



Migration and Labor Mobility in North East Asia

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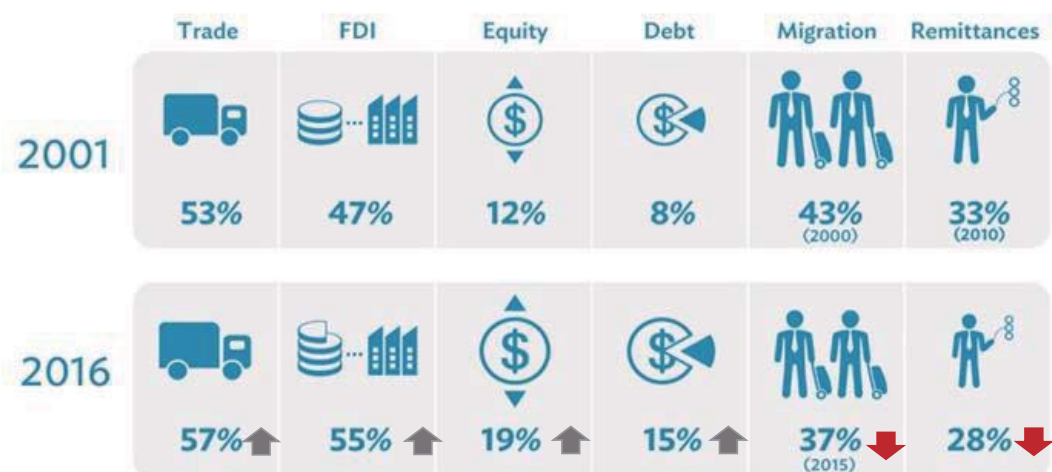
Aiko Kikkawa Takenaka

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People move less intra-regionally compared to goods and money

Integration in Asia: Intra-regional shares (% of total)



Source: ADB Asian Economic Integration Report 2017.

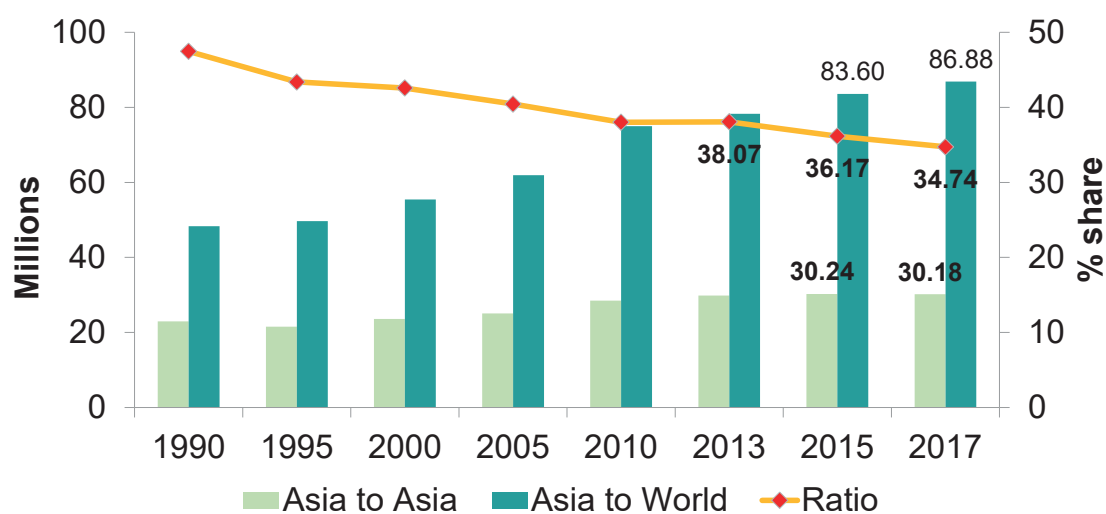


Three Questions

- What are the patterns of labor mobility in the region?
- What are the key drivers of regional labor mobility?
- What can we do to leverage labor mobility for sustained development and growth in the region?

