

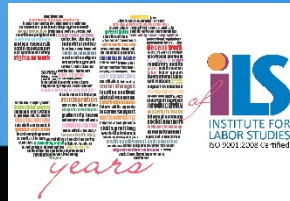


Technical Consultation on Recruitment Costs Borne by Migrant Workers

25 April 2018, Le Meridien Hotel, New Delhi

Measuring Migration Costs of Filipino Low-skilled Workers: Lessons, Challenges, and Opportunities

Carl Rookie O. Daquio
Employment Research Division

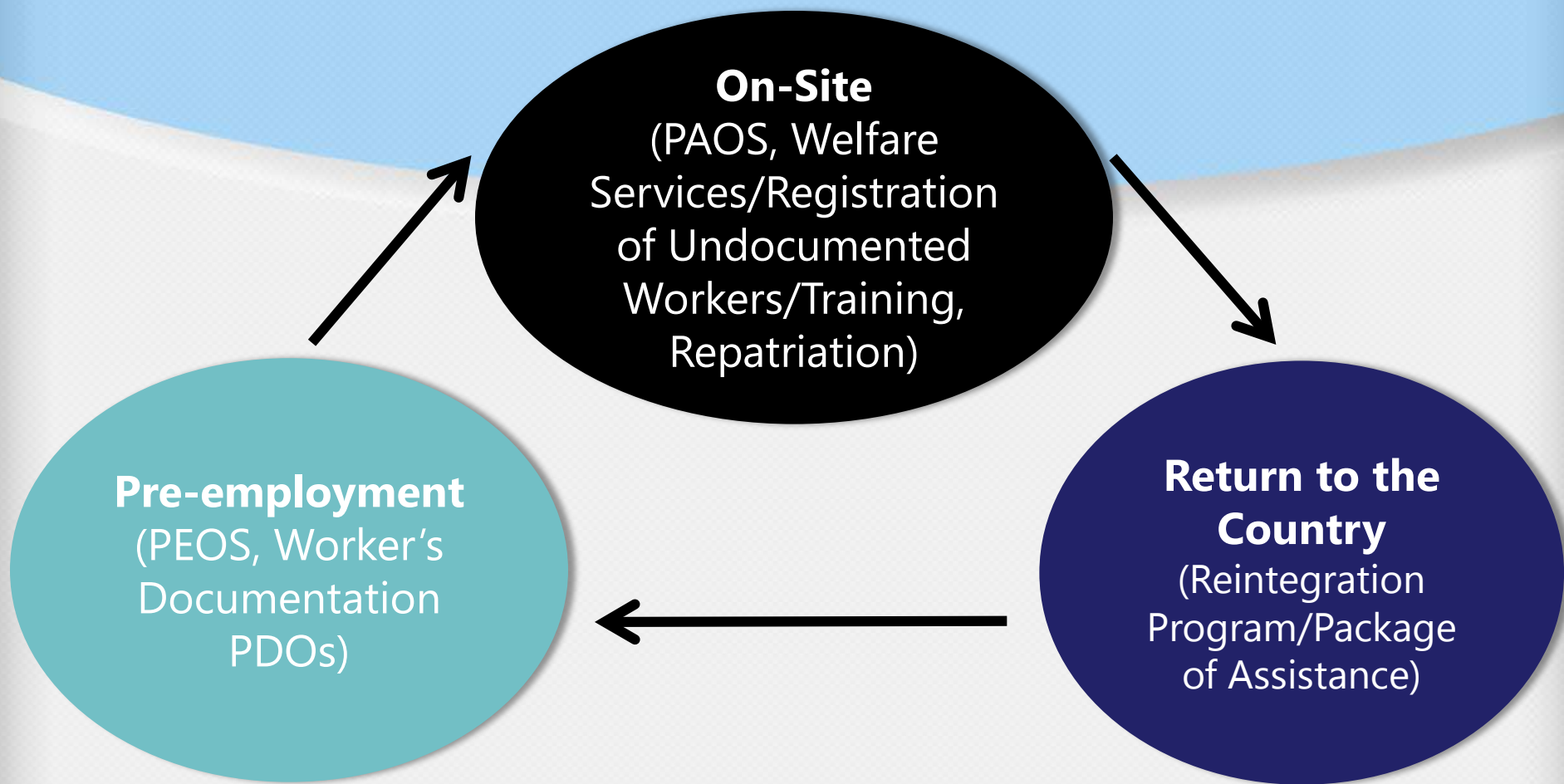




Outline

- Country context of low-skilled labor migration
- Survey Strategies
- Challenges/Risks/Mitigation
- Lesson Learned
- Opportunities

