

**FREE MOVEMENT  
OF WORKERS IN  
THE EAST AFRICAN  
COMMUNITY:**

Implications  
for Youth  
Employment  
in Uganda



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## List of Abbreviations

BTVET	Business Technical Vocational Education and Training
CMP	Common Market Protocol
EAC	East African Community
EEU	Externalization of Employment Unit
GDP	Gross Domestic Product
ILO	International Labour Organization
KILM	Key Indicators of the Labour Market
MEACA	Ministry of EAC Affairs
MoGLSD	Ministry of Gender, Labour and Social Development
NSSF	National Social Security Fund
NSSI	National Social Security Institute-Burundi
PF	Provident Fund
RSSB	Rwanda Social Security Board
SIS	Social Insurance Scheme
UBOS	Uganda Bureau of Statistics
UDHS	Uganda Demographic Household Survey

## Executive Summary

This paper examines the implications of free movement of workers in the East African Community (EAC) on youth employment in Uganda. The study finds that contrary to popular assumptions, the free movement of workers under the Common Market Protocol (CMP) is not a right of all workers in East Africa but a privilege of only a few skilled workers. That is to say, only a few categories of skilled workers can move across the East African Community Partner States' borders in pursuit of work.

It is further noted that the existence of a legal right for skilled workers to freely move for work in the EAC is important but not sufficient to spark off actual migration of workers around the region. This is because the migration of workers is determined and sustained not only by the right to move but also by conditions in the countries of origin and destination which in labour migration parlance are referred to as 'push' and 'pull' factors.

The paper further finds that although 'push' factors do exist in Uganda's labour market, there are no compelling 'pull' factors such as better wages in the other Partner States. Similarly, Uganda's labour market also lacks very attractive incentives for workers from the other Partner States. Hence in the short run no massive labour migrations can be anticipated in the region.

Nonetheless, the paper recognizes that migration of workers across the EAC Partner States existed prior to the coming into force of the CMP. Therefore the migration of skilled and semiskilled professionals and technicians respectively will continue albeit massively regardless of the restrictions imposed by the CMP.

For Uganda to optimize the benefits and minimize the costs associated with the free movement workers, some measures can be pursued. These have been identified in the last chapter as policy recommendations and include pursuit of strategies of job rich growth, formulation of a labour migration policy; institutionalization of the linkage between migration and employment; increasing awareness about the nature of free movement of workers in the EAC; enhancing skills development for national and regional labour markets; working with the other EAC partner states to fully actualize the Mutual Recognition of qualifications; operationalization of regular manpower surveys and planning; strengthening of national and regional migration data management; finalization of the National Identification System; easing cross border movement of persons; establishing a regional framework for social security coordination; establishment of Labour Attachés position at Uganda's Embassies in the EAC and managing brain drain among others.

## 1.0 Introduction

This paper examines the implications of free movement of workers in the East African Community on youth employment in Uganda. The right for workers to freely move in the region is derived from the Common Market Protocol that was signed by the EAC Partner States on 30<sup>th</sup> November 2009 and consequently came into effect on 1<sup>st</sup> July 2010. The Protocol allows a certain category of workers (to be addressed in detail subsequently) who are citizens of the Partner States to move freely in pursuit of employment without any discrimination based on their nationalities in relation to access to employment, remuneration and other terms and conditions of work.

### 1.1 Motivation for the study

The relationships of the peoples of East Africa are characterized by centuries of intertwined cultural ties and a long history of migration amongst themselves. However despite this shared culture and history, the coming into force of right to free movement of workers did not receive unanimous acceptance in Uganda and the other Partner States. Instead, the possibility of workers to move freely in the region generated an enduring and controversial public policy debate.

The proponents of free movement of workers contend that if properly handled, it can be a useful policy alternative in the management of labour market challenges in the Partner States. They particularly argue that countries of origin benefit from labour migration because it relieves unemployment pressures and contributes to development through remittances<sup>1</sup>, knowledge transfer, and the creation of business and trade networks. On the side of destination countries, the supporters of free movement of workers assert that countries facing labour or skills shortages, can take advantage of orderly and well-managed labour migration to lighten labour scarcity.

However, the adversarial critiques of labour migration or free movement of workers associate it with brain drain, loss of potential tax revenue in the countries of origin. On the destination side they argue that it can lead to loss of jobs by citizens of a country to foreigners, social friction between immigrants and nationals, high costs of integration programmes, increase in costs of social services and potential crime.

<sup>1</sup> The World Bank estimates migrant workers earned US\$ 440 billion in 2011 with more than \$350 billion of that total transferred to developing countries in the form of remittances.



This research was consequently commissioned by SEATINI-Uganda in the first instance to interrogate the controversial debate that has ensued about the implications of free movement of workers in East Africa on employment especially for the youth. Secondly, the study was carried out in line with SEATINI's objective of informing public discourse and policy formulation on regional trade and economic issues with research based information.

## **1.2 Objective of the Study**

The broad purpose of the paper is to examine the extent to which the right to free movement of workers under the Common Market Protocol (CMP) will help Uganda in addressing the labour market challenges faced by the youth which include unemployment and the dominance of low productivity, poorly remunerated work and high prevalence of informal work.

This broad objective was pursued through the following specific objectives:

1. To examine the nature and magnitude of free movement of workers under the common Market Protocol.
2. To understand the opportunities and challenges for youth employment with respect to the free movement of workers under the Common Market Protocol
3. To review the measures undertaken by Partner States to facilitate the free movement of workers
4. To make policy recommendations for optimizing the benefits of the regional labour market.

## **1.3 Study Methodology**

The study relied heavily on documentary review for its findings. Some of the documents reviewed included the EAC Treaty, the EAC Common Market Protocol, government reports and scholarly publications. Information from secondary sources was complemented with interviews with trade union leaders and employer representatives. The findings have also benefited from inputs and comments raised at an expert validation meeting and public dissemination workshop.

## **1.4 Structure of the report**

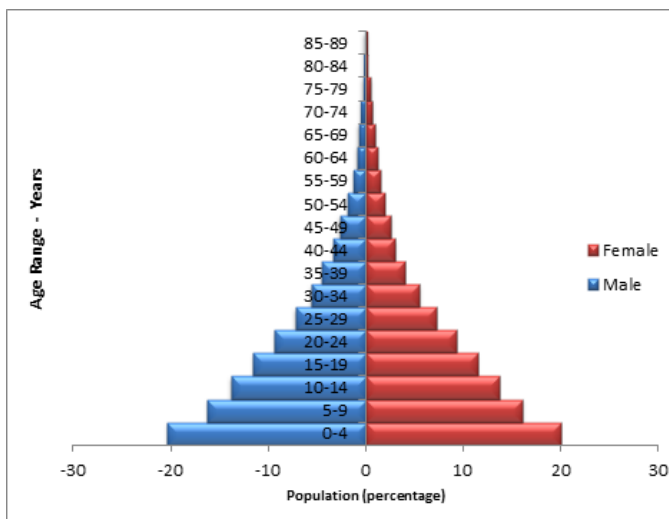
The study is divided into six sections. Section one introduces the study. Section two provides a background to the study. Section three examines the right to free movement of workers and associated rights and privileges. Section four considers the opportunities and challenges associated with the endeavour to actualize the right to free movement of workers. Section five proposes measures that can be considered by Uganda in order to optimize the benefits of free movement of workers. Section six presents the conclusions.

## 2.0 Background to the study

In order to properly interrogate the implications of free movement of workers under the EAC CMP on youth employment in Uganda, it is important to get a clear picture of Uganda's labour market challenges.

Non-census projections put Uganda's population at about 35.4 million by June 2013 (UBOS 2013). Although Uganda's Total Fertility Rate (TFR) declined from of about 7 children per woman in 1995, it still remains high at about 6.2 children per woman (UDHS 2011). Consequently, Uganda has a high population growth rate of about 3.3 % which is the fifth highest in the world.<sup>2</sup> This high population growth rate has ensured a steady rise in number of job seekers in a largely rural and agrarian economy whose capacity to create decent employment is rigid. Furthermore, Uganda has a very young population as is shown by her broad based Pyramid (Figure 1). About 50 % of the population is estimated to be below 15 years, while the youth population between 18-30 years accounts for about 22% of the population or 7.7 million people (UBOS 2013).

**Figure 1 Uganda's Population Pyramid**



<sup>2</sup> US Government Central Intelligence Agency Fact Book <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2002rank.html>

Apart from being young, Uganda's population is progressively getting more educated. Though not a perfect proxy for general skills potential of a population, education is a factor that influences a population's predisposition to acquire skills demanded in the labour market. Accordingly, the increasing pursuit for education is less for the mere acquisition of knowledge but more in preparation for the labour market.

Consequently, individuals, families and the government of Uganda have invested substantially in education and training as one of the ways of equipping young people with skills necessary for entry into regular and satisfactory employment. In this regard, the Government of Uganda introduced free primary and secondary education in 1996 and 2008 respectively. Partly because of these government interventions a substantial increase in Uganda's education enrolment has occurred. For example, there were about 8.3 million pupils and 745,000 students in UPE and USE respectively in 2013. With regard to tertiary institutions, there were 23,498 students and 77,147 students in BTVET institutions and public universities respectively in the same year.

Although the school enrollment statistics show that a substantial number of young people are attending school, the dropout rate remains high. A recent School to Work Transition study shows that about 47% of the youth (15-29 years) leave school before completion (Elder and Kone 2014). This means that nearly half of the population in Uganda leaves school before acquiring sufficient skills or the level of education that makes it easy for them to acquire new skills effectively.

Furthermore, whereas Uganda has enjoyed relatively high economic growth rates over the past two decades the employment or labour market outcomes associated with the growth have been poor. An analysis of Uganda's Key labour market indicators shows that although Uganda has a low open unemployment rate of about 3.6%, about 70% of the employed persons are engaged in the primary agricultural sector (Table 1) yet it accounts for only 14% of Gross Domestic Product. It is therefore not surprising that over 50% of the employed labour force is engaged in low productivity, poorly remunerated and vulnerable informal sector work as own account workers or unpaid contributing family workers (UBOS 2006).

