

Country Profile

Philippines

Migration and Skill Corridors

Marla Asis, Scalabrini Migration Center

Geoffrey Ducanes, Ateneo de Manila University and Scalabrini Migration Center

November 2024

The report offers a compact overview of cross-border labour migration involving the Philippines. It notes major migration corridors involving overseas Filipino workers and briefly describes the migration of Filipino healthcare workers to four destination countries covered by the Link4Skills project.

Produced by the EU-funded Link4Skills research project, this profile is part of a series providing relevant information about countries where the project is conducting empirical fieldwork. Our focus is on transnational labour migration with particular attention given to migration skill corridors. Countries investigated by the consortium include Austria, Canada, Germany, Ghana, India, Indonesia, Morocco, the Netherlands, Nigeria, the Philippines, Poland and Ukraine.

<http://link4skills.eu>



The Link4Skills project has received funding from the European Union's Horizon research and innovation programme under grant agreement number 101132476

1. Introduction

The Philippines is a lower middle-income country in Southeast Asia with an economy dominated by the services sector. Its population of 109 million (2020) is quite young, with 31% aged 14 or younger. 52% are between the ages of 15 and 49, 11% are 50 to 64, and 5% are 65 or older.

The country's working age population is 78.7 million, of whom 48.1 million are in the labour force (Labor Force Survey, January 2024). Apart from occasional downturns, the Philippine economy has expanded steadily over the past three decades, averaging 4.7% annual growth. Consequently, the unemployment rate in the country has trended downwards from 8.3% in April 2005 to 4.5% in January 2024.¹

The Philippines is primarily an outmigration country. Starting with the enactment of the Philippine Labor Code in 1974, the country has established institutional, legal, and policy frameworks that have sustained outward labour migration to the present day. The Philippine government set up agencies to oversee various aspects of labour migration, established a welfare fund for overseas workers, and put in place a regulatory system for licensing private recruitment agencies (PRAs).

In 2022, the Department of Migrant Workers (DMW) was established, which changed the multi-agency governance of labour migration into a single agency. The comprehensive protection of overseas Filipino workers (OFW) at all phases of migration continues under the DMW. Protection measures for overseas Filipino workers include:

Before migration

- regulation of PRAs to protect OFWs from illegal recruitment
- contract verification and worker documentation
- worker education (Pre-Employment Pre-Departure Orientation Seminar)
- social protection programs (OWWA, SSS, PhilHealth and Home Development Fund)

While overseas

- deployment of labour attaches and welfare officers to major destination countries
- worker education (Post-Arrival Orientation Seminar, training programs)

Upon return to the Philippines

- repatriation assistance
- reintegration services

About 90 percent of overseas Filipino workers are recruited by PRAs for overseas employment.² The remaining 10 percent consists of two groups: One group is made up of those recruited by the Government Placement Branch of the Department of Migrant Workers. These workers are hired under bilateral agreements such as the triple-win program with Germany, the Employment Permit System with the Republic of Korea, the agreement to hire nurses for government hospitals in Saudi Arabia, and the recruitment of nurses under the Japan-

¹ The definition of the unemployed was changed in April 2005 to be more in line with international definitions.

² As brokers, PRAs charge a fee for their services, and these are oftentimes paid by migrant workers. Only a few PRAs do not charge fees from the workers; instead, they charge the employers. In the Philippines, the DMW (previously POEA) allows the charging of fees which is the equivalent of the worker's one-month salary.

Philippines Economic Partnership Agreement. The second group is made up of direct hires. Employers of direct hires are either exempted from the ban on direct hiring all together, or they have been cleared to directly hire Filipino workers under specific conditions. Direct hires who are exempted from the ban still need to go through the DMW process.

Table 1. Deployment of Overseas Filipino Workers, 2017

Destination	New Hires	Rehires	Total
Middle East	312,579	686,127	998,706
Asia	128,222	392,807	521,029
Europe	5,500	19,431	24,931
Austria	2	37	39
Germany	318	435	753
Poland	109	32	141
Americas	3,444	10,050	13,494
Canada	1,506	4,880	6,386
Africa	3,777	9,475	13,252
Oceania	4,264	14,403	18,667
Trust Territories	1,294	3,899	5,193
Not elsewhere classified	0	142	142
Total	459,080	1,136,334	1,595,414

Source: Department of Migrant Workers

Note: 2017 is currently the latest year for which country-level destination data is available from DMW. But in 2023 the DMW reported total deployment of 1.752 million, of whom 508 thousand were new hires and 1.244 were rehires. Of the total, 972 thousand went to the Middle East, 596 thousand to Asia, 82 thousand to Europe, 39 thousand to Oceania, 30 thousand to Africa, and 26 thousand to the Americas.

2. Migration Skill Corridors Overview

Sustained labour migration in the last five decades has created well-trodden migration skills corridors involving the Philippines. Relevant regional corridors are noted below along with selected country-level corridors covered within the scope of the Link4Skills research project.

