment for micro and small enterprises. These include tax holidays, protection from unfair competition from big business, product promotion and express lanes for business registration. Social enterprises require patient capital and access to assets to be able to strengthen the community's economy.

Migrant enterprises

When Unlad started in 1996, we assisted a wide range of micro-businesses all over the country managed or supported by migrant workers: a school supplies store in Cagayan Valley, a pre-school, beauty parlor and mini-grocery in Metro Manila, agribusinesses in Iloilo and Mindoro. Now, more than 10 years after, our current projects are concentrated around Mindanao. The rice center in Surigao del Norte is managed by a former caregiver in Taiwan and owned by 55 migrant investors in Taiwan and Korea. The business is made up of inter-related micro-businesses to ensure continuous operations: rice mill, palay trading, farm credit, agrivet supply store, rental of farm machineries and a mini-grocery.

Best Choice is a noodle and food preserve factory in Davao City owned by the Jandug brothers, both seafarers, and managed by another brother, a former teacher. Unlad provided Best Choice with credit assistance and trainings on financial management and enterprise development. Starting with four workers in 2000, the business now has 22 employees from the community who receive fair wages and health benefits.

Another migrant enterprise is the agribusiness farm in Bukidnon owned by a group of domestic workers in Hong Kong. The migrants bought the 5.5-hectare land for integrated livestock and crop production, and Unlad has been incubating the business using bioresource technology. A migrant returnee is helping manage the project to prepare for the eventual turnover from Unlad to the community when the business is ready for commercial operations.

Community enterprises

Other community enterprise projects assisted by Unlad in partnership with local NGOs, schools and local government include a coconut fiber processing plant in Davao Oriental, virgin coconut oil processing in Lanao del Norte, and food processing in Davao City.

These are enterprises with social value. With the Davao Oriental enterprise, coconut husks are normally considered a waste product once the coconut meat and juice are taken out. The husks are actually hazardous to the environment because if left on the fields, they become breeding places for snakes and insects. But it's not widely known that when the fiber is extracted from the husks and processed, it can be used as stuffing for mattresses and upholstery, as geo-nets to prevent soil erosion in riverbanks, and with coco dust and peat, as soil conditioner.

The major social value created by the enterprise is providing jobs and increasing household income for 80 plant-based workers, 96 household-based twiners and geo-net weavers. It also increased the income of 113 coconut farmers and farm workers by 15%. Because of the hauling

services needed, the enterprise indirectly generated two hauling businesses that employed eight workers.

Other strategies and campaigns

Right now, Unlad is in the middle of a research on the remittance flows in Davao City to determine how remittances improve the lives of migrant families at the household level, and how the local government and local economy also benefit. The research will serve as the basis to propose policies, strategies and services that address the needs of migrant workers, and sensitize the government and the public about the benefits and costs of labor migration.

There are other strategies and campaigns that revolve around the theme of economic justice for immigrants and their families, and working towards migration being an option rather than a necessity. Unlad's partner in the US, the Transnational Institute for Grassroots Research and Action (TIGRA), is a growing network of over 180 immigrant organizations in 66 US cities. At present, they are engaging with remittance transfer companies to lower transaction costs, provide fair exchange rates and reinvest in immigrant community projects both in the US and in the home countries.

The idea is to get these companies to become better corporate citizens and give back to the immigrants and families they profit from. TIGRA, whose director is Filipino-American, has been in discussions with some of the more forward-thinking companies willing to give back to immigrant community projects in the Philippines, such as those supported by Unlad. We've had some good experiences in partnering with local government, the academe and NGOs. Now, this is one example of a private sector and community partnership for people-centered, rights-based development. It can happen.

¹ Philippine Overseas Employment Administration, "Global Presences: A compendium of overseas employment statistics in 2006," (POEA, Mandaluyong City, 2006), 51-52.

² Ruth Gonzaga, "Overseas Filipino Workers' Remittances: Compilation practices and future challenges," paper presented at the conference of the International Association for Official Statistics, 2006.

³ Michelle Remo, "Cost of sending remittances to RP going down, says BSP," *Philippine Daily Inquirer*, June 7, 2007.