CIRCULAR MIGRATION OF INDONESIAN LOW-SKILLED LABOUR MIGRANTS TO PENINSULAR MALAYSIA: PATTERNS, CAUSES AND CONSEQUENCES

Balambigai Balakrishnan

Bachelors of Business Administration (Hons), Northern University, Malaysia
Master of Business Administration, University of Leeds, United Kingdom
Masters of Applied Statistics (Distinction), University of Malaya, Malaysia

Discipline of Geography, Environment and Population
School of Social Sciences
Faculty of Humanities and Social Sciences
The University of Adelaide

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ABSTRACT

The flow of international low-skilled labour migrants to Malaysia, especially from Indonesia, is one of the world’s most important migration corridors. With the increase in flow of undocumented migration, public resistance towards migrant workers, combined with the ongoing lack of pathways for gaining permanency and citizenship and the historical relationships and the geographical proximity of the two countries, Malaysia is facing added challenges in managing its migrant workers from Indonesia. Although Malaysia has become structurally dependent on low-skilled migrant workers it has not been able to develop policies that deliver ‘win-win-win’ outcomes to the host country, home country and to the migrants.

In the last decade, migration theorists and policy makers have proposed circular migration as a preferred migration pattern between a developing nation with a labour surplus and a more developed country with labour shortages. While Indonesians may have adopted a long-standing de-facto pattern of circularity between Indonesia and Malaysia, at times actively facilitated by employers, there are no national policies or bilateral agreements that facilitate this circular migration. In this study, circular migration is compared with permanent migration which is, up until now, the most researched form of migration. This migrant-centred study examines the patterns, causes and consequences of both circular and permanent migration as practiced by Indonesian labour migrants in two selected states in Peninsular Malaysia to identify culturally sensitive migration strategies that fulfil the needs of the migrants’ home nation, the host nation and the needs of the migrants themselves.

The study reports on a field survey of 858 low-skilled Indonesian migrant workers who have arrived in Malaysia since 1980 and are employed in six labour sectors (agriculture, construction, domestic work, manufacturing, plantation and services). Respondents are classified as circular migrants, permanent migrants and undecided migrants on the basis of their mobility intentions. They are further differentiated as to whether they are documented, undocumented or permanent residents. In total there are then nine categories of respondents.
It is found that the circular migrants are more likely to be young single males while permanent migrants are more likely to be females with a working spouse in the host country. While circular migrants have stronger social linkages with their home country, permanent migrants have stronger linkages with the host country. However, circular migrants are more likely to have poorer living and working conditions. Their human capital is not seen as being transferable back to Indonesia. Circular migrants remitted more than permanent migrants and used their remittances for more than just consumption-related activities. While all migrants maintained some form of transnational mobility, permanent residents of all types faced fewer constraints than the documented and undocumented circular migrants in visiting home regularly.

It is possible that circular migration may work in this situation if Malaysia provides repeat labour market access through long-term multi-entry visas which are specific to industries but not to employers, thus allowing migrants to transfer employers. Malaysia and Indonesia should co-operate in developing skills that migrants can apply upon their return and enabling migrants to maintain stronger ties with the home country through annual returns.

When migration policies are too restrictive they seem to encourage undocumented migration. Transnational mobility need not challenge the sovereignty of nation-states. Rather, it can encourage co-operation and co-development. Migration polices need to be assessed for their management of human welfare. It is time now for migration theorists to move from a focus on economics and mobility to concern for human development.
DECLARATION

I, Balambigai Balakrishnan certify that this work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

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<td>Asian Development Bank</td>
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<td>Department of Immigration Malaysia</td>
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<tr>
<td>DOSM</td>
<td>Department of Statistics Malaysia</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FOMEMA</td>
<td>Foreign Workers Medical Examination Monitoring Agency</td>
</tr>
<tr>
<td>FMM</td>
<td>Federation of Malaysian Manufacturers</td>
</tr>
<tr>
<td>EPU</td>
<td>Economy Planning Unit</td>
</tr>
<tr>
<td>GCIM</td>
<td>Global Commission of International Migration</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product Per Capita</td>
</tr>
<tr>
<td>GFMD</td>
<td>Global Forum on Migration and Development</td>
</tr>
<tr>
<td>NAKERTRANS</td>
<td><em>Kementerian Tenaga Kerja Dan Transmigrasi Republik Indonesia</em> (Ministry of Labour Force and Transmigration Indonesia)</td>
</tr>
<tr>
<td>IFLS</td>
<td>Indonesia Family Life Survey</td>
</tr>
<tr>
<td>IMW</td>
<td>Indonesian Migrant Worker</td>
</tr>
<tr>
<td>IO</td>
<td>Immigration Ordinance</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organisation</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IOM</td>
<td>International Organization for Migration</td>
</tr>
<tr>
<td>Acronym</td>
<td>Full Form</td>
</tr>
<tr>
<td>---------</td>
<td>-----------</td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>MOH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>MPOA</td>
<td>Malaysian Palm Oil Association</td>
</tr>
<tr>
<td>MTUC</td>
<td>Malaysian Trade Union Congress</td>
</tr>
<tr>
<td>NDP</td>
<td>National Development Programme</td>
</tr>
<tr>
<td>NELM</td>
<td>New Economics of Labour Migration</td>
</tr>
<tr>
<td>NEP</td>
<td>National Economy Policy</td>
</tr>
<tr>
<td>NRD</td>
<td>National Registration Department</td>
</tr>
<tr>
<td>NUPW</td>
<td>National Union for Plantation Workers</td>
</tr>
<tr>
<td>PATI</td>
<td><em>Pendatang Asing Tanpa Izin</em> (Foreign Visitors without Permission)</td>
</tr>
<tr>
<td>PASW/SPSS</td>
<td>Predictive Analysis Software</td>
</tr>
<tr>
<td>PELITA</td>
<td><em>Perancangan Lima Tahun</em> (Five Year Development Plan)</td>
</tr>
<tr>
<td>POEA</td>
<td>Philippine Overseas Employment Agency</td>
</tr>
<tr>
<td>RELA</td>
<td><em>Ikatan Relawan Rakyat Malaysia</em> or the People’s Volunteer Corps</td>
</tr>
<tr>
<td>SAWP</td>
<td>Seasonal Agricultural Worker Programme</td>
</tr>
<tr>
<td>SUHAKAM</td>
<td>Human Rights Commission of Malaysia</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNHCR</td>
<td>United Nations Human Rights Convention</td>
</tr>
<tr>
<td>USA</td>
<td>The United States of America</td>
</tr>
<tr>
<td>VOA</td>
<td>Visa on Arrival</td>
</tr>
<tr>
<td>VPTE</td>
<td>Visit Pass for Temporary Employment</td>
</tr>
</tbody>
</table>
Chapter 1. Introduction

1.1 Introduction

International labour migration to Malaysia has been recognised as an economic imperative (Ratha 2007; IOM 2010a; 2010b; World Bank 2011; 2011a). Approximately one in ten, of an estimated 224 million international migrants worldwide in 2010, is from Asia, about 10.2 million being in Southeast Asia (UN DESA 2009; IOM 2010b). Malaysia and Thailand are the two largest recipients of low-skilled labour migrants in this region (UN DESA 2009). However, the outflow of remittances from Malaysia was the highest in the Asia region in 2008, almost half being sent to Indonesia (Ratha et al. 2010). Malaysia has been the largest recipient of Indonesian migrant workers and the largest contributor to the Indonesian inflow of remittances (Raharto 2007; Hernandez-Coss et al. June 2008).

While Malaysia has become structurally dependent on low-skilled\(^1\) migrant workers, there is a need to develop a migration plan that will offer a ‘win-win-win’ situation in the host country, the home country and the migrants. However, with the increase in the flow of undocumented

\(^1\) Differentiating the term “low-skilled” from “skilled” workers is not an easy task (Ruhs 2006). According to GCIM (2005) the workers in these sectors may differ by educational qualifications. However, job responsibilities are also a factor (Kessler 2009). While UNDP (2009) classifies those with tertiary education as skilled workers and others as unskilled workers, the classification in Malaysia differs somewhat. In recent years, a wage scale has been set to differentiate the migrant workers by skills, a practice which has been in place since the introduction of the Immigration Ordinance in 1953 (Kaur 2007c). Those who earn less than MYR 2500 monthly are considered as low-skilled workers and almost 95 per cent of the temporary migrant workers in Malaysia fall into this category (Abubakar 2002; Kanapathy 2006; Kassim 2006a). In this study those who earned an average monthly salary of MYR 2500 or less are identified as low-skilled workers.
migrants, public resistance toward migrant workers (Kleemans and Klugman 2009) (especially the low-skilled), ongoing lack of pathways for migrants gaining permanency and citizenship (Castles 2003), Malaysia faces added challenges in managing its migrant workers (Battistella and Asis 2003; IOM 2008; Kanapathy 2008a),

Most documented migrant workers are within Malaysia’s restrictive temporary migration schemes, built with the intention to curb permanent settlement (Kanapathy 2004; 2006). Hugo (2003) and Newland et al. (2008) have indicated that it is actually these restrictive policies, that are expensive and time consuming, which push migrants into permanent and/or illegal settlement. The more prohibitive the policy, the less likely a migrant is able to circulate freely.

In the last decade, migration theorists and policy makers have proposed circular migration\(^2\) as a preferred solution to migration between labour surplus developing nations and labour deficit developed countries in need of low-skilled workers (GCIM 2005; IOM 2005; Vertovec 2007, p. 26; Newland 2009; Hugo 2009a). It has been argued that circular migration may fulfil the sometimes competing needs of the sending country, the receiving country and migrants (including their families) more adequately than permanent migration (GCIM 2005; GFMD 2007; Vertovec 2007).

In this study, circular migration is compared with permanent migration, the most researched form of migration both theoretically and empirically, in order to highlight its potential to solve

\(^2\) Circular migration in this study refers to migration of those who have indicated an intention to return home (detailed discussion on definition is available in later sections in this chapter). However, de-facto circular mobility refers to the back and forth movements (presented in detail in Chapter 6) either the circular or the permanent migrants maintain between home and host nation.
migration issues in Malaysia, a country that does not offer a permanent settlement for migrants. This study examines the patterns, causes and consequences of both circular and permanent migration as practised by Indonesian labour migrants who have arrived in Malaysia since 1980, who are employed in the low-skilled sectors (agriculture, construction, domestic work, manufacturing, plantation and services) in two states of Peninsular Malaysia\(^3\). The study takes a transnational and developmental perspective and, while it encompasses the host country, the home country and the migrant, it focuses primarily on the experience of the migrant in Malaysia and the role of Malaysian policies.

This chapter outlines the research aims and objectives. It then describes the Indonesian-Malaysian migration corridor. The major factors facilitating migration between these countries are discussed; the concepts of circular, permanent, temporary and return migration are outlined; and the key terms underpinning this study are introduced. Zelinsky’s (1971, p. 276) concept on the migrant’s “intention to stay” is introduced as the typology to classify the migrants into three categories (circular, permanent and undecided migrants) in this study. The significance of this study is then outlined. This chapter concludes with an overview of the chapters to follow.

### 1.2 Research Objectives

The overarching aim of this study is to analyse the patterns, causes and consequences of both circular and permanent migration as practiced by low-skilled Indonesian labour migrants who

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\(^3\) The study looks at Peninsula Malaysia (West Malaysia) and it does not include the issues related to migration to states in East Malaysia (Sabah, Sarawak and Federal Territory of Labuan).
have arrived in Peninsular Malaysia since 1980. It is hoped that such an analysis will aid the formulation of circular migration policies to manage migrant workers in the future. In order to meet this aim, six research objectives have been established.

The objectives of this study are to:
- identify the trends and patterns of Indonesian labour migration to Peninsular Malaysia
- explore the differences in characteristics between circular and permanent migrants
- analyse the de-facto mobility patterns practiced by the Indonesian labour migrants
- evaluate the social and economic linkages and impacts of circular and permanent migration
- recommend policy initiatives that can maximise the benefits of circular/permanent migration strategies
- explain the research implications for the theoretical understanding of circular and permanent migration.

1.3 The Indonesia-Malaysian Migration Corridor: Scope of Research

During the last two decades international migration has become an increasingly popular strategy for economic migrants in Southeast Asia (Hugo 2004; Hugo 2005b; Tamagno 2007). The Association of Southeast Asian Nations (ASEAN), a geo-political and economical organisation comprises 10 member countries in this region: Indonesia, Malaysia, Singapore, The Philippines, Thailand, Brunei, Myanmar, Cambodia, Laos and Vietnam. As shown in Table 1.1, Malaysia, Singapore and Brunei are the prominent net international migration countries within ASEAN (IOM 2010b). These countries are economically better off,
politically more stable, have higher literacy rates and declining fertility rates; they are further along the process of modernization in Zelinsky’s terms (1971, p. 236). These are the indicators for countries with a declining low-skilled labour force at a time when industry has an increasing need for it.

Table 1.1 Migration Status of ASEAN Member Countries

<table>
<thead>
<tr>
<th>Member Countries of ASEAN</th>
<th>Net International Migration Rate (2005-2010)*</th>
<th>Percentage of Migrants in Total Population, 2010*</th>
<th>Major Sending Nations Within ASEAN#</th>
<th>Major Receiving Nations Within ASEAN#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brunei Darussalam</td>
<td>Positive</td>
<td>36.4</td>
<td>Malaysia, Philippines</td>
<td>Philippines</td>
</tr>
<tr>
<td>Cambodia</td>
<td>Negative</td>
<td>2.2</td>
<td>Vietnam, Thailand, Thailand</td>
<td>Thailand, Philippines, Philippines</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Negative</td>
<td>-na-</td>
<td>Malaysia, Philippines</td>
<td>Malaysia, Philippines</td>
</tr>
<tr>
<td>Laos</td>
<td>Negative</td>
<td>0.3</td>
<td>Vietnam, Thailand</td>
<td>Thailand, Philippines</td>
</tr>
<tr>
<td>Malaysia</td>
<td>Positive</td>
<td>8.4</td>
<td>Indonesia, Philippines</td>
<td>Singapore, Brunei</td>
</tr>
<tr>
<td>Myanmar</td>
<td>Negative</td>
<td>-na-</td>
<td>Indonesia, Malaysia</td>
<td>Thailand, Philippines</td>
</tr>
<tr>
<td>Singapore</td>
<td>Positive</td>
<td>40.7</td>
<td>Malaysia, Indonesia</td>
<td>Malaysia, Philippines, Thailand</td>
</tr>
<tr>
<td>Thailand</td>
<td>Negative</td>
<td>1.7</td>
<td>Myanmar, Laos</td>
<td>Malaysia, Cambodia</td>
</tr>
<tr>
<td>Philippines</td>
<td>Negative</td>
<td>0.5</td>
<td>Indonesia, Malaysia</td>
<td>Malaysia, Indonesia</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Negative</td>
<td>-na-</td>
<td>Indonesia, Philippines, Malaysia</td>
<td>Cambodia, Philippines</td>
</tr>
</tbody>
</table>

*Positive = has more immigrant than emigrant, *Malaysia has both high immigration and emigration (however with positive net migration rate)

Source: Hugo 2004; 2005c; *DRC Migration 2007; *IOM 2010a

In 2010, Brunei and Singapore had larger proportion of migrants within their populations, shown in Table 1.1, while Malaysia and Singapore had the highest migrant stock, shown in Figure 1.1. While these three countries receive a large number of low-skilled workers, the emigration from these countries mainly involves semi-skilled or high-skilled workers. Table 1.1 also indicates that the majority of immigration and emigration in the Southeast Asia region occurs between countries in close geographical proximity.
ASEAN was formed in 1967. The 5th Summit in Bangkok, in 1995, was the first summit to recognise migration as an area requiring further investigation and co-operation. Its focus, however, was on the flow of skilled migration (ASEAN 2006). In 2004, ASEAN encouraged the temporary labour migration of low-skilled workers through its Framework Agreement on Services (AFAS) (Manning and Bhatnagar 2004; Thanh and Bartlett 2006). An assessment of
AFAS, in 2006, indicated a poor gain for some member countries and a lack of co-operation from both Malaysia and Singapore (Thanh and Bartlett 2006). In 2007, the Declaration on the Protection and Promotion of the Rights of Migrant Workers was adopted by the member countries. This sets out the duties and responsibilities of both labour-sending and receiving countries with the aim of protecting migrant workers. ASEAN, however, unlike the European Union, has not actively facilitated the free mobility of people and labour. To date, labour migration between ASEAN members has been the subject of bi-lateral agreements (ADB 2008). Growing nationalism within member countries may have impeded efforts to maximise regional co-operation and integration (Spaan et al. 2002). ASEAN’s commitment to integrate the economies of its member countries by 2015 is hoped to level out the problems associated with the free flow of people in this region (Migration News April 2009).

The migration of Indonesians to Malaysia is the largest migration flow between two ASEAN members and it occurs between the largest sending country and the largest receiving country in this region. While the movement between these two countries has historical roots, it gained momentum in the 1980s (Bahrin 1965; 1967). The number of Indonesian migrants in Malaysia has grown from differing estimates of 200,000 to 700,000 in the mid 1980s to over two million in 2010 (ESCAP 1985; Hugo 1988; Migration News January 2012). The majority of these migrants are low-skilled workers. While some of the migrants who arrived in the 1980s regularised their settlement in Malaysia by acquiring permanent residency, the majority have joined the labour force as either documented or undocumented workers. As shown in Figure 1.2, Indonesians have been dominating (more than one-third) the migrant worker labour force in Malaysia for more than a decade (see chapter 2 for a detailed discussion).
Figure 1.2 Indonesian Contract Migrant Workers in Malaysia, 1997–2010

Notwithstanding the difficulties inherent in migrating, Indonesians continue to move to Malaysia in search of employment, influenced by the stark socio-economic differences between their home country and Malaysia. Table 1.2 presents some of the socio-economic indicators that underscore the differences between Malaysia and Indonesia. Indonesia, with 230 million people, is the fourth most populated country in the world (United Nations 2009) and had a gross domestic product per capita (GDP) of US $2349 in 2009. About 16.7 per cent of the country’s population lived below the poverty line in 2008 (United Nations 2009). Almost 11 million people, or 9.1 per cent of the labour force, were unemployed in 2005 (United Nations 2007). The tsunami in 2004, harvest failures in certain provinces, and various
other problems have only added to the growth of Indonesia as a labour-surplus nation (Leinbach and Watkins 1998; Mantra 1999b). In 2000, about 40 per cent of Indonesia’s 201 million people were between the ages of 18 and 40, as shown in Figure 1.3, with about 6 per cent of these unemployed.

Table 1.2 Key Socio-economic Indicators: Malaysia and Indonesia

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Malaysia</th>
<th>Indonesia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population, total (in million)</td>
<td>13.8</td>
<td>18.1</td>
</tr>
<tr>
<td>GDP per capita(current US$)</td>
<td>1811</td>
<td>2431</td>
</tr>
<tr>
<td>Labour force, total (in million)</td>
<td>4.9</td>
<td>7.0</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>-na-</td>
<td>5.1</td>
</tr>
<tr>
<td>Poverty Incidence (in million)</td>
<td>0.3</td>
<td>51.3</td>
</tr>
</tbody>
</table>


Remittances remain a steady source of foreign exchange for many developing countries, including Indonesia (Ratha et al. 2010). In 2008, at US $6 billion, remittances made up 1.3 per cent of total GDP in Indonesia (UNDP 2010). In 2009 and 2010 Indonesia received US $7 billion annually from emigrants worldwide, becoming one of the top ten remittance-receiving countries in the world (Ratha et al. 2010; Jakarta Post April 5th, 2011). Although the percentage of remittances received as a part of GDP, at 1.6 per cent, is lower than in many other countries in the world, the fact that the remittances per capita is higher than the average labourer’s wages in Indonesia indicates the importance of international migration to Indonesia and the impact it has on migrants and their families (Sukamdi et al. 2004; IRIN Asia 2009).