2.1 Major Regional Migration Skill Corridors

Philippines-Americas

This major corridor is dominated by the US and Canada, which are both traditional settlement countries. Highly skilled Filipinos have immigrated to the US and Canada. These include nurses and doctors who moved there in the 1970s-1990s. IT experts and other professionals have immigrated as well. Historical ties between the Philippines and the US, familiarity with US culture, and the presence of family networks make the US highly appealing to Filipinos. In recent years, Filipino workers have been admitted to Canada under the Temporary Foreign

Worker Program (TFWP). For the first half of 2023, 10 percent of TFWP permits were issued to Filipino nationals (Immigration, Refugees, and Citizenship Canada 2023).

Philippines-Middle East

In the 1970s, demand in this major corridor mainly concerned workers for infrastructure projects who were mostly male. By the 1980s, other workers were needed, and continuing demand for a variety of skills extended job opportunities to women. Middle Eastern countries developed the template for temporary labour migration. Typically, this involved a limited period of employment (usually a 2-year contract), restrictions on changing employer/sector, and no family reunification for workers in less-skilled occupations. The Middle East offers many job opportunities and is accessible because it does not have a language requirement. For the most part, the recruitment of OFWs to the Middle East labour markets was facilitated by PRAs.

Philippines-Asia Pacific

This is another major corridor. The more developed countries and territories of East and Southeast Asia adopted the Middle East model of keeping labour migration temporary. The demand for domestic workers fuelled the migration of women migrants to Hong Kong SAR, Singapore, Malaysia and Taiwan. Japan was a unique destination because of the migration of women entertainers until 2005, when concerns about trafficking brought this migration to a halt. South Korea also recruited some entertainers, but this was eclipsed by the need for workers in the manufacturing sector. Singapore recruits OFWs of various occupations, although domestic workers comprise the majority. South Korea has a government-to-government labour agreement with the Philippines for the hiring of factory workers (under the Employment Permit System). Japan and the Philippines have an agreement for the recruitment of nurses under the Japan-Philippines Economic Partnership Agreement. As in the Middle East, OFW recruitment in Asian destinations is mediated mostly by PRAs.

Philippines-Europe

This skill migration corridor is generally less developed than those mentioned above. Filipino labour migration to Europe also started around the 1970s, but the numbers involved were modest. Migration to certain countries (e.g., Italy, Spain, Greece) initially did not go through legal channels. Women migrants form a sizable share, if not the majority, in most destinations in Europe due to the demand for care workers. In Italy, Spain, Greece, France the demand is chiefly for domestic workers. The largest Filipino community is in Germany while the smallest one is in Poland. In Austria, Germany and the Netherlands, most Filipinos are permanent migrants, reflecting the longer history of migration and acquisition of permanent residence or even citizenship in these countries. Nurses are among the pioneers of Filipino communities in various countries in Europe. There has been a resumption of active nurse recruitment in view of the increasing need for nurses due to aging populations.

2.2 Selected National Corridors

Philippines-Germany

An estimated 6,000 Filipino nurses live in Germany. Around a third of those came via the [Triple Win Program](#) and the rest mainly through private recruiters (Valenzuela 2024). It can be considered an established migration corridor for skilled workers. According to the most recent available data from DMW, in the first 10 months of 2020 there were 190 nursing

associate professionals and 288 nurse professionals deployed to Germany.⁵ Demand for Filipino nurses in the country is reportedly high, but learning the German language is still considered a big hurdle for interested nurses.

Philippines-Canada

This is another established migration skills corridor. Canada first admitted Filipino healthcare workers in the 1960s to address a shortage of healthcare professionals. According to the most recent available DMW statistics, 869 healthcare workers were deployed to Canada in 2019 and 720 in 2018. Nurse recruitment remains strong and is being expanded to include scholarships for Filipino nursing students who want to work in Canada (Hilotin 2023).

Philippines-Poland

This is an example of an emerging migration skills corridor. From 2018 to 2020, officially there were only 23 Filipino healthcare workers deployed to Poland, according to DMW data. But some of the recruitment of Filipino workers might be occurring through irregular channels or happening outside of the Philippines and is not being officially recorded.⁷ In 2018, Poland's Labor Ministry initiated talks with Philippine counterparts for an agreement on receiving workers from the Philippines (Kastner 2018).

Philippines-Austria

This can be considered a re-emerging migration skills corridor. The Viennese government signed a bilateral agreement with the Philippine Labor Ministry in 1973 to facilitate the hiring of Filipino nurses to address a nursing shortage. When the nursing shortage eased in the mid-1980s, the bilateral agreement ended. More recently, Austria and the Philippines signed an agreement to facilitate the deployment of Filipino professionals in healthcare, services, tourism, hospitality, construction and engineering, and information technology (Shabani 2023).