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Share of intra-Asia migration declining over time



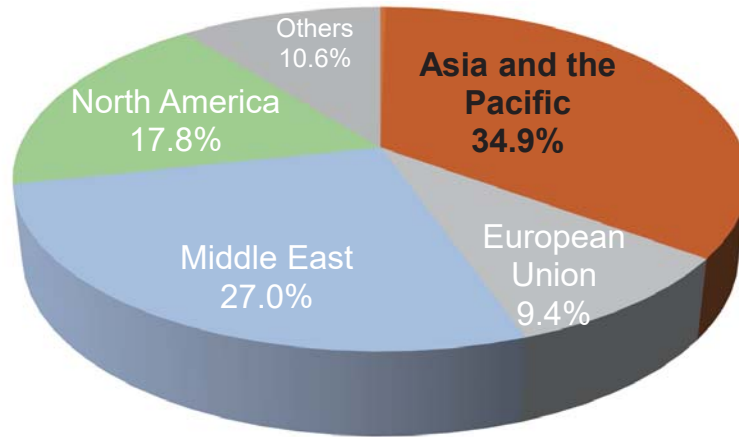
Notes: % share = migrants from Asia to World / total global migrants * 100

Source: ADB calculations using data from "Trends in International Migrant Stock: The 2017 Revision", United Nations Population Division.

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Asia is a region of net emigration

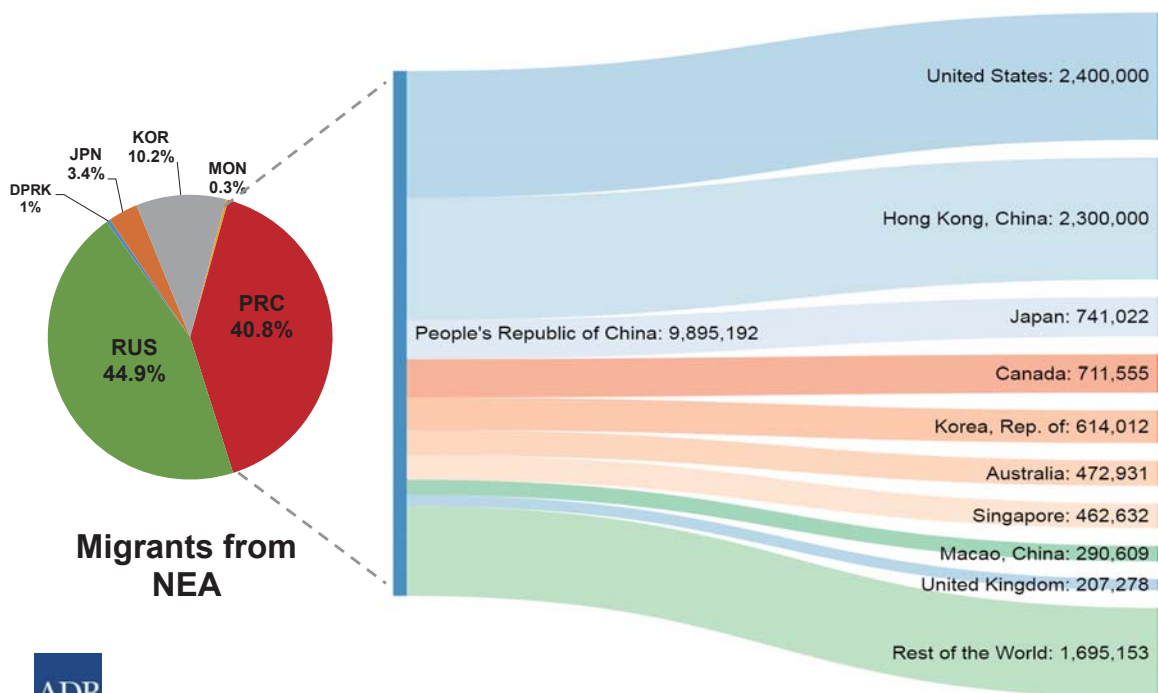
Destination Region of Migrants from Asia