Malaysia, on the other hand, had a population of 28.3 million in 2010, one-tenth that of Indonesia. However, the GDP per capita is almost triple that of Indonesia. In terms of the
much needed labour force, Malaysia had a lower percentage of those between the ages of 18 and 40 years in 2000 (as shown in Figure 1.3), as a result of the declining population growth since the 1980s (Kassim 2006b). However, in 2010 a higher percentage of Malaysians were in the 15 to 29 age bracket with a steadily ageing population, with 16.7 per cent of the population over 50 years of age (DOSM 2011d). The change in the 15 to 29 age bracket may either lead to a reduction in migrant workers employed or an increase in unemployment among the youths in Malaysia.

**Figure 1.3 Age and Sex Population Pyramid, Indonesia (Shaded) and Malaysia 2000, 2010**

Source: BPS 2000; 2010; DOSM 2001; 2011a

Malaysia’s economy is founded on five sectors, as shown in Table 1.3. The construction, manufacturing and agriculture sector (include plantation), employing a large number of migrant workers, have been declining in their GDP contribution in recent years. The agriculture sector’s contribution has dropped almost three-fold since 1980 and manufacturing
has declined by 10 per cent since 2000. Malaysia seems to be shifting away from its traditional sectors towards services (Kurus 2004; Yusof and Bhattacheli 2008).

Table 1.3 Malaysian GDP: Composition by Economic Sectors, 1980–2010

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, livestock, forestry &amp; fishing (%)</td>
<td>23.4</td>
<td>15.4</td>
<td>10.5</td>
<td>7.3</td>
</tr>
<tr>
<td>Mining &amp; Quarrying (%)</td>
<td>5.0</td>
<td>8.7</td>
<td>4.7</td>
<td>7.0</td>
</tr>
<tr>
<td>Manufacturing (%)</td>
<td>20.5</td>
<td>21.3</td>
<td>35.8</td>
<td>27.6</td>
</tr>
<tr>
<td>Construction (%)</td>
<td>4.5</td>
<td>4.8</td>
<td>4.5</td>
<td>3.3</td>
</tr>
<tr>
<td>Services in general++</td>
<td>46.6</td>
<td>49.8</td>
<td>44.5</td>
<td>57.7</td>
</tr>
<tr>
<td>Total GDP per capita(current US$)</td>
<td>1811</td>
<td>2431</td>
<td>4029</td>
<td>6732#</td>
</tr>
</tbody>
</table>

++ includes electricity, gas & water, transport, storage & communications, wholesale & retail trade, hotels & restaurants, finance, insurance, real estate and business services, government services and other services

Source: *Zehadul Karim et al. 1999; @ Ministry of Finance Malaysia 2010/2011; 2011/2012

Despite the decline in their GDP contribution, sectors such as agriculture and manufacturing are still requiring a higher proportion of migrant workers (as shown in Table 1.4) as compared to their GDP contribution than services sectors. As feared by many researchers, Malaysia seems to be locked into low-cost labour-based industries with an increasing dependency on migrant workers (Hugo 2005b; Kanapathy 2008c; Schuman September 6, 2010).

Table 1.4 Malaysia: Employment by Sector, 1980–2010 (in Percentage)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, livestock and fishing</td>
<td>39.7</td>
<td>27.8</td>
<td>15.3</td>
<td>11.1</td>
</tr>
<tr>
<td>Mining &amp; Quarrying</td>
<td>1.7</td>
<td>0.6</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>15.7</td>
<td>19.5</td>
<td>27.7</td>
<td>30.0</td>
</tr>
<tr>
<td>Construction</td>
<td>5.6</td>
<td>6.4</td>
<td>8.1</td>
<td>6.4</td>
</tr>
<tr>
<td>Services@</td>
<td>37.3</td>
<td>45.7</td>
<td>38.9</td>
<td>52.1</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

@ includes electricity, gas and water, transport, storage and communications, wholesale and retail trade, hotels and restaurants, finance, insurance, real estate and business services, government services and other services

Source: EPU 1996; 2006
The sharp economic and demographic contrasts between these two countries are significant for labour migration. Furthermore, the economic restructuring and growth within Malaysia since the 1970s (Pillai 1992), the globalization of telecommunications, the growing ease of access to international transportation (Hugo 1993; Hugo 2003; United Nations 2006a) and the spreading of migrant networks and linkages have added to this flow (Hugo 2005b). Malaysia, as a “labour scarce” country, will continue to draw migrants from neighbouring countries, especially from “labour surplus” countries such as Indonesia (Kaur 2007b).

However, Malaysia may not be able to benefit from Indonesia’s cheap surplus labour for too much longer as Indonesia has been experiencing rapid economic growth in the last five years and is expected to join the world’s ten biggest economies by 2020 (Chew June 5, 2011; Sheridan May 19-20, 2012). With a six per cent expansion of its economy in 2010, the lifestyle of its population has been changing rapidly (Migration News July 2011). More than half of the Indonesian population have joined the middle class lifestyle and many have transitioned from motorcycles to cars in 2010 (Migration News January 2012; Migration News July 2011). The Indonesian government also has plans to stop deploying domestic workers abroad by 2017, citing the demeaning image it projects of Indonesian women as its reason (Migration News July 2011). Thus, Malaysia, if it continues its dependency on low-skilled migrant workers, may face future difficulties in sourcing workers from Indonesia, an arrangement it presently finds to its advantage, as they share so many cultural and religious values.

Within Malaysia, the nature and scale of the impact of migration differ vastly between the Peninsular, Sabah and Sarawak and migration issues are handled separately by the three
regional administrations (Battistella and Asis 2003). Given the geographical proximity, Sabah attracts a large number of undocumented migrants and refugees⁴, from both The Philippines and Indonesia, who have settled permanently. Sabah’s foreign-born population exceeded that of the Peninsular in the 1990s, as shown in Table 1.5. Unlike Sabah and Peninsular Malaysia, international migration to Sarawak is small in scale and relatively new.

<table>
<thead>
<tr>
<th>Table 1.5 Foreign-Born in Malaysia, Various Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Total Number of Malaysians (in millions)</td>
</tr>
<tr>
<td>1970  13.1  18.4  23.2  28.3</td>
</tr>
<tr>
<td>1980  13.1  18.4  23.2  28.3</td>
</tr>
<tr>
<td>1991  18.4  23.2  28.3</td>
</tr>
<tr>
<td>2000  23.2  28.3</td>
</tr>
<tr>
<td>2010  28.3</td>
</tr>
<tr>
<td>Total Number of Foreign Born (in millions)</td>
</tr>
<tr>
<td>0.76  0.67  0.81  1.4  2.3</td>
</tr>
<tr>
<td>Percentage of Total Foreign Born in Sabah*</td>
</tr>
<tr>
<td>7.0  18.9  57.7  45.6  38.8</td>
</tr>
<tr>
<td>Percentage of Total Foreign Born in Sarawak</td>
</tr>
<tr>
<td>4.6  5.5  2.3  4.5  5.0</td>
</tr>
<tr>
<td>Percentage of Total Foreign Born in Peninsular Malaysia</td>
</tr>
<tr>
<td>88.4  75.6  40.0  49.9  56.2</td>
</tr>
<tr>
<td>100  100  100  100  100</td>
</tr>
</tbody>
</table>

*includes Federal Territory of Labuan

Within Peninsular Malaysia, the Federal territory of Kuala Lumpur and Selangor were among the top three states which had the largest share of non-citizen Malaysians⁵ as shown in Figure 1.4. These two states were selected as the study area (see chapter 4).

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⁴ Malaysia is not a signatory to the United Nations Convention on Refugee Status (1951) and the New York Protocol (1967). Therefore, refugees in Malaysia are often stateless, unless they are relocated by UNHCR. It has been reported that there are almost 100,000 stateless children in Sabah (Kanapathy, 2008b).

⁵ The terms “foreign born” and “non-Malaysian” citizens are used interchangeably in this study.
1.4 Circular and Permanent Migration: Terminology and Classifications

Although permanent, temporary, circular and return migration are often-used terms, it is necessary to establish clear definitions that allow comparison (Batalova 2006; GFMD 2007; de Haas 2010; Potts 2010). Typologies of migration are found to be complicated, multi-faceted and multi-layered (Bell and Ward 2000; Demuth 2000; McLoughlin 2011). de Haas (2010, p. 247) believes there is an added complexity in migrants’ life experiences which are “increasingly characterised by circulation and simultaneous commitment to two or more
societies”. The difficulties in the applications of these terms can be seen by looking at some current research:

- Return and temporary migration are circular, in that migrants go back to their places of origin – but in both, repatriation was conceived as the end-point at which mobility ceased (Newland 2009, pp. 6-7).
- Circular migration is identified with repetitive migration, whether seasonal or temporary. Seasonal employment refers to stays of less than a year’s duration; all other types of agreement with stays exceeding one year are referred to as temporary. Both seasonal and temporary migration can be repetitive if the same individual crosses borders more than once over time (Dayton-Johnson et al. 2007, p.33).
- Circular migration is defined as the temporary or permanent return of migrants to their country of origin (Agunias and Newland 2007, p.1).
- Circular Migration is defined as a temporary move from, followed by return to, the normal place of residence, for purposes of employment (Deshingkar and Farrington 2009, p.1).

These definitions indicate the various overlaps that occur when trying to isolate these terms (King 2002a, p.90). Circular and temporary migration are used interchangeably by some (Brown and Bell 2005; Wickramasekara 2011), while others make a clear distinction (de Haas 2005). de Haas (2005) argues that circular migration is a process that offers revisits to the host country if permanent return to the home country is not desired, calling it temporary migration if this is not an available option. He believes that the classification is related to the inherent conflict between the individual migrant and the nation-state. When the migrant’s wishes are given precedence this results in circular migration; when the nation-state is given precedence migration becomes temporary. Some researchers argue that circular migration, or repeated
temporary migration, may lead to permanent migration (Baláz et al. 2004; Ruhs 2006; Khoo et al. 2008; Martin 2009); others think that it does not necessarily lead to permanent migration (Hugo 1982; 2003). The inability of migration researchers to establish firm definitions of these terms seems to be related to governments’ protective policies and migrants’ changing intentions. Definitions of these terms are often specified by countries which recruit temporary migrants to fill employment gaps (Stilwell et al. 2003, p. 3), with highly restrictive definitions aimed at avoiding the permanent settlement of temporary migrants.

Most migration, in the early years of migration research, was considered to be permanent in nature (Guzzetta 2004). Bovenkerk (1974) defines permanent migration as a move with intended permanent stay at the host country. Hugo (2008a) classifies anyone who has the intention to move to Australia permanently, or to move from Australia and stay permanently abroad, as permanent migrants (both incoming and outgoing). In both these classifications it is indicated that permanent migrants are those who opt for a long-term commitment to the host nation (Brown and Bell 2005). According to Roberts (1999), permanent migration is encouraged by the lack of opportunities in the home country and the lack of legal barriers to restrict permanent settlement.

In the 1960s, circular migration was widely used to refer to mobility patterns within a country (Elkan 1967; Bedford 1973; Hugo 1982; Skeldon 2009), while in the last decade, it has become a focus of international border-crossing research (Fargues 2008; Wickramasekara 2011). Goldstein (1985, p. 385) has pointed out that the chief problem in studying circular migration is establishing accurate concepts and definitions. Many other terms have been, and are, used to describe a pattern of circular migration: back-and-forth movements, transit
migration, shuttle migration (Iglicka 2000), pendulum migration (Iglicka 2000), commuter migration, repeat, recurrent, revolving door, multiple, frequent, seasonal, sojourning, cyclical, recycling, rotating, circuit, chronic, return visits (Duval 2004), or a non-permanent movement (Hugo 1982). Nagata (1974a, p. 317) used the term “oscillation” referring to the back-and-forth movement of the Malays in West Malaysia. Eversole and Shaw (2010) used the term “serial migration” for contract workers who extended their stay with multiple short-term contracts and return visits. Hugo (2008a, p. 174) defined circular migration as a process in which people moved in either directions on “an intendedly temporary basis”. Agunias and Newland (2007, p. 2) defined circular migration as “a continuing, long-term and fluid movement of people among countries that occupy what is increasingly recognised as a single economic space.” Xiang Biao (2008, p. 175) used the term “transplant” to describe the flow of circular migrants in East Asia, emphasizing the role of intermediaries who move migrants both willingly and unwillingly.

Fargues (2008), in one of the most extended attempts to arrive at a definition of circular migration, uses six criteria. Recognising the long-standing nature of multiple two-way mobility throughout the world, he itemises the qualities that are deemed to be the most readily assessable. Circular migration is temporary; it is able to be repeated at least more than once; it allows free movement between the countries within each period of stay; it is legal; it is respectful of the rights of migrants; it is managed bilaterally to the advantage of both countries. He stipulates that without each one of these criteria being met, the enterprise of repeat migration involves risks that make migrants highly vulnerable to exploitation and abuse. Knowing that in certain conditions (like those that exist between Malaysia and
Indonesia) migrants are prepared to take informal, irregular and illegal routes to meet their ends, he puts as central to any policy development of circular migration the need to be respectful of migrant rights (Fargues 2008).

Return migration is seen as a process in which migrants end their migration cycles with a return to their home country or habitual residence (IOM 2004). However, Vadean and Piracha (2011) use the term to refer to those who have undertaken a single migration cycle which ends at home. The migrants who have undertaken such migration are known as “one-shot” migrants.

Some migration researchers attempt to provide conceptual frameworks for understanding population mobility (Brown and Bell 2005; Newland 2009). Brown and Bell (2005, p. 7) identified nine dimensions of temporary movement: movement intensity, duration of stay, frequency of movement, seasonality, periodicity, movement distance, spatial connectivity, spatial circuits and spatial impact. Newland (2009, p. 9) incorporates this into four conceptual dimensions which offer an understanding of temporary, circular and permanent migration: spatial, temporal, iterative and developmental. The spatial dimension refers to the place where migration begins and ends (Bell and Ward 2000), involving at least two places and at times more. The temporal dimension refers to the duration spent at each pole, whether it is short term or long term or seasonal (Smith 1989; Bell and Ward 2000). The iterative dimension refers to the number of repeated cycles of migration undertaken between home and host nation. The developmental dimension ensures that all parties involved in the process (the home country, host country and migrant) benefit.
Table 1.6 shows the temporal characteristics of migrants from various sources, showing vast intra and inter-differences in the length of stay between the various groups. Gmelch (1980, p. 136) calls for caution to be practiced in differentiating the temporal aspects of migrant mobility types. The differences may have been caused by such spatial factors as the distance travelled, border control (Goldstein 1985), or whether the migrants’ have undertaken internal (Elkan 1967; Chapman 1979; Hugo 1982), or international migration. It could also be a consequence of the time period used in surveys to define particular forms (Goldstein 1985).

Table 1.6 Temporal Characteristics and Types of Mobility

<table>
<thead>
<tr>
<th>Types of Mobility</th>
<th>Duration</th>
<th>Source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Migration</td>
<td>3 or more years</td>
<td>Beford 1973; Young 1978</td>
</tr>
<tr>
<td></td>
<td>37 months or more</td>
<td>Vadean and Piracha 2009</td>
</tr>
<tr>
<td>Temporary Migration</td>
<td>9 months to 10 years</td>
<td>Stilwell et al. 2003</td>
</tr>
<tr>
<td></td>
<td>3 to 6 years</td>
<td>Berninghaus and Seifert-Vogt 1993</td>
</tr>
<tr>
<td>Circular Migration</td>
<td>3 months</td>
<td>Iglicka 2000</td>
</tr>
<tr>
<td></td>
<td>More than a day and less than one year</td>
<td>Mantra 1981</td>
</tr>
<tr>
<td></td>
<td>Continuous period of 6 months</td>
<td>Hugo 1975</td>
</tr>
<tr>
<td></td>
<td>7/9 out of 11 months</td>
<td>Newland et al. 2008</td>
</tr>
<tr>
<td></td>
<td>90 days in a year</td>
<td>Martin 2006</td>
</tr>
<tr>
<td>Short-term Migration</td>
<td>More than 3 months, less than one year</td>
<td>Iglicka 2000</td>
</tr>
<tr>
<td></td>
<td>Less than 12 months</td>
<td>Hugo 2008</td>
</tr>
<tr>
<td>Long-term Migration</td>
<td>More than 1 year</td>
<td>Iglicka 2000</td>
</tr>
<tr>
<td></td>
<td>12 months or more</td>
<td>Hugo 2008</td>
</tr>
<tr>
<td>Return Migration</td>
<td>Lived abroad 1 year and been back 1 year</td>
<td>King 2000</td>
</tr>
<tr>
<td></td>
<td>Return after 3 years of settlement</td>
<td>Massey et al. 1987b</td>
</tr>
</tbody>
</table>

Mantra (1981, p. 166) provides a further understanding of the varying temporal aspects based on Javanese internal mobility. They have distinct linguistic classifications relating to
temporality: “merantau” referred to those who undertook long term journeys with return; “nglaju” for those who returned on the same day; “nginep” for those who stayed away for several days; and “mondok” for those who have stayed at the destination for several months or years. While all these terms represent varying forms of circular mobility, “pindah” is applied to someone who has left permanently. Hugo (1988, p. 169) defined mobility with an absence of six to 24 hours as commuting, and any longer absences as circular migration.

It has been found that those who stayed abroad longer were less likely to return (Kirwan and Harrigan 1986; Massey and Espinosa 1997; Thomas-Hope 1999; Reagan and Olsen 2000); after a long length of time only retirement precipitated a return to the home country (King 2000). Bohning (1972) found that with the increase in length of migrants’ stay abroad, their material expectations increased and this then delayed their return. Overall, focus on the temporal aspects leads to the understanding that all forms of migration, other than permanent migration, are temporary in nature with some return (either permanent or temporary) at the end of the journey.

In terms of spatial factors, circular migration is expected to begin and end at the place of origin, while permanent migration ends at the place of destination (Newland 2009, pp. 6-7). However, in the study of Puerto Ricans, it was found that not all circular migration ends where it began, defying the classical definition of circular migration, with circular migration being sometimes used as a multi-stage migration pattern of upward mobility (Chapman and Prothero 1983; Conway et al. 1990). Often this process begins in countries with fewer entry restrictions and, after accumulating experience and the necessary skills, migrants move to more lucrative positions in countries for which they would not have initially qualified.
In terms of the iterative factors or number of movements (Brown and Bell 2005), Duany (2002), in the study of Puerto Rico migrants to the USA, identifies those who have made at least two or more trips as circular migrants. Vadean and Piracha (2009) see circular migrants as having made at least one trip abroad and temporary migrants as those who have left the country only once and have returned permanently.

The developmental factor looks at the benefits individual migrants, the host country and the home country gain from migration (Newland 2009). As early as 1985, Goldstein (1985, p.385) explained that migrants will circulate between a place of origin that provides “individual villager’s rights, privileges, and security offered by land, family and shared beliefs” and a destination with “wage jobs, formal education, agricultural and forest land, medical and other services”. He believes that where these conditions do not occur at each side then circulation of migrants will not occur. While migration in general has been considered to be a process that results in some gain, circular migration is argued to take a “human” approach and bring higher benefits to migrants (Newland 2009).

The four factors, temporal, spatial, iterative and developmental, either in combination or in isolation, could provide a foundation for categorizing migrants into various types. However, these factors are based more on “reasons ascribed by the potential host states” rather than the “migrants’ assessment of their reasons for migration” (Demuth 2000, p. 25). Thus, the intention of migrants may provide a more accurate typology.

Intention may be shaped by a situational factor, such as a changing political situation at the host country (Castles 2003), or a combination of various factors both personal and situational
(Khraif 1992). It may shift according to experience or it may remain unchanged from the pre-migratory decisions (Hill 1987). Fishbein and Ajzen’s (1975) theory of reasoned action, an attitude-based model, and Wolpert’s (1965) place utility concept are theories which highlight the factors that shape migrants’ intentions. Both models highlight the migrants’ socio-demographic characteristics and behavioural characteristics as shaping their intentions.

