

Refugees' rights to work

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Host economies benefit when refugees work. Nations seeking economic growth and political stability should allow refugees to access employment and to enjoy employment-related rights.

Although refugee employment rights are, for the most part, clearly articulated in international legal instruments, efforts to implement these rights in domestic law and government practice have been minimal in most countries that host significant refugee populations. Evidence from the few nations that have allowed refugees to access employment lawfully, as well as from contexts where refugees work without legal authorisation, powerfully suggests that allowing refugees both employment and self-employment is beneficial to refugee-hosting nations. These benefits accrue to host nations regardless of whether refugees integrate into their host nations, return home (repatriate) or are resettled to a third country. Further research is needed in order to understand the most effective way of transitioning from camps or other work-restricting environments to approaches that allow refugees to participate in a national economy.

Advantages of allowing refugees to work

Around 50% of the world's refugees are of working age (age 18 to 59).¹ Allowing this population to access lawful employment would fill gaps in the host country's labour market; given the opportunity, most refugees will work in any geographic location and any field that provides them with a livelihood.

Thailand, for example, has benefited from the employment of Burmese refugees as migrant workers in rural areas. While Burmese have long worked in the informal

sector in Thailand, the government also created a formal migrant labour scheme that today employs around 1.3 million Burmese migrant workers, a substantial percentage of whom probably fit international definitions of a refugee. An estimated 1-1.5 million additional unregistered Burmese refugees and other migrants continue to work without formal permission. The consequence has been a reduction in local poverty in communities around Thailand and the encouragement of regional growth. On the negative side, Thailand does not acknowledge the refugee status of Burmese employed through the formal migrant labour scheme; this means that workers' families may lack legal status and protection, and a worker's legal status lasts only while he or she is employed.



A self-employed refugee in Ecuador.

The impact of the Burmese population filling labour market gaps was starkly demonstrated in 1997 when Thailand deported large numbers of Burmese refugees in response to the financial crisis in Asia. The deportations were immediately followed by a dramatic rise in the number of bankruptcies in areas that lost significant numbers of Burmese, evidence that many industries relied on them.

Ecuador too has taken advantage of its refugee population as an influx of human capital. Since 2008, Ecuador's Constitution has allowed refugees to access both wage-earning and self-employment on an equal basis with Ecuadorian nationals. Ecuador has experienced steady economic growth from September 2008 to now.

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Vietnamese refugees who fled to Australia have contributed significantly to the growth of trade between Australia and Vietnam, in the same way that Thailand has benefited from cross-border trade by Burmese refugees. Although refugee repatriation rates will vary with circumstances, the presence of common language and culture between refugees who return home and those who remain in the host country promotes international trade between the two groups, irrespective of government relations. Even in the face of hostile relations between the US and Cuba, for example, trade between the two countries occurred as a result of Cuban refugees interacting with their compatriots who repatriated or stayed behind.

Refugees also bring knowledge, skills and training that can increase available resources in the economies of their host communities. For example, refugees have introduced swampland rice in Guinea, making use of land previously considered uncultivable. Refugees in Nepal have introduced new techniques of cultivating cardamom, an important cash crop there. Beyond agriculture, some refugees bring professional or trade skills. Policies that forbid refugee employment force skilled individuals into idleness; policies that permit refugee employment allow those individuals to maintain their skills and contribute the fruits of their training to their host nation. Moreover, because the host nation has not paid for the training of these individuals, it reaps benefits that outweigh its investment.

The human capital ‘windfall’ that refugees offer is maximised when refugees are able to travel to urban centres where jobs are more readily available. Host communities reap economic benefits in the form of new jobs and increased tax revenue that significantly outweigh the costs of additional social services and environmental protection measures.² Refugees who work purchase goods and services, re-circulating money and benefitting host economies by increasing local demand.

Overcoming resistance

Yet allowing refugees to work – and granting them the mobility needed to secure

employment – remains controversial. Host governments may fear that permitting employment and mobility will lead refugees to remain permanently, potentially changing the host country’s culture and/or absorbing resources. Governments may also face pressure from nationals who fear increased competition for available jobs, particularly in countries where unemployment already is high.

In practice, refugees are more likely than nationals to start new businesses, increasing rather than reducing the number of available jobs. Refugees who work also are more likely voluntarily to return home, to have the financial ability to return home when that becomes possible and to do so sooner than they would otherwise.³ They are less likely to depend on economic assistance from host governments or donor nations to repatriate, and they are more likely to have the means to sustain themselves as they settle back into life at home. This, in turn, increases the country of origin’s capacity to accommodate returnees.

Legal and moral arguments for refugee rights can be compelling. Faced with a wide array of competing political, economic and social pressures, however, host governments need to be able to show their citizens that granting refugees their rights will benefit, not harm, the nation. In the case of refugee work rights, the evidence is mounting of the benefits that accrue when refugees are allowed to access safe, lawful employment.

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1. www.unhcr.org/statistics/populationdatabase.

2. Refugee Council of Australia, ‘Economic, Civic and Social Contributions of Refugees and Humanitarian Entrants – literature review’, p9, available at <http://tinyurl.com/RefCouncilofAus-Contribution>

3. See, for example, Paulo Sérgio Pinheiro ‘The Return of Refugees’ or Displaced Persons’ Property’, 12 June 2002, E/CN.4/Sub.2/2002/17, discussing the experience of Bosnian refugees attempting to return and the importance of property www.refworld.org/docid/3d52953c4.html