Indeed formal sector employment also remains low with only 14.5% of employed labour force is in paid employment. The working conditions in the formal sector are equally poor as indicated by the following statistics in Table 1.

For example, the nominal median wage in 2009/10 was about UGX 54,300 and UGX 90,500 for women and men respectively. This means that a woman who receives a wage of UGX 54,300 earns more income than about 50% of the women in paid employment. It also follows that a man who receives a wage of UGX 90,500 earns more income than about 50% of the men in employment. However, when the aforementioned wages are valued in 2005/06 prices, they fall to UGX 37,735 and UGX 62,891 for women and male respectively. Such low median wages confirm that the majority of Ugandans are in low productivity and poorly remunerated work.

**Table 1: Selected Uganda Labour Market Indicators**

Indicator	2005/06			2009/10		
	Female	Male	Total	Female	Male	Total
<b>Unemployment</b>						
UR %	2.2	1.7	2.0	4.5	2.6	3.6
<b>Underemployment</b>						
TRUE %	10.2	14.4	12.3	2.2	4.3	3.2
SRUE %	2	3.9	2.9	2.5	5.2	3.7
IRUE %				6.5	10.5	8.3
<b>Median Wages Nominal</b>						
Private & Public	36,200	70,000	54,300	54,300	90,500	80,000
Public	150,000	150,000	150,000	200,000	220,500	210,000
Private	25,000	54,000	45,200	45,200	80,000	60,000
<b>Median Wages (Real 2005/06=100)</b>						
Private & Public	36,200	70,000	54,300	37,735	62,891	55,594
Public	150,000	150,000	150,000	138,985	153,231	145,935
Private	25,000	54,000	45,200	41,696	55,594	31,445
<b>Status in Employment</b>						
Self Employment	90.7	75.6	82.3	86.2	72.1	79.5
Paid Employment	9.3	24.4	16.7	13.8	27.9	20.6
<b>Employment by Sector</b>						
Primary	81.2	61.8	74.8	74.5	64.5	69.7
Service	15.9	22.9	19.3	20.5	24.1	22.2
Manufacturing	2.9	9.0	5.9	5.0	11.4	8.1

Source: UBOS UNHS 2005/06 and UNHS 2009/2010

In view of employment challenges briefly examined above, it is valid as is the purpose of this study to inquire whether the free movement of workers under the CMP will open up opportunities in the other Partner States for Ugandan's who badly need work and equally also help Uganda relieve her labour supply constraints by attracting skills where there is deficiency. In the same vein, it is important to examine the concerns that free movement of workers will lead to an influx of workers from the other Partner States in Uganda's Labour Market.

## 3.0 The meaning of free movement of workers under the Common Market Protocol

Any discussion of the implications of the free movement of workers on youth employment in Uganda greatly benefits from an examination the provisions of the protocol relating to free movement of workers in East Africa. This section therefore provides a brief background to the CMP. In addition, it reviews the nature and magnitude of free movement of workers under the common Market Protocol. Although paper's main focus is the free movement of workers, it is recognized that a discussion of free movement of workers is better appreciated if some brief attention is given to the other rights provided for under the CMP. That is, the free movement of persons, the right of residence and right of establishment. Accordingly, some space in this section has been accorded to highlighting some salient features of the said freedoms<sup>3</sup>.

### 3.1 Overview of the East African Community Common Market Protocol

The East African Community (EAC) is a regional intergovernmental organization of the Republics of Kenya, Rwanda, Burundi, Uganda and the United Republic of Tanzania with its headquarters in Arusha, Tanzania. The Treaty for Establishment of the East African Community was concluded on 30<sup>th</sup> November 1999 and came into force on 7<sup>th</sup> July 2000 following its ratification by the original three Partner States – Kenya, Uganda and Tanzania. The Republic of Rwanda and the Republic of Burundi acceded to the Treaty on 18<sup>th</sup> June 2007 and became full Members of the Community with effect from 1<sup>st</sup> July 2007.

The East African Community was formed to widen and deepen co-operation among the Partner States in, among others, political, economic and social fields for their mutual benefit. The specific objectives of the CMP are:

- Acceleration of economic growth and development of the Partner States through the attainment of free movement of goods, persons and labour, the rights of establishment and residence and the free movement of services and capital.
- Strengthening coordination and regulation of economic and trade relations among partner states in order to promote accelerated, harmonious and balanced development in the EAC.

<sup>3</sup> Issues of approximation of national legislation to the CMP are dealt with in section 6

- Sustaining the expansion and integration of economic activities within the EAC.
- Promoting common understanding within the nationals of the Partner States.
- Enhancing research and technological advancement to accelerate economic and social development.

The EAC integration is a four stage model; Customs Union, Common Market, Monetary union and Political Federation. The Customs Union was established in 2005 and the Common Market Protocol that came into force on the 1st July 2010 lays down the framework through which the Common Market will be progressively attained.

## **3.2 Guiding Principles of the Protocol**

The Protocol is guided by the fundamental principles of non-discrimination of nationals of Partner States on grounds of nationality; equal treatment to nationals of other Partner States (and in any case not less favourable than the treatment accorded to third parties); transparency and open sharing of information on the implementation of the Protocol).

## **3.3 Free Movement of Workers is a free movement of highly skilled workers**

In tandem with the provisions Articles 76<sup>4</sup> and 104<sup>5</sup> of the Treaty, the Protocol in Article 10 (1) guarantees the free movement of workers. However a close examination of Article 10(13) of the CMP and Annex II (Common Market Free Movement of Workers Regulations) and the schedule of free movement of workers in particular reveal that the free movement of workers under the CMP is a freedom of the highly skilled workers only.

A review of the said schedule for free movement of workers under Annex II shows that all the Partner States only agreed to the free movement of very highly skilled workers<sup>6</sup>. These include: corporate managers; physical, mathematical and engineering science professionals; teaching professionals, lawyers and metal and related trades workers.

The schedule therefore legally excludes many potential employment seekers in the region especially the youth and accordingly defeats the principle of people centeredness which is at the heart of EAC Treaty. This is rather amazing if not disturbing because there was movement of skilled, semiskilled and unskilled workers prior to the coming into force of the CMP. The people of East Africa have always been ahead of their governments in the process of integration. Even with these legal restrictions a number of workers excluded from the category that can move for work continue cross borders in search for work and other economic opportunities. Therefore rather than legitimize the free movement of workers that has existed for many years, the CMP instead seeks to undermine the free movement of workers by limiting it to a few skilled workers. This in effect makes the CMP discriminatory and an obstacle to free movement of workers rather a facilitator.

4 Articles 76 of the Treaty provides for establishment of the East African Community Treaty provides establishment of a Common Market within which there shall be free movement of labour, goods, services, capital and the right of establishment.

5 Partner States agreed to adopt measures to achieve the free movement of persons, labour, services and to ensure the enjoyment of the right of establishment and residence of their citizens.

6 The CMP seems to have only encoded job classifications of professionals and technicians who had been moving for work around the region even prior to its coming into force. To this extent, the CMP offered a very limited departure from what had been obtaining before.

### 3.4 Basic rights of workers under the Common Market Protocol

A worker whose skills fall within a category for which a particular Partner State has lifted restrictions is free to apply and accept offers of employment made in accordance with the national laws of a respective Partner State. The CMP further protects the professionals that are allowed to move from any form of discrimination while in another Partner States based on their nationalities in relation to access to employment, remuneration and other terms and conditions of work. Besides, a host Partner State must guarantee the right of migrant workers to freedom of association and collective bargaining for better working conditions. In addition, migrant workers should enjoy the same rights and benefits of social security accorded to workers who are citizens of the host Partner State.

- **The Protocol maintains the requirement for a work permit even for the limited scope of workers that are permitted to move**
- **It also allows Partner States to issue work permits at a fee. However, contrary to the spirit of the CMP the work permit fees constitute a barrier to free movement of workers**

### 3.5 Retention of the Work Permit Regime

The right to free movement in East Africa does not in any way grant any worker “East African Citizenship” nor does it in reality create a level playing field between migrant workers and nationals of a host Partner State.

Accordingly and contrary to what many people think, the Protocol maintains the requirement for a work permit even for the limited scope of workers that are permitted to move (Reg. 6-Annex II). The Protocol provides that any worker with an employment contract for a period exceeding ninety days in the territory of another Partner State has to apply to a competent authority for a work permit within fifteen working days from the date of entry into or securing an employment contract within the territory of the host Partner State. However, where the contract of employment secured by a worker is not more than ninety days, such a worker is required to apply for a special pass before taking up any employment.

Not only does CMP provide for the retention of the work permit regime, but it also allows Partner States to issue work permits at a fee. However, contrary to the spirit of the CMP the work permit fees constitute a barrier to free movement of workers. Accordingly, the elimination of work permit fees would obviously be a strong measure towards facilitating employment of citizens of other Partner States in East Africa. To date, only Rwanda and Kenya waived work permit fees for all citizens of the EAC. This means that in order to work in Rwanda, East African citizens apply for a permit but do not pay fees<sup>7</sup>. However, Tanzania, Uganda and Burundi have maintained the work permit fees. Their justification for retention of work permit fees has always been about concerns of loss of national revenues<sup>8</sup>. This justification has not been convincing to a number of stakeholders keen on easing free movement of workers.

<sup>7</sup> Kenya and Rwanda abolished work permit fees but have in place other limitations on free movement of workers that will be addressed subsequently.

<sup>8</sup> See Regulation 7(1) EAC CMP (Free Movement of Workers) Regulation (Annex II)

To proponents of free movement, it is considered a non tariff barrier to free movement of workers especially the youth who are less likely to be able to pay the high work permit fees. As a result loud calls for the elimination of work permit fees in all EAC countries continue to be heard across the region. For example, in April 2013 the East Africa Legislative Assembly passed a motion calling on Partner States to abolish work permit fees.