The intention of migrants, a subjective phenomenon, has been rarely used in empirical migration studies (Fawcett 1985), where intention is merely viewed as antecedent to migration behaviour (Waldorf 1995; Ahlburg and Brown 1998). While intentions are often argued to weakly predict migration behaviour (Bohning 1972; Bovenkerk 1974; Simmons 1985; Sly and Wrigley 1985; Berninghaus and Seifert-Vogt 1993), intentions formed as the result of a migrant’s accumulation of work and life knowledge (Berninghaus and Seifert-Vogt 1988) (that is, once they have been working for some time in the host country), are believed to predict a migrant’s future movements better than the official return rates (Nelson 1976). This is because return rates will not have included any clandestine movements.

In this study, the migrant’s intention forms the basis of classification. In the absence of any reliable data, the statements made by the migrants of their intentions are used.

It is important to note that migrants’ return intentions are not a single decision at one point in time but a process that may change over a period of time (Dustmann and Mestres 2010). The intention of migrants can be gauged at various stages of a migration process (Simmons 1985; King 1986; Hill 1987) and can be combined with temporal and spatial factors (McHugh 2000). According to Gould and Prothero (1975, p. 42), “[i]f there is a specific desire on the part of the
individual or group of individuals who are moving to return to their place of origin, and when before leaving in the first place this intention is clear, then the movement may be considered as circulation rather than migration”. Goldstein (1985, p. 379) does not find this definition reliable as he believes migration intentions are subject to change and difficult to determine in the pre-departure stage. King (1986, p. 12) finds that migrants with a vague intention to return in one or two years often end up staying up to four years or more. Richmond’s (1968) classification of British migrants returning from Canada into “quasi migrants” (those who had initial intention to return), “permanent returnees” (those who had no clear intention but returned home) and “transilient migrants” (those who shuttled between home and host nations with changing intentions) illustrate the possible change in intention.

Post-migratory intention is used by Vadean and Piracha (2009, p. 5) to divide migrants into three categories. Vadean and Pircaha explain that the migrants change their intentions once in the host country, having accumulated more information upon arrival. They categorise migrants according to whether they intend to stay permanently, intend to return permanently, or intend to return temporarily (these make up the circular migrant category). Following Vadean and Piracha, in this study the post-migratory intention is used as migrants were interviewed after having been employed in the host country.

The succinct definition by Zelinsky (1971, p. 226), using intention as a platform, classifies circular migrants as those who are “lacking of any declared intention of a permanent or long-lasting change in residence”. Those who do not intend to stay permanently in Malaysia, as shown in Figure 1.5, are classified as circular migrants, those who intend to stay are classified
as permanent migrants and those who do not know or are unsure what their plans are classified as undecided migrants.

**Figure 1.5 Classification of Migrants by Intentions**

Bovernkerk’s (1974, p.5) model, as illustrated in Figure 1.6, indicates the terms used in this study clearly. Permanent migrants are defined as those who do not have any intention to return permanently to their home country (those who intend to stay permanently in the host country), return migrants are those who complete one cycle of migration, ending their migratory process at the home country and circular migrants are those who undertake multiple migrations, returning ultimately to the home country.
As said earlier, a definition based on the migrant’s intention may not necessarily be reflective of the legal boundaries set by either the host or home countries. There are both undocumented and documented migrants who have intentions to stay permanently in the host nation but have no legal rights to do so (Ghosh 2000a; Ghosh 2000b; Basok 2003; Osborne 2004; Agunias 2007; GFMD 2007). There are also migrants who have been granted the right of permanent residence who actually return to the home country permanently. The differences in intention and legal status are combined in this study to further the understanding of various migration behaviours. The combination produces nine categories of migrants as shown in Table 1.7 (see chapter 4).

<table>
<thead>
<tr>
<th>Table 1.7: Classification of Migrants by Status and Type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Documented</strong></td>
</tr>
<tr>
<td><strong>Circular Migrants</strong></td>
</tr>
<tr>
<td><strong>Permanent Migrants</strong></td>
</tr>
<tr>
<td><strong>Undecided Migrants</strong></td>
</tr>
</tbody>
</table>

Intention is a strong indicator of commitment and thus of migrant behaviour. A migrant’s intention is reflected in their commitments to the home and/or the host country (Hugo 1982:p.
For example, migrants who intend to stay (permanent migrants) are more likely to maintain a higher commitment with their host country (Galor and Stark 1990; Merkle and Zimmermann 1992), and those who intend to return (circular migrants) will continue a strong commitment to their home country. In this study, a migrant’s commitment to the home and/or host country is researched in order to identify how these commitments impact on their social and economic conditions. It is important to note that in achieving this objective, the study draws heavily upon secondary literature concerning migrant intentions (which forms the migration types) and commitment.

1.5 Justification of the Study

This study aims to add to the growing body of evidence-based knowledge and theoretical understanding of both circular and permanent migration, regionally and locally in the low-skilled sector in the Southeast Asia region, while attempting to propose a partial solution to the challenges faced by Malaysia’s migration planners.

Firstly, the study contributes to the understanding of migration in its various forms, as highlighted by Hugo (2009a), in relation to the causes, circumstances, opportunities and policies facilitating migration. Having understood the nature of circular and permanent migration in Peninsular Malaysia and factors facilitating and inhibiting migration, the study indicates strategies that may assist Malaysian policy planners with mechanisms and channels that may enable migrants to move easily between the home and host countries without being subject to exploitation and to assist the migrants and both the home and host nations in
maximising the benefits of migration, as recommended by the Global Commission of International Migration (GCIM 2005).

Secondly, the study hopes to add to the evidence-based knowledge of migrants practicing circular migration at many levels. In Malaysia, the majority of studies to date have focused on low-skilled documented workers (Kassim 1987b; Kassim 2000; Kassim 2005b) and only recently on the emigration of skilled workers (Hugo 2011a; Hugo 2011b). However, studies using first-hand empirical data are rare. This study hopes to fill this gap and in doing so it will also contribute to the knowledge of two other important groups of migrants, that is the undocumented migrants and permanent residents. Both these groups are often neglected due to lack of access. However, they play significant roles in the Malaysian labour force. Regionally, this study adds to the knowledge of circular migration, a recently renewed concept, by drawing primary data from the Indonesia-Malaysia migration corridor.

Thirdly, this study seeks to comprehend migration in the region through an understanding of the particular nature of the ASEAN cooperation. It also includes a sensitivity to and understanding of Malaysia’s nationalist programme.

1.6 Organisation of the Study

This study consists of nine chapters in five major parts, as shown in Figure 1.7. Chapters 1 and 2 provide the background material. Chapter 1 outlines the context, the research questions, the significance of the study and the research scope. It outlines the major typologies underpinning this study: permanent and circular migration. Chapter 2 provides a brief overview of the nature and scale of Indonesian labour migration to Malaysia, beginning from the 7th century. In doing
this, it illustrates the presence of Indonesians firstly as traders, settlers and labourers (both free and indentured) and, more recently, as citizens, permanent residents, documented and undocumented workers in Malaysia. The chapter describes the characteristics of the migrants in this study by status (permanent residents, documented and undocumented) and by sectors of employment (agriculture, construction, domestic work, manufacturing, plantation, services and others). The migration policies of Malaysia are identified and evaluated in relation to circular and permanent migration.

Figure 1.7 Chapter Outline of the Study

| Background                      | • Introduction (Chapter 1)  
|                                | • Indonesian Labour Migration to Malaysia (Chapter 2) |
| Theoretical Stance             | • Literature Review and Theoretical Framework (Chapter 3) |
| Methods                        | • Research Methodology (Chapter 4) |
| Findings                       | • Migration Differentials, Motivations and Strategies: Circular Vs Permanent Migration (Chapter 5)  
|                                | • The Structure of Transnational Mobility (Chapter 6)  
|                                | • Social Strategies, Linkages and Impacts of Circular and Permanent Migration (Chapter 7)  
|                                | • Economic Strategies, Linkages and Impacts of Circular and Permanent Migration (Chapter 8) |
| Conclusion                     | • Conclusion and Implications (Chapter 9) |

Chapter 3 places the study of circular and permanent migration within a theoretical framework. The chapter evaluates the existing migration theories and draws the key concepts for its theoretical framework. The concept of nation-state is explored to understand the
emergence of Malaysia’s migration policies. The chapter then summarises the available literature on circular and permanent migration.

Chapter 4 details the research methods. It begins with the justification for the choice of its mixed method techniques and then identifies and evaluates the secondary data sources of immigration data in Malaysia. The survey method and in-depth interview techniques employed are then explained. The chapter ends with the introduction of the nine categories of migrants identified from the study.

Chapters 5, 6, 7 and 8 report the findings of this study. Chapter 5 compares and contrasts the socio-demographic characteristics of circular, permanent and undecided migrants and discusses the strategies used by undocumented migrants and permanent residents. Chapter 6 presents the nature and determinants of the transnational mobility patterns that migrants maintain between the host and home country, looking at the purposes of trips and the time spent away. Exposing the back-and-forth movements maintained by all migrants, it concludes with a discussion of the factors encouraging or prohibiting the circulation of migrants. Chapter 7 looks at the social impacts and linkages of migrants both at home and in the host country by exploring migrants’ social and human capital. The chapter looks at migrants’ well-being, their social networks, the skills gained and various other aspects. Chapter 8 presents the economic impacts and linkages of migrants. The differences in employment sectors, wages, remittances and property ownership are looked at for both permanent and circular migrants.

Chapter 9 presents the major findings, draws theoretical conclusions and concludes with an appraisal of the policy implications of the study.
1.7 Conclusion

This chapter has commenced with a brief background to the issue of circular and permanent migration in Malaysia. The chapter also listed the goals and objectives of the study, the research questions and its significance. The chapter then provided the theoretical and conceptual framework underpinning the study. The chapter also briefly explained the methodology applied in conducting the study and outlined the structure of this thesis. The next chapter provides an overview of Indonesian international migration to Malaysia.
Chapter 2. Indonesian Labour Migration to Malaysia

2.1 Introduction

The flow of Indonesian migration to Malaysia over the last decades has changed dramatically in scale and complexity (Hugo 1993; Kanapathy 2006; Hugo 2007). War and natural disasters have generated forced migration from Aceh (Jones 2000; Wong and Anwar 2003a), and the rapid urbanization of Malaysia and the growth of manufacturing and construction industries has enabled the flow of large numbers of economic migrants, documented and undocumented (Kanapathy 2006). Indonesians also come to Malaysia in pursuit of further education (The Star August 13, 2010), to seek medical treatment, to have a holiday (Wai-Ching Poon and Kevin Lock-Teng Low 2005), to join a spouse or to visit their relatives. Indonesian migration to Malaysia then, has taken a variety of forms: forced and unforced, citizens and non-citizens, documented and undocumented, permanent and temporary, work-related and non-work related.

This chapter presents the scale, flow and nature of the Indonesian labour migration to Malaysia. It begins with a brief history of Indonesian labour migration to Malaysia, which includes an analysis of the policies and cultural links that has facilitated the blending of Indonesians into the Malaysian population as citizens and permanent residents. The contemporary pattern of Indonesian migration to Malaysia is also examined. The characteristics of the migrants with three statuses (the documented migrants, undocumented migrants and permanent residents) and the policies and issues surrounding the six low-skilled
sectors in which they are employed (agriculture, construction, domestic work, manufacturing, plantation and services) are explained. This knowledge is expected to augment the understanding of the scale, type and nature of circular and permanent migration that has been practised by the Indonesian migrants employed in the low-skill sectors in Malaysia. The data presented in this chapter focuses on the flow of the Indonesian migrants in Peninsular Malaysia and may include information from Sabah and Sarawak (when available) (which joined Peninsular to form Malaysia in 1963).

2.2 Indonesian Labour Migration to Malaysia: An Overview

It is important to note that the separation of the highly interconnected peoples of today’s Malaysia and Indonesia only occurred as a consequence of the colonisation of the area by Portuguese, Dutch and English between the 16\textsuperscript{th} and 20\textsuperscript{th} century. The close proximity of the land masses of the Malay Peninsula and the island of Sumatra has meant an on-going movement between them (Bahrin 1967).

The people across this region, throughout recorded history, have been close ethnically and culturally and at various times, through various powers, have been unified in various ways. As shown in Figure 2.1, the Srivijaya Empire which influenced much of Southeast Asia from the seventh century until the 13th century encompassed Peninsula Malaya, most of Sumatra and part of Java, having its capital at Palembang (Sumatra). This maritime trading empire had both Hindu and Buddhist influences, with trade and diplomatic contacts with the Arab-Islamic world. As a consequence of their economic power and military strength, this empire spread the use of Malay language throughout the area of today’s Malaysia and Indonesia. It was during
this time, from 1100, that Muslim merchants first came to the area (Andaya and Andaya 1982).

**Figure 2.1 Srivijaya Empire between 700 and 1290 in Present Day Indonesia and Malaysia**

Source: Konemann et al. 2010

This empire was overtaken by the Majapahit Empire (1293-1520AD) (Hall 1968), based in Java which took in the lands of present day Indonesia, Malaysia, Brunei, Southern Thailand, The Philippines, East Timor and New Guinea as shown in Figure 2.2. What became known as the Sultanate of Malacca was built up on the Malay Peninsula and the adjacent area of Eastern Sumatra between 1402 and 1511 (Winstedt 1968). This area formed the centre of the spice trade. The sultanate was founded on laws that assimilated Hindu, Buddhist and Islamic influences. The Portuguese arrived in 1509 and took control until 1641 when the Dutch gained power. The British Empire started its control in 1786. Throughout the 19th century and the first half of the 20th century Indonesia was a Dutch colony and Malaysia was under the British
rule. In 1945, Indonesia attained nationhood from the Dutch and Malaysia did so from the British in 1957.

**Figure 2.2 Majapahit Empire and the Sultanate of Malacca in Present Day Indonesia and Malaysia**

Source: Konemann et al. 2010

Large numbers of traders and settlers from Sumatra arrived on the Malay Peninsula throughout the rule of the Srivijaya Empire. They were joined by Javanese during the Majapahit period. Again, large numbers from Sumatra arrived during the Sultanate of Malacca. Between the 16th and 18th centuries immigrants came from Celebes (present day Sulawesi) and West Sumatra (Swee-Hock 2007). Most of these early immigrants were traders rather than labourers (Kim 2009).

In the late 19th century independent and indentured labourers began to arrive in Malaya (Swee-Hock 2007). The indentured labourers from Java were placed under the governance of regulations on immigration imposed by the then Netherlands colony of Dutch East Indies. This
allowed the very restricted emigration of skilled and unskilled workers, requiring complicated relations between the Dutch and the British (Jackson 1961). At this time there were also labour shortages in Sumatra (Kaur 2004a).

The ‘Netherlands Indian Labour Protection Enactment’ was enacted in 1909 with the aim to protect the migrant workers from being exploited (Kaur 2004a), with the stipulation of the nature of the work and living conditions, as well as the duration of the contract and wages. The time permitted for the stay included a grace period (Swee-Hock 2007): a contract for 300 days of work allowed labourers a maximum stay of two years; for 300 to 600 days of work, a maximum stay of three years and for 600 to 900 days of work, a maximum duration of four years. Stringent penalties were imposed on both employers and labourers who were found breaking the contracts.

The process of recruiting the Indonesian workers was complex. Firstly, the planters who wished to employ the Javanese workers in the Malay Peninsula were required to submit an application and obtain a permit from the Dutch Consul-General in Penang or Singapore (Jackson 1961). The planters were then required to contact the licensed recruiters in Java to assist in recruiting workers. This system was costly and open to exploitation by the recruitment agency with labourers being given incorrect information concerning work and living conditions and planters being supplied with unfit workers (Kaur 2004a).

During this period the British were also using Indian and Chinese indentured labourers and the Javanese were only recruited when it became difficult to obtain indentured workers from India (Andaya and Andaya 1982, p. 234). Through detailed legislation, the Indian workers were
looked after by Malayan controllers and agents appointed by the Indian government. However, the regulations for the Chinese were loose and they were left to protect themselves. This is because the Chinese were thought as “far better able to stand on their own feet” (Emerson 1964, p. 33). The Chinese indentured labour was abolished in 1910, Indian in 1914 and Javanese in 1932. Between 1907 and 1938 Indian labourers made up 80 per cent of the unskilled workforce in Peninsula Malaya (Parmer 1960).

The Javanese migrants received different treatment from the Indian and Chinese indentured labourers as they were from the same stock as the Malays. This enabled the assimilation of Javanese into the Malay society, becoming permanent settlers and eventually citizens of Malaysia (Roff 1974; Sekimoto 1988; Swee-Hock 2007). Their similar culture and language, their intermarriage with the Malay and their lack of political motivation allowed this to happen quietly. Records of arrivals of Indonesians at this time refer to them as “Malays” (Kratoska 1983, p. 153). As shown in Figure 2.3, the arrivals of Indonesian migrants outnumbered departures between 1923 and 1940, with a net gain of some 33,684 Indonesians in Malaya (Swee-Hock 2007).

The gradual assimilation of Indonesians born into the Malay society is evident throughout the 20th century in census records. According to Nagata (1974b, p. 335), between 1881 and 1931, Indonesians were recorded based on their sub-ethnic groups (of Javanese, Bugis, Boyanese and various others). However, these groups by 1947, as shown in Table 2.1, were presented as a component of “Other Malaysians”.

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Figure 2.3 Annual Malay (Indonesian) Arrivals to Malay Peninsula and Departures to the Netherlands East Indies, 1923–1940

![Graph showing annual Malay (Indonesian) arrivals and departures to the Netherlands East Indies from 1923 to 1940.](image)


Table 2.1 The Indonesians Making up the “Other Malaysians” in Census, 1947

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>Place of Birth</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Javanese</td>
<td>Java</td>
<td>187755</td>
<td>54.6</td>
</tr>
<tr>
<td>Sundanese</td>
<td>Java</td>
<td>751</td>
<td>0.2</td>
</tr>
<tr>
<td>Boyanese</td>
<td>Sumatra</td>
<td>20429</td>
<td>5.9</td>
</tr>
<tr>
<td>Achenese</td>
<td>Sumatra</td>
<td>1143</td>
<td>0.3</td>
</tr>
<tr>
<td>Minangkabau</td>
<td>Sumatra</td>
<td>10866</td>
<td>3.2</td>
</tr>
<tr>
<td>Korinchi</td>
<td>Sumatra</td>
<td>2412</td>
<td>0.7</td>
</tr>
<tr>
<td>Palembangan</td>
<td>Sumatra</td>
<td>1116</td>
<td>0.3</td>
</tr>
<tr>
<td>Djambi</td>
<td>Sumatra</td>
<td>980</td>
<td>0.3</td>
</tr>
<tr>
<td>Other Sumatran Peoples</td>
<td>Sumatra</td>
<td>9806</td>
<td>2.9</td>
</tr>
<tr>
<td>Bandjarese</td>
<td>Borneo</td>
<td>62356</td>
<td>18.1</td>
</tr>
<tr>
<td>Bugis</td>
<td>Celebes</td>
<td>6962</td>
<td>2.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>343971</td>
<td>100</td>
</tr>
<tr>
<td>Percentage of Indonesian born from the total Malaysian population</td>
<td></td>
<td></td>
<td>13.5</td>
</tr>
</tbody>
</table>

Source: Fisher 1964, p. 637

Figure 2.4 highlights major Indonesian movements from various provinces based on the census of 1947. This census, which was conducted by the British government after the years of Japanese rule (1941-45) (Ginsburg and Roberts 1958), was the first census following the
formation of the Malayan Union (which united all Malay states in Malay Peninsula under a common administration) (Fernandez et al. 1975).

**Figure 2.4 Indonesian Migration to Malaya, 1947**

In the 1970 census, the Indonesians have been fully assimilated into the Malay category (Hirschman 1987, p. 578). By then, there were some areas in Malaysia which comprised more Malays of Indonesian origin than local born (Ginsburg and Roberts 1958; Hadi 1981; Kassim 1987a; Sekimoto 1988). The Indonesians fulfilled the constitutional requirements as Malays being defined as “a person belonging to any Malayan race who habitually speaks the Malay language or any Malayan language and professes the Moslem religion” (Article 160, Constitution of Malaysia).
Deery (2003, p. 206) suggests that the free movement of Indonesians and other migrants came to a halt due to the insurgency of communism. In 1953, the British enacted an Immigration Ordinance (IO) restricting migration to Malaya by gender, race, nationality and occupational category. Prior to this, these migrants had been free to settle permanently in Malaya. After the IO, those seeking permanent entry were required to be in a position to make a significant contribution to Malaya’s economy or have families already living in Malaya (Swee-Hock 2007). Between 1948 and 1960, during the 12 year emergency period in Malaya, the British introduced identification cards to citizens of Malaya (Short 1975). The card, which was issued to Malaysians who were 12 years or older, was aimed to disable the flow of communists to Malaya (Deery 2003).