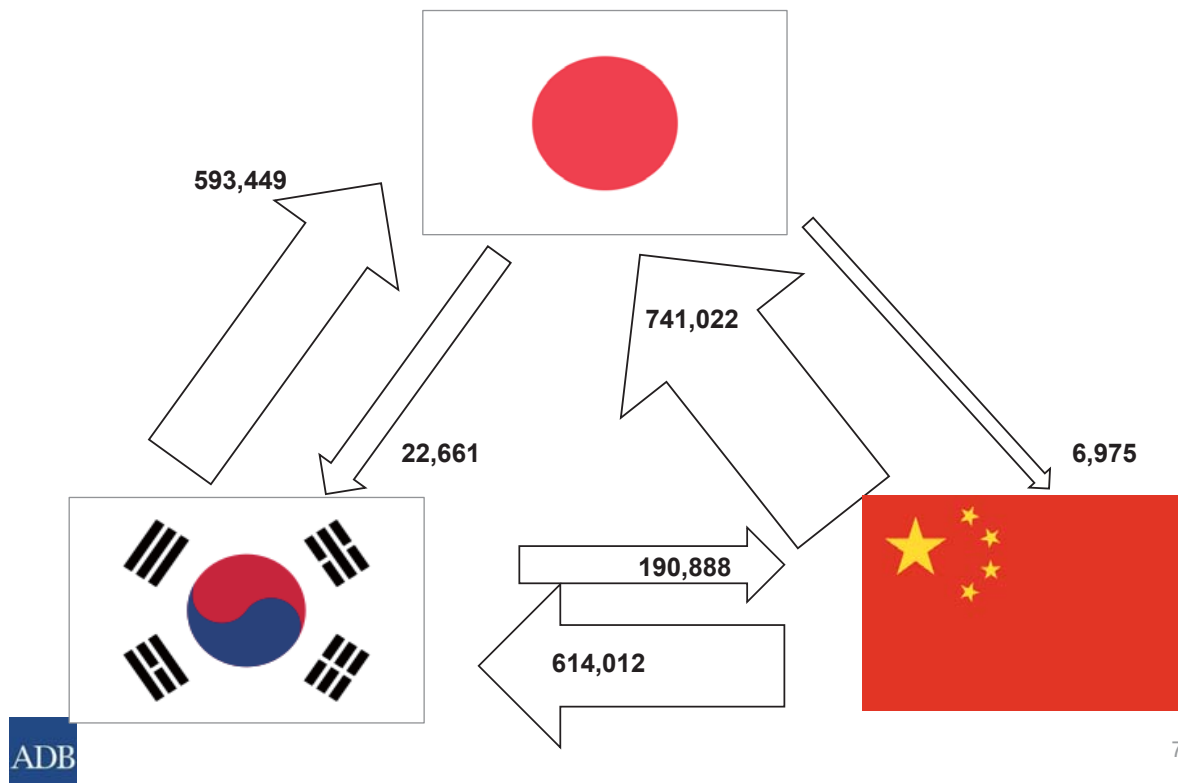
Source: ADB calculations using data from "Trends in International Migrant Stock: The 2017 Revision", United Nations Population Division.



PRC, a Major Source of Migrants from NEA



NEA Migration by Stock



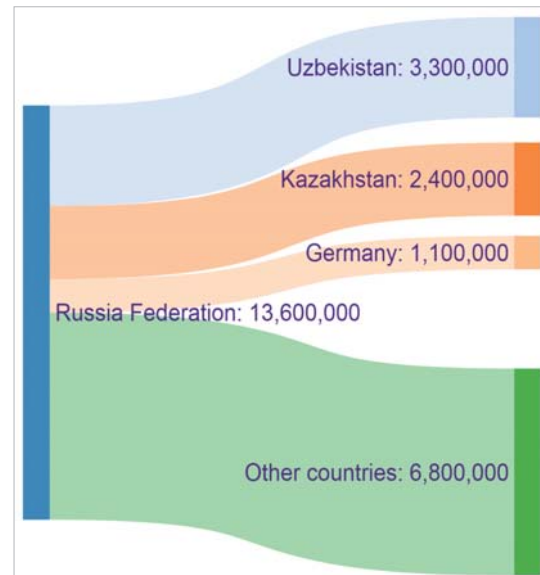
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Russian migration, mostly within former USSR countries

