

# Analyzing Filipino Migrant Workers' Experience in Overseas Work and Access to Social Protection

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# Introduction

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Labor migration study



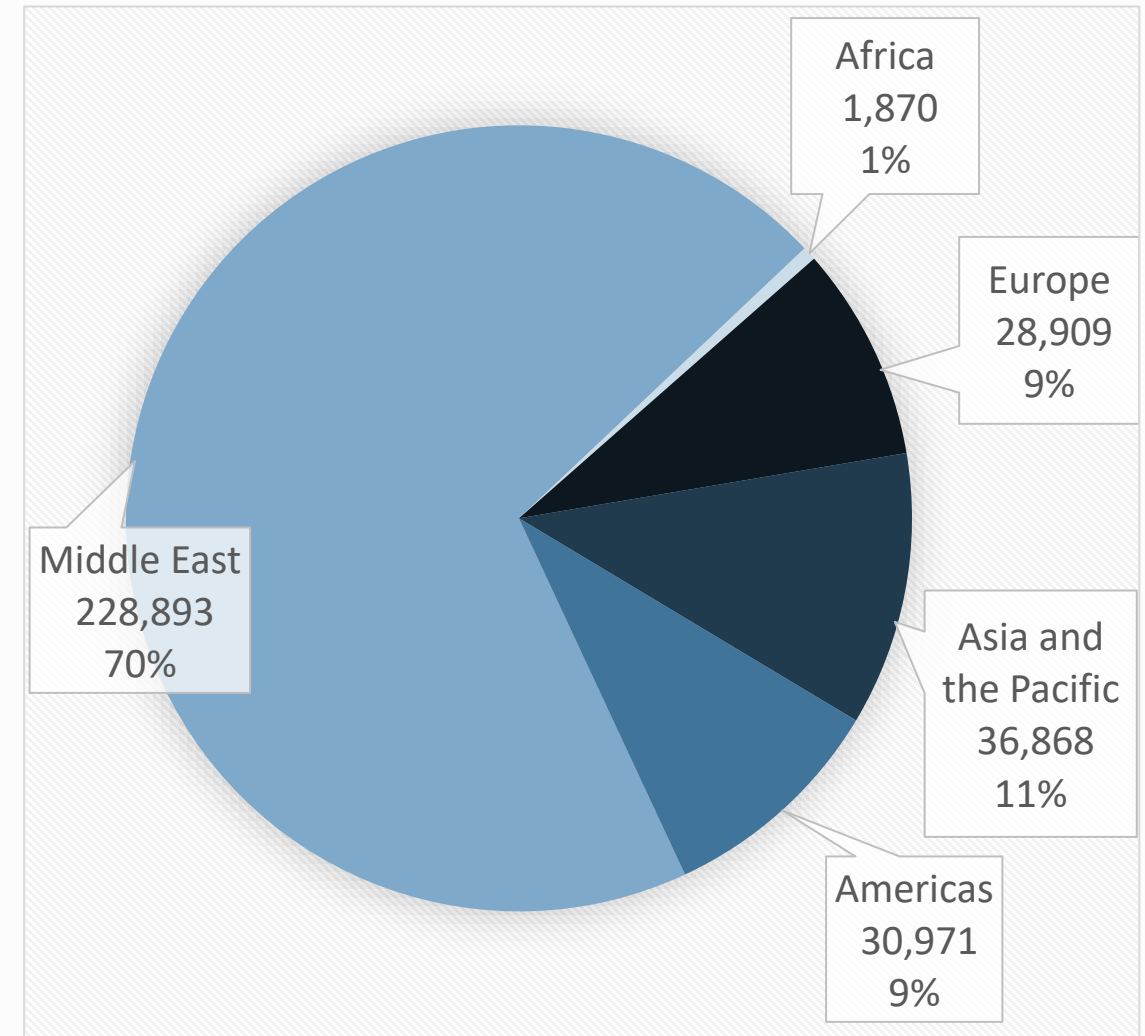
## Largest magnitude of OFWs who returned home since 1970s

- As of Nov. 2021, a total of **809,374** Filipinos have returned home
- Of the total number of returnees, DFA assisted **327,511** OFWs (2020)

## Remittances performed better than expected

- Slight **decline of 0.8%** in 2019 to 2020
- 2021 cash remittances was 5.1% higher (new record high - US\$ 31.418 B) than that in 2020 (29.903B) and higher than the pre-pandemic level

## OFWs Repatriated by DFA, 2020



# POLICY QUESTIONS OF THE STUDY

*How to improve migrant workers' access to social protection?*



## **Trends in migration behavior**

What are the characteristics of the Filipino international migration phenomenon? What stylized facts can be gathered about the experience of Filipinos migrants in terms of motivations, recruitment, and migration process among others?



## **Gaps in the access to social protection**

What is the extent of coverage in social insurance, among OFWs and their families? What are the characteristics of those that have and do not have access/coverage?

# OBJECTIVES OF THE STUDY



To analyze the characteristics of migrant workers and their families, their social circumstances and their experience



To examine migrant workers' **access to social protection** (i.e., SSS/GSIS and PhilHealth; on-site social protection such as basic labor-based benefits, health insurance)



To identify areas for improving **migrant workers' access to social protection** and to draw some policy-related insights

# 2018 National Migration Survey

*first nationwide survey on migration in the Philippines*



## OBJECTIVES

Designed to provide baseline information on:

1. International and inter-regional migration flows and major migration streams;
2. Types of migration and characteristics of internal and international migrants;
3. Levels, patterns, and processes of internal and international migration; and
4. Factors associated with the levels, patterns, and processes of internal and international migration.



## DESIGN

Data collected is representative of the country and for each of the 17 administrative regions.

Two questionnaires were developed and used in the NMS 2018, namely: (1) Household Questionnaire [34,935 HHs]; and (2) Individual Questionnaire [46,387 individuals]

# Characteristics of international migration phenomenon

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Labor migration study

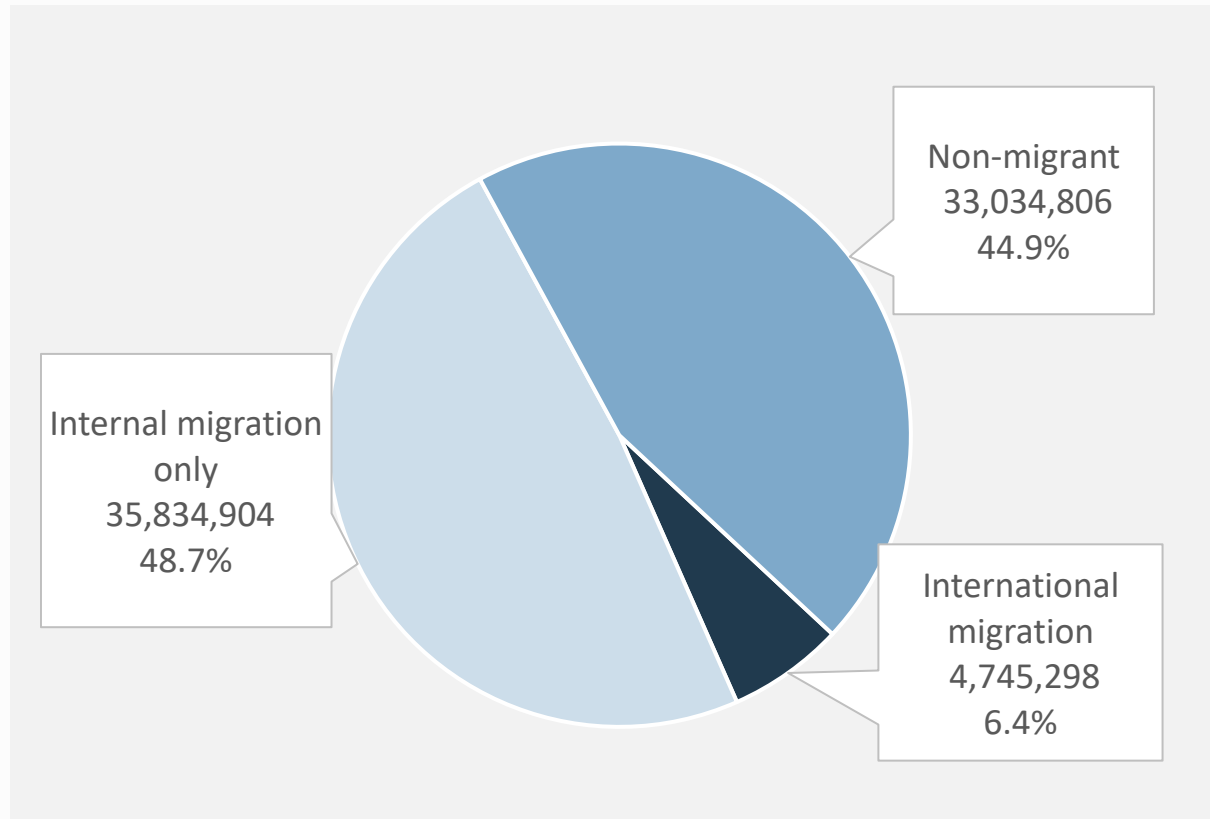






# 6 for every 100 Filipinos (6.4%) aged 15 years and above have international migration experience for at least three months