In 1957, the Malay Federation obtained independence from the British (Andaya and Andaya 1982). The Malays obtained political power and ruling rights and the Indians and Chinese were granted citizenship. In 1963, Sabah, Sarawak and Singapore joined Malaya and formed Malaysia. However, Singapore’s relationship with Malaysia was short-lived and they separated in 1965 (Andaya and Andaya 1982; Spaan et al. 2002). Indonesia launched a confrontation (during 1962 and 1966) against Malaysia opposing the formation of the Federation of Malaysia (Andaya and Andaya 1982). The confrontation further disrupted and slowed the flow of the Indonesian migration to Malaysia.

An ethnic clash between the Malays and Chinese in 1969, mainly as a result of widening economic disparities, resulted in the introduction of the National Economic Policies (NEP) in
1970 (Andaya and Andaya 1982). The first National Economy Policy (NEP)\(^6\), which aimed to close the economic disparity, placed importance on improving the welfare of the Malays who make up the majority of the “Bumiputera”\(^7\), encouraged export-oriented industrialization (consistent with global economic demand) and the expansion of agricultural sectors through the redistribution of government owned lands to local Malays (Ariffin 1992; Jones 2000). This industrialization fostered the rural-urban migration of young Malays in large numbers (Kassim 1994), leaving the older population to care for the land (Naidu and Navamukundan 2003). Migrant workers were needed to fill the labour force shortages, especially in rural areas (Pillai 1999, p. 179).

The NEP brought in a new set of migration regulations (Liow 2003; Ghee et al. 2009). It attempted to “fix” ethnic proportions by restrictive policies in order to maintain Malay majority (Shamsul 1986). During this period, several thousand non-citizen Indian plantation workers (who had not obtained citizenship during independence) were forced to return to India. Most of those deported returnees were undocumented South Indians employed in the rubber plantations and tea estates (Pillai 1999; Naidu and Navamukundan 2003, p. 342;

\(^6\) The National Economy Policy lasted for a period of 20 years. It was replaced by the National Development Plan (NDP) in 1991. NDP retained some of the NEP policies and relaxed others.

\(^7\) Malays and other indigenous people (from Sabah especially) are classified as “Bumiputera” which means “sons of soil”. Articles 153 and 161 of the constitution have been used to promote the “special rights” of Bumiputeras. Through affirmative action policies (Third Malaysia Plan, 1971-75), the Bumiputeras enjoy various economic, political and social benefits (such as the quota system in higher education and 30 per cent share in all domestic and foreign companies) (Spaan et al, 2001) not available to the non-Bumiputeras (Chinese, Indians and Others) (Sadiq, 2005:105; Kassim 1987:267). By obtaining citizenship and being classified as Malays the illegal migrants from Indonesia or the Philippines have been able to enjoy the same privileges as Bumiputeras. They also provide the political and ethnical advantages needed by the ruling party (Sadiq, 2005). Bumiputera has been included as a component of ethnicity since 1980 in censuses (Sadiq, 2005:109; Ghee et al, 2009).
The gaps they left were then filled by Indonesian workers. The policies for the
Indonesians, unlike the policies for Indian and Chinese, were liberal (Kaur 2004a). In fact,
many Indonesians were able to integrate themselves into the Malay population (Swee-Hock 2007). The Malaysia census of 1970 found that 7.6 per cent of the Malay population identified
themselves as being born in Indonesia (DOSM 1972, p. 28). However, in the following census
in 1980, the proportion of the foreign-born population among Malays increased by 42.8 per
cent, as shown in Table 2.2. It also shows a large decline in Indian-born and Chinese-born
migrants (Swee-Hock 2007, pp. 43-44). The balancing of ethnic groups became one of the
major issues underlying migration planning and policies; it remains at the heart of many policy
decisions in Malaysia.

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Year</th>
<th>Year</th>
<th>Inter-censal Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1970</td>
<td>1980</td>
<td>Number</td>
</tr>
<tr>
<td>Malays</td>
<td>81,908</td>
<td>116,930</td>
<td>35022</td>
</tr>
<tr>
<td>Chinese</td>
<td>410,399</td>
<td>283,516</td>
<td>-126,883</td>
</tr>
<tr>
<td>Indians</td>
<td>165,432</td>
<td>110,678</td>
<td>-54,745</td>
</tr>
</tbody>
</table>

Note: Persons Born in Sabah and Sarawak are included.
Source: Swee-Hock 2007, p. 43

A more regulated scheme of migration management began in the 80’s (Kaur 2004a). Indonesian migrant workers were brought in large numbers as contract workers on temporary
permits, with recruitment through the establishment of authorised labour recruitment agencies
in 1981 (Kaur 2007b). The signing of the first bilateral agreement, the Medan agreement,
opened Malaysia’s door to a more regulated Indonesian migration flow in 1984. The levy
system (fees imposed on employers by government for the employment of migrant workers),
aimed to reduce employer’s dependency on migrant workers, was also introduced at this time.
This period saw the further tightening of regulations to control the flow of migrants, both documented and undocumented.

However, despite the restrictions, many Indonesians continue to obtain permanent resident status. Indonesian immigrants, in addition to fulfilling labour shortages, were also apparently needed for political reasons (Kassim 1987b; Spaan et al. 2002; Sadiq 2005). In the state of Sabah, some were said to have been given permanent residency cards during election campaigns (Jones 2000; Sadiq 2005). These migrants, with their easy assimilation into the Malay population (as children born to parents with permanent resident status are entitled to citizenship (Sadiq 2009; Wong 2010)), were argued to facilitate the desired numerical balance between the Malays and non-Malays, especially during the election (Liow 2003). Some Indonesian construction workers were also offered permanent residency, with the assistance from the construction union, in recognition of their economic contribution, in 1987 (Guinness 1990). The liberal policies for Indonesian migrants came to an end in the wake of the economic crisis at the end of the 1980s and also as a consequence of increased public resentment towards the presence of large numbers of Indonesians within Malaysia.

Another economic crisis in Asia in 1997 highlighted the presence of a staggering number of undocumented migrants throughout the whole of Asia (Kanapathy 2008a). Serious measures were taken to control undocumented migration, including the Bangkok Declaration on Irregular Migration in April 1999 (Jones 2000). The member countries agreed to look into various problems resulting from irregular or undocumented migration. In 2002, Malaysia further amended the Immigration Acts of 1959 and 1963 (which were further amended in
1997) to incorporate harsher penalties aimed to impede the growth of undocumented migration.

The annual levy imposed on employers of documented workers, which was introduced in Malaysia’s annual budget 1991/1992, aims to offset the social costs incurred by migrant workers and to discourage the employment of foreign workers (Osman and Osman-Rani 1996, p.7). In March 2009, in the wake of the global economic crisis, the Malaysian government announced a doubling of the levy, hoping to discourage the recruitment of migrant workers, especially in the service sector (The Star March 11, 2009). However, after just a two month period, due to the public outcry and requests from employers, the policy was withdrawn (The Star May 1, 2009).

Table 2.3 shows the changes in the annual levy imposed on migrant workers by sectors since 1995. The agriculture and domestic work sectors have remained stable, while the levy in the services sector has increased six-fold. Lower charges are imposed in sectors in which migrant workers are needed. In Singapore employers are charged a significant amount (for example S$200 – S$295 per month in the domestic work sector) which aims to make the cost of a foreign worker equivalent to employing a Singaporean (Ajis et al. 2010). However, the smaller amount charged in Malaysia does not achieve the same objective and does not deter employers from hiring migrants when, more often than not, the cost is passed on to the workers (Piper 2005a). Thus, the levy works against the migrant worker: not only does it add to the cost of migrating, it also reduces net earnings.
Table 2.3 Annual Levy by Sector for Low-skilled Contract Workers (MYR)

<table>
<thead>
<tr>
<th></th>
<th>Up to 1995*</th>
<th>1996*</th>
<th>Nov 2006^</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>300</td>
<td>300</td>
<td>360</td>
</tr>
<tr>
<td>Construction</td>
<td>420</td>
<td>840</td>
<td>1200</td>
</tr>
<tr>
<td>Domestic Work</td>
<td>360</td>
<td>360</td>
<td>360@</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>420</td>
<td>840</td>
<td>1200</td>
</tr>
<tr>
<td>Plantation</td>
<td>300</td>
<td>300</td>
<td>540</td>
</tr>
<tr>
<td>Services</td>
<td>360</td>
<td>720</td>
<td>1800#</td>
</tr>
</tbody>
</table>

*except for those who work in welfare and island resorts, **for the second domestic worker employed, the levy is MYR 540.00

Source: *Osman and Osman-Rani 1996, p.7; ^ DLFPM November 2006

These requirements have shifted little from those imposed by the British during the colonial period. The total cost of recruiting a migrant worker during the British era ranged between $57 to $67, of which $10 to $30 were recoverable from migrants’ wages. A maximum amount of $2 monthly was deducted from workers’ wages to recover the amount of advances given to the workers at the time of recruitment (Kaur 2004a). In recent years, domestic workers earned about $175 US per month, with six months of salary deducted as fees for a two year contract (Lindquist 2010). A major difference is that employees now bear almost all recruitment costs with deductions being made from their salaries (for six to eight months) for any costs already covered by employers or agents. This only indicates deteriorating working conditions and increased pressure on migrant workers.

Many more policies as shown in Appendix 1 were introduced to control the flow of Indonesian migration to Malaysia since the 1980s. These policies for contract migrant workers, which started with the signing of Medan Agreement, have been highly criticised for being ad-hoc (Lean and Hoong 1983; Jones 2000; Kanapathy 2008a), only partially effective, being too responsive to public opinion (M A Kramer et al. 2008; The Star March 11, 2009), concentrating on maintaining the ethnic dominance of the Malay and boosting national pride.
(Healey 2000; Schuman September 5, 2010). Furthermore, instead of designing policies that applied to all source countries, Malaysian policies are always country-specific (ADB 2008). The Philippines in 1997 (Healey 2000), Indonesia in 2011 and Cambodia in 2012 banned their domestic workers from going to Malaysia (Migration News January 2012), all asking for the establishment of minimum wages and better employment conditions. Malaysia’s response was to hire more Indonesian domestic workers with the Filipino ban; more Cambodians were employed following the ban of Indonesians; and more Indonesians were approved after the ban of Cambodians. As a result, the migrants are led to rely on the mercy of their employers for their rights to employment benefits (such as minimum wages, holidays and medical leave).

In sum, while the majority of the migrant workers gain economically working in Malaysia, only a minority may have gained socially, often at their own will rather than guided by policies.

The policies also indicate that the dual segment system introduced during the colonial period is still being practiced today (Kim 2009). In this system, the migrants are often employed in the jobs which pay the least and have poorer working conditions. While locals assumed the supervisory roles, the migrants’ are stigmatised (Piore 1979; Massey et al. 1993). Furthermore, as with migration policies in the colonial era (Kaur 2004a; 2005), contract workers are recruited in large numbers, not allowed to move freely, have a lack of protection from policies or employers, and are largely made up of single, young, male, unskilled workers. The workers are never allowed to be accompanied by family members. Most of them return to their home countries at the end of their contract.
Overall, the Malaysian policies exemplify the assumptions made in neoclassical economic theory where migrant decision-making is based on the potential economic gain. The government appears to increase costs and reduce benefits to migrants in an effort to control migration to its own advantage. While the repressive policies may win votes, they may also have many adverse consequences. Policies similar in nature implemented in the USA, in attempting to curb migrants from Mexico (both documented and undocumented), have left negative effects (Massey and Espinosa 1997:p. 985). An increase in the number of employer sanctions, reductions in the recruitment of the number of documented workers and increased penalties have influenced migrants’ decisions to overstay. Furthermore, the policies in Malaysia as described by Castles (2003, p. 3) are typical of multi-ethnic Asian countries which ensure that immigrants are neither allowed to settle nor offered citizenship. The policies are seen as an attempt to avoid any challenge to national culture and identity.

Similarly, in the past, Indonesian planners have mainly focused on the economic gains of deploying a large number of migrant workers abroad (Raharto 2007). The increasing flow of remittances and the goal of optimising development potential for the state have remained as the main purposes of migration policies in Indonesia. The Indonesian government has been setting a target number of workers to be deployed overseas, since 1979 with The Five Year Development Plans (PELITA 3). Such policies, and the focus of sending workers abroad as an income source, brought international migration as an economic strategy into the public arena in Indonesia. Migration to Malaysia subsequently increased, with many migrants fulfilling the requirements set by the government and travelling with documents. However, there were also many who did not fulfil the criteria and they often travelled illegally. The Indonesian policies
with regard to migration to Malaysia mainly confirmed the requirements and restrictions set by Malaysia, lacking concern for the welfare of migrants, until very recently. In 2004, Indonesia began to take a positive role in improving the welfare of its workers worldwide, enacting the Law on Deployment and Protection of Indonesian Migrant Workers Abroad (UUPPTKILN No. 39/2004) (Kwai 2008). Subsequently, in March 2007, the National Agency for the Placement and Protection of Overseas Labour (BNP2TKI) was established to ensure safe and affordable labour deployment. Furthermore, Indonesia also signed the 2007 ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers. In 2010, the Indonesian government began to analyse the responsibilities of both BNP2TKI and the Manpower and Transmigration Ministry (which is responsible for regulating recruiters and others involved in the recruitment process) (Migration News January 2011). In the same year the Indonesian government introduced the People’s Enterprise, a credit scheme to assist migrants with loans to pay recruitment fees (Migration News January 2011). In 2011, Indonesia also imposed minimum wages and work standards for their domestic workers which have been accepted and adhered to by the Malaysian policy makers (Migration News January 2012).

In sum, Malaysia, for the foreseeable future, is structurally a migrant dependent economy. If Malaysia does not co-operate with Indonesia’s initiatives it may lose a reliable source of migrant workers. Both Indonesia and Malaysia should place migrants at the centre of their migration policies and management. In doing so, both countries can share the win-wins of host and home country with the migrants.
2.3 Migrant Workers by Legal Status

There are several categories of labour migrants in Malaysia, as shown in Table 2.4.

**Table 2.4 Categories of Labour Migrants in Malaysia (Documented and Undocumented)**

<table>
<thead>
<tr>
<th>Status / Visa</th>
<th>Characteristics of Visa applicant and Nature of Visa</th>
<th>Right to Reside and Work in Malaysia</th>
</tr>
</thead>
</table>
| Permanent Residents | • Issued with permanent residency cards (MyPR Kad) | • Reside indefinitely  
• Work indefinitely. |
| Expatriates | • Earn at least MYR 3000 per month  
• Has an employment contract for a minimum period of 2 years | • Reside for the duration of the contract  
• Work in the designated sector for the given duration. |
| Foreign Skilled Workers | • Contract for less than 12 months (mostly for those who are in the entertainment industry)  
• Issued with Visit Pass for Professional | • Reside for the duration of the contract  
• Work in the designated sector for the given duration. |
| Unskilled / Low-skilled and semi-skilled workers | • Issued with a Visit Pass for Temporary Employment (VPTE) for an initial period of 3 years and extendable for 2 more years | • Reside for the duration of the contract  
• Work in designated sector for the given duration.  
• Need to renew work permits annually |
| Dependent Pass | • Visa for children and spouses of expatriates. | • Reside until the expiry of the employment pass of the main applicant  
• A work permit is required to work |
| Spouse Visa | • The spouses of Malaysian citizens  
• Issued with a spouse permit for 6 - 24 months.  
• Permits are renewable | • Eligible to reside in Malaysia  
• Require a work permit to work in Malaysia |
| Social Pass | • Issued to close family members such as parents or in-laws of those who hold employment passes | • Eligible to reside for the duration of the visa  
• Not eligible to work |
| Student | • Enrolled full-time students at recognised institutions in Malaysia | • Eligible to reside for the duration of their visas  
• Require a work permit to work in Malaysia |
| Tourist | • Those who travel to Malaysia on tourist visa.  
• Indonesians are allowed to travel to Malaysia visa-free for a period of 30 days. | • Not eligible to reside or work. |
| Foreigners Under “Malaysia My Second Home” Programme (MMH) | • Issued with a 10 year renewable visa  
• Issued with a Social Visit Pass with multiple entry | • Eligible to reside for the duration of the visa  
• Restricted hours of work |
| Refugees | • Issued with UNHCR refugee cards | • Not allowed to work  
• Eligible to reside until resettlement depending on the conditions set by UNHCR |

Source: DOIM; 2009
The type of visa, pass or card issued to a migrant indicates their right to reside and/or work in Malaysia. The permanent residents and documented workers have documentation indicating their right to work and/or reside. An undocumented worker is anyone who has defaulted his or her visa or travelled without any documents. Indonesians can be found in all the categories listed either as documented or undocumented workers. The following section explores the characteristics, nature, policies and trends of the documented migrants, undocumented migrants and permanent residents. This provides the context for an understanding of migrants’ future intentions and their migration strategies.

2.3.1 Documented Migrant Workers

A documented migrant worker (also known as a contract worker) is a migrant who has been issued with a Visit Pass for Temporary Employment (VPTE) and a work permit, known as IMM13 visa. The IMM13 visa is attached to the passports of workers who satisfy all requirements set by the Department of Immigration Malaysia (DOIM). The work permit contains information on six important criteria or conditions (numbered as shown in Figure 2.5) of a migrant’s employment: (1) the geographical boundary, (2) the permit expiry date, (3) job title, (4) the employment sector, (5) the employer’s name and (6) the location of the employment.

Figure 2.5 Sample IMM13 Visa Issued to a Migrant Worker in the Low-skilled Sector

<table>
<thead>
<tr>
<th>Name</th>
<th>XXXX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
</tr>
<tr>
<td>Nationality</td>
<td>Indonesian</td>
</tr>
<tr>
<td>Condition</td>
<td>Pass extended on the condition that the holder does not remain in West Malaysia longer than 14 February 2012</td>
</tr>
<tr>
<td>Employed As</td>
<td>Maid in Sector: Domestic Helper</td>
</tr>
<tr>
<td>With</td>
<td>Balambigai</td>
</tr>
<tr>
<td>At</td>
<td>xxxxxxxxxxxxx, xxxxxxxxxxxxxxx</td>
</tr>
</tbody>
</table>

Source: In-depth Interview, DLFPM
The geographical boundaries limit the migrant worker’s movements and employment to the geographical location (1) stated in the permit. The possible geographical boundaries are Peninsular Malaysia, Sabah and Sarawak. The expiry date (2) refers to the date by which the migrant worker is expected to return home. The type of job (3) and work sector (4) restricts the migrant to a particular sector and a job. The employer’s name (5) and the address of the employer (6) identify the location of the employment and tie the migrant to the particular employer. These permits are non-transferable. The work permit aims to keep migrant workers from staying permanently and to remind employers of the temporary nature of any migrant worker (Castles 2003; Kanapathy 2004). An interview with a government official indicated that if investigations were going to be carried out, based on the six characteristics of an IMM13 visa (as presented in Figure 2.5), a substantial number of migrant workers in Malaysia would in fact be undocumented workers. The most likely violations are related to the expiry date and geographical location.

