

International Nurse Migration and Remittances



International Centre on Nurse Migration



Remittances, the money sent home by migrants, far exceed official development assistance and provide an economic lift and income security to families back home. In 2013, migrants sent more than \$414 billion dollars to their homeland.¹ The growth rate of remittances in real terms has been impressive. In the decade preceding the 2008 financial crisis (1999-2008), the average annual real growth rate of remittances was 12.9 percent, comparable to the 11.0 percent annual real growth rate of foreign direct investment and exceeding the 5.8 percent annual real growth rate of official development assistance.² Indeed, remittances remained remarkably stable in the wake of the recent financial crisis, dropping just 5.2 percent between 2008 and 2009. By contrast, foreign direct investment plummeted 39.7 percent over the same period.³

International nurse migrants have long been recognized as faithful senders of remittances and important contributors to the national economies of their home countries.⁴ Nurses' remittances represent an important course of added income and stability for individuals, families and communities around the world. These funds lessen the burden on health systems by improving access to food, housing, and education – all three significant social determinants of health. Importantly, remittances play a significant role in reducing the level and severity of poverty and contribute to the economic development in many low and middle income countries.

Global estimates and trends

- ★ More people than ever are emigrating. In 2013, 232 million people, or 3.2 per cent of the world's population, were international migrants, compared with 175 million in 2000 and 154 million in 1990.⁵
- ★ In 2013, half of all international migrants lived in 10 countries, with the US hosting the largest number (45.8 million), followed by the Russian Federation (11 million); Germany (9.8 million); Saudi Arabia (9.1 million); United Arab Emirates (7.8 million); United Kingdom (7.8 million); France (7.4 million); Canada (7.3 million); Australia (6.5 million); and Spain (6.5 million).⁶
- ★ The monetary value of remittances from migrants to Africa now exceeds that of aid.⁷
- ★ In 2011, the top five remittance-receiving countries were India, China, Mexico, Philippines and Pakistan.⁸
- ★ In 3Q 2013, the Global Average total cost of sending remittances remained substantially stable compared to the previous quarter and stood at 8.93 percent.⁹ The G8 and the G20 have endorsed the "5x5" objective which set a goal of reducing the cost of remittances by five percentage points in five years in 2009.
- ★ Senegalese in Spain remit 49.9 percent of earnings, and Ghanaians in Italy, 23.3 percent. In other surveyed migrant populations, the share of remittances out of earnings is more modest: Moroccan immigrants in France remit 10.4 percent of earnings; Algerians in France, 7.7 percent; Turks in Germany, 2.1 percent; Chinese in Australia, 6.1 percent; Filipinos in the United States, 5.8 percent; and Cubans in the United States, slightly more than 2 percent.¹⁰

Nursing facts and figures

- ★ In sending money home: a mixed-Methods study of remittances by migrant nurses in Ireland, the survey revealed that 87% of the sample sent remittances on a regular basis.¹¹ Most of the sample of 336 migrant nurses originated from the Philippines (52%) or India (33%). Eighty-five percent were women.
- ★ As remittances played an essential role in supporting family members back home, respondent migrant nurses were reluctant to reduce the level of their remittances, despite the onset of a global recession.¹² Twenty-three percent of respondents remitted more than 40% of their income; 39% sent between 10-20% of their income; and 39% sent 10% of their income or less.
- ★ Research carried out in the South Pacific suggest that nurses are more likely to be remitters and remit a higher portion of their income than other migrants.¹³
- ★ The estimated cumulative value of remittances sent home by Tongan and Samoan nurses working in Australia is likely to surpass the costs associated with their initial training.¹⁴
- ★ Evidence suggest that remittances more than adequately make up for the economic losses associated with the migration of health professionals.¹⁵



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Measures to enhance the impact of remittances

Below are a number of measures that may contribute to enhancing the impact of remittances:

- ★ Lower the remittance transaction costs and improve accessibility of remittance transfer services to increase the percentage reaching families in source countries.
- ★ Strengthen the availability of literature so migrants can make knowledgeable financial decisions and effectively manage their savings.
- ★ Provide a range of banking services and special accounts to guarantee the value of deposited funds against devaluation and facilitate investments by local banks enhancing economic and labour market opportunities.
- ★ Encourage channeling of a percentage of remittances to public sector projects that support such activities as building new schools, improving infrastructures, etc.
- ★ Raise awareness on the significant contribution made by remittances to national economic growth, GDP, poverty alleviation/reduction, international currency and trade balances, debt relief, development efforts, including the Millennium Development Goals, general well-being of individuals, families and communities, and health systems.

An electronic version of the fact sheet is available at www.intlnursemigration.org/research/factsheets.shtml

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