The PHILIPPINE FULL CYCLE MIGRATION MANAGEMENT SYSTEM



Protective Mechanisms/Regulations
Licensing and Accreditation System
Human Resource Development
Skills Retooling/Upgrading



PHILIPPINE
OVERSEAS
EMPLOYMENT
ADMINISTRATION





Legislation

- Magna Carta for Migrant Workers and Overseas Filipinos (RA 8042) as amended by Republic Act 10022
- Ambisyon 2040
- Philippine Development Plan 2022
- Eight-Point Labor and Employment Agenda
- Revised POEA Rules and Regulations Governing the Recruitment and Employment of Landbased OFWs of 2016
- HSW Policy Reform Package



Legislation

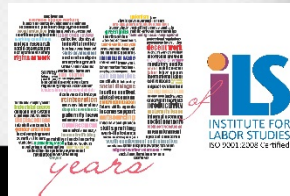
- The Philippines has yet to ratify the Convention No 181. However, POEA Rules and Regulations specify the recruitment-related costs that should be paid by the agency, employer, and workers for each hire.

Private Employment Agency	Employer/Principal	Migrant
Premium for compulsory insurance coverage for agency-hired workers under Section 37-A of RA 8042 (as amended)	Visa, including stamping fee Work permit Residence permit Roundtrip airfare	Documentation requirements: Passport NBI/police/barangay clearances NSO authenticated birth certificate
<i>Section 52, POEA Rules</i>	Transportation from the airport to the jobsite POEA processing fee OWWA membership fee Additional trade test/assessment as required by employer/principal Inoculations as required by host country Service fees (market value)	Transcripts, diploma Professional license Certificate of training competency from TESDA DOH prescribed medical health examination Membership with social insurances Placement fees
	<i>Section 53, POEA Rules</i>	<i>Section 50, POEA Rules</i>

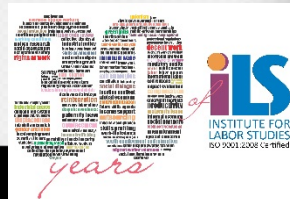


Legislation

- A recruitment fee can still be collected at the **maximum of one month's basic salary**, as specified in the POEA approved contract. However, there are exceptions to these rules:
 - POEA prohibits the charging of recruitment fees for domestic workers
 - Some destination countries prohibit the collection of recruitment fees directly or indirectly from workers, regardless of the occupation. Examples are UK, the Netherlands, Ireland, and some provinces of Canada.
 - DOLE Order No 106, Series of 2010



Labor Market Trends (Low-skilled Migration: OFW Deployment)



Overseas Filipino Workers (OFWs) Presence

- Method: cursory examination of deployment data (administrative)
- Period: covers 2011-2014
- Definition: 'low-skilled' loosely interpreted

Overseas Filipino Workers (OFWs) Presence

Total OFW Deployment by Major World Grouping, 2010-2014

World Group	2011	2012	2013	2014
Africa	28,531	25,194	26,294	22,240
Americas	27,679	29,553	29,191	27,615
Asia	415,224	476,021	476,422	420,106
Europe	57,880	47,070	38,204	29,950
Middle East	764,586	825,402	863,152	885,541
Oceania	19,492	27,391	31,237	21,311
Trust Territories	4,236	3,682	4,317	3,867
NEC	1,099	853	362	20,212
Total Landbased Workers	1,318,727	1,435,166	1,469,179	1,430,842
Total Seabased Workers	369,104	366,865	367,166	401,826
Grand Total	1,687,831	1,802,031	1,836,345	1,832,668