Inbound



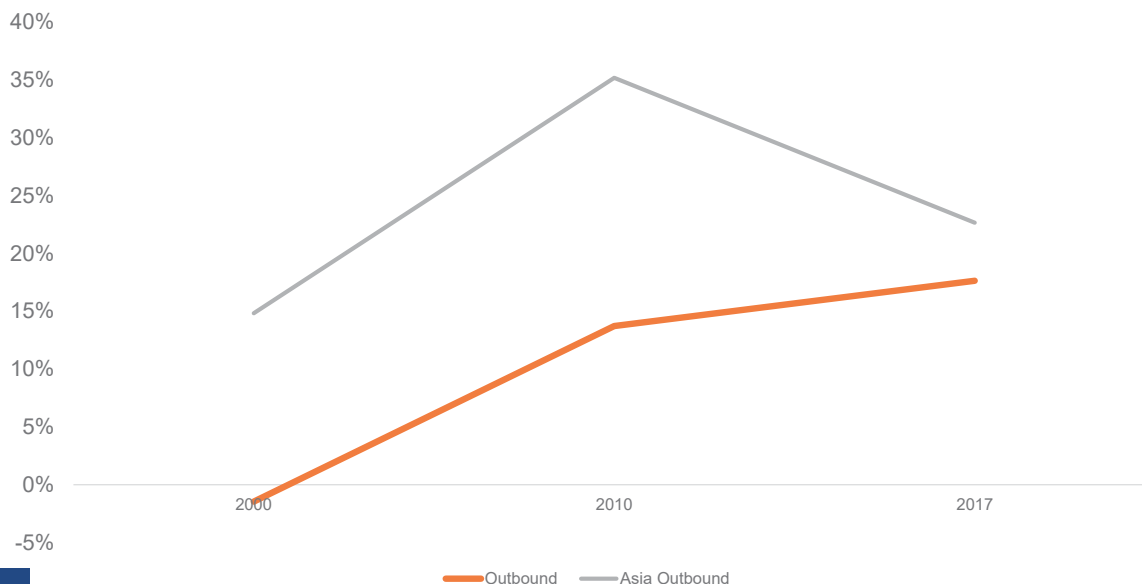
Outbound



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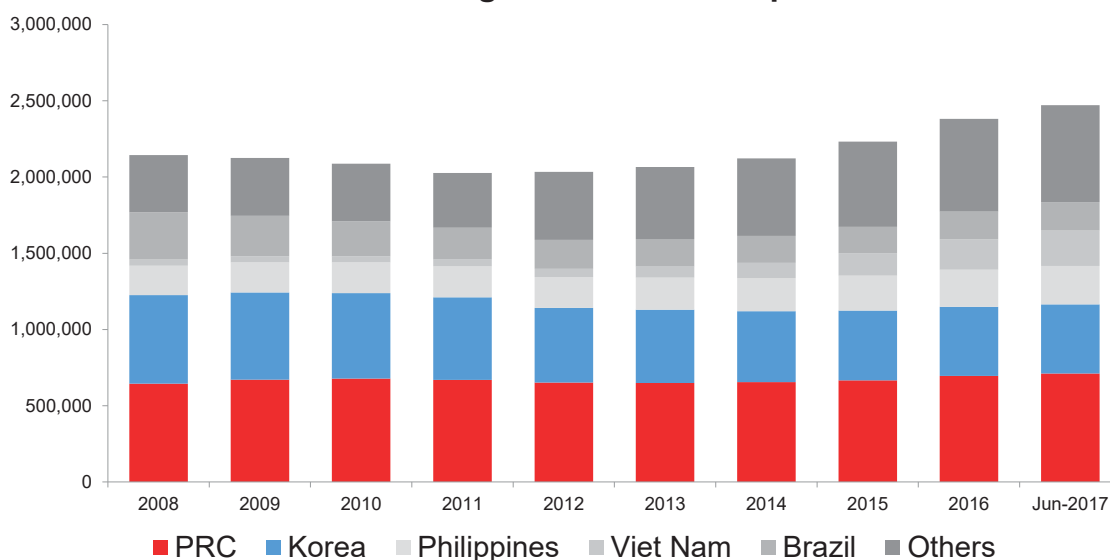
Migration from NEA growing less than Asia average