### **3.6 Work Permit may be denied**

Even for the highly skilled, obtaining a Work Permit under the CMP is not guaranteed. The Protocol grants competent authorities of Partner States power to reject an application for a Work Permit. The grounds for rejection of an application for a work permit are matter left for national legislation under the Protocol. However where such rejection occurs the applicant has the right to be notified in writing about the reasons for the rejection and the right of appeal against such rejection in accordance with the national laws of the host Partner State. This means that the grounds for rejection of a Work Permit application may vary from one Partner State to another. Indeed these vary across the EAC. Although each of the Partner States has own unique challenges, the drafters should have provided some guidance on what can or cannot constitute a ground for denial of a work permit. In the subsequent section attention will be paid to some grounds for denying a work permit in the different Partner States.

### **3.7 Cancellation of a Work Permit**

Not only does the CMP grant immigration authorities power to deny Work Permits but it also grants them power to cancel a Work Permit under the following circumstances:

- Where a holder of a work permit is expelled or deported from the territory of the host Partner State.
- Where a work permit holder ceases to engage in or fails to take up the employment for which the work permit was issued or
- Where the work permit was fraudulently obtained.

Nonetheless, the Protocol grants a worker whose work permit has been cancelled thirty days within which to regularize his or her status or leave the territory of the host Partner State. On the contrary, the laws of Uganda declare a person whose work permit has been cancelled an illegal immigrant and therefore deny such person the opportunity to regularize his or her stay in Uganda.

### **3.8 Social Security**

Under the Protocol, free movement of workers entitles workers to the benefits of social security as accorded to the workers of the host country. Under the CMP, the Council Ministers is supposed to put in place guidelines for enabling coordination of social security services in the region. However, the EAC Council of Ministers has not yet issued guidelines to facilitate coordinated implementation of Protocol provisions on social security which today are largely governed by national legislation. Progress in this direction has also been slow. The most recent step taken by the Council of Ministers is an April 2011 directive to the Secretariat to hire a Consultant by 30th June 2011 to consolidate the various actuarial studies undertaken by the Partner States Social Security institutions in order to address among others the financial and economic implications of co-ordination of Social Security benefits among EAC Partner



States. This has not yet been actualized due to lack of funds. This issue is addressed in more detail in section nine.

### 3.9 Free movement of persons

As already stated, it is difficult to properly discuss the right to free movement of workers without briefly looking at the right of free movement of persons. This is because workers envisaged under the CMP are in the first place persons. Therefore the right to free movement of workers presupposes the right to free movement of persons. Secondly, it is difficult for migrant workers to optimize the social and economic benefits of migrant work without the right to be accompanied and or visited by spouses, children, dependants, relatives, in-laws and friends.

The opportunity for migrant workers to be accompanied by their children and for the latter to be able to go to school in the host country is particularly very important in making a decision to move for work in another country. Therefore the freedom of persons to move is a very strong determinant in the search and pursuit of job opportunities in other Partner States.

It is therefore worth noting that the CMP under Article 7 provides for the movement of persons. Accordingly, Partner States are required to enable without any discrimination citizens of other partner States entry without a visa; free movement within the territory; freedom to stay within and exit the territory without any restrictions and the right to full protection in accordance with the laws of the Partner State. Under the CMP, free movement of persons applies to citizens of a Partner State who move to stay in and exit another Partner State for purposes of a visit, medical treatment, transit, education and training or any other lawful purpose other than as a worker or as a self employed person (Reg. 4 Annex I)<sup>9</sup>.

It should also be quickly noted that the free movement of persons under the CMP is not totally unlimited. The CMP in article 7(5) subjects the free movement of persons to limitations that may be imposed by the host Partner States on grounds of public policy, public security or health. However, the CMP does not provide any limitations on the extent to which a Partner State may use public policy, security policy or health policy to restrict free movement of persons. That is to say, Partner States retained the right to determine the conditions of entry and exit in their respective territories.

#### 3.9.1 Entry, Stay and Exit

Contrary to common public opinion the free movement of persons under the Protocol, does not eliminate immigration border controls and accordingly any citizen<sup>10</sup> who seeks to enter or exit the territory of another Partner State has to do so at the entry or exit points designated in accordance with the national laws of the partner State and has to comply with established immigration procedures.

The procedures for entry and exit of a Partner State that are provided for in the Protocol maintain the old order in as far as they require a citizen of another Partner State to present to the immigration officer a valid common standard document and declare all information required for entry and exit. The new matter in this respect is that a citizen may instead of a

<sup>9</sup> For purposes of clarity, the free movement of persons and free movement of workers are distinct rights under the Protocol. The latter is dealt with in Article 10 of the Protocol.

<sup>10</sup> According to Article of the Common Market Protocol, "a citizen" means a citizen of Burundi, Kenya, Rwanda, Tanzania and Uganda.

passport or common travel document present a national identity card where the Partner State has agreed to the use of a machine readable electronic identity card as a travel document (Reg. 5 Annex I of Protocol). It should also be clearly understood that the acceptance of a machine readable identity card as a travel document is an advantage that only citizens of East Africa may enjoy.

### 3.9.2 Border Management

To facilitate the free movement of persons, the Partner States undertook to effect reciprocal opening of border posts and keep the posts opened and manned for twenty four hours (Art.7(7)). In addition, Partner States agreed to establish a common standard system for issuing national identification documents to their nationals which shall be the basis for identifying the citizens of the partner states within the community. Partner States which have agreed to use machine readable identity cards may also do so.

### 3.9.3 Student or “Learning Mobility”

Individuals tend to migrate for work to countries whose labour markets they understand or where they have some social networks. Traveling to another country to study or “learning mobility” is one of the fundamental ways in which young people build social networks in other countries that later become a spring board for finding work (EC 2010). Accordingly, people who are mobile as young learners are more likely to be mobile as workers later in life than those who attended school entirely in their home countries (Wandera 2012).

Apart from opening up the mind to future labour migration, student or learning mobility plays an important role in the decisions of parents to take up or not to take up work in another country. A parent planning to move for work would like to be certain that he or she cannot only be accompanied by their children in the host country but can also take their children to school without any hindrance.

The drafters of the Protocol did recognize the important role student or learning mobility can play in widening and deepening EAC integration. Accordingly, the freedom of persons seen above accrues to students as

well. However the Protocol notes that a citizen who is admitted as a student in an approved training establishment of another Partner State shall within 15 days of entry apply for a student’s pass (Regulation 6(1) of Annex I Protocol)<sup>11</sup>.

- **“learning mobility” is one of the fundamental ways in which young people build social networks in other countries that later become a spring board for finding work**
- **people who are mobile as young learners are more likely to be mobile as workers later in life than those who attended school entirely in their home countries**
- **student or learning mobility plays an important role in the decisions of parents to take up or not to take up work in another country. A parent planning to move for work would like to be certain that he or she cannot only be accompanied by their children in the host country but can also take their children to school without any hindrance**

<sup>11</sup> However, Regulation 6(5) of Annex I exempt a citizen entering another Partner State to undergo training for a period of less than two months from applying for a work permit

Under the Protocol, student passes should be issued free of charge for a period not exceeding one year upon furnishing the competent authority with a valid common travel document or identity card, confirmation of admission in an approved training establishment in the host Partner State; confirmation of sponsorship for the course to be pursued and in the case of a child the identification of the guardian to be responsible for the child while the child is in the host Partner State. For purposes of enforcing compliance with this provision, the Protocol requires all persons in charge of a training institution to ensure that all students from other Partner States apply for a student pass.

### 3.9.4 Limitations to Free Movement of Persons

It is important to note also that the free movement of persons under the Protocol is not absolute as it is subjected to limitations imposed by the host Partner States on grounds of public, health and security policy. This implies that privileges and opportunities derived from this freedom may vary with changes in public, health and security policies in the different Partner States.

In addition, the Protocol prohibits holders of a student pass from taking up employment in the host country except where the holder of a student pass is on industrial training or internship (Reg. 7). Many students around the world are known to partially finance their education with employment income. The Protocol therefore denies students studying in another territory the opportunity to finance their education with employment income. The only option available for a student to work under the protocol is to change their status to employees. This means that a student would have to abandon school in order to work as there is no opportunity for dual status- as a student and a worker. It is rather discriminatory to prohibit students from other Partner States from working while permitting those in the host territory to simultaneously study and work.

In line with the foregoing discussion, students holding valid student passes should be allowed to work in the host country for some specified hours in a year. This would not only provide them with income but would also enable them enhance their skills.

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- **Many students around the world are known to partially finance their education with employment income. The Protocol therefore denies students studying in another territory the opportunity to finance their education with employment income. The only option available for a student to work under the protocol is to change their status to employees. This means that a student would have to abandon school in order to work as there is no opportunity for dual status- as a student and a worker.**

## 3.10 Right of Establishment

The Protocol guarantees a national of one Partner State the right to establish him or herself in another Partner State. The right of establishment entitles a national of a Partner State to:

- take up and pursue economic activities as a self employed person;
- set up and manage economic undertakings in the territory of another Partner State;
- join a social security scheme of that Partner State as a self employed person in accordance with the national laws of that Partner State.

Besides, self employed persons also have a right to be accompanied by his or spouse, child and dependant. The Protocol requires Partner States to ensure non-discrimination of the nationals of other Partner States. This includes ensuring that a firm is not discriminated against because it is registered in and undertakes most of its economic activities in another Partner State. To this end, Partner States<sup>12</sup> are further required by the Protocol to remove all restrictions on the right of establishment based on the nationality of companies, firms and self employed persons.

## 3.11 Right of Residence

The Protocol grants holders of work permits and their families the right to reside in the Partner State where they are employed or established (Article 14(1) of the Protocol). To this end, the Partner States are required to issue residence permits to holders of work permits and their families (Article 14(3) of the Protocol). However, the Protocol subjects the right of residence to limitations imposed by the host Partner State on grounds of public policy, public security or public health. The Partner States further agreed that matters relating to permanent residence shall be governed by the national policies and law of the Partner States.

