



Talent Abroad

A Review of Indonesian Emigrants



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Foreword

Emigrants are often considered a loss for their country of origin but they can also play an important role in fostering trade and economic development, notably through the skills and contacts they have acquired abroad. If they choose to return, their re-integration into the labour market and society will be facilitated by the fact that they speak the local language, have specific social capital and possess local qualifications that are readily recognised by employers.

Drawing on the human resources of emigrants, however, necessitates maintaining links with them and pursuing policies adapted to the specific needs of each expatriate community. This entails, as a prerequisite, being able to identify precisely where, when and why people have left and what their socio-demographic characteristics and skills are, as well as gaining a proper understanding of the dynamics of the phenomenon and the aspirations of emigrants.

Statistical systems in countries of origin are generally poorly equipped to undertake this monitoring exercise. It is therefore helpful, if not essential, to compile information directly from destination country data sources. This is particularly challenging because it requires collecting data, based on comparable definitions and concepts, from a large number of countries across which emigrants are scattered. The OECD Database on Immigrants in OECD Countries (DIOC), which pools census and survey data, makes it possible to identify individuals over time by place of birth as well as by education and labour market status. It is a powerful tool for use in undertaking this mapping exercise, especially when complemented by available national sources (e.g. consular data, specific surveys, analyses of social networks) and many other international data sources.

This series of country reviews entitled “Talent abroad” aims to provide an accurate, updated and dynamic picture of diasporas by individual countries of origin. On this basis, and by building on cumulated experiences regarding the movements of diasporas, it is possible to formulate public policy recommendations on how best to engage with emigrants and mobilise their skills to support economic development in their country of origin.

This volume focuses on Indonesia, which, in recent years, has experienced significant economic, social and political changes. In view of the scale of emigration by the Indonesian population in the 21st century, the Indonesian authorities are seeking to gain a better understanding of this pool of talent based abroad. To that end, this review was commissioned by the German Co-operation Agency (*Deutsche Gesellschaft für Internationale Zusammenarbeit*, GIZ). The GIZ’s Programme Migration & Diaspora (PMD) supports partner countries in leveraging the positive effects of regular migration and diaspora engagement for their sustainable development. The PMD is implemented by the GIZ on behalf of the German Federal Ministry for Economic Co-operation and Development (BMZ). It is active in 23 partner countries around the world. The PMD supports partner countries in shaping development-oriented and socially responsible labour migration. It advises partner governments on migration policies and on promoting diaspora engagement for sustainable development.

The in-depth analysis of the Indonesian diaspora presented in this OECD publication helps determine the economic potential of emigrants. How many emigrants are there, and where are they based? Are they of working age, and what is their level of education? What are the recent trends in terms of their number and socio-economic profile? What is their labour market presence in the host country and which occupations do they hold?

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Executive summary

Temporary labour migration flows from Indonesia to non-OECD countries have declined in recent years

International emigration patterns from Indonesia first consist of low-skilled temporary labour migration flows to non-OECD countries. The annual number of Indonesian temporary migrant workers deployed overseas has significantly declined over the past decade, from 645 000 in 2008 to 276 500 in 2019. This decline results from the successive bans imposed by the Indonesian government in the early 2010s on sending migrant workers to Middle Eastern countries, following the increasing number of complaints of abuse and exploitation of Indonesian migrant women.

Malaysia has remained the main destination country for Indonesian temporary migrant workers

Malaysia is the main destination for temporary Indonesian migrant workers, followed by Chinese Taipei, Singapore, Hong Kong (China) and Saudi Arabia. Women and low-skilled migrants are overrepresented in temporary labour migration flows to non-OECD economies. The majority of Indonesian overseas migrants work as domestic workers or caregivers in their destination country.

Japan and Korea attract the largest flows of Indonesian nationals in the OECD area

Indonesia is the fourth ASEAN country with the largest legal migration flows to OECD countries, with more than 53 000 Indonesian nationals migrating to OECD countries in 2019. Among OECD countries, Japan and Korea attract the largest inflows of Indonesian nationals, with close to 29 000 and 10 000 Indonesian nationals migrating to Japan and to Korea respectively in 2019. Other significant destination countries in the OECD area include the United Kingdom and Germany, Turkey, the United States and the Netherlands.

Migration flows from Indonesia to OECD countries are mainly driven by work and educational reasons

A significant share of migration flows from Indonesia to Asian OECD countries are temporary labour migration flows that take place through the Technical Intern Training Programme in Japan and the Employment Permit System in Korea. However, Japan also grants Indonesian nationals a significant number of temporary student permits, as well as permanent residence permits to high-skilled individuals. The majority of residence permits issued by European countries and Australia to Indonesian nationals are issued for educational reasons.

Only 2% of Indonesians express the intention to emigrate

Only 2% of adults living in Indonesia express the intention to emigrate permanently, the lowest share of all ASEAN countries (11% on average). Young and highly educated Indonesians express higher emigration intentions (5% and 6% respectively).

About 377 000 Indonesian emigrants lived in OECD countries in 2015

While 377 000 Indonesian emigrants lived in OECD countries in 2015, 90% of the Indonesian migrant population resides outside the OECD area. Most of them live in the Middle East and neighbouring Asian countries and economies such as Malaysia, Hong Kong (China), Chinese Taipei and Singapore. The Netherlands, the United States, Australia, Japan and Korea are the main OECD destination countries for Indonesian emigrants. Indonesian emigrants in OECD countries can be mostly characterised as labour migrants (Japan and Korea) and international student migration (the United States and Australia).

Indonesian emigrants are feminised and a high share among them is of working age

In 2015, the share of women among Indonesian emigrants in OECD countries was 56% but varied across destination countries. While the share of women was relatively high in the Netherlands (56%), the United States (58%), and Australia (57%), there were more male migrants in Korea (91%) and in Japan (65%). However, in other destinations such as Hong Kong (China), Singapore and Chinese Taipei, most Indonesian emigrants are women. Two out of three Indonesian emigrants in OECD countries are aged between 15 and 65. The share of working-age population among Indonesian emigrants is exceptionally high in Germany (87%), Japan (92%) and Korea (98%). A similar phenomena can be observed in Hong Kong (China) and Chinese Taipei.

Positive selection in terms of educational attainment among Indonesian emigrants

Indonesian emigrants aged 15 years old and over in OECD countries are much more educated than the Indonesian native population living in Indonesia, suggesting a positive selection for emigration to OECD countries. Indonesian emigrants living in OECD area have a high overall level of education with almost 50% of them being highly educated. Especially, the level of education of Indonesian emigrants in the United States and Australia, two main destination countries for Indonesian international students, is very high.

Indonesians' emigration rate is low and six out of ten Indonesian emigrants acquired the host country's nationality

In 2015, compared to other ASEAN countries, Indonesia had a very low emigration rate to the OECD area (0.2%). Among Indonesian emigrants living in OECD countries, 62% had acquired the citizenship of their host country.

Seventy percent of Indonesian migrants of working age in OECD countries are economically active

For approximately 250 000 Indonesian migrants aged between 15 and 64 in OECD countries, the labour participation rate is around 70% but varies greatly by destination country. While in Germany, less than half of Indonesian emigrants participate in the labour market, almost nine out of ten Indonesian emigrants are economically active in Korea.

The share of employed Indonesian emigrants aged between 15 and 64 in OECD countries is 65%

While the employment rate of Indonesian migrants in OECD countries, 65%, is more or less similar to that of the native-born population of OECD countries, it is still below that of the foreign-born population and ASEAN-born emigrants. However, in non-OECD economies such as Hong Kong (China) and Chinese Taipei, Indonesian emigrants are rarely unemployed.

Indonesian female emigrants face more disadvantages in OECD labour markets than Indonesian male emigrants do

The employment gender gap in the OECD area in 2015 was around 15 percentage points but varied across destinations. In Korea, 98% of Indonesian migrant men were employed in 2015/16, while only 48% of Indonesian migrant women were employed. Yet, in both Chinese Taipei and Hong Kong (China), Indonesian migrant women are more often employed than men.

Indonesian emigrants experienced an increasing return to education

While Indonesian emigrants' employment rates increase with educational level, the return to education is not as high as observed for ASEAN-born emigrants and foreign-born in OECD countries. However, Indonesian female emigrants are experiencing a mismatch between their skill level and the skill level required by their occupations.

The distribution of occupations of Indonesian emigrants varies significantly across destination countries

While Indonesian male emigrants in non-Asian OECD countries are more often employed in high-skilled occupations, Indonesian emigrants in Japan, Korea and Hong Kong (China) are highly concentrated in low and medium skill level occupations, reflecting the strong pull factor in these economies.

1 Recent trends in emigration from Indonesia

This chapter examines recent trends in emigration from Indonesia to the main OECD and non-OECD destination countries. In order to better understand the recent evolution in emigration flows, this chapter first traces the historical context of emigration from Indonesia, particularly since its independence from the Netherlands. Given the importance of temporary labour migration flows of Indonesian nationals to Asian and Middle Eastern countries, the chapter analyses the recent evolution and nature of these flows using available information on the placement of Indonesian migrant workers. The chapter further examines recent migration flows to the main OECD destination countries using data on residence permits issued to Indonesian nationals. Finally, the last section examines emigration intentions among the Indonesian population and the main determining factors of the desire to emigrate.

In Brief

Key findings

- International migration from Indonesia consists primarily of low-skilled temporary labour flows directed mainly towards non-OECD countries in the ASEAN area and the Middle East. Malaysia is the main destination for temporary Indonesian migrant workers, followed by Chinese Taipei, Singapore, Hong Kong (China) and Saudi Arabia.
- Temporary labour migration flows from Indonesia have significantly declined over the past decade: from 645 000 in 2008, the number of Indonesian nationals deployed abroad to work fell to 276 500 in 2019 (-57%).
- This decline mostly stems from the bans imposed by the Indonesian Government in the early and mid-2010s on sending migrant workers to the Middle East, following the large and increasing number of complaints of abuse and exploitation of Indonesian migrant women in those countries.
- Since 2011, the annual number of Indonesian migrant workers placed abroad decreased in all destination economies except for Hong Kong (China), where it increased from 35 000 in 2014 to over 53 000 in 2019, and Chinese Taipei, where flows remained high and steady.
- Close to 70% of Indonesian migrant workers placed overseas in 2019 came from the Java region, especially from East Java. Other key origin regions were West Nusa Tenggara, Lampung and North Sumatra.
- Women and individuals with low education levels are overrepresented in temporary labour migration flows from Indonesia. In 2019, women accounted for 70% of Indonesian migrant workers deployed abroad.
- This predominance of women is reflected in Indonesian migrant workers' occupations in destination countries: over 50% of them work as domestic workers or caregivers.
- Between 2000 and 2019, Indonesia was the fourth ASEAN country with the largest legal migration flows to OECD countries, with more than 53 000 Indonesian nationals migrating to OECD countries in 2019.
- Among OECD countries, Japan and Korea attract the largest inflows of Indonesian nationals, with close to 29 000 Indonesian nationals migrating to Japan in 2019 and 10 000 migrating to Korea that same year. Other significant OECD destination countries include the United Kingdom and Germany (about 3 000 persons respectively in 2019), Turkey (2 700), the United States and the Netherlands (1 800).
- Migration flows from Indonesia to OECD countries are mainly driven by work and educational reasons.
- Only 2% of adults living in Indonesia express the intention to emigrate permanently, the lowest share among all ASEAN countries (11% on average).

Historical context of emigration from Indonesia

With more than 273 million people, Indonesia is the fourth most populous country in the world. Its geographic location, at the heart of some of the most important trade routes, notably connecting East Asia to the Middle East, has favoured international trade and mobility from and to Indonesia long before the colonial era. Flows to Indonesia were therefore originally composed of merchants, spice traders, preachers or teachers, mostly from other Asian and Middle Eastern countries (Missbach and Palmer, 2018^[1]). From the early 19th century and during the colonisation by the Netherlands, migration from Indonesia was heavily controlled and limited by the colonial power. Hugo (2006^[2]) argues that the bulk of emigration flows during this period were forced and had to serve the interests of the colonial regime. The colonial administration therefore sent Indonesian labour migrants to Malaysia and Singapore, where they worked as smallholders, construction and plantation workers (Melchert, 2017^[3]). They were also sent to New Caledonia and Suriname, another Dutch colony, where they mainly worked in plantations (Sugiyanto, 2017^[4]).

After Indonesia gained its independence in 1949, and for the next ten years, thousands of Dutch were repatriated to the Netherlands, as well as many soldiers who had fought for the Dutch during the independence war. In addition to the exodus of Dutch citizens, many Chinese Indonesians also left the country during the late 1950s to settle in China (Missbach and Palmer, 2018^[1]). These emigration flows partly stemmed from discrimination practices in place in Indonesia.

During the New Order regime under the presidency of Suharto (1966-98), emigration was also motivated by political struggles: a large number of dissidents left the country to continue fighting against the regime from abroad. These individuals mostly came from the regions of Aceh, East Timor and West Papua and migrated to neighbouring countries – Malaysia, Australia and Papua New Guinea.

Furthermore, given the growth of the working-age population and the lack of employment opportunities in Indonesia, the country rapidly became a major emigration country in Southeast Asia. The oil boom of the 1980s pushed a large number of Indonesian to migrate to Saudi Arabia. These mostly unskilled migrants also increasingly went to Malaysia to work. The Suharto regime was the first to regulate migration and established the Centre for Overseas Employment (AKAN) in 1984 (Melchert, 2017^[3]). Temporary labour migration abroad became a strategy for the government to reduce labour surpluses and unemployment in the country. Given the high labour demand in the domestic and care sectors in destination countries such as Saudi Arabia, women quickly became overrepresented in outflows of Indonesian migrant workers. At the same time, Indonesian emigrants who migrated more permanently settled in other destination countries, mainly the Netherlands, the United States, Australia and Canada (Hugo, 2000^[5]).

The financial crisis faced by Asian countries in 1997 affected international migration movements in Indonesia. Among Asian countries, Indonesia was hit the hardest by the crisis and saw its population increasingly emigrating with the objective of finding better employment opportunities and living conditions abroad. After a decade of rapid and strong economic growth, the financial crisis resulted in the depreciation of the Indonesian rupiah and in growing levels of inflation, unemployment and poverty. More than 5 million Indonesians lost their jobs between 1997 and 1998 (Melchert, 2017^[3]). The number of deployed Indonesian migrant workers – still dominated by women – increased by 75% during the first year of the crisis (Hugo, 2000^[5]). Following this increase and as these Indonesian overseas workers were especially prone to exploitation and abuse, the government established in 2007 the National Body for Placement and Protection of Indonesian Labour (BNP2TKI¹) under the authority of the Ministry of Workforce and Transmigration (Ananta and Arifin, 2017^[6]). In addition to official labour migration, the flows of undocumented Indonesians were, not only much more substantial, but also grew faster, especially to Malaysia, Singapore, Hong Kong (China) or Chinese Taipei.

Created in 1967 by Indonesia, Thailand, Malaysia, Singapore and the Philippines, the Association of Southeast Asian Nations (ASEAN) aims at promoting political, economic and cultural integration in the region, through notably achieving free movement of goods, services, investment, skilled labour, and freer flow of

capital among member countries. The establishment in 2015 of the ASEAN Economic Community (AEC) was a step further in achieving these objectives. However, although about 85% of migrants in ASEAN are low-skilled, Mutual Recognition Agreements (MRAs), which allow workers with recognised skills and experience to work in another ASEAN country, only concern seven skilled occupations² (Adhisti, 2018^[7]). Furthermore, the number of low-skilled migrants from Indonesia is the highest among ASEAN countries.

Recent trends in temporary labour migration flows from Indonesia

The majority of migration flows from Indonesia are characterised by temporary low-skilled labour migration. Most of these outflows are not directed towards OECD countries, except for Japan and Korea, the only two Asian OECD countries. Rather, Indonesian workers have been migrating temporarily to Southeast Asian and Middle Eastern countries. The legal pathways for these temporary labour migration flows have been facilitated and enhanced by the National Agency for the Placement and Protection of Indonesian Migrant Workers (BNP2MI). Indonesian nationals can obtain fixed-term work contracts abroad, generally up to two or three years. Although temporary migrant workers cannot decide to stay permanently in their country of destination, the high recruitment fees can entice them to work longer than expected in the country (IOM, 2010^[8]).

Nonetheless, faced with the difficulty in accessing these legal migration channels – which notably induce high recruitment and migrations costs for migrants and substantial bureaucratic processes, a significant number of Indonesian nationals migrate irregularly, notably to other ASEAN countries and especially to Malaysia. These irregular migration flows are however very difficult to measure.

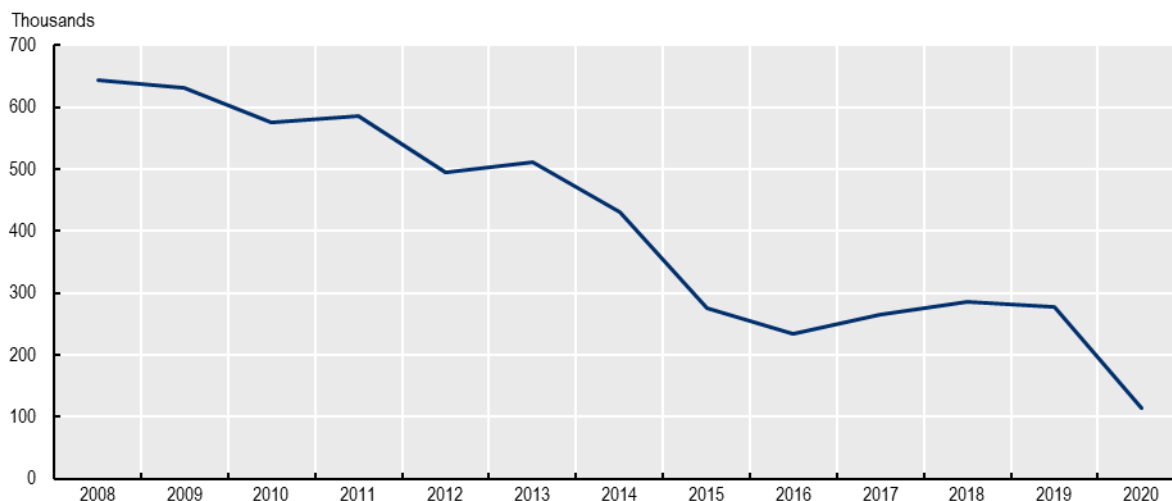
The increasing awareness of abuse in destination countries led to a recent decline in temporary labour migration flows from Indonesia

Temporary labour migration flows from Indonesia have significantly declined over the past decade. From about 645 000 in 2008, the number of Indonesian nationals deployed abroad to work fell to 276 500 in 2019 (- 57%) according to data published by the BNP2TMI (Figure 1.1). In 2020, in the context of the COVID-19 pandemic, the number of placements of Indonesian migrant workers further decreased to reach 113 000 (see Box 1.1).

The main factor explaining this decline in temporary migration flows is related to the exploitation and abuse experienced by Indonesian overseas workers in destination countries, especially in Middle Eastern countries and in Malaysia. Regarding Malaysia, Indonesian migrant workers were banned from migrating to the country from 2009 to 2011. Given the large and increasing number of complaints of abuse from Indonesian migrants – mostly women – in the Middle East, and the execution of an Indonesian domestic worker in Saudi Arabia, the Indonesian Government imposed a moratorium preventing Indonesian migrant workers from going to Saudi Arabia to work in the domestic sector in 2011. In 2015, the government implemented a ban on sending all Indonesian migrant workers to 21 countries in the Middle East after two additional migrant women were executed in Saudi Arabia. The increasing awareness of abuse and exploitation experienced by Indonesian migrant workers abroad might have disincentivised a share of Indonesian candidates for temporary migration.

Other factors can also explain this decline, among which the rising level of the minimum wage in Indonesia, making foreign wages less attractive, as well as the decrease in fertility rates over the past 20 years. This decline in fertility rates is especially true in the Java region where most domestic workers come from (Ananta and Arifin, 2017^[6]). Indeed, in 2019, close to 70% of Indonesian temporary migrant workers came from the Java region and especially from East Java while 46% of the Indonesian population lives in the three Java provinces. The rest of Indonesian migrant workers come from West Western Lesser Sunda Islands (11%), Lampung (8%) and North Sumatra (6%) (see Annex Figure 1.A.1).

Figure 1.1. Annual number of placements of Indonesian migrant workers abroad, 2008-20



Source: National Agency for Placement and Protection of Indonesian Workers (BNP2MI) (2021).

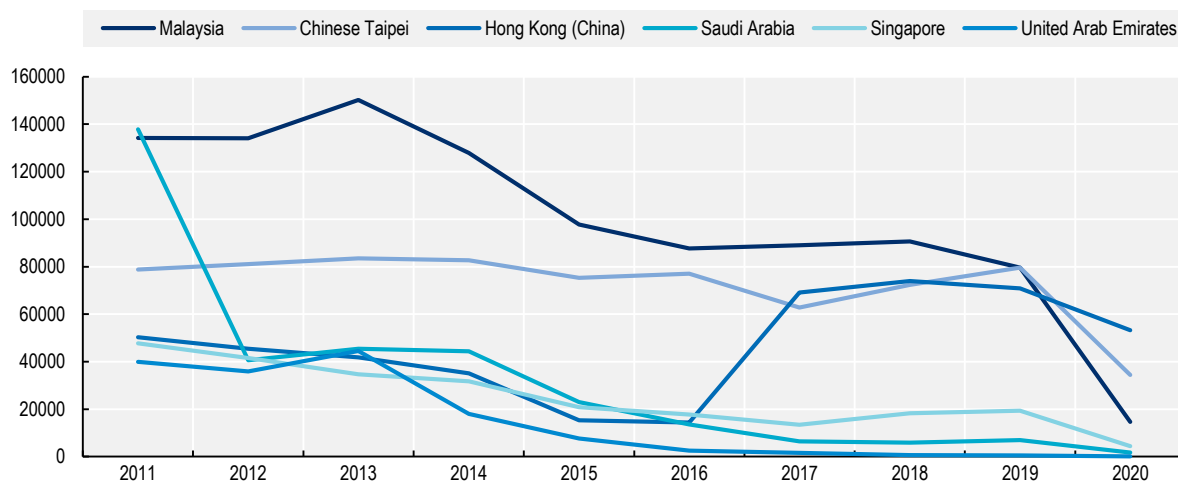
Malaysia has been the top destination country of Indonesian temporary migrant workers

Over the past decade, Malaysia has been the first destination for Indonesian temporary migrant workers, followed by Chinese Taipei, Singapore, Hong Kong (China) and Saudi Arabia (Figure 1.2). Although the number of Indonesian migrant workers deployed to Malaysia declined by 41%, from about 134 200 in 2011 to 79 600 in 2019, Malaysia still remained the first recipient of Indonesian migrant workers in 2019, tied with Chinese Taipei. Close to 60% of Indonesian migrant workers abroad went to Malaysia or Chinese Taipei that year. Malaysia has been a traditional destination country for Indonesian emigrants: within the ASEAN region, the second largest migration corridor is from Indonesia to Malaysia, the first one being from Myanmar to Thailand (Adhisti, 2018^[7]). The linguistic, cultural and historical ties between the two countries, the geographical proximity and the institutionalised network of worker placement agencies and sponsors in Malaysia, are some of the determining factors of labour migration from Indonesia to Malaysia (IOM, 2010^[8]).

Middle Eastern countries, and especially those from the Gulf region, have also been major recipients of Indonesian migrant workers. Out of the first ten destination countries for Indonesian workers placed abroad in 2019, five were located in the Gulf region. In the 2000s, Saudi Arabia, United Arab Emirates, Kuwait, Bahrein, Jordan and Qatar together attracted the largest flows of Indonesian migrant workers after Malaysia (IOM, 2010^[8]). Figure 1.2 shows that the flows of Indonesian temporary labour migrants to Saudi Arabia decreased by 95% between 2011 and 2019. In 2011, Saudi Arabia was the first destination country with close to 138 000 Indonesian migrant workers migrating to the country, while it was the case for only 7 000 migrant workers in 2019. Similarly, flows to the United Arab Emirates and Qatar decreased drastically over that same period. This decrease results from the ban imposed by the Indonesian Government on sending Indonesian temporary migrant workers to Saudi Arabia from 2011 and to 21 countries in the Middle East in 2015 and coincides therefore as well with a decrease in the number of complaints by Indonesian nationals in Saudi Arabia. However, in parallel to this decrease, the number of complaints from Indonesian migrant workers in Malaysia increased following the lift of the ban on temporary migration to Malaysia in 2011.

With the ban on labour migration to Middle Eastern countries, Indonesian nationals continued to migrate to Asian destinations, notably Chinese Taipei, Hong Kong (China) and Singapore. Over the last five years of this decade, flows of Indonesian migrant workers to Hong Kong (China) increased substantially: this number grew from 35 000 to 53 000 between 2014 and 2019 (Figure 1.2). Flows to Chinese Taipei have remained steady and at a relatively high level between 2011 and 2019. However, labour migration flows from Indonesia have declined in all the other destination countries.