## Migration experience since birth



Note: Moved to and resided for three months or more in another country

3.016 million households have OFW members

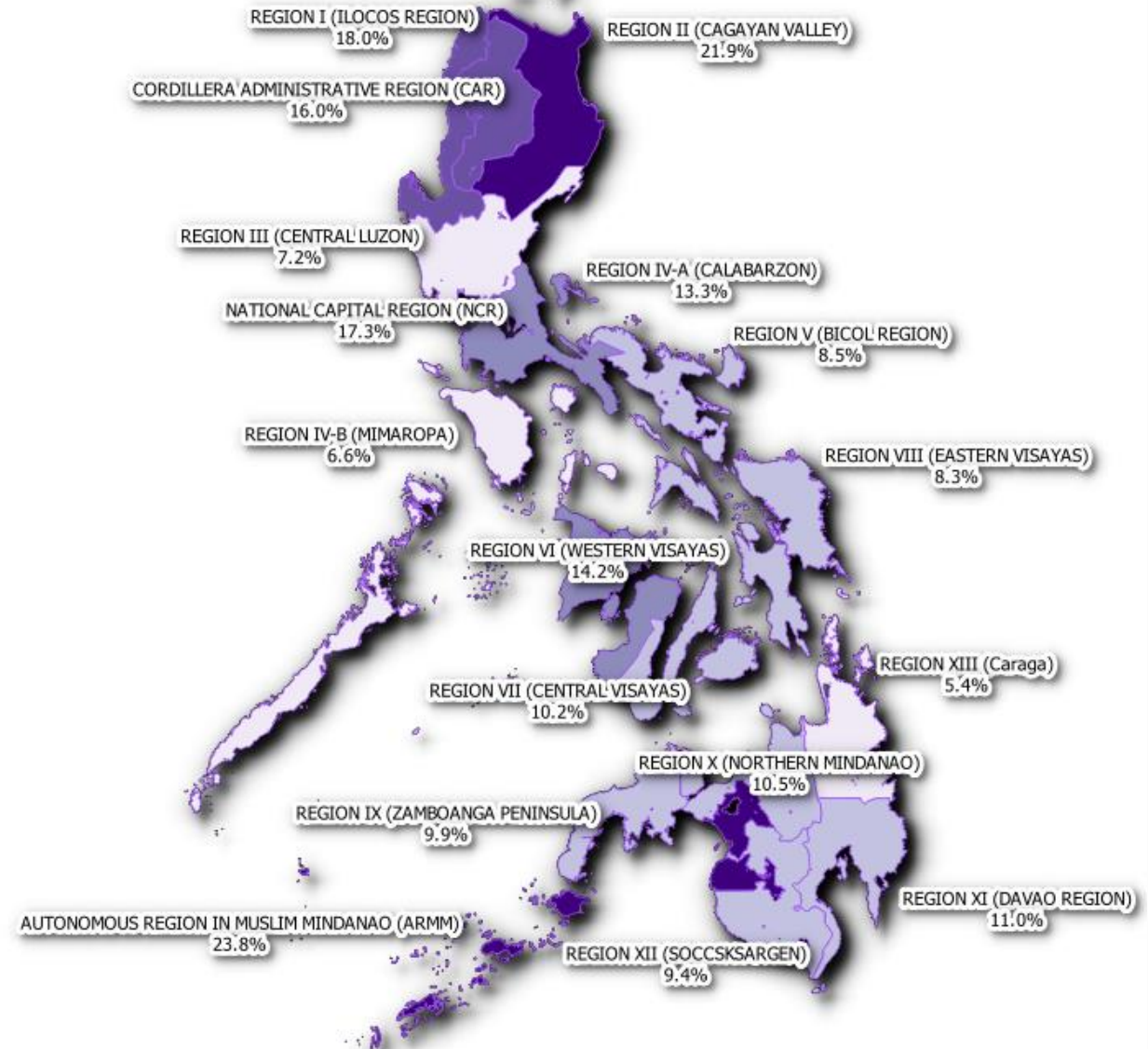
3.582 million OFWS, with 1.765 million being recent OFWs (within the last 12 months)

# 12% of households in the Philippines have OFWs

Proportion of HHs with OFWs is highest in ARMM (23.8%), followed by Cagayan Valley (21.9%), Ilocos Region (18%), and NCR (17.3%); lowest in CARAGA (5.4%) and MIMAROPA (6.5%)

Ilocanos have greater tendency for international migration than other groups (share in population of IM is 16%, but their share to total population is only 9%)

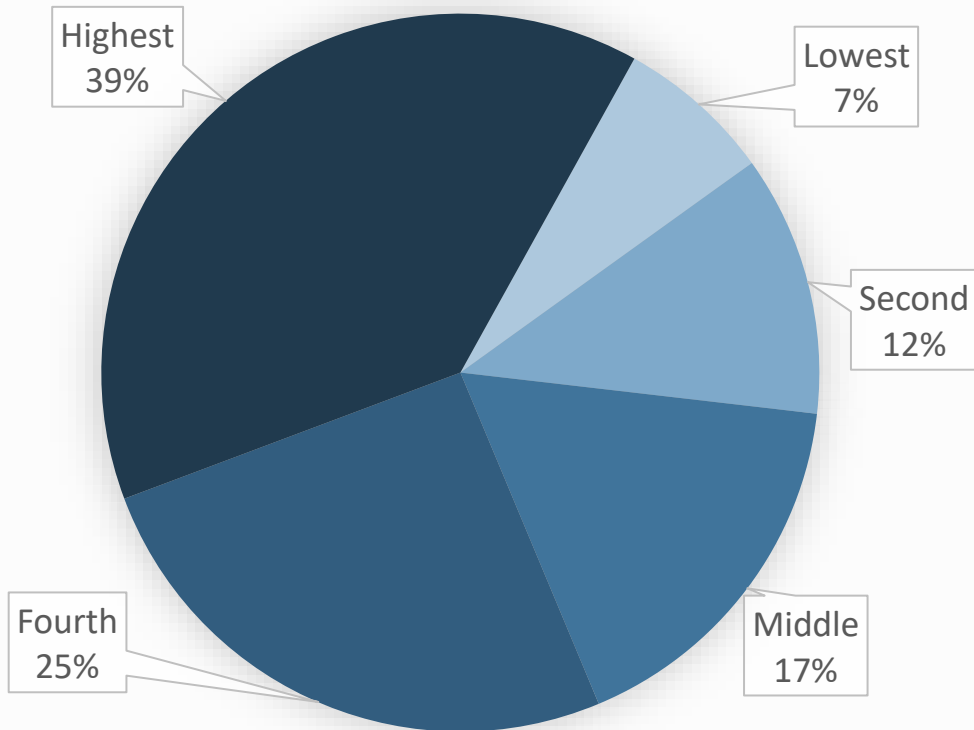
## Proportion of HHs with OFWs



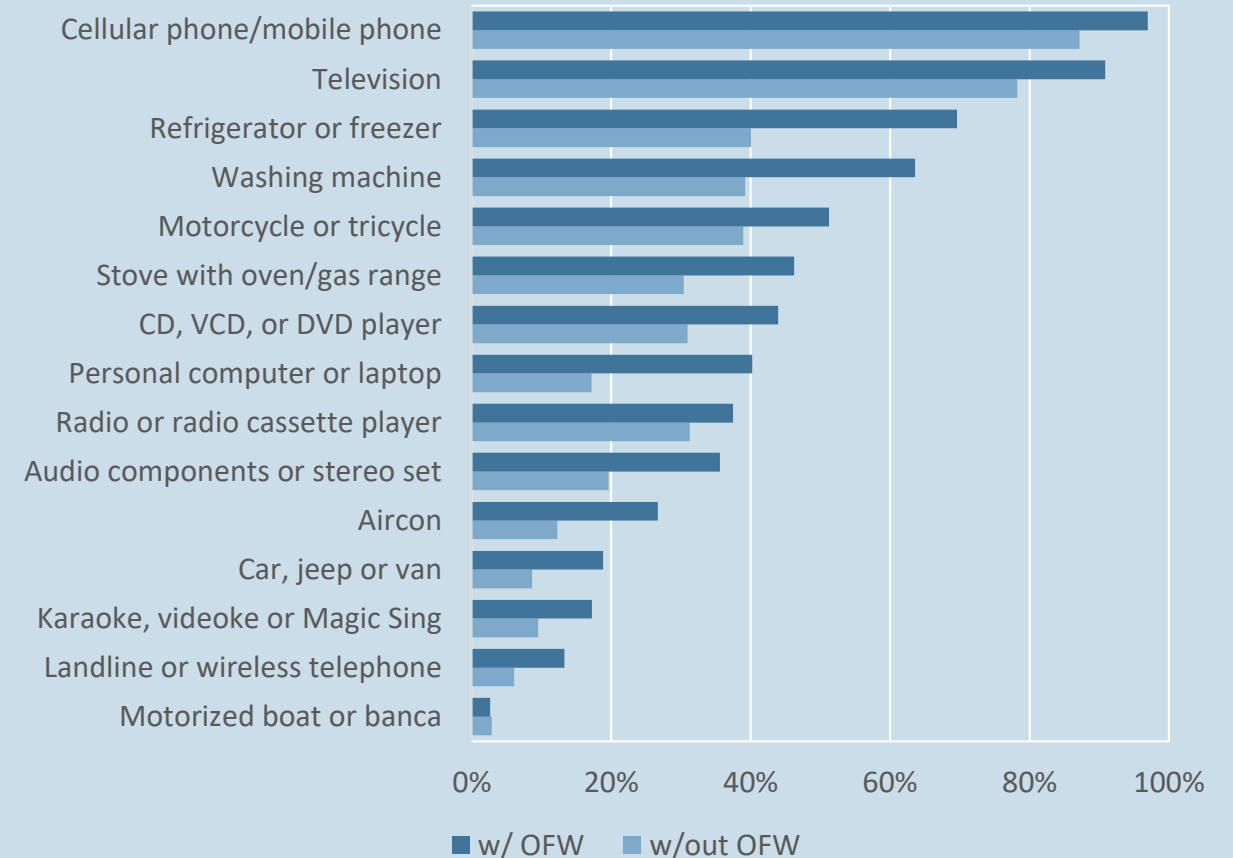


# Households with OFWs have higher percentages of house ownership (69% versus 57%) and all asset types (except motorized boat)

### Wealth quintile of HHs with OFWs



### Asset ownership of households with and without OFWs





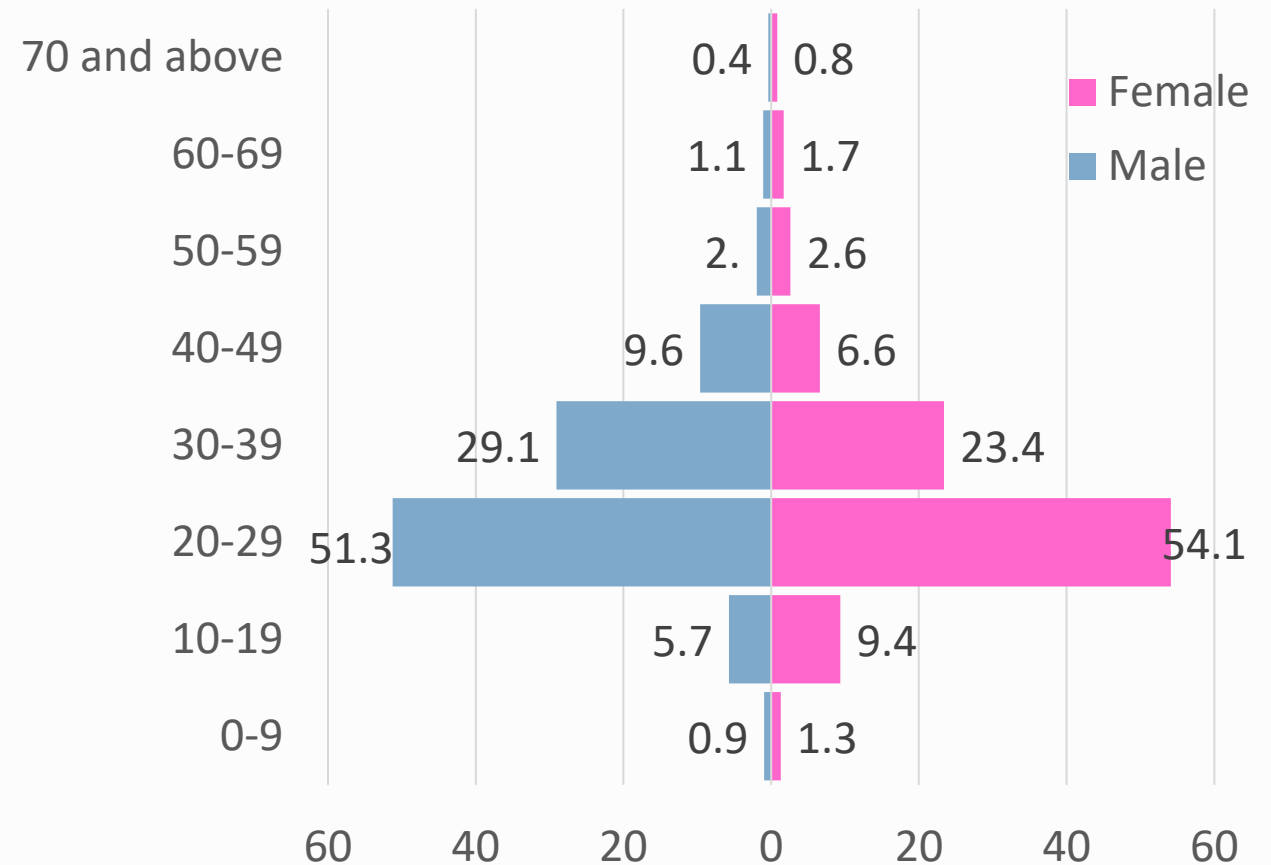
# Nearly 8 out of 10 international migrants are in their prime age (20 to 39) when they first migrated