This section has examined what free movement of workers under the CMP means. It has been noted that the free movement of workers under the CMP provides for free movement of only highly skilled workers. It has also been observed that the CMP does not create East African Citizens and hence migrant workers do not in reality enjoy the same rights as workers who are citizens of the host Partner State. For example, the CMP retains the work permit regime. The hope therefore that the majority of Ugandan and East Africans generally would move freely for work without any exception cannot be actualized under the Common Market Protocol without amendments to the CMP that are less restrictive to free movement.

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**- The hope therefore that the majority of Ugandan and East Africans generally would move freely for work without any exception cannot be actualized under the Common Market Protocol without amendments to the CMP that are less restrictive to free movement.**

12 For example, the government of Uganda should accord to firms from the other Partner States all the benefits accorded to Ugandan firms.

## 4.0 Free movement of labour: Opportunities and Challenges for Ugandan workers.

In the absence of bad governance or conflict, the migration of workers is often occasioned by pursuit of better welfare. Therefore for the right of free movement of workers to be actualized by East Africans, there must be jobs in the region whose welfare benefits can compel a worker to move from one Partner State to another. An attempt is therefore made in this section to examine the nature of jobs that are available in the region and whether they are the kind that can stimulate labour migration in the region. This is done within the broad attempt to assess potential opportunities and challenges for youth employment under the CMP.

### 4.1 Push and Pull Factors

In discussing Uganda's potential benefits and costs of free movement of labour under the CMP, attention must be paid to the fact that the right to free movement of workers is one thing and the actual movement or migration of workers to another Partner State is another. The right of free movement of workers gives those who want to search and take-up work in another Partner State the legal right to do so without undue let or hindrance. Accordingly, the actual movement of workers is determined not only by the legality of their movement but also by other factors which in labour migration studies are referred to as push and pull factors.

**Push factors** refer to obtaining domestic conditions that may compel a worker to leave his or her country in search for work. These relate to the country from which a worker migrates. Examples of push factors include lack of employment, under employment, poor wages, lack of food or shelter, lower standard of living, poor healthcare, lack of or poor educational opportunities and instability.

On the other hand, **pull factors** refer to conditions that attract workers to search and take-up work in another country. Examples of pull factors include hope of finding work or better employment, better wages and terms and conditions of service, better housing, better social protection, better education and health facilities as well as security among others.

### 4.2 Push factors in Uganda's Labour market

A review of Uganda's labour market suggests that indeed push factors do exist and therefore the legal right of free movement of workers offers potential opportunities for Uganda's labour force. Uganda's population growth rate of about 3.3 % is the fifth highest in the world<sup>13</sup>. This

13 US Government Central Intelligence Agency Fact Book <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2002rank.html>

high population growth rate has also ensured a steady rise in number of job seekers in a largely rural and agrarian economy whose capacity to create employment is rigid.

Furthermore, Uganda's relatively high economic growth rates over the past two decades have been associated with poor employment or labour market outcomes. An analysis of Uganda's Key Labour Market Indicators shows that Uganda's relatively high economic growth has not resulted in labour market transformation. As a result, about 70 % of the employed persons are still engaged in the primary agricultural sector yet it accounts for only 14 % of Gross Domestic Product. Besides, over 50 % of the employed labour force is engaged in low productivity, poorly remunerated and vulnerable

informal sector work as own account workers or unpaid contributing family workers (UBOS 2006). In addition, as already noted in section three the majority of workers are engaged in low productivity and poorly remunerated work.

**A review of Uganda's labour market suggests that indeed push factors do exist and therefore the legal right of free movement of workers offers potential opportunities for Uganda's labour force.....but analysis of the other partner States shows that their labour markets do not offer compelling pull factors for employment**

The above characteristics of Uganda's labour market obviously constitute serious push factors. Accordingly the labour markets of the other four Partner States can theoretically play an important role in relieving the imbalance between the creation of decent jobs and labour force growth in Uganda. However Ugandan workers can only be attracted to the labour markets of the other Partner States by better wages and terms and conditions. That is to say, the labour markets of the other Partner States should possess pull factors or greener pastures. In the next subsection an attempt is made to look at the potential opportunities or greener pastures for Ugandan workers in the labour markets of the other Partner States.

### **4.3 Examining the pull factors in the labour markets of the other Partner States**

The obtaining conditions in Uganda's labour market discussed above constitute potential factors that may make a Ugandan worker think of migrating in search for work in any of the EAC Partner States. However the existence of push factors that can compel a worker to consider migrating for work is not sufficient in itself to cause actual movement of workers. For Ugandan workers to move to any of the EAC Partner States, they must be convinced that the wages and terms and conditions of service in the potential destination country are sufficient enough to afford them some basic welfare and savings for repatriation back home. Furthermore, the legal regime in the potential host country should facilitate access to employment by migrant workers. Consequently it is important to examine the economies of the other Partner States and their labour markets in particular with a view of understanding whether they indeed offer potential migrant Ugandan workers better employment opportunities or green pastures!

It is appropriate therefore to ask whether the economies of Burundi, Kenya, Rwanda and Tanzania in the first place are creating jobs. Secondly, the quality of employment available in the other Partner States should also be examined. In particular it must be established whether any or all the Partner States offer better wages and terms and conditions of service. Thirdly, the

quality of social services like healthcare for workers and social security should also be reviewed. Lastly, the question of whether the national laws in the Partner States conform to the CMP should also be examined. Answers to these questions will help us to understand whether the free movement of workers under the CMP offers the youth of Uganda any tangible opportunities.

A look at Table 2 below shows that all the EAC Partner States have in the recent past posted positive GDP growth, employment elasticity and consequently positive employment growth. Employment Elasticity is defined as the average percentage point change in employment for a given number of employed people associated with a percentage point change in output over a given period. In other words it tries to explain how

**Despite Uganda and Tanzania posting high GDP and employment growth rates, there has been no significant shift of labour to higher productivity sectors in services and industry. Indeed disaggregation of the labour force in the EAC countries by sector shows that the majority of the workers are still engaged in primary, subsistence, low productivity agriculture.**

the level of employment in an economy varies with changes in economic output or Gross Domestic Product (GDP). Employment elasticity of 1 implies that GDP growth rate of 1 percent is associated with a 1 percent growth in employment. Similarly employment elasticity of 0.4 implies that every 1 percent growth of GDP is associated with employment growth of 0.4 percent. It follows that GDP growth rate of 2 percent and elasticity of 0.4 would imply employment growth rate of 0.8 percent. Employment growth rate is therefore a product of GDP growth rate and employment elasticity. Care should however be taken when interpreting elasticity figures. In particular employment elasticity should be interpreted as evidence for correlation rather than of causality.

Between 2004 and 2008, Burundi posted the highest employment growth rate of 4.1 percent. This was followed by Uganda with an employment growth rate of 3.5%, Kenya 2.7% and Tanzania 1.9%. However, given the population growth rates of these countries employment growth rates or job creation rates posted were quite low.

**Table 2: GDP Growth Rates and Employment Elasticity for EAC by country**

Country	Employment Elasticity		GDP Growth Rate %		Employment Growth Rate %	
	2000-2004	2004-2008	2000-2004	2004-2008	2000-2004	2004-2008
Burundi	1.52	1.18	2.5	3.5	3.8	4.1
Kenya	1.03	0.5	3.1	5.3	3.2	2.7
Rwanda	n.a	n.a	n.a	n.a	n.a	n.a
Tanzania	0.23	0.27	7.0	7.2	1.61	1.9
Uganda	0.54	0.4	6.8	8.8	3.7	3.5

Source: ILO KILM 6<sup>th</sup> Edition 2008

Another matter of concern about the pattern of employment growth in all the EAC countries is that, the aggregate national growth in employment in all the countries was largely accounted for by creation of jobs in the low productivity primary and informal activities. It is not surprising

therefore that despite Uganda and Tanzania posting high GDP and employment growth rates, there has been no significant shift of labour to higher productivity sectors in services and industry. Indeed disaggregation of the labour force in the EAC countries by sector shows that the majority of the workers are still engaged in primary, subsistence, low productivity agriculture (See Table 3: Burundi 92.2%, Kenya 61.1%, Rwanda 78.8%, Tanzania 76.5 % and Uganda 65.6%).

**Table 3: Employment by sector in EAC Countries (%)**

Country	Agriculture	Industry	Services
Burundi	92.2	2.2	5.6
Kenya	61.1	6.7	32.2
Rwanda	78.8	3.8	16.6
Tanzania	76.5	4.3	19.2
Uganda	65.6	6	28.4

ILO KILM 8<sup>th</sup> Edition, 2013

Consequently, the majority of the workers in the other Partner States are engaged in vulnerable work as own account workers or contributing family workers (See Table 4: Burundi 94.4%, Kenya 63.4%, Rwanda 92.5% and Uganda 85.5%). Besides, only a minority of employed persons in the EAC earns a wage or a salary (Burundi 5.2%, Kenya 33.3%, Rwanda 6%, Tanzania 9.2% and Uganda 14.5%). Save for Kenya, the proportion of wage earners in the other EAC Partner States is far lower than the world and Sub-Saharan estimates of wage earners which are approximately 43.9% and 22% respectively (ILO 2008).

**Table 4: Status in Employment in EAC by Country**

Country	Wage Workers (a)	Own Account Worker (b)	Contributing Family workers (c)	Vulnerable employment (d) = (b) +(C)
Burundi	5.2	63.8	30.8	94.6
Kenya	33.4	23.8	39.6	63.4
Rwanda	6.0	61.3	31.2	92.5
Tanzania	9.2	68.9	-	-
Uganda	14.5	59.4	26.1	85.5

ILO KILM 8<sup>th</sup> Edition, 2013

A small proportion of paid employment and relatively high incidence of self employment in a country like is the case in the EAC countries (where the agricultural sector accounts for about 70% of total employment on average) confirms informalisation and low growth in the formal economy. High informalisation in the labour market raises serious welfare issues because the informal economy tends to practically fall outside the ambits of labour law and inspection. As a result, working conditions for employees in the informal economy are usually characterized by high job insecurity, low and irregular wages as well as highly flexible terms of employment



with no medical or pension benefits.