Figure 1.2. Annual number of placements of Indonesian migrant workers in main destination economies, 2011-20



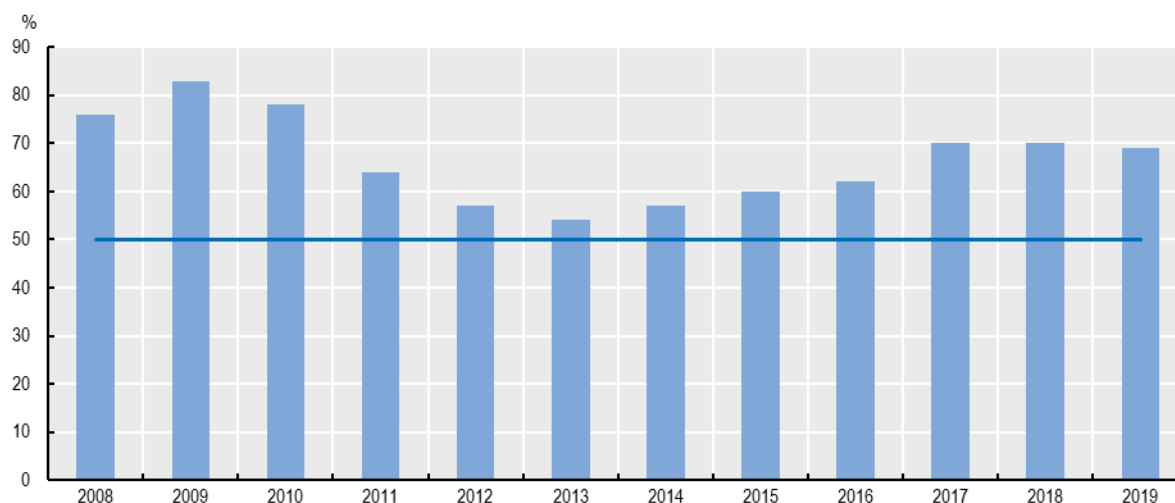
Source: National Agency for Placement and Protection of Indonesian Workers (BNP2MI) (2021).

Women and low-skilled migrants are overrepresented among recent Indonesian nationals deployed abroad

Women are overrepresented in the temporary labour migration flows of Indonesian nationals: in 2019, they accounted for 70% of Indonesian migrant workers deployed abroad (Annex Figure 1.A.1). This predominance of women in migration flows from Indonesia is reflected in the distribution of Indonesian migrants' occupations in destination countries. In 2019, 31% of them worked as domestic workers and 20% as caregivers. Because these occupations are considered “feminine”, the increasing demand for migrant labour in these sectors has led to the overrepresentation of women in low-skilled migration flows. In contrast, Indonesian migrant men tend to work in manufacturing or agriculture. In 2009, women accounted for over 80% of Indonesian migrant workers deployed abroad. Figure 1.3 shows that this share gradually decreased to reach just over 50% in 2013. This decrease can be explained by the ban imposed on Indonesian workers migrating to the Middle East in the early 2010s in the objective of reducing abuse and exploitation of these women. Yet, the share of women rose again and has been around 70% since 2017.

Indonesian migrant workers migrating to Asian and Middle Eastern countries have on average low education levels. In 2019, out of 276 500 Indonesian workers deployed abroad, only about 4 000 had graduated from high school or higher (i.e. 1.4% of the total). For 32% of them, elementary school was their highest education level and 37% attained junior high school.

Figure 1.3. Share of women in annual deployment of Indonesian migrant workers abroad, 2008-19



Source: National Agency for Placement and Protection of Indonesian Workers (BNP2MI) (2021).

Box 1.1. The impact of the COVID-19 pandemic on migration flows from Indonesia

The COVID-19 pandemic led to the implementation of strict restrictions – among which border closures – in Asian countries, which significantly affected migration flows in general, as well as the deployment of migrant workers in Asia. Some countries decided to stop the deployment to destination countries affected by the pandemic. In addition, business closure and economic slowdown induced by the pandemic sometimes led to a decline in labour demand in destination countries. Finally, the sharp reduction in commercial flights hampered international mobility (ADB/OECD/ILO, 2021^[9]).

The deployment of Indonesian migrant workers abroad especially declined in April 2020, as outflows were 90% lower than in April 2019. Outflows from Indonesia picked up again in October 2020. However, the number of Indonesian migrant workers deployed in 2020 (113 000) declined by 60% compared to 2019 (276 500) (see Figure 1.1).

Although the number of Indonesian migrant workers deployed abroad was already following a decreasing trend, the decline in outflows in 2020 compared to 2019 was much more significant than it was in 2019 compared to 2018. Malaysia – first destination country for Indonesian emigrants – considerably reduced the number of visa issuance for foreign workers in April and May 2020, but resumed issuance in June (ADB/OECD/ILO, 2021^[9]). During that period, the country stopped the admission of low-skilled temporary migrant workers and temporary labour migration flows from Indonesia to Malaysia decreased by 82% in 2020. Furthermore, the number of Indonesian migrant workers deployed decreased by around 75% in Saudi Arabia and in Singapore, and by 80 to 90% in Brunei Darussalam, the United Arab Emirates, Korea, Qatar and Oman. Flows to Hong Kong (China) declined by 25% and those to Chinese Taipei declined by 57%.

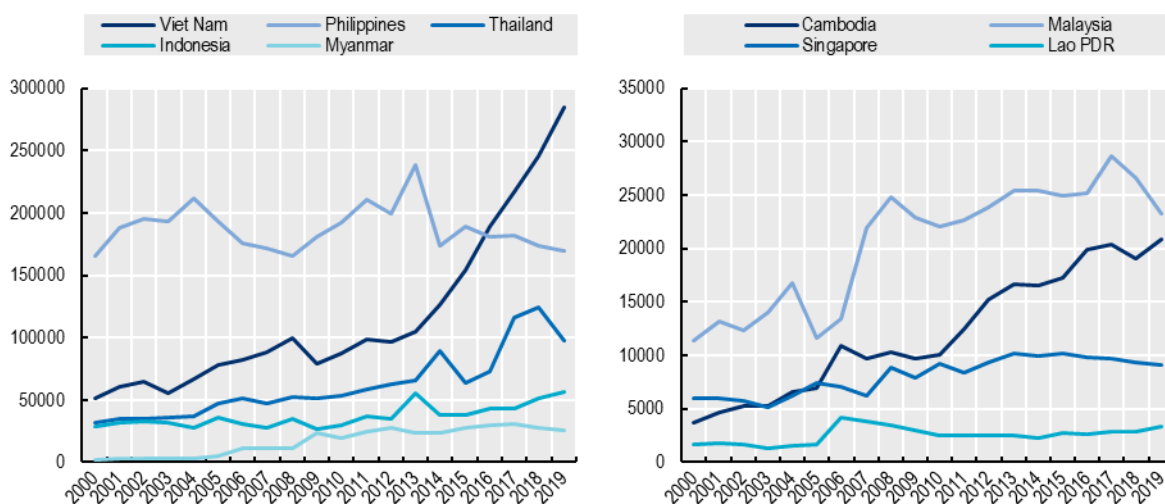
The COVID-19 pandemic also provoked the return of many Indonesian migrant workers to their hometowns. It is estimated that around 180 000 Indonesian migrant workers returned to Indonesian within the early stages of the pandemic.

Recent migration flows from Indonesia to OECD countries

Indonesia is the fourth ASEAN country with the largest emigration flows to OECD countries

According to the *OECD International Migration Database* (see Annex A), between 2000 and 2019, Indonesia was the fourth ASEAN country with the largest legal migration flows to OECD countries. In 2019, flows from Viet Nam, the Philippines and Thailand were higher than flows from Indonesia (Figure 1.4). If migration flows from the Philippines were distinctly higher than those from other ASEAN countries until 2016 (fluctuating between 165 000 and 230 000 persons per year), flows from Viet Nam grew considerably and exceeded the volume of flows from the Philippines in 2017. This increase in flows from Viet Nam is attributable to a substantial rise in migration to Japan since 2012 (+ 660% between 2012 and 2019), resulting from the expansion of the Technical Intern Training Programme. Therefore, in 2019, more than 284 000 Vietnamese nationals migrated to OECD countries against 170 000 and 97 000 persons from the Philippines and Thailand respectively. Flows from Indonesia to the OECD area were substantially lower, reaching about 57 000 persons in 2019.

Figure 1.4. Annual migration flows from ASEAN countries to OECD countries, 2000-19



Note: Data are obtained from the sum of standardised gross flows for countries where they are available. Flows from Brunei Darussalam are not included in the chart and flows from this country fluctuate between 100 and 1 400 persons per year.

Source: OECD International Migration Database (2021). Flows from the United Kingdom come from Eurostat (2021), "First permits by reason, length of validity and citizenship" (database).

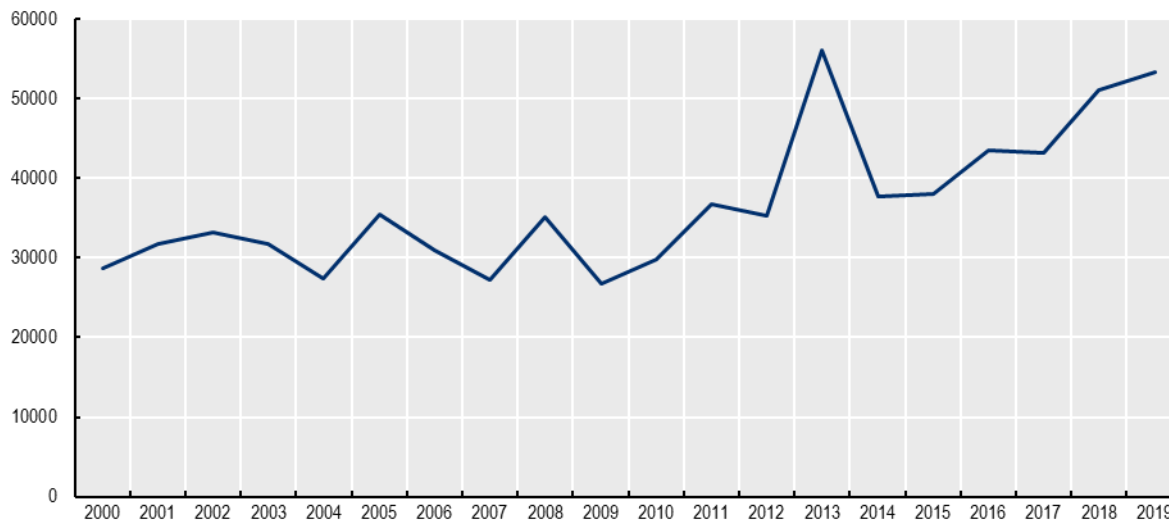
A slower growth in migration flows to the OECD area than most ASEAN countries over the past decade

Migration flows from Indonesia to OECD countries grew by 98% between 2000 and 2019. Overall, this growth has not been as strong as that of most other ASEAN countries. Flows from Malaysia and Thailand grew by 105% and 200% respectively, while the growth in flows from Cambodia and Viet Nam was around 450%. The strongest growth in emigration flows to the OECD was that of Myanmar (more than 900%). In contrast, flows from Singapore, the Philippines and Brunei Darussalam overall grew slower.

The relatively slower growth in flows from Indonesia to OECD countries over the past 20 years is only attributable to the stagnation in flows over the first decade. Between 2000 and 2010, migration flows from

Indonesia to OECD countries only grew by 4%. During this period, the annual number of entries fluctuated between about 27 000 and 35 500 (Figure 1.5). However, flows grew by 90% between 2010 and 2019, the third strongest growth rate among ASEAN countries after Viet Nam and Cambodia.

Figure 1.5. Migration flows of Indonesian nationals to OECD countries, 2000-19



Note: Data are obtained from the sum of standardised gross flows for countries where they are available.

Source: OECD International Migration Database (2021). Data on flows to the United Kingdom come from Eurostat (2021), "First permits by reason, length of validity and citizenship", (database).

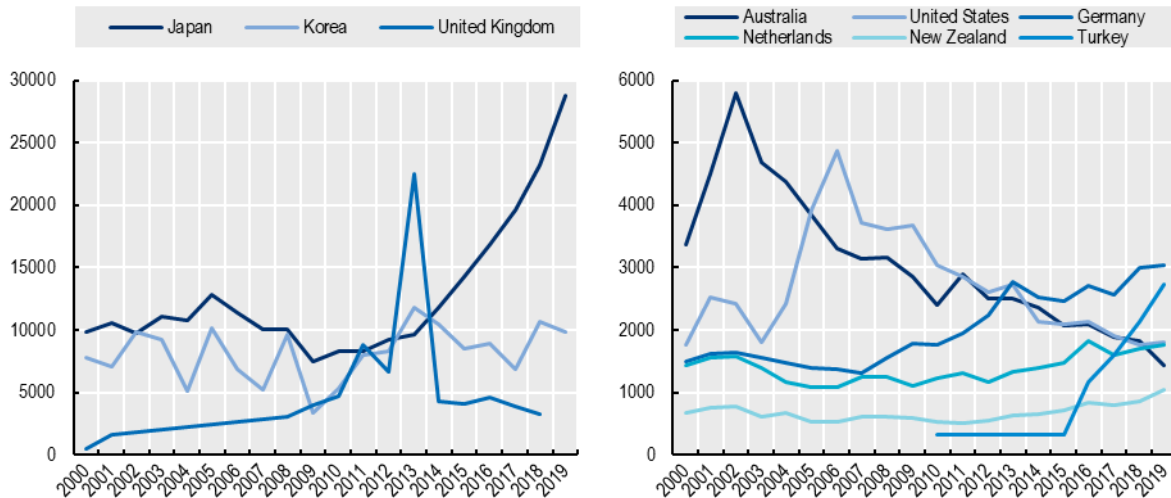
Among OECD countries, Japan and Korea receive the largest inflows of Indonesian nationals

Japan was by far the main recipient of Indonesian nationals of all OECD countries in 2019, with inflows reaching a peak of 28 800 persons that year (Figure 1.6). Korea is the second OECD destination country for Indonesian nationals, registering close to 10 000 entries in 2019. Beyond these two countries, in 2019, OECD destination countries for Indonesian emigrants include the United Kingdom and Germany (about 3 000 persons respectively), Turkey, (2 700), and finally the United States and the Netherlands (1 800).

Although Japan remained Indonesian nationals' first OECD destination country during the first decade, migration flows to the country first stagnated around 10 800 persons per year from 2000 to 2005 and slightly decreased until 2009 (Figure 1.6). However, the number of Indonesian nationals migrating to Japan has significantly increased since 2013. Indeed, flows grew by 200% between 2013 and 2019, gradually exceeding flows to other OECD countries. The stronger growth in migration flows from Indonesia to OECD countries observed since 2010 mostly results from the substantial increase in flows to Japan. In the recent years, Japan has seen a significant increase in migration inflows from other Asian countries, and especially from Viet Nam, a growth largely attributable to the expansion of Japans' Technical Internship Programme (ADB/OECD/ILO, 2021^[9]). In contrast, flows to Korea have fluctuated between about 3 400 and 11 800 between 2000 and 2019, overall increasing by 25% between 2000 and 2019 (Figure 1.6).

On average over the past decade, around 5 000 Indonesian nationals have migrated to the United Kingdom each year. Australia was an important OECD destination country in the early 2000s, especially in 2002 when close to 6 000 Indonesian nationals went to the country. This number gradually declined during the next years (- 75% between 2002 and 2019). Similarly, flows from Indonesia to the United States significantly increased between 2003 and 2006, peaking at 5 000 persons that year and substantially decreased until 2019. In contrast to these declining trends, migration flows from Indonesia increased to Germany in the 2010s and to Turkey from 2015 onwards (Figure 1.6).

Figure 1.6. Migration flows of Indonesian nationals to main OECD destination countries, 2000-19

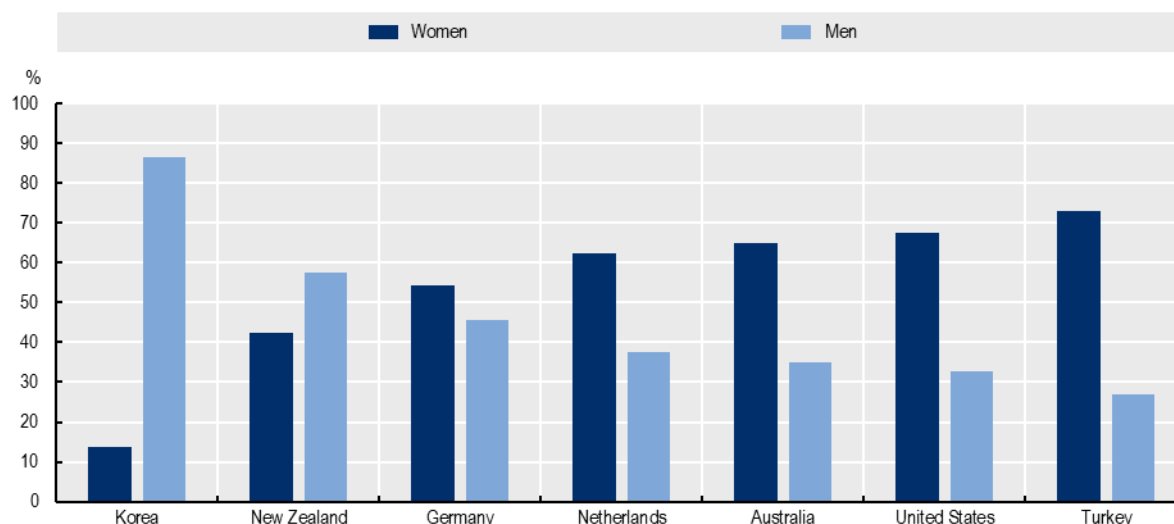


Note: Data on flows to the United Kingdom are not available from 2002 to 2007. Data on flows to Turkey are not available before 2010 and from 2011 to 2014.

Source: OECD International Migration Database (2021). Data on flows to the United Kingdom come from Eurostat (2021), "First permits by reason, length of validity and citizenship" (database).

Women are overrepresented in the recent migration flows from Indonesia to most of the main OECD destination countries, except Korea and New Zealand (Figure 1.7). Only 14% of Indonesian nationals migrating to Korea in 2019 were women. According to the data published by the Ministry of Justice of Korea on permits issued to Indonesian nationals, women are much more likely to migrate to Korea for education and family reasons, while men are mostly issued temporary low-skilled professional visas, where they mainly work in construction, manufacturing, agriculture or fishery. However, as detailed above, Indonesian migrant women strongly respond to the high demand for female migrant labour in domestic and care sectors in some Asian and Middle Eastern countries. In contrast, the share of women is especially high in flows to Turkey: in 2019, they accounted for 73% of Indonesian nationals migrating to Turkey. If this share is lower in Australia (67%), the United States (65%) and the Netherlands (62%), women are still substantially more numerous than their male counterparts among Indonesians migrating to these countries.

Figure 1.7. Distribution by sex of migration flows of Indonesian nationals to main destination OECD countries, 2019



Note: Data on flows to the United Kingdom and to Japan disaggregated by sex are not available.

Source: OECD International Migration Database (2021).

Migration flows from Indonesia to OECD countries are mainly driven by work and educational reasons

The bulk of migration flows from Indonesia to Asian OECD countries consists of temporary labour migration. In Japan, a significant share of these temporary labour migration flows occur in the context of the Japanese Technical Intern Training Programme (TITP). This temporary labour programme allows foreign migrant workers to work in small and medium-sized enterprises for a maximum duration of 5 years, during which they are supposed to acquire skills. The number of Indonesian nationals participating to the TITP increased fivefold from less than 4 000 in 2010 to more than 18 000 in 2019. In July of that year Japan signed a Memorandum of Co-operation with 14 countries including Indonesia in order to strengthen the TITP in the context of the creation of the Specified Skilled Worker Programme (OECD, 2020_[10]). This led to an intensification in the temporary migration flows from Indonesia to Japan in 2019.

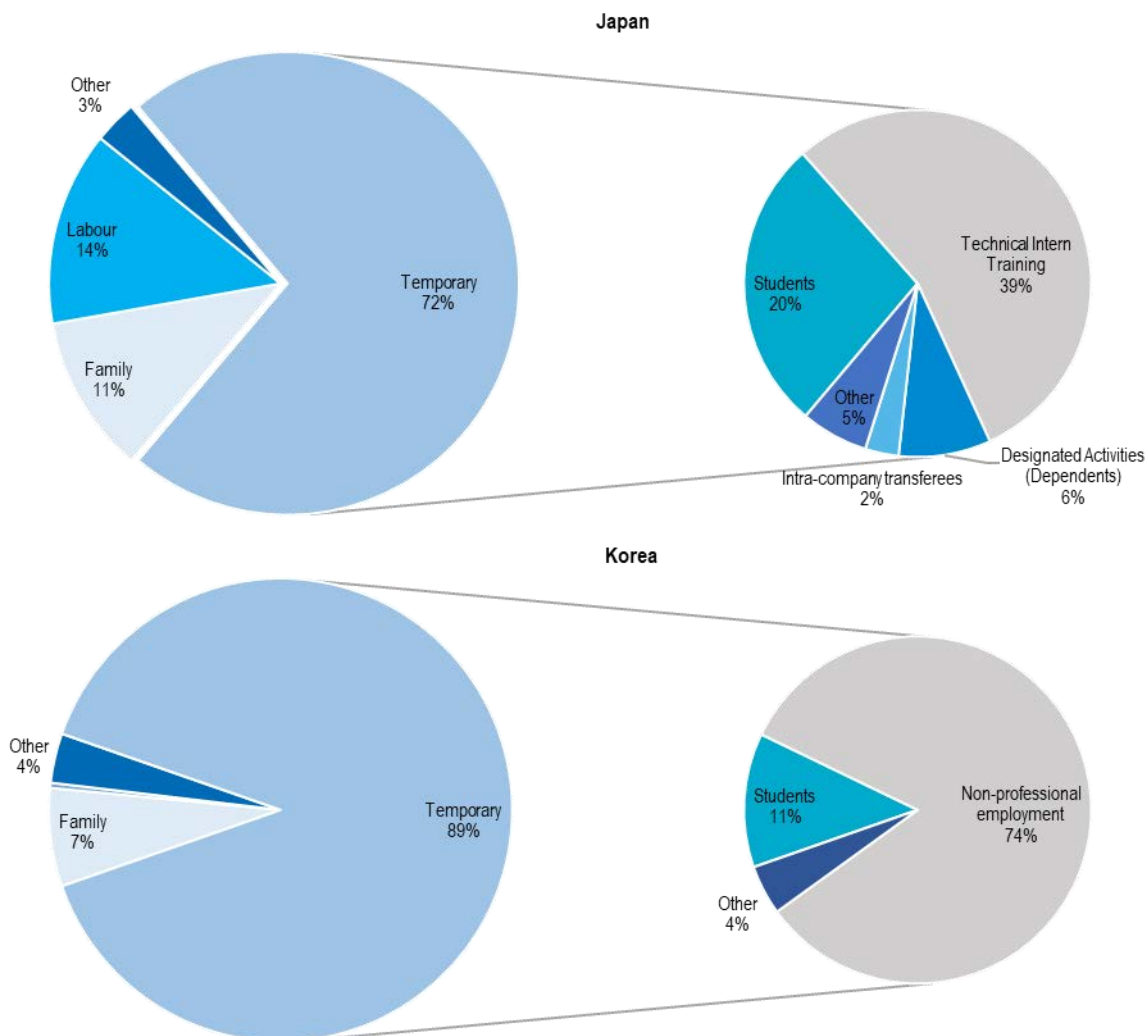
Likewise, 89% of permits issued to Indonesian nationals by Korea in 2019 were temporary permits, among which the large majority were issued for work reasons (Figure 1.8). About 14 000 temporary work permits were issued to low-skilled Indonesian nationals and around 400 to highly skilled Indonesians. Therefore, migration from Indonesia to Korea is mainly characterised by low-skilled temporary labour migration flows, organised through the Korean Employment Service System (EPS). The EPS is the largest OECD temporary foreign worker programme operating on a bilateral basis. Indonesia signed this bilateral agreement with Korea in 2004, and has become one of the main origin countries sending temporary migrant workers to Korea (OECD, 2019_[11]).

In addition to temporary work visas, Japan and Korea also issue a substantial number of temporary visas to Indonesian nationals for educational reasons. In 2019, Korea issued 2 700 student permits to Indonesian nationals, representing 11% of temporary permits. However, permits issued for educational reasons accounted for 20% of temporary permits issued by Japan to Indonesian nationals (9 000 in 2019) (Figure 1.8).

Regarding longer-term permits, almost 30% of residence permits issued by Japan are permanent permits, divided between family and highly skilled work permits: in 2019, about 6 300 Indonesian nationals received

visas for professional reasons, mostly delivered to dependants, and more than 5 000 were issued visas for family reasons. In contrast, longer-term permits only represented 10% of the total number of permits issued by Korea to Indonesian nationals in 2019. Korea issued 1 600 permits to Indonesian nationals for family reasons and close to 100 for work reason, mostly destined to corporate investors (Figure 1.8).

Figure 1.8. Visas issued to Indonesian nationals by Japan and Korea, by grounds of admission, 2019



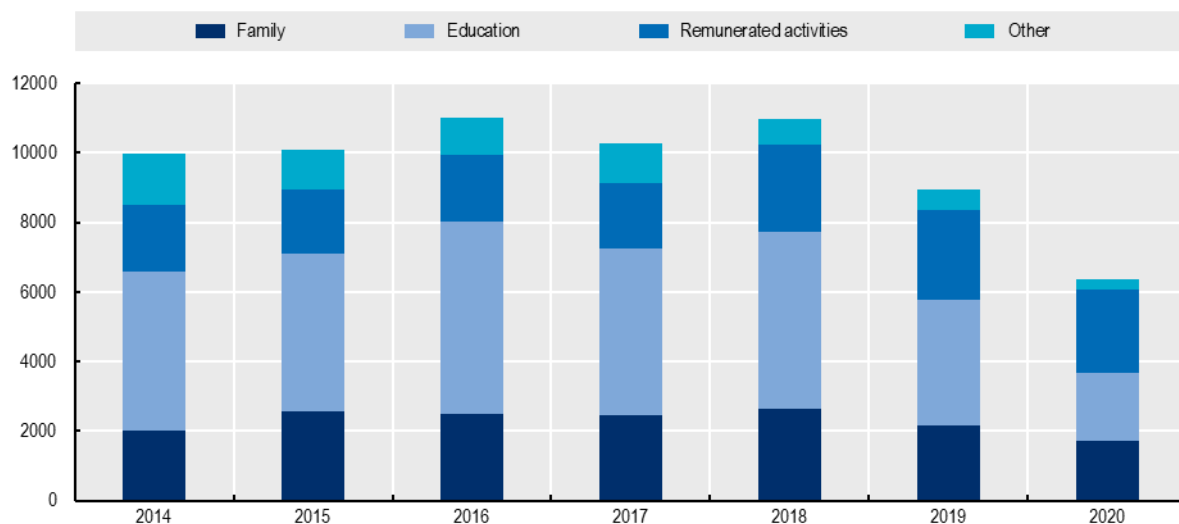
Note: The second pie chart on the right refers to the decomposition of the “temporary” category illustrated on the first pie chart on the left.
Source: Ministry of Justice of Japan (2020) and Ministry of Justice of Korea (2020).

