

# **3 Labour market outcomes of Indonesian migrants**

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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.

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# 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.

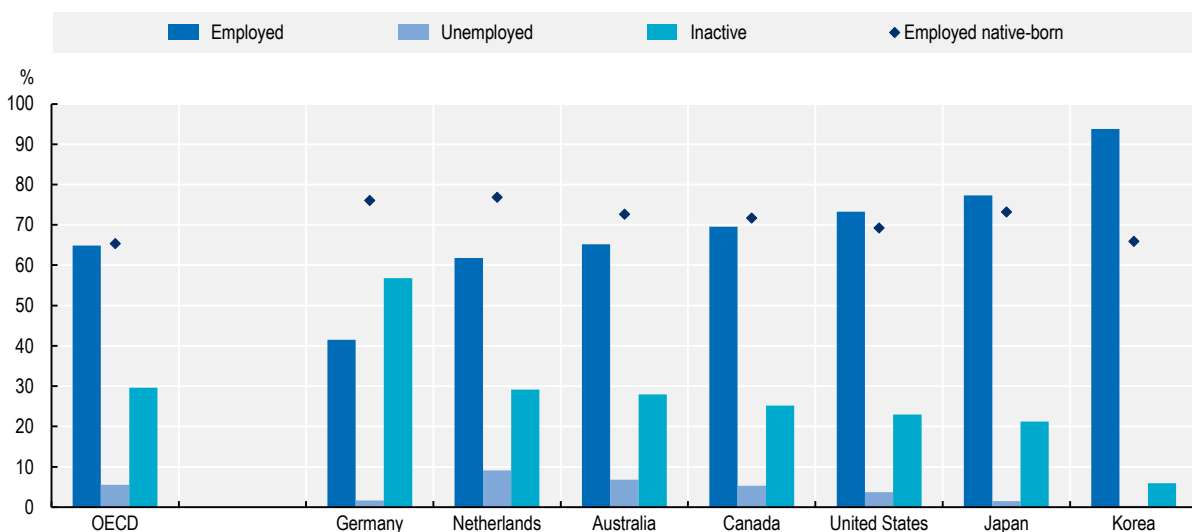
## Labour market participation and employment among Indonesian emigrants

### *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).

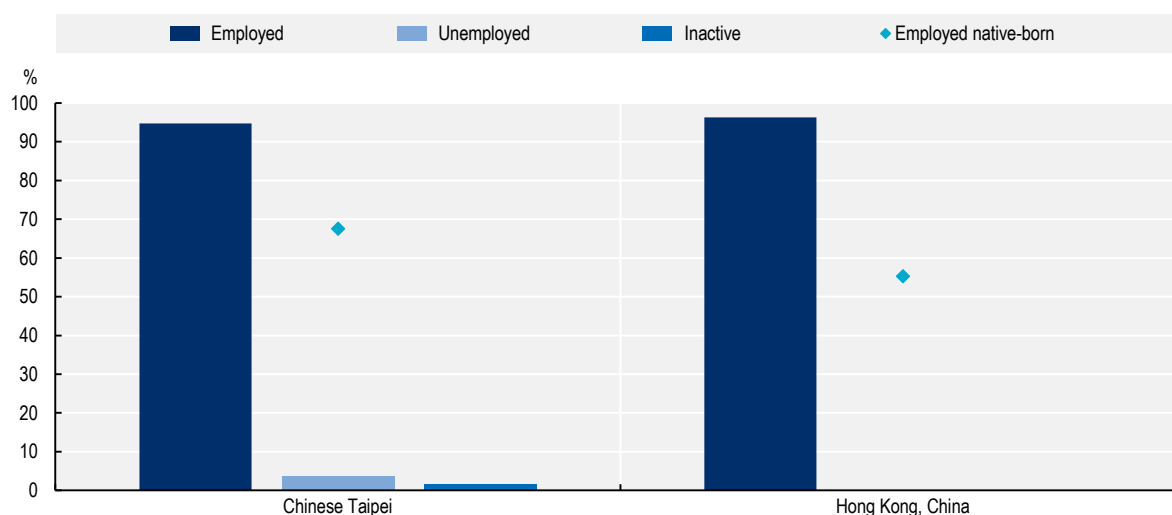
The total participation rate, however, masks important differences across destinations. Indonesian migrants in Germany exhibit the lowest labour force participation rate (43%) among the main destination countries. Remarkably, the relatively low labour participation rate is characterised by the third 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<sup>[1]</sup>).