Growth Rate of In-bound and Outbound migration from NEA



Migrants other than PRC and Korean origin are growing in Japan

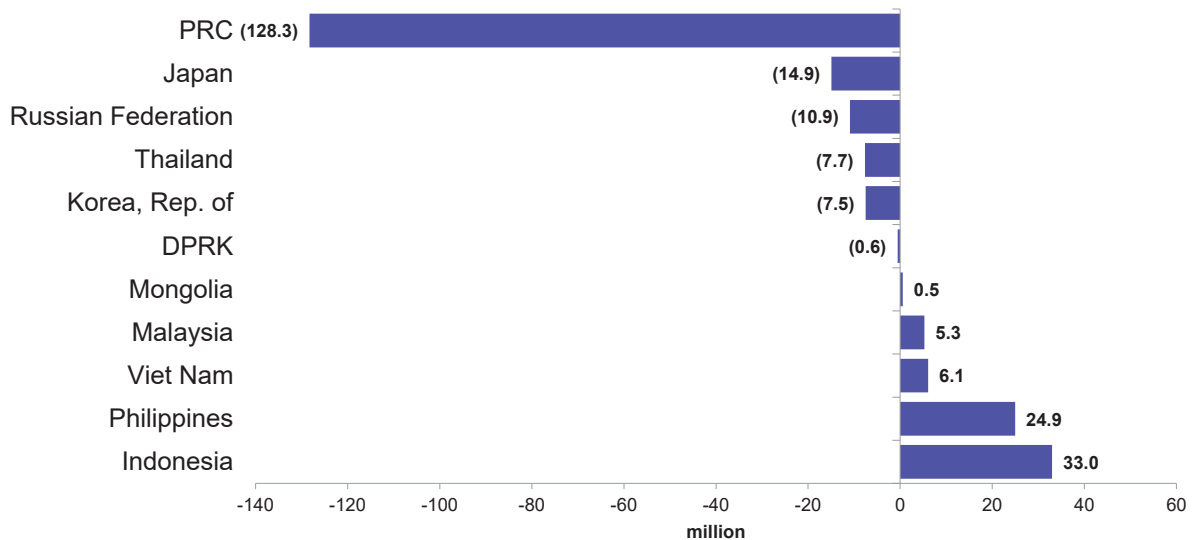
Total Foreign Residents in Japan



Source: ADB calculation using data from the Ministry of Justice, Japan

Working age population to shrink in NEA

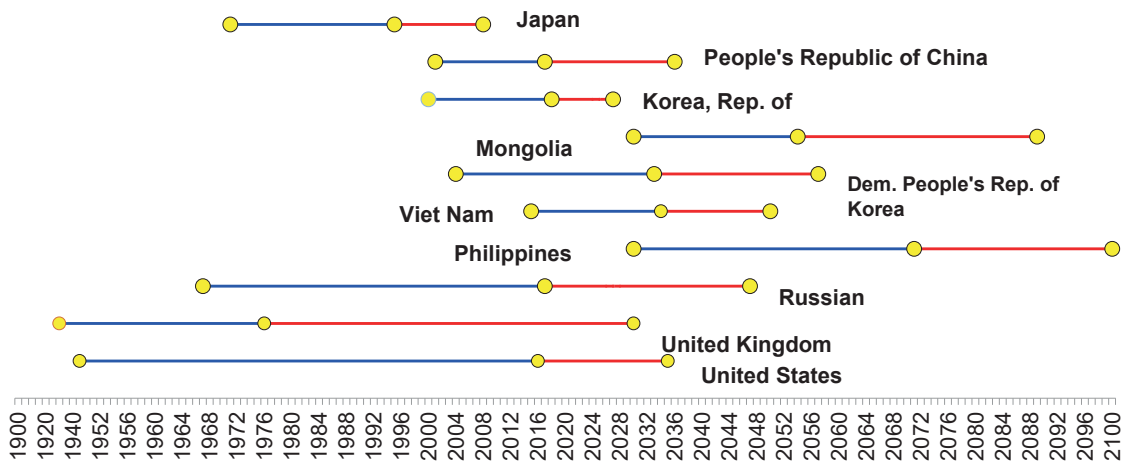
Change in population ages 15-64 between 2017 and 2040 (million)



DPRK = Democratic People's Rep. of Korea



Accelerating Speed of population aging



Note: The **blue line** refers to the number of years it takes for the share of 65+ population to rise from 7% to 14%.
 The **red line** refers to the number of years it takes for the share of the 65+ population to increase from 14% to 21%.
 Source: ADB calculations using data from United Nations Population Division.



