

## **2.35 Cost - benefit analysis of female labour migration in Sri Lanka**

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### **ABSTRACT**

Foreign employment opportunities and remittance earnings from foreign employees help to boost the rising economy of Sri Lanka. Due to the fact of this economic advantage, migrant workers abroad are treated as a worthwhile factor in the economy. Since 1970, as a result of various economical, political and social aspects, labor migration recorded a sharp increase in number. And during the second half of 1980s, Middle East came to forefront with an impressive demand for female housemaids. Most of these workers were poor in skill potential and were from less income generating families. Since today this demand has reached such exponential proportions and impacted the economy significantly. Latest statistics reveal that the inflow of private remittances has tripled from about US \$ 1 billion ten years ago to about US \$2.9 billion as at the end of 2008. This growth is faster than the growth rates of export earnings, FDIs and tourism earnings. While private remittances from housemaids continue to help buoy the country's balance of payment position, this fast growing private remittances show that Sri Lanka is not capable enough in creating better job opportunities for its people. On the other hand, the government has to take several steps and bear large sum of money to increase the welfare of female domestic workers and their families despite economic advantages. The purpose of the study is to analyze the economic benefits gained from female migrants and make a comparative evaluation between expenditures borne by the government and its economic benefits. The problem of the study is if the process of female migration to Middle East brings expected economic advantage to the country in long-run. Concerning the methodology qualitative and quantitative methods were applied. Also semi-structured and structured interviews and questionnaires were undertaken. The main findings of the research are that current female labour migration results a long run inflow of unskilled work force in Sri Lanka and to minimize social issues in female migrants' households they should be given incentives to start a self employment. The conclusion of the study is that remittance or economic benefits to the female workers to the country is not significant when comparing with social expenditures the government should bear in long run.

**Key words:** remittance, female migrant workers, Cost –benefit analysis,