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

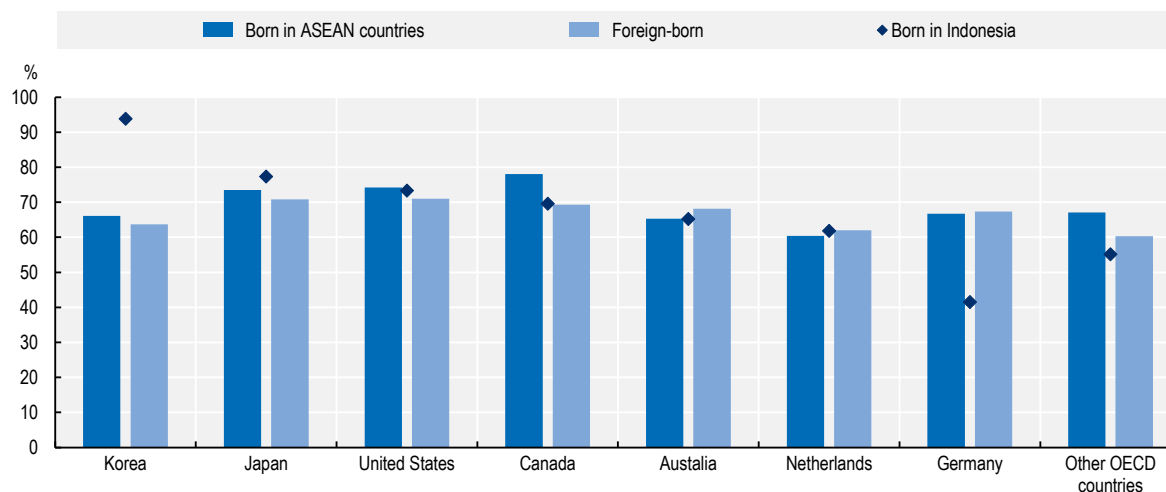


Note: The population refers to individuals over 15 years of age.

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.

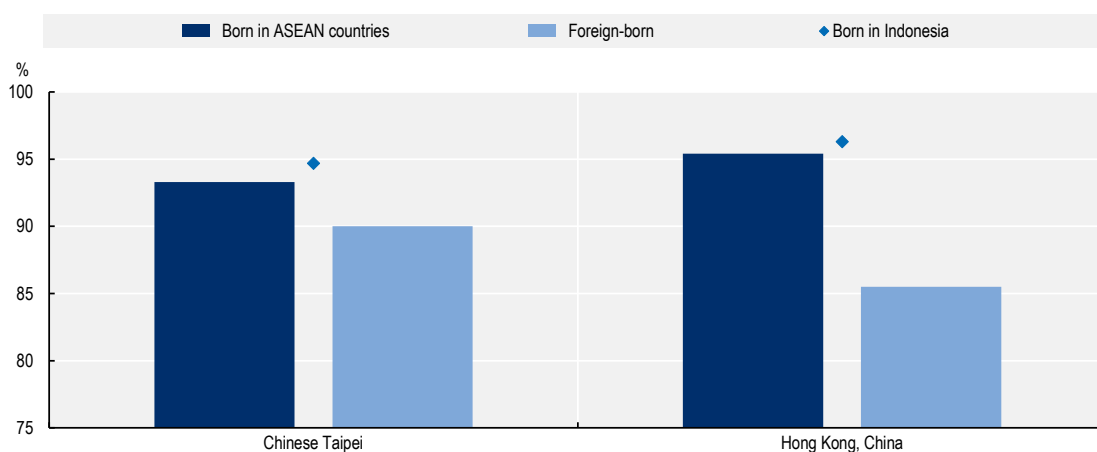
Figure 3.3. Employment rates of Indonesian emigrants by main OECD destination country, 2015/16



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

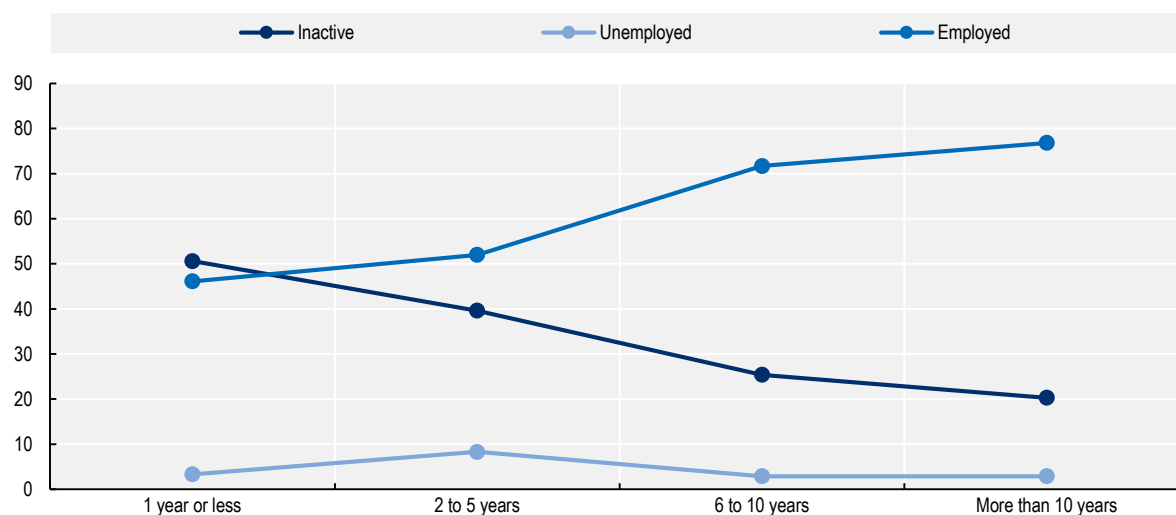


Note: The population refers to the working-age population aged over 15. For ASEAN-born population in Chinese Taipei, it refers to those born in Malaysia, Indonesia, Thailand, Singapore, Viet Nam and the Philippines and for ASEAN-born population in Hong Kong (China), refers to those born in Indonesia,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