It is the responsibility of the employer to ensure that all workers employed have valid work permits. However, the process of obtaining and ensuring its validity, for both the employer and the migrant, is time consuming, tedious and costly. As shown in Figure 2.6, the process begins with an approval to employ migrant workers which is obtained from the Home Ministry by employers. To do this they must provide proof of a lack of local workers to fill jobs (Department of Labour Peninsular Malaysia 2008). Employers then have the option to either recruit directly or through an agent in Malaysia. When agencies receive the request for migrant workers they usually contact the local agents at the country of destination and specify the number of workers required and work conditions. These local agents then take an average
of two weeks to send the personal particulars of potential workers to Malaysia. These particulars are then forwarded to employers who make a short list. The selected workers undergo a medical examination in the home country and carry out all the processes deemed necessary by the host country, such as paying of agency fees, job training and obtaining a valid passport. At the end of this process, successful workers are issued with a calling visa. The calling visa, which is similar in function to an entry permit, allows the migrant worker to travel to Malaysia and enter the country without undue delay at the airports. However, this is only valid for a month and within this period migrant workers are required to obtain a valid VPTE and a work permit.

**Figure 2.6 Major Stages in Process of Recruiting International Workers Prior to Arriving in Malaysia**

Source: In-depth Interview, DLFPM
As shown in Figure 2.7, migrant workers are required to have a second medical examination within a month. Migrants are screened for chronic diseases. Those who are found to have AIDS or any sexually transmitted diseases are deported within 24 hours. Also any pregnant worker is immediately deported. The workers who are cleared are issued with a work permit or IMM13 visa (according to Immigration Act 8(1)(c) and act 11(6)) for the duration of not more than 12 months, which is renewable for up to five years, except for domestic workers whose maximum stay is under the discretion of the General Director of Immigration (Osman and Osman-Rani 1996). After a maximum period of five years of work, low-skilled workers are required to return home for a period of six months before resuming work again in Malaysia, if eligible (Kassim 2005a). However, this has been recently reduced to three months (and even this duration is being waived) as it has been found to be unworkable for both the worker and the employer (The Star June 3, 2010).

To remain as documented workers, the migrants and their employers have to repeat the process (medical exam, application for permit, valid passport, and paying levy and visa fees) annually. Documented workers may easily become undocumented, as shown in Figure 2.7 (depicted within a red outline), for either failing to comply with the requirements or by being dismissed by their employer.
Despite stringent policies and regulations, the proportion of migrant workers in the Malaysian labour force has been increasing steadily in the last 10 years and since 2005 has been between 16 and 19 per cent, as shown in Table 2.5. Indonesia has been the largest supplier of low-skilled workers to Malaysia and, in 2010, two-fifths of all documented migrant workers were Indonesians, comprising seven per cent of Malaysia’s total labour force. However, as a result of Malaysia wanting to reduce its over reliance on one country’s labour, as well as wanting to
strengthen bilateral relationships with other countries in the region, the proportion of
Indonesians in the migrant labour work force has been reduced gradually since its peak in
2001 and 2002 when it was three-quarters.

Table 2.5 Indonesian Documented Migrant Workers in Malaysia, 1997-2011

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Malaysian Population (in millions)</th>
<th>Total in Malaysian labour force (in millions)</th>
<th>Total Number of Migrant Workers in Malaysia</th>
<th>Number of Indonesian Workers</th>
<th>% of Indonesian from total Migrant workers</th>
<th>% of Migrant workers in Malaysian labour force</th>
<th>% of Indonesian from total Malaysian labour force</th>
<th>% of Indonesian from total population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>21.7</td>
<td>8.8</td>
<td>627426</td>
<td>316111</td>
<td>50</td>
<td>7</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>1998</td>
<td>22.2</td>
<td>8.9</td>
<td>395140</td>
<td>210772</td>
<td>53</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>1999</td>
<td>22.7</td>
<td>9.2</td>
<td>409660</td>
<td>269194</td>
<td>66</td>
<td>4</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2000</td>
<td>23.3</td>
<td>9.6</td>
<td>807096</td>
<td>603453</td>
<td>75</td>
<td>8</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>2001</td>
<td>24.0</td>
<td>9.7</td>
<td>849829</td>
<td>634744</td>
<td>75</td>
<td>9</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>2002</td>
<td>24.5</td>
<td>9.9</td>
<td>1067529</td>
<td>788221</td>
<td>74</td>
<td>11</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>2003</td>
<td>25.1</td>
<td>10.2</td>
<td>1336980</td>
<td>988165</td>
<td>74</td>
<td>13</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>2004</td>
<td>25.6</td>
<td>10.4</td>
<td>1470090</td>
<td>1024363</td>
<td>70</td>
<td>14</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>2005</td>
<td>26.1</td>
<td>10.4</td>
<td>1815238</td>
<td>1211584</td>
<td>67</td>
<td>17</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>2006</td>
<td>26.6</td>
<td>10.6</td>
<td>1869209</td>
<td>1174013</td>
<td>63</td>
<td>18</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>2007</td>
<td>27.2</td>
<td>10.9</td>
<td>2044805</td>
<td>1148050</td>
<td>56</td>
<td>19</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>2008</td>
<td>27.7</td>
<td>11.0</td>
<td>2062596</td>
<td>1085658</td>
<td>53</td>
<td>19</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>2009*</td>
<td>27.7</td>
<td>11.4</td>
<td>1918146</td>
<td>991940</td>
<td>52</td>
<td>17</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>2010</td>
<td>28.3</td>
<td>11.5</td>
<td>1817871</td>
<td>792809</td>
<td>44</td>
<td>16</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>2011</td>
<td>28.3</td>
<td>11.5*</td>
<td>1573061</td>
<td>785236</td>
<td>50</td>
<td>14</td>
<td>7</td>
<td>3</td>
</tr>
</tbody>
</table>

*As of January 2009, *Assumed to be same as previous year (data is not available)
Source: DOSM 2008; 2008a; June 2011; 2011b; DOIM Unpublished Data

While Malaysia continues to source migrants from traditional migrant sending countries (such
as Indonesia, Bangladesh, Nepal, Myanmar and India), in the last decade, Vietnam and
Cambodia have emerged as new migrant source countries (Appendix 2).
2.3.2 Undocumented Migrant Workers

Undocumented migrant workers are defined, following the IOM (2004, p. 67), as “migrants workers or members of their families, who are not authorised to enter, to stay or to engage in employment in a state”. Other terms used to describe them are “irregulars”, “illegals” and “aliens” (Kassim 1987b; Kassim 2005b; Kanapathy 2008a). In Malaysia they are often referred to as “foreign visitors without permission” (“Pendatang Asing Tanpa Izin” (PATI)), which means that if they are detected and convicted of illegal entry they face fines, caning, imprisonment and deportation. While some undocumented foreign visitors may not be in the work force, the vast majority are.

Some of the factors that contribute to migrants becoming undocumented in the ASEAN region are: long waiting periods and high costs (Spaan 1994; Zehadul Karim et al. 1999; Firdausy 2005; Kanapathy 2008a); discrepancies in the costs and policies (Raharto et al. 1999); sudden changes in policy (such as reduction of duration of work from six to three years in Malaysia in 2001) (Liow 2003); an increase in the short-term movement of tourists, students and businesses (Hugo 1995a); and the employers’ preference for immediate and cheap labour (Kassim 1998).

Within Southeast Asia, Malaysia and Singapore are the two main destinations of undocumented migrant workers (IOM 2008). While it is not possible to give an exact number for undocumented workers in Malaysia, estimates are between 400,000 and 1,000,000, as shown in Table 2.6. These numbers are estimates based on the numbers of known workers who have absconded, overstayed, been arrested, deported or applied for amnesty.
Table 2.6 Varying Estimates of Numbers of Undocumented Migrant Workers in Malaysia

<table>
<thead>
<tr>
<th>Years</th>
<th>Number of Undocumented Workers</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985 - 1989</td>
<td>500,000 in Peninsular</td>
<td>Wong and Anwar 2003a</td>
</tr>
<tr>
<td>1988</td>
<td>480,500* (only in Sabah)</td>
<td>Gunasekaran and Sullivan 1990</td>
</tr>
<tr>
<td>1995</td>
<td>187,800 apprehended in Peninsular</td>
<td>APMRN 2000</td>
</tr>
<tr>
<td>1997</td>
<td>800,000 in Peninsular</td>
<td>Kassim 2000</td>
</tr>
<tr>
<td>2000</td>
<td>42,034 domestic workers were reported to have absconded from their employers</td>
<td>Ariffin 2001</td>
</tr>
<tr>
<td>2003</td>
<td>42,395 workers were arrested (half of them are Indonesians)</td>
<td>Kaur 2001</td>
</tr>
<tr>
<td>2005</td>
<td>400,000 migrants left Peninsular during an amnesty</td>
<td>Kassim 2005a</td>
</tr>
<tr>
<td>2005 - 2008</td>
<td>216,000 migrants detained and 191,600 deported</td>
<td>Migration News April 2009</td>
</tr>
<tr>
<td>2008</td>
<td>500,000 in Malaysia</td>
<td>Hassan 2008</td>
</tr>
<tr>
<td>2009</td>
<td>Approximately 1.1 million workers are illegal in Malaysia</td>
<td>David and Subramaniam January 20, 2009</td>
</tr>
<tr>
<td>2011</td>
<td>267,800 illegal Bangladeshi migrant workers were registered</td>
<td>Migration News January 2012</td>
</tr>
<tr>
<td>2012</td>
<td>329,936 illegal workers were registered under the 6P amnesty programme.</td>
<td>The Star March 24, 2012</td>
</tr>
</tbody>
</table>

*comprising 335,500 Filipinos and 145,000 Indonesians (based on a Sabah government survey)

As shown in Table 2.7, which includes the undocumented workers in Sabah, Indonesians were reported to make up the largest proportion of undocumented workers in Malaysia (Kassim 1986; Omar 2005). If those who are not in the labour force are included (i.e. children and aged parents) then the number of Indonesian undocumented migrants will be considerably higher.
Table 2.7 Estimated Number of Undocumented Indonesian Migrant Workers in Malaysia

<table>
<thead>
<tr>
<th>Year</th>
<th>Number / Percentage from the Total Undocumented Migrant Workers</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>300,000</td>
<td>Guinness 1990</td>
</tr>
<tr>
<td>1992</td>
<td>309,905 (83.2%)</td>
<td>Wong and Anwar 2003a</td>
</tr>
<tr>
<td>2006</td>
<td>35,000 Indonesian migrants overstayed and failed to renew their passports</td>
<td>Hugo 2007</td>
</tr>
<tr>
<td>2012</td>
<td>73,598 (22.3%) Indonesian workers are legalised during an amnesty Programme in Malaysia</td>
<td>The Star March 24, 2012</td>
</tr>
</tbody>
</table>

Table 2.8 summarises the characteristics of undocumented migrant workers in Malaysia, indicating two major groups: those who initiate travel without any documents and those who abuse their visas.

Table 2.8 Legal Aspects and Characteristics of Undocumented Migrant Workers in Malaysia

<table>
<thead>
<tr>
<th>Group</th>
<th>Activity</th>
<th>Offence under</th>
<th>Act/Regulations</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Enter and stay illegally</td>
<td>Section 6(1)(c)</td>
<td>Immigration Act 1959/63 (Amended 2002)</td>
<td>Anyone who enters a country using illegal routes without any documents and found employed</td>
</tr>
<tr>
<td>2</td>
<td>Stay after the expiration period of pass issued</td>
<td>Section 15(1)(c)</td>
<td>Immigration Act 1959/63 (Amended 2002)</td>
<td>Also commonly referred to as overstayers (can be a migrant worker with an expired work permit)</td>
</tr>
<tr>
<td>3</td>
<td>Misuse of visit pass/work pass issued</td>
<td>39(b)</td>
<td>Immigration Regulations 1963</td>
<td>Can be anyone holding a tourist visa, student visa, dependent or a spouse visa. Tourist and dependents are not allowed to work in Malaysia without a permit and students are allowed to work for a limited number of hours.</td>
</tr>
<tr>
<td>4</td>
<td>Enter/stay in the country on forged visit pass</td>
<td>Section 56(1)(1)</td>
<td>Immigration Act 1959/63 (Amended 2002)</td>
<td>Anyone who enters the country using forged/fake documents and found employed</td>
</tr>
</tbody>
</table>

Source: Legal Research Board 2006; Mohamed 2008; Kanapathy 2008a; 2008b

Although labour migrants are known to default on their visas, those who hold tourist, student and business visas are also potential defaulters. Tourism data from the low-skilled source
countries, as shown in Table 2.9, indicate that the numbers have more than doubled, from 10.2 million in 2000 to 23.6 million in 2009 (Ministry of Tourism Malaysia, 2010). Tourists from both Indonesia and India tripled, Philippines quadrupled and Vietnamese tourists increased twenty-fold between 2000 and 2009.

| Table 2.9 Tourist Arrivals from Selected Low-skilled Labour Source Countries |
|-----------------------------|----------------|----------------|------------------|
|                             | 2000           | 2005           | 2009             | % increase between 2000 and 2009 |
| **Indonesia**               | 545,051        | 962,957        | 2,405,360        | 341                         |
| **India**                   | 132,127        | 225,789        | 589,838          | 346                         |
| **Philippines**             | 81,927         | 178,961        | 447,470          | 446                         |
| **Vietnam**                 | 7,969          | 52,543         | 149,685          | 1778                        |
| **Thailand**                | 940,215        | 1,900,839      | 1,449,262        | 54                          |
| **Total Number of Tourists arrived in Malaysia from all countries** | 10,221,582 | 16,431,055 | 23,646,191 |                                           |

No country specific data is available for Bangladesh, Pakistan, Myanmar, Nepal and Sri Lanka (probably due to the low number of tourists), Members of Association of Southeast Asian Nations (ASEAN)

Source: Tourism Malaysia, 2010

Member countries of ASEAN have an agreement allowing up to 30 days travel visa-free which also may encourage the flow of tourists to Malaysia (The Star November 5, 2008). In addition to this, Visa on Arrival (VOA) facilities are available to various non-ASEAN countries, including Myanmar. This facility allowed visas to be obtained at the border for a visit of up to 30 days. Within a period of two years (2006 - 2008) almost 75,465 holders, or 29.9 per cent of 251,908 VOA holders, was found to have overstayed (Goh November 20, 2008). The VOA was abolished for non-ASEAN members in August 2010 (The Star August 13, 2010).
Foreign students are another source of potential undocumented migrants. In 2010, approximately 100,000 foreign students have travelled to Malaysia for education (The Star August 13, 2010). Of these more than 10 per cent (15,000) were from Indonesia, the largest source of foreign students in Malaysia (Malaymail September 17th, 2009). While foreign students are theoretically allowed to work, they are required to obtain an “endorsement to work” from immigration. The intricacies of this legality are difficult to fulfil. In May 2007, when foreign students were required to apply for an identity card, an estimated 40,000 faced deportation for failing to apply (Thany January 25th, 2008). Some of these students may have returned to their home country and some may have abused the student visa and remained as undocumented workers. Because Malaysia does not collect emigration data it is difficult to indicate actual figures.

Refugees in Malaysia are not allowed to participate in the labour force as Malaysia is not a signatory to the 1951 United Nations Human Rights Convention (UNHCR) or the 1967 protocol (Kaur 2007c), and does not grant asylum or refugee status. However, it does not deport those who have been recognised as refugees by UNHCR. With UNHCR support, they are allowed a temporary stay while waiting to be relocated. About 171,500 refugees and asylum seekers were reported to be in Malaysia in 2009 (Kamal October 6, 2009), and of these approximately 17,700 (10.3 per cent) were reported to be from Indonesia (U.S Committee for Refugees and Immigrants 2009). After much consideration, in 2010, Malaysia began to consider allowing refugees to seek employment (Anis February 22, 2010). However, there are no policies to date to facilitate this.
The situation was different for the Acehnese refugees. In 2005, approximately 32,000 Acehnese refugees were granted work permits by the Malaysian government and by late September 2007 around 27,000 of them had renewed these permits, despite the fact that the Indonesian government had created a pathway of return in 2005. The tsunami in 2005, however, delayed the return of the Acehnese to their country of origin. The permits were initially granted for two years and were renewable. Unlike the usual work permit, this was not employer-specific (U.S Committee for Refugees and Immigrants 2008). Nevertheless, the Acehnese were not allowed to be involved in trading. Some of those who arrived at the beginning of the secessionist revolution, in the 1980s, were able to regularise their status by acquiring permanent residency (Kaur 2007c).

In sum, Malaysia’s borders are pervious to both official and unofficial migrants. The undocumented workers, unlike the contract workers with a work permit, do not get any employment benefits, such as workers’ compensation or insurance and medical benefits. These workers are highly dependent on their employers, making them vulnerable to abuse, being forced to work extended hours and endure harsh conditions.

2.3.3 Permanent Residents

The only way to become a permanent resident in Malaysia is to obtain an entry permit. This document (IMM.5) is issued under section 4 of the Immigration Regulations 1959/63, which enables a holder to enter and stay in Malaysia, without any time limit, and to apply for permanent residency. As of October 2009, there are three categories of eligibility: a foreign wife of a Malaysian citizen; children of Malaysian citizens (either father or mother) who are
below six years of age; and ‘other’ category (not specified clearly) (DOIM 2009). Those who are on a temporary work permit are not eligible to apply for an entry permit or permanent residency.

A foreign wife, upon marriage, may enter Malaysia with a social visit pass. This pass needs to be renewed on a monthly or quarterly basis initially, and subsequently annually. They have to pay visa fees annually and the renewal process requires the presence of the Malaysian husband. With a valid social visit pass she may obtain permission to work if she has a secure job offer. These employment passes are also renewable on a yearly basis. Self-employment is not permitted for spouses on a social visit pass. Foreign wives strive to obtain permanent resident statuses as this bestow rights to stay, rights to work and rights for their children. There is no clear indication of a foreign male spouse’s eligibility for permanent residency (Azizan March 14, 2010).

This application process requires the full participation of the husband and usually takes years to complete. Separation or divorce during the process leaves the wife in limbo and highly vulnerable, especially if the husband is unsupportive. When her status as a Malaysian citizen’s wife is disrupted, for any reasons, upon the expiry of her annual social visit pass, she faces deportation despite the fact that she could be the mother of children who are Malaysian citizens. The policies are discriminatory at all levels on the basis of gender (Healey 2000; Dannecker 2005, p. 261; Kessler 2009).

Once granted permanent residency there is no need for it to be renewed. However, permanent residents are barred from being the sole owner of a property or business and are not allowed to
vote. Although sometimes citizenship is granted, there is no clear indication of its route. On application forms it is made clear that the status of permanent residency is not a right but a privilege sometimes given to a foreigner in Malaysia.

In 2000, there were 290,573 permanent residents in Malaysia (Kanapathy 2008b). Throughout 2008 and 2009, almost 17,000 foreign citizens were granted permanent resident status (Bernama 2010). However, the number who have obtained permanent residency by country of birth is unknown.

2.4 Migrant Workers by Sector

The low-skilled migrant workers generally and Indonesians specifically, are legally employed in six major sectors in Malaysia: agriculture, construction, domestic work, manufacturing, plantation and services. The Department of Labour Force Peninsular Malaysia (DLFPM), Ministry of Human Resources guidebook outlines the type of jobs and responsibilities by each sector (and the allowable number of migrant workers per sector).

The agriculture sector covers rice, poultry, fisheries and fruits and vegetable farming. The plantation sector includes the large-scale farming of palm, cocoa, rubber and coconut. Workers in the plantation sector are divided into two groups: those who do agricultural work (planting, harvesting, weeding and general maintenance plots) and non-agricultural work (transportation, repair and maintenance, activities in processing and production in the oil palm mills). In this study both these sectors are combined and referred as plantation sector.
It has been known that a large number of Indonesians, many undocumented, have worked in palm, cocoa and rubber plantations since the 1980s (Kassim 1994; Pillai 1999). It was this sector that first formally acknowledged the need to employ migrant workers to address labour shortages (Nayagam 1987; DOSM 2006), suffering from the outmigration of Malay youth from rural to urban areas as a result of NEP policies. In 2005, due to expansion, some farming activities within the plantation sector were separated and placed under agriculture. As shown in Table 2.10, Indonesians workers dominate this sector, more than two-thirds of migrant workers employed in the agriculture and plantation sectors.