Indeed Table 5 below shows that the minimum wages in Kenya and Tanzania though higher than in Uganda are still low and cannot therefore afford a young Ugandan worker sufficient welfare and savings to repatriate to home. For example in Tanzania, the minimum wage of TShs. 400,000 in the telecommunication sector is equivalent to about US\$ 628,000. This amount of money cannot afford a worker some basic welfare needs and savings to repatriate home.

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**Table 5: Minimum Wages for Sectors and Occupations in Tanzania and Kenya**

Sector	TShs	Occupation	KShs
Agricultural Services	100,000	Artisan Grade III	16,602
Health Services	132,000	Artisan Grade II	17,932
Telecommunication Services	400,000	Artisan Grade 1	22,070
Broadcasting, Mass Media, Postal & Courier	150,000	Salesman Driver	22,070
Tourist Hotels	250,000	Machinist	12,645
Medium Hotels	150,000	House Servant	5,541
Labour Institutions Wage Order, 2013		Regulation of Wages (General and Agriculture) 2013	

The foregoing examination of the labour markets of the other Partner States shows similarity with that of Uganda. The labour markets of the other Partner States like that of Uganda largely create jobs in the low productivity agricultural sector. Indeed the employment in the labour markets of the other partner States like in Uganda is characterized by low wages. This implies that the labour markets of the other partner States do not offer compelling pull factors to Ugandan youth.

### 4.3.1 Constraints to the creation of productive and decent employment in the EAC

It has been observed above that positive GDP growth in all the EAC Partner States did not translate into productive, well remunerated and decent jobs. The question that then comes to mind is what caused these poor labour market outcomes.

There is a widely held view that poor labour market outcomes around the world in the neoliberal era were not inevitable and have materialized in so many countries with so much strength partly because positive labour market outcomes especially decent work were not at the center of the Structural Adjustment agenda (World Bank 2008 and ILO 2011). Low inflation rather than employment creation was the target of economic policy in the past years. As long as the economy grew and inflation was kept low all was considered well (Waeyenberge

and Bargawi 2010). Unfortunately, the expectation that liberalization, deregulation, privatization and low inflation would automatically crowd in private investment and consequently generate jobs did not materialize with the dire consequence of jobless growth in higher productivity sectors in all the East African Partner States.

### Exporting jobs through unprocessed exports

Besides, despite fast private sector growth in Uganda and the other Partner States, most of this growth was concentrated in small firms with low value addition. Firms with high value added per employee did not grow as quickly (NDP 2010). Indeed Table 6 below shows that the exports of the all the EAC Partner States remain largely primary unprocessed products. Yet the continued export of raw materials without any value addition does not only minimize the positive economic multiplier effects of forward and backward linkages but also indirectly exports jobs to the developed world.

For example despite Kenya being “big economic boy” of the region, her top three exports in 2010 were primary agricultural products namely, Tea, Cut flowers and Coffee. Tanzania’s top three exports were gold, tobacco and cashew nuts. While Uganda had coffee, fish and Cell Phones as her top three exports in the same period. It is a known fact that Uganda does

not produce phones. Therefore the phones exported by Uganda had been manufactured in another country, imported to Uganda and then re-exported. Although re-exports may earn a country the needed foreign exchange, re-exports do not create enough jobs compared to manufacturing. The government of Uganda would rather consider assembling phones for export as an initial step towards manufacturing the same in Uganda.

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**Another major challenge to job creation in Uganda’s private sector is the high mortality of enterprises. More than 60 percent of the firms in Uganda do not survive beyond their second birthday.**

**Table 6: East Africa’s Top Three Exports by Country 2010**

Country	1	2	3
Tanzania	Gold \$914 m	Tobacco \$121 m	Cashews Nuts \$118 m
Kenya	Tea \$1.2 m	Cut flowers \$312 m	Coffee \$150 m
Uganda	Coffee\$283 m	Fish \$127 m	Cell phones \$79 m
Rwanda	Tin Ores \$66 m	Coffee\$57 m	Tea \$34 m
Burundi	Coffee \$275 m	Gold \$164 m	Tea \$23 m

Source: National bureaux of statistics of all EAC countries and UN Comtrade

Another major challenge to job creation in Uganda's private sector is the high mortality of enterprises. More than 60 percent of the firms in Uganda do not survive beyond their second birthday. Such high mortality of firms undermines industrialization which is essential for the creation of productive and well remunerating jobs. The binding constraints to enterprise and industrial growth in Uganda include high interest rates, unreliable and expensive electricity and poor transport infrastructure.

### **Creating jobs outside the EAC through imports**

Despite the weak labour demand in the higher productivity sectors of the economies of the EAC, the Partner States continue to help other countries in Europe and Asia to create jobs through substitutable imports.

In 2009, it was estimated that with a population of 30 million Ugandans with an annual per capita usage of 6 meters of cotton fabric per capita, 180 million meters of cotton fabric would have been required per annum to meet Uganda's cotton fabric demand. This would have translated into a market of about Uganda Shillings 350 Billion per annum. At the East African level, the Region has a population of about 140 Million people which would translate into a market size of 820 Million meters per annum and 1.4 Trillion shillings in value terms. At COMESA level, with a population of about 400 Million people, an annual per capita consumption of 6 meters would result into a market size of over 4 Trillion Shillings.

This market size is quite significant to justify investment in Uganda. In addition the European Union and AGOA offer unique market potential. Regrettably, more than 90 percent of Uganda's cotton is exported as lint. Although most of Uganda's cotton lint is sold at a premium on the world cotton market, the value is far much lower that what the country would have earned had there been sufficient value addition.

For example, between 2004 and 2008 1kg of cotton exported on average fetched approximately US \$ 1. On the contrary two pieces of garment made from 1kg of cotton were at the time valued at about US \$8.

Today, Bangladeshi's export-oriented garment manufacturing industry has boomed into a \$19 billion dollar a year industry. Value addition is the way to go if we are to create employment for our young people in East Africa. However, for successful industrialization to be achieved the EAC countries must adopt some well targeted and timed infant industry protection measures. Furthermore other measures should be taken to address the key binding constraints to infant industry growth in Uganda. These should include the establishment of policy banks like Industrial and Agricultural banks.

### **4.3.2 National Laws facilitators and constraints of free movement of workers**

It has been noted above that conditions in the labour markets of the EAC countries do not generally constitute compelling pull factors and hence enhanced labour migration as a result of the CMP might not be substantial in the short run. However, this is just one angle to the challenges of actualizing the free movement of workers in the EAC region.

Another angle to challenge of enhancing the free movement of workers in the region is associated with residual national interests. Significant sections of the civil service, politicians and citizenry in general all the EAC Partner States still view immigration as a problem to be

dealt with and not an opportunity to be seized. Many local citizens regard migrant workers as unwanted competitors in the labour market. This negative attitude towards free movement of workers has informed policy reform and slowed down the process of adopting or implementing legislation and administrative measures that facilitate the free movement of workers in the region. This is however not to suggest in any way that no measures have been taken by some Partner States to promote free movement of workers. Some of the measures taken include:

### ***Legislative reform***

In Rwanda, Immigration Law (No 19/2011) which encompasses all provisions of the Common Market Protocol with regard to the free movement of persons and labour was enacted on 30<sup>th</sup> May 2011. Furthermore, citizens of EAC Partner States are exempted from the payment of work permit fees in Rwanda. However, **in the case of workers who fall in the category “Skilled Workers Sponsored”, the responsible employer has to prove that a Rwandan with similar skills could not be found on the Rwandan labour market.** This conflicts with the letter and spirit of the CMP.

In 2011 in Kenya, the Kenya Citizenship and Immigration Act No. 12 of 2011 and Kenya Citizens and Foreign Nationals Management Act No.31 of 2011 were enacted to facilitate free movement of workers. In addition, on the 1<sup>st</sup> July 2010, Kenya waived work permit fees for citizens of EAC Partner States. This action provided a lot of hope for the realization of free movement of workers. Unfortunately, the right to free movement of workers suffered a major setback with the coming into force of the Kenya Citizenship and Immigration Regulations, 2012. These regulations restrict the issuance of

**Kenya Citizenship and Immigration Regulations, 2012 restrict the issuance of work permit to only foreigners who are 35 years old and above and are also assured of a salary or income of not less than USD 24,000. This means that the law excludes many youth and middle income workers from the opportunity to work in Kenya under the aegis of the CMP.**

work permit to only foreigners who are 35 years old and above and are also assured of a salary or income of not less than USD 24,000. This means that the law excludes many youth and middle income workers from the opportunity to work in Kenya under the aegis of the CMP.

Furthermore under the Government of Kenya “Kenyanisation Policy, any application for a work permit ((Class D expatriates -long-term permits) must, among other things, include the name of a Kenyan understudy who will take over once the permit expires within a two-year non-renewable period. The granting of work permits also takes months even where all requirements have been fulfilled. These requirements and practices are clearly at variance with the provisions of the CMP that prohibit measures aimed at closing out workers from other partner states from a given labour market.

**As for Tanzania, more restrictions to free movement of workers have been witnessed since the coming into force of the CMP.** Work permit fees for specific employment by specific employers have been increased twice since the coming into force of the CMP and now stand at USD 2000 from USD 470.

**Uganda like Tanzania also increased her work permit fees twice since the coming into force of the CMP** on 1<sup>st</sup> July 2010. Today Class G for employees is USD 600. Besides, employment of a foreigner in Uganda for a period of more than one year, is contingent on the Immigration Board being satisfied that continued employment by a non-Ugandan will continue to be of benefit to Uganda or the position held by a non-Ugandan cannot be filled by a Ugandan (Regulation 22 (1) (d) of UCICR, 2004). It is hastily added that, whereas the letter of Uganda's law restricts the employment of citizens of the other Partner States, in practice the law is never strictly adhered to and applicants from the other Partner States are often granted work permits.

From the foregoing it is clear that Partner States are very cautious about opening up of their labour markets at the expense of their citizens.

