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Indonesian migrant workers: a socio-economic analysis with regard to the integrated services practice implementation

Abstract. The research aims to reveal policies in labour migration in providing job placement services, economic, legal, and social protection. The novelty in the research is to provide an academic argument so that the management of the placement of The Welfare of the Indonesian Migrant Workers (TKI) becomes a priority for each region, not even considering this as a trivial and secondary issue, eliminating the budget, not preparing competent resources in their field. This research was conducted using the qualitative descriptive method in various regions in Indonesia that have and do not have integrated services (ISs). The data was obtained by observing the areas of North Sumatra, Bali, West Nusa Tenggara, and East Nusa Tenggara. Immigration has led to the practice of daily trips for employment, the diversification of the income pattern of the village, the capitalization of the land and housing of the village, the transformation of the productive foundations of the village, and the penetration of lack of motivation in engaging in agricultural activities. The benefit of the existence of integrated services is the reduction of the number of illegal migrant workers departures. However, North Sumatra Province does not yet have an integrated services and only uses the Ministry of Manpower application. The existence of integrated services in the regions has become ineffective because the internet network is not supported, and human resources are inadequate. The ineffectiveness of the services provided can result in Indonesian irregular migrant workers being very vulnerable to becoming victims of exploitation abroad.

Keywords: Socio-Economic; Integrated Services; Indonesian Migrant Worker

JEL Classifications: E24; E41; E64

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1. Introduction and Brief Literature Review

The phenomenon of migration is one of the developments in today's world, which refers to the three criteria of time, distance and motivation of migration. In addition, migration as a permanent or semi-permanent change in the place of residence creates economic and socio-cultural changes. There are more than 150 million international migrant workers (Darsono et al., 2022). Southeast Asia, particularly Indonesia, is a source of migrant labour due to its wide use in many countries (Hall et al., 2021). Indonesia has legal and social problems faced by Indonesian citizens

working abroad. The large opportunity for Indonesian workers to work abroad must be balanced with maximum protection. The World Bank recommends that Indonesia incorporate labour migration into the professional and modern sector with other economic sectors and international labour migration into its job creation strategy (Suu et al., 2023). One of the World Bank's recommendations is to simplify the documentation and pre-departure process. Therefore, the topic of protecting Indonesian migrant workers is constantly being raised by many researchers at home and abroad (Bal & Palmer, 2020).

Indonesia has prospective foreign workers whom strict bureaucratic policies have not touched. Migration of TKI abroad is more popular because illegal residents enter from crossing routes that utilise geographical boundaries, such as Sarawak-Malaysia. Malaysia has the highest number of migrant workers in Southeast Asia, with the majority (50.9%) from Indonesia. Efforts made by the National Agency for the Placement and Protection of Indonesian Migrant Workers to strengthen protection for TKI in the form of simplification of placement services to facilitate the documentation and pre-departure process by making a One-Stop Integrated Service policy in 2015. The social practice of migrant workers has various actors and interacting factors, creating emotions on both sides of the border (Khosro et al., 2020).

Migrant workers are the cornerstone of economic growth and development in many countries (Noor & Shaker, 2017). Indonesian migrant workers (Liem et al., 2021) are called foreign exchange heroes with income in remittances and expanding employment opportunities. However, cases of undocumented migrant workers and some recruitments indicate human trafficking (Lainez, 2020; Yusrizah, 2020). Migrant workers are deeply affected by this practice (Christ & Helliard, 2021; Wrublak et al., 2022). In addition, the case of a recruiter syndicate under the guise of a placement company that does not comply with regulations, as well as the culture or perception of the community in some areas who are proud to be migrant workers (Liputan, 2010) are factors that affect the complexity of protection efforts (Mafruhah et al., 2019; Shariati et al., 2013).

Hence, this research is urgent to be carried out to provide an overview of labour migration policies. The policy is expected to regulate placement services with an integrated service pattern to prevent the placement of illegal migrant workers and provide economic, legal, and social protection. The research aims to reveal policies in labour migration in providing job placement services, economic, legal, and social protection. This task is relevant to the constitutional mandate to give Indonesian citizens the right to work well (Tightiz & Yoo, 2022).

2. Research Method

This research uses a descriptive method. This research was conducted using the observation method (Jumintono et al., 2018), which is to see directly the areas that have One-Stop Integrated Institution facilities and those that do not yet have integrated services, namely North Sumatra, Bali, West Nusa Tenggara, and Nusa East Southeast. The presentation of research reports is carried out deductively by looking at the impact of the existence of integrated services in various provinces. The analysis was carried out qualitatively to see whether the existence of West Nusa Tenggara could affect the rate of illegal departure of workers. Although illegal migrants often face threats and ill-treatment abroad (Suyanto et al., 2019). The analysis results are expected to provide an overview of future policies regarding legal protection for Indonesian migrants. The research model is given in Figure 1. The data collected during 2021-2022, from total of 145 respondents with 3-30 years of experience. They were involved in the interview sessions. The interviews were conducted in approximately half an hour after the working hours. This research took place in four districts in North Sumatra, Bali, West Nusa Tenggara, and East Nusa Tenggara of Indonesia.