Regardless of sex, majority of IMs are in their 20s, overwhelming majority are in their 20s to 30s

Compared to the general population, **IMs are relatively more educated:**

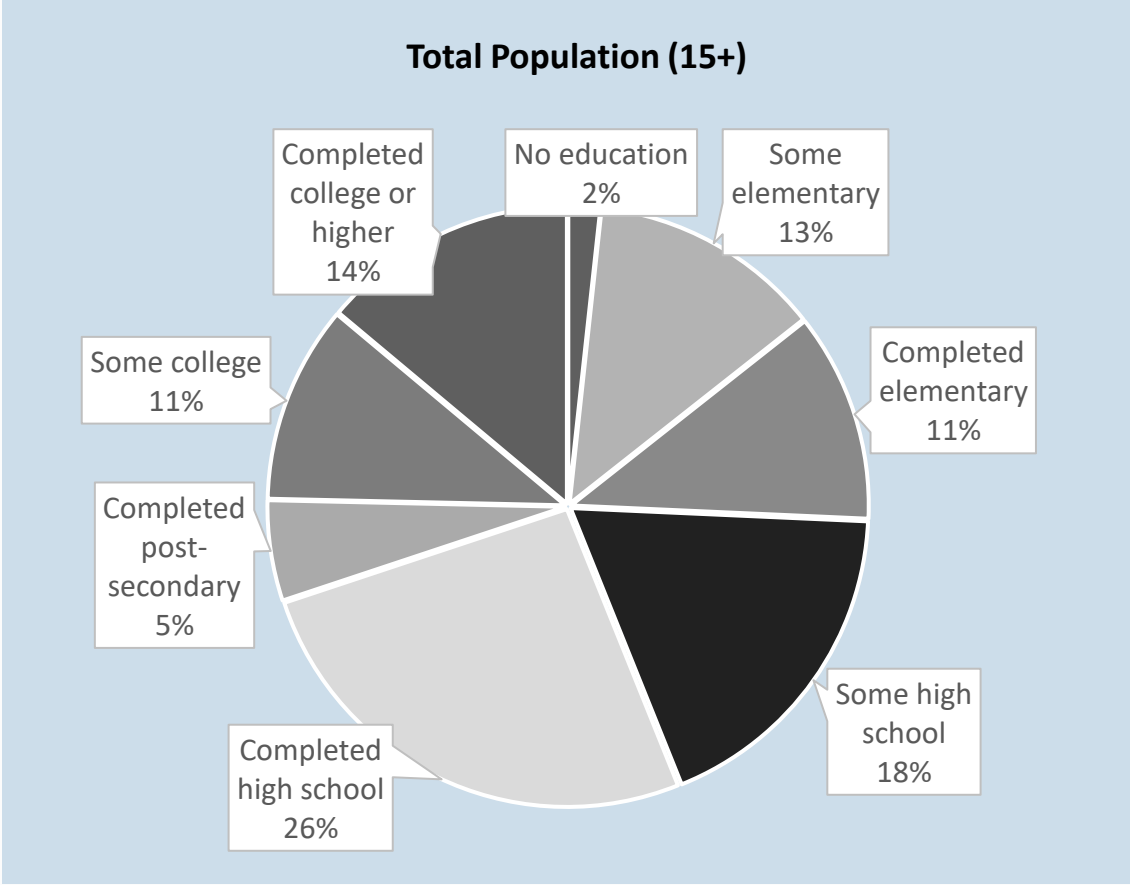
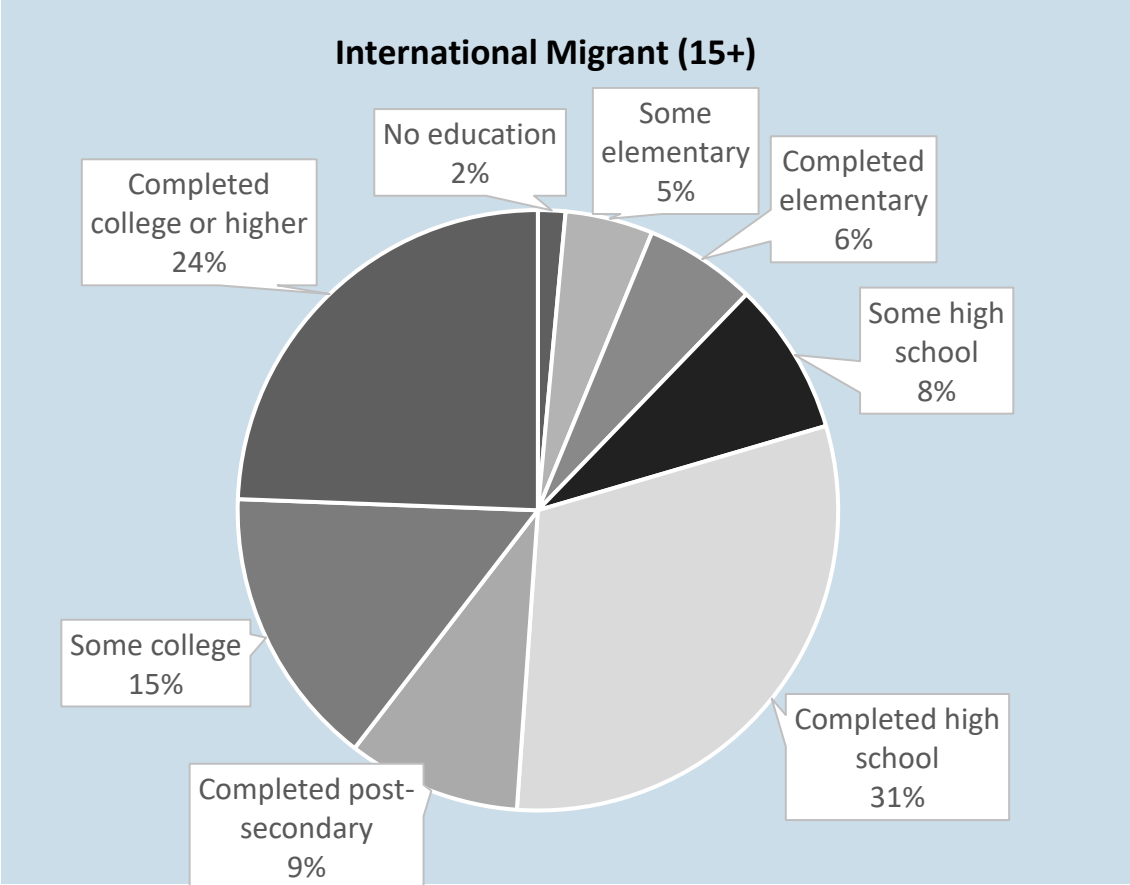
- international migrants is composed largely (56.3%) of at least post-high school
- In contrast, only 30 percent of the general population have similar educational attainment

Age during first move abroad



# In general, IMs have higher educational attainment compared to the total population

Distribution of IMs by educational attainment compared to total population (15+)