### ***Use of National Identity Cards as travel documents***

The use of machine readable national identity cards as travel document has been actualized amongst Kenya, Rwanda and Uganda. The majority of Kenyan and Rwandan national possess national identity cards and can therefore use them for travel in the region. However, the majority of Ugandans cannot take advantage of this opportunity because the process of registering citizens for the purpose of issuance of national identity cards was just launched in April 2014. The first batch of national identity cards from the ongoing registration is expected in November 2014. Hopefully by the beginning of 2015 a substantial number of Ugandans should be able to use a national identity card as their travel document.

The process of issuing machine readable identity cards has also been launched in Burundi with a pilot project in her capital Bujumbura. Tanzania started the issuance of national machine readable identity cards on 7<sup>th</sup> February with the hope of covering all eligible Tanzanians before 2015. However, Tanzania has not yet made arrangements with any Partner State to facilitate the use of national identity cards as a travel document.

The other challenge that might slow down the process of facilitating the free movement of workers in the United Republic of Tanzania is the dichotomy of power over labour issues between Tanzania Mainland and Zanzibar. Under the constitution of the United Republic of Tanzania, certain functions are ascribed to the union government and others<sup>14</sup> to each entity of the union. Employment and labour relations issues are not a union matter and are accordingly regulated by two different pieces of legislation enacted by two independent legislatures. It also follows that Tanzania Mainland and Zanzibar have two distinct labour administration institutions.

This dichotomy in the administration of labour issues means that implementation of the aspects of the CMP relating to the free movement of workers can only be realised throughout the United Republic of Tanzania if there is consensus between the governments of Zanzibar and that of United Republic, which consensus may at times not be easy to realise.

In summary the following could be considered as some of the key barriers to free movement to workers that are associated with laws and policies in the Partner States:

- Ring fencing certain jobs for nationals of a Partner State.
- Disparity in procedures and requirements for issuance of work permits.
- Lack of a standardized turnaround period for a work permit application.

<sup>14</sup> First Schedule of The Constitution of the united Republic of Tanzania, 1977 (as amended)

- Limited of awareness of CMP provisions by some implementing Agencies.
- Lack of harmonised immigration and labour laws.
- Poor labour market information systems.

## 4.4 The Ugandan labour Market as a labour migration destination

In this subsection, an attempt is made to examine Uganda’s potential benefits as a destination country for workers from the other East African partner States. As stated earlier, the right to move does not automatically cause workers to move. For workers from the other East African countries to move, there must be push factors in their labour markets. The discussion on the labour markets of the other East Partner States has clearly shown that push factors indeed exist<sup>15</sup>.

Therefore, the actual movement of workers from the other Partner States will depend on whether there are pull factors in Uganda’s labour market. Uganda’s labour market is dominated by informal and rural low productivity and poorly remunerated work.

Uganda is therefore not a relative high wage country and her labour market does not possess any unique characteristics that can act as strong pull factors to the labour markets of the other Partner States.

However, it must be quickly added that based on anecdotal evidence particularly from interviews with trade union leaders in Uganda; there is a growing inflow of skilled workers especially from Kenya in Uganda’s tourism, financial, agricultural, construction and engineering sectors. Their movement to Uganda is less a matter of better terms and condition of service but of supposed shortage of Ugandans with high level expertise and skills in those areas.

Employers who hire Kenyans in the hotel sector for example argue that there is a shortage of Ugandans with requisite and strategic management skills and hence the attraction of Kenyans. The veracity of this claim could not be verified and hence the need for further research on this matter. Another reason for increased entry of Kenyans into Uganda’s labour market is associated with substantial establishment of Kenyan firms in Uganda. Over the last five years,

**Employers who hire Kenyans in the hotel sector for example argue that there is a shortage of Ugandans with requisite and strategic management skills and hence the attraction of Kenyans. The veracity of this claim could not be verified and hence the need for further research on this. ...matter.**

**Over the last five years, Kenya has been one of the top five sources of Uganda’s Foreign Direct Investment. It is argued that establishment of Kenyan firms in Uganda has opened numerous employment opportunities for Kenyans in Uganda’s labour market.**

<sup>15</sup> Most of the jobs in the other Partner States are in the low productivity, poorly remunerated and regulated agricultural and informal sectors.

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In this section, we have noted that the potential benefits of free movement of workers in East Africa are constrained by the similarity of the labour markets of the Partner States. That is to say that all the labour markets are characterized by low productivity and poorly remunerated work which does not strongly support nor reward handsomely migration of work. However, there is no doubt that workers who possess skills that are on demand in the region will have better opportunities and rewards from free movement. Furthermore it has been noted that hostility to the free movement of workers in the region among civil servants, politicians and citizenry in general will continue to undermine enactment of legislation and adoption of administrative measures the promote the free movement of workers in the EAC.

The question that then comes to mind is what Uganda can do to optimize the benefits of free movement of workers both as a source and destination country. It is this question that the next section will attempt to address.

## 5.0 Minimizing losses and optimizing benefits for migration

This section discusses some measures that can be considered to optimize Uganda's benefits from labour migration in East Africa. As stated earlier, the opening of the labour market for skilled workers in the EAC is one thing and taking advantage of it by Ugandans is another matter all together. The extent to which Uganda benefits from the free movement of workers will very much depend on the measures the Government of Uganda will put in place to ensure that Ugandans can competitively take advantage of any opportunities within Uganda and in the other EAC Partner States.

Some measures that could be undertaken to optimize Uganda's benefits from the EAC Labour Market are considered here below:

### 5.1 Strategies for Job Rich Growth and Decent Work

The right to free movement of workers will amount to nothing if there are no jobs for East African workers search for. Stimulating labour demand through strategies for job rich growth and decent work should therefore be a conscious and deliberate goal of economic policy. Targets for employment creation or growth should be clearly set the way inflation targets are set and made known to everyone. Accordingly, **all government policies should have job creation at the core of their objectives. In the same breadth, employment indicators should be part and parcel of any policy monitoring and evaluation processes.**

It is difficult to talk about job creation without talking about industrialization. The EAC Partner States should therefore adopt industrial policy. Industrial policy here includes indicative investment planning<sup>16</sup>; regulation and coordination of industrial planning; protection of infant industries; export subsidies; state directed credit by state owned banks; subsidized electricity; state support for R&D.

### 5.2 Formulation of a National labour Migration Policy

For the benefits of labour migration to be optimized and losses minimized, **there is need for strategic migration management by the governments. Strategic migration management implies moving away from laissez-faire cum ad hoc approach to a coherent and comprehensive policy and institutional framework.** That is to say, Uganda's labour migration interests in the EAC should be deliberate, well defined, quantifiable, and systematically aligned with the broader national

<sup>16</sup> That is adoption of policies that favour development of certain industries or sectors over others with a view of enhancing national economic welfare



development goals. The aim of such a policy should be to enhance the benefits of labour migration on the economy and society.

Regrettably, after more than three years of coming into force of the Common Market Protocol, the Government of Uganda is still without a National Labour Migration Policy, let alone a National Migration policy and a National Policy on EAC integration. Without a National Labour Migration Policy, it will be difficult if not impossible to understand the socioeconomic objectives of labour migration. More importantly, it will be difficult to integrate and mainstream labour migration into the national planning framework. Accordingly, it will be hard to establish or even attempt any meaningful examination of Ugandan's benefits and losses arising out of free movement of workers. After formulating such a policy, it will be important also to put in place the institutional framework necessary for supporting economically beneficial free movement of workers in the region.

### **5.3 Institutionalization of the linkage between migration and employment**

Institutions for aligning the free movement of workers and Uganda's employment needs should be strengthened. The External Employment Unit (EEU) of the Ministry of Gender, Labour and Social Development was established to license private employment agencies; to promote the linkage between locally available skills and potential employers in the Diaspora; to promote better working conditions for Ugandans in the Diaspora; strengthen cultural and national identity amongst Ugandans in the Diaspora; to ensure that Ugandans in the Diaspora value, maintain and strengthen linkages with the mother country; to promote quick and cheap transfer of funds and property.

However the EEU has largely been involved with emigration of Ugandan workers to Non-EAC Partner States like the United Arab Emirates and Iraq. Due to human resource and fiscal constraints, the Unit has not been able to establish mechanisms for promoting employment opportunities for Ugandans in the EAC.

Therefore, for Uganda to benefit from the free movement of workers, under the EAC, EEU should be strengthened and enabled to:

- Collaborate with other government agencies like Uganda Bureau of Statistics (UBOS) to generate reliable data on human resource surpluses or shortages in Uganda and each of the other EAC Partner States.
- Use manpower statistics of the region to project the nature (which sectors) and quantities of skills demanded in Uganda. In the same breadth, the EEU should be able to make projections about the human resource requirements in countries of labour and skills demand. These projections should pay special attention to emerging skills requirements and also suggest national strategies of meeting demand for such skills in Uganda and the other EAC Partner States. Such projections should inform manpower planning with a view of seeking to minimize the social costs of in and out migration. Initiatives in this regard should include inter alia skills targeted education and training programmes.
- Create a system for disseminating information about employment opportunities among potential emigrants;
- Promote opportunities for migrant deployment in the EAC, taking into account brain drain concerns;

- Ensure equal access for suitably-qualified Ugandans to skilled employment opportunities in the EAC;
- Ensure synergy between the National Labour Migration Policy and the broad development goals of Uganda as espoused in the National Development Plans.
- Linkage between EEU and educational and Technical institutes to link opportunities to skills

## **5.4 Awareness about the nature of free movement of workers in the EAC**

All Ugandans planning to go for work within the EAC should properly be informed about the potential benefits and challenges. However, as already noted above the External Employment Unit is poorly facilitated and is therefore not capable of adequately preparing Ugandans migrating to other countries for work. In the circumstance, some potential migrants are often poorly informed or misinformed about the conditions governing entry, work and residence, skills required, cultural issues as well as their rights and obligations in destination countries. Consequently, several Ugandans have not only migrated in risky and unsafe travelling conditions but have on arrival been met with only low-skill, low-paying and vulnerable work. To alleviate the exploitation of Ugandans in East Africa, **there is need for intense public awareness of about the category of people who can move for work in the EAC as well as the duties and rights of emigrant workers.**

## **5.5 Enhancing skills development for national and regional labour markets**

The best way Uganda can leverage itself in the EAC “free labour market” is through skills development. Therefore relevant government departments should in collaboration with training institutions and employers review the nature of skills development training structures, systems and outcomes. Such reviews should aim at putting in place mechanisms for improving the quality of education and making it easily adoptable to emerging labour market needs in the region. In so doing, the skills levels of Uganda’s labour force will be raised and accordingly the chances for finding work in the EAC will also be enhanced. For this to be realized **the quality as well as quantity of physical infrastructure and manpower in training institutions right from primary, secondary to tertiary should be improved.**

Improving of the training institutions as centers of skills development should be treated as a matter of agency. This is because; various studies and reviews on Uganda’s education sector have found education outcomes at all levels wanting. There is a saying that a house is as strong as its foundation. It follows therefore that in the skills acquisition chain, primary education is the foundation. As is with a house, the quality primary and secondary education outcomes determine future capacity to acquire skills necessary in the job market. What this means is that, a person who has acquired good numeracy and literacy skills at primary or secondary level will always find it easy to learn new vocations. This is because even the most basic skills (carpentry, building and construction, tailoring, IT technicians etc.) require the ability to read, write, add, subtract, divide and multiply.