3. Result and Discussion

Economic Factors

In order to analyse the immigration impact on economy, 6 indicators and 17 indices were used. All the items were adjusted based on the Likert scale (very low, low, medium, high, very high), which (1) indicates a very low effect and (5) indicates a very high effect of immigration on the indicators of the economic dimension. The scoring of the spectrum and its direction is such that the figures above the average indicate the unfavorable situation of the investigated indicators, in other words, the negative impact of immigration. The reliability of the questionnaires was confirmed through Cronbach's alpha with the validity from 0.65 to 0.85 as specified in Table 1.

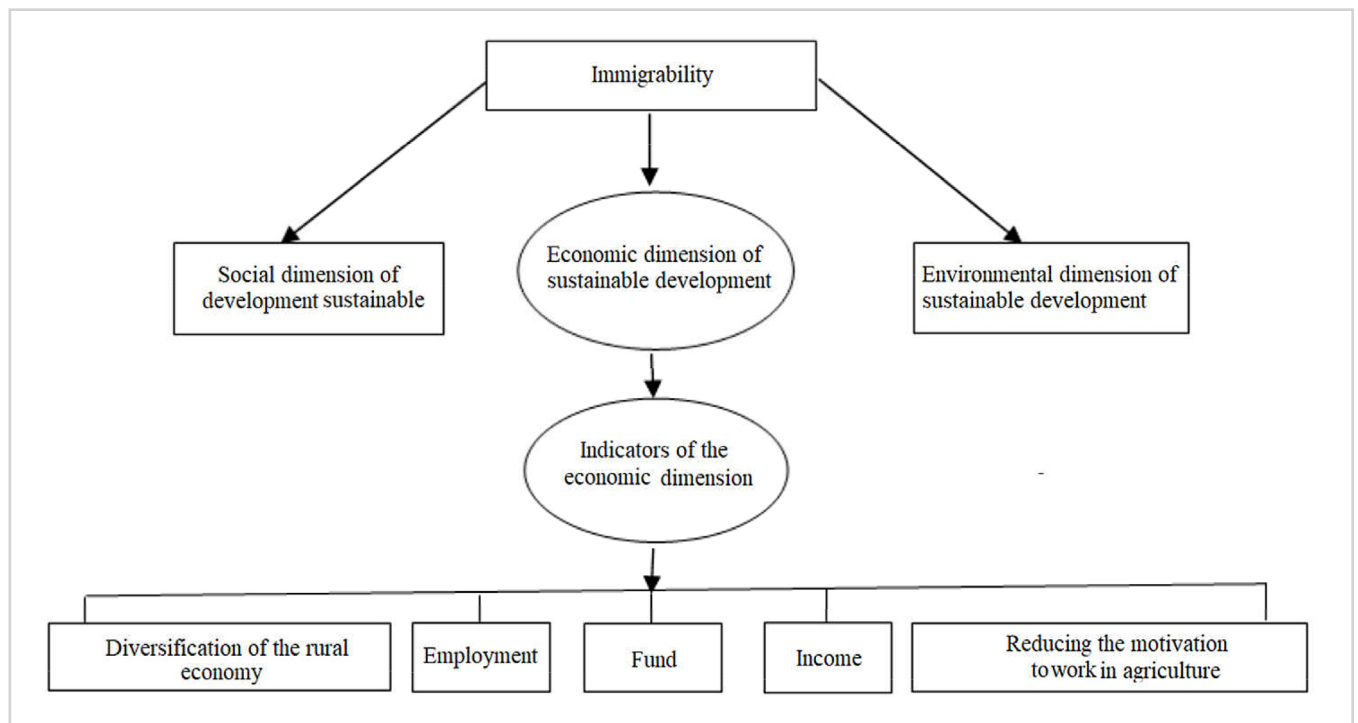


Figure 1:
Research model
 Source: Compiled by the authors

Table 1:
Research indicators and indicators based on Cronbach's test

Indicators	Indices	Cronbach's alpha
Employment	Increasing employment opportunities for rural women, increasing rural employment opportunities	0.7
Diversification of village economic activities	The amount of employment in the service sector, changing the fields of employment from production and agriculture to non-agriculture, starting new businesses in the field of industry.	0.85
Income	Improving the income of residents due to the arrival of immigrants, increasing sources of income with the arrival of immigrants	0.85
Fund	The amount of real estate documentation, increase in real estate value	0.8
Production	The amount of agricultural production, the amount of livestock production, the amount of garden production, the variety of production	0.68
Decrease of the motivation to work in the agricultural sector	Expensive land and unprofitable agriculture in it, lack of water due to increase in non-agricultural uses, profitability of other sources of income compared to agriculture	0.67