Migration flows from Indonesia to Australia are mainly temporary and driven by educational reasons. In 2019, more than 80% of permits issued to Indonesian nationals by Australia were temporary permits among which 78% were student permits. In Australia, Indonesia is one of the main origin countries in terms of international student.

Many Indonesian nationals migrating to European countries do so for education purposes. On average between 2014 and 2020, 45% of first residence permits issued to Indonesian nationals by European countries were issued for educational reasons (Figure 1.9). Permits issued for family and work reasons accounted for respectively 24% and 22% of all residence permits issued during that period, while 10% of

them were delivered for other reasons – a category mainly including permits issued for humanitarian reasons. More than 70% of permits issued for educational reasons were permits valid for more than 12 months. However, permits issued for remunerated activities reasons were more likely to be short-term permits: only 43% of them were valid for more than 12 months.

Figure 1.9. Residence permits issued by European countries to Indonesian nationals by reason, 2010-20



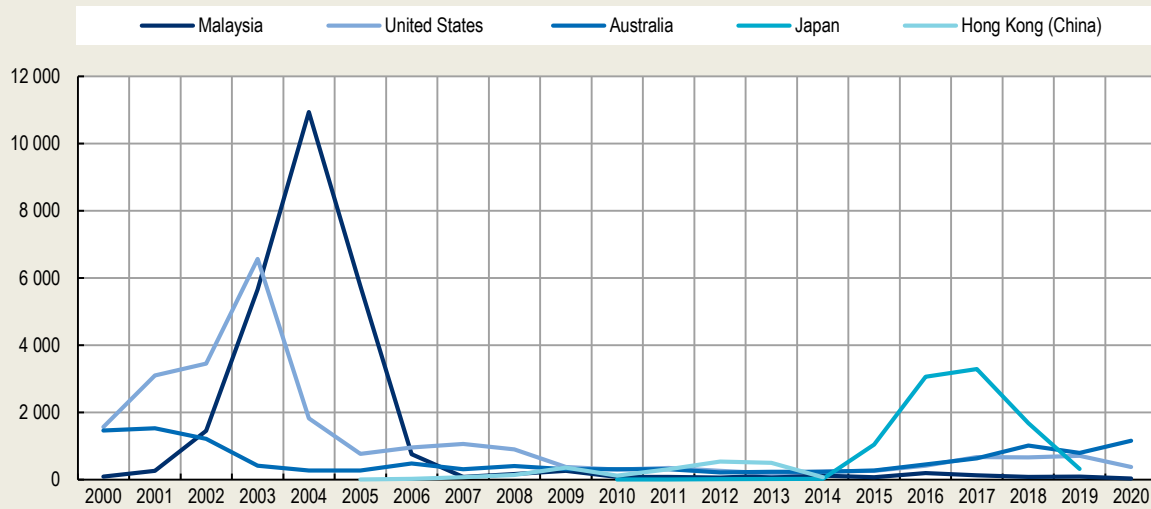
Note: The data correspond to the first residence permits issued to Indonesian nationals for all durations.

Source: Eurostat (2020), "First permits by reason, length of validity and citizenship" (database).

Box 1.2. Evolution of the flows of Indonesian asylum applicants in the world

According to the UNHCR database on asylum, 2 170 Indonesian nationals submitted an asylum claim in 2019. Overall, since 2000, the annual number of asylum claims has been relatively low, except in the early 2000s. Between 2000 and 2005, the number of Indonesian asylum applicants soared to reach more than 13 300 asylum claims in the world, concentrated for the most part in Malaysia and in the United States. As illustrated in Figure 1.10, the United States received 6 600 asylum claims from Indonesian nationals in 2003 and 10 900 Indonesians submitted an asylum application in Malaysia in 2004. This increase in the number of Indonesian asylum seekers partly resulted from the conflict between the Indonesian armed forces and the Free Aceh Movement, a separatist political movement in the province of Aceh located in the North of Sumatra. This conflict lasted from 1976 to 2004 and provoked the displacement of a large number of Acehnese people. Specifically, the collapse of the peace process and the military operations launched by Indonesian forces in May 2003 led to a substantial rise in the flows of Acehnese asylum seekers to Malaysia. Furthermore, the consequences of the 1998 anti-Chinese Indonesian riots pushed hundreds of Chinese Indonesian Christians to migrate to the United States (Missbach and Palmer, 2018^[1]). Between 2005 and 2014, the number of Indonesian asylum claims remained low and stagnated around 1 300. However, between 2014 and 2017, the number of asylum claims grew more than six fold and these Indonesian nationals exclusively sought protection in Japan.

Figure 1.10. Annual number of asylum claims submitted by Indonesian nationals in the world, 2000-21



Source: UNHCR, Refugee Statistics (2021).

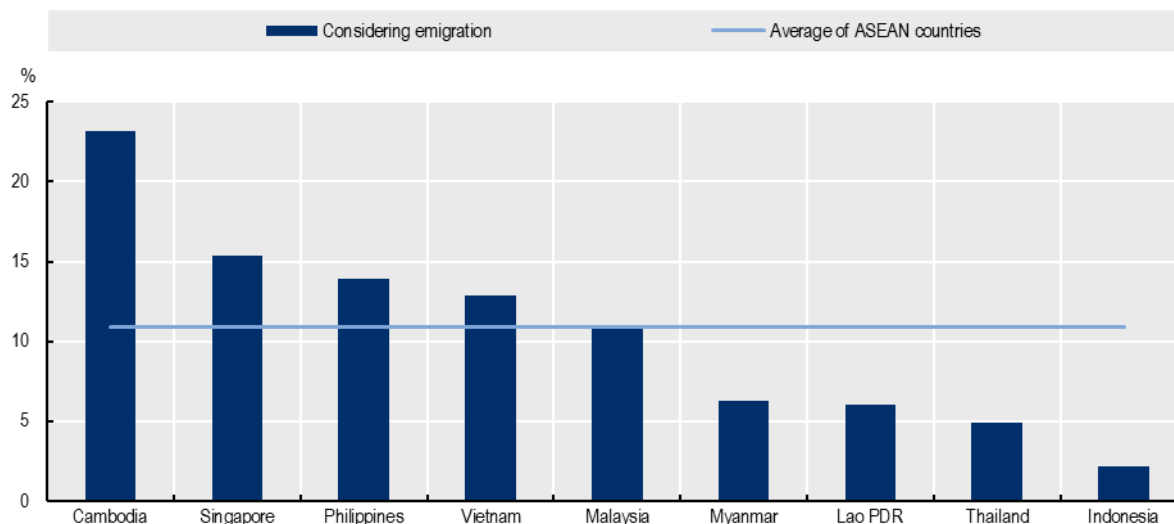
Emigration prospects among the Indonesian population

Apprehending emigration intentions among the population living in Indonesia provides a better understanding of the scope and reasons of Indonesian emigration flows. Furthermore, emigration intentions can provide useful insights into future trends in these flows. The Gallup World Poll (see Annex A) collects information on the emigration intentions of persons born and residing in Indonesia aged 15 years or older. The availability of data on the characteristics of these individuals makes it possible to analyse correlations between intentions to leave the country and various socio-economic variables such as education level and employment status.

Between 2010 and 2021, only 2.2% of persons living in Indonesia aged 15 or older expressed the intention to emigrate permanently (Figure 1.11). This share is the lowest among all ASEAN countries. On average, 11% of the population living in ASEAN countries expressed the desire to leave their country, which is 9 percentage points higher than within the Indonesian population. If intentions to emigrate in Thailand, Lao People's Democratic Republic (Lao PDR) and Myanmar are only slightly higher than in Indonesia (5%, 6% and 6% respectively), some ASEAN countries present much higher emigration intentions. Especially, 23% of Cambodians indicated a wish to leave permanently the country, while it was the case for 15% of the Singaporean population, 14% of Malaysian and 13% of Vietnamese populations. On average since 2010, the reported favourite destination countries of Indonesians wishing to emigrate were Japan (14%), the United States (11%), Malaysia (10%), Australia (9%) and Singapore (6%). These desired destinations are consistent with the actual main destination countries of Indonesian emigrants.

Figure 1.11. Emigration intentions in ASEAN countries, 2010-21

Share of the population (aged 15 and over) who consider emigrating permanently



Note: Data on emigration intentions are not available in 2019 and 2020 for all selected countries. Data on emigration intentions in Lao PDR are available in 2011 and 2017 only. In Myanmar, they are available between 2012 and 2017. Data on emigration intentions in Brunei Darussalam are not available.

Source: Gallup World Poll (2021).

As in every country of Southeast Asia, individuals aged 15-24 in Indonesia are more likely to express the intention to emigrate than the overall population. Between 2010 and 2018, 5% of young Indonesians expressed the desire to leave the country – 3 percentage points higher than the global population. This share is also lower than the share of young people intending to emigrate in other ASEAN countries.

Emigration intentions also vary according to education levels: individuals with a higher education level expressed higher emigration intentions (6%), while 3.5% of those with an intermediate education level and less than 1% of low skilled Indonesians indicated wishing to leave the country permanently. Furthermore, the employment situation influences the intention to emigrate: employed individuals are more likely to express the wish to leave the country than individuals declaring themselves unemployed or out of the workforce. Given the predominance of temporary migration flows in emigration patterns from Indonesia, it is probable that emigration intentions would be higher if the question concerned the intention to emigrate temporarily rather than permanently.

Conclusion

International emigration from Indonesia consists primarily of temporary labour migration flows to non-OECD countries. The lack of employment opportunities and the effects of the financial 1997 Asian financial crisis intensified temporary outflows of Indonesian workers to Southeast Asian and Middle Eastern countries. Increasing complaints and awareness of abuse of Indonesian temporary migrant workers, who for the most part are women working as domestic workers or caregivers, have led the Indonesian Government to implement bans on sending migrants to the Middle East. This entailed a significant decline in the annual deployment of Indonesian migrant workers overseas, especially to Saudi Arabia, which used to be their main destination country. Malaysia, Chinese Taipei, Hong Kong (China) and Singapore now attract the largest flows of temporary Indonesian migrant workers. Indonesian nationals also migrate to OECD countries, especially to Japan and Korea, but also to the United Kingdom, Germany,

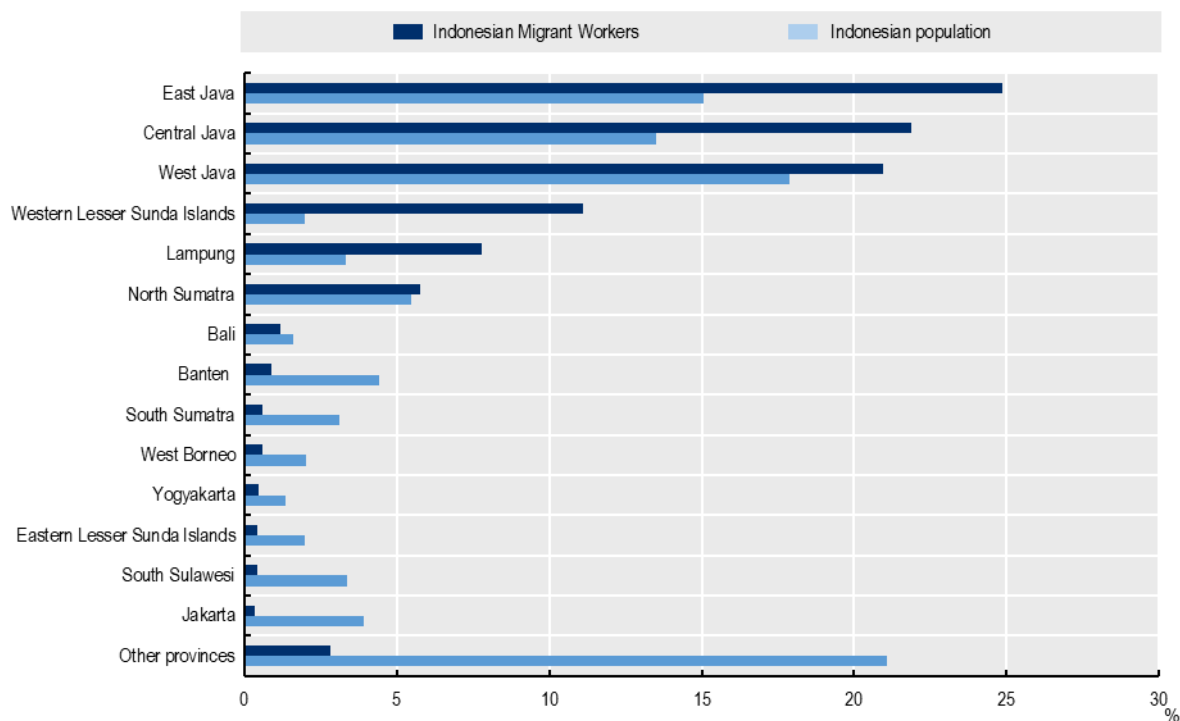
and Turkey. Migration flows to Australia and the United States have recently followed a declining trend. Residence permits issued annually by OECD countries to Indonesian nationals are mostly issued for work and educational reasons. Only 2% of the Indonesian population express the intention to permanently leave the country. Although emigration intentions are higher among young and highly skilled Indonesians, these remain very low compared to other ASEAN countries.

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Annex 1.A. Additional figures

Annex Figure 1.A.1. Indonesian migrant workers deployed abroad in 2019, by province of origin



Source: National Agency for Placement and Protection of Indonesian Workers (BNP2MI) (2021).

Notes

¹ Now named BNP2MI.

² Engineering services, architectural services, nursing services, medical practitioners, dental practitioners, accountancy services and surveying qualifications.

2 **Number of Indonesian emigrants and their socio-demographic characteristics**

This chapter provides an overview of the number of Indonesian emigrants living in OECD countries and selected non-OECD economies and its evolution since the beginning of the 2000s. The chapter further discusses their socio-demographic characteristics – gender, educational attainment, and citizenship status, across destination countries. Emigrants from the Association of Southeast Asian Nations (ASEAN) and the foreign-born populations living in OECD countries are used as comparison groups. The regional distribution of Indonesian emigrants in the main OECD destination countries is also presented. This chapter shows that Indonesian emigrants' socio-demographic characteristics vary greatly across destination countries, reflecting diverse migration patterns and processes of migration.

In Brief

Key findings

- Indonesian emigrants' socio-demographic characteristics vary significantly across destination countries.
- Two-thirds of the Indonesian emigrant population are concentrated in Saudi Arabia and Malaysia. Only 11% reside in OECD countries.
- About 377 000 Indonesian emigrants live in OECD countries in 2015, the Netherlands, the United States, Australia, Japan, and Korea being the main destinations.
- A sizable Indonesian emigrant population resides in Chinese Taipei, which almost tripled in two decades.
- In 2015, 56% of Indonesian emigrants living in OECD countries were women. While share of women was quite high in the Netherlands (56%), the United States (58%), and Australia (57%), there were more male migrants in Korea (91%) and in Japan (65%). However, in other destination economies such as Hong Kong (China), Singapore, and Chinese Taipei, the share of women among Indonesian emigrants was very high.
- Two-thirds of Indonesian emigrants in OECD countries are of working age between 15 and 65 and 15% of them have been living in their host country for less than five years. However, in the Netherlands, almost 95% of the Indonesian emigrant population resided longer than 10 years, while a significant share of Indonesian emigrants living in Germany and Hong Kong (China) resided for relatively a shorter period.
- Indonesian emigrants are positively selected in terms of educational attainment and their level of education has increased in recent decades, especially in the United States and Australia. However, Indonesian emigrants are still less educated than the overall foreign-born population.
- The share of host country citizenship holders among Indonesian emigrants in OECD countries is 62%, however, Indonesians' observed naturalisation patterns vary across the main destination countries.
- In 2015, Indonesia had an emigration rate (to the OECD area) of 0.2%, the lowest among the ASEAN countries.

Recent trends in the number of Indonesian emigrants in OECD countries

About 377 000 Indonesian emigrants live in OECD countries

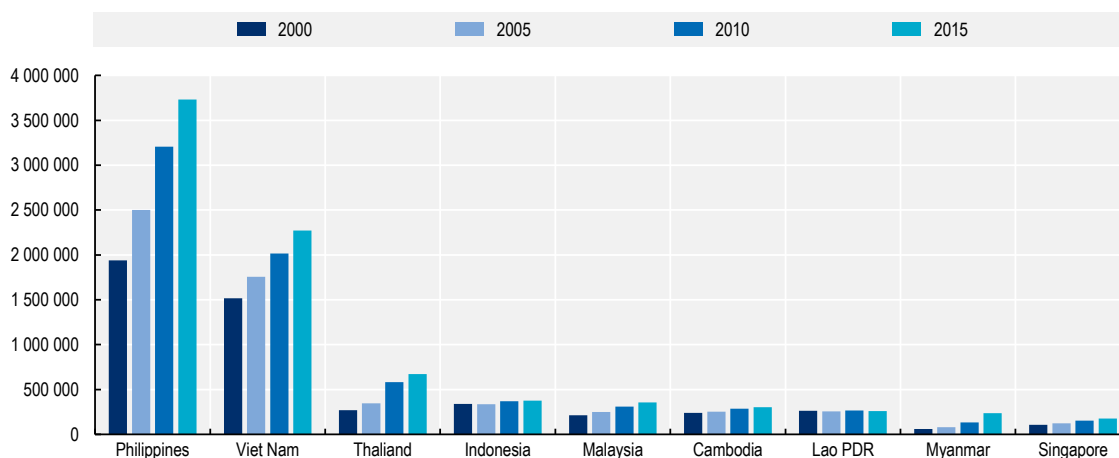
The most recent available data indicate that around 377 000 Indonesian emigrants resided in OECD countries in 2015 (Figure 2.1). It is the fourth largest emigrant population in OECD countries from Association of Southeast Asian Nations (ASEAN) countries, after the Philippines (3.7 million emigrants), Viet Nam (2.3 million emigrants), and Thailand (670 000 migrants).

The growth rate of the number of Indonesian emigrants in OECD countries is, however, much lower than that of all other ASEAN member countries except for Lao People's Democratic Republic, the only country which experienced declines. The number of Indonesian emigrants grew only by 11% from about 340 000

in 2000 to about 370 000 in 2015, well below the growth rates of the migrant populations from the Philippines (93%), Viet Nam (50%), Thailand (148%), and Malaysia (67%).

Yet Indonesian's emigration to OECD countries provides a partial picture of Indonesia's migration trends as the vast majority of Indonesian labour migrants, particularly women working in the domestic or service sectors, reside in the Middle East and neighbouring Asian countries: Malaysia, Singapore, Hong Kong (China), Chinese Taipei, Saudi Arabia, Kuwait, and the United Arab Emirates (IOM, 2010^[1]).

Figure 2.1. Emigrants from Indonesia and other ASEAN countries living in OECD countries, 2000-15



Note: Only countries with at least 150 000 emigrants in OECD countries in 2015 are included. ASEAN average includes Brunei.

Source: OECD Database on Immigrants in OECD Countries (DIOC) (2000-15).

Box 2.1. The concept of diaspora

This report about emigrants from Indonesia specifically looks at people born in Indonesia and living abroad, especially in OECD countries. In particular, questions related to the children of emigrants born in host countries are not addressed because data on this group exist only in some OECD countries. While it is true that the broader diaspora, including children of emigrants born in host countries, can contribute significantly to the economic and social development of the origin country, data limitations make it challenging to enumerate them consistently and obtain information about their socio-economic characteristics across OECD countries.

In 2020, two-thirds of the Indonesian emigrant population globally were concentrated in Saudi Arabia and Malaysia

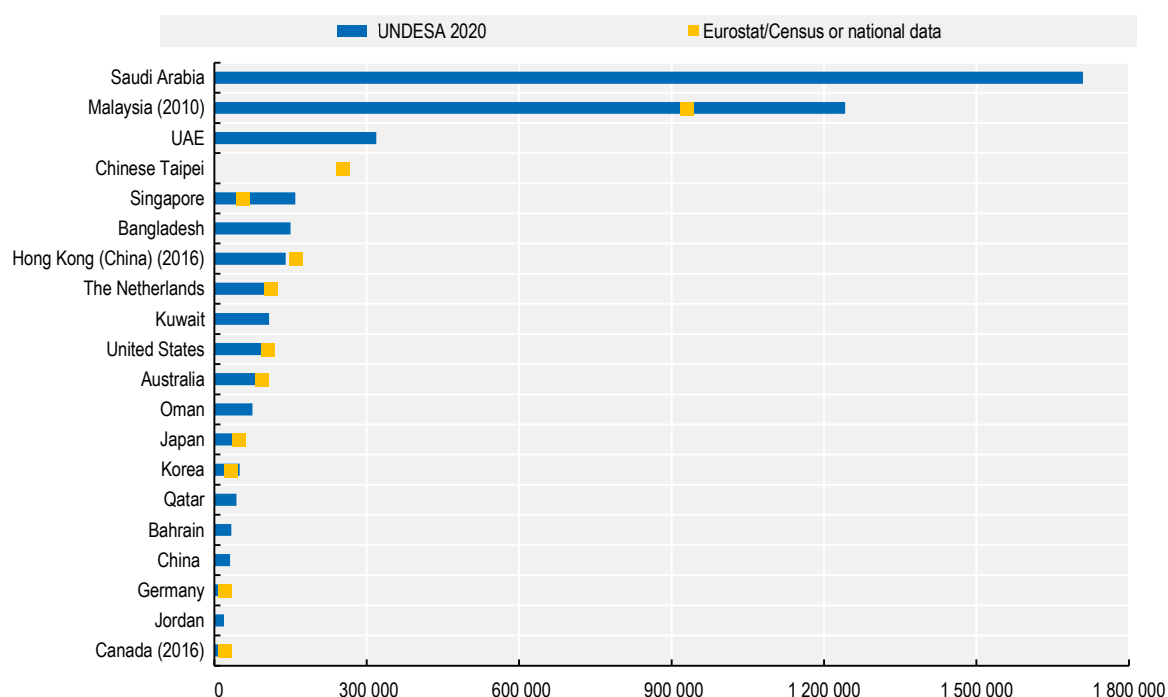
Indonesia is the fourth most populous in the world and has the second-largest migrant worker population in Southeast Asia. The amount of remittances sent statistics in 2020 – approximately USD 9.7 billion show their contributions in the economic development.

UNDESA estimates indicate that about 4.6 million Indonesian emigrants lived abroad in 2020 (Figure 2.2). Among them, 11% reside in OECD countries. The main OECD destination countries of people born in Indonesia are the Netherlands (118 000 emigrants), the United States (106 000), Australia (89 000), Japan (57 000), Korea (50 000), Germany (22 000), and Canada (21 000).

According to these estimates, about two-thirds of all Indonesian emigrants are concentrated in just two destination countries – Saudi Arabia (1.7 million) and Malaysia (1.2 million), which can be explained partly by religious or cultural and geographical proximity. As discussed in Chapter 1, these two countries have been consistently among the most popular destinations of Indonesian labour migrants, except during periods when the Indonesian Government banned recruitment for employment in those countries (Missbach and Palmer, 2018^[2]).

The other main destination countries for Indonesian emigrants in the Middle East were UAE (320 000 emigrants), Kuwait (108 000), Oman (75 000), Qatar (44 000), Bahrain (34 000), and Jordan (19 000). In neighbouring Eastern and South-Eastern Asia, the main destinations of Indonesian emigrants were Chinese Taipei (254 000), Singapore (160 000), Bangladesh (150 000), and Hong Kong (China) (140 000).

Figure 2.2. Top 20 main destination economies of Indonesian emigrants, 2020 or latest year available



Note: Data from national statistical offices in destination economies come from censuses or registries. In Chinese Taipei, Hong Kong (China), Japan, and Korea, the Indonesian emigrant population is estimated by country of nationality, not the country of birth; in Germany, it is estimated by country of citizenship.

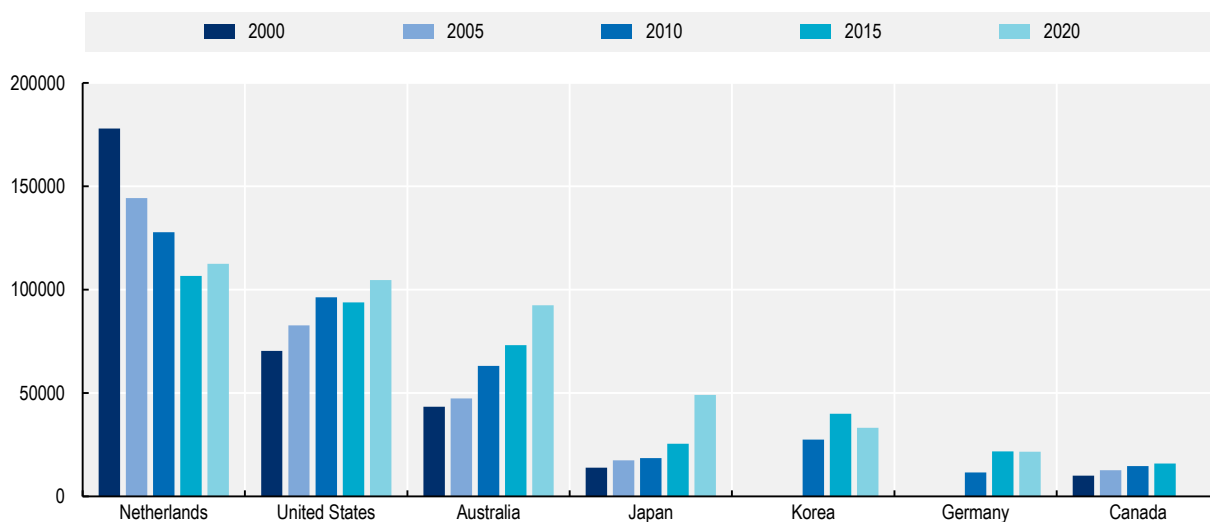
Source: UN DESA (2020), Malaysian Census (2010), Chinese Taipei National Immigration Agency (2020), Singapore Census of Population (2020), Hong Kong (China) By-census (2016), Eurostat (2020), American Community Survey (2020), Australian Bureau of Statistics, Estimated Resident Population (ERP) data (2020), Japanese Population Census (2020), Korean Immigration and Foreign Residents Statistics (2020), German Central Registry for Foreigners (2020), Canadian Census (2016).