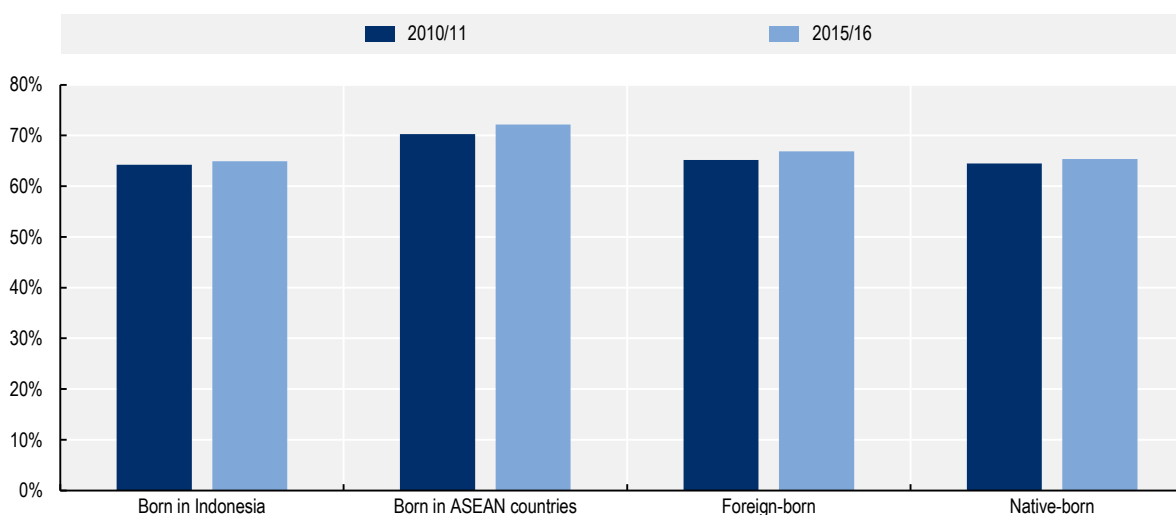


Note: Population refers to the working-age population (15-64).  
Source: Pooled data from the American Community Survey 2017-19.

### ***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**



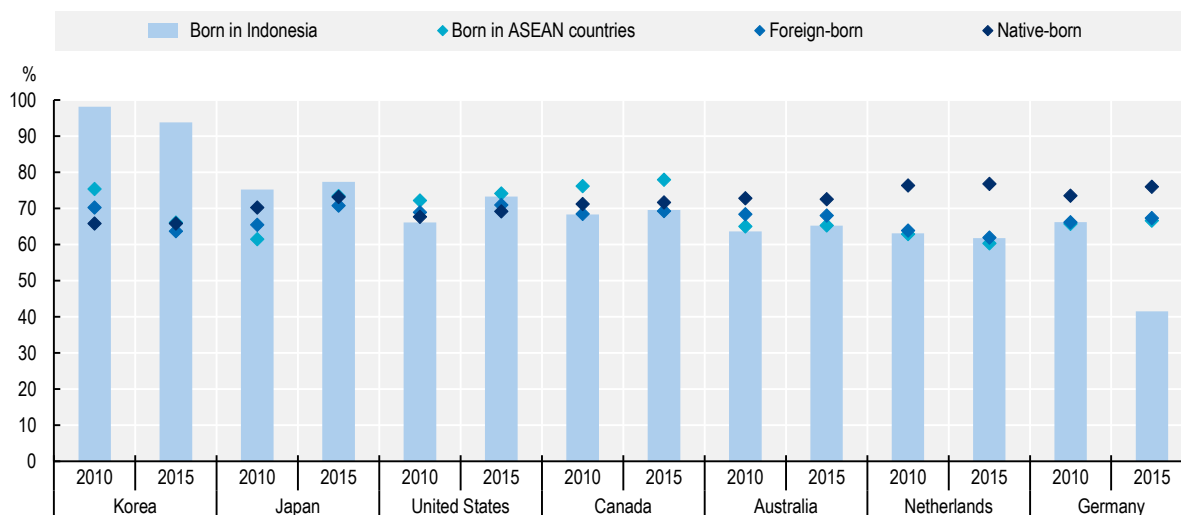
Note: The population refers to the working-age population (15-64).  
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2010/11 and 2015/16.

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.

