

Temporary worker system

This is an intervention summary from the MSD for employment (MSD4E) landscape assessment.

TMS helped strengthen the labour intermediation system, linking Honduran workers with overseas employers for temporary employment. TMS is also working with the government of Honduras to provide permits and oversee the engagement of private labour intermediaries in this capacity, while simplifying the visa process with support from USAID. As a result, temporary foreign workers have greater access to higher-paying jobs and typically reinvest approximately half of their earnings into Honduras.

Background information

Project	Honduras Transforming Market Systems (TMS)
Funder	USAID
Implementer	ACDI/VOCA
Contact	Dun Grover (DGrover@acdivoca.org) and Sue Chávez (chavez@acdivoca-hn.org)
Rural or urban?	Urban and rural
Sectors	Agriculture, hospitality, cruise ships/marine vessels
Intended employment outcomes	Access to jobs
Target group (end beneficiaries)	Youth (18-29) and women
Cross-cutting priorities	Positive Youth Development
Years of operation	2019-2025

What constraints did the intervention aim to address?

71% of Hondurans in the active workforce are underemployed and earning less than minimum wage. At the same time, jobs available to Hondurans abroad can pay five times the Honduran minimum wage. The development of regular, legal, and temporary channels for employment is an obvious (and proven) solution to reduce irregular migration while meeting the urgent need for job opportunities for underemployed workers in Honduras today.

To improve access to temporary work abroad, addressing the deficiency in labour market intermediation is crucial. The primary issue lies in the government's reluctance to either invest in labour intermediation directly or engage private sector intermediaries in this capacity. A shift towards a more sustainable and scalable market-driven system is essential to provide quality job opportunities for Hondurans who may otherwise consider migration.

Which market actor partners did the intervention work with?

1. Secretary of Labor Temporary Work Abroad Program (PTTE)

2. Merchant Marine of Honduras (DGMM)
3. Honduran Minister of Foreign Affairs (MFA)
4. USAID and U.S. Consular's Office
5. Private labour intermediaries, like Practical Employment Solutions (PES), MásLabor, etc.
6. Department of Regulation of Private Employment Agencies (DRAEP)
7. US-based employers and associations (e.g. Washington Farm Labor Association (WAFLA), Georgia Agricultural Labor Relations Forum, Carnival Cruises, etc.)
8. National Autonomous University (UNAH)

What were the intended behaviour changes for these partners?

1. **The Government of Honduras (GOH)** conducts annual audits and certifies seafarer unions to operate as certified recruitment agencies to recruit and place Honduran seafarers in maritime jobs in compliance with the Maritime Labor Convention (MLC).
2. **GOH** resources the PTTE system and implements reforms that effectively regulate and allow for private labour intermediation processes in Honduras.
3. **Foreign employers** recruit Honduran workers for temporary jobs abroad through the PTTE or a private staffing company, re-hiring and providing extensions for workers in subsequent seasons (including markets beyond the U.S., such as Spain and Canada).
4. **The Secretary of Labor and Ministry of Foreign Affairs (MFA)** engage with U.S. employers and support Hondurans working abroad, providing assistance and resolving disputes.
5. **The Honduras and the U.S. State Department's Consular Offices** prioritise the processing of H-2 visa applications for Honduran workers to meet employer deadlines.
6. **Honduran workers** fulfil temporary work contracts, return home, and spend earnings in the Honduran economy, creating a multiplier effect on jobs and income at home.
7. **Honduran universities and vocational institutions** develop specialised skills programs in maritime safety, HACCP, and other industry-relevant skills for temporary work abroad.

How sustainable are these behaviour changes?

1. **Employee retention:** Foreign employers are continuing to hire workers for repeat placements in subsequent seasons.
2. **Satisfaction:** There are reported high levels of employer and worker satisfaction with job quality and compensation.
3. **Supply and demand:** The system is not yet able to meet the demand of employers; Honduran workers are a small proportion of foreign workers in similar positions, partially due to workforce constraints (e.g., English proficiency).
4. **Political risk:** Government decisions on certifying specific intermediaries or associations are impacting the system.
5. **Institutional buy-in:** It has proven difficult to gain broader institutional support, embed the system, and make it resilient to external shocks, such as changes in government leadership, which threatens sustainability.

What were the intervention's key results?

- In the 2023 season, 13,822 H2 workers received an average wage of \$15,645 for 6 months of work.

- 1,871 mariners on cruise ships or boats abroad earned an average of \$12,162 for 8.7 months of work overseas.
- There is a multiplier effect of generating 1 FTE job in Honduras for every 4 H2 visa workers.

<i>Has a third party been involved in measuring these results?</i>	No
<i>Is the partner behaviour change the sole/major/minor contributing factor towards the employment-related outcome you've reported? (i.e. are there other contributing factors?)</i>	Major
<i>Results chain available?</i>	No

Relevant project documents

- Achieving Dreams Abroad: A tool for young Hondurans' economic empowerment (source: <https://medium.com/usaaid-2030/achieving-dreams-abroad-633788df928a>)

The MSD4E Intervention Library was compiled by the MSD4E Community of Practice and funded by the ILO, Mercy Corps and Swisscontact.
The [library is hosted by the BEAM Exchange](#)