The Netherlands, the United States, and Australia are preferred destinations for Indonesian emigrants within OECD countries

Figure 2.3 highlights the changes in the number of Indonesian emigrants in the main OECD destination countries from 2000 to 2020. The Netherlands, one of the traditional destination countries for Indonesian emigrants, still hosts the largest Indonesian migrant population in the OECD area: about 112 000 Indonesian emigrants live in the Netherlands in 2020. However, the number has gradually decreased by 37% from 178 000 in 2000, due to the limited inflows in the recent period and the ageing of the Indonesian-born population in the country. The United States, with around 105 000 Indonesian emigrants, and Australia, with around 92 000 Indonesian emigrants, are also among the main destinations of Indonesian emigrants – particularly for international students. These two countries have hosted more and more Indonesian emigrants since 2000, as suggested by the high growth rates of the Indonesian emigrant population in the United States (49%) and Australia (113%). Two Asian OECD countries, Korea (about 33 000) and Japan (about 49 000), are relatively new destinations for Indonesian migrant workers usually placed through bilateral programmes. The Employment Permit System (EPS), Korea’s flagship temporary labour migration programme, was first introduced in 2004, and Indonesia, along with five other Asian countries, signed a bilateral agreement with Korea, which became the basis of the programme established in 2006 (Yazid, 2017^[3]).

Finally, the Indonesian emigrant population in Germany doubled from 11 500 in 2010 to 21 700 in 2020.

Figure 2.3. Evolution of the Indonesian emigrant population in main OECD destination countries

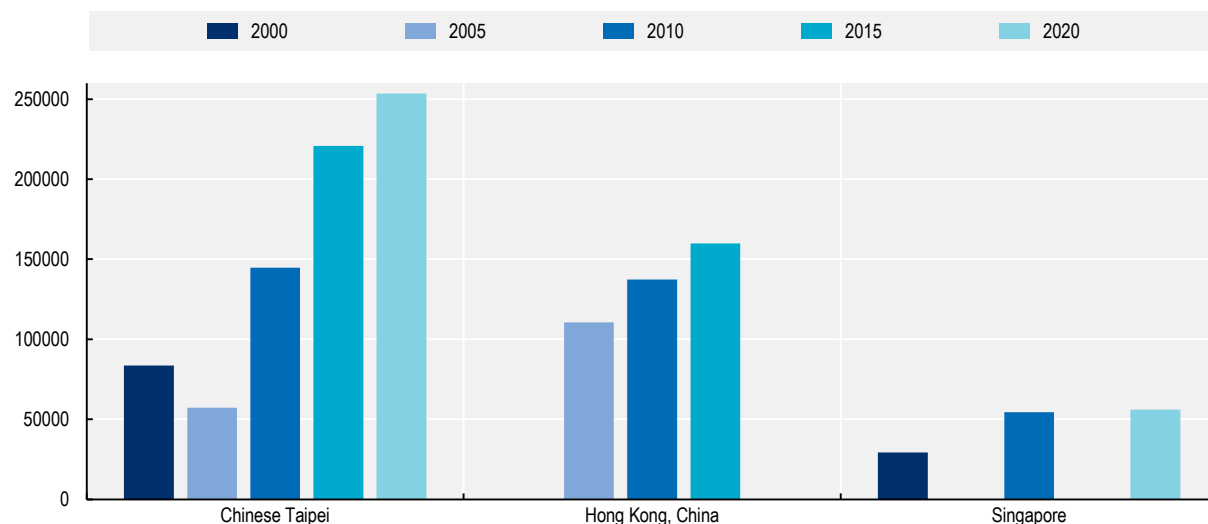


Note: Only countries with at least 20 000 Indonesian emigrant.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2000-15, Eurostat (2020), American Community Survey (2020), Australian Bureau of Statistics, Estimated Resident Population (ERP) data (2020), Japanese Population Census (2020), Korean Immigration and Foreign Residents Statistics (2020), German Central Registry for Foreigners (2020).

Indonesian emigrant populations outside the OECD area also grew rapidly. Figure 2.4 presents the evolution of Indonesian emigrants in selected non-OECD destination economies over the last two decades. There is a sizable population of Indonesian migrant in Chinese Taipei, which almost tripled from 83 000 in 2000 to 220 000 in 2020. Indonesian emigrants in Chinese Taipei already outnumbered other foreign workers, especially those from the Philippines (Melchert, 2017^[4]). Hong Kong (China) and Singapore are other main economies of destination with 150 000 and 50 000 Indonesian migrants, respectively.

Figure 2.4. Evolution of the Indonesian emigrant population in main non-OECD destination economies



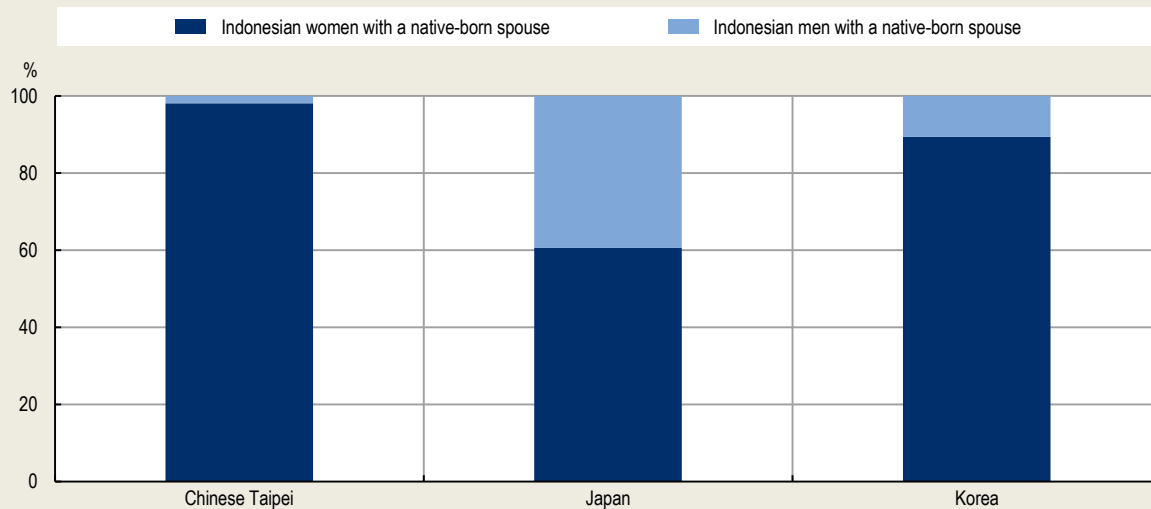
Source: Chinese Taipei National Immigration Agency (2020), Hong Kong (China) By-census (2016), Singapore Census of Population (2020).

Furthermore, current estimates indicate that a significant share of Indonesian migrants emigrated through international marriage (Box 2.2). These Indonesian emigrants with a native-born spouse are counted in the statistics in their respective host economies, but in practice, this depends on the data sources and practices of the host economies.

Box 2.2. International marriages among Indonesian emigrants in Chinese Taipei, Korea, and Japan

Indonesians' international marriage migration has been a prevailing trend in the Asia-Pacific region (Jones, 2012^[5]). In 2020, there were 30 500 Indonesian migrants with a native-born spouse in Chinese Taipei, 4 800 in Japan, and 1 000 in Korea. Especially in Chinese Taipei, Indonesia has the second-largest population with a native-born spouse following Viet Nam (9th in Japan and 15th in Korea). These figures have gradually increased in all three economies; from 2010 to 2020, the growth rate of these populations has been 15%, 24%, and 116% in Chinese Taipei, Japan, and Korea, respectively. Furthermore, the share of women among these groups is very high (98% in Chinese Taipei and 90% in Korea), which sometimes results in exploitative conditions.

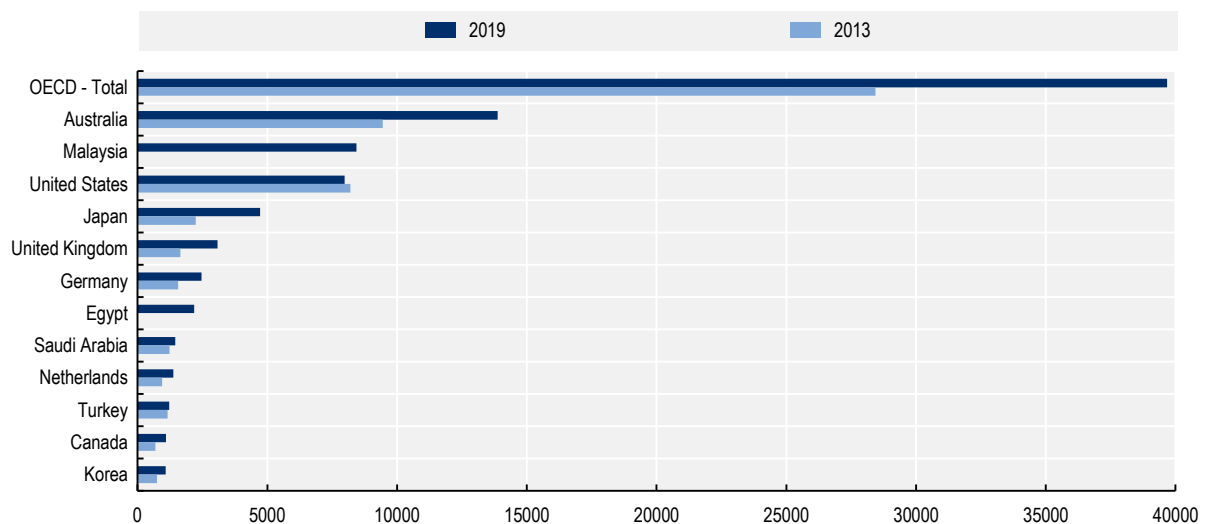
Figure 2.5. International marriages in Chinese Taipei, Japan and Korea, by sex, 2010-20



Source: Chinese Taipei National Immigration Agency (2010-20), Japanese Population Census (2010, 2015, 2020), Korean Immigration and Foreign Residents Statistics (2010-20).

The international mobility of students is another distinct source of Indonesian emigration (Ananta and Arifin, 2014^[6]). The number of Indonesian students abroad increased gradually between 2013 and 2019 from 29 800 to 53 500, an increase of approximately 80% (Figure 2.6). Among them, more than half were studying in three countries, Australia (13 900 or 26%), Malaysia (8 400 or 16%), and the United States (8 000 or 15%). Japan (4 700), the United Kingdom (3 100), Germany (2 500), the Netherlands (1 400), Turkey (1 200) and Korea (1 100) are the other main OECD destination countries for Indonesian international students.

Figure 2.6. Main countries of destination for Indonesian international students, 2013 and 2019



Note: Indonesian students (who are not citizens of the destination country) enrolled in a tertiary education programme.

Source: OECD Education database.

Regional distribution of Indonesian emigrants in selected OECD destination countries

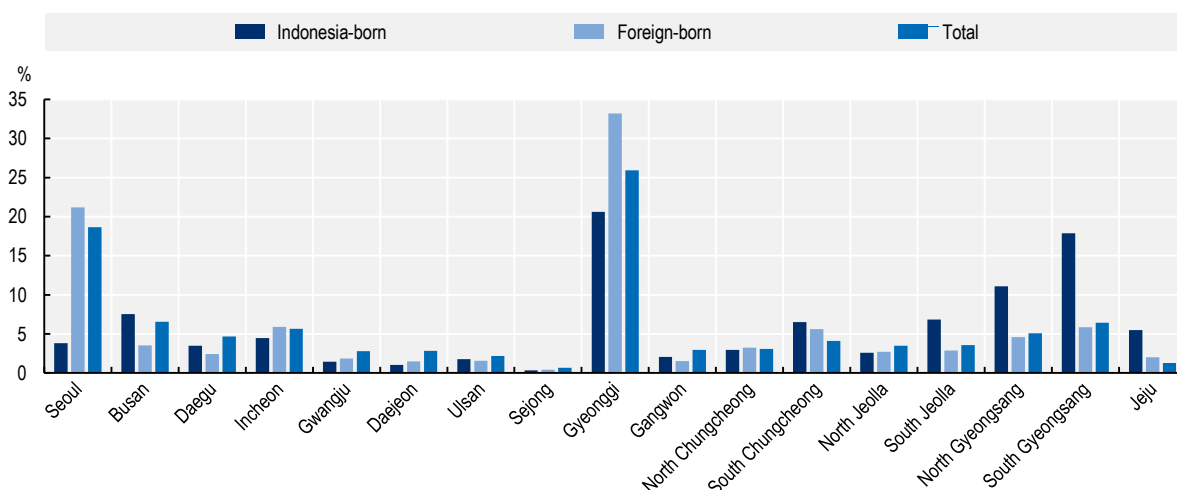
The regional distribution of Indonesian emigrants in destination countries can be compared to that of the foreign-born and native-born populations to better understand country-specific migration patterns.

In Korea, Indonesian migrants are underrepresented in the Seoul metropolitan area, where more than one-fifth of the foreign-born reside, but they are still concentrated in heavily industrialised Gyeonggi and Gyeongsang provinces which have actively supported exchanges and co-operation with Indonesia (Figure 2.7).

In Japan, one-third of Indonesian emigrants live in the Kanto region (the Greater Tokyo Area and seven neighbouring prefectures), which is a much smaller proportion than other foreign-born groups. However, they are overrepresented in other regions such as Chubu, Chugoku, Shikoku, and Kyushu and Okinawa region (Figure 2.8). These regions are normally the main destinations of Indonesian trainees deployed since 1993 (Kartikasari, 2013^[7]).

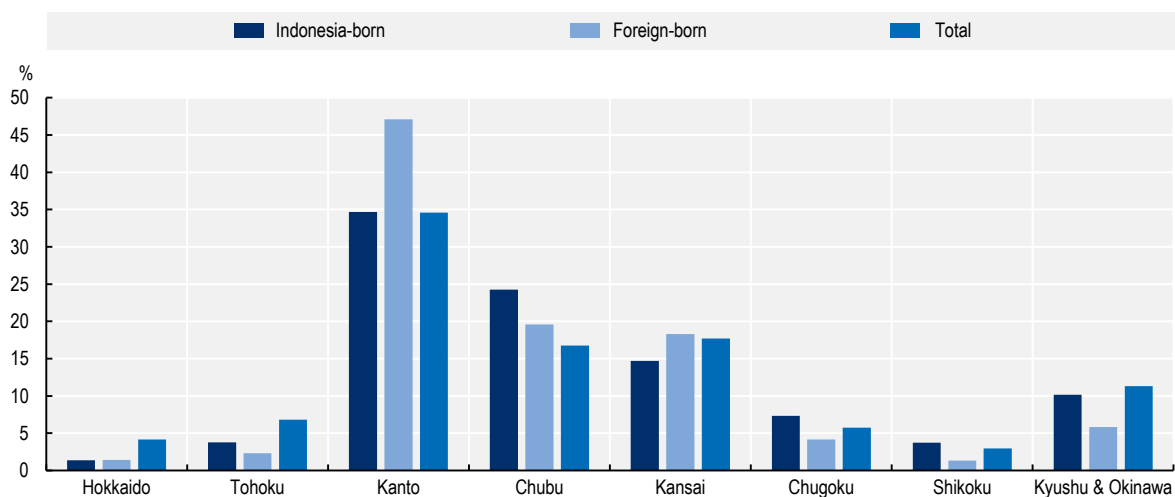
Finally, in Australia, according to the 2016 distribution by State and Territory, almost half of Indonesian emigrants are concentrated in New South Wales, followed by Victoria (25%), Western Australia (16%) and Queensland (10%) (Figure 2.9).

Figure 2.7. Regional distribution of Indonesian emigrants in Korea, 2020



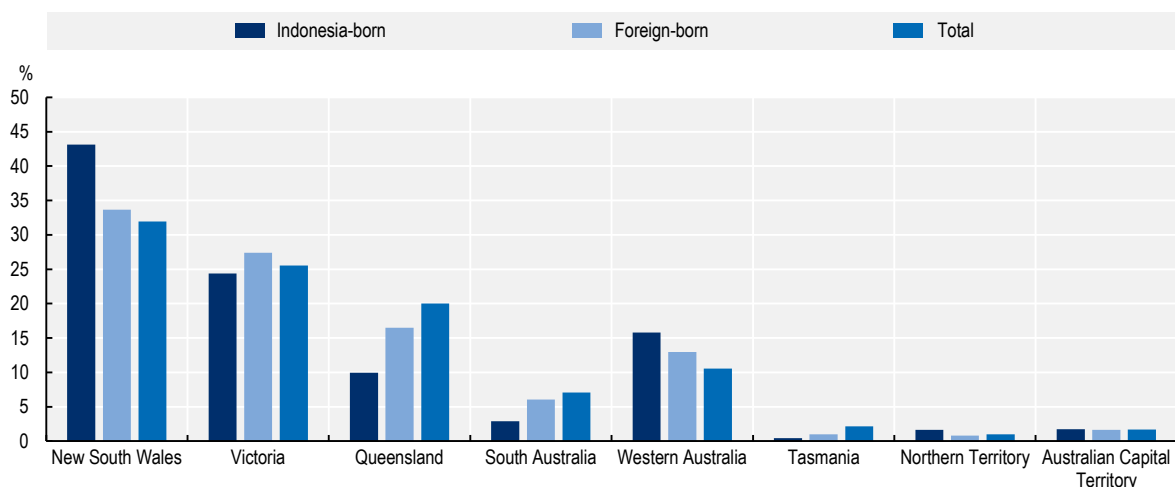
Source: Korean Immigration and Foreign Residents Statistics (2020).

Figure 2.8. Regional distribution of Indonesian emigrants in Japan, 2020



Source: Japanese Population Census (2020).

Figure 2.9. Regional distribution of Indonesian emigrants in Australia, 2016



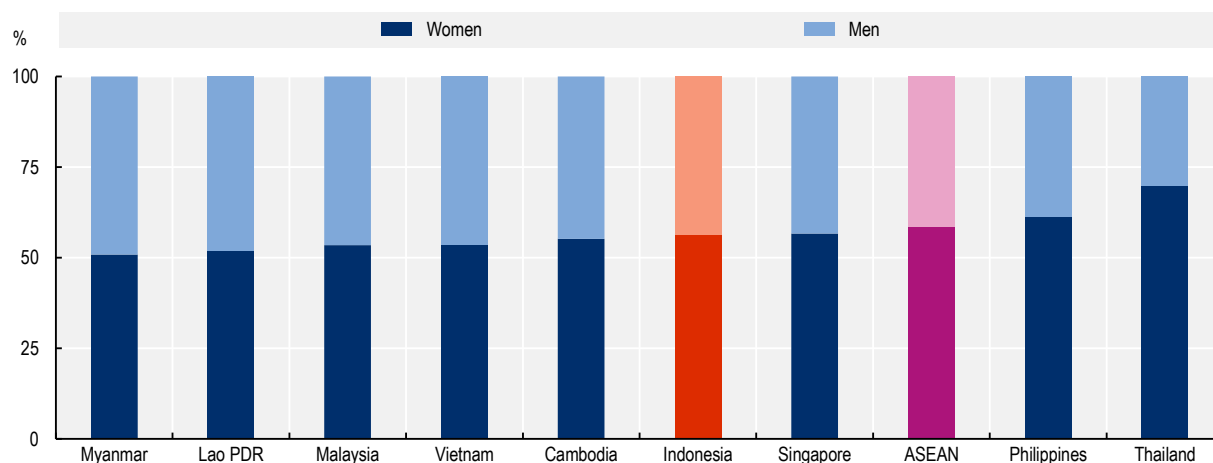
Source: Australian Census (2016).

Demographic composition of the Indonesian diaspora

More than half of Indonesian emigrants in OECD countries are women

In 2015/16, 56% – slightly below the ASEAN average of 58%, of Indonesian emigrants living in OECD countries were women, placing Indonesia the fourth most feminised diaspora among ASEAN countries (Figure 2.10). The Thai diaspora underwent most extreme feminisation of migration, with almost 70% female migrants, followed by the Filipino and Singaporean diasporas, with 61% and 57% respectively.

Figure 2.10. Percentage of women migrants from Indonesia and ASEAN countries in OECD, 2015/2016



Note: Only countries with at least 150 000 emigrants in OECD countries in 2015 are included. ASEAN average includes Brunei. Indonesians in Latvia, Korea, Chile and Mexico are not included.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/2016.

However, the gender share of Indonesian emigrants varies significantly across destination countries. The share of women among Indonesian emigrants is well above 50% in most OECD countries – the Netherlands (56%), United States (58%), Australia (57%), and Germany (53%), and in other destination economies such as Hong Kong (China), Singapore and Chinese Taipei (see also Figure 2.12 and Figure 2.13). In 2016, there was almost 99% of women among Indonesian emigrants in Hong Kong (China). In Singapore and Chinese Taipei, the share of women among Indonesian emigrants is also very high (67% and 73%, respectively in 2020). Yet male migrants are dominant in Korea and Japan, with 91% and 65%, respectively, reflecting the fact that most Indonesian migrants in these two countries are labour migrants.

Seven out of ten Indonesian emigrants in OECD countries are of working age

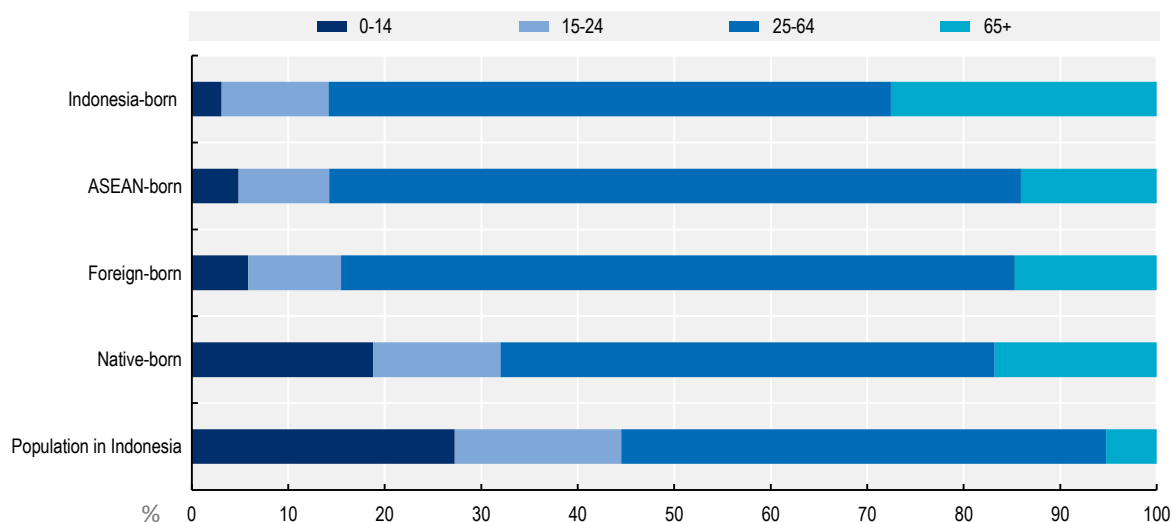
Compared to other migrant populations – either foreign-born or ASEAN-born living in OECD countries, Indonesian emigrants in OECD countries are older, with a similar proportion of 0 to 24-year-old (around 15%), but a noticeably larger share of migrants aged 65 and more. Their old-age dependency ratio (39.7) is more than twice higher than that of foreign-born or ASEAN-born populations (18.5 and 17.4, respectively). This last group represents more than 25% of Indonesian emigrants, while it represents around 15% of all foreign-born people or ASEAN-born living in OECD countries, suggesting Indonesia's old and matured diaspora communities in OECD countries (Figure 2.11). In total, around 70% of Indonesian emigrants are of working age (15-64 years).

Moreover, the age structure of the native Indonesian population shows how self-selected Indonesian emigrants are; the native-born Indonesian population is very young (27% of children aged 0 to 14 and 5%) and the average age of emigrants is necessarily much higher than that of the native population. Lastly, compared to the native-born population of OECD destination countries, Indonesian emigrants are again under-represented among children.

However, the distribution by age and sex of Indonesian emigrants varies across destination countries. As shown in Figure 2.12, Indonesian emigrants living in the Netherlands are significantly older than those residing in the other main destination countries; the proportion of people aged over 64 reaches almost 60%, whereas it is less than 1% in Korea and Japan. The proportion of young people of working

age (15-24) is high in these two countries, especially among men. Overall, the majority of Indonesian migrants in OECD countries except for the Netherlands are aged between 15 and 64.