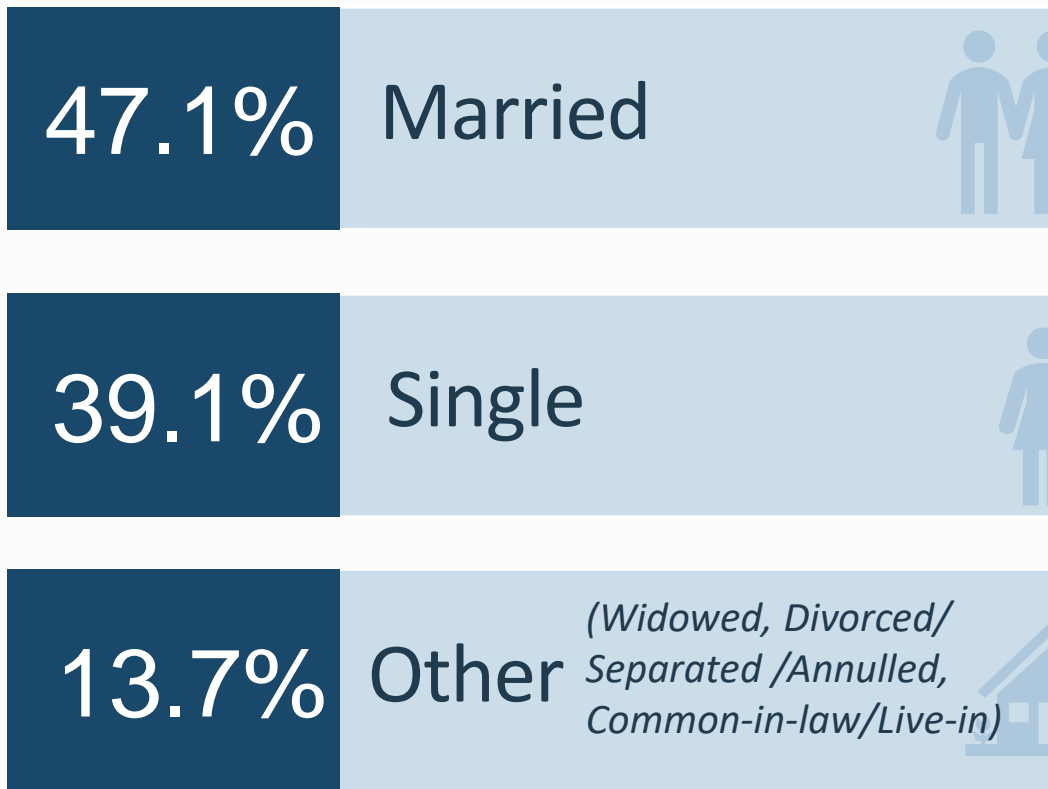


Note: IMs educational attainment during first move abroad

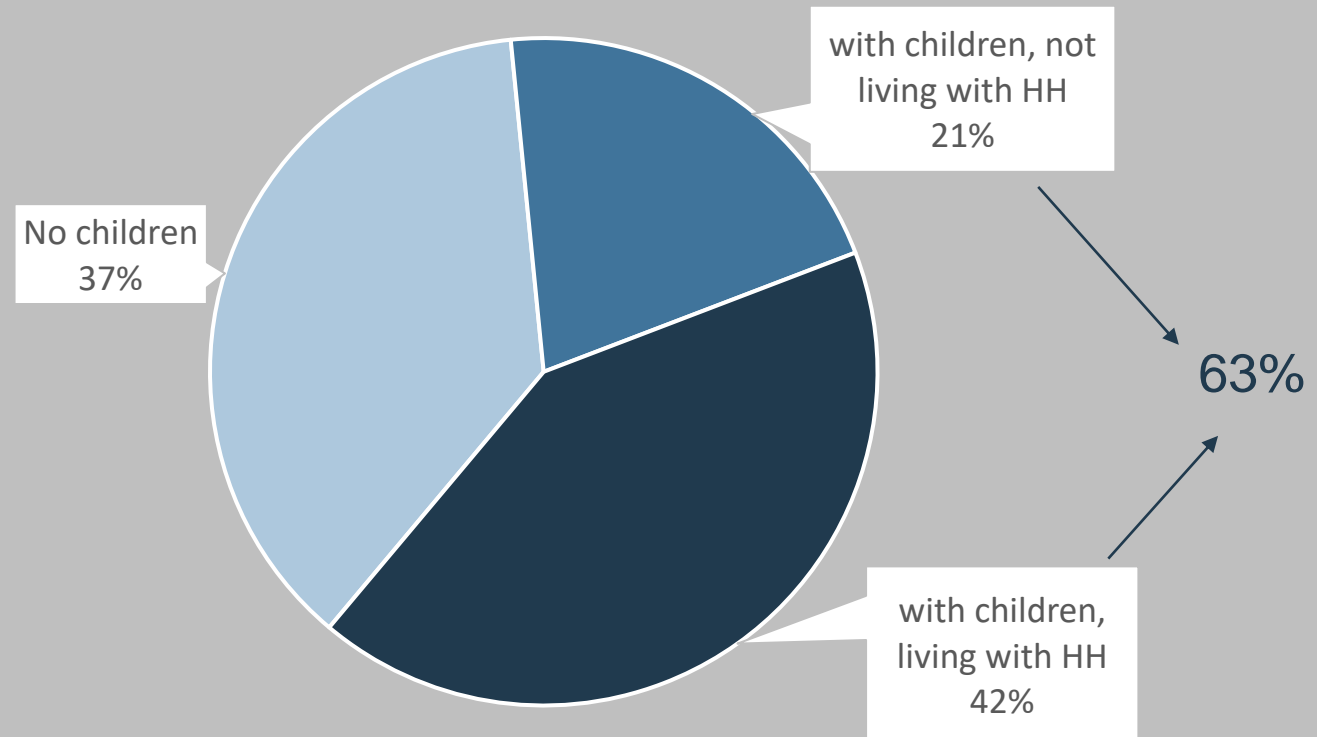


# Majority (63%) of IMs have children when they first moved abroad – many of them still minors

Distribution of IMs by Marital Status

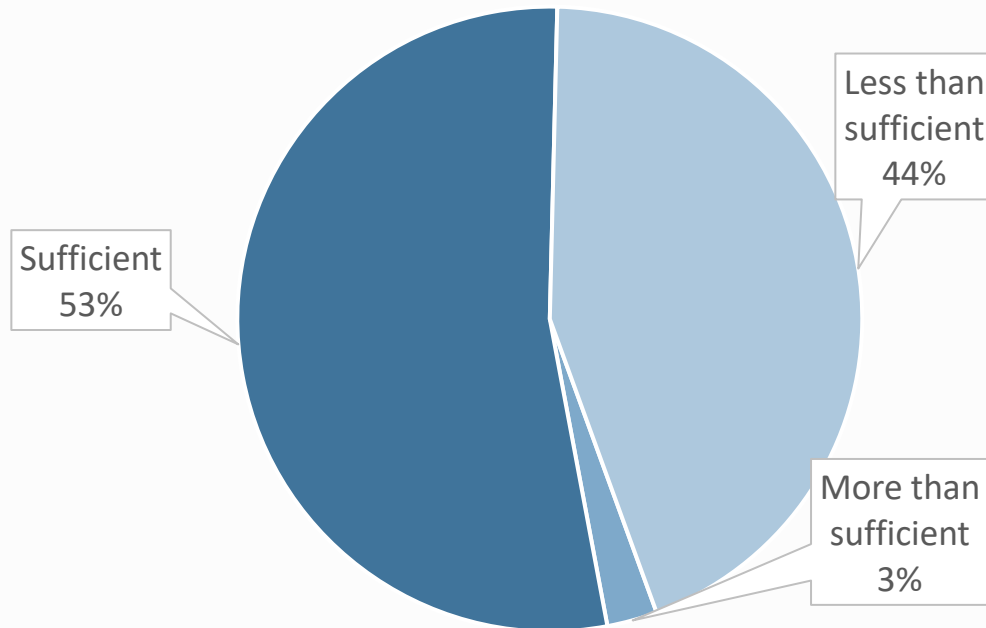


Family situation before moving abroad



# 49% of international migrants did not have work prior to movement – while many of those employed were in service and sales jobs, elementary occupations, and craft workers

Perception of financial situation prior to move



Job/business before moving abroad

Type of Job/business	Frequency	Percent
Armed forces occupation	10,002	0.4%
Managers	85,508	3.5%
Professionals	179,312	7.4%
Technicians and Associate Professionals	206,428	8.6%
Clerical Support Workers	138,911	5.8%
Service and Sales Workers	563,617	23.4%
Skilled Agricultural, Forestry, and Fishery Workers	175,119	7.3%
Craft and Related Trades Workers	376,283	15.6%
Plant and Machine Operators, and Assemblers	223,793	9.3%
Elementary occupations	452,374	18.8%
<b>Total</b>	<b>2,411,347</b>	<b>100.0%</b>



# Top destinations of Filipino migrants – Middle East and East and Southeast Asia; main reason – employment

## Reason for moving

Region	Frequency	Percent
Employment/Job change/Job relocation	4,384,649	92.6%
To live with parents	173,365	3.7%
School	52,218	1.1%
Housing-related reason	38,061	0.8%
Family business succession	19,916	0.4%
Finished contract	18,277	0.4%
Peace and security	11,875	0.3%
Living environment	8,824	0.2%
Marriage	6,817	0.1%
Divorce/Annulment	5,967	0.1%
Other reasons	5,928	0.1%
Commuting-related reasons	4,588	0.1%
Health-related reasons	3,960	0.1%
Retirement	654	0.0%

Note: Did not include no answer and no information response (10,198)

## TOP DESTINATIONS

Saudi Arabia (22.6%)  
UAE (12%)  
Malaysia (7.5%)  
Japan (6.9%)  
Singapore (6.2%)  
Taiwan (6.1%)  
Kuwait (5.8%)  
Hong Kong (5.2%)  
United States (5%)  
Qatar (3.9%)





# A large portion of workers with higher education did work in elementary occupations

## First job in first country abroad

Type of Job/business	Without higher education		With higher education		All grade level	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Armed forces occupation	1,131.10	0.0%	2,049	0.2%	3,180	0.1%
Managers	14,891.89	0.5%	24,013	2.7%	38,905	1.0%
Professionals	133,847.80	4.4%	132,785	14.7%	266,633	6.8%
Technicians and Associate Professionals	129,596.44	4.3%	85,540	9.5%	215,137	5.5%
Clerical Support Workers	35,458.04	1.2%	46,034	5.1%	81,492	2.1%
Service and Sales Workers	457,032.59	15.0%	169,377	18.8%	626,409	15.9%
Skilled Agricultural, Forestry, and Fishery Workers	66,373.11	2.2%	6,296	0.7%	72,669	1.8%
Craft and Related Trades Workers	506,669.42	16.7%	74,419	8.2%	581,089	14.7%
Plant and Machine Operators, and Assemblers	255,090.64	8.4%	135,282	15.0%	390,373	9.9%
Elementary occupations	1,437,467	47.3%	227,376	25.2%	1,664,843	42.2%
<b>Total</b>	<b>3,037,558</b>	<b>100.0%</b>	<b>903,172</b>	<b>100.0%</b>	<b>3,940,730</b>	<b>100.0%</b>

Note: With higher education - those who reached college at least; without higher education - those who did not have any college education

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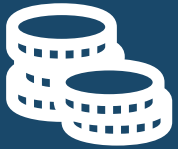
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# Migration Process & Experience