A recent assessment by UWEZO, titled “Are our children learning: numeracy and literacy across East Africa” found that despite significant gains in expanding access to primary schooling,

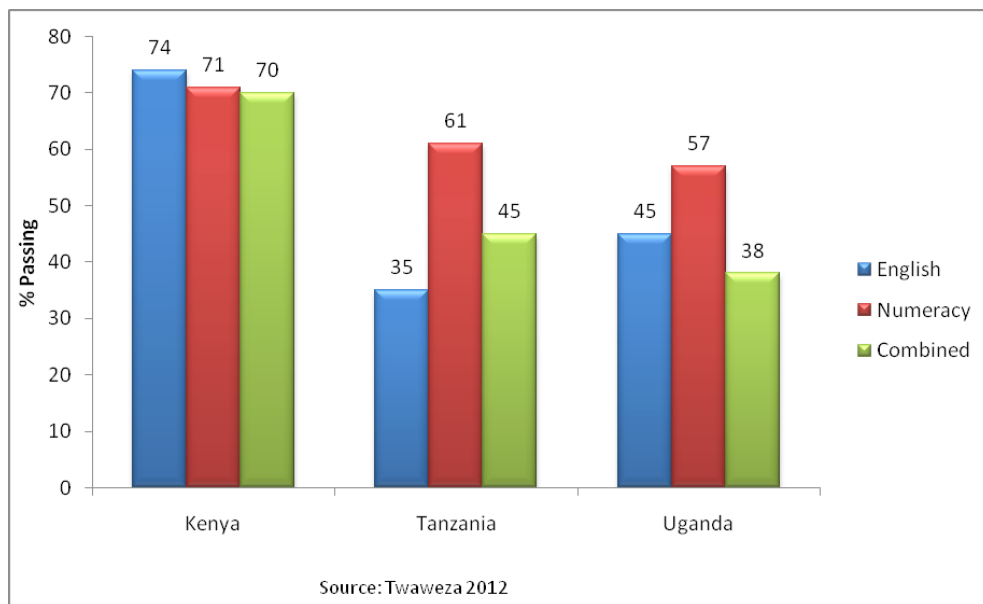
actual literacy and numeracy outcomes remain significantly deficient across the region and worse in Uganda in comparison to Kenya. In the said study, over 100,000 Ugandan pupils aged between ten and sixteen years were tested in their ability to perform basic numeracy and literacy tasks at the Standard (primary) two level. The survey showed that on aggregate, only 45% and 57% could pass primary two English and Numeracy test respectively in the three countries. However only 38% of Ugandan children passed both the literacy and numeracy test (combined). This was lower than in Kenya and Tanzania where 70% and 45% of the children passed respectively. Poor literacy and numeracy skills imply that the capacity

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of young Ugandans to effectively acquire new skills necessary for the job market is poor and weaker than that of their counterparts especially in Kenya. With better capacity to acquire new skills, Kenyan youth are more likely be in a better position to compete for jobs in the regional labour market than their Ugandan counterparts.

Minimising losses and optimising benefits for migration

**Figure 2 Test Pass rates for children aged 10-16 years in East Africa**



Matters have not been helped by the fact most of Uganda’s Government owned or aided Vocational and Technical schools have been rundown as they are without enough qualified tutors, instructors as well as materials and equipment for practical training. As a result, students

graduate from these technical training centers with limited practical skills. Furthermore, the lack of an effective industrial training system in Uganda has undermined “learning by doing” which is one of the most effective ways of acquiring skills.

## **5.6 Mutual Recognition of qualifications and Skills should be expedited**

The EAC Partner States should expedite the process of deepening and consolidating systems for Mutual Recognition of Academic Qualifications (MRAQs). The Mutual Recognition of Academic Qualifications is important because, working in another Partner State under the CMP is contingent on possession of requisite academic qualifications or skills. However the qualifications held by potential migrant workers, are more often than not obtained mostly from their respective countries of origin. Yet, these countries in one way or the other have totally different education systems and standards.

For example, only Uganda and Tanzania share the 7-4-2-3 education system (Primary School, Secondary School and university). On the other hand, Kenya has the 8-4-4 system (Primary School, Secondary, and University respectively), Burundi the 6-4-3-4 system (Primary School, Lower Secondary, Upper Secondary and University respectively) and Rwanda the 6-3-3-4 system (Primary School, Junior Secondary School, Senior Secondary School and University respectively).

In view of the above and pursuant to Article 11 of the CMP, the Council of Ministers of the EAC adopted an Annex to the CMP on Mutual Recognition of Academic and Professional Qualifications. Consequently, Bilateral MoUs have been concluded by lawyers, medical boards, architects, and accountants in EAC countries.

Concern is now largely about harmonization of education curricula, examinations, standards, certification and accreditation of educational and training institutions. In the absence of a system for equating and recognizing qualifications (other than the professional ones referred to above) workers from Uganda seeking to work in the other Partner States, will have to go through a long process of verifying, certifying and equating their qualifications. This is a long process that might require a seal of authenticity from the issuing institutions as well as recognition and equating from the National Council for Higher Education and the Ministry of Foreign Affairs. Such bureaucracy may deny Ugandans and other East Africans the opportunity to apply or report for new employment in good time.

Furthermore, the lack of synchronized education and training curricula, has led to a proliferation of several subjective classifications about the quality and standards of education in the different countries. Such subjective classifications have quite often been applied in the job market to the detriment of certain workers and hence the **need for urgent coordination in curriculum development and mutual recognition of academic qualifications.**

Although the foregoing discussion on expediting the mutual recognition of academic qualifications is important it is built around a narrow assumption that all workers who are skilled must have acquired their skills from a school or training institution. Yet it is very well known that there are many highly skilled workers who exclusively acquired their skills on the job. Regrettably, the CMP does not make provision for the certification and or accreditation of skills acquired on the job. In so doing, it locks out workers who acquired their skills on the job

from the opportunity to move in the region in search for work. **There is need therefore to put in place an EAC mechanism for accreditation and validation of informally acquired skills.**

Uganda has already taken some steps in this disregard. The BTVET Act 2008 mandates the Directorate of Industrial Training (DIT) to assess and certify formal and informal skills training. The DIT has already established the “Worker’s Proficient Acquired Skills” or Worker’sPAS in short. It is a document that certifies the skills and competences of an individual for a particular trade. The Worker’sPAS briefly outlines the skills and competencies the holder has acquired in the particular occupation. The certification and validation process is continuous and therefore every new skill or competency acquired by a worker is subsequently assessed and certified in the holder’s Worker’s PAS.

Therefore in addition to completing the process of mutual recognition of academic qualifications, measures should be put in place to facilitate the mutual recognition of skills acquired on the job.

## 5.7 Need for Regular Manpower Surveys and planning

In order for the government to facilitate the alignment of skills development to labour market demand in Uganda and East Africa, regular manpower surveys should be done. As stated earlier, the manpower situation in the other EAC Partner States should also be carefully monitored.

Unfortunately this has not been the case in Uganda. The last manpower survey was conducted in 1988 (24 years ago). Yet the development of an effective skills development system capable of meeting the demands of the labour market should be based on reliable and properly collected and analyzed information.

## 5.8 Strengthening of National and Regional Labour Migration Data Management

Accurate and timely data on labour migration is very important for effective labour migration management. Therefore a systematic and comprehensive mechanism of gathering, analysing and exchanging labour migration data should be developed both at national and regional level. Without such data, assessing the patterns, skills composition, reasons as well as the costs and benefits of labour migration will be very difficult.

**Unfortunately, the system for capturing and analysing migration data in Uganda is poor.** For example migration data available in Uganda’s Statistical Abstract is disaggregated only according to international arrivals and departures; resident and non-resident arrivals; tourist arrivals by purpose and non-resident arrivals by mode of transport. **It is difficult therefore to know how many citizens of the other Partner States enter, stay and exit Uganda in a particular year for work nor is it possible to understand the extent of in and out migration for specific skills or sectors.**

## 5.9 Finalization of National Identification System

The process of creating a national identification system should be expedited and completed. The absence of a citizenship registration and identification system makes it difficult for Uganda and other Partner States to establish who is or isn’t a Ugandan. This further complicates the

management of illegal migration and the generation of reliable labour migration data within Uganda and the region as a whole. Yet as already noted such data is very important for labour market policy and planning. The absence of a comprehensive national identification system will undermine opportunities for Ugandans in the labour markets of the other Partner States. Indeed some of the Partner States have given the absence of a national identification system as the reason for their reluctance to open up more space in their labour markets for Ugandans.