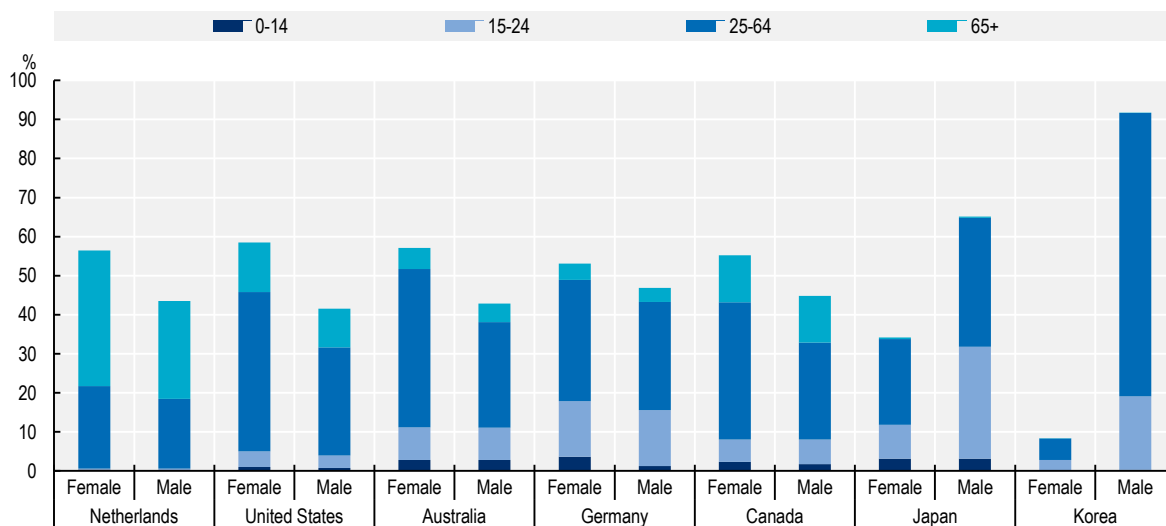
Figure 2.11. Age distribution of Indonesian emigrants and different comparison groups in OECD countries, 2015/2016



Note: Born in Indonesia: individuals born in Indonesia living in OECD countries in 2015/16. Born in ASEAN countries: individuals born in an ASEAN country living in OECD countries in 2015/16. Foreign-born: all immigrants living in OECD countries in 2015/16. Native-born: individuals born in an OECD country and living in their country of birth in 2015/16. Indonesians in Latvia, Korea, Chile, and Mexico are not included. Population in Indonesia: individuals living in Indonesia in 2015/16.

Source: OECD Database on Immigrants in OECD Countries (DIOC), 2015/16; Population in Indonesia: UNDESA World Population Prospects 2019 (2015 estimates).

Figure 2.12. Age and sex distribution of Indonesian emigrants in main OECD destination countries, 2015/2016

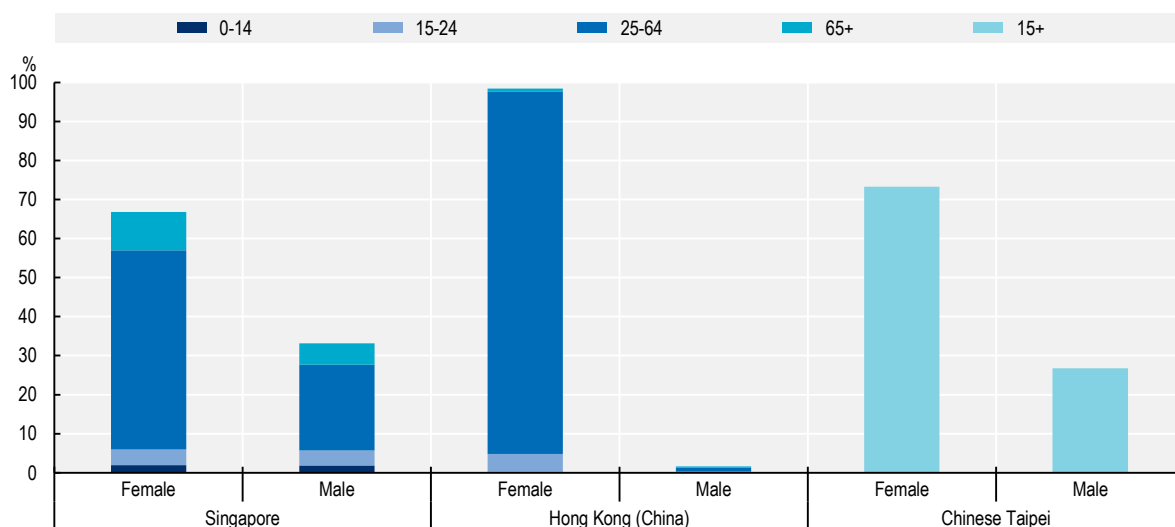


Note: Only countries with at least 10 000 Indonesian emigrants. For Korea, age group 25-64 and 65+ refer to 25-59 and 60+, respectively.

Source: OECD Database on Immigrants in OECD Countries (DIOC) (2000-15), Korean Immigration and Foreign Residents Statistics (2020).

The age structure of Indonesian emigrants outside OECD countries is also skewed in that only a small portion of child population is observed while the majority of them are aged between 25 and 64 in both Singapore and Hong Kong (China) (Figure 2.13).

Figure 2.13. Age and sex distribution of Indonesian emigrants in main non-OECD destination economies, 2020 or latest year available

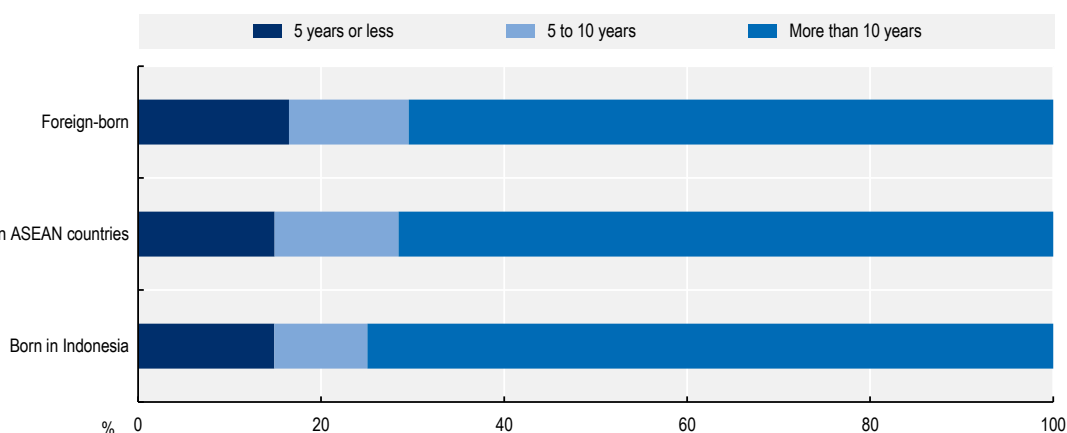


Source: Chinese Taipei National Immigration Agency (2020), Hong Kong (China) By-census (2016), Singapore Census of Population (2020).

Only one out of six Indonesian emigrants recently arrived in their host country

Around 15% of Indonesian emigrants had been living in their host country for less than 5 years in OECD countries according to 2015/16 data, while approximately 75% of them had been living abroad for more than 10 years (Figure 2.14). Indonesian diaspora in OECD countries is slightly older than other diasporas on average, suggesting again that Indonesians tended to emigrate to new destination countries outside OECD.

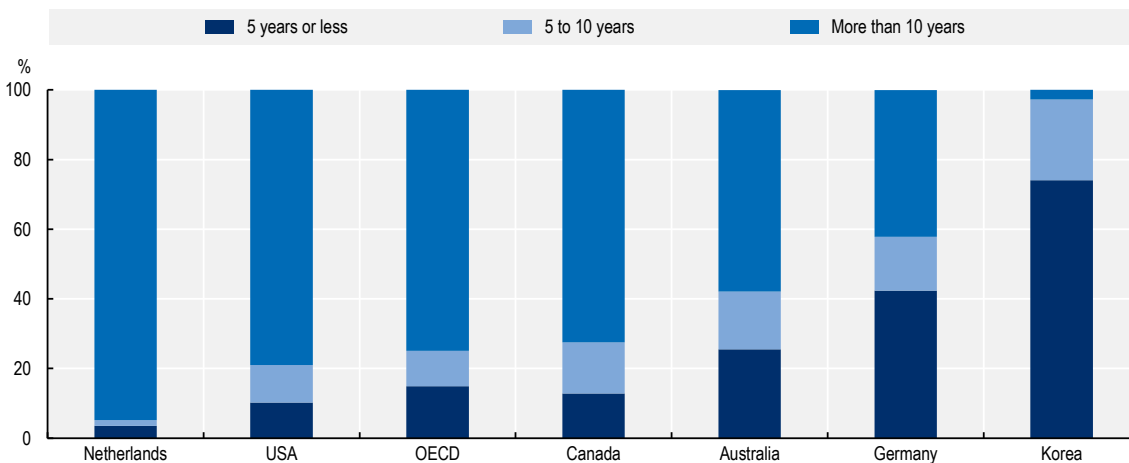
Figure 2.14. Distribution of Indonesian emigrants by duration of stay in OECD destination countries, 2015/2016



Note: Indonesians in Korea, Japan, Chile, Latvia, Mexico, Poland, Turkey, and Iceland are not included.
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

The differences in the duration of stay of Indonesian emigrants by country of destination could be used to identify the different migratory patterns to OECD countries (Figure 2.15). Among the main OECD destination countries, except for Korea and Japan where this information is not available, the Netherlands appears to host the most matured diaspora with almost 95% of Indonesian migrant populations staying longer than 10 years, which is well above the OECD average of 75%. While the United States being another country with a mature diaspora – 80% of Indonesian emigrants staying longer than 10 years, the significant share of Indonesian emigrants living in Australia (26%) and Germany (42%) has resided for relatively a shorter period. In the case of Hong Kong (China), the share of recent migrants staying 3 years or less is also high (48%).

Figure 2.15. Distribution of Indonesian emigrants by duration of stay in main OECD destination countries, 2015/2016



Note: OECD average does not include Korea, Japan, Chile, Latvia, Mexico, Poland, Turkey, and Iceland.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16, Korean Immigration and Foreign Residents Statistics (2020).

Distribution of education among Indonesian emigrants in OECD countries

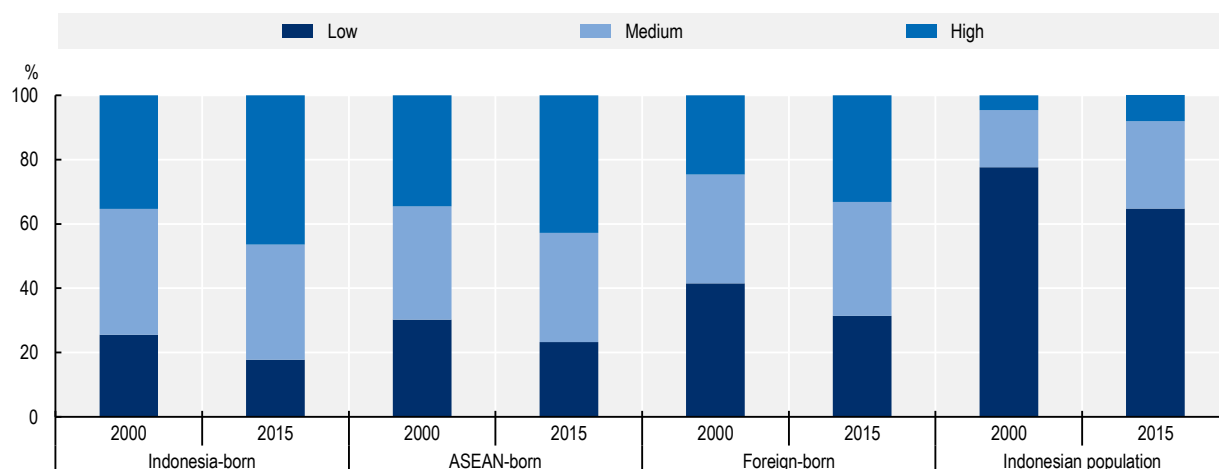
The level of education of Indonesian emigrants has increased in recent decades

In 2015, more than 70% of Indonesian emigrants aged 15 years old and over living in OECD countries had at least upper secondary education, 46% had high educational attainment and 36% had medium educational attainment (Figure 2.16).

Compared to 2000, the level of education of Indonesian emigrants in OECD countries has increased significantly. The share of Indonesian emigrants with a low level of education fell by 7 percentage points, while the share of those with higher education increased by almost 10 percentage points. The level of education of all immigrants living in OECD countries also experienced similar improvement.

However, Indonesian emigrants residing in OECD countries have on average higher level of education than all foreign-born populations in OECD countries; the share of Indonesian emigrants with a high level of education is 46% while that of the overall foreign-born population is 31%. Furthermore, Indonesian emigrants in OECD countries are much more educated than the Indonesian native population living in Indonesia, reflecting a very strong positive selection of emigration from developing countries to OECD countries. Although the share of low educated Indonesian in Indonesia decreased between 2000 and 2015 (from 78% to 65%), it remains higher compared to other groups.

Figure 2.16. Level of education among Indonesian emigrants living in OECD countries, 2000/01 and 2015/2016

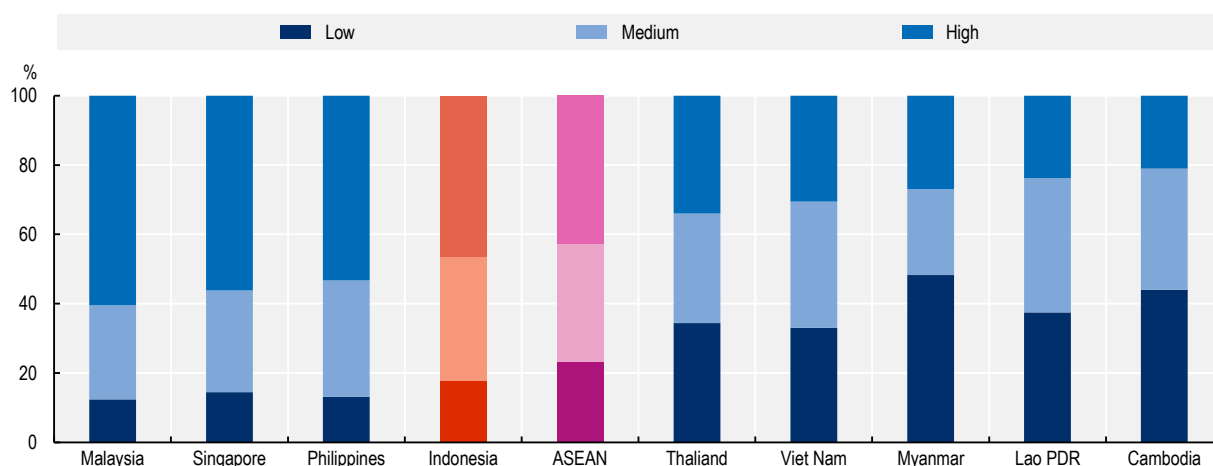


Note: Indonesians in Germany, Japan, Korea, Latvia, and Turkey are not included in 2000. Indonesians in Chile, Japan, Korea, Latvia, Mexico and Turkey are not included in 2015.

Source: OECD Database on Immigrants in OECD Countries (DIOC) (2000-15), Wittgenstein Centre for Demography and Global Human Capital (2018).

Compared to the emigrant populations of neighbouring ASEAN countries, Indonesian emigrants were relatively more educated – slightly above the ASEAN average (Figure 2.17). Among Indonesia's neighbours, Malaysia, Singapore, and the Philippines had a more educated emigrant population than Indonesia, with less than 15% of its emigrant population being low educated and more than 50% highly educated. By contrast, other neighbouring countries of Indonesia have a less educated emigrant population. For instance, close to half of Burmese emigrants are low educated, almost three times the proportion of Indonesian emigrants.

Figure 2.17. Level of education among emigrants from Indonesia and ASEAN countries living in OECD countries, 2015/2016



Note: Only countries with at least 150 000 emigrants in OECD countries in 2015 are included. ASEAN average includes Brunei.

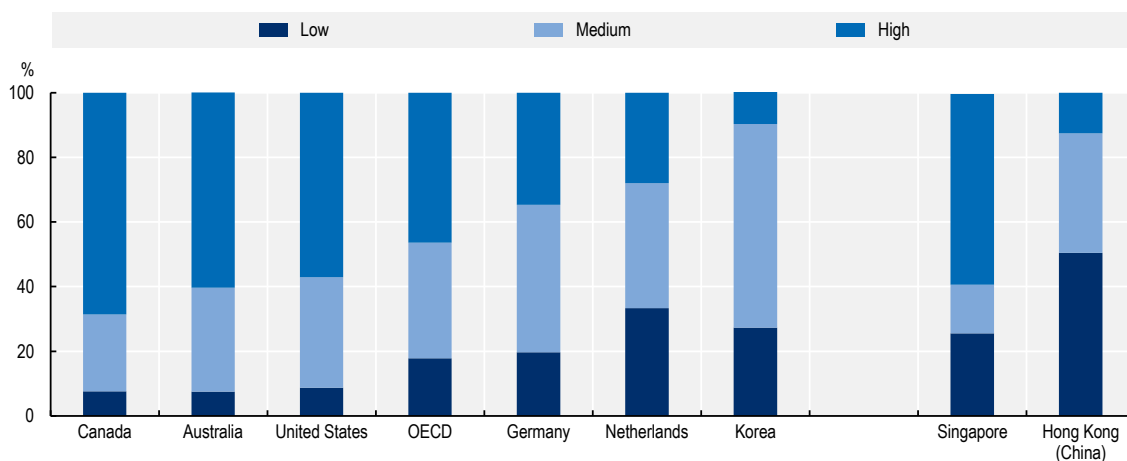
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2000-15.

Australia, the United States, and Singapore host highly educated Indonesian emigrants

Overall, in 2015, Indonesian emigrants aged 15 years old and over in OECD countries are highly educated; only 18% had low educational attainment, while 46% had a high level of education (Figure 2.18). There is, however, heterogeneity across destination countries. In Korea, one of labour migrants' main destination countries, Indonesian emigrants had the lowest average level of education: 38% of them had a high level of education, while 33% had low educational attainment. To a lesser extent, Indonesian emigrants in Germany also had relatively low levels of educational attainment: the share of low educated among them was 20%. Indonesian emigrants in the United States and in Australia, two main destination countries of Indonesian international students, had, on average, a higher level of education: one-third of them had reached tertiary education in 2015/16, and the share of low educated individuals was only 9% in the United States and 8% in Australia.

Two main non-OECD destination economies, Singapore and Hong Kong (China) show two entirely different distributions. While 59% of Indonesian emigrants living in Singapore had a high level of education, only 12.5% were highly educated in Hong Kong (China).

Figure 2.18. Distribution of education among Indonesian emigrants aged 15 and over living in selected OECD countries and non-OECD economies



Note: Only countries with at least 10 000 Indonesian emigrants aged 15+. OECD average does not include Chile, Japan, Korea, Latvia, Mexico and Turkey.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16, Korean Immigration and Foreign Residents Statistics (2020), Chinese Taipei National Immigration Agency (2020), Hong Kong (China) By-census 2016), Singapore Census of Population (2020).

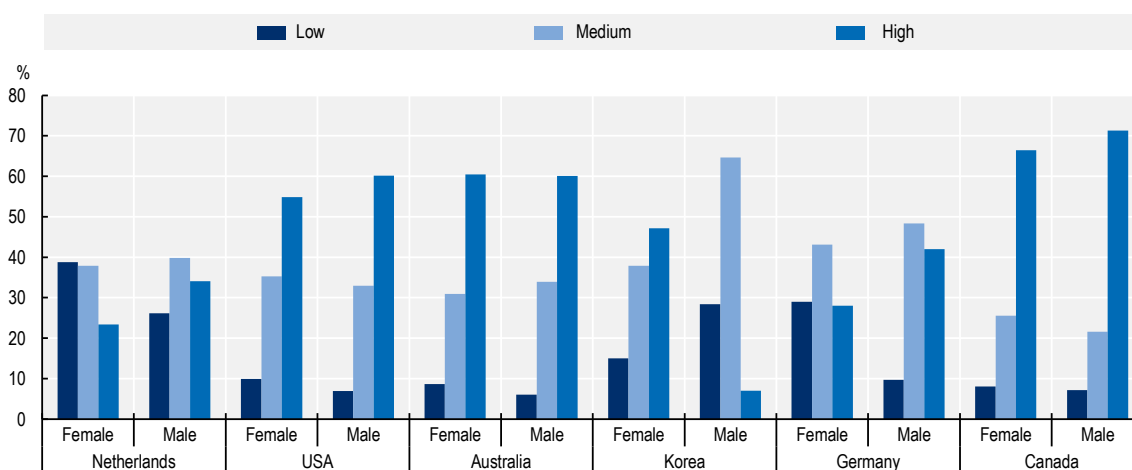
Among Indonesian emigrants living in OECD countries, men still have a higher level of education than women

While 21% of Indonesian emigrant women are low educated, this share is 7 percentage points lower for men (14%) (Figure 2.20). Overall, in 2015, low educated Indonesian emigrant women aged 15 and over in OECD countries numbered around 40 000 persons whereas low educated Indonesian emigrant men represented fewer than 20 000 persons.

The differences in the distribution of education levels by gender among Indonesian emigrants vary by destination country (Figure 2.19). Among Indonesian emigrants in the Netherlands, women were more than 10 percentage points more likely than men to be low educated, with almost 40% of women having a degree from lower secondary education. In Germany as well, around 30% of Indonesian emigrant women

were low educated, about 20 percentage points more than their male counterparts do. By contrast, in the United States or Australia, the distribution of education levels among Indonesian emigrants is relatively similar across genders.

Figure 2.19. Level of education among Indonesian emigrants by sex in main OECD destination countries, 2015/2016

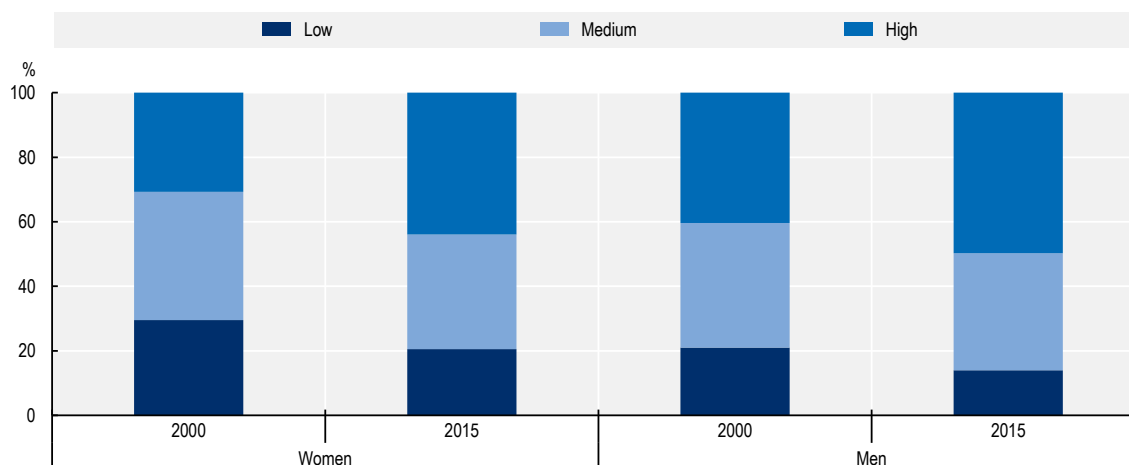


Note: Only countries with at least 10 000 Indonesian emigrants. OECD total includes all destination countries.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16, Korean Immigration and Foreign Residents Statistics (2020).

Over time, gender disparities among Indonesian emigrants in terms of education level have reduced in OECD countries. More precisely, in 2000, Indonesian emigrant women were 9 percentage points more likely to have low educational attainment than men and 13 percentage points less likely to have a tertiary degree than men (Figure 2.20). However, in 2015/16, Indonesian emigrant women are only 6 percentage points less likely to have a high level of education.

Figure 2.20. Level of education among Indonesian emigrants by sex in OECD countries, 2000/01 and 2015/2016



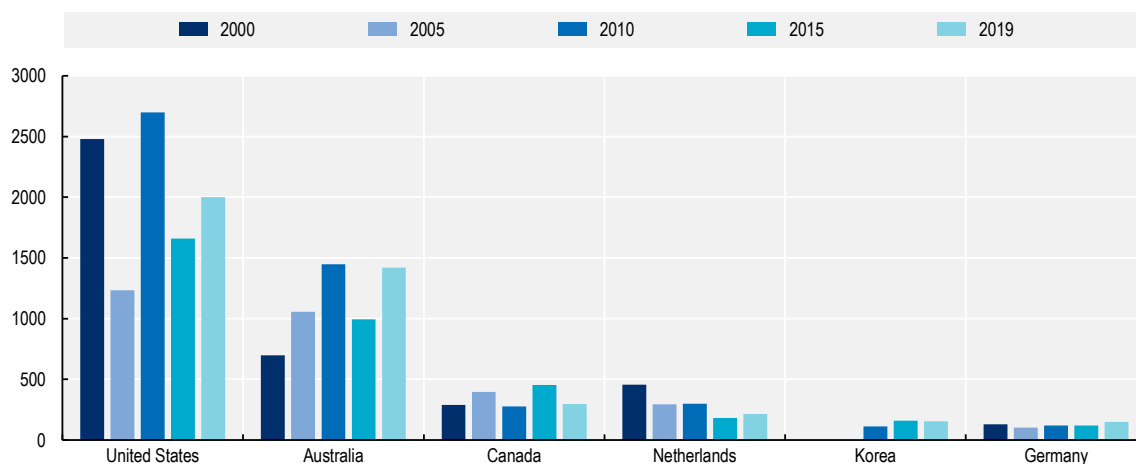
Source: OECD Database on Immigrants in OECD Countries (DIOC), 2015/16.

Naturalisation trends among Indonesian emigrants in OECD countries

Indonesian emigrants have a lower-than-average probability to acquire the nationality of the destination country, except in the Netherlands

According to OECD International Migration Database which includes information on the annual numbers on acquisitions of nationality in OECD countries, there are some notable patterns of Indonesian emigrants' naturalisation observed in the main destination countries – the United States, Australia, the Netherlands, Korea, Germany, and Canada. While the number of Indonesian emigrants who newly acquired the citizenship of their host country fluctuated in the United States and Australia, the numbers stay relatively stable in Korea and in Germany. However, in the Netherlands, the number almost halved from 456 in 2000 to 215 in 2019 (Figure 2.21).

