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**The visa trade**  
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trade)  
The visa trade is a large and growing market in Pakistan to deal with labour migration. There are three modes of migration: i) overseas employment promoter (OEP); ii) direct; and iii) overseas employment corporation (OEC). Around 58 percent of all migrant workers have gone through OEP, followed by 40 percent through their own efforts, while only two percent have used OEC services. Visas are traded in the open market either through the OEP or directly via agents, sub-agents and friends and family members. Agents and sub-agents are also involved in visa trading through the OEP. Why do migrants prefer to use these two sources rather than the more formal and officially recognised manpower agencies? That might be due to the ease of getting a visa through relatives and friends and the relatively higher level of trust on relatives and friends than on recruiters.

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## The visa trade

Pakistan has a long history of labour migration. According to the Bureau of Emigration & Overseas Employment (BEOE), more than 9.46 million Pakistani officially went aboard for employment between 1971 and September 2016, making Pakistan the second largest export country after India in South Asia.

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To measure migration costs, ILO-Pakistan has conducted a study, titled 'The cost of migration: What low-skilled migrant workers from Pakistan pay to work in Saudi Arabia and the United Arab Emirates', which measures the cost of migration for low-skilled workers who have gone to Saudi Arabia and the UAE. Migration costs are defined here as the financial costs incurred by workers during the deployment process, also known as recruitment costs or sunk costs or upfront costs.

The survey was conducted in six high-migration districts of Pakistan – Rawalpindi and Gujrat from northern Punjab, Gujranwala and Sialkot from central Punjab, and Mardan and Charsadda from Khyber Pakhtunkhwa. Six-hundred-and-twenty interviews were conducted from migrants in these districts. This writer was the lead researcher of the report.

The study found an alarmingly high cost of migration for low-skilled workers. On average, a migrant worker pays Rs3,62,856 (\$3,489) for overseas employment. More specifically, the average cost of migration is Rs4,46,160 (\$4290) for Saudi Arabia and Rs2,45,232 (\$2358) for the UAE.

More than 80 percent of migration cost is paid as visa fee to recruiting agents, their sub-agents or friends and relatives who have secured the job for the migrant.

According to the BEOE, the average official cost of migration ranges from Rs7,800 to Rs16,000. This means agents and others charge 40 times more than the official costs. Manolo Abella and Philip Martin (2016) in a study titled 'Worker-Paid Migration Costs: A Technical Report for KNOMAD' reported that the average migration cost for the Philippines-Qatar corridor is \$522, Ethiopians-Saudi Arabia corridor \$998, India-Qatar corridor \$1140 and the Nepal-Qatar corridor is \$1054. Thus Indians, Nepalese and Filipinos pay much less compared to Pakistan for migration to the Middle East.

According to the BEOE, 946,571 migrant workers went abroad in 2015; among them 378,628 belonged to the low-skilled category. Based on these statistics, the estimated volume of the informal visa trading market for a low-skilled worker is Rs137.39 billion (\$1.32 billion).

The average earnings of low-skilled workers are \$443 for all and \$480 for Saudi Arabia and \$387 for the UAE. The average earning indicates that it takes almost eight months to recoup what they had paid to migrate. Manolo Abella and Philip Martin (2016) also reported that Filipinos and Indians in Qatar are able to repay their migration costs with two months foreign earnings and Ethiopians in Saudi Arabia and Nepalese in Qatar are able to recoup their investment within three months while Pakistanis in Saudi Arabia require nine months to do so.

It becomes clear that both the local agents and the brokers abroad seem to be the main beneficiaries of this market. The study highlights that "large benefits associated with the overseas migration of low-skilled workers are eaten up by the visa fee by intermediaries and by those who engage in the [sale] of visas".

There is a need to formalise the informal visa trading market in Pakistan to reduce migration cost and promote safe migration – one of the core objectives of the Sustainable Development Agenda 2030. For this purpose, there is no need reinvent the wheel but to put in place measures that will help the existing institutions function better.

In essence, the report recommends to: "(i) curtail the arbitrary powers of government-run and government-controlled institutions; (ii) strengthen the key players in the visa market, namely the OEPs, to make them efficient and responsible; and (iii) empower the prospective migrant by providing him information on what he should pay as costs and provide him avenues where he can take his complaints and get a fair and just hearing".

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