

SOCIO-ECONOMIC DRIVERS OF INTERNATIONAL CONTRACT LABOUR

MIGRATION: CASE OF A DEVELOPING COUNTRY CONTEXT

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ABSTRACT

The primary aim of this study was to examine the role of main socio-economic factors in determining international contract labour migration. The study examined the case of Sri Lanka. The study, which has been based on the push-pull theory of migration, assessed the effects of the country's level of economic growth, human capital development, unemployment, international trade openness, and international remittance inflow on the flow of international contract labour migrants. The study estimated an OLS regression model using secondary data on migration and socio-economic factors to measure the effects of each of these variables on the size of the international contract labour migration flow. The research found that the country's level of economic growth and unemployment status has a significant impact on international contract labour migration. In this scenario, increased unemployment, and slow down economic growth act as push factors. However, there was no evidence supporting the contribution of human capital development, remittance receipts, and international trade openness to migration flow. Despite the fact that the country receives a significant flow of remittances, the results show no evidence supporting the motivation given by remittances for people to migrate. Education and healthcare services have both improved significantly over the last three decades. However, the findings provide no facts to justify the contribution of human capital development to the flow of international contract labour migrants.

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