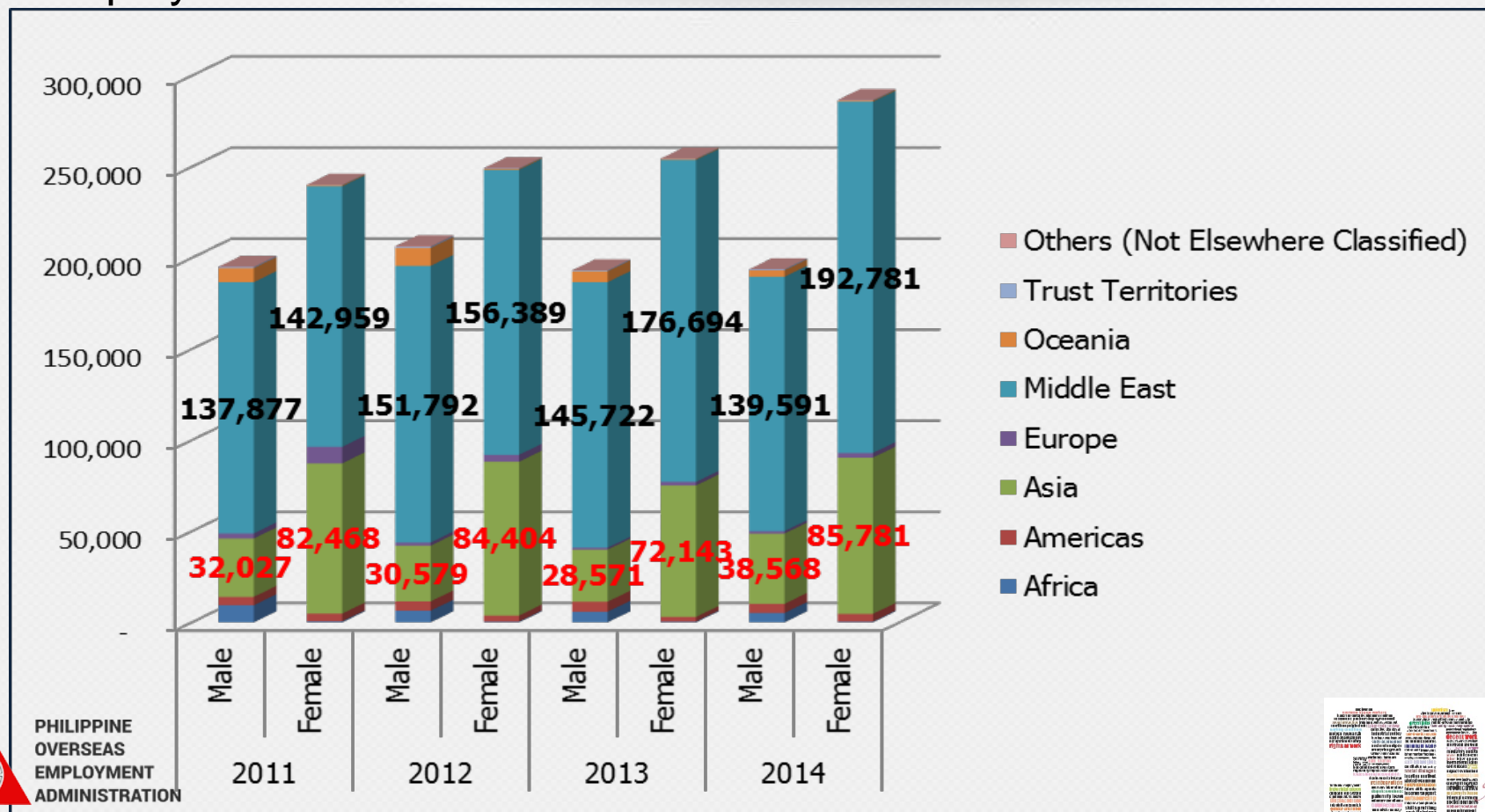
Overseas Filipino Workers (OFWs) Presence

- Household Service Workers (HSWs), a known feminized sector, remains to be the leading sector of deployment during the period.

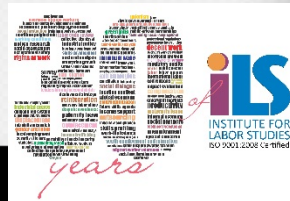
Deployed Landbased Overseas Filipino Workers by Top Ten Occupational Categories, New Hires				
Occupational Category	2011	2012	2013	2014
All Occupational Categories	437,720	458,575	464,888	487,176
Household Service Workers	142,689	155,831	164,396	183,101
Nurses Professional	17,236	15,655	16,404	19,815
Waiters, Bartenders and Related Workers	12,238	14,892	14,823	13,843
Caregivers and Caretakers	10,101	9,128	6,466	12,075
Charworkers, Cleaners and Related Workers	6,847	10,493	12,082	11,894
Laborers/Helpers General	7,010	9,987	11,892	11,515
Wiremen and Electrical Workers	9,826	10,575	9,539	8,226
Plumbers and Pipe Fitters	9,177	9,657	8,594	7,657
Welders and Flame-Cutters	8,026	8,213	7,767	7,282
Cooks and Related Workers	5,287	6,344	7,090	5,707
Other	209,283	207,800	205,835	206,061