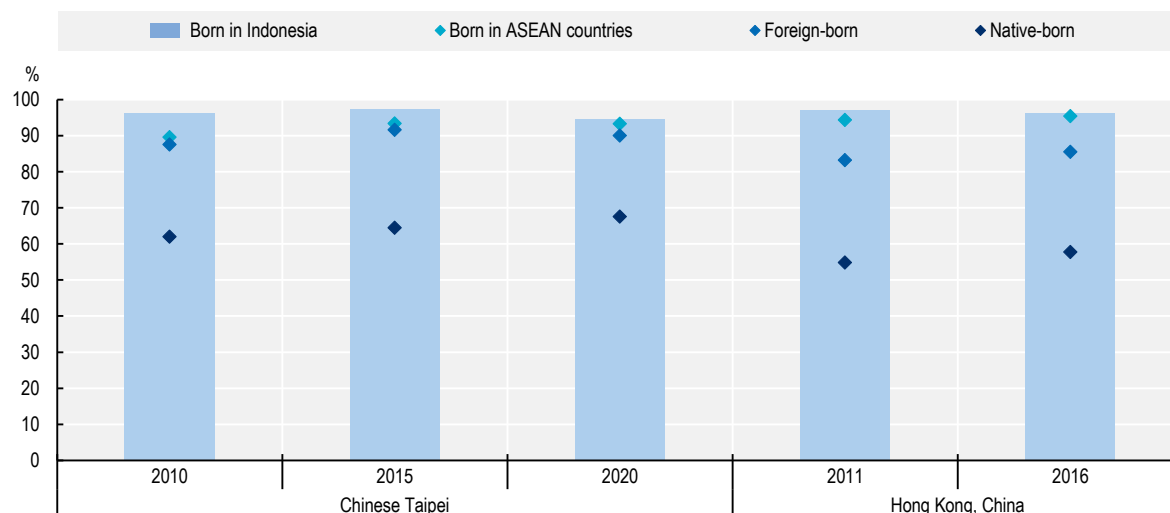
**Figure 3.7. Evolution of employment rates of Indonesian emigrants in main OECD destination countries, 2010 and 2015**



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.

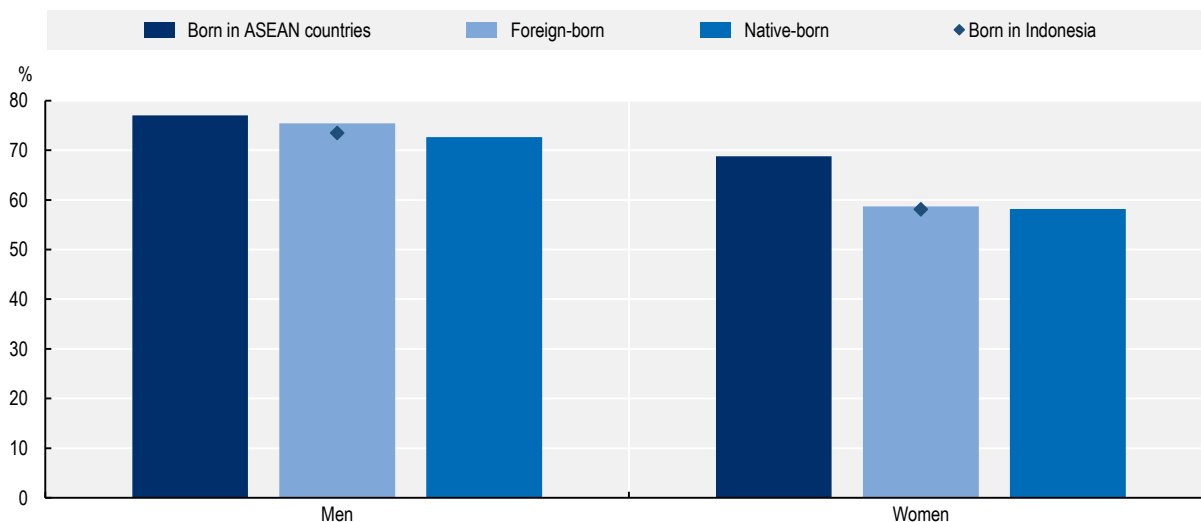
### ***Employment rates have improved for female Indonesian emigrants but a significant gender gap persists***

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<sup>[2]</sup>). 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



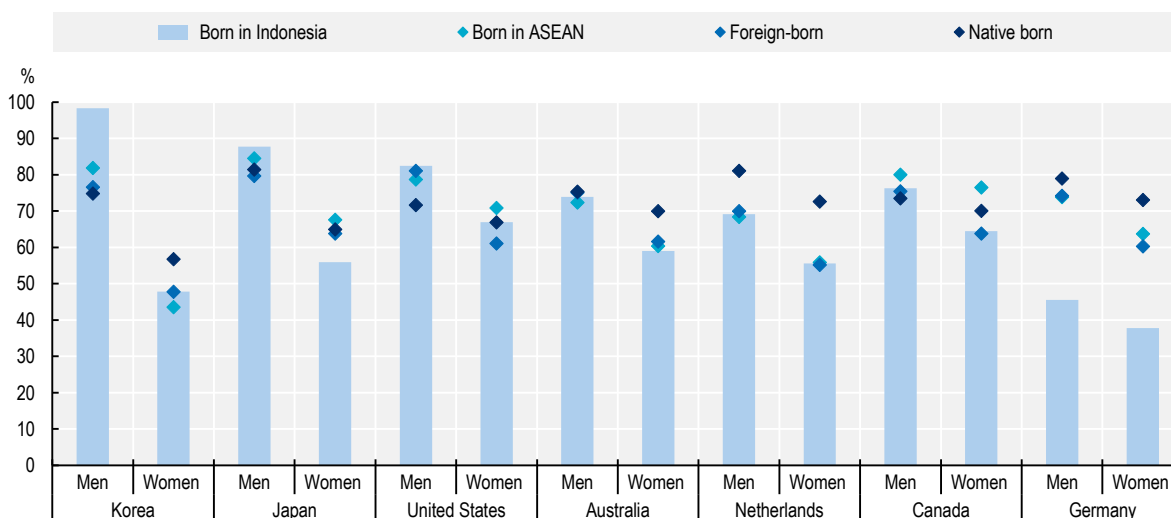
Note: The population refers to the working age population (15-64).