### Table 2.10: Number of Indonesian Workers in Malaysia by Sector and Percentage of Indonesian Contract Workers within each Sector

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture</th>
<th>Construction</th>
<th>Domestic</th>
<th>Manufacturing</th>
<th>Plantation</th>
<th>Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
<td>%</td>
<td>No</td>
<td>%</td>
<td>No</td>
<td>%</td>
<td>No</td>
</tr>
<tr>
<td>1997</td>
<td>114466</td>
<td>69.1</td>
<td>60124</td>
<td>80.0</td>
<td>45135</td>
<td>19.9</td>
<td>53170</td>
</tr>
<tr>
<td>1998</td>
<td>37606</td>
<td>59.7</td>
<td>67446</td>
<td>86.6</td>
<td>42375</td>
<td>27.5</td>
<td>48184</td>
</tr>
<tr>
<td>1999</td>
<td>28423</td>
<td>57.9</td>
<td>86661</td>
<td>92.0</td>
<td>73413</td>
<td>47.2</td>
<td>67951</td>
</tr>
<tr>
<td>2000</td>
<td>43144</td>
<td>63.2</td>
<td>169432</td>
<td>95.4</td>
<td>182142</td>
<td>59.2</td>
<td>186236</td>
</tr>
<tr>
<td>2001</td>
<td>41155</td>
<td>65.2</td>
<td>185836</td>
<td>95.4</td>
<td>172854</td>
<td>55.3</td>
<td>212142</td>
</tr>
<tr>
<td>2002</td>
<td>109519</td>
<td>73.3</td>
<td>222977</td>
<td>95.9</td>
<td>158590</td>
<td>49.1</td>
<td>274788</td>
</tr>
<tr>
<td>2003</td>
<td>210949</td>
<td>83.5</td>
<td>253595</td>
<td>96.2</td>
<td>176151</td>
<td>45.6</td>
<td>324035</td>
</tr>
<tr>
<td>2004</td>
<td>185501</td>
<td>80.2</td>
<td>274965</td>
<td>96.3</td>
<td>187866</td>
<td>39.4</td>
<td>352339</td>
</tr>
<tr>
<td>2005</td>
<td>34162</td>
<td>76.2</td>
<td>230077</td>
<td>81.7</td>
<td>306724</td>
<td>95.8</td>
<td>210422</td>
</tr>
<tr>
<td>2006</td>
<td>92003</td>
<td>74.6</td>
<td>216898</td>
<td>80.9</td>
<td>294115</td>
<td>94.6</td>
<td>213172</td>
</tr>
<tr>
<td>2007</td>
<td>99563</td>
<td>70.7</td>
<td>214490</td>
<td>80.4</td>
<td>300957</td>
<td>94.5</td>
<td>209362</td>
</tr>
<tr>
<td>2009*</td>
<td>98799</td>
<td>54.3</td>
<td>196929</td>
<td>65.7</td>
<td>230141</td>
<td>91.5</td>
<td>167155</td>
</tr>
<tr>
<td>2011</td>
<td>86141</td>
<td>56.5</td>
<td>161691</td>
<td>72.2</td>
<td>134733</td>
<td>73.2</td>
<td>161691</td>
</tr>
</tbody>
</table>

*As of January 2009 (no data was available by sector and country of origin in 2008 & 2010).
Source: DOIM, Unpublished Data

In recent years, ensuring a continuous migrant labour force to this sector has been a challenge. The Malaysian Palm Oil Association (MPOA) reported labour shortages at the end of 2009. Due to the expansion of palm production in Indonesia, the piece-rate earnings were similar to those in Malaysia, influencing Indonesians not to migrate (Migration News January 2010). Malaysia was considering extending the duration of the work permit in this sector to a
maximum of 10 years (The Star June 1, 2010). Furthermore, to ensure a continued supply of workers, the palm oil producers have requested the government consider recruiting workers from China, Bangladesh and the Philippines (Migration News January 2010).

In the 1980s, the growth in the number of new developments in the construction sector attracted a large numbers of migrant workers (Pillai 1999; Narayanan and Lai 2005). In 2001, migrants in this sector were restricted to Bangladesh, Indonesia, Pakistan, The Philippines and Thailand (Abdul-Aziz 2001). However, in December 2011, as shown in Table 2.11, unpublished data from the Malaysian Department of Immigration Malaysia indicated that the workers in this sector came from at least thirteen countries. Between 2003 and 2007 Indonesians made up more than 80 per cent of these workers; by 2011 this was reduced to 72.3 per cent.

Workers are employed in constructing low and high rise building, highways, bridges, overhead transmission power lines, underground cable pooling, landscaping and other projects (DLFPM November 2006). Almost all low-skilled workers are hired directly by contractors, as shown in Figure 2.8, who complete specific sections of a major project. The workers are heavily dependent on their “head-man” and usually move with him (Gill 1987). Because workers maybe located on a particular site for only a short period, it is possible to avoid contact with officials and so this sector, which is highly mobile and largely invisible, attracts a large number of undocumented workers (Narayanan and Lai 2005).
<table>
<thead>
<tr>
<th></th>
<th>Agriculture</th>
<th>Construction</th>
<th>Domestic Workers</th>
<th>Manufacturing</th>
<th>Plantation</th>
<th>Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
<td>%</td>
<td>No</td>
<td>%</td>
<td>No</td>
<td>%</td>
<td>No</td>
</tr>
<tr>
<td>Indonesia</td>
<td>86141</td>
<td>56.6</td>
<td>161691</td>
<td>72.3</td>
<td>134733</td>
<td>73.2</td>
<td>125155</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>6951</td>
<td>4.6</td>
<td>24696</td>
<td>11.0</td>
<td>49</td>
<td>0.0</td>
<td>63369</td>
</tr>
<tr>
<td>Nepal</td>
<td>11157</td>
<td>7.3</td>
<td>3750</td>
<td>1.7</td>
<td>74</td>
<td>0.0</td>
<td>214242</td>
</tr>
<tr>
<td>Myanmar</td>
<td>6254</td>
<td>4.1</td>
<td>13709</td>
<td>6.1</td>
<td>102</td>
<td>0.1</td>
<td>107201</td>
</tr>
<tr>
<td>India</td>
<td>21039</td>
<td>13.8</td>
<td>3794</td>
<td>1.7</td>
<td>504</td>
<td>0.3</td>
<td>5707</td>
</tr>
<tr>
<td>Vietnam</td>
<td>496</td>
<td>0.3</td>
<td>2507</td>
<td>1.1</td>
<td>996</td>
<td>0.5</td>
<td>48208</td>
</tr>
<tr>
<td>Philippines</td>
<td>8354</td>
<td>5.5</td>
<td>4816</td>
<td>2.2</td>
<td>16932</td>
<td>9.2</td>
<td>4256</td>
</tr>
<tr>
<td>Pakistan</td>
<td>10849</td>
<td>7.1</td>
<td>5695</td>
<td>2.5</td>
<td>25</td>
<td>0.0</td>
<td>3190</td>
</tr>
<tr>
<td>Thailand</td>
<td>630</td>
<td>0.4</td>
<td>669</td>
<td>0.3</td>
<td>347</td>
<td>0.2</td>
<td>506</td>
</tr>
<tr>
<td>Cambodia</td>
<td>286</td>
<td>0.2</td>
<td>236</td>
<td>0.1</td>
<td>29152</td>
<td>15.8</td>
<td>5952</td>
</tr>
<tr>
<td>China</td>
<td>6</td>
<td>0.0</td>
<td>1775</td>
<td>0.8</td>
<td>32</td>
<td>0.0</td>
<td>774</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>157</td>
<td>0.1</td>
<td>64</td>
<td>0.0</td>
<td>1110</td>
<td>0.6</td>
<td>2241</td>
</tr>
<tr>
<td>Others</td>
<td>5</td>
<td>0.0</td>
<td>286</td>
<td>0.0</td>
<td>36</td>
<td>0.0</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>152325</td>
<td>100.0</td>
<td>223688</td>
<td>100.0</td>
<td>184092</td>
<td>100.0</td>
<td>580820</td>
</tr>
</tbody>
</table>

Source: DOIM, Unpublished Data
In 1987, the construction union, as part of its strategy to prevent the exploitation of undocumented workers, assisted in obtaining permanent residency cards for 500 Indonesian workers who were employed in this sector (Guinness 1990). Indonesians workers are sort after in this sector as they are more willing to do difficult tasks and are thought to have the required physical endurance (Abdul-Aziz 2001). Indonesian workers, of varying legal status, continue to dominate this sector.

The domestic work sector recruits workers to carry out household duties, including those of caring for children and the elderly population (Chin 1997; Kassim 2006a). This is the only sector which is not recognised as a formal sector. The sector does not come under the various employment regulations, and it does not provide any protection under the employment law in Malaysia. As a result, the employees in this sector, almost all female, do not enjoy many rights: they are not eligible for sick leave or public holidays; they have no specific break periods or days off; there are no official limits to the hours worked; there is no paid overtime.
or termination benefit; and there is no annual leave (Piper 2005a). The employment terms are largely dictated by the employers and, therefore, are dependent on their goodwill (or lack of it).

The policies also differed from one source country to another depending on their bilateral agreements. Nevertheless, bilateral Memoranda of Understandings (MOU), signed between sending and receiving countries, have improved the conditions of the workers from some countries (DOSM 2006). The Philippines has ensured minimum wages and a weekly day-off for the Filipinos (Ariffin 2001). In 2011, Indonesia, the dominant source country for domestic workers, shown in Table 2.10, temporarily stopped sending domestic workers to Malaysia with the aim of setting minimum wages, weekly days off and reduced agency fees (Bernama September 22, 2010). Since MOUs in this sector are country-specific, Malaysia, with ad-hoc policies, has resorted to bring domestic workers from Cambodia to the issues with Indonesia are resolved. At the end of 2011, a new MOU between Indonesia and Malaysia was signed, lifting the ban. Indonesian domestic workers now have a minimum wage (MYR 700) and insurance. Almost all the workers employed in this sector are females.

In 1992, low-wage garment production was the first area in the manufacturing sector formally allowed to employ unskilled foreign workers. The manufacturing sector now has the largest share of foreign labour and employs approximately 30 per cent of the total number of migrant workers in Malaysia. Migrant workers are mainly employed as production operators in this sector (Kassim, 2001). They are also found in the wood and food manufacturing industries. However, in recent years these industries have been threatened with the relocation of plants to
lower-cost countries such as China (ADB 2008). The Indonesians make up one fifth of documented workers employed in this sector.

In 1992, beginning with the hotel industry, the services sector was permitted to recruit migrant workers (Pillai 1999). In 2009, it employed 203,639 migrant workers, 19 per cent from Indonesia. In recent years, as shown in Table 2.10, the sector has been dominated by workers from Indonesia. Employers are allowed to recruit migrant workers for their restaurants, laundries, cleaning services, resorts, charity homes, retail and wholesale outlets, textiles, goldsmiths, hair salons, and recycling industries. However, migrant workers are not permitted in any front-line jobs such as cashiers or counter clerks.

In addition to the approved sectors, the migrant workers, especially Indonesians are found involved in petty trading, self-employment (hawkers, cobblers, tailors, freelance domestic workers, drivers and others) and other jobs (Lean and Hoong 1983; Kassim 2000, p. 102). Such jobs which paid MYR 2500 or less monthly were classified as in “others” sector in this study. Unlike the documented and undocumented workers who are legally prohibited from finding employment in this sector, the permanent residents, as with Malaysian citizens, do not have any restrictions on their work in this sector. In fact, this sector employs many Indonesians who fled Aceh in the 1980s, gained illegal entry into the Peninsular and later obtained their permanent residencies (Wong and Anwar 2003a).

2.5 Conclusion

This chapter has established the context of the ongoing international labour migration flows from Indonesia to Malaysia. It shows the presence of Indonesians in Malaysia as early as the
7th century. While the flow has continued, the scale and nature of Indonesian migration to Malaysia has changed. Over the centuries, Indonesian migration to Malaysia has grown from being small and unrestricted to large-scale regularised migration. Such restrictions pushed migrants into statuses such as permanent residents, documented migrants and undocumented migrants. The size and nature of these categories are discussed in this chapter. This was then followed by an outline of the sectors in which they are employed. Policy analysis shows that, while the Indonesian labour force proves to be important for Malaysia’s growth, Malaysian policy makers’ approaches have been ad-hoc, rather than strategic. The following chapter briefly reviews the literature in the area of circular and permanent migration and offers the theoretical and conceptual framework underpinning this research.
Chapter 3. Literature Review and Theoretical Framework

3.1 Introduction

As Castles and Miller (2009, p. 21) have pointed out, “migration is a process which affects every dimension of social existence, and which develops its own complex dynamics”. The study of migration is, therefore, essentially interdisciplinary, incorporating qualitative and quantitative studies. It also necessitates an understanding of historical, national, regional and global forces. Therefore, it cannot be hoped that one theory could account for all types of migration (Massey et al. 1998; Arango 2000, p. 278). Frameworks needed to understand permanent migration would not fully explain circular migration.

After a brief survey of the literature on immigration in Malaysia and studies of examples of circular migration (mainly to traditional immigration countries and within the EU), this chapter explores past and present theories of international migration, especially for the insights they provide for circular migration. The ongoing and increasing importance of international migration has generated, and is still generating, various theoretical perspectives. The neoclassical, the New Economics of Labour Migration (NELM), the historical-structural, the systems and social networks and transnationalism theories are reviewed. In order to assess these theories it is also necessary to examine the role of international borders and the modern nation-state, with particular reference to Malaysia. The growing literature theorizing circular migration and its relation to development is also reviewed. These theoretical frameworks all
provide some assistance in understanding the importance and dynamics of circular migration, though no single framework taken alone is adequate in itself to explain the particulars of the situation in Malaysia. The conceptual framework underpinning this research is then outlined.

3.2 Studies on International Migration to Malaysia

The growth in international migration to Malaysia since the 1980s has not been accompanied by a growth in research and analysis. The studies that have been carried out have usually taken a broad perspective, outlining the history of migration, examining the current socio-economic conditions in Malaysia and the country of immigration and analysing current policies (Lean 1984; Ariffin 1993; Hugo 1993; APMRN 2000; Jones 2000; Abubakar 2002; Liow 2003; Kanapathy 2006; Mei 2006). These studies have mainly focused on migrants from Indonesia and rarely on migrants from other countries. The majority of this research uses a qualitative methodology, relying heavily on data published by government agencies. A small number of empirical studies have also been undertaken, mainly by students in higher learning institutions (Devi 1986; Darul Amin 1990; Lee 1993; Eki 2002).

The studies on international migration in Malaysia focus on specific issues: the differences between documented and undocumented migrants (Dorall 1987; Richard 1987; Kassim 1987a; 1997; Abdul-Aziz 2001; Mantra 2002; Liow 2003; Wong and Anwar 2003a; Wong 2004; Sadiq 2005; Kanapathy 2008a); policies (Pillai 1999; Liow 2003; Kaur 2005; 2007c); security issues (Kassim 2005c; Ajis et al. 2009; Arifianto 2009); housing issues (Kassim 1986; 2000); human welfare (Gurowitz 2000); specific Malaysian states (Guinness 1990; Kassim and Hamid 2004; Omar 2005; Kassim 2005b); and specific employment sectors (Gill 1987;
Nayagam 1987; Chin 1997; Zehadul Karim et al. 1999; Ariffin 2001; Amatzin 2004). To date, although some of these studies touch on the issue of migrants’ intentions in relation to returning to the home country, there is little empirical analysis of migrants’ circular behaviour and transnational linkages in the literature.

3.3 Studies on Circular Migration

Only in the last decade has circular migration become a focus of research and policy development among international migration policy planners (Agunias and Newland 2007; Vertovec 2007). Taking a largely theoretical perspective, these publications discuss the developmental impacts, the possible negative dimensions, the necessity of policy improvement, its legal issues and its methods of implementation (Neil 2003; Agunias 2006; Agunias and Newland 2007; Vertovec 2007; Cremona 2008; Fargues 2008; Venturini 2008; Newland 2009; Hugo 2009a; Skeldon 2011; Wickramasekara 2011), sometimes drawing on various case studies (Chapman and Prothero 1985; Goldstein 1985; Newland et al. 2008). The evidence-based empirical studies on circular migration are small in number and are mainly related to internal migration (Elkan 1967; Bedford 1973; Hugo 1975; 1982; Taylor 1986; Bigsten 1996; Bell 2001; Collinson et al. 2003; Badiani and Safir 2009; Ford et al. 2009; Guo et al. 2011) or looking at migration within the EU. Examples for comparisons in analysing circular migration of low-skilled Indonesians in Malaysia were mainly drawn from the studies on circular migration between Germany and other European countries (Constant and Zimmermann 2003a), between Puerto Rico and the USA (Conway et al. 1990; Duany 2002), migrants travelling between New Zealand and Pacific Islands (Hammond and Connell 2009; Bedford et al. 2010) and migrants leaving Albania (Vadean and Piracha 2009).
3.4 Theoretical Approaches to Circular and Permanent Migration

Migration theories have been criticised for having too narrow a focus (Wood 1982; Skeldon 1997; Massey et al. 1998; Boyle 2001; Battistella 2003), often looking at migration from the perspective of only one discipline (such as economics, sociology, geography, politics or history) (Brettell and Hollifield 2000; Demuth 2000) and with a limited scale of analysis (either macro, meso or micro level) (Greenwood 1985). The theories only provide a partial understanding, they do not provide empirically testable statements to such an extent that Arango (2000, p. 294) believes that these studies “would not qualify as theory”, as their conclusions provide a partial understanding and rarely establish empirically testable statements. Early migration theories, which were built on a model of internal migration, also failed to include understanding of the complexities of international borders (Lean 1987). Also, these theories usually concentrated on just one of the four phases of migration (pre-migration phase, actual travelling phase, arrival phase or sojourn phase) (Demuth 2000, p. 23), taking cross-sectional rather than longitudinal perspectives (Warnes 1983). The theories did not include return migration in their analytical framework (Demuth 2000, p. 24). Nevertheless, the theories do provide a starting point for an evaluation of the processes of migration.

3.4.1 Economic Theories of Migration

Neoclassical Theories

The first studies with a focus on the theoretical aspects of migration came from the discipline of economies and thus were concerned to find statistical laws and general theories. Neoclassical theories assume that economic decisions are rational choices made by individuals
who have full information concerning their decision and the capacity to maximise rewards. It is within this thinking that the “push-pull” models of immigration were developed. Early theorists talked of migration as a single, permanent event, and yet ideas similar to circularity were also present (Massey et al. 1993). Ravenstein (1885), the first to theorise migration, predicted that future migration movements would change in their socio-demographic characteristics, their spatial and temporal factors. Ravenstein recognise migrants as undertaking both circular and permanent forms of migration. His “long journey” migrants are described as those who travelled to settle and his “temporary” migrants were made up of tourists, sailors, prisoners and “the hop-pickers, who annually left London for Kent and Surrey” (Ravenstein 1885, pp. 183-184), indicating that these migrants were seasonal workers who would fall into the category of the current concept of circular migrants or migrants who had no intention of changing their place of residence permanently. Ravenstein (1885, p. 187) also established that there was generally an overall balance between outgoing migrants and returning migrants.

Lewis’s dual-sector model theory (1954), an elaboration of Ravenstein’s model, highlighted the wage differences between home and host nations as the main reason pushing/pulling migrants to leave their home countries (Jorgenson 1961; Massey et al. 1998; Chiswick 2000; Castles and Miller 2009). However, these wage differences were expected to diminish over time as the continued migration flow, with its increased supply of workers, is eventually expected to lower wages in the host nation (Massey et al. 1993). The competition within the domestic economy in the home country, as a result of declining number of workers, is then expected to push the wages to a higher level. However, the dynamics of wage differences do
Stahl’s (1984) comparisons of the wage rates in ASEAN (sending countries) with the rates in the Middle East (receiving countries) showed no change over time.

Piore’s (1979) dual labour market theory (also known as segmented market theory) stresses the importance of pull factors as initiators of the migration process. Migrants are said to be attracted by the prestige and status gained from migration, rather than pure economic gain (which in fact may be marginal). Even though migrants are often recruited to fill the secondary labour market, which has low status and is shunned by the locals, if migration provides social status back in the home country then it is still perceived as valuable. This form of economic dualism, where migrants work in a segmented job market in the lowest status and lowest paid positions, has consequences for the host country, which may include the development of ethnic enclaves, structural inflation and hierarchical constraints (Massey et al. 1998; Arango 2004). Consequences for the migrants may include exploitation and social exclusion. While the dual economy theory does not cover the differing forms of migration, it highlights wage differentials as the motivation for migration.