Source: Authors' own research and calculations

In order to investigate the effects of migration on rural economic sustainability indicators, employment indicators, diversification of village economic activities, income, capital, production, reduction of motivation to work in the agricultural sector and diversification of village economic activities have been used. Since the employment index is an important part of the economy, for this reason, in order to investigate the effects of immigration on the employment index, indicators of the effect on the increase of women's employment and the effect on the increase of employment at the village level have been used. Based on the obtained average, the index of the effect on women's employment shows that this value is higher than the average of 4.13, and according to the scoring of the questionnaire, in the opinion of the residents of the sample villages, the impact of immigration on the employment index is low to very low. Another investigated index is the income index, which according to the findings of the research is an indicator of the increase in the income resources of the local community with an average of 2.6. Capital is one of the attractive factors in introducing the economy and examining its status. Documenting and increasing the value of real estate was evaluated in this index and it was found that the average capital index is 3.3 and it shows that the impact of immigration on this average index has been underestimated from the point of view of the local community. Another variable examined in this research is the production index; The indicators of this index include a decrease in the amount of agricultural production, a decrease in the amount of livestock production, a decrease in the amount of garden production and a decrease in

the variety of production. The findings show that the average effect of the arrival of immigrants on these indicators is 2.65, which is from 2.1 in the index of the decrease in the amount of livestock production to 2.25. In the index of reduction of diversity of production, it is variable and it shows that the effect of immigration on agriculture and animal husbandry has been evaluated to a moderate extent. The index of diversification of economic activities in the village has been evaluated with three indicators: increase in service activities, decrease in agricultural activities in favor of service activities, starting a business in the industrial based with immigrant acceptance. The average evaluation of the local people on this index is equal to 3.50. In other words, the impact of immigration on this index has been evaluated as low on average. This index is variable in the index of increasing service activity with an average of 3.69 and the index of decreasing agricultural activities in favor of service activity with an average of 3.27. Finally, the indicator of the decrease in the motivation of agricultural activity in the local community with indicators of the village's identity change from production to non-production with migration, the reduction of the motivation to work in agriculture by allocating agricultural water for daily use, the profitability of other economic activities compared to agriculture with an average of 2.8 and it was evaluated as mostly average.

Social Factors

The parameters for the fulfilment of decent work can be measured through the existence of some rights of migrant workers contained in the 1990 United Nations Convention on the Protection of the Rights of All Migrant Workers and Its Members, ILO Convention No. 189, and the CEDAW Women's Convention (Ghaddar et al., 2020; Faisal et al., 2022). The 1990 United Nations Convention details decent work in several ways such as Freedom to leave any country, including the country of origin, and the right to return to one's country of origin. The right to life is protected by law and not subjected to torture and other cruel, inhuman and degrading legal treatment. Workers cannot be enslaved or do forced labor. The right to communicate freely with his family and his personal affairs and the right to humane treatment if his freedom is deprived. Migrant workers have the same rights as citizens before the courts. Migrant workers have the option of seeking the protection and assistance of consular or diplomatic officials from their country of origin. Migrant workers' children have the right to basic education.

According to Ghaddar et al. (2020), standards on migrant workers are private employment agencies, and dispute resolution. Standards Migrant workers have a work contract, the right to be sent home at the end of the working period, worker protection, cooperation between countries of origin and destination. Migrant workers also have the right to participate in cultural life, technology, protection of works and culture and the right to work. Social security rights, especially in retirement, unemployment, sickness, disability, and old age. Paid leave entitlements. The right to protection of occupational health and safety.

The high number of placements must be balanced with the quality of protection for Indonesian migrant workers (Huang et al., 2020). The constitutional mandate clearly instructs the state to fulfil the right for everyone to obtain decent work as mandated by Article 27 paragraph 2. Article 28D paragraph 2 of the 1945 Constitution of the Republic of Indonesia. Cooperating with health as a citizen's human right (Ooms et al., 2019) and is the responsibility of the state (Hanssmann, 2020) to assist in its fulfilment, so that in order to realise this mandate, the government has established various policies in opening opportunities to work abroad. One of which is to revise and replace Law no. 39 of 2004 concerning the Placement and Protection of Indonesian Migrant Workers Abroad, which is considered disproportionate, regulates protection rather than the problem of placement.