Overseas Filipino Workers (OFWs) Presence

- The Middle East continues to have the lion's share of total year-on-year deployment of OFWs with more female than male workers deployed



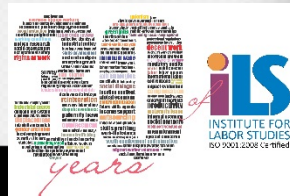
Survey Method (Philippines)





Survey Method

- The survey was carried out by the Department of Labor and Employment-Institute of Labor Studies (DOLE-ILS) with the help of the Philippine Overseas Employment Administration (POEA) and the Overseas Workers Welfare Administration (OWWA);
- Surveyed migrant returnees from Qatar (2015) and Saudi Arabia (2016);
- Random sampling of 355 (480) OFWs who have returned to the Philippines from employment in Qatar (KSA) in the agriculture, construction, domestic worker, and service sectors;
- Conducted face-to-face interviews from May to September 2015 (May to July 2016) at several government centers: returning migrants' centers (or Balik Mangagawa Centers); pre-departure orientation seminars (PDOS) at OWWA; and re-integration offices, i.e., the National Reintegration Center for OFWs (NRCO);

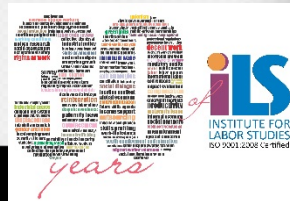




Survey Method

- Selection of respondents was well represented according to highest regional origin of migrants to provide better representation of returned migrants;
- Data collection using the Computer-Assisted Personal Interviewing (CAPI) system through World Bank Survey Solutions; and
- Observance of the general principles of survey administration covering privacy, transparency, and flexibility.

Highlights of Survey Implementation



Highlights of Survey Implementation

Survey Strategies

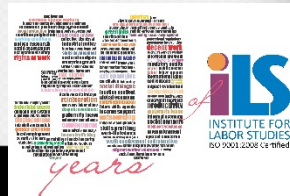
- Prior to the rollout of the survey, the research team pre-tested the survey instrument in March 2015 (April 2016), and in consultation with KNOMAD refined the survey questions.
- Prior to fieldwork, ILS conducted a one-day enumerators' training where the enumerators were: introduced to the Philippine labor migration system; the KNOMAD research project; and the use of the CAPI system for data collection.
- Following the pilot-test, the research team made an adjustment to one of the selection criterion - year entry to Qatar (KSA)- from 2009 to 2005 (from 2011 to 2010).
- Being repeat migrants (rehires), the migration costs were measured with reference to the *first time* the respondents applied for overseas employment in Qatar (KSA). This is to eliminate contamination data with repeat experiences, which could affect cost.



Highlights of Survey Implementation

Respondents' criteria

- Low-skilled migrant workers (Guided by POEA Memorandum Circular No. 05 Series of 2009);
- Is employed or has worked in construction, agriculture, and domestic workers. Special consideration was given to low-skilled workers in the service (e.g. waiters, cleaners, salesperson) due to their high density in KSA;
- Legal migrant workers who left the home country with a work visa/permit; and
- Has returned home (to the Philippines) due to the following: (1) after the completion of their jobs at the time of survey, or (2) is visiting his/her family on holidays or (3) has returned home with a new contract to go abroad soon



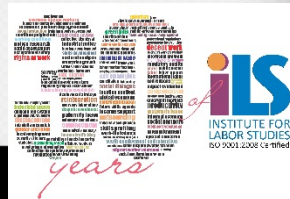
Highlights of Survey Implementation

Sampling

- Due to the absence of reliable statistics on returned migrants, the sample size was determined based on the average annual deployment of OFWs to Qatar (KSA) for the period 2010-2014 (2013-2015) as a proxy indicator. Based on the tolerated five percent margin of error, the sample size calculated was 355 (480).
- A comprehensive database on the magnitude of return migration, the rate of re-migration, the characteristics of returnees, and the circumstances under which they return were lacking. While the Bureau of Immigration (BI) and Department of Tourism (DOT) have data based on arrival/departure cards filled up by returnees, the team did not manage to access them.
- The sample was proportionally allocated depending on the regional origin. This permit drawing a sample of areas where possible returnees are highly concentrated making the survey less cost maintaining representativeness.