## 5.10 Easing Cross Border Movement of Persons

The government of Uganda should establish an equal opportunity, transparent, expeditious procedure for securing national travel documents as a means of enabling Ugandans to move in the region more easily. Although some measures have been undertaken to streamline the process of applying for a passport, a number of serious challenges still exist. The process of securing a Ugandan travel document has remained an arduous, long and frustrating process for the majority of Ugandans. Securing a Uganda travel document may take up to thirty days for some people.

## 5.11 Regional framework Social security coordination

The EAC Partner States should adopt an Annex to the CMP on Social Security as a means of facilitating coordination of social security. Coordination of social security is important because the conditions for, coverage, contribution, benefit entitlement are different in each of the EAC Partner States (See Table 5 below). In the absence of coordination, portability, export and totalization of social security benefits will be undermined to the financial and social detriment of workers. It will also be difficult to protect social security rights of migrant workers when moving within EAC member states.

**Table 7: Features of Social Security Schemes in East Africa**

Country	Scheme Name	System of Scheme	Nature of Scheme	Coverage	Contribution Rates %			Type of Benefits	Portability of Benefits
					Employee	Employer	Total		
<b>BR</b>	NSSI	SIS	Pension	Formal	4	6	10	Old age, Disability & Survivors	Arrangement with Rwanda
<b>KE</b>	NSSF	Social	Pension	Formal	6	6	12	Old age, Disability & Survivors	No Portability
<b>RW</b>	RSSB	SIS	Pension	Formal	3	3	6	Old age, Disability & Survivors	Arrangement with Burundi
<b>TZ</b>	NSSF	SIS	Pension	Formal	10	10	20	Old age, Disability & Survivors	Arrangement with Zanzibar
<b>UG NSSF PF Provident Fund</b>				Formal	5	10	15	Old age, Disability & Survivors	No Portability

Source: Researchers' Compilation from National Legislation, 2014

**Coordination here does not mean harmonization.** Given the legal, economic, social and political peculiarities in each of the EAC Partner States, harmonization might be difficult if not impossible to achieve and hence the proposal for coordination. Under a coordinated social security framework, the rules on social security co-ordination do not subordinate national laws. **A Partner State would therefore be free to determine the conditions for entitlement to benefits and other related matters as long as it does not discriminate directly or indirectly against nationals of other Partner States.**

For the good all of workers and the Partner States as a whole, the Annex on Social Security Coordination should adhere to the following principles:

1. *Equality of treatment:* A migrant worker should enjoy the same social security rights as the nationals of the country where he or she is working and covered.
2. *One social security legislation at a time:* Only one social security legislation should apply to a migrant worker at a time. This is to ensure that at any one time a migrant worker is covered by one law and only pays contributions in one country. The criteria of determining the applicable law at a particular time should be clarified by the Council of Ministers.

*The Principle of exportability:* Acquired social security rights should be protected. Under the principle of exportability of benefits, any worker who is already entitled to or would be entitled to one of the benefits covered by the laws of any of the Partner States (the co-ordination instrument) would still be paid his or her benefit even if he or she takes up residence in another Partner State (Payment would be paid by the State where such a worker previously lived and worked). Furthermore, the amount of the benefit in such cases is not supposed to be reduced or adjusted in any way as a result of the worker's migration. The principle of the export of benefits may also apply to benefits in-kind such as health. *Totalizing or aggregation of periods of coverage:* Under the principle of totalization or aggregation, periods of employment in any of the Partner States have to be recognized in another Partner State.

**To clarify this principle better, let us assume a hypothetical situation where Stella started her career in country “A” where she worked and lived for ten years. Thereafter she moved to Country “B” and worked there for eight years and finally worked in country “C” for three years before retiring. In all the above countries, Stella was covered by a pension scheme. However to qualify for pension in country A one ought to have worked for twenty years, in Country “B” for fifteen years and in Country “C” ten years. In the absence of totalization or aggregation of coverage, Stella would retire without a pension. This is because in country “A” she worked for ten years instead of twenty years; eight years in Country “B” instead of fifteen years and only three years instead of ten years in Country “C”. Therefore all her twenty years of service would not earn her a pension because she did not work for the minimum number of years that would qualify her for pension in any of the three countries. It is situations like these that would be well addressed by totalization of benefits.**

## 5.12 Deployment of Labour Attachés

The government must put in place diplomatic mechanisms of protecting the interests of Ugandans working in the other Partner States. Labour migration enhances employment opportunities and benefits the families and countries of origin through earning of remittances. However there are a lot of challenges the migrant workers in destination countries and hence the need to protect the interests of Ugandan workers in destinations countries.

**The Government of Uganda should therefore establish Labour Attaché<sup>17</sup> positions at its missions in all EAC Partner States where Ugandans are working. The role of Labour Attachés should be dedicated to maximizing the most viable benefits of managed migration and also enhancing protection for Ugandan migrant workers.** Broadly, the role of the Labour Attaches should include:

- Protecting and promoting the rights of Ugandan workers in the other Partner States.
- Offering migrant workers adequate information with regard to their employment and rights
- Helping with the designing of the Pre-departure orientation programmes
- Certifying that the employment terms and conditions offered to Ugandans are fair, just and conform to destination country laws and regulations (verification function)
- Carrying out background checks in order to ascertain whether a prospective employer is genuine
- Assisting in the smooth integration of Ugandan workers in other countries. This would ordinarily include registration with the Embassy; counseling and advice on local conditions and introduction to Ugandan support and community groups
- Assisting in the recovery of employment claims and benefits
- Assisting with post employment and return. This includes exist interviews and re-integration profiling
- Carrying out labour market monitoring and research in his or her area of jurisdiction.

### 5.13 Managing Brain Drain

The government should put in place measures for managing brain drain. This phenomenon has adversely affected many countries, especially in Africa, where *retaining capacity* is often a more important issue than capacity development itself. For example by 2000, about 36% of Uganda's college graduates had migrated to other countries around the world. Therefore concerns about Brain Drain in the context of EAC migration are legitimate.

The emigration of talent can reduce Uganda's human capital base and consequently undermine development. Indeed concerns about increasing out migration of Ugandan medical professions have already been expressed by public officials. . In 2010, the health minister revealed that 13 senior surgeons left Uganda for Rwanda due to poor pay<sup>18</sup>.

The departure of senior medical consultants is already having negative consequences on Uganda's health service delivery especially at the National Referral Hospital-Mulago.

### 5.14 Facilitating reintegration of returning migrants

The government should put in place mechanisms for facilitating returning migrant workers. Such mechanisms should allow for collaboration between Uganda and the other Partner States in the development of return and reintegration programmes. Design of appropriate migrant reintegration programmes will enable returning migrants to transfer skills back to Uganda and vice versa and to contribute generally to the development of Uganda.

In conclusion, it can be stated the right for skilled Ugandans to move to the other Partner States potentially opens up some opportunities. However, for Uganda to optimize the benefits of free movement of workers in the region it must adopt a strategic labour migration stance.

<sup>17</sup> A Labour Attaché is a Foreign Service Officer responsible for the interests of his or her nationals working in his diplomatic area of jurisdiction.

<sup>18</sup> See New Vision News Paper 23rd July 2012



To this end, the government should adopt a national labour migration policy. In addition, some of the following measures should be adopted: Institutionalization of the linkage between migration and employment, increasing awareness about the nature of free movement of

**...for Uganda to optimize the benefits of free movement of workers in the region it must adopt a strategic labour migration stance.**

workers in the EAC, enhancing skills development for national and regional labour markets, working with the other EAC countries to fully actualize the mutual recognition of qualifications, operationalization of regular manpower surveys and planning, strengthening of national and regional migration data management, finalization of the National Identification System, easing cross border movement of persons, establishing a regional framework social security coordination, establishment of Labour Attachés position at Uganda's Embassies in the EAC and , managing brain drain.

## 6.0 Conclusion

The labour market implications of the right to free movement of workers under the CMP on youth in Uganda have been carefully discussed in this paper. Furthermore the measures that Uganda can be adopted to optimize her benefits from the free movement of workers have also been examined. The paper finds that contrary to the expectations or assumptions of many, the CMP does not create an EAC citizen nor grant citizens of the Partner States unfettered freedom to move in the region for work. The right to free movement of workers is restricted to only a few skilled workers. Even for the skilled, living in another Partner State for work is contingent on holding a valid work permit. It is concluded that restricting the free movement of workers to only the highly skilled, denies many young people the potential to move around the region for work.

In addition, the paper notes that the desire to maximize individual and household utility greatly influences the decision of workers to migrate or not. Therefore the existence of a legal right for skilled workers to freely move for work in the EAC is important but not sufficient to spark off actual migration

**...restricting the free movement of workers to only the highly skilled, denies many young people the potential to move around the region for work.**

of workers around the region. The actual movement of workers is determined by conditions in the countries of origin and destination which in labour migration parlance are referred to as push and pull factors respectively.

The paper also examined the labour markets of Uganda and the other EAC Partner States in the quest to understand the push and pull factors. The paper finds that Uganda's labour market is characterized by underemployment as well as low productivity and poorly remunerated work which in every sense constitute serious push factors. However, an examination of the labour markets of the other countries also revealed intensity on low productivity and poorly remunerated work. This means that although push factors do exist in Uganda's labour market, in the short run few Ugandan workers will be attracted to the other labour markets in the absence of serious pull factors like better wages. For avoidance of doubt, the paper recognizes that the migration skilled workers or positive selection will continue to grow.

In order to optimize benefits and minimize costs in the short and long run, Uganda must adopt a proactive and more strategic approach to labour migration in the EAC. The paper specifically proposes some of the following measures: adoption of strategies for job rich growth, formulation of a labour migration policy; institutionalization of the linkage between

migration and employment; increasing awareness about the nature of free movement of workers in the EAC; enhancing skills development for national and regional labour markets; working with the other EAC countries to fully actualize the Mutual Recognition of qualifications; operationalization of regular Manpower Surveys and Planning; strengthening of national and regional migration data management; finalization of the National Identification System; easing cross border movement of persons; establishing a regional framework social security coordination; establishment of Labour Attachés position at Uganda's Embassies in the EAC and managing brain drain among others.

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