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.

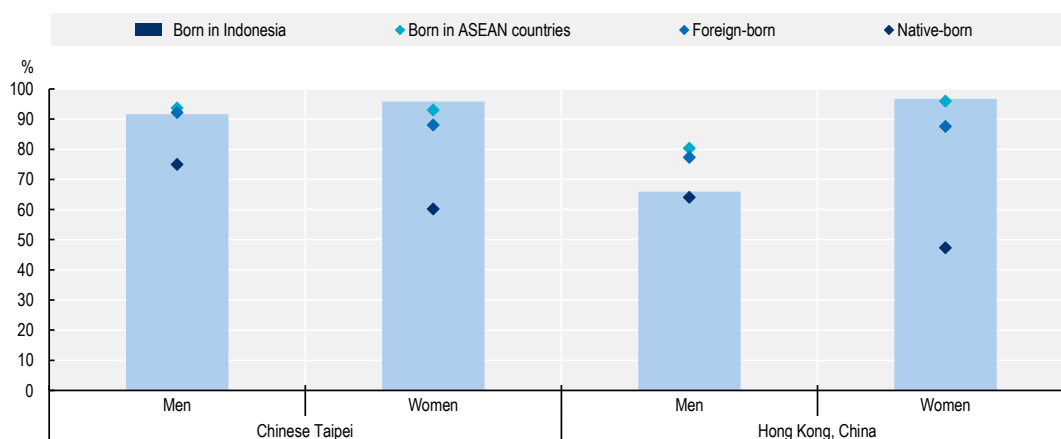
Finally, in non-OECD destination countries, we observe the opposite trends: women Indonesian emigrants are employed at higher rates than their male counterparts, with a lower gap in Chinese Taipei than in Hong Kong (China). In the former, employment rates among women Indonesian emigrants were 96% compared 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.

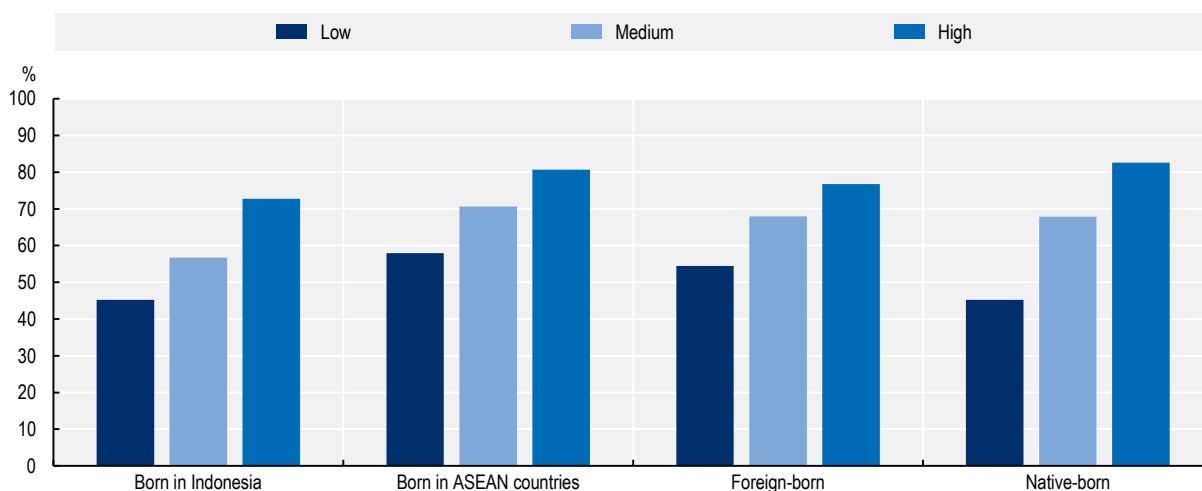
### ***Highly educated Indonesian emigrants have better access to employment***

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**



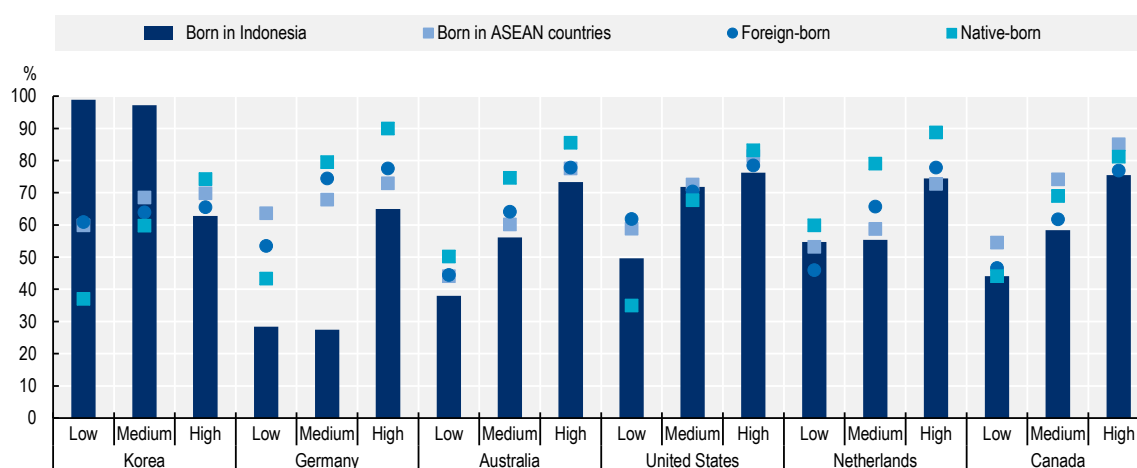
Note: The population refers to the working-age population (15-64). Japan and Korea are not included.  
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

