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

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Sector(s): Labor Markets, Gender
J-PAL office: J-PAL Southeast Asia
Location: East, Central, and West Java
Sample: 400 villages
Target group: Job seekers Women and girls
Outcome of interest: Empowerment Women's/girls' decision-making Aspirations
Intervention type: Information
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Partner organization(s): Australian Government, SurveyMETER, Migrant Care, National Agency for the Protection and Placement of International Migrant Workers (BNP2TKI)

Many migrant workers in Asia and the Middle East rely on placement agencies to facilitate temporary employment abroad, yet such agencies often vary in quality and can engage in exploitative practices. Researchers are conducting a randomized evaluation of the impact of providing information about the quality of migration agencies to potential migrants on migrant welfare and the migration market more broadly.

Policy issue

Many migrant workers in Asia and the Middle East 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 such tasks 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 many engage in exploitative practices ranging from falsifying documentation, to underproviding legally mandated pre-departure training, to failing to support migrants while abroad and upon return. Consequently, these migrants are vulnerable to abuse and exploitation from their employers while working abroad. 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 migrants about the quality of placement agencies
improve migrant welfare and the quality of such agencies?

**Context of the evaluation**

Around the world, migrant workers play an important role in reducing poverty. In 2015, remittances to developing countries amounted to over US$430 billion. In Indonesia, nearly 500,000 citizens migrate abroad for work each year. Indonesia’s legal international migrants are typically female, with low levels of education, and often work as domestic help in the Middle East. Incidences of abuse and exploitation of migrants are documented frequently in the Indonesian press. Between 2011 and 2013, nearly 15 percent of the migrants returning through Soekarno-Hatta airport reported experiencing problems while working abroad. Surveys from 2013 and 2014 suggest there is a strong correlation between a migrant’s experience abroad and the quality of that migrant’s placement agency. However, nearly three-quarters of surveyed migrants believed there to be no relationship between the agency quality and the experience with the employer.

**Details of the intervention**

Researchers are conducting a randomized evaluation to study the impact of providing information about the quality of migration agencies to potential migrants. Researchers are randomly assigning 400 villages to either a treatment group or a comparison group:

- *Report Cards:* Potential migrants in these villages receive agency “report cards,” which rank local agencies using smiley face graphics. These ratings come from surveys of recently returned migrants in each study village. The report cards are
distributed at village-level meetings, led by trained facilitators.

- **Theory of Change Education**: Potential migrants in these villages will be invited to information sessions where trained facilitators will discuss the importance of choosing a good placement agency.
- **Report Cards and Theory of Change Education**: Villages in these treatment groups will receive information sessions that include both report cards and the theory of change discussion.
- **Comparison Group**: Potential migrants do not receive any information-sharing services.

To measure the impact of the intervention, researchers are conducting three rounds of surveys (one prior to and two after implementation) in all group villages of migrant workers, non-migrants, and local sponsors who connect migrants to agencies.

**Results and policy lessons**

Project ongoing; results forthcoming.