Determinants of Labor Mobility

- Relative Wage
 - Demographic profile (size of working age population, age structure)
 - Income level
- Cultural and language proximity
- Cost of migration
- Migration networks
- Geographic distance
- Disasters
- **Industrial transformation, trade and FDI patterns**

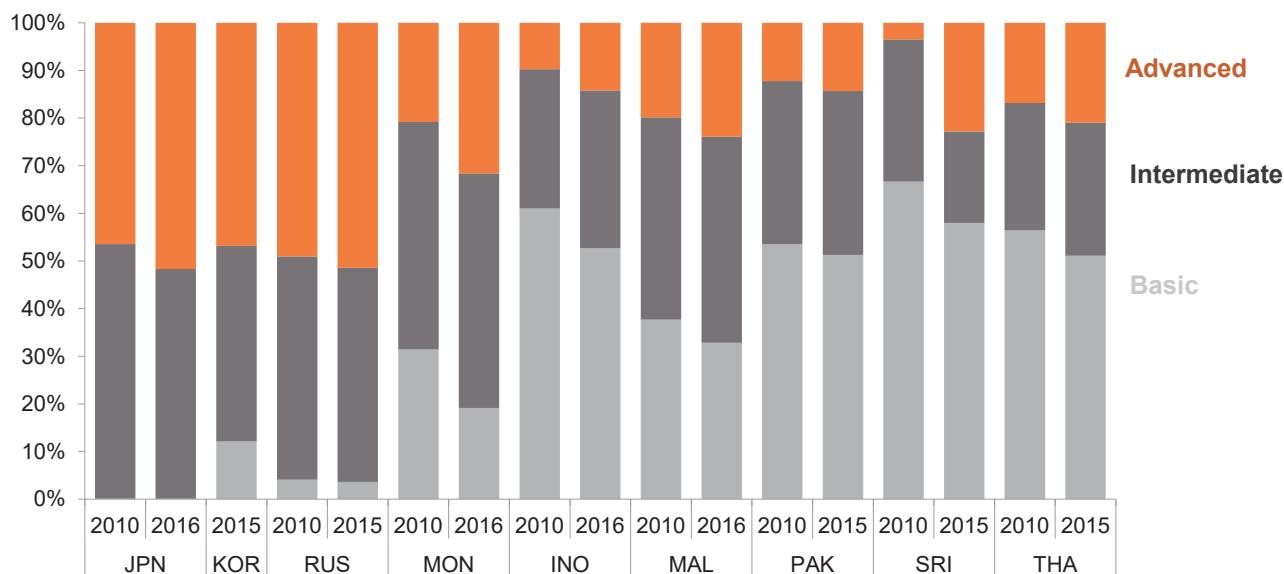
Global value chains affect skill composition and the job quantity

Table 3: Manufactures GVC Workers by Skill Type, 2000 and 2011 and Change (Thousands)

	Low-Skilled Workers		Medium-Skilled Workers		High-Skilled Workers	
	Change 2000–2011		Change 2000–2011		Change 2000–2011	
	2011	(%)	2011	(%)	2011	(%)
Bangladesh	10,009	178	12,681	153	1,053	72
India	79,877	11	43,080	33	9,213	76
Indonesia	22,019	0	5,040	22	1,073	79
Japan	1,050	-45	6,695	-25	2,344	-14
Malaysia	1,917	14	1,427	12	446	41
Philippines	4,923	31	4,837	52	1,834	61
PRC	166,311	15	68,736	34	10,135	155
Republic of Korea	598	-40	2,817	-6	2,342	27
Taipei, China	1,101	-25	1,100	14	832	59
Thailand	8,336	-11	4,044	62	1,180	8
Viet Nam	11,461	75	3,232	101	1,970	69