Figure 2.21. Number of Indonesian emigrants who acquired the citizenship of their host country, OECD selected countries, 2000-19

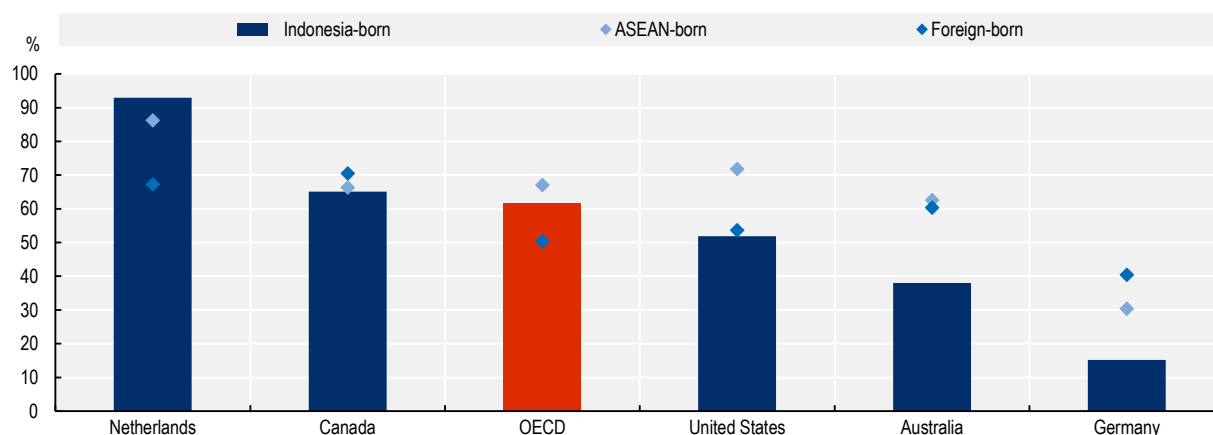


Note: Only countries with at least 10 000 Indonesian emigrants. OECD total includes all destination countries.
Source: OECD International Migration Database, Korean Immigration and Foreign Residents Statistics (2020).

Similar patterns can be observed in Chinese Taipei. From 2000 to 2019, the number of Indonesian emigrants who acquired citizenship decreased by 83%.

However, the naturalisation rate for Indonesian emigrants in 2015 was surprisingly high for some countries: 93% for the Netherlands and 100% for Japan – possible sampling bias for Japanese case. This high rate of Indonesian emigrants who acquired the Dutch citizenship shows Indonesian emigrants' long history of migration to the Netherlands (Figure 2.22).

Figure 2.22. Naturalisation rates among Indonesian emigrants in main OECD destination countries, 2015/2016



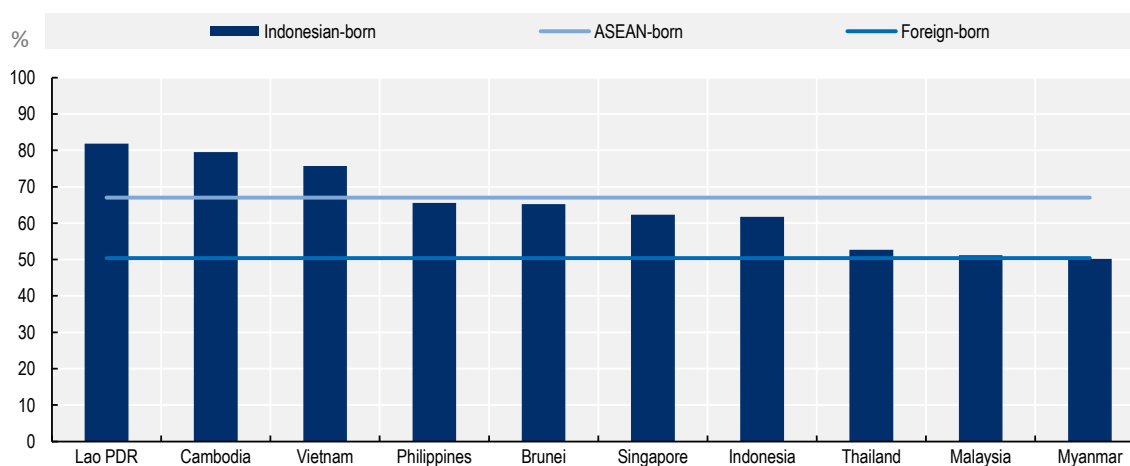
Note: Only countries with at least 5 000 Indonesian emigrants. The OECD average does not include Chile, Korea, Mexico, Latvia, Austria, New Zealand, and Turkey.

Source: OECD Database on Immigrants in OECD Countries (DIOC), 2015/16.

Six out of ten Indonesian emigrants held the citizenship of their OECD host country in 2015

According to the most recent data available, the share of host country citizenship holder among Indonesian emigrants in OECD countries is 62% (Figure 2.23). This is around 4 percentage points lower than that of ASEAN emigrant population and more than 10 percentage points higher than that of the foreign-born population in OECD countries. Among the ASEAN member countries, Indonesia is the sixth country with the highest rate of naturalisations.

Figure 2.23. Naturalisation rates among emigrants from Indonesia and ASEAN countries in the OECD area, 2015/2016



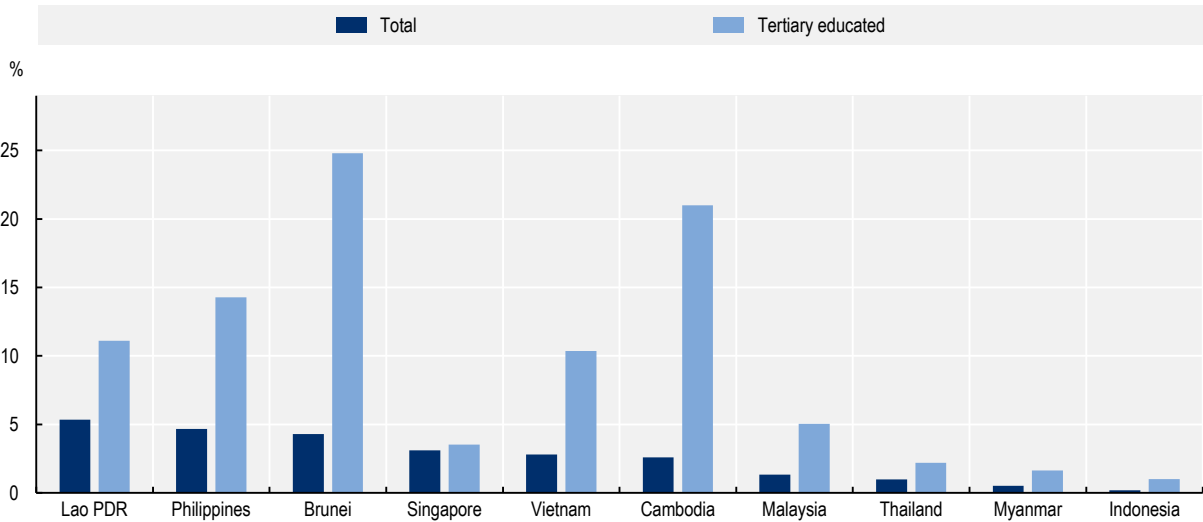
Note: Only countries with at least 150 000 emigrants in OECD countries in 2015 are included. ASEAN average includes Brunei. Percentage of ASEAN migrants holding the citizenship of the OECD country where they reside.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

Emigration rates

Emigration rates are defined as the ratio between the number of emigrants from a specific country living in OECD countries and the total sum of the resident population of this country and emigrants living in OECD countries. In 2015, Indonesia had an emigration rate of 0.2% for the total population aged over 15 and 1.0% for high-educated population, the lowest among the ASEAN countries, reflecting that only a few Indonesians have the intention to emigrate as discussed in the previous chapter (Figure 2.24).

Figure 2.24. Emigration rates of ASEAN countries to OECD countries, 2015/16



Source: Emigration rates to OECD countries, 2015/16.

Conclusion

This chapter analysed the size and the socio-economic characteristics of Indonesian emigrants in main OECD destination countries and other non-OECD economies since 2000. Among one out of ten Indonesian emigrants residing in the OECD area, more than half are women and most of them are of working age. Indonesian emigrants are overall positively selected in terms of educational attainment. Different channels of emigration – education, employment, and international marriage, explains diverse patterns of diaspora observed by destination countries.

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3

Labour market outcomes of Indonesian migrants

This chapter analyses the labour market integration of Indonesian emigrants in main OECD destination countries through several key indicators such as labour market participation, employment and unemployment rates. These results are also analysed by sex, educational attainment, length of stay and citizenship status, as well as across destination countries and over time. Finally, the chapter examines the distribution of Indonesian emigrants across sectors and occupations in selected OECD destination countries, with a particular focus on over-qualification rates. The chapter systematically compares the outcomes of Indonesian emigrants to the outcomes of emigrants from the ASEAN countries, the foreign-born and native populations of the OECD countries.

In Brief

- Approximately a quarter-million Indonesian migrants of working age reside in OECD countries. Among them, 70% participate in the labour market, almost on par with the native-born population of OECD countries. However, there are important variations across the main destination countries. In Germany, less than half of Indonesian emigrants participate in the labour market, compared to nine in ten in Korea.
- In the main OECD destination countries, the labour market participation rate of Indonesian emigrants is lower than for emigrants from other ASEAN countries as well as for the foreign-born population overall. The only exceptions to this are Korea and Japan where Indonesian emigrants fare better.
- Across OECD countries, 65% of Indonesian emigrants are employed, a rate that is practically on par with the native-born population, but 2 and 7 percentage points lower than for the foreign-born population and ASEAN emigrants, respectively.
- In non-OECD economies, Indonesian emigrants display comparatively higher employment rates: in Hong Kong (China) and Chinese Taipei, 97 and 95% of Indonesian emigrants are employed, respectively.
- Employment rates for Indonesian emigrants in OECD countries have remained relatively stable since 2010 but emigrants from ASEAN countries and the foreign-born population registered higher growth rates over the same period. Between 2010 and 2015, the employment situation for Indonesian emigrants improved the most in the United States and deteriorated the most in Germany.
- Indonesian emigrant women fare worse in the OECD labour market than their male counterparts. In 2015, the employment gender gap stood at 15 percentage points, which represents a slight improvement compared to 2010. This gap is almost on par with the one observed among the native-born population and slightly lower than the gap observed among the foreign-born population.
- Among OECD countries, Korea presents the highest gender employment gap among Indonesian emigrants: 98% of men were employed in 2015/16 compared to 48% of women. In contrast, the United Kingdom is the only country where Indonesian emigrant women are employed at higher rates than their male counterparts.
- Among non-OECD destination countries, the opposite is true: Indonesian women migrants are employed at higher rates than men in both Chinese Taipei and Hong Kong (China), with a gap of 4 and 31 percentage points, respectively, in favour of women.
- While Indonesian emigrants' employment rates increase on educational level, Indonesian female emigrants are experiencing a mismatch between their skill level and the skill level required by the occupation.
- Indonesian male emigrants in non-Asian OECD countries are more employed in high-skilled jobs. But Indonesian emigrants in Korea and Hong Kong (China), emigrants were highly concentrated in low and medium skill level occupations.

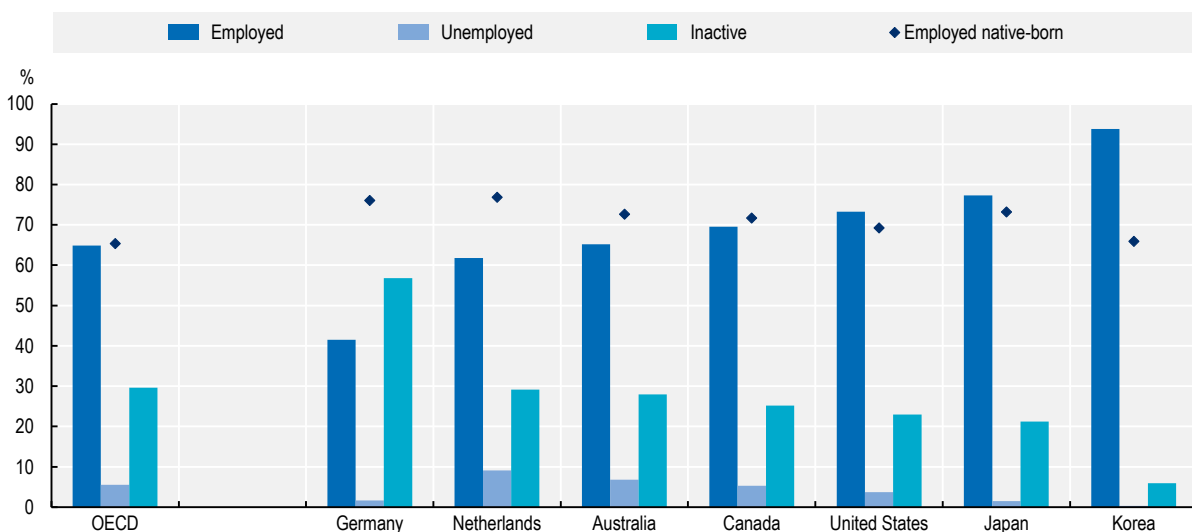
Labour market participation and employment among Indonesian emigrants

In OECD countries, the labour force participation rate of Indonesian migrants is almost on par with the native-born but there are important differences across countries

In 2015/16, approximately 262 000 Indonesian migrants of working age (between 15 and 64 years old) resided in OECD countries. Among them, 70% participated in the labour market, compared to 74% among the native population (Figure 3.1). Differences in unemployment rates primarily explain this 4-percentage gap since the employment rate for Indonesian migrants (65%) is practically on par with the native population (-0.5%).

Figure 3.1. Labour market status of Indonesian emigrants by main OECD destination country, 2015/16 and 2020

Share of the working-age population (share of the active population for unemployment rate)



Note: The population refers to the working-age population (15-64). For the migrant population in Korea, it refers to the population aged over 15. Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16. Korea's data: Survey on Immigrant's Living Conditions and Labour Force (2020).

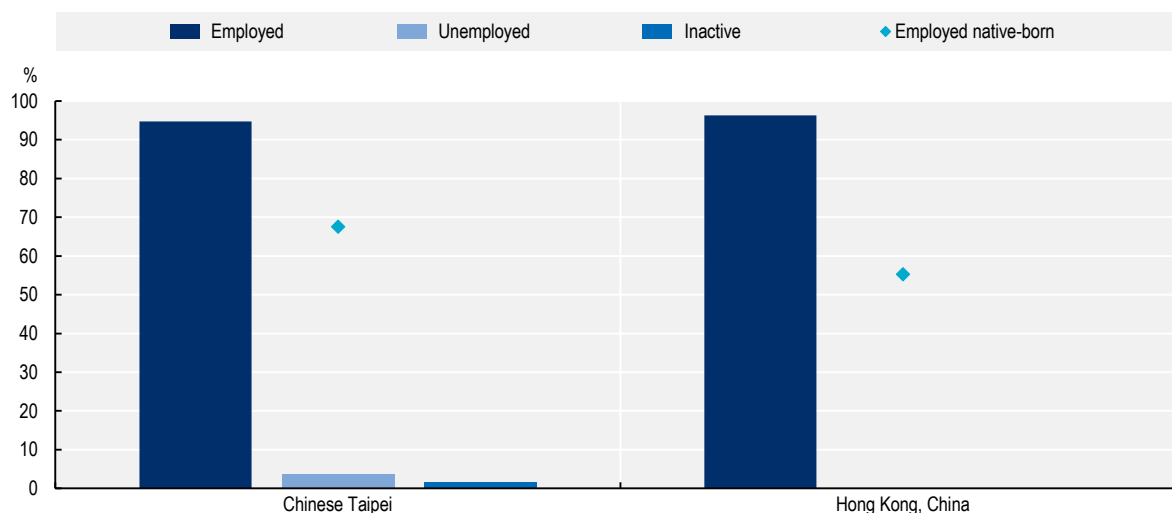
The total participation rate, however, masks important differences across destinations. Indonesian migrants in Germany exhibit the lowest labour force participation rate (43%) among the main destination countries. Remarkably, the relatively low labour participation rate is characterised by the third lowest unemployment rate (4%) and the lowest employment rate (42%). It can be partially explained by the fact that Germany has the highest share of recent migrants (42%) that arrived in the country less than 5 years ago. The second-lowest labour force participation rate, in the Netherlands, is 28 percentage points higher than in Germany (71%) which points to the particularity of the German case. Yet, the Netherlands exhibits the highest unemployment rate at 13%. In Korea, nine in ten Indonesian migrants participate in the labour market, the highest rate among the main destination countries. Moreover, Korea presents the lowest unemployment rate among Indonesian migrants at 0.3%.

Compared to the native population, the highest differential in employment rates is observed in Germany, where less than half of Indonesian migrants (42%) were employed in 2015/16, compared to 76% of the native population, a 34-percentage point gap. In the Netherlands, Australia and Canada, Indonesian migrants are also employed at lower rates than the native population but the gap between these two groups

is smaller (less than 15%). Conversely, in the United States, Japan and Korea the employment rates of Indonesian migrants (73, 77, and 94%, respectively) are higher than that of the native populations.

In two of the main non-OECD destination countries, Chinese Taipei and Hong Kong (China), Indonesian emigrants participate in the labour market at higher rates than those observed in the OECD area (Figure 3.2). In Chinese Taipei, 98% of Indonesian migrants participate in the labour market. Employment rates at 95% are 27 percentage points higher than for the native-born. Similarly, in Hong Kong (China), employment rates for Indonesian emigrants (96%) are 41 percentage points higher than for the native-born. The city hosts more than 340 000 foreign domestic workers, 44% of which are from Indonesia (Cheung, 2017^[1]).

Figure 3.2. Labour market status of Indonesian emigrants in non-OECD destination economies, 2015 and 2020

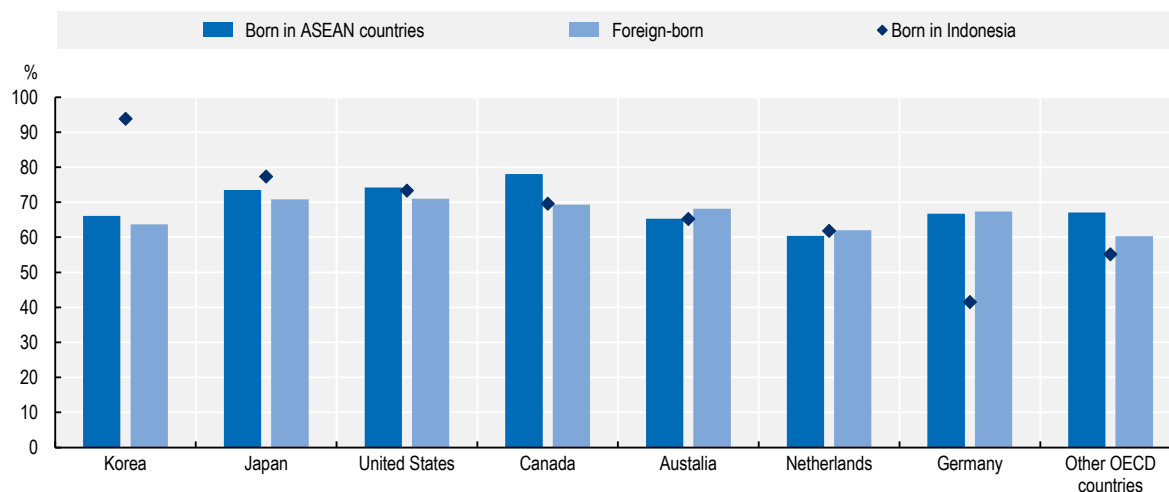


Note: The population refers to individuals over 15 years of age.

Source: Hong Kong (China) 2016 By-Census, Ministry of the Interior National Immigration Agency, Chinese Taipei.

In the OECD area, Indonesian emigrants participate in the labour market at a lower rate than emigrants from ASEAN countries (-7%) and the foreign-born population more generally (-2%). Indonesian emigrants also exhibit lower employment rates compared to both reference groups but with important differences across the main destination countries (Figure 3.3). The biggest employment gaps are observed in Germany and the United Kingdom: in both countries, less than half of Indonesian migrants were employed in 2015/16 (42 and 45%, respectively), a rate more than 20 percentage points lower than for either one of the reference groups. Japan and Korea are the only countries where Indonesian emigrants fare better than emigrants from ASEAN countries and the foreign-born population. In Korea, employed Indonesian emigrants outnumbered employed emigrants from ASEAN countries by 28 percentage points.

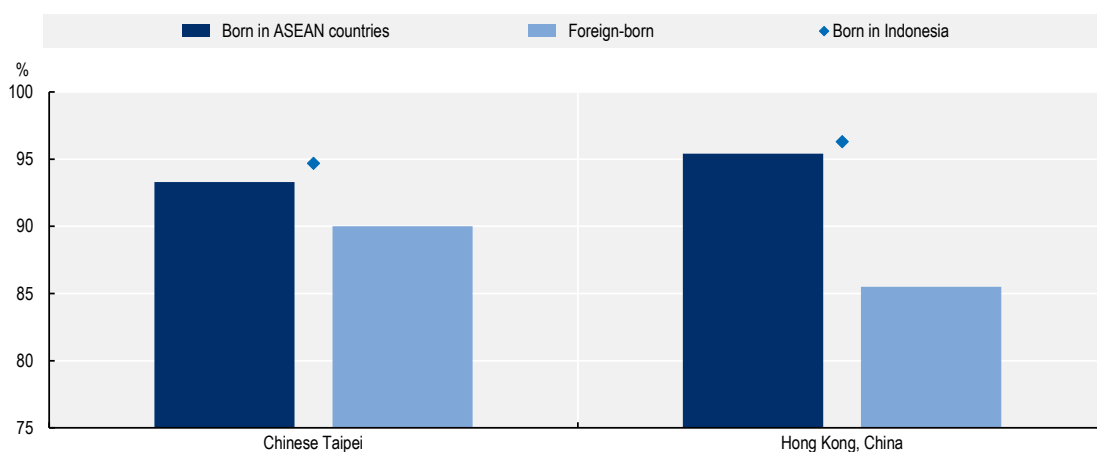
Figure 3.3. Employment rates of Indonesian emigrants by main OECD destination country, 2015/16



Note: The population refers to the working-age population (15-64). For the migrant population in Korea, it refers to the population aged over 15. For ASEAN-born population in Korea, it refers to those born in Viet Nam, the Philippines, Indonesia, Thailand and Cambodia.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16. Korea's data: Survey on Immigrant's Living Conditions and Labour Force (2020).

Figure 3.4. Employment rates of Indonesian emigrants in non-OECD destination economies, 2016 and 2020

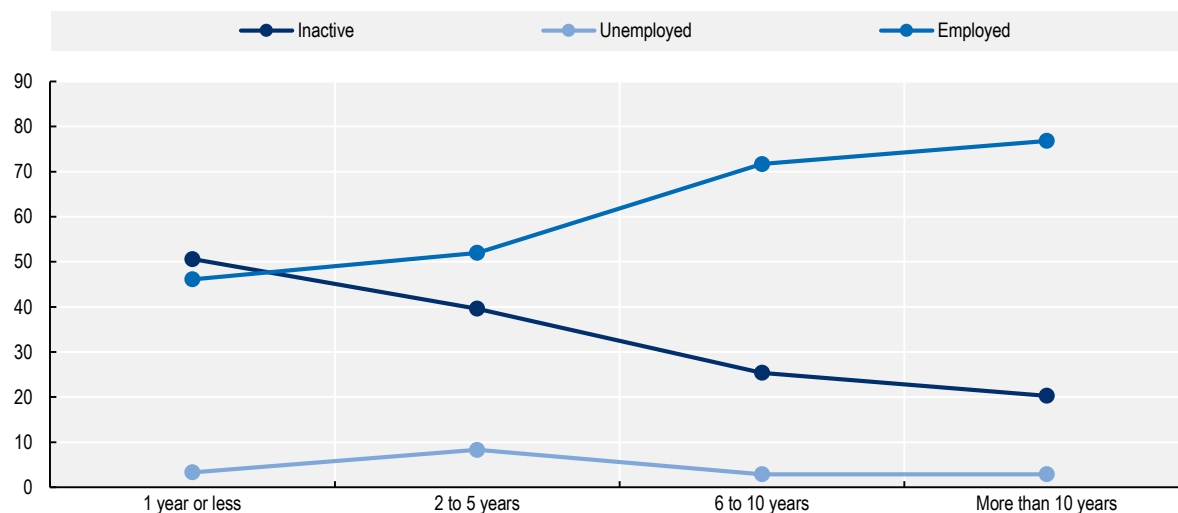


Note: The population refers to the working-age population aged over 15. For ASEAN-born population in Chinese Taipei, it refers to those born in Malaysia, Indonesia, Thailand, Singapore, Viet Nam and the Philippines and for ASEAN-born population in Hong Kong (China), refers to those born in Indonesia, Thailand, and the Philippines.

Source: Hong Kong (China) 2016 By-Census; Ministry of the Interior National Immigration Agency, Chinese Taipei (2020).

Recent data from the United States underscores the relation between the length of stay and the participation in the labour force. As shown in Figure 3.5, more permanent migrants have higher employment rates. Indeed, approximately half of Indonesian emigrants (52%) that have been living in the United States for five years or less are employed. The employment rates rise by 20 percentage points when Indonesian migrants have spent up to ten years in the country and reach a peak of 77% after 10 years of residence. While inactivity rates fall with years of residence, unemployment rates remain relatively stable at 3%, except for the cohort of migrants who have spent more than one year and less than five in the United States. For this group, the unemployment rates are the highest at 8%.