A further expansion of Ravenstein’s theories was developed by Lee (1966, p. 49) through including causal factors within the home and host countries, personal factors and intervening factors (consisting of issues of racial diversity, diversity in place, immigration restrictions, and changes in economy). These are seen as either hindering or expediting migration plans. Lee believed that accumulated experience and networks (migration specific-capital) will ease a migrant’s journey when taking well-defined routes. The theory argues that migration may be followed by a counter-stream migration, indicating the possibility that those residing in the
host country (including foreign-born children) may return to the country of origin. While he suggests that success in achieving migration goals is a factor encouraging return, he did not foresee that the failure to succeed upon returning home could precipitate re-migration.

Todaro (1969), through his push–pull model, expanded the neoclassical theories concerning wage differences by including urban unemployment and introducing migration as a complex process. He included the transition time a migrant may have to wait before reaching their hoped-for wages. Todaro (1969, p. 139) explained that migration did not occur in a simple transition from agricultural rural employment to industrial urban employment, as assumed by prior theories. He introduced migration as a two-stage process, in which the migrant moved and joined the “urban agricultural/traditional” sector until transiting into “urban industrial employment”. While Todaro did not discuss the various forms of migration, it was implied that the migrant’s ultimate goal was to secure urban industrial employment. This would suggest that permanent migrants are more likely to aim for urban industrial employment while the circular migrants would stay working in the agricultural sector, either urban or rural.

These versions of neoclassical theories are built on economic factors (such as rational choice, utility maximization, expected net returns and wage differentials (Arango 2000)), combining both micro and macro factors (Sjaastad 1962; Todaro 1969; Todaro and Maruszko 1987) and view migration optimistically (de Haas 2010), as bringing development to both countries (Taylor et al. 1996b). The home country benefits from increased national income, higher foreign exchange and savings, while the host country benefits from labour supply. These theories portray migration as a process of “cutting old ties and forging new ones” (Massey et al. 1993, p. 434). All migrants are assumed to be aspiring to permanent migration at the new
destination and those who migrate are expected to eventually bring their families to join them (Cassarino 2004). The theories, being based on internal migration research, assumed migration as a process free from entry and exit barriers and excluded non-economic factors. However, as the motivations underlying an individual migrant’s initial move are likely to be similar to those influencing any subsequent migrations, these theories may help with tools for understanding motivation.

The New Economies of Labour Migration

The new economics of labour migration (NELM), “probably the most migration specific of all theories” (Arango 2000, p. 287), seeing labour migration as being universally positive and with substantial developmental benefits, evolved in the 1980s. Utilising the disciplines of anthropology and sociology, it was the first theory to see migration as a decision-making process which included the broader family and not just the individual migrant (Stark and Bloom 1985; Massey et al. 1993). This perspective sees that the family, as a unit, attempts to diversify its risks with some members working within the local economy and others going abroad (Taylor 1999). The family is thus insulated from failure in the local market. However, the theory does not take into account the significant risks migrants invariably face in the host country, such as poor wages and harsh working conditions. It also concentrated on high-skilled workers, portraying low-skilled workers as “not wishing to migrate” due to lack of demand (Stark and Bloom 1985, p. 174). NELM highlighting the importance of social capital, analyses the benefits of “network and kinship capital” for migrants. Through these networks, new migrants have assistance to settle at the destination and they may have collective bargaining power as an ethnic group. In the home country, families who do not have migrants
within their unit may experience themselves as being “deprived” when compared to migrant families (Stark and Bloom 1985; Stark and Taylor 1989; Stark and Taylor 1991).

In contrast to neoclassical theories which assume migrants as undertaking permanent migration in an attempt to maximise earnings, NELM portrays migrants as taking their earned capital to spend in the home country (Massey and Espinosa 1997:p. 987; Constant and Massey 2002). Neoclassical theories take a migrant’s failure to achieve migration goals as a factor influencing their return decisions, while NELM theorists see that it is the successful attainment of goals which influences a migrant’s decision to return (Cassarino 2004). However, both these theories fail to indicate the possibility of repeated migrations before a migrant decides whether they have succeeded or failed in achieving their goals, nor do they take into consideration the length of time spent in each migration.

3.4.2 Interdisciplinary Theories of Migration

Historical-Structural and World Systems Theories

The historical-structural theories, which emerged in the 1970s, postulate that migration is a process caused by the outcome of broad economic, social and political processes rather than as a result of an individual’s choice (Wood 1982). These theories focus on the unequal distribution of wealth and power that allows the developed world to take advantage of cheap labour from underdeveloped countries. They highlight the “brain” or “brawn drain”, the loss of skilled and unskilled labour, from the home country to the host country (Castles and Miller 2009). As the inequality between nations is perpetuated by migration it is consequently seen as a negative process (de Haas 2010; Tomei 2011).
This theory allows for migration to be a two-way process in which, when favourable economic conditions exist in the home country, migrants are able to return and successfully re-integrate. However, in order to do this, they need to have spent sufficient time in the host country to gain and accumulate both financial and human capital (Dustmann 2001). According to King (1986), deciding on the optimal length of stay, a time long enough to gain assets but not long enough for a migrant to lose contact with their home country and become assimilated into the host society, is problematic. This perspective also offers an explanation as to why remittances are often largely spent in conspicuous consumption (Byron and Condon 1996, p. 100), suggesting that migrants attempt to fulfil the wishes of their family in order to remain embedded in their old life. Renovating or building bigger houses and purchasing luxury items are chosen as conspicuous investments.

World systems theories evolved from the historical-structural approach, attributing international migration in the past to the expansion of colonial powers in search of land, raw materials and labour (Massey et al. 1993). International migration is now seen as a result of multinational corporations’ search for low-cost labour. The sending countries are often poorer countries which share similarities (cultural, language, administrative) and have established links (colonial and post-colonial, transportation and communication) with the richer destinations (Castles and Miller 2009). The historical flow of migrants within the ASEAN region was generated by successive foreign rulers (Srivijaya, Majapahit, British, and Dutch). The social and economic linkages resulting from these historical interrelationships have always encouraged a circular movement of people, but not one that is sanctioned by the present-day ASEAN members (Lean and Hoong 1983, p. 278). While this perspective
emphasises that the structural bases of migration rest on large historical antecedents, it is not concerned with the individual migrant and ignores human agency.

**Migration Systems Theories (Macro), Network Theories (Micro) and Institutional Theories (Meso)**

In the 1990s more interdisciplinary approaches to migration began to arise as research into immigration expanded rapidly and, according to Castles and Miller (2009, p. 27), began to provide more a “comprehensive” conceptual framework. These theories place greater importance on migration-specific human and social capital, emphasizing the benefits migrants gain by establishing and maintaining relationships (Massey and Espinosa 1997). Migration systems theory, a theory which draws on aspects from previous theories, describes countries as belonging to exchange systems (Castles and Miller 2009). Building on world systems theory, this theory assumes migration as a process that occurs between countries with previous links, the migration forming them into a “regional” linkage (though possibly at a distance). It emphasises the necessity of examining all aspects of the linkages: state, cultural, social networks and family. At the base of this approach is the view of migration as a combination of micro- and macro-structures, linked through the meso. The macro-structures include the world political economy, international relations and issues of state. The micro-structures are the personal and familiar networks of the individual migrants. The meso-structures mediate between the economic and political institutions and the migrant, with the migration industry consisting of lawyers, agencies and others (Castles and Miller 2009).

The network theory is built on social capital theory (Massey 1987b). Cutting across institutions, network theory sees individual as “nodes” which link to form networks (Vertovec
Kinship and friendship with those already involved in migration reduce the odds of migrants making decisions with insufficient information. As numbers swell, the network becomes “self-feeding”, a powerful system of both information and people which reduces the monetary and psychological costs of migration (Boyd 1989; Massey 1990; Massey et al. 1993; Meyer 2001). This process is the focus of the idea of “cumulative causation”, which postulates that the greater the social and human capital in the host country the less likely migrants are to return home (Massey et al. 1993; Roberts et al. 1999). However, the accumulated social capital may also lead to the development of ethnic enclaves, where members of an ethnic or even regional origin are in the majority. When this happens, new job openings are secured for the members within the ethnic group (Portes 1998). This becomes a self-perpetuating movement which may be difficult for structural and governmental factors and policies to control. Ethnic enclaves are beginning to form in parts of Peninsular Malaysia both location-based (such as Indonesian settlements in Kuala Lumpur and areas of Selangor) or job sector-based (such as the Minangkabau, from West Sumatra, preferring petty trading and the Bawean, from the island north of Java, in construction) (Kassim 1986; 2000).

Institutional migration theories discuss the importance of intermediary institutions maintaining the flow of migrants (Massey et al. 1993), in which government, non-governmental organisations and entrepreneurs often play opposing roles. The stakeholders representing various aspects of migration, such as brokers, agents, smugglers and members of non-profit organisations, may facilitate or exploit migrants and often contribute to the number of undocumented migrants. King (2002a, p. 95) sees this “privatisation of migration” as part of the globalisation of the economy. For example, the brokers in Indonesia and Malaysia are
known to have been in control of that migration flow since the middle of last century and to have taken over the system from colonial times.

While theoretically it is possible to speak of macro- meso- and micro- structures separately, in reality it is difficult to isolate them as they interact and impact on each other within the migratory process.

**Transnationalism**

In the last twenty years, migration has begun to be analysed in terms of transnationalism by many scholars (Schiller et al. 1992; 1995; Portes 1997; Vertovec 1999; Portes et al. 2002; Castles 2003; Levitt et al. 2003; Portes 2003; Vertovec 2003; Faist 2010). Transnationalism has been defined as “the process by which immigrants forge and sustain multi-stranded social relationships that link together their societies of origin and settlement” (Basch et al. 1994, p. 7). This perspective sees “transmigrants” as those who maintain familial, economical, cultural and political ties in a social space that exceeds national borders and encompass both home and host nations (Basch et al. 1994; Schiller et al. 1995; Portes et al. 2002; Levitt and Jaworsky 2007). It emphasises the agency of the individual migrant who has multiple and fluid identities, focussing on relationships which incorporate differing spatial and temporal dimensions (Kivisto 2001, p. 533).

Transnational activities connect transnational migrants to both the host and home countries (Portes et al. 1999). Portes (1999, p. 221) divides these into two categories: transnationalism from “above”, which results from “activities conducted by powerful institutional actors” (government and organisations) and transnationalism from “below”, which is “initiated by
migrants and their links”. Remittances, properties, letters, phone calls, personal visits and membership to a diaspora group are some of the activities migrants maintain between host and home nation (Parrenas 2001a).

Unlike early theories, these contemporary theories see migrants as maintaining temporary or circular mobility “repeatedly between two or more places” (Castles and Miller 2009, p. 30). Many argue that transnationalism is not a new theory, citing that migrants have always maintained activities between their home and host countries (Foner 1997; Waldinger 2006). It is also criticised for the same weaknesses seen in other theories of migration, in that it is seen as being too broad (Portes et al. 1999; Kivisto 2001), analytically confusing and theoretically vague (Guarnizo et al. 2003a, p. 1212). Critics point out the difficulty in measuring the scale of transnational “consciousness and behaviour”. Castles and Miller (2009, p. 33) report the lack of research concerning transnational behaviour and the abuse of the terms “transmigrant” and “transnational community”. They argue that neither all temporary migrants, who travel abroad for a few years and remit regularly, nor permanent migrants, who retain occasional contacts, should be called transmigrants. For them, the defining feature is that the transnational activities be “a key part of a person’s life (Castles and Miller 2009, p. 33). Similarly, Portes (1999) expresses concern that the term needs to be used judiciously and not simply as a replacement for the term migrant. Bailey (2001, p. 418) takes it one step further and differentiates transnational migrants from circulators, identifying circulators as those who maintain unequal commitments to the host and home countries. The measure of a migrant’s transnationalism is, therefore, difficult to assess, especially when the theory’s definitions have not yet been clarified. Also, with its focus on transnational spaces (beyond borders) and
transnational lives, this theory has been criticised for failing to see the ongoing necessity and power of the individual nation-states (Schiller 1997; Hardwick 2000).

This study in investigating the circular migration of low-skilled Indonesians to Malaysia uses the migrants’ intentions to stay in Malaysia to distinguish the patterns and processes of circular and permanent migration. In its examination of the circular movements and the consequent lives of the migrants both in the home and the host country, the transnational framework is found to be the most useful for this study. Return, from this perspective, is not seen as an end to a migration cycle, but as the means to having a continuing relationship with the home country; it is “part and parcel of a circular system of social and economic relationships” (Cassarino 2004, p. 262). Transnational migrants actively seek to maintain transnational mobility and transnational identity. However the theory has been developed largely in relation to highly-skilled migrants from advanced industrial nations. Whether this perspective is entirely applicable to the Indonesian labour migrants is still to be examined (refer chapters 5 to 9).

Table 3.1 presents a summary of the expected behaviour of migrants within three broad theoretical perspectives. Migration was earlier seen as a process of swapping one national identity for another, of a moving of allegiances and relationships, of an integration and assimilation into a new country. Transnationalism allows for an understanding of a growing pattern in migrant behaviour where individuals are ‘at home’ within a transnational space. Where countries embrace dual citizenship or adopt policies of circular migration, migrants are likely to be well protected. However, when countries still have highly restrictive policies coupled with porous national borders, then migrants are vulnerable at many levels. It is
therefore necessary to look at the integrity of the nation-state and the continued importance of national borders when examining migration patterns.

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<th>Table 3.1 Summary from Selected Theories</th>
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<tr>
<td>Neoclassical Theories</td>
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<td>New Economics of Migration</td>
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3.5 International Migration and the Nation-state

Globalisation and involvement in the global economy is expected to challenge, alter or minimise the sovereignty of nations (Sassen 1996; Joppke 1998; Vertovec 2009). However, there are countries not prepared for such changes that continue to concentrate on setting restrictions to control the negative influence of international migration on the political entity and identity of the nation-state (Kessler 2009). While in some countries international migrants are needed for economic purposes (where they contribute to a nation’s development, wealth, power and prestige), politically they are not welcomed as potential citizens (Morris-Suzuki 2007; Kessler 2009). Often characteristics, such as birthplace, ownership of property, indigenous rights, race and religion, are used to limit the citizenship of a nation-state (Leigh 2007).

The challenges of building a sovereign nation-state will differ from one country to another and take time and political will. Great Britain, for example, can be seen to have built its civil rights
in the 18th century, political rights in the 19th century, and social rights in the 20th century (Marshall 1950, p. 10) (often at the cost of similar rights in its colonised territories). However, many Southeast Asian countries, having achieved their independence from colonial powers only in the middle of the 20th century, are still strengthening their nationhood and liberal. As the citizens in these countries are still struggling to achieve their own civil, political and social rights, they are not as yet concerned with extending equal rights to migrants.

Control of its borders is seen by a nation as an attempt to safeguard the sovereignty of its state. While capital, information, goods and services move around the globe through increasingly open borders, “when it comes to immigrants and refugees ... the national state claims all its old splendour in asserting its sovereign right to control its borders” (Sassen 1996, p. 56). With contradictions within a nation’s agenda and growing pressure from human rights associations (Jacobson 1996), many countries face dilemmas in setting measures to achieve the goals of border control. Moreover, resistance to the control of international borders may come from specific groups within a nation, such as employers, middlemen and even government officials, facilitates undocumented migration (Battistella 2007). Furthermore, while an individual country may facilitate its citizens to migrate, or indeed may force its citizens out, there is no charter declaring that citizens of one country have the right to enter any further country (Pecoud and Guachteneire 2007). Thus, unwanted migration becomes a problem to the receiving country but not to the country of origin.

Citizenship provides incorporation and security within the nation-state (Newland et al. 2008). However, many countries do not allow dual citizenship which is seen by contemporary migration experts as a way of facilitating migrants to maintain dual lives, both in the home and
host countries (Levitt 2001; Newland et al. 2008). Some countries see dual citizenship as a weakening of loyalty to one of the two states (Newland et al. 2008). However, in a nation where international migrants are a part of the economic fabric, low-skilled migrants without the right to attain citizenship and often with few civil rights, are especially vulnerable. Pecoud and Guchteneire (2007) suggest that a possible solution to this problem is to stop seeing citizenship as an all or nothing concept. Migrants could then “initially receive a first set of rights (civil rights and fundamental social rights)” and eventually “in a step-by-step fashion, full welfare rights or political rights” (Pecoud and Guchteneire 2007, p. 20). This would mean that no participant in the society was without rights and yet pacify nationals who resist extending benefits to newcomers.

The migrants who choose to settle permanently in the host country (either legally or illegally) may completely assimilate into the society and culture or, become a member of an ethnic community or an ethnic minority (Castles and Miller 2009). Ethnic communities form in countries which welcome multiculturalism or pluralism. The multi-cultural or pluralist societies accept diversity and make it feasible for migrants to maintain their membership in an ethnic community. However, when permanent settlement is not embraced and there are large numbers of undocumented migrants, they may become not just a part of an ethnic minority but an underclass. Their minority status is often a reflection of an already existing social differentiation (racism, sexism and class distinction). These minority groups are negatively portrayed, as “other”, stigmatised and scapegoated by the majority. Such an underprivileged sector in a society is “contrary to the national interests of states as such rightless migrant workers would create downward pressure on the well-being of the whole population” (Pecoud
and Guchteneire 2007, p. 19). Bailey (2009, p. 76) also notes the possibility of transnational migrants suffering from disadvantages (such as job deskilling, working long hours, renegotiating identities) in attempting to maintain their dual lives. He believes such attachments “systematically circulate vulnerabilities” and “deepen inequality” (Bailey 2009, p. 76).

Generally, migration theories did not include the influence of politics and the state (Zolberg 1989; Arango 2000). Early theories often ignored the issues of border crossing as do new theories which often ignore or underestimate the effect of international borders. The theory of transnationalism is portrayed by some researchers as a “deterritorialisation”, a weakening of the concept of nation-state (Basch et al. 1994; Hardwick 2000; Wimmer and Schiller 2003; Cassarino 2004). On the other hand, some stress the renewed importance of the nation-state and view the relationship between state and citizens as being reconfigured as a result of the control imposed by the state (Guarnizo 1997; Guarnizo et al. 2003a; Waldinger 2006). In other words, the effects of transnationalism is limited by the rules and regulations instituted by a sovereign country. Nevertheless, transnational activities do occur beyond the control of nation-state and its policies. Using bilingual and bicultural skills, migrants often manifest a “horizontal and vertical integration” within their ethnic communities (Levitt and Jaworsky 2007, p. 135), such that they begin to live beyond the controls imposed by the regulators of a nation.
3.5.1 The Nation-State of Malaysia

Malaysia aims to become a fully developed country by 2020, a vision created in 1991 by the then Prime Minister Dato Seri Dr Mahathir Mohamad. This vision sees Malaysia as fully developed “in terms of all dimensions of national life: national unity and social cohesion, the economy, social justice, political stability, system of government, quality of life, social and spiritual values, and national pride and confidence” (Economic Planning Unit 2005, p. 8). Furthermore, Millennium Development Goals (MDG) for Malaysia centres on ensuring human well-being and eradicating poverty. However, none of these goals specify the contributing role of migrants, nor indicate Malaysia’s responsibilities to its non-citizens.

Conditions within Malaysia, including the racial balance within its citizenship and its restrictive immigration policies that are not transparent and unilaterally enforced, combined with media and public sentiment create an atmosphere in which migrants are viewed with suspicion and as taking local jobs (Healey 2000; Wong 2004; Wong 2009; Selvarani and V Jaindren May 25, 2008). Negative media headlines are common, portraying migrants as the “villain”, and calling on the government to take control. These often specifically refer to Indonesian migrants who make up the largest proportion of migrant workers in Malaysia (The Star February 21, 2007). The Malaysian public appears to view all migrant workers as a problem and potential threat to Malaysia (Kamal October 6, 2009). This has been confirmed by Kleemans and Klugman’s (2009) international research on host country’s attitudes towards immigrants, in which the Malaysian public were assessed as having the lowest tolerance of migrants of any country in this study. More than 90 percent of Malaysians are in favour of prohibiting entirely or limiting the number of migrants in Malaysia. About 50 percent do not
want to live next to a migrant in Malaysia (PEW 2007). Such negative attitudes towards migrants undermine the potential positive developmental gains of migration.