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<sup>[2]</sup>). 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%.

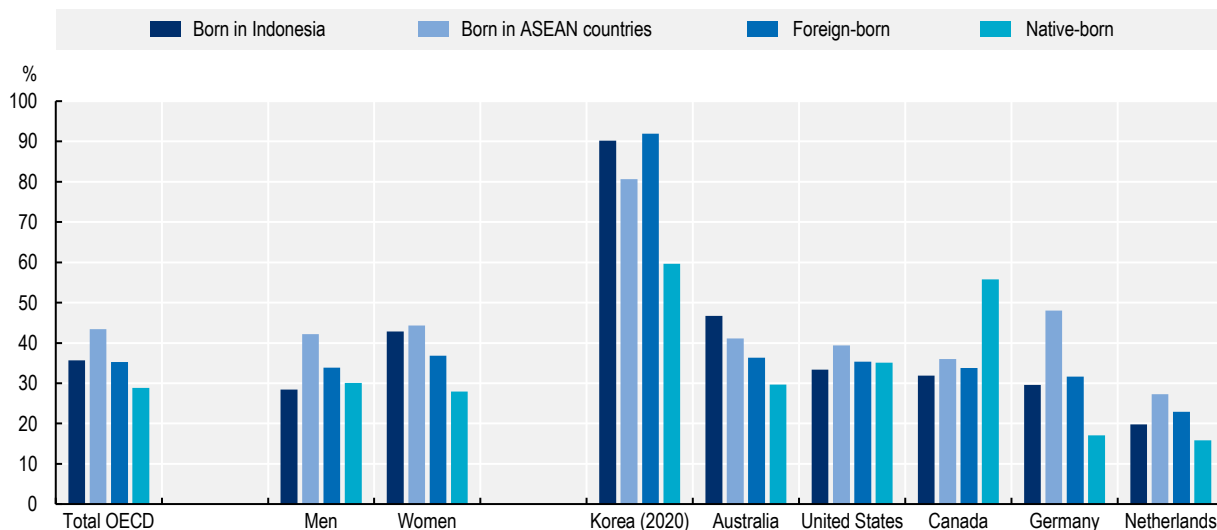
The share of overqualified Indonesian emigrant workers varies greatly by the main country of destination; for example, it was the highest in Korea (90%) and the lowest in the Netherlands (20%), suggesting the different channels of migration in these two countries. In-between, the overqualification rates 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<sup>[3]</sup>).

**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).

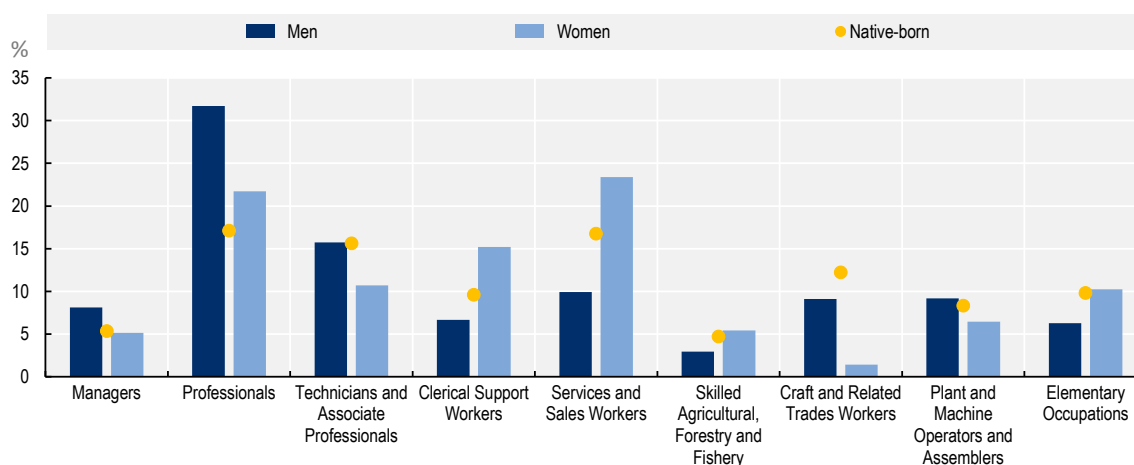
### **Among Indonesian emigrants in non-Asian OECD countries, most men work in high-skilled jobs**

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<sup>[4]</sup>).

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.