Figure 3.5. Evolution of labour force participation rate among Indonesian emigrants in the United States by the duration of stay, 2017/2019

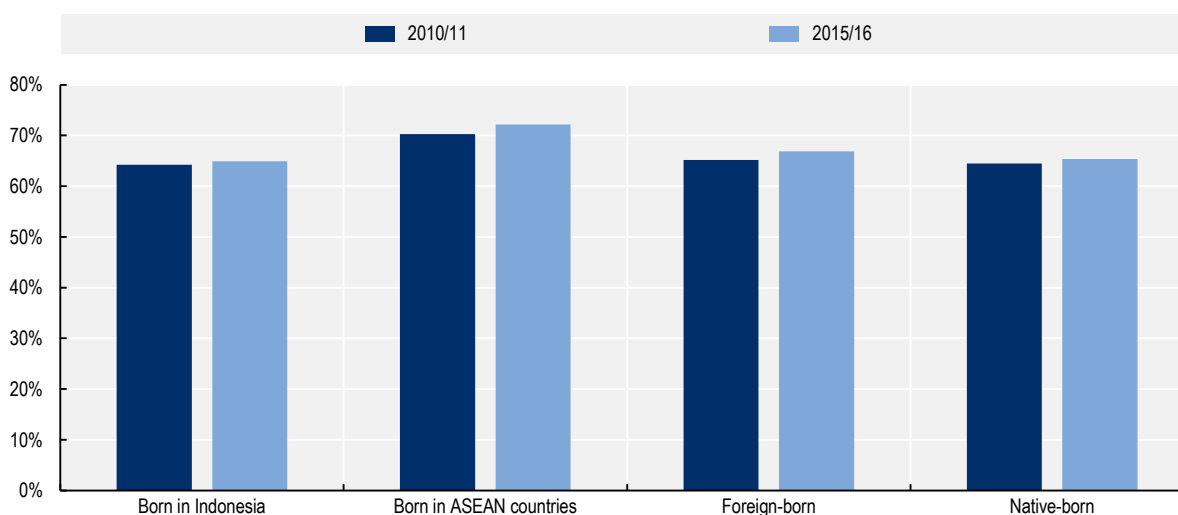


Note: Population refers to the working-age population (15-64).
Source: Pooled data from the American Community Survey 2017-19.

The employment rate of Indonesian emigrants has remained stable after 2010

Between 2010/2011 and 2015/16, the employment situation of Indonesian emigrants in OECD countries has remained relatively stable as shown in Figure 3.6. Indeed, their employment rate has increased less than 1 percentage point (+0.7%), almost on par with the growth rate observed among the native population (+0.9%). This rate, however, is lower than the one observed for emigrants from ASEAN countries and, to a broader extent, for all foreign-born individuals, whose employment rates increased by 2 percentage points in the same period.

Figure 3.6. Employment rates of Indonesian emigrants in OECD countries, 2010/11 and 2015/16



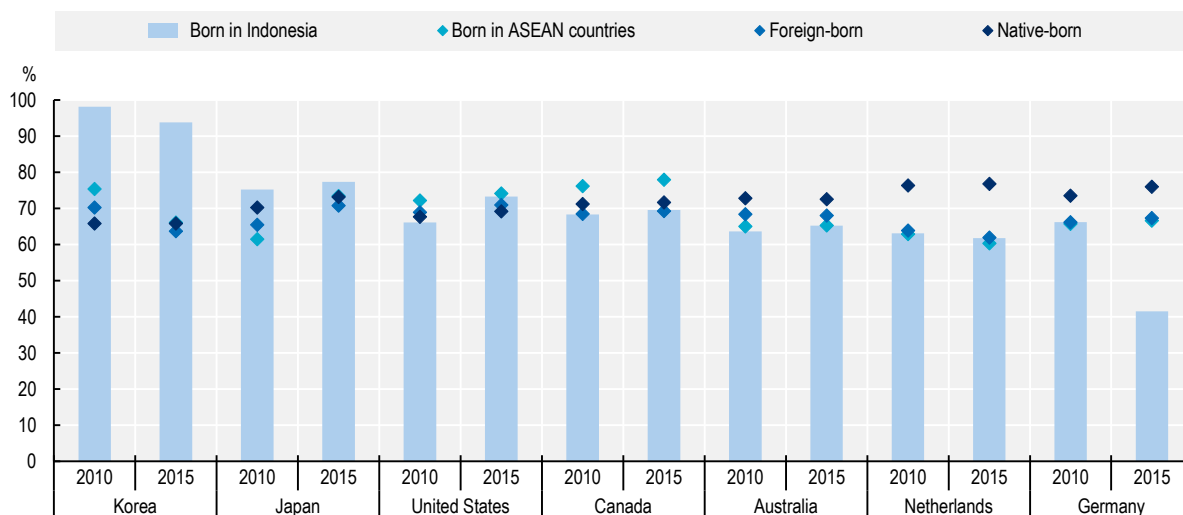
Note: The population refers to the working-age population (15-64).
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2010/11 and 2015/16.

The evolution of Indonesian migrants' employment rates varies from one destination country to the other reflecting different stages of economic recovery in the aftermath of the 2008 global economic crisis (Figure 3.7).

The employment situation of Indonesian emigrants improved the most in the United States: between 2010/11 and 2015/16, employment rates increased by 7 percentage points, the highest percentage growth among the main destinations. Remarkably, this growth is also higher than for ASEAN migrants and foreign-born individuals more generally. Japan, Australia and Canada also registered improvements, albeit at lower rates (+2% for the former two and +1% for Canada). Conversely, Indonesian emigrants in Korea, Germany, the United Kingdom and the Netherlands witnessed a deterioration in their employment situation. In Germany, employment rates among Indonesian emigrants fell by 25 percentage points (from 66 to 42%), while increasing marginally for the foreign-born population and emigrants from ASEAN countries. In the United Kingdom, employment rates among Indonesian emigrants fell by 13 percentage points, improving marginally for the other reference groups. In Korea and the Netherlands, employment rates fell by 4 and 1 percentage points among Indonesian migrants, respectively. However, employment rates fell at higher rates for ASEAN emigrants and the foreign-born population during the same period.

In non-OECD destination countries employment rates among Indonesian emigrants have remained more stable, but their employment situation has deteriorated compared to ASEAN emigrants and foreign-born individuals, more generally. Between 2010 and 2015, employment rates increased by 1% in Chinese Taipei. Emigrants from ASEAN countries, and the foreign-born and native populations all registered higher employment growths in the same period. Similarly, in Hong Kong (China), employment rates fell by 1% among Indonesian emigrants between 2011 and 2016 and increased for all three reference groups.

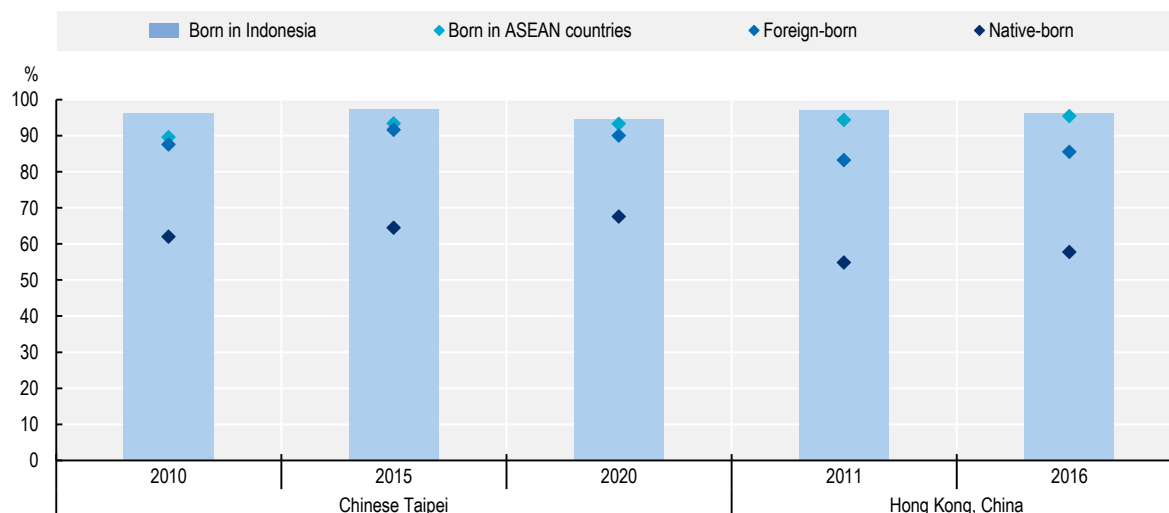
Figure 3.7. Evolution of employment rates of Indonesian emigrants in main OECD destination countries, 2010 and 2015



Note: The population refers to the working age population (15-64). For migrant population in Korea, it refers to population aged over 15. For ASEAN-born population in Korea, it refers to those born in Viet Nam, Philippines, Indonesia, Thailand and Cambodia.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2010/11 and 2015/16. Korea: Survey on Immigrant's Living Conditions and Labour Force (2020).

Figure 3.8. Evolution of employment rates of Indonesian emigrants in main non-OECD destination economies



Note: The population refers to the working-age population aged over 15. For ASEAN-born population in Chinese Taipei, it refers to those born in Malaysia, Indonesia, Thailand, Singapore, Viet Nam and the Philippines and for ASEAN-born population in Hong Kong (China), it refers to those born in Indonesia, Thailand, and the Philippines.

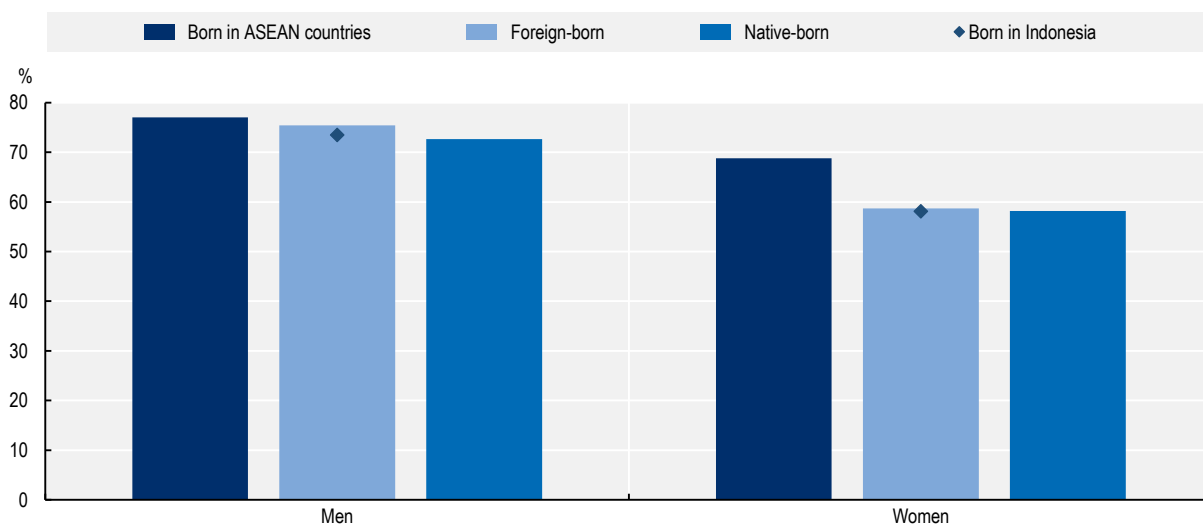
Source: Hong Kong (China) 2016 By-Census, Ministry of the Interior National Immigration Agency, Chinese Taipei.

Employment rates have improved for female Indonesian emigrants but a significant gender gap persists

While the labour market is quite unfavourable to women in general, foreign-born women face a double challenge, both as immigrants and as women. Despite improvements in migrants' labour market outcomes, immigrant women are more likely to be unemployed than men (OECD, 2020^[2]). The same trend is also observed among the Indonesian emigrant population: in 2015/16, 58% of women were employed in OECD countries, compared to 73% of men (Figure 3.9). This employment gender gap of 15% is almost on par with the native population's (14%) and is slightly lower than the gap observed among the foreign-born population (17%). Yet, when compared to the migrant population from ASEAN countries, Indonesian women fare worse: among the former, 69% of women were employed in 2015/15, a rate 8 percentage points lower than among their male counterparts.

Since 2010/11 the employment rates for Indonesian women in OECD countries increased by 1% while decreasing by the same rate among their male counterparts. The employment gender gap, thus, narrowed by 2 percentage points from 17 to 15% between 2010/11 and 2015/16. A similar pattern was observed among emigrants from ASEAN countries pointing to an overall improvement in women's employment for the region as a whole. Among the native and foreign-born populations, conversely, women's employment stagnated in the same period.

Figure 3.9. Employment rates of Indonesian emigrants by sex, 2015/16



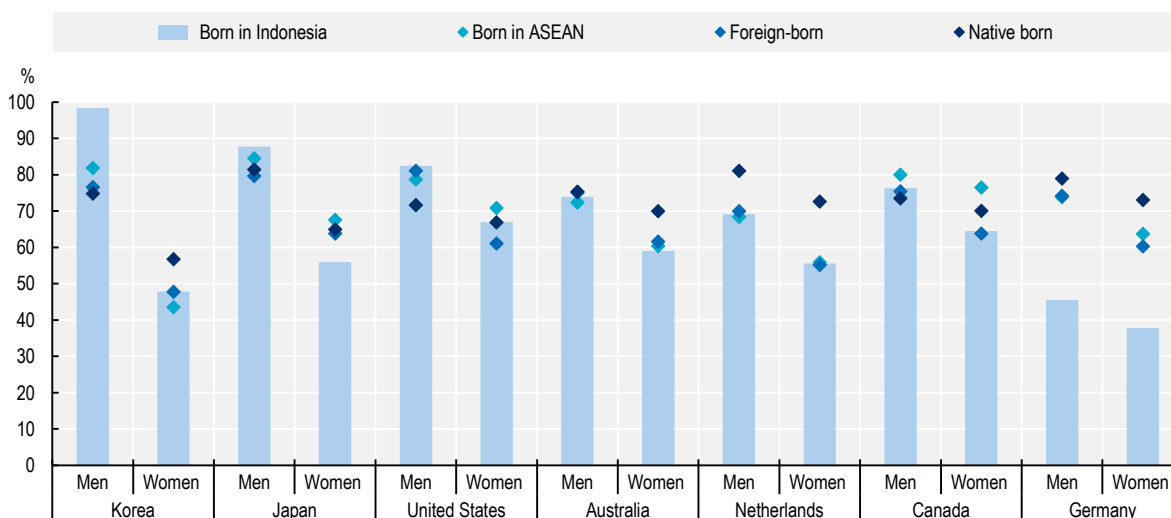
Note: The population refers to the working age population (15-64).

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

Across the main destination countries, the employment rates of men and women vary significantly (Figure 3.10). Korean and Japan present the highest employment gender gap for Indonesian emigrants. In Korea, 98% of men were employed in 2015/16 compared to less than half (48%) of women, a 50%-gap. Similarly, in Japan 88% of men were employed compared to 56% of women, a 32%-gap. Both employment gender gaps are also higher than those observed among the foreign-born, native-born and emigrants from ASEAN countries. In the United States, Australia, the Netherlands and Canada, Indonesian male migrants are employed at higher rates than their female counterparts, but the gap is lower than the gap observed in Japan. In these four countries, the gender gap is also higher than the gap observed for the migrant population from ASEAN countries. Germany stands out in this regard: not only is the employment gender gap lower (8%), but it is also comparatively lower than among the migrants from ASEAN countries. Finally, the United Kingdom is the only country where Indonesian migrant women fare better than men in terms of employment: in 2015/16, 50% of women were employed, compared to 37% of men, a 13%-gap.

Finally, in non-OECD destination countries, we observe the opposite trends: women Indonesian emigrants are employed at higher rates than their male counterparts, with a lower gap in Chinese Taipei than in Hong Kong (China). In the former, employment rates among women Indonesian emigrants were 96% compared to 92% among men, a 4%-gap. In Hong Kong (China), the gender employment gap is 31 percentage points: among the Indonesian emigrant population, 97% of women are employed compared to 66% of men.

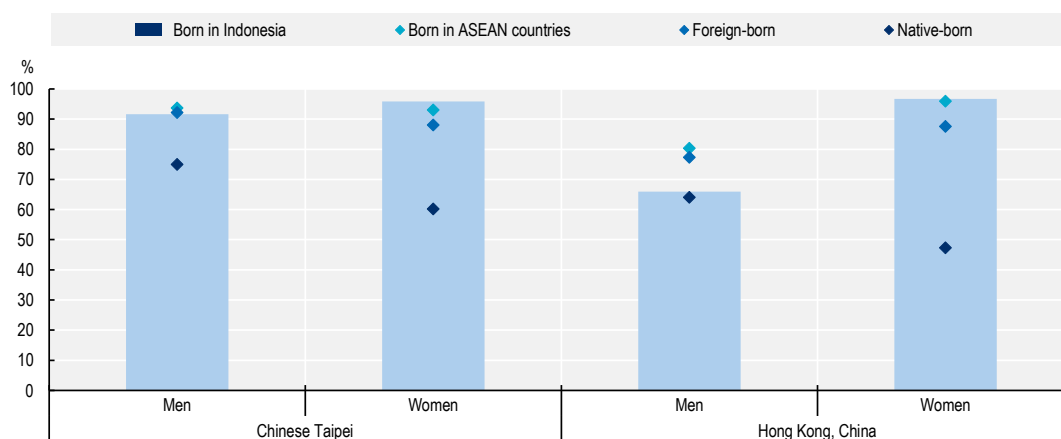
Figure 3.10. Employment rates of Indonesian emigrants in main OECD destination country by sex, 2015/16



Note: The population refers to the working-age population (15-64). For the migrant population in Korea, it refers to the population aged over 15. For ASEAN-born population in Korea, it refers to those born in Viet Nam, the Philippines, Indonesia, Thailand and Cambodia.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16. Korea: Survey on Immigrant's Living Conditions and Labour Force (2020).

Figure 3.11. Employment rates of Indonesian emigrants in main non-OECD destination economies by sex, 2015/16



Note: The population refers to the working-age population aged over 15. For ASEAN-born population in Chinese Taipei, it refers to those born in Malaysia, Indonesia, Thailand, Singapore, Viet Nam and the Philippines and for ASEAN-born population in Hong Kong (China), refers to those born in Indonesia, Thailand, and the Philippines.

Source: Hong Kong (China) 2016 By-Census, Ministry of the Interior National Immigration Agency, Chinese Taipei.

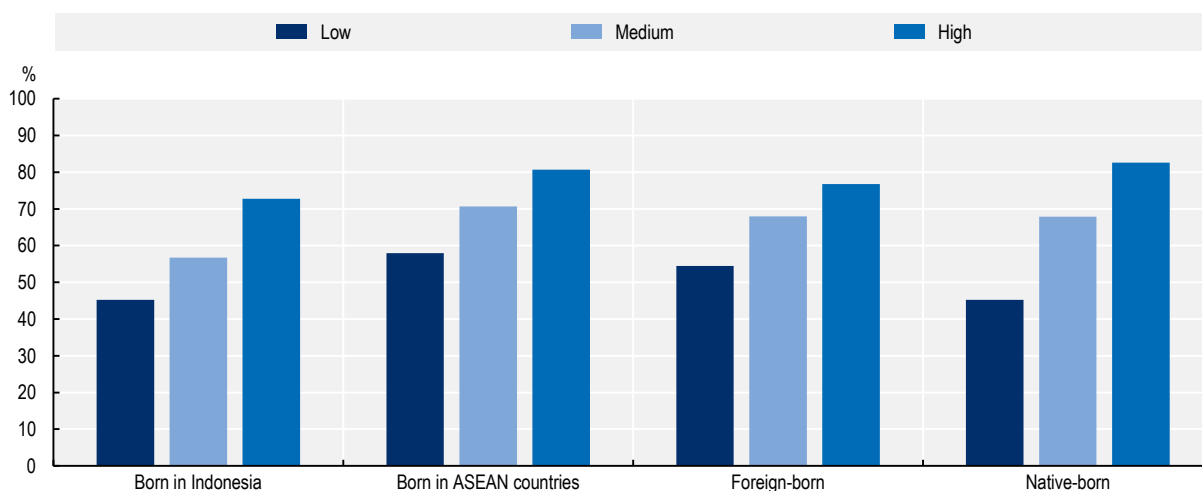
Highly educated Indonesian emigrants have better access to employment

The role of education in improving one's labour market outcomes has been well studied in social science. As expected, employment rates of Indonesian emigrants as well as those in reference groups are increasing in education level. (see Figure 3.12). Less than half (45%) of Indonesian-born emigrants aged

between 15 and 64 with a low level of education (up to lower secondary education) were employed in 2015/2016. The rate increased by more or less 10 percentage points for those who reached a medium level of education, which corresponds to an upper secondary education. However, it was significantly higher for those with a high level of education, reaching above 70%.

At all education levels, Indonesian emigrants' access to the labour market in OECD countries was less successful than that of other reference groups: those born in ASEAN countries, all immigrants and the native-born population. This result however should be interpreted with caution, as Japan and Korea, two main destination OECD countries of Indonesian emigrants are not included in the analysis. The gap between Indonesian emigrants and ASEAN emigrants or foreign-born employment rates diminished as their level of education increased. Indeed, for immigrants with a low level of education, the share of employed Indonesian emigrants (45%) was smaller than that of ASEAN born emigrants (58%) and foreign-born populations (54%). The difference became more significant for immigrants with a medium level of education as the employment rate of Indonesian emigrants (57%) was 14 and 11 percentage points lower than for ASEAN emigrants and all emigrants in OECD countries. Indonesian emigrants with a high education level were again 4-8 percentage points less often in employment than ASEAN- and foreign-born emigrants whose insertion into the labour market reached similar levels in OECD countries. On the contrary, the gap between Indonesian emigrants and native-born employment rates widened as their education levels increased up to tertiary education. Indonesian emigrants with low levels of education were equally employed as their native-born counterparts were. At medium and high levels of education, Indonesian emigrants were approximately 10 percentage points less employed than the native-born.

Figure 3.12. Employment rates by country of birth and level of education, 2015/16



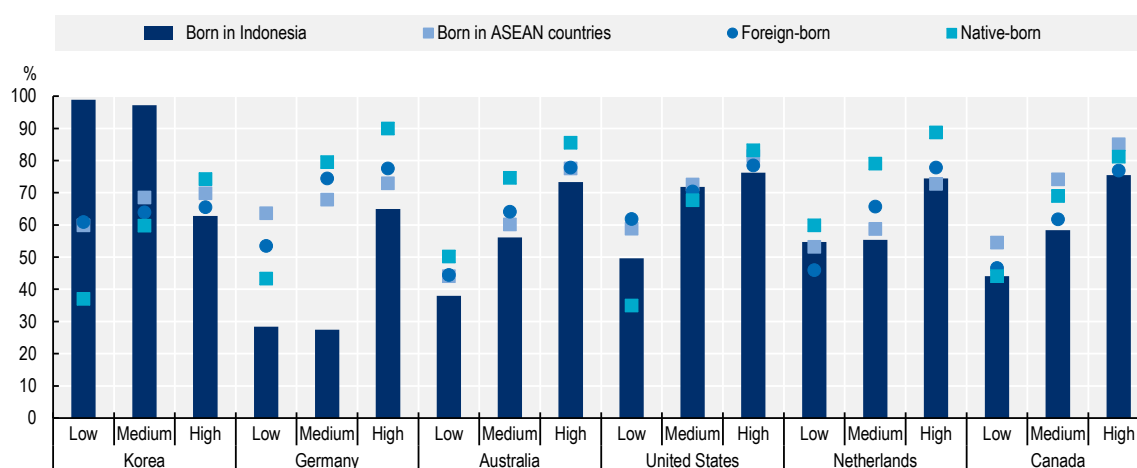
Note: The population refers to the working-age population (15-64). Japan and Korea are not included.
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

These stylised facts would be applied to all main non-Asian OECD countries of destination, as observed in Figure 3.13. In Korea, increasing return of education to employment probability does not apply to the high-educated Indonesian emigrants. With the majority being of working age and either with a low or a medium level of education, Indonesian emigrants in Korea were characterised as labour migrants. In Germany, a substantial share of Indonesian emigrants was aged between 15 and 24, low- and medium-educated, and was economically inactive in 2015/2016. In contrast, Indonesian emigrants in Germany with a high level of education were more often in employment.

In Canada, Australia and the United States, where six to seven out of ten Indonesian emigrants were highly educated, employment rates of Indonesian emigrants with a tertiary education were higher than 70%. However, those of low educated emigrants did not even surpass 50%, suggesting more selective immigration policies in these countries.

Lastly, in the Netherlands, the employment rates of low educated Indonesian emigrants were not strictly below those of medium educated; their higher age and therefore longer duration of stay in the host country would allow them to assimilate into the labour market more efficiently.

Figure 3.13. Indonesian emigrants' employment rates by level of education and destination country, 2015/16



Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

Occupations and skills of Indonesian emigrants

Among Indonesian emigrants, women are more likely to be over-qualified

Box 3.1. Over-qualification: Definition and measure

Overqualification refers to the employment scenario whereby individuals have more skills or levels of education than what is required for their job. The OECD definition of the overqualification rate is the share of the highly educated who are working in a job that is ISCO-classified as low or medium-skilled.

Education level is measured using the International Standard Classification of Education (ISCED); high education level corresponds to ISCED Level 5 and higher. The level of qualification required for a position is measured using the International Standard Classification of Occupations (ISCO); low or medium-skilled jobs include clerical support workers, service and sales workers, skilled agricultural, forestry and fishery workers, craft and related trades workers, plant and machine operators and assemblers and elementary occupations.

Among immigrants, the over-qualification rate is an indicator of the degree of transferability of human capital across countries, as the qualifications and linguistic skills acquired in the country of origin are not always readily transferable in the host country, although it may also capture discrimination in the labour market, asymmetries of information on job availability, etc.