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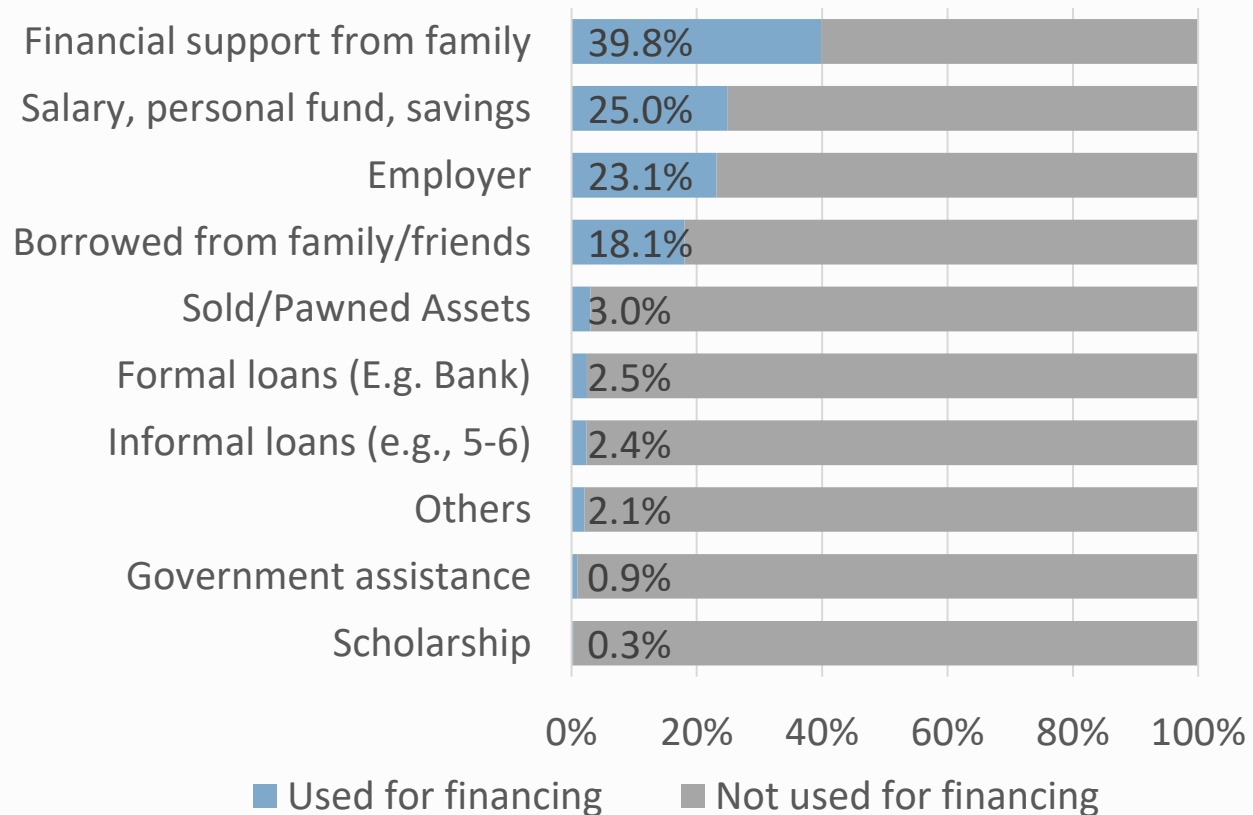
Labor migration study



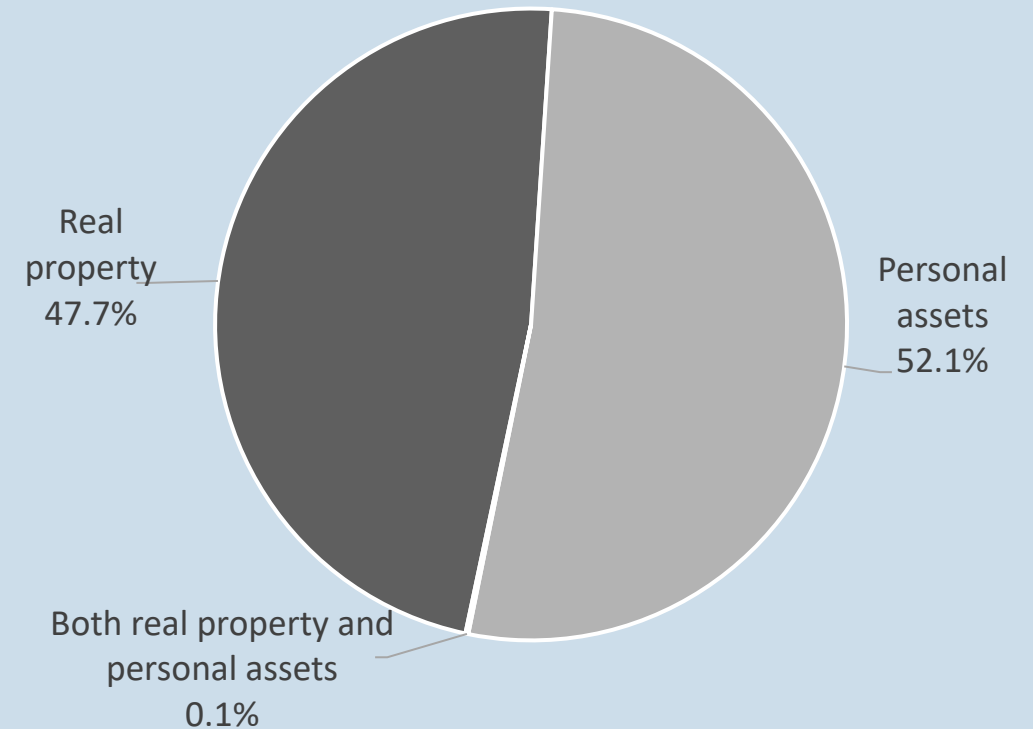


# Many international migrants financed their move through financial support from family (39.8%) and own funds (25%)

Sources of financing migration



Assets pawned/sold to finance move





## During stay in first country, 8% (313,633) of working IMs changed their visa – mostly those who entered as tourists then changed to work visa/permit

Visa used by working IMs during entry to first country

Visa	Frequency	Percent
Work visa/permit	3,095,403	78.5%
Tourist visa	442,533	11.2%
Others	121,351	3.1%
Did not need visa	118,998	3.0%
Seafarer's visa	84,408	2.1%
Immigrant visa	45,072	1.1%
Student visa	18,061	0.5%
Residence permit	13,323	0.3%
Fiancé/e visa	1,580	0.0%
<b>Total</b>	<b>3,940,729</b>	<b>100.0%</b>

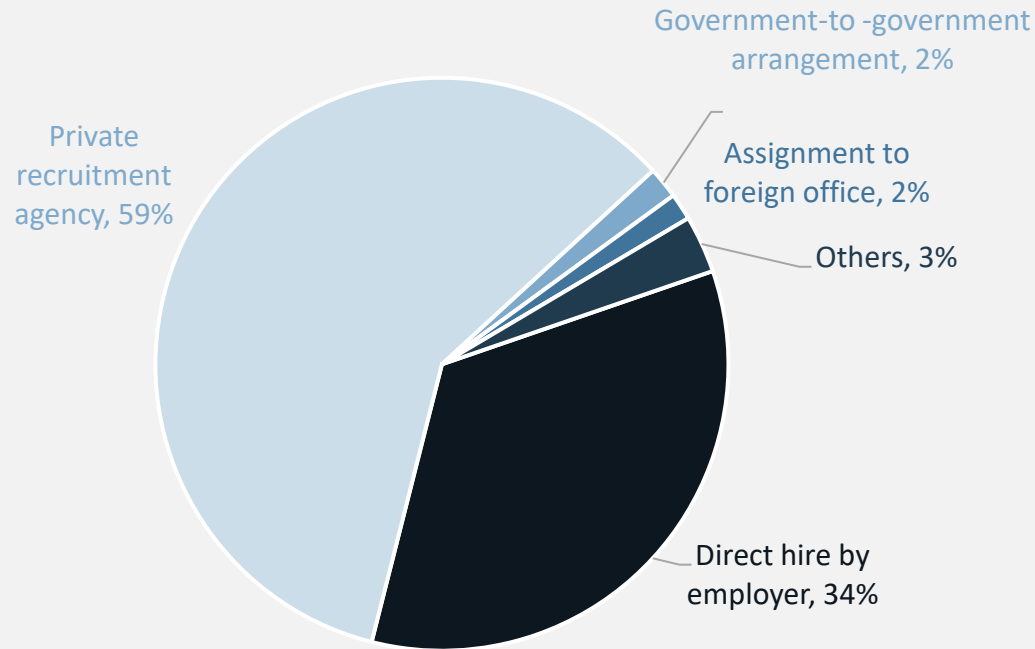
Change in visa/permit during stay in first move abroad

Visa	Frequency	Percent
Work visa/permit	249,891	79.7%
Residence permit	33,468	10.7%
Others	11,135	3.6%
Tourist visa	7,810	2.5%
Immigrant visa	3,716	1.2%
Student visa	3,309	1.1%
Seafarer's visa	2,985	1.0%
Fiancé/e visa	1,319	0.4%
<b>Total</b>	<b>313,633</b>	<b>100.0%</b>