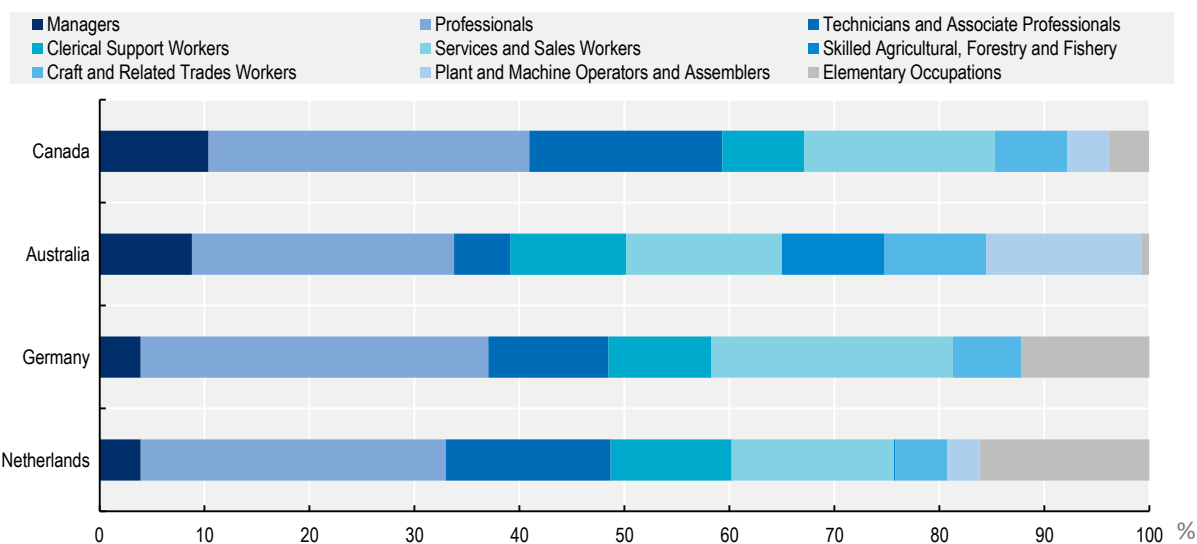
Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