Indonesian Migrant Worker Placement Services in North Sumatra, Bali, East Nusa Tenggara, and West Nusa Tenggara

The role of service providers in providing job matched services is critical (Gaur et al., 2020). The contestations surrounding transnational female labour migration and the gender construction of the domestic workforce are intertwined with the changing geography of state power. From the observations, it is known that none of the districts/cities in the province of North Sumatra has an integrated service for the placement of Indonesian migrant workers, so it is still carried out at the Manpower Office. The Manpower Office utilises an application made by the Ministry of Manpower, namely the Manpower System. This Manpower System is not specifically for placement services, but for all labour needs, for example, taking care of a work card (AK 1), namely a job seeker ID card. An informant from Asahan District stated that the one-stop Integrated Service for Indonesian Migrant

Workers could not be carried out if the number of placements in the area does not reach 1500 people per year. This is due to the high cost of establishing an integrated services for Indonesian Migrant Workers. The discourse to form the integrated services for Indonesian migrant workers has been drafted in the Deli Serdang Regency, but it has not been inaugurated until the end of 2020.

Bali, precisely in Gianyar Regency, already has an IS for Indonesian migrant workers, and its performance has been effective. The rest of the other regencies/cities use the Manpower System application. The weakness of the Manpower System is that there is no data synchronisation; some agencies send Indonesian migrant workers, not through the Manpower System, so it becomes a problem because it will not be recorded for the Manpower Office. Gianyar already has integrated services; the benefit is that the data on Indonesian migrant workers is now well recorded. The drawback is that the IS of Indonesian migrant workers only lists prospective Indonesian migrant workers for the formal sector, and this is undoubtedly a weakness in the overall data collection. In contrast, irregular Indonesian migrant workers are more common in the informal sector. The informal sector refers to workers outside of regulated economic activities and protected employment relationships. For example, informants from placement companies stated that many irregular workers from Bali Province work as SPA Therapists in Turkey. So far, integrated services have not reduced illegal Indonesian migrant workers because the government is still often outpaced by brokers.

The province of West Nusa Tenggara already has the integrated services of Indonesian migrant workers. These integrated services provide integrated services in one place. If previously, the processing of documents for the departure of Indonesian migrant workers took a long time. Then after the existence of this IS for Indonesian migrant workers, if the internet network is smooth and the documents are complete, the processing only takes one day. Integrated services can reduce irregular Indonesian migrant workers, but Indonesian migrant workers themselves choose to go through irregularities and make it difficult for officers during examinations. This situation is because Indonesian migrant workers from the West Nusa Tenggara Province mostly work in the informal sector. As the area of origin of most Indonesian migrant workers in Indonesia, East Lombok Regency is located in West Nusa Tenggara Province. The recruitment process for prospective Indonesian migrant workers is carried out in two ways. Namely, through field officers, the company recruits prospective Indonesian migrant workers. It then registers with the Manpower Office, or Prospective Indonesian migrant workers come to the Manpower Office to register as an overseas job seeker (this will be entered into the Sisnaker application). Usually, IS can receive/serve around 150-200 people per day.

The Province of East Nusa Tenggara already has an integrated services for Indonesian migrant workers in Kupang City, but its effectiveness has not been seen. Several agencies do not yet exist in the IS. Also, interviewing prospective Indonesian migrant workers twice is considered to extend the bureaucracy for placing Indonesian migrant workers. Integrated services operational constraints for Indonesian migrant workers occurred due to the refusal of several agencies because they did not have adequate budgets. For example, the immigration agency, in terms of making passports, required equipment that was quite expensive. Apart from technical and budgetary issues, there is a lack of sufficient human resources. This is because providing officers in other units outside the main unit cannot be done quickly. The technical skills of the management, social participation, and departmental performance are the most influential promotion factors for organisational success.

4. Conclusion

The results of the qualitative findings showed that the low impact of immigration on creating employment is compensated by the normalization of daily trips for work and activities outside the village. The amount of income from the point of view of local residents has been assessed as high and moderate, which is the reason that the local elites put forward the new sources of income creation for local residents, especially the native ones. It should also be noted that the impact of immigration on capital was evaluated as moderate and low, because the arrival of immigrants has led to the capitalization of land and housing, a process that has a negative effect on production by expanding land use change. For this reason, the production index has been affected by the arrival of immigrants more than other indicators, and the decrease in the amount of production and the decrease in the variety of production in the villages that accept immigrants are among these factors. The government must continue to strive for the protection of TKI through integrated services bypassing Law 18/2017. The government has instructed each region to establish a service for the placement of TKI, document management and recording and registration abroad.

However, the LSTA established by the government has not been effective in its implementation. The existence of IS in the regions has become ineffective because the internet network is not supported, and skilled officers waste much money and have not achieved the expected target, namely preventing irregular placement of TKI. The ineffectiveness of IS is influenced by human resources, supporting infrastructure and government consistency in providing sustainable services. The ineffectiveness of the services provided can result in Indonesian irregular migrant workers being very vulnerable to becoming victims of exploitation abroad.

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