Challenges, Risks, and Mitigation





Challenges, Risks, and Mitigation

Phase 1 (Qatar) Survey Implementation

- Initially, plans to intercept returnees at the airport had to be set aside because it would require detailed logistical preparations and arrangements, which would have entailed high administrative costs.
- Second, household based sampling was not feasible given that there was no reliable returned migration database to form a sampling frame. While the OWWA and NRCO maintains a database of returned migrants, the information is only limited to their program beneficiaries who are mostly distressed or repatriated migrant workers.
- Hence, the survey was intercepted at re-deployment and re-integration sites as the primary mode of administration.



Challenges, Risks, and Mitigation

Phase 1 (Qatar) Survey Implementation

- The difficulties in reaching the target quota were due to a small number of OFWs who were engaged in the three covered sectors (agriculture, services, and construction); and low turnout of OFWs who were low-skilled (e.g. domestic workers, laborers).
- The intercept method is vulnerable to convenience or haphazard sampling, high non-response rates, with the potential attendant problem of survey bias.
- To mitigate these, the selection of respondents was well represented according to regional origin to provide better representation of returned migrants. At the same time, the intercept method is less expensive and allows greater control and flexibility for the interviewer.

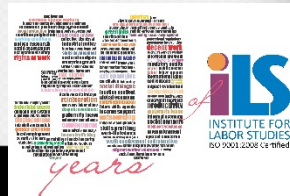




Challenges, Risks, and Mitigation

Phase 2 (KSA) Survey Implementation

- Initially, a tracer method was employed to locate the target respondents which were randomly selected using the 2013-2015 POEA deployment of low-skilled workers masterlist as sampling frame. The assumption was that the OFWs returned after a two-year contract.
- Prior to the survey, the team started sending emails to the respondents from both the masterlist and a buffer list.
- However, the team encountered the following problems: (1) the email addresses provided were invalid or incorrect; (2) the respondents probably did not have time to check their emails; and (3) the respondents outrightly rejected once they knew there is a survey.



Challenges, Risks, and Mitigation

Phase 2 (KSA) Survey Implementation

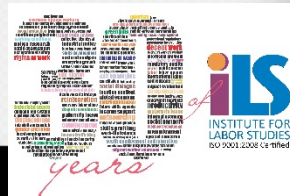
- Since non-responsiveness through email was high, the team started to look for the respondents through Facebook (FB). Though majority of them have their FB accounts, it didn't guarantee favorable responses as well.
- Since the tracer method yielded no respondents, the survey collections reverted to intercepting returnees at the redeployment registration sites again, i.e., the BMCs of POEA, and re-integration offices, i.e., NRCO.



Challenges, Risks, and Mitigation

Conducting surveys using CAPI

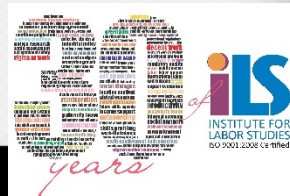
- Main activities of the survey process were: survey assignment, administration, syncing, and approval.
- Uploaded outputs were checked for data entry errors, consistency of the total recruitment cost (vs components), unit and currency, ISIC and ISOC codes, and current wages for low-skilled workers.
- To reduce interview time, some fields were inputted in advance, particularly interview location (country), country of origin, country of nationality and citizenship.
- Some questions needed adjustment: (1) the respondent first entry to Qatar (KSA); (2) the amount of the current wage before and after tax.



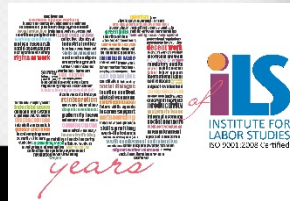
Challenges, Risks, and Mitigation

Conducting surveys using CAPI

- There were difficulties in inputting the occupation of respondents who were doing work not readily or explicitly identifiable with the industry classification options in the questionnaire.
- Consultation with stakeholders, e.g., recruitment agencies, POEA, workers, should have been undertaken before the finalization of the survey instrument to ensure that the instrument would better capture different nuances in labor migration systems across corridors.
- High variation was observed in the total recruitment costs. Among the reasons for these variations were costs paid in medical expenses and internal migration.
- Many workers only remembered the total amount paid to the recruiter for obtaining travel documents and necessary clearances, not the breakdown of specific components.