However, it does not necessarily mean that the quality of jobs increases on one's educational attainment. It is well documented that foreign-born workers are often overqualified (OECD, 2020^[2]). To quantify this, the overqualification rate, the share of highly educated people working in a low or medium-skilled job, is estimated. Around 35.6% of high-educated Indonesian emigrants in employment held a position that requires fewer qualifications than they actually had in 2015/2016 (see Figure 3.14). While the share of overqualified Indonesian emigrants was similar to that of all foreign-born emigrants (35.3%), it was significantly higher than that of native-born individuals (28.8%) but lower than that of ASEAN-born emigrants (43.4%). The gender gap was more pronounced for Indonesian emigrants unlike other groups of emigrants in OECD countries. Over 40% of female high-educated Indonesian emigrants were overqualified whereas the overqualification rate for the male high-educated Indonesian emigrants was less than 30%.

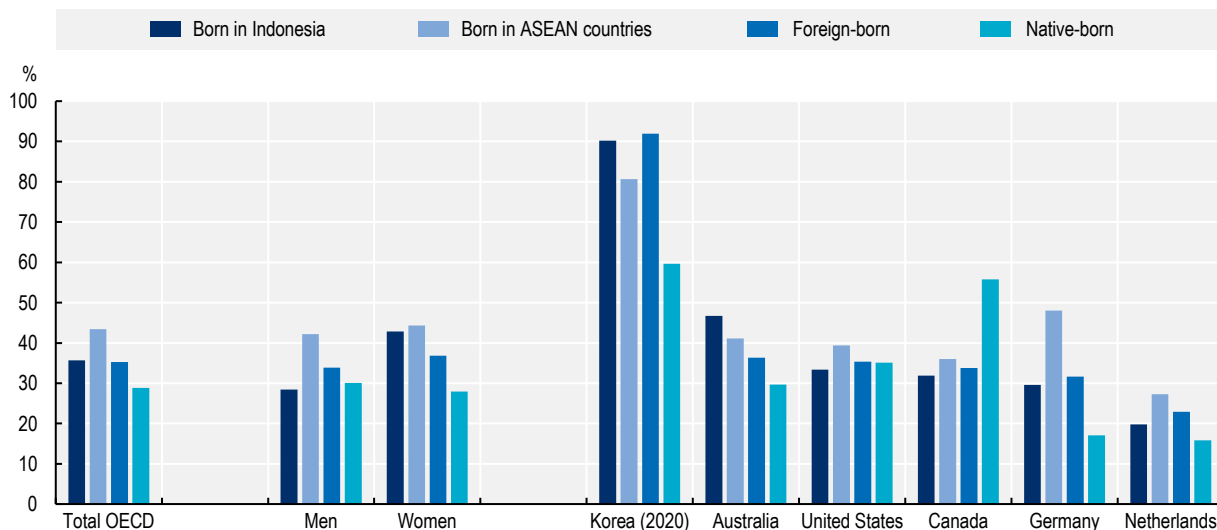
The share of overqualified Indonesian emigrant workers varies greatly by the main country of destination; for example, it was the highest in Korea (90%) and the lowest in the Netherlands (20%), suggesting the different channels of migration in these two countries. In-between, the overqualification rates oscillated between 30% and 50% in the main Anglophone countries of destination and Germany.

The overqualification rate remains exceptionally high in Korea where the rates are generally high for all reference groups including the native populations. Male migrants account for over 90% of total Indonesian migrants in Korea, and those employed are placed mostly through the intergovernmental programme. Therefore, Indonesian emigrants' high overqualification rate in Korea can be attributed to the high selectivity of this programme and relatively weak recognition of Indonesian tertiary education quality by Korean employers.

In Australia, the United States and Canada, two-thirds of Indonesian emigrants attended college or university and at most third of them were overqualified. While in the United States, the rate was not particularly different from that of other reference groups, it was the highest in Australia and the lowest in Canada.

The overqualification rates for Indonesian emigrants are the lowest in the Netherlands. In fact, a number of Indonesian skilled nurses were internationally recruited by the Dutch Government until the late 1990s and they decided to stay in the Netherlands (Gusnelly, 2012^[3]).

Figure 3.14. Indonesian emigrants' over-qualification rates by gender and destination country, 2015/16



Note: The population refers to the working-age population (15-64). For Korea, it refers to the population aged over 15.

Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16, Korea Survey on Immigrant's Living Conditions and Labour Force (2020).

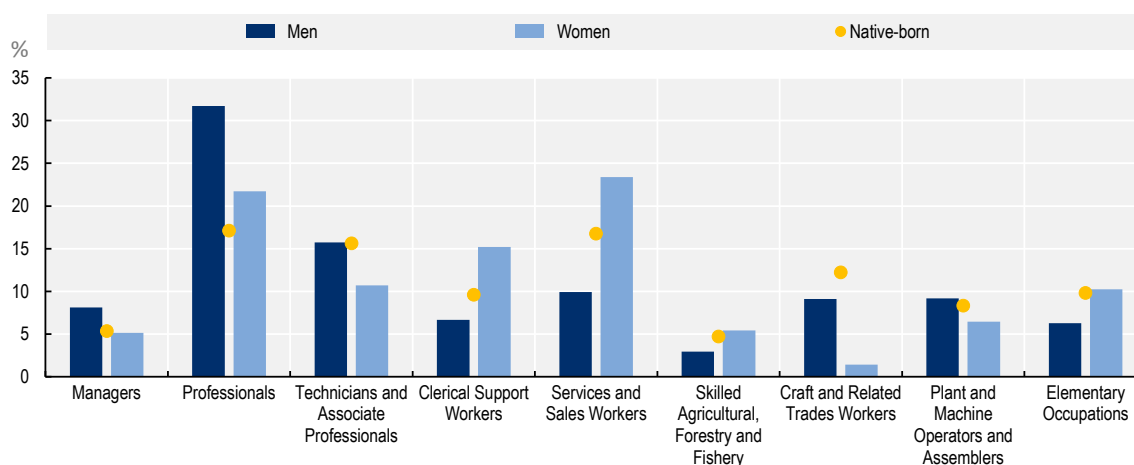
Among Indonesian emigrants in non-Asian OECD countries, most men work in high-skilled jobs

Even though at least one-third of high-educated Indonesian emigrants were employed in low and medium skilled jobs, in fact, almost half of the Indonesian-born working population had a high skilled occupation (46%) in OECD as presented in Figure 3.15. This shows a different picture from what we commonly find in literature; most Indonesian emigrants are only suitable for occupations that require little education and few skills (Titan, 2019^[4]).

There are two caveats in this occupational distribution. Indonesian emigrant data in Korea were not available in DIOC 2015/2016 and occupational classification in Japan, the United Kingdom and the United States were different and therefore could not be harmonised. A more careful interpretation would be required given that these four countries are all main destinations of Indonesian emigrants. Occupational distribution in Japan and Korea will be discussed in a more detailed manner later in this chapter.

Indonesian emigrants' concentration in high skilled jobs – especially in professionals (26%), is more pronounced for Indonesian males; more than half (55%) of them were employed as managers, professionals and technicians and associate professionals while 38% of native populations and 37% of Indonesian female migrants were in high skilled jobs. Indonesian female migrants were overrepresented also in clerical support (15%) and services and sales (23%), which is in line with the fact that Indonesian female emigrants were more often to be overqualified.

Figure 3.15. Indonesian emigrants' occupation types in the OECD by gender, 2015/16



Note: The population refers to the working-age population (15-64). Chile, Korea, Japan, Luxembourg, Latvia, Mexico, and the United Kingdom, and the United States are not included.

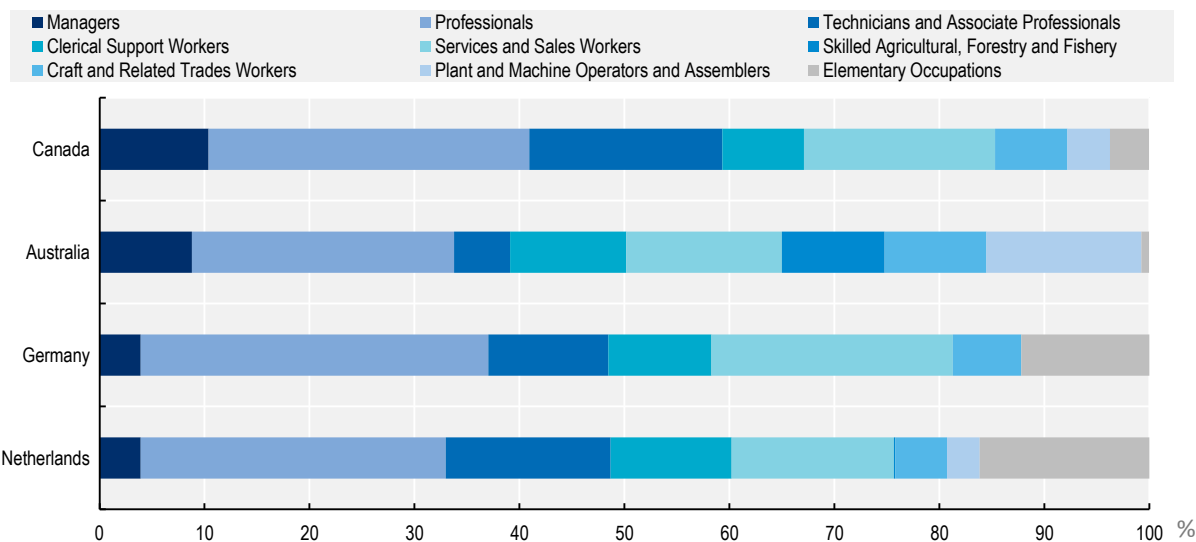
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

Indonesian emigrants' main occupations differ according to their destination country

The distribution of working Indonesian emigrants between types of occupations differs from one country of destination to the other as suggested in Figure 3.16. In European countries, Germany and the Netherlands, about 50% of Indonesian emigrants held high-skilled occupations but a non-negligible share of them (16% in the Netherlands and 12% in Germany) were still employed in low skilled jobs. Services and sales occupation is another category which is held often by Indonesian emigrants.

In Canada and Australia, however, less than 5% of Indonesian emigrants were employed in low skilled, elementary occupations, reflecting that Indonesian emigrants' education level was on average higher in these countries. Unlike other destination countries, they are also employed in skilled agricultural, forestry and fishery in Australia.

Figure 3.16. Indonesian emigrants' occupation types by country of destination, 2015/16

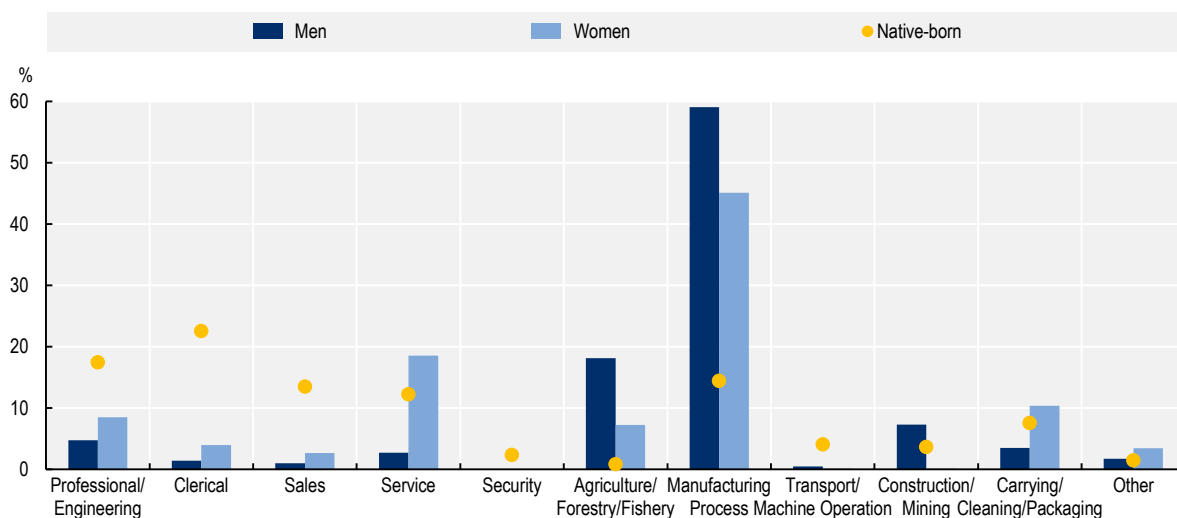


Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

More than half of Indonesian emigrants in Japan are manufacturing process workers

As opposed to those in Europe and Anglophone countries, Indonesian emigrants in Japan were more concentrated in low- and medium-skilled jobs in 2015 (Figure 3.17). For example, 55% of Indonesian emigrants in employment held a manufacturing process position (59% for male and 45% for female). This is almost three times the share held by Japanese native workers (14%). Another job category often employed by Indonesian male migrants was in agriculture, forestry and fishery occupations. And Indonesian female migrants were employed as service workers represented by nurses who were mostly immigrated through the Indonesia-Japan Economic Partnership Agreement (JEPA) (Nugraha, Raharjo and Hirano, 2021^[5]).

Figure 3.17. Indonesian emigrants' occupation types in Japan, 2015/16

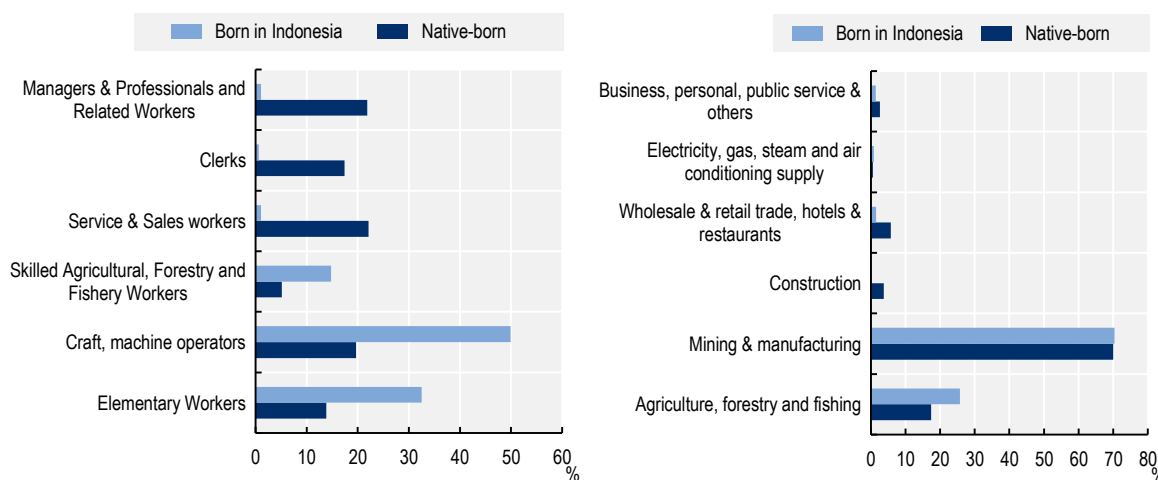


Note: The population refers to the working-age population (15-64).
 Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

In Korea and Hong Kong (China), Indonesian emigrants were highly concentrated in low and medium skill level occupations

In Korea, where most Indonesian migrants were male, approximately 50% of Indonesian male migrants were craft, and machine operators in the mining and manufacturing sectors (Figure 3.18). While other foreign-born emigrants were also often employed in managerial or services and sales occupations, the second and third largest shares held by Indonesian emigrants were elementary workers and skilled agricultural, forestry and fishery workers, respectively. As the majority of Indonesian migrants in Korea were sent through the Government-to-Government programme, their occupational and sectoral distribution in Korea would be dictated by the pull factor in the destination country.

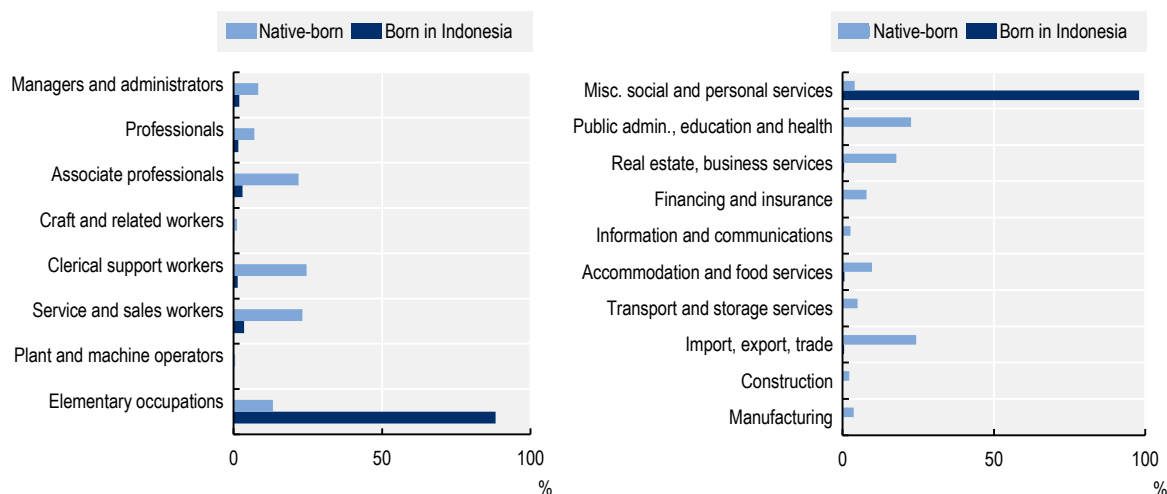
Figure 3.18. Indonesian male emigrants' occupational and sectoral distribution in Korea



Source: Korea Survey on Immigrant's Living Conditions and Labour Force (2020).

In Hong Kong (China), the vast majority of Indonesian migrants (mostly female) were employed in elementary occupations in the social and service sector (Figure 3.19). This is also the case for female emigrants from other countries in Hong Kong (China); the share reaches almost 98% of those from ASEAN countries. In Chinese Taipei, another main destination country for Indonesian female emigrants, 95% of them were caregivers while 87% of Indonesian male emigrants were manufacturing workers.

Figure 3.19. Indonesian female emigrants' occupational and sectoral distribution in Hong Kong (China)

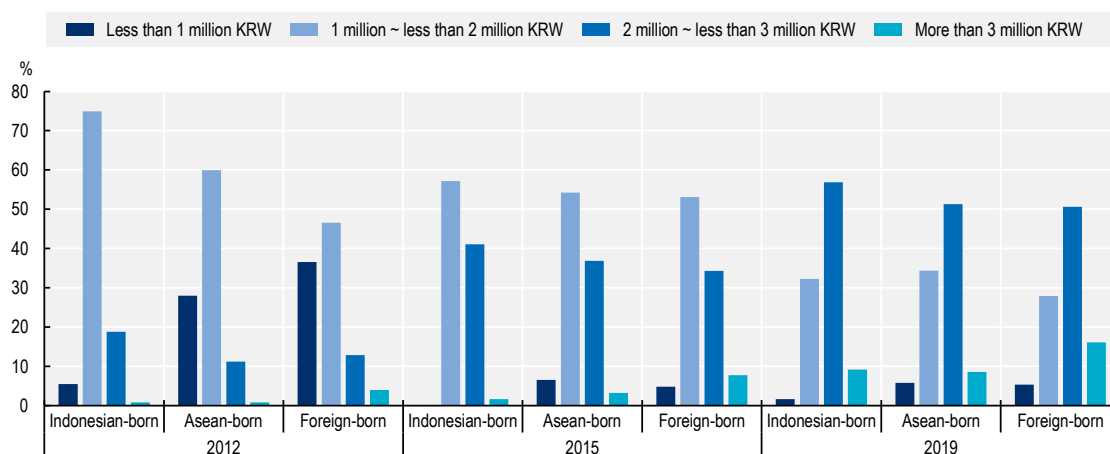


Source: Hong Kong (China) 2016 By-Census.

According to Korean Survey on Immigrants' Living Conditions and Labour Force, foreign earning has increased since 2012. In 2012, Average monthly income of 80% of Indonesian emigrants was below KRW 2 million, which was lower than other reference groups. However, in 2019, around 57% of Indonesian migrants earned more than KRW 2 million (Figure 3.20).

In 2019, 90% of Indonesian migrants wired money overseas and 80% of them remitted at least 7 times on average. This was particularly high for Indonesian emigrants whereas only 35.4% of foreigners wired money overseas.

Figure 3.20. Indonesian emigrants' earning distribution in Korea, 2012, 2015 and 2020



Note: KRW 1 million equals approximately USD 820.

Source: Korean Survey on Immigrants' Living Conditions and Labour Force.

Conclusion

Employment rates for Indonesian migrants in OECD countries have remained relatively stable at around 65% since 2010. However, the rates are very high in non-OECD economies, for example, 97% in Hong Kong (China) and 95% in Chinese Taipei. While Indonesian emigrant women were facing more difficulty in the OECD labour market than their male counterparts, especially in Korea where employment rates gender gap (50 percentage points) is the highest, Indonesian women migrants are more often employed than men in both Chinese Taipei and Hong Kong (China). Indonesian emigrants' employment rates increase on an educational level but the mismatch between their skill level and the skill level required by the occupation is prevail. While Indonesian male emigrants in non-Asian OECD countries are overrepresented in high-skilled jobs, Indonesian emigrants in Korea and Hong Kong (China), emigrants were highly concentrated in low and medium skill level occupation.

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Annex A. Data sources on Indonesian emigrants

OECD Database on Immigrants in OECD Countries (DIOC), 2000/01, 2005/06, 2010/11 and 2015/16

The Database on Immigrants in OECD Countries (DIOC) covers the OECD destination countries for which data were collected both in 2000/01, 2005/06, 2010/11 and 2015/16. The main sources of DIOC data are national administrative registers and population censuses. In the censuses carried out in 2000/01, almost all OECD countries collected information on the country of origin of emigrants, so that it became possible to have an comprehensive overview of the numbers of migrants in OECD countries (for more general information on DIOC, see d'Aiglepierre et al. (2020^[1]). Where censuses were not available or incomplete, labour force surveys were used as a substitute.

DIOC contains information on populations from more than 200 countries of origin residing in OECD destination countries. The main variables are country of residence, country of birth, gender and level of education. Other variables – age, duration of stay, labour force status and occupation – can be cross tabulated with the core variables but not always with each other. Data on employment and occupation are available for the population aged 15 years or older. In Chapter 3 of the review, the focus is on individuals of working age, that is those between 15 and 64 years. Two variables contain information on citizenship.

OECD International Migration Database (2000-19)

The *OECD International Migration Database* covers annual flows of legal migration. The annual flows of foreign population inflows and outflows by nationality are estimated on the basis of national population registers, residence and/or work permits, and specific national surveys. This database is largely based on the individual contributions of national correspondents (the OECD Expert Group on Migration) and covers most OECD countries as well as the Baltic countries, Bulgaria and Romania. The data has not necessarily been harmonised internationally and should therefore be interpreted with caution. For example, flows to the United States only include permanent migrants, while other countries also include temporary migrants such as seasonal workers, students or refugees. In addition, the registration criteria and the conditions for obtaining a residence permit vary across countries, which has important repercussions on the measurements obtained. Finally, irregular migration is only partially covered, so it is important to note that actual migration flows are likely to be higher than legal migration flows.

Eurostat database on residence permits issued to third-country nationals (2008-20)

Data on residence permits concern third-country nationals (persons who are not citizens of the European Union) receiving a residence permit or authorisation to reside in one of the European Union member states, the EFTA countries (Iceland, Lichtenstein, Norway and Switzerland) or the United Kingdom. Data are based on administrative sources, with the exception of the United Kingdom, and are provided mainly by home departments or immigration agencies. As the United Kingdom does not have a residence permit system, the data for this country relate rather to the number of citizens from outside the European Union

who arrive in the territory and are authorised to enter the country under certain immigration categories. A residence permit corresponds to any authorisation valid for at least 3 months issued by the authorities of a member State allowing a third-country national to legally reside on its territory. Data related to emigration intentions are not available for 2019 and 2020, but are available for 2021.

Gallup World Poll Data

The Gallup World Poll covers a large range of behavioural and economic topics and provides information on self-reported emigration intentions of the Indonesian population. This survey is conducted in approximately 140 countries based on a common questionnaire, translated into the predominant language of each country. Each year since 2006, more than 100 questions have been asked to a representative sample of around 1 000 persons aged 15 and above. In some countries, Gallup collects oversamples in cities or regions of special interest. The survey collected a total of more than 19 700 observations from Indonesia (about 1 000 per year from 2006 to 2021). However, data related to emigration intentions are not available for 2020.

International Students (UOE Database)

The UNESCO-OECD-Eurostat (UOE) data collection on education statistics is compiled from national administrative sources, as reported by ministries of education or national statistical offices. To capture student mobility, a distinction is made between resident foreign students – i.e. foreign students who are resident because of their parents' prior migration or their own – and non-resident foreign students, who came to the country expressly to pursue their education. International students are defined as students with permanent residence outside the reporting country, and data on non-citizen students are used only where information on non-resident foreign students is unavailable. Data on international students are only available from 2013 onwards.

Reference

- d'Aiglepiere, R. et al. (2020), "A global profile of emigrants to OECD countries: Younger and more skilled migrants from more diverse countries", *OECD Social, Employment and Migration Working Papers*, No. 239, OECD Publishing, Paris, <https://doi.org/10.1787/0cb305d3-en>. [1]

Talent Abroad

A Review of Indonesian Emigrants

In recent years, Indonesia has undergone major economic, social and political transformations. Given the significant emigration of the Indonesian population and the recognition of the contributions of the diaspora, Indonesian authorities are seeking to better understand this pool of talent residing abroad, which has great potential to contribute to the economic and social development of Indonesia. This review provides the first comprehensive portrait of the Indonesian diaspora in OECD countries. By profiling Indonesian emigrants, this review aims to strengthen knowledge about this community and thus help to consolidate the relevance of the policies deployed by Indonesia towards its emigrants.



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