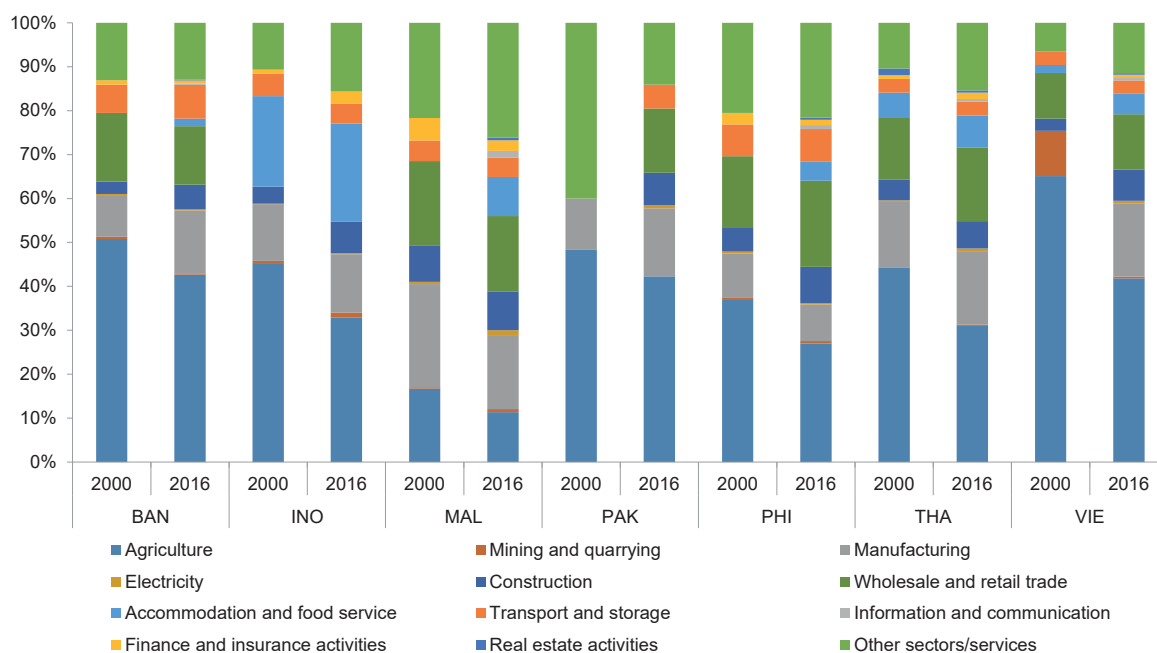
Source: de Vries et. al. (2016) ADB Economic Working Paper Series 496