Lessons Learned



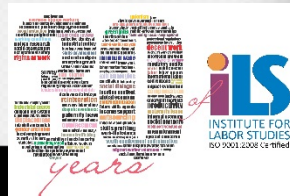
Lessons Learned

- The migration cost survey was designed to capture the “estimated expenditures of workers incurred over time” while securing a foreign job to Qatar (KSA). Its level of complexity can vary depending on how much information one needs and the number of people to whom it is administered.
- CAPI should also be complemented with survey administration styles and techniques that suit the purpose of the survey and the literacy level and communication skills of the respondents.

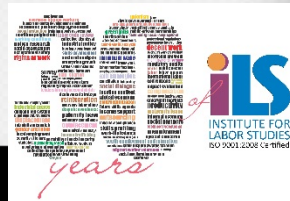


Lessons Learned

- Strict survey controls, such as approval from the Supervisor and reporting to headquarters (weekly or daily), constant follow-up, and sustained monitoring of recent data processing, were necessary for data processing.
- Some of the useful functions built into the CAPI system included skip instructions, ranges, and validation points.
- The survey provided an overview of the process that an OFW undergoes, as well as the costs he or she incurs, when applying for a job abroad.



Opportunities



Opportunities

1. A potential source of sampling frame:
 - *National ID System*. A database that will cover a complete count of all Filipino citizens residing in the country or abroad.
 - *Integrated Department of Labor and Employment (iDOLE) OFW ID Card*. It is made available to returning OFWs on its first phase of issuance.
 - *2018 National Migration Survey (NMS)*- a household based nationally representative baseline data on migration in the Philippines based on the 2015 Census of Population, to be conducted by the Philippine Statistics Authority (PSA). The data collection is tentatively scheduled from June to August 2018 while the release of results will be in May 2019.



Opportunities

2018 National Migration Survey (NMS)

Objectives:

- Estimate international and inter-regional migration flows and migration streams;
- Examine different types of migration and characteristics of migrants;
- Determine levels, patterns, and processes of migration; and
- Identify factors that affect levels, patterns, and process of migration.

Sampling Design	
Frame	Most recent available population and housing census data
Sampling Strategy	Three-Stage stratified Random Design: Barangays (smallest administrative division in the Philippines, also known as village, district, or ward), Household, Individuals
Stratification	Urbanization of barangays by class of city/municipalities

Source: Formerly BLES-DOLE



Opportunities

2. As additional input to the migration costs survey, it is being suggested to conduct a case study of several recruitment firms as an understanding of how they operate on the ground is limited.

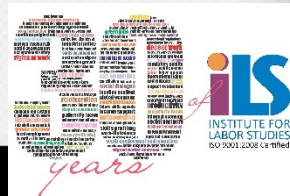
The rapid assessment of recruitment firms would complement the survey findings and shed light on costs incurred on how these are distributed between firm (if at all), employer clients and the migrants (for some corridors).



Summary

Preparatory activities

- Meetings with concerned stakeholders (i.e. POEA, OWWA)
- Presentation of the Qatar/KSA survey findings to government officials, recruitment agencies, and civil society organizations
- Consultations and exchanges with KNOMAD
- Drafting of proposal and submission to KNOMAD
- Distribution of CAPI questionnaire by KNOMAD
- Training-Workshop with KNOMAD
- Pre-testing at the field
- Finalization of the CAPU questionnaire
- Approval of proposal with KNOMAD
- Pre-survey orientation/Enumerators' training



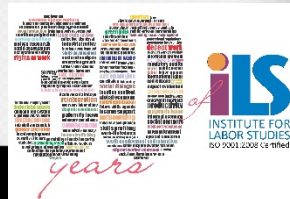
Summary

Administration of survey

- Contacting, follow-ups, and confirmation of interviewees by interviewers
- Administration of survey, including retrieval, review and submission

Post-survey

- Data cleaning, processing, and analysis
- Submission of initial output to KNOMAD
- Revision after receipt from KNOMAD



Contact Persons

Ahmma Charisma Lobrin-Satumba, Acting Executive Director III

Phone: (+632) 527-3511

Email: aclsatumba@ils.dole.gov.ph

Brenalyn A. Peji, Acting Deputy Executive Director III

Phone: (+632) 527-3447

Email: bapeji@ils.dole.gov.ph

Carl Rookie O. Daquio, Labor and Employment Officer

Phone: (+632) 527-3447

Email: crodaquio@ils.dole.gov.ph