3. Focus on the Healthcare Sector

The case of Filipino healthcare workers is particularly interesting. For even though the Philippines serves as a major supplier of healthcare workers for other countries, its own labour market is marked by a high deficit of healthcare workers. According to the Philippine Department of Health, there is a shortage of 127,000 nurses (and 114,000 physicians) in the country. It's estimated that it would take 12 years to filled this gap if all nursing graduates stayed and worked in the country during that time (Lalu 2023). But that is a highly unlikely scenario given the huge difference between what Filipino healthcare workers earn at home versus abroad. For example, healthcare workers in the Philippines earn less than a fifth of what their counterparts are paid in Canada. The Philippine government is looking at ways to

⁵ Nursing professionals are classified under International Standard Classification for Occupations (ISCO) code 22, while nursing associate professionals are classified under ISCO code 32. Nursing professionals are responsible for the planning and management of the care of patients. Nursing associate professionals provide basic care and generally work under the supervision of a nursing professional.

⁷ In 2024 alone, one immigration consultancy firm

(<https://www.gmanetwork.com/news/pinoyabroad/dispatch/897290/makati-firm-ordered-closed-over-alleged-illegal-recruitment-of-pinoy-workers-for-poland/story/>) and one travel agency

(<https://tribune.net.ph/2024/03/18/dmw-shuts-down-travel-agency-for-alleged-illegal-recruitment>) was closed down by DMW for illegal recruitment to Poland. Illegal recruitment to Poland of Filipino domestic workers in Hong Kong has also been reported (<https://www.aljazeera.com/news/2024/1/27/filipinos-in-hong-kong-were-promised-a-new-life-in-poland-it-never-came>).

encourage more nurses to remain in the country. But with many nurses entering the profession precisely in order to migrate for work, this remains a complex issue.

Although population growth in the Philippines is expected to slow down, the large wage gap with developed countries likely means that the incentive for Filipino healthcare workers to migrate will remain strong. Attempts to establish fair, transparent, and ethical recruitment for healthcare workers (in keeping with the ideals of Germany's Triple Win Program) have not been proven to work as intended. For instance, TWP only covers a minority of Filipino nurses recruited to Germany, and it is not clear how it contributes to development in the Philippines.

There is a need to examine existing skills recruitment models and to explore how they can be improved to be more fair, transparent, and ethical.

References

- Department of Migrant Workers. (2024, November 27). Overseas Employment Statistics. <https://dmw.gov.ph/statistics/overseas-employment-statistics>
- Hilotin, J. (February 23, 2023). 'Canada in drive to recruit more Filipino nurses'. <https://gulfnews.com/world/asia/philippines/canada-in-drive-to-recruit-more-filipino-nurses-1.1677166173808>
- Immigration, Refugees, and Citizenship Canada. (October 19, 2023). 'Pilot program launches to streamline work permit processing for Canadian employers recruiting in the Philippines'. <https://www.canada.ca/en/immigration-refugees-citizenship/news/2023/10/pilot-program-launches-to-streamline-work-permit-processing-for-canadian-employers-recruiting-in-the-philippines.html>
- Kastner, J. (August 17, 2018). 'Poland cracks door open for Filipino workers'. <https://asia.nikkei.com/Economy/Poland-cracks-door-open-for-Filipino-workers>
- Lalu, G.P. (May 4, 2023). 'DOH: It will take 12 years for PH to solve shortage of nurses, 23 years for doctors'. <https://newsinfo.inquirer.net/1764748/doh-it-will-take-12-years-for-ph-to-solve-shortage-of-nurses-23-years-for-doctors>
- Shabani, A. (October 26, 2023). 'Austria to Welcome Hundreds of Filipino Workers Following Labour Shortage in Many Sectors.' <https://schengen.news/austria-to-welcome-hundreds-of-filipino-workers-following-labour-shortage-in-many-sectors/>
- Valenzuela, N. (March 14, 2024). 'Germany eyes Filipino nurses to ease labor shortage'. <https://www.dw.com/en/germany-recruits-filipino-nurses-to-combat-labor-shortage/a-68525425>

About the Link4Skills project

Link4Skills is an EU-funded research and project addressing the global challenge of skill shortages and mismatches through innovative, sustainable solutions that foster fair skill utilization and exchange across continents.

Focusing on Europe, Africa, Asia, and America, the project seeks to bridge the gap between skill supply and demand by facilitating re/up-skilling, promoting automation, and encouraging migration as policy options.

Link4Skills is creating an inclusive, participatory policy decision-making environment by integrating a diverse range of stakeholders, including EU decision-makers, inter-governmental institutions, national and subnational decision-makers, employers organizations, employees organizations, and civic society co-development institutions.

Project Coordinator: Professor Izabela Grabowski

The sole responsibility of this publication lies with the authors. The European Union is not responsible for any use that may be made of the information contained herein.

This document is available for download at <http://link4skills.eu>

November 2024



The Link4Skills project has received funding from the European Union's Horizon research and innovation programme under grant agreement number 101132476