More workers are educated in Asia

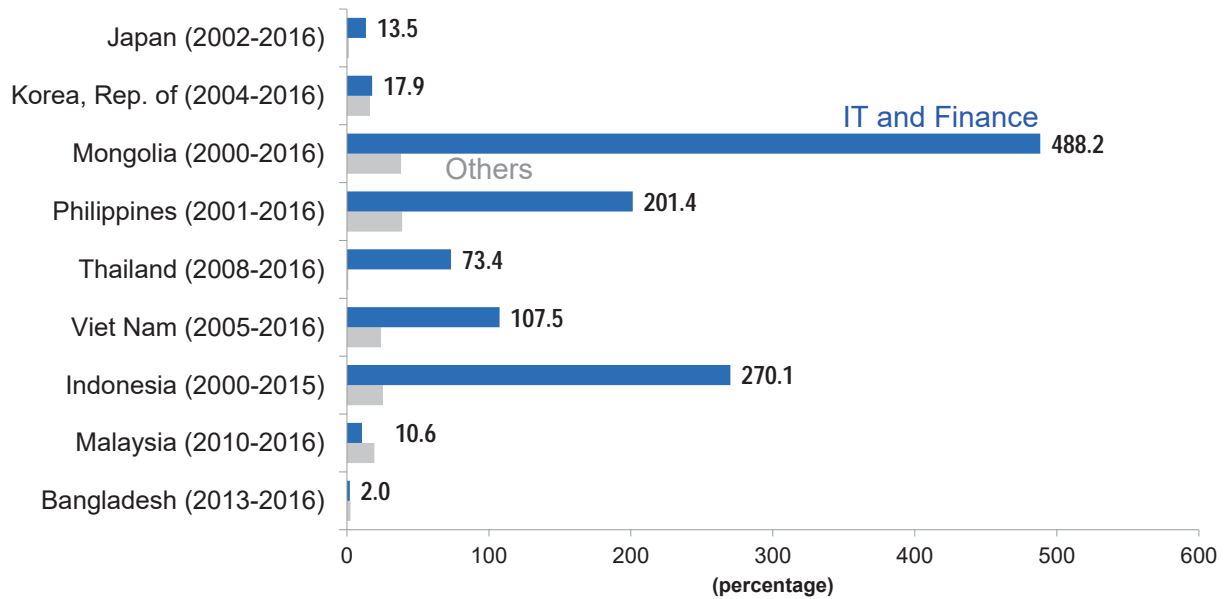


Source: ADB calculations using data from International Labour Organization.

Industrial Transformation and Jobs

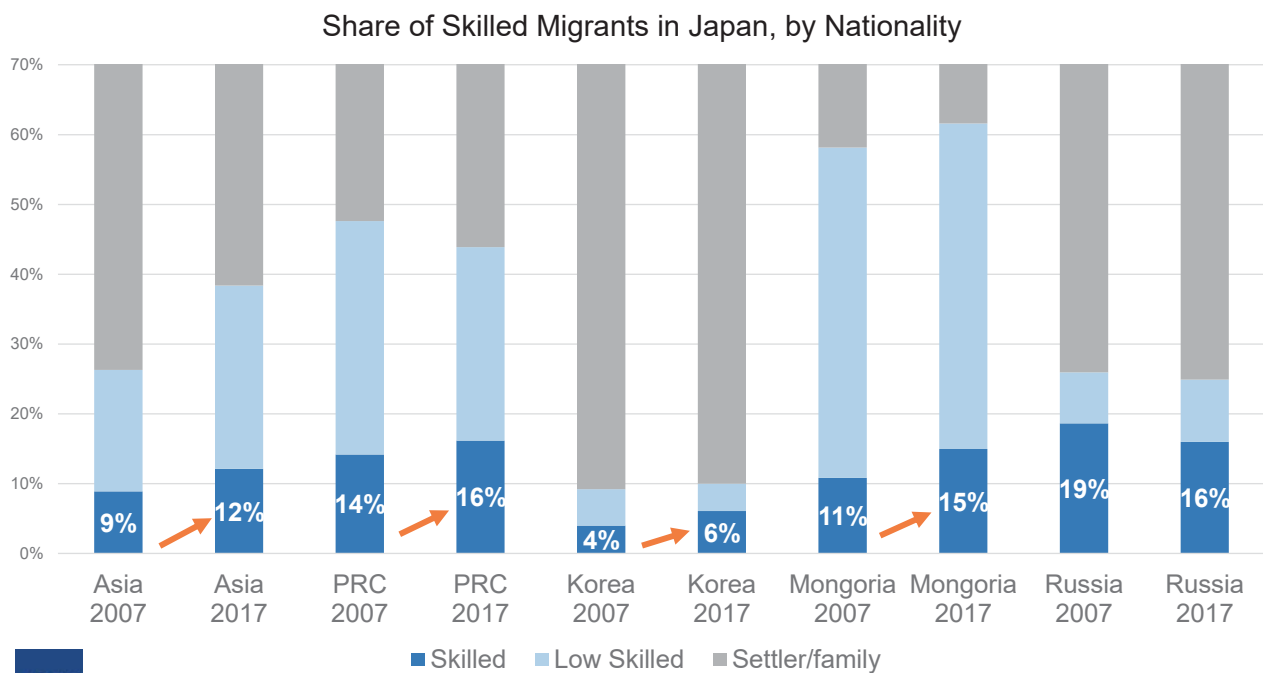


Growth in IT, Communications and Finance Jobs



Source: ADB calculations using data from ADB SDBS.

Share of Skilled Migration to Japan on Rise



Source: ADB calculation using data from the Ministry of Justice, Japan

Policy Considerations

- Robust outmigration from PRC to moderate due to demographic transition
- NEA region has a potential of transitioning to a major recipient region of foreign workforce with more reliance on origin countries other than NEA
- Industrial transformation favors skilled workforce, and the complementarity of workforce across countries with varying demographic profiles becomes increasingly more likely

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Thank you!

For comments and questions, you may email:

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