



The Impact of Rich Countries Policies on Poverty in LDCs:
The Case of Migrant Nurses from Ghana

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**Global Development
Network (GDN) Impact
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Introduction

- Do rich countries' policies have positive or negative impact?
- Relaxed skilled labour migration policies are typical of such policies that have significant impact on LDC's eg health workers
- Does health worker migration yield net negative or positive impact on Ghana? Focus of this study.



OECD Policies

- Immigration policies of rich countries particularly in favour of health workers is a significant factor

eg **UK**: 3-6 months adaptation for nurses to qualify for 4 year residence permit, then permanent residence

Canada: Skilled Worker Program

UK: Highly Skilled Migrant Worker Program; *USA: Green card, DV lottery?*



2. Research Objectives

- ❑ Ascertain the cost and benefits of health worker migrations from Ghana;
- ❑ Investigate the net private benefit of health worker migrations
- ❑ Ascertain the adverse effects of the migration of nurses from Ghana on the country's health indicators including regional variations in the health indicators



3. Methodology

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- ❑ Compute Net Present Value of migration

Computing Private Costs and Benefits of Migration

1. Migration decisions within a human capital framework; Drinkwater (2002).

$$V_{EW}(t) = \int_{t_0}^T e^{-\rho t} (W_W(t) - W_{EW}(t)) dt - C_{EW}(t_0) \dots \dots (1)$$

- Decision is to migrate if present value [VE W (t)] of emigration is positive; based on expected income levels, wages (W) in originating and destination countries, pecuniary (CEW) & non pecuniary (psychic) costs, a subjective discount rate(ρ), running from time to to T when retired/leaves .

2. Inclusion of search costs; Herzog and Schlottman (1983)

$$V_{EW}(t) = \int_{t_0}^T e^{-\rho t} (W_W(t) - W_{EW}(t)) dt - C_{EW}(t_0) - S_W(t_0) \dots (2)$$

Costs (S_w) are associated with finding job match in the host country

S_w is assumed to be incurred only at t_0

S_w can be zero for nurses as majority are recruited from Ghana by UK agencies

- empirical model to be estimated for costs and *benefits* of migrating



Data

- Micro data obtained from questionnaire administered 118 and 100 nurses in Ghana and in the UK respectively between February 2005 and February 2006
- Local survey in Ghana: Kumasi, Tamale and Accra to allow for regional, rural and urban comparisons (DRC)



4. Findings

- **Ghanaian Nurses in the UK:**
Majority aged between 30-45 years (73.7%). Also, 48% graduated from institutions in Ghana between 1990-1999 while 39.3% graduated 2000-2005



4. Findings

- **Ghanaian Nurses in the UK:** A related issue is that 24% migrated 1984-1999 and the majority (69%) migrated between 2000-2005. Mainly to enjoy better conditions of service (89%)
- 91.2% indicated they are satisfied with their current job

4. Findings

No.	Characteristic	Variable	Percentage (UK Survey)	Percentage (Ghana)
1.	Sex	Male	11.0	16.1
		Female	89.0	83.9
		Total	100	100
2.	Age Group	<30	12.0	19.5
		30-59	79.0	72.0
		60+	9.0	8.5
		Total	100	100.0
3.	Marital Status	Married	71.7	70.3
		Single	18.2	20.3
		Separated	6.1	2.5
		Widowed/Divorced	4.0	6.8
		Total	100	100.0
4.	Number of children	<3	27.5	69.3
		3-5	72.5	7.9
		Not stated	-	22.8
		Total	100	100

4. Findings

No.	Characteristic	Variable	Nurses in Ghana	Nurses in UK
1.	Job Satisfaction	Not Satisfied	33.0	5.1
		Satisfied	53.6	41.9
		Very Satisfied	13.4	53.0
		Total	100.0	100.0
2.	Opportunity to acquire skills?	Yes	87.5	95.0
		No	12.5	15.0
		Total	100.0	100.0
3.	Opportunity for promotion?	Yes	91.7	93.9
		No	8.3	6.1
		Total	100.0	100.0
4.	Staff Morale	Low	18.6	1.0
		Medium	53.1	34.0
		High	26.5	65.0
		Unsure	1.8	-
		Total	100.0	100.0

4. Findings

No.	Characteristic	Variable	Respondents	Percentage
1.	Ever migrated?	Yes	15	13.3
		No	98	86.7
		Total	113	100.0
2.	Ever considered migrating?	Yes	68	62.4
		No	41	37.6
		Total	109	100.0
3.	Still interested in emigrating?	Yes	63	61.2
		No	40	38.8
		Total	103	100.0
4.	Preferred destination of emigration.	USA	26	38.2
		UK	29	42.6
		Canada	3	4.4
		Other European countries	3	4.4
		Other African Countries	1	1.5
		Any other country	6	8.8
		Total	68	100.0



4. Findings

- **Nurses working in Ghana:** 118 respondents from Accra, Ashanti, and Northern Region of Ghana. Private institutions (14.4%), Public institutions (85.4%)
- Large proportion of respondents are females aged 30-59 years and married with less than 3 children. 67% seem to have job satisfaction but staff morale is average



4. Findings

- **Nurses working in Ghana:**
Nurses work for longer hours; the 48.5% work between 20-48 hours a week while 45.6% work between 49-96 hours a week. Nurses earn on average 80 pounds a month and an equal amount from over-time duties.
- Only 26.4% could save part of their income



4. Findings

- **Nurses working in Ghana:** The intention to migrate is high (61.2%). The preferred destination is the UK (42.6%) and USA (38.2%)
- The choice of the preferred destination depends on factors such as higher wages, better health system, ability to acquire skills, family ties etc



4. Findings

- **Costs and Benefits from Migrating:** Average monthly salary of £1590, plus earn £ 300-600 from overtime
- **Cost (economic):** Air ticket £463, documentation (£292), luggage and internal transport (£261), plus others (job search cost, living expenses prior to earning income, etc)



4. Findings

- **Net Private Benefit:** Average monthly remittances for education (£ 140.9), health and related expenses (£87.0), living expenses (£121), others (£203)
- The total net benefit for 76 out of the 100 sampled nurses who have migrated to the UK is £33.3 million.



4. Findings

Net Private Benefit

- This implies that from the date of the interview to the time the migrant retires (assuming migrant works in the UK till retiring age), migration brings a private net benefit of £33.3 million to the migrants



5. Conclusion

- Rich countries' policies influence migration of health workers from Ghana
- Not yet any rigorous study to capture the net effect of health worker migration
- This study had identified costs, benefits and net impact on the economy. It finds a positive net private benefit
- Paper went further to discuss the impact of nurse migration on health outcomes (not presented here)



5. Conclusion

- The paper suggests more nurses should be trained but apply the 'pay as you go system'
- Beneficiary countries should also as part of their moral responsibility contribute towards the training of these health professionals
- A major limitation the study is that it could not capture all the costs and benefits of migrations and this will be the focus of future research



THANK YOU