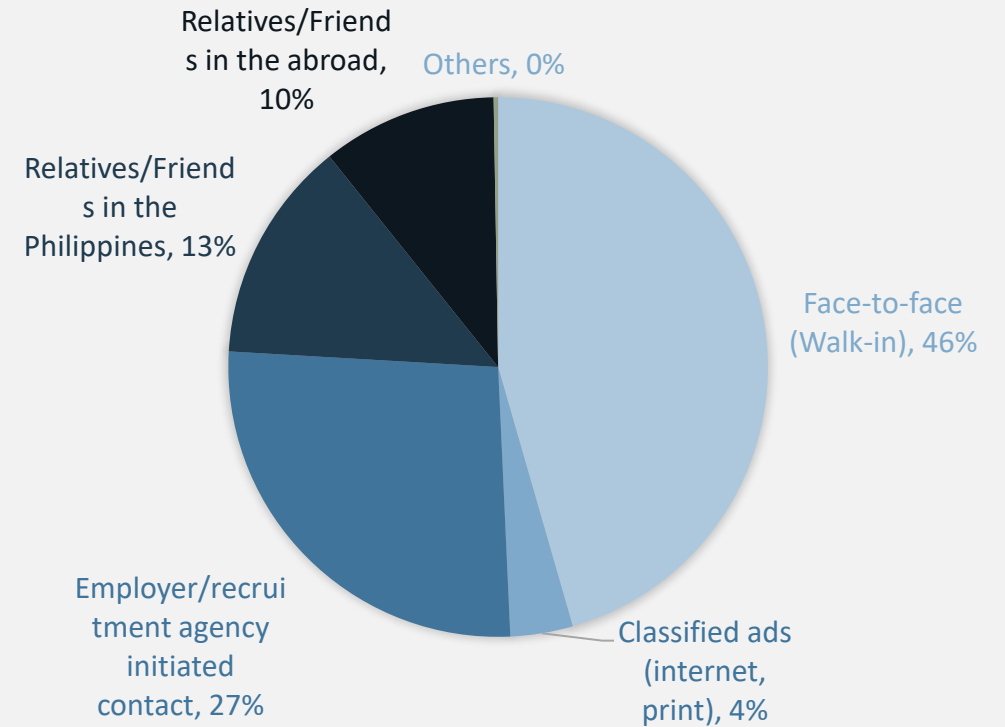


# Most common recruitment mechanism is through private recruitment agency followed by direct hiring by employers

## Recruitment



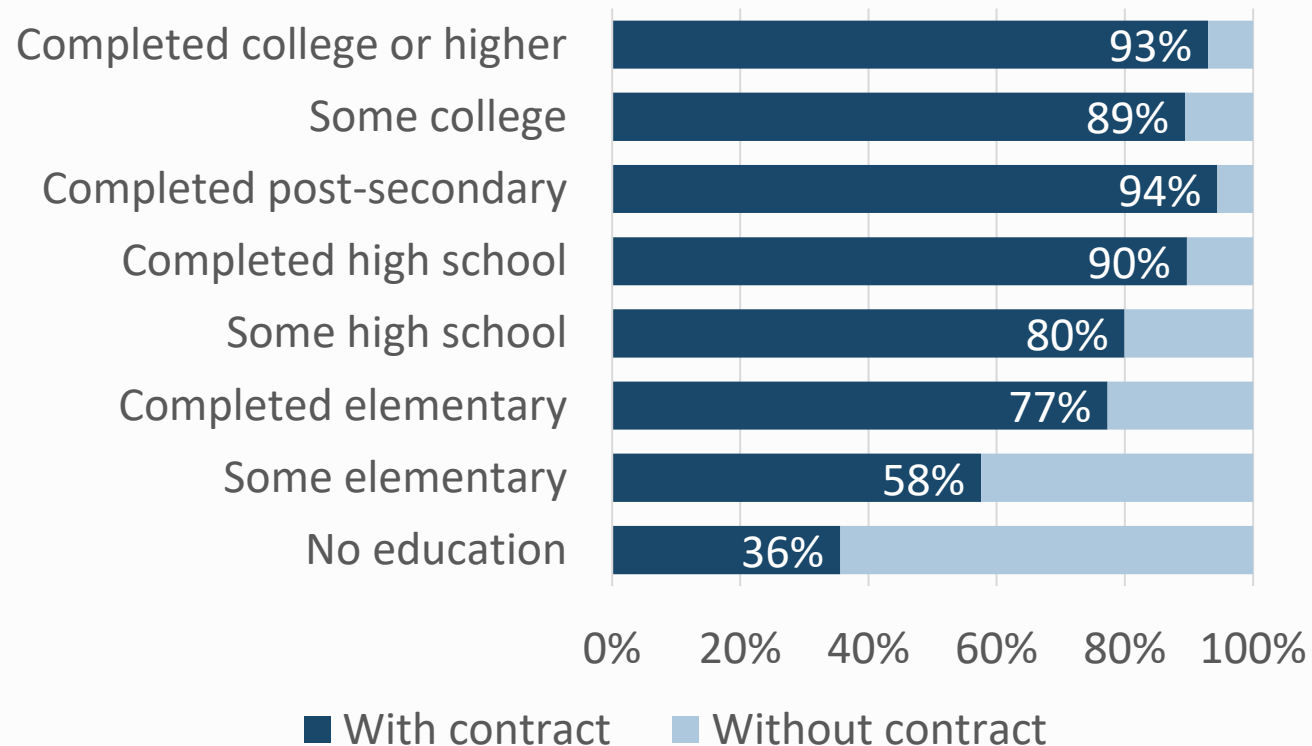
## Communication methods





# A non-negligible 12.6% (480,000) reported they did not have a written contract prior to entry

Contract status by educational attainment



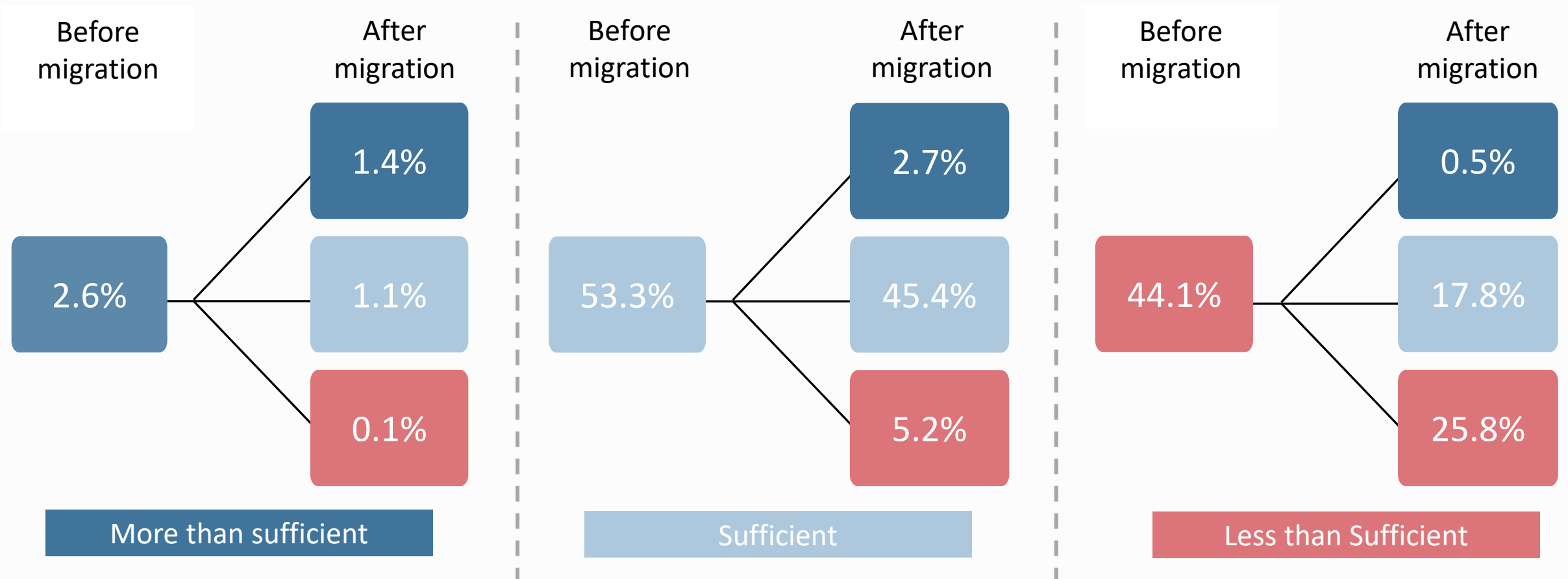
There is also a greater tendency of not getting a written contract among those:

- 1) With lower educational attainment
- 2) directly hired by the employer
- 3) did not need visa to enter the destination
- 4) went abroad using tourist visa



# Around 21% of households reported that their financial situation improved, 72.6% remained the same, while 6.4% were worse off after migration

## Tracking household financial situation before and after migration





## Half of returning migrants (50.9%) reported that they have experienced difficulty upon their return

**96% of IMs did not receive any support**, only 3.6% reported that they received support from the government (e.g. transportation assistance, financial support, and Livelihood support, etc.)

### In terms of awareness in the migration networks organized by the government:

- three-fourths of all international migrants were not aware of such networks
- only over one-fifth (21.4%) were aware of such networks, though they were not members
- 2.2 percent were both aware and current members of migration networks.

Difficulties experienced by OFW upon return (multiple choices)

Difficulty	Experienced difficulty
Difficulty to find any job	69.8%
Difficulty to find job corresponding to skills	12.4%
Difficulty to establish a business	9.9%
Difficulty to re-integrate into society	4.4%
Mismatched skills acquired abroad with jobs in the Philippines	3.8%
Security issues/peace and order	2.4%

Note: N = Total IMs who experienced difficulties upon return



# Access to Social Protection

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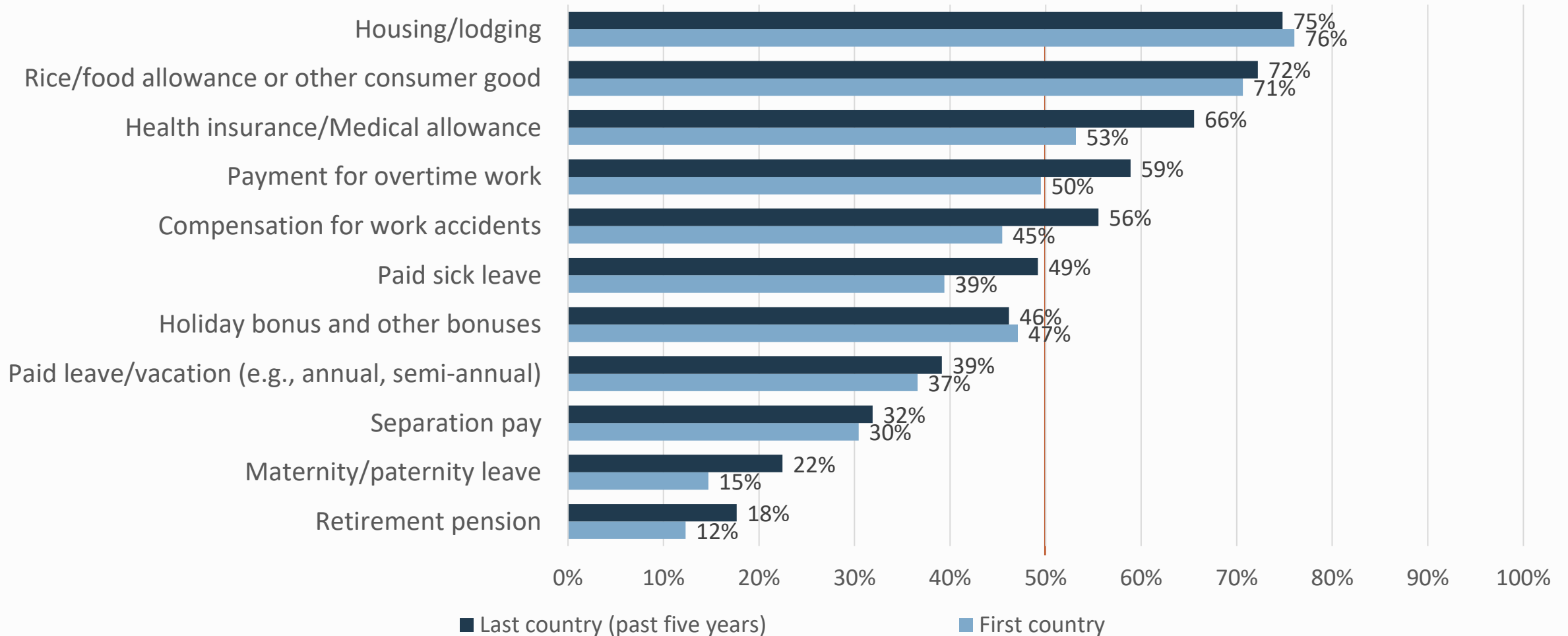
Labor migration study





# Many migrant workers still lack most of the basic workplace benefits – only half were entitled to payment of overtime work