### **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**

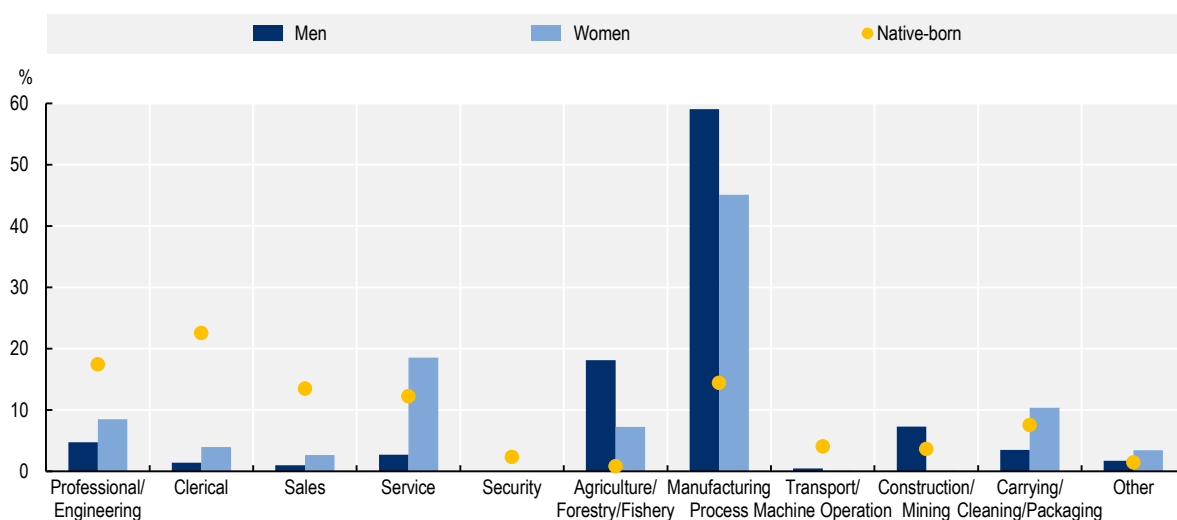


Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

### ***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<sup>[5]</sup>).

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

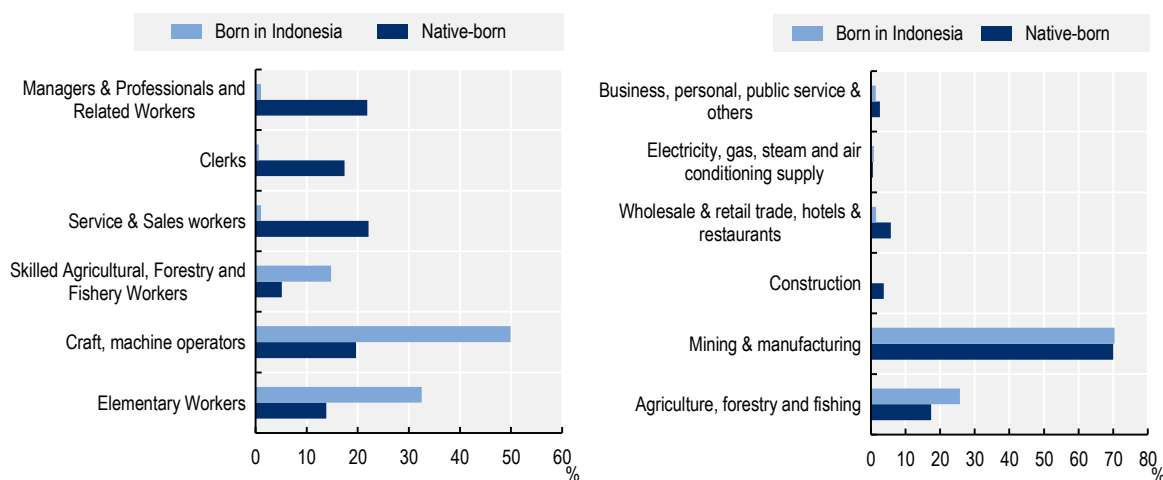


Note: The population refers to the working-age population (15-64).  
 Source: OECD Database on Immigrants in OECD Countries (DIOC) 2015/16.

### 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

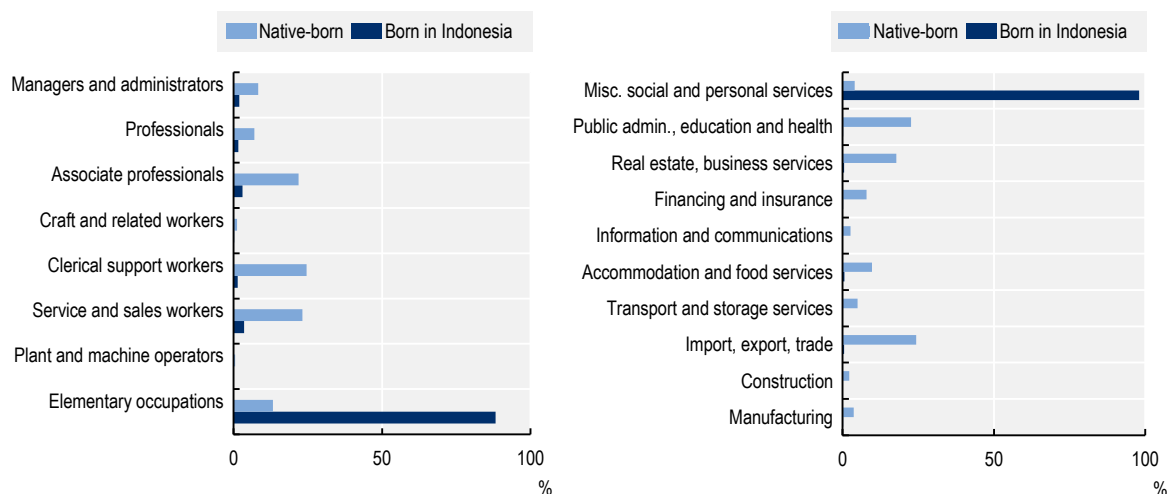


Source: Korea Survey on Immigrant's Living Conditions and Labour Force (2020).



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)**

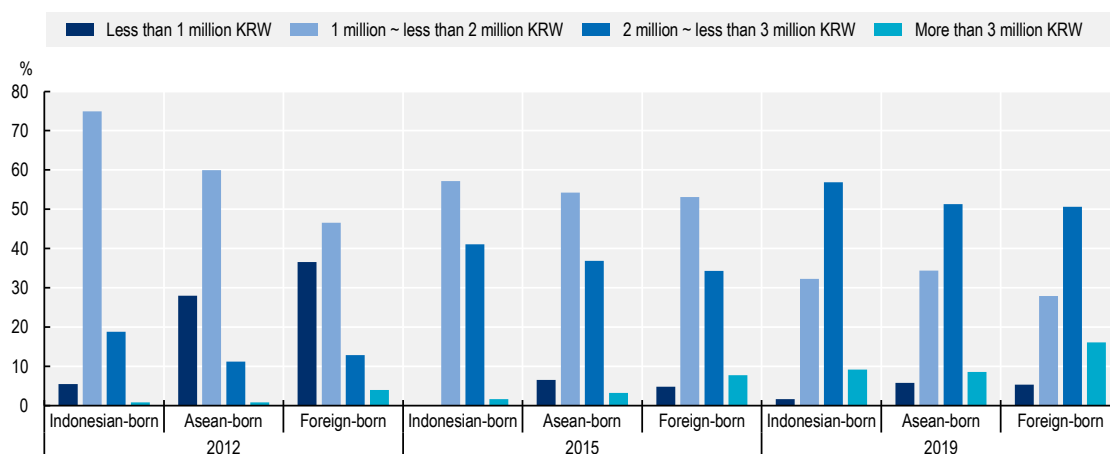


Source: Hong Kong (China) 2016 By-Census.

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.

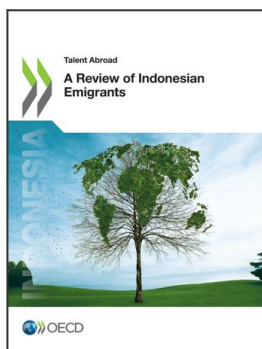
Source: Korean Survey on Immigrants' Living Conditions and Labour Force.

## 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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