Empowering Female Migrant Workers to Access Quality Overseas Placement Services in Indonesia

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Sector(s): Gender, Labor Markets

Location: East, Central, and West Java, Indonesia

Sample: 400 villages

Target group: Job seekers Women and girls

Outcome of interest: Empowerment Women's/girls' decision-making Aspirations

Intervention type: Information

AEA RCT registration number: AEARCTR-0000630

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Partner organization(s): Migrant Care, SurveyMETER, National Agency for the Protection and Placement of International Migrant Workers (BNP2TKI), Australian Department of Foreign Affairs and Trade (DFAT)

Many migrant workers in Asia and the Middle East rely on placement agencies to facilitate temporary employment abroad, yet migrants are often unaware of job and agency quality, and agencies can engage in exploitative practices. Researchers conducted a randomized evaluation to test the impact of providing information about the quality of migration agencies to potential migrants on migration choices and welfare. Information reduced the rate of migration in the short term, which lowered workers' use of low-quality agencies, but did not change their intentions to migrate in the future or beliefs about the returns to migration. Those who did migrate received better pre-departure training and reported higher-quality job experiences abroad.

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Around the world, migrant workers play an important role in reducing poverty, as incomes abroad can often far exceed those in their home labor market. In 2015, remittances to low- and middle-income countries were over US$430 billion. Many potential migrant workers in Asia rely on recruiters and placement agencies to facilitate temporary employment abroad. These agencies are a crucial determinant of a worker's migration experience, supporting them with tasks such as pre-departure paperwork, job training, and even repatriation. In theory, potential migrants should have a great deal of choice between agencies, as there are typically many registered firms and competition should drive out poorly performing agencies. Yet agency quality is often highly variable, and some may engage in exploitative practices, ranging from improper documentation and contracts, to underproviding pre-departure training, to failing to support migrants while abroad. Consequently, these migrants are vulnerable to abuse and exploitation from their employers while working abroad, especially women.

Ensuring the safety of these workers, while preserving their access to economically attractive work opportunities, is therefore an important policy objective. One reason exploitative agencies may manage to stay in business is that potential migrants have little information about the quality of local placement agencies.

Can providing information to potential female migrants about the quality of placement agencies improve migrant choices and welfare?

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Roughly 9 million Indonesians worked abroad in 2016. These migrant workers remitted nearly US $11.2 billion in 2018 and have played an important role in reducing poverty in the country. Those who migrate legally from Indonesia are typically female, with low levels of education, and often work as domestic help in the Middle East and East Asia. These migrants are often subject to abuse and exploitation, which has led the Government of Indonesia to prioritize the safety of these workers through new regulations. The government also placed a ban on sending female migrant workers to 21 countries in the Middle East and North Africa (MENA) in 2015, which was still in effect at the time of the intervention.

As a result of new regulations and the ban on migration to MENA, the number of those migrating through government sanctioned, official intermediary agencies has declined. This may have also increased the rate of risky migration without proper documentation, approvals, or contracts, which can contribute to negative experiences while abroad.

Study participants included prospective female migrants from 400 high-migration villages throughout Indonesia. The average migrant in the sample was 32 years old, over three quarters were married, and over half reported primary education or less. At the beginning of the study, only 29 percent of women interviewed believed there was a relationship between agency and employer quality, suggesting limited information about the role agencies can play in shaping migration outcomes. However, some previous migrants reported facing challenging working conditions while abroad, such as no routinely scheduled days off per week, twelve or more hour work days, restricted movement, or verbal or physical abuse. Most women were paid the amount reported in their contracts, though often late.



Women attend information session in Indonesia.

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Researchers conducted a randomized evaluation to study the impact of providing information about the quality of migration placement agencies to potential migrants. Researchers randomly assigned 400 villages to one of the following groups:

- *Report Cards* + *Infographic* (101 villages): Potential migrants in these villages received agency "report cards," which ranked local agencies on indicators like the quality of their pre-departure training and matched jobs using smiley face graphics. These ratings came from surveys of recently returned migrants in each study village. Participants also received a separate infographic illustrating the potential returns to migration across low- and high-quality placement agencies. The report cards and infographics were distributed at village-level meetings, led by trained facilitators.
- *Comic Books* + *Infographic* (98 villages): Potential migrants in these villages were invited to information sessions where trained facilitators discussed the importance of choosing a good placement agency. Participants received a comic book illustrating a woman deciding to migrate and how to find a high-quality agency.
- *Report Cards* + *Comic Book* + *Infographic* (101 villages): Villages in these treatment groups participated in information sessions that included both report cards and the comic book. The comic book in these villages was modified to show the main character using a report card to inform her migration decisions.
- *Comparison Group* (100 villages): Potential migrants did not receive any information-sharing services.

Researchers distributed these materials to participants through interactive community meetings, which were led by professional facilitators and targeted former migrant workers as well as women aged 18 to 40 interested in future migration. These community meetings reached 28,170 women across the 300 villages in the three intervention groups. To measure the impact of

the intervention, researchers conducted four rounds of surveys in each village with a sample of women who expressed interest in migrating in the future. The researchers also interviewed a separate sample of recently-returned migrants during the final survey round.

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Conditional on access to the comic book and infographic, providing migrants information on the quality of placement agencies reduced migration rates in the short term and lowered the use of low-quality agencies, but did not change participants' intentions to migrate in the future or beliefs about the returns to migration. Those who did migrate received better pre-departure training and had better job experiences abroad.

Migration rates: Relative to the comparison group, none of the intervention packages significantly changed the migration rate. However, conditional on access to the comic book and infographic, agency report cards reduced the rate of migration by 4.8 percentage points four years after the intervention, a 13 percent decrease in the likelihood in migration relative to the rate in comparison villages. This reduction is almost entirely driven by reduced use of agencies that were not listed on the report card.

Intentions to migrate: None of the interventions changed participants' intentions to migrate or beliefs about the returns to migration. Researchers suggest that women may have instead chosen to delay migration to wait for a higher-quality agency and job match.

Migration experience: Relative to the comparison group, women who received the report card, comic book, and infographic had better overall migration experiences. When comparing women who only received the report card to those who received the infographic and comic book only highlights improvements in both pre-departure preparation and job quality despite no change in pay. Conditional on migrants having access to the comic, the report card increased the time spent on pre-departure training by two weeks and increased the likelihood of signing a contract by 10 percentage points. The comic book also improved the pre-departure index by 0.10 standard deviations. While abroad, migrants who had been exposed to the report card saw an 8 percentage point increase in the likelihood of getting a day off. Using a job quality index capturing several metrics such as retention of identity documents, those who were exposed to the comic book saw improvements in their job quality by 0.11 standard deviations while abroad.

Researchers argue that these changes are unlikely to be driven by migrant selection but instead by prompting women not to choose low quality agencies. Researchers suggest that policies should aim to increase information for prospective female migrants, which can facilitate a more deliberative search process, offers from higher quality agencies, and safer migration.

Use of Results:

The evaluation informed both past and ongoing efforts at BNP2TKI/BP2MI to measure and track agency quality to help improve monitoring of migrant safety and well-being. These efforts by the researchers also led to improvements in the use and visualization of administrative data on international labor migrant flows at this institution.