Proportion of IMs with workplace benefits



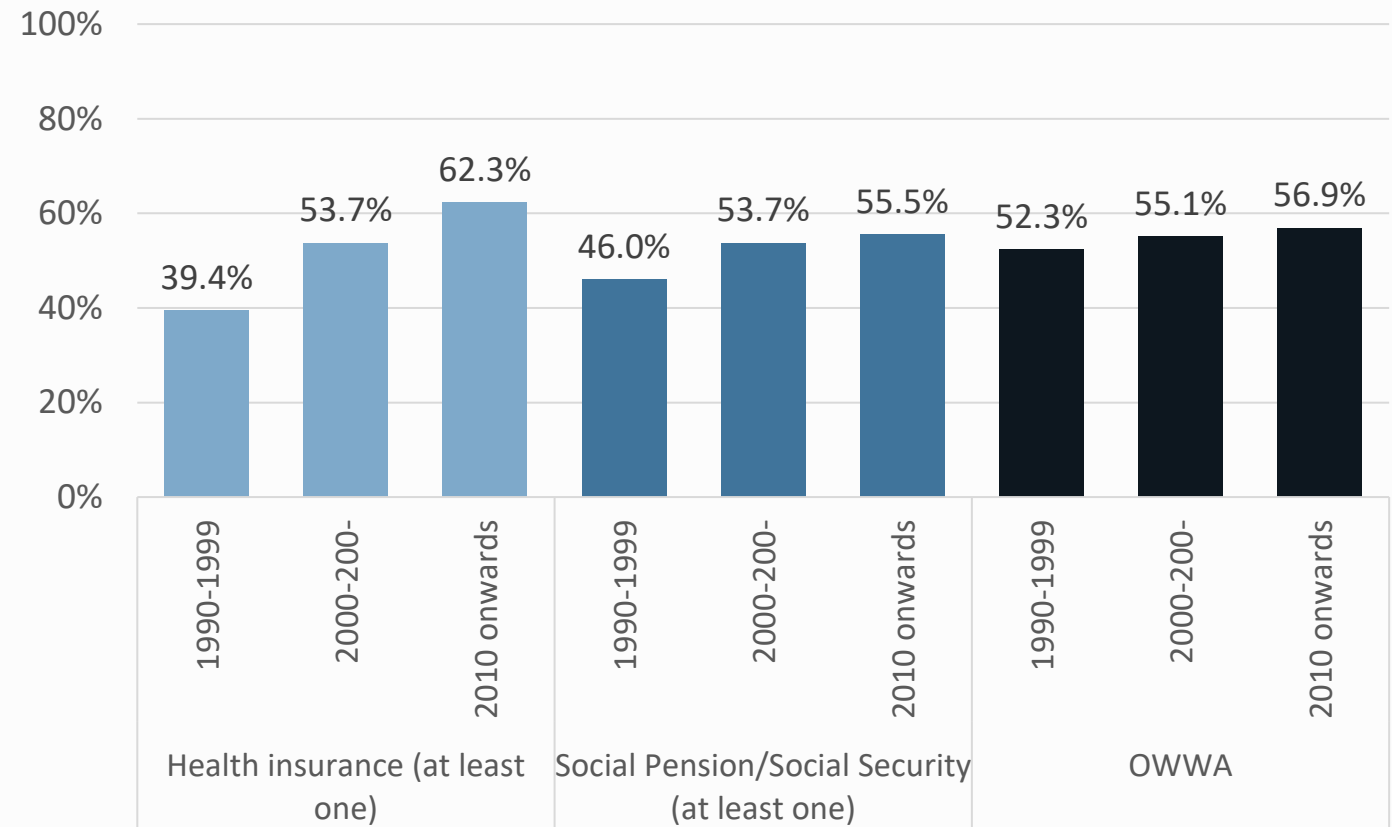


# There is much to improve in terms of gaining access to social insurance – though recent migrant workers have better access

There has been noticeable improvement in social protection coverage for recent migrants compared to those who first went during the 1990s:

There is still a need to improve membership since more than 40% are still not members

### Membership of migrant workers by year of first migration





# More than half of migrant workers have government insurance – while private insurance coverage is consistently low

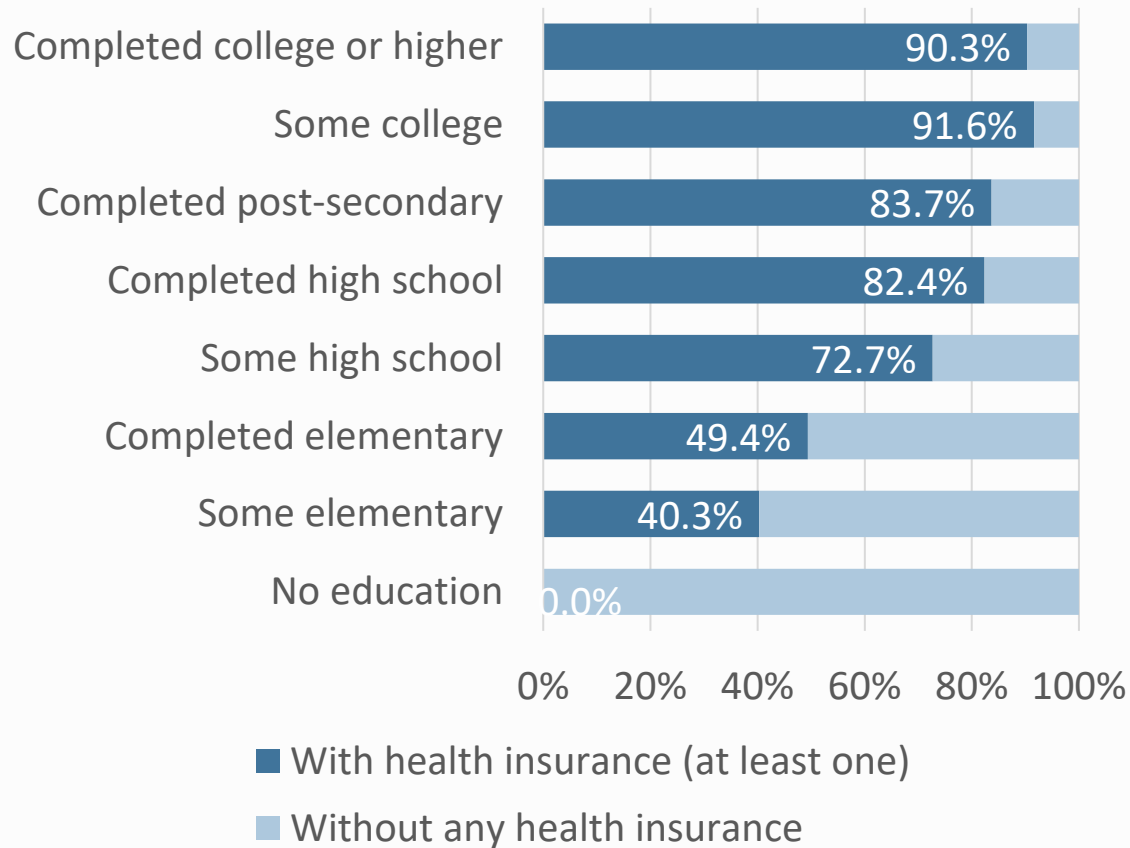
Membership of migrant workers: health insurance, social security/pension

Benefit	First country	Last country (past five years)
<b>Health insurance (at least one)</b>	<b>68.1%</b>	<b>82.7%</b>
PhilHealth (Paying and Dependent)	44.8%	65.8%
HMO (Paying and Dependent)	1.1%	1.2%
Health insurance/Medical allowance (work benefit)*	53.2%	65.5%
Other	2.3%	2.0%
<b>Social pension/social security (at least one)</b>	<b>53.5%</b>	<b>64.3%</b>
SSS and GSIS	49.2%	59.7%
Private insurance/pre-need insurance plan	2.9%	4.8%
Retirement pension (work benefit)*	12.3%	17.7%

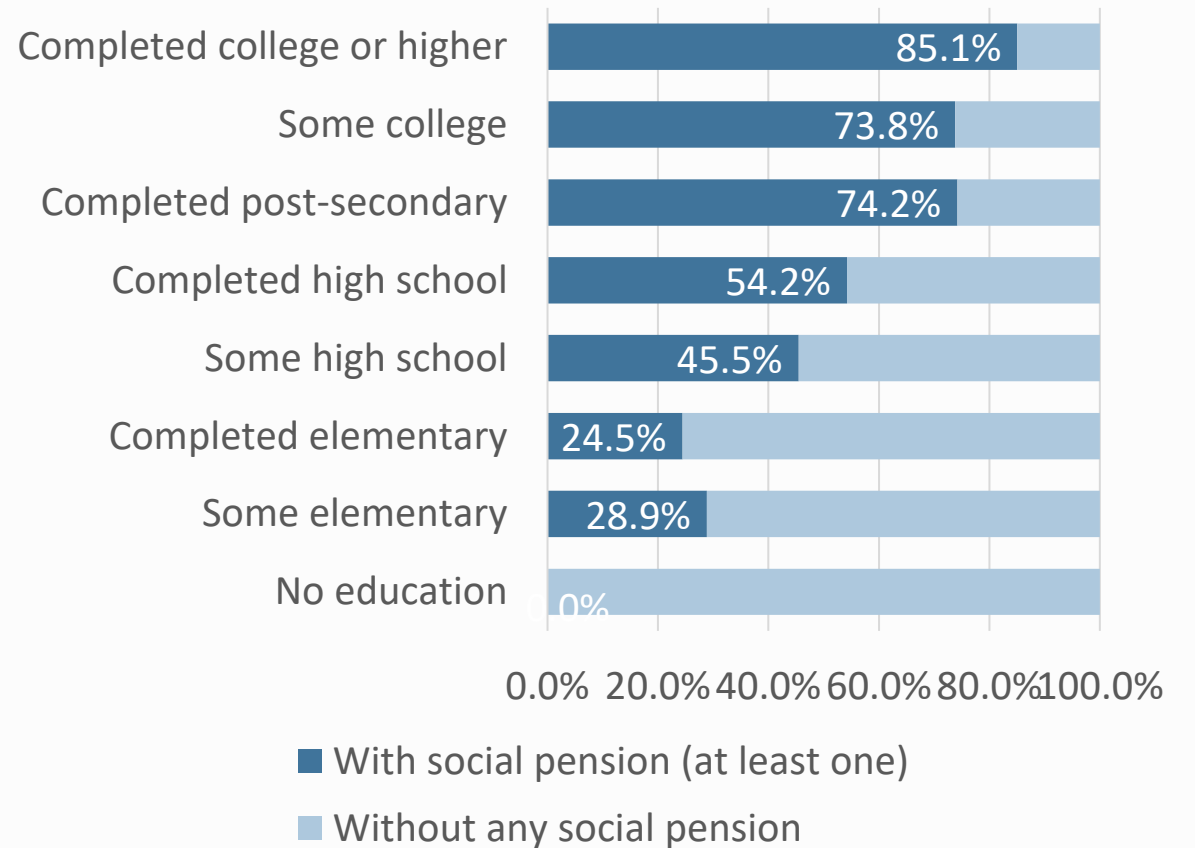


# Access to health insurance and social pension is significantly low for migrant workers with lower education (in the past five years)

