



**Reframing South Asian  
Regional Cooperation  
in the New Context**  
*National and Global Dimensions*

4-5 November 2023, Dhaka, Bangladesh



Parallel Session B2

**Cross-border Labour Market Management**

Sunday, 5 November 2023 | 11:30 am – 1:00 pm

Venue: Annex 1, Sheraton Dhaka

**Chair:** *Mr Madhu Raman Acharya*, Former Foreign Secretary  
Federal Democratic Republic of Nepal

South Asian labour market can be characterised by some common traits which are influenced by diverse economic, social, and political contexts within the region. Countries like India, Bangladesh, Nepal, and Pakistan have a large and growing labour force with a mixed nature of formal and informal employment. Major employment in the region is largely contributed by the agriculture sector. Meanwhile, the service sector including Information Technology (IT) and Business Process Outsourcing (BPO) have created enormous employment opportunity in India and Sri Lanka. Some countries like Bangladesh have experienced significant growth in the manufacturing sector, particularly in the ready-made garments and textile industry. Despite this positive transformation, integration of women into the labour market is still poor in this region. Gender disparities are a common issue in this region. Women often face limited access to formal employment, lower wages, fewer opportunities, etc. for career advancement. On the other hand, labour laws and regulations can vary from country to country, although often focus on issues like minimum wage, workplace safety, etc. The enforcement and effectiveness of these regulations can differ.

It is important to mention that the region is an important host of international migrants. In the recent few decades, Southern Asia has been experiencing unprecedented cross-border migration within the region as well as outside. South Asia hosted an estimated 13.9 million international migrants in 2020, out of which 10.9 million were from within the region itself (Migration Data Portal, n.d.). South Asian labour market dominates intra-regional and international migration.

Many countries like Bangladesh, Nepal, and Sri Lanka have a significant number of aspirant migrant workers who seek employment within the region, particularly in India. In fact, the cultural, religious and linguistic diversity in South Asia is the outcome of spatial interconnection between different peoples migrating within the region. Skewed economic development, unequal employment opportunities, easy accessibility due to porous borders and cultural ties have resulted in Nepal–India, Bangladesh–India, Afghanistan–Pakistan, and India–Bhutan becoming important corridors for cross-border labour mobility.

The Indo-Nepal Treaty of Peace and Friendship (1950) allows Nepalese people to move freely across the border without a passport or visa, live and work in India, and own property or do business in

India. It does not, however, afford them certain rights, including voting and access to government schemes, such as ration cards. Other South Asian countries do not have such collaboration on cross-border labour management.

Experiences of the European Union suggest that cross-border labour mobility is likely to offer a number of advantages, by allowing a more efficient matching of workers' skills with job vacancies and facilitating the general upskilling of workforces. Restrictions on the free movement of labour may decrease the efficient use of labour resources. On the other hand, returning migrants may give a boost to economic growth by bringing in capital, skills and new ideas acquired abroad.

Regional cooperation like the SAARC does not highlight or facilitate regional cross-border labour migration. The SAARC Heads of States/Governments have agreed to 'collaborate and cooperate on safe, orderly and responsible management of labour migration from South Asia to ensure safety, security and wellbeing of their migrant workers in the destination countries outside the region.' In this regard, a consensus has to be built to enhance cross-border labour migration within a region like the European Union.

### **Guiding Questions for the Panellists**

1. What kinds of regional cooperation for cross-border migration in South Asia would be mutually beneficial for South Asian countries?
2. How to address cross-border illegal migration between South Asian countries? '
3. What kinds of lessons South Asian countries learn from other regional cooperation initiative such as ASEAN?