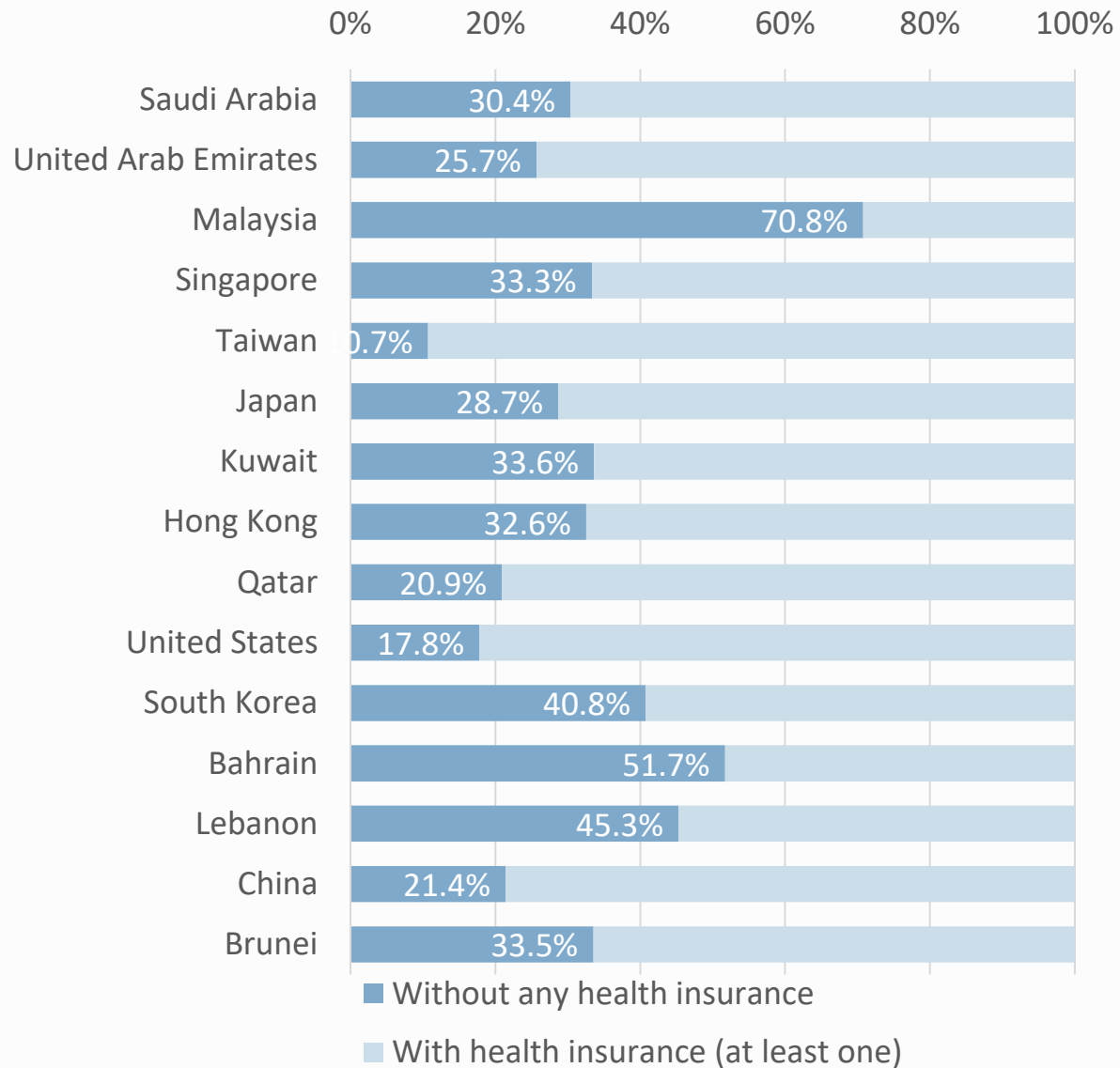
### ACCESS TO HEALTH INSURANCE



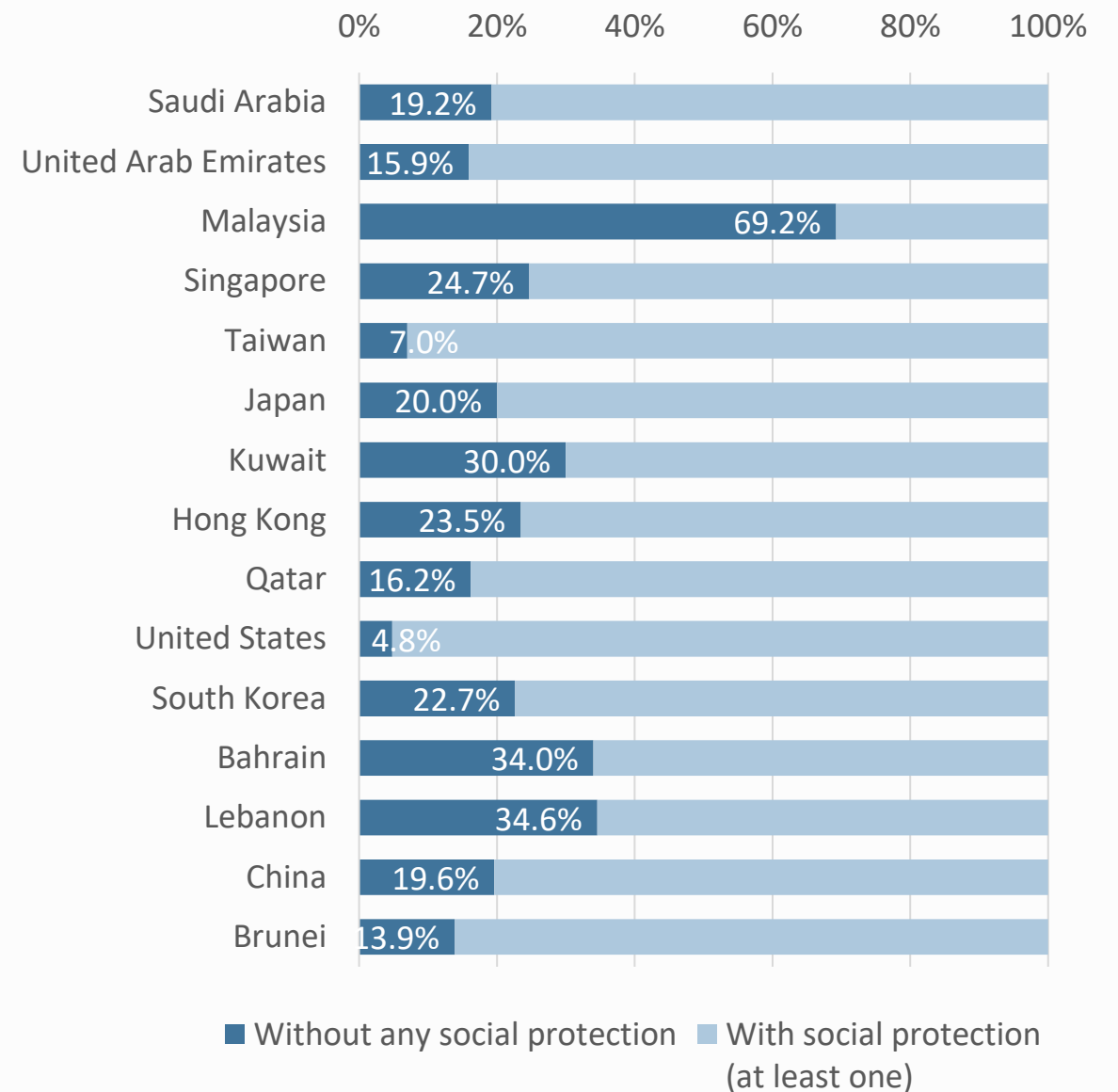
### ACCESS TO SOCIAL PENSION



## ACCESS TO HEALTH INSURANCE



## ACCESS TO SOCIAL PROTECTION



# CHARACTERISTICS OF THOSE WITHOUT SOCIAL PROTECTION\*



**More prevalent among women** - 28% of females do not have any social protection, this is greater compared to males (18%)



**Less educated workers more likely to not have social protection:** Elementary grad at best (45.5%), with higher education (10%)



**More prevalent among those directly hired by employers** (28%) compared to recruitment agency (21%)



**More likely among those who did not need visa (75%) and used tourist visa (31%)** compared to those with work visa upon entry (19%)



**More prevalent among those without written contract (53%)** than those with written contract (20%)



Note: \*non-member of SSS/GSIS, non-member, not dependent (PhilHealth), no health insurance on-site

# CHARACTERISTICS OF THOSE WITHOUT SOCIAL PROTECTION\*



More likely among workers in private households (32.5%) than those in private establishments (18%)



IMs working in skilled agricultural, forestry, and fishery works (42.3%) are less likely to be insured – second are those working in elementary occupations (32.3%)



*Among the top destination countries of migrant workers the following countries have the highest % of those without social protection:*

Health insurance

Malaysia (70.8%)

Bahrain (51.7%)

Lebanon (45.3%)

South Korea (40.8%)

Kuwait (33.6%)

Social protection (health + pension)

Malaysia (69.2%)

Lebanon (34.6%)

Bahrain (34%)

Kuwait (30%)

Singapore (24.7%)



IMs belonging to poorer households are less likely to have protection – lowest wealth quintile (68.8%) compared to highest (11.9%), as HH wealth increases IMs become more insured



IMs with HHs living in rural areas are less likely to have social protection – rural areas (27.1%) compared to urban areas (19.1%)

Note: \*non-member of SSS/GSIS, non-member, not dependent (PhilHealth), no health insurance on-site



# Recommendations

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Labor migration study



# Recommendations

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## Educate prospective and current migrants about social protection

There is a need for more effective efforts in educating and raising awareness of current and prospective migrant workers on the importance of social protection

There is a need to improve financial literacy to increase the willingness and commitment of migrant workers to regularly contribute to insurance schemes for their protection

Efforts must target the less educated migrant workers, women, and those who hold elementary occupations as they are less likely to have access to social protection

# Recommendations

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## Intensify efforts for promoting membership to insurance schemes

Enrolment (including payment of contributions) must be made simpler/less complicated

Conduct assessment of the current mechanisms being utilized in securing OEC (overseas employment certificate) with respect to its (in)ability to promote access to social insurance. The online platforms for OEC processing may have resulted to a more efficient process of securing the document but may have reduced the opportunity for enrolling OFWs in social protection schemes.

Top destinations of workers (e.g. UAE, Malaysia, SG, HK) who use tourist visa or do not need visa to enter the destination can be targeted in efforts for promoting access to social protection

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# Thank You!



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