Malaysia’s resistance towards international migration lies in the history of its making (Andaya and Andaya 1982; Khoo 1999). Prior to independence, Britain’s efforts to establish a country with equal rights for all members failed in Peninsular Malaysia due to the strong opposition from the Malay nationalists (who proclaimed themselves as the “natural” owners of the country) (Andaya and Andaya 1982; Khoo 1999). An agreement was reached, prior to independence, that while the non-Malays’ were to have citizenship (Khoo 1999), the Malays were to be endorsed as the dominant ethnic group with Islam as the official religion and Malay as the official language (Boon-Kheng 2002; Boon-Kheng 2004; Saravanamuthu 2004). In Sabah and Sarawak, in addition to the Malays, the indigenous communities (such as Dayak, Iban, Kadazan and others) were to be recognised as the key members of the nation-state. Since 1971, the Malay and indigenous communities have been classified as “Bumiputera” (which means “son of soil”) and they have a certain priority in education, employment, political power and wealth due to the incorporation of a quota system (Ariffin 1995, p. 347). Despite the policies having been reviewed, the prioritising of the Bumiputera, which was originally to have been in place for 14 years, has continued. Making all citizens equal has not yet become a part of the national agenda. This inequality, based on ethnicity, strongly influences the identity and national feeling of Malaysia’s multi-cultural population. Malaysia still lacks a national unity and shared national identity (Boon-Kheng 2004, p. 1).

Citizenship generally provides membership to a country, a membership that, in a democracy, theoretically gives each citizen equal rights (Castles and Miller 2009). However, in Malaysia,
there are irregularities in relation to equality concerning gender, race and ethnicity (Balasubramaniam 2004; Saravanamuthu 2004; Mascarenas 2012). There are many examples of these. Malaysian women do not have the same rights as Malaysian men if they marry a non-national; the process has embedded within it the assumption that only wives (of Malaysian citizens) are able to proceed with possible permanency and citizenship (see chapter 2). As race in Malaysia is determined by the race of the child’s father, Malaysian women who are married to foreigners are encouraged to emigrate, citizenship not being extended to their children. Every citizen does not have equal freedom of mobility within the nation: Sabahans and Sarawakians are free to enter Peninsular Malaysia, for work or to reside, while Peninsular Malaysians are required to obtain work permits when moving to Sabah or Sarawak and face highly restrictive permanent settlement policies (Sim 2002; Fernandez 2009). Maintaining the indigenous ethnic dominance within these states is suggested as the reason for such restrictions.

Another issue that highlights the delicacy of ethnic balance and equal rights in Malaysia is the issue of stateless migrants. It has been reported that there are approximately 450,000 stateless Indians in Malaysia, the majority in Peninsular Malaysia (Malaysia Today March 15th, 2012). Many of these people have been in Malaysia “illegally”, without documents, for three generations. Only in recent years has their plight been taken seriously, with Malaysia starting to attempt to solve this issue (Malaysia Today February 23, 2012). In Sabah, illegal immigrants and refugees number half a million. In Sabah too, there are 100,000 stateless children (Kanapathy 2008a; Mulakala 2010) who have been born to parents of Indonesian or Filipino origin who live in Sabah. While the parents may still have citizenship in their country
of origin, these children are stateless. Again, only recently has the government begun to give this matter serious consideration (Borneo Post 2012). These issues are often overlooked so as not to disturb the current ethnic dominance and policies based on this.

Castles and Miller (2003, p. 138) suggest that Malaysia’s complex ethnic composition has influenced its international migration policies. Unlike Singapore, which facilitates the permanent residency of its high-skilled migrant workers, Malaysia resists the permanent settlement of most migrants whether skilled or unskilled. While allowing low-skilled labour migration, it disenfranchises them with highly restrictive policies (a time bound contract, being tied to a particular employer, not being allowed to bring their families and not being allowed to marry a local) (Battistella 2007). The delicate ethnic issues within Malaysia complicate any attempt to confront the issue of migrants, documented and undocumented. For example, while Chinese and some ethnic Malays (natives of Sabah and Sarawak) are wary of the inflow of Indonesians (as they are thought to strengthen Malay electoral power) (Kassim 1997; Gurowitz 2000; Jones 2000), the Malay or “Bumiputera” politicians are wary of anyone who reduces their racial dominance (Sadiq 2009).

Newland (2009, p. 1) sees policies that restrict the number of admissions and length of stays, that do not allow dual (or more) nationality and that do not facilitate permanent residency as external constraints on circularity. While Malaysia encourages low-skilled labour migration, it only allows entry on restrictive visas. Permanent settlement is not encouraged and Malaysians are not allowed to hold dual-citizenship. With such policy constraints, Malaysia will continue to manifest a workforce which includes a large proportion of undocumented migrants. Many Indonesian migrants, for economic and cultural reasons, will continue to maintain a pattern of
de-facto circular migration, following Newland’s (2009, p. 7) usage of the term. This pattern, however, will reflect the negative aspects of circular migration (Bailey 2009; Newland 2009).

Migration respecting migrants’ rights is more possible when labour movements have been active or when countries are willing to uphold the world’s best practice in relation to human rights (Piper 2010). However, Malaysia, which does not yet have an equal rights-based multicultural society, prohibits most forms of workers’ rights to migrant labourers (Gurowitz 2000). If Malaysia is to continue to compete with other lower-wage migration countries, such as China and Vietnam (Migration News January 2012), there is a need for the migration policies to be revised so as to protect the rights of the migrant workers. The cultural form of the nation-state of Malaysia is as yet ambiguous and unfinished, unresolved and contested (Wong 2009, p. 309). The issue of migration is a challenge to any nation-state; to a nation-state still evolving its human rights issues and governance it is a very big challenge.

### 3.6 Circular Migration and Development

International labour migration is known to potentially benefit migrants, the host country and home country at many levels (Taylor et al. 1996a; Taylor et al. 1996b; World Bank 2006; Kanapathy 2008c; de Haas 2010). At the same time, there are also losses: the separation from family and community left in the home country and increased vulnerability in the host country being amongst the greatest (Jones 2000; European Commission 2011; Skeldon 2011). It is suggested that properly managed circular migration mitigates against some of these losses while maximising the potential gains of migration (Newland 2009). There has been a renewed interest concerning the developmental aspect of international migration, especially to the
sending countries and the individual migrants (Hugo 2003; de Haas 2010; Faist 2011; Portes 2011). Circular migration has been suggested as a programme that can fulfil that aspiration (Agunias and Newland 2007), being able to bring together the (often divergent) goals of the host country, the home country and the migrant (Newland 2009). Host countries gain by the availability of workers without the complexities of integrating migrants; home countries gain by remittances and, hopefully, growth in skills and knowledge; migrants gain jobs, skills and experience.

While theoretically circular migration is argued to benefit all (Newland et al. 2008; Wickramasekara 2011), in reality there could be many caveats (McCormick and Wahba 2001; Skeldon 2009). Some researchers believe that circular migration is merely a new term for temporary labour migration schemes (Castles 2006a; Wickramasekara 2011), in which case, the benefits of circular migration can be, at best, equal the benefits of the temporary schemes. However, stipulating the developmental aspects as central to a policy of circular migration differentiates it from temporary or guest worker programmes. Researchers, such as Newland (2009), portray circular migration as offering more freedom than temporary schemes, with migrants being given choices to select employers, to change employers, to move location and to vary their length of stay. Wicramasekara (2011) suggests that, in reality, not many migrants (especially the low-skilled workers) will be given such choices. Allowing migrants, for example, to choose when they wish to return may lead to a permanent stay or a stay which is too short to satisfy employers (Skeldon 2009). Castles and Miller (2009, p. 68), based on experience in the EU, have shown that the right to free movement actually encourages return
to the home country as there is no restrictions on the ability to make a similar migration in the future if desired.

The varying attitudes towards workers, based on the level of their skills, further complicate the discussion on the possible developmental benefits circular migration is said to bring. With skilled workers, the home nation encourages their return, while the host nation often prefers them to stay permanently. Yet low-skilled workers are encouraged by the host nation to return home, especially where the sending country does not show any preference towards the return of these migrants (Newland et al. 2008). So, while circular migration is often facilitated for the skilled workers, the low-skilled establish their own circular migration patterns, both documented and undocumented. As has been stated, host countries and employers often benefit from an irregular workforce and if there were to be a shift to formulate broad policies of circular migration there would need to be major reform in governance.

Table 3.2 summarises the benefits and disadvantages of permanent and circular migration. Among the many benefits, circular migration schemes offer migrants the freedom to return home for a period before taking up further employment in the host country. This allows them to maintain their ties to their homeland and is said to increase the likelihood of their eventual return to their homeland. It is also argued that these migrants suffer less from long-term family separation compared with permanent migrants (Piper 2010). However, Battistella (2007) argues that this is only possible if the geographical distance between home and host countries is close.
# Table 3.2 Advantages and Disadvantages of Circular and Permanent Migration Schemes

<table>
<thead>
<tr>
<th>Circular Migration</th>
<th>Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To the Migrant</strong></td>
<td></td>
</tr>
<tr>
<td>Gain</td>
<td>Loss</td>
</tr>
<tr>
<td>Reduces long-term separation of migrant and families</td>
<td>Separation from family still occurs</td>
</tr>
<tr>
<td>Continued use/gain of experience</td>
<td>Unable to bring in family members to join as a migrant worker</td>
</tr>
<tr>
<td>Ensure the productive consumption of the remittances through frequent trips home</td>
<td>Disrupted migration plans</td>
</tr>
<tr>
<td>Families left behind live in a known environment</td>
<td></td>
</tr>
<tr>
<td>Fulfils migrants’ preference to return home at least temporarily</td>
<td></td>
</tr>
<tr>
<td><strong>To the Country of Origin</strong></td>
<td></td>
</tr>
<tr>
<td>Limited brain drain / brain circulation</td>
<td>Limited workers circulating for a longer period, thus limiting number of people who may benefit</td>
</tr>
<tr>
<td>Lift the pressure on unemployment</td>
<td></td>
</tr>
<tr>
<td>Increase the average skills of population left behind</td>
<td></td>
</tr>
<tr>
<td>Remittances assured</td>
<td></td>
</tr>
<tr>
<td><strong>To the Country of Destination (including employers)</strong></td>
<td></td>
</tr>
<tr>
<td>Transfer of Skills</td>
<td>Loss of income in new permit issuance fees</td>
</tr>
<tr>
<td>Reduced re-training costs</td>
<td></td>
</tr>
<tr>
<td>Continued use of migrant’s experience</td>
<td></td>
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<table>
<thead>
<tr>
<th>Permanent Migration</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To the Migrant</strong></td>
<td></td>
</tr>
<tr>
<td>Gain</td>
<td>Loss</td>
</tr>
<tr>
<td>Permanent settlement at a single location</td>
<td>Illegal settlers become stateless and leave continued effect on second generation</td>
</tr>
<tr>
<td>Avoid family separation</td>
<td>Permanent poverty</td>
</tr>
<tr>
<td><strong>To the Country of Origin</strong></td>
<td></td>
</tr>
<tr>
<td>Permanent settlement of low-skilled workers reduce the employment burden and brings in a new source of income in the form of remittance</td>
<td>Brain Drain / Brawn Drain (loss of physical strength)</td>
</tr>
<tr>
<td></td>
<td>Lesser remittance</td>
</tr>
<tr>
<td></td>
<td>Loss of investment on public education</td>
</tr>
<tr>
<td><strong>To the Country of Destination (including employers)</strong></td>
<td></td>
</tr>
<tr>
<td>Permanent brain/brawn gain</td>
<td>Increased social costs</td>
</tr>
<tr>
<td></td>
<td>Formation of ethnic enclaves</td>
</tr>
<tr>
<td></td>
<td>Eventually contribute to the increase in elderly population</td>
</tr>
</tbody>
</table>

The cost of travelling home to consume the earnings (another benefit of circular migration (Hugo 2009a)) may prohibit many from maintaining back-and-forth mobility between their home and host nations. It is important to note that the migrants are not just crossing international borders (legal boundaries) but also cultural boundaries (Duany 2002). Frequent border crossing may also present migrants with financial difficulties if they are attempting to maintain close linkages in two countries.

While gain in human capital is assumed for skilled workers (European Commission 2005), it cannot be assumed for the low-skilled workers who travel to fill “unwanted jobs” (Agunias 2007). Furthermore, downward assimilation may occur among children of low-skilled workers who have settled permanently, especially those who travelled illegally (Portes 2007). These second generation permanent settlers are often deprived of education and health benefits, living in impoverished conditions. This situation also negatively impacts on the growth of the host country.

Discussions concerning circular migration involving low-skilled workers often reference the Seasonal Agricultural Migrant Workers Programme (SAWP), between Canada and Mexico, as a successful example (Newland et al. 2008). SAWP migrants receive the same pay as the local workers, are provided with meals, have return trips paid for and are covered by medical insurance, with migrants’ welfare being the responsibility of both countries. The programme ensures the return of almost all migrants to the home country, with a very high repeat participation. The skills migrants accumulate are found to be useful, so repeat migrations reduce the training costs for employers in the host country. SAWP has created a “win-win-win” situation to the migrants, the host country and the home country. However, a similar
programme if it were to be trialled in Southeast Asian countries may pose many challenges. These countries have little experience with policies that prioritise the needs and rights of the migrants. They mainly employ their low-skilled migrant workers in the low-cost export-led industries. Emphasis until now has need placed on obtaining cheap disposable labour, with minimum responsibility being taken by either employers or the government for the well-being of the workers. The size of the migrant population may also be problematic: SAWP deals with 20,000 workers, whereas 7 per cent (close to 2 million) of the Malaysian work force comes from migration. Inexperience in the governance of such policies and regional cooperation are further issues to be overcome.

Almost all researchers note that the eventual return of migrants to the home country is an important aspect in the process of circular migration (GCIM 2005; Agunias 2007; Agunias and Newland 2007; Agunias 2008; Newland et al. 2008; Newland 2009). The experience from temporary return during circulation may not be the same as the experience gained after the eventual return. Gmelch’s study (2004, p. 214) shows migrants as suffering from the loss of friends, loss of privacy, narrow-minded neighbours and the lack of jobs, at least during the initial stages of a migrant’s return to their home country. While less than 20 per cent of the migrants interviewed in Barbados were still dissatisfied about their return at the end of the third year, the situation warrants further investigation. If the home and host countries are in close proximity, there is a possibility that returns become a part of a pattern of circular migration if there is not an immediate reintegration into the home country. However, it is thought that migrants who have a pattern of frequent travel between the home and host countries are more likely to settle easily upon return home. The issue of successful return to
the home country is problematic for both the host and the home country, and dependent on many factors.

Newland (2009) believes that the developmental benefits of circular migration depend on the circumstances surrounding it and the degree of freedom the individual migrants can exercise in undertaking their migration. As Newland (2009, p. 26) clearly states:

> When it reflects a lack of opportunity in the place of origin, when occupational mobility is unavailable and meaningful savings are impossible, and when circularity is forced rather than chosen, it is reasonable to speak of ‘negative circularity’. Positive circularity, by contrast, obeys the logic of economic activity and family needs in a global economy reflecting the reality of transnational lives. It offers an expansion of choice and flexibility.

Similarly, Fargues (2008, p. 4) (following O’Neil, 2003) suggests that the success of circular migration hinges on facilitating migrant’s economic advancement:

> Spending as little time and money as possible in their host country is part of a strategy for optimising, and saving as much as possible for investing at home in their goal. Therefore, migration policies must acknowledge that the most important actors for development are migrants themselves not the state, and these same policies must enhance investment opportunities available to migrants and their families.

Proponents of circular migration offer development as “win-win-win”; this, however, can only be brought about with careful policies that embed support for the individual migrant within a social framework that maximises development. Central to this perspective, of both circular migration and development, is the concept of “human development”, as articulated by Sen (2000), Nussbaum (2000) and ul Haq (1995), in which “the expansion of freedom is viewed … both as the primary end and the principal means of development” (Sen 2000, p. xii). Such an expansion of individual freedom can only occur with social and political commitment from the nation-states involved. This view of development takes the migrant’s capabilities and well-
being as pivotal. Now used as the basis for many assessments of international development (UNDP 2002; 2010), this perspective goes beyond quantitative assessments of economic impacts and requires further qualitative assessments of social impacts. The concept of human development sees development as being able to overcome the problems of deprivation, destitution and oppression, at both the micro (migrant) and macro (nations) levels (Sen 2000, p. xi). Thus, it is necessary to understand the linkages between individual agency and social structure, between substantive freedoms and “economic opportunities, political freedoms, social facilities, transparency guarantees, and protective security”, as well as the institutions involving “the state, the market, the legal system, political parties, the media, public interest groups” and other public groupings (Sen 2000 p. xii). This is a task that goes well beyond any temporary macro or micro economic benefit or deficit.

Circular migration reflects the interdependence of countries within a region and the need for the countries involved to highlight the issues of development and to facilitate programmes that encourage circularity. Migrants need no longer be seen as a threat to national identity or as an added burden to already stretched resources. By realising that many migrants do not wish to assimilate into their host country and those migrants are not just commodities but a valuable human resource and, in placing migrant rights and good governance at the heart of migration policies, circular migration has the potential to encourage development.
3.7 The Conceptual Framework

Migration is a constant interaction between structure and agency, with causes and impacts that are complex and heterogeneous. The conceptual framework of this study, as shown in Figure 3.1, seeks to be informed by the current research and theoretical formulations of migration studies, seen as essentially interdisciplinary, following the broad guidelines as proposed by Castles (2008).

- It attempts to embrace all the factors influencing the migratory flow between Indonesia and Malaysia, viewing the relationship between these processes and their context.
- While the study is cross-sectional, it attempts to draw a picture of the entire migration process, from intention to migrate to the imagined outcome of the migration. With its focus on intention, it seeks to be informed by the complexities and dynamics of the whole migratory experience.
- It takes into account the global, regional, national and local dimensions of migration.
- It looks at social structures (macro, micro and meso) and individual and group agency.
- It does not seek to try to develop a general theory of migration but attempts to provide tools for the understanding of the pattern of de-facto circular migration existing between Indonesia and Malaysia.
- It aims to capture a picture of the pattern of migration at this moment in time, using current understanding. Further research and empirical data would lead to further understanding.
Figure 3.1 Conceptual Framework for the Study of Circular Migration between Indonesia and Malaysia

Empires ➔ Colonialisation ➔ Nation-states

ASEAN

Transport

Globalisation

Communications

Indonesia
- Governance
- Migration Regulations
- Socio-economic "push"
- Consequences /

Agents/ Middlemen

Malaysia
- Governance
- Migration Regulations
- Socio-economic "pull"
- Consequences /

Migrant
- Linkages
- Intentions

Circular

Permanent

Patterns of Migration

Development / Impact

Developmental Perspective

Transnationalism

Social Network Theory

Developmental Perspective

Transnationalism

Social Network Theory

macro

meso

micro
At the macro level, as shown in Figure 3.1, the historical-structural factors (chapter 2), dating back over the last millennium of empires, the last two centuries of colonialisation and the last half century of nation-states (chapter 2 and 3) form the background conditions in Malaysia and Indonesia. The process of globalisation, with the reduction in transport and telecommunications costs, contributes to more recent developments. ASEAN, at this point in time has a weak influence on the migration policies in this region. However, in the future, it is possible that ASEAN may contribute significantly to a regional perspective. Migration regulations and socio-economic push and pull factors play a significant role in generating the types of patterns of migration between Malaysia and Indonesia. As a consequence, the migrants, Indonesia and Malaysia benefit either positively or negatively (chapter 7 and 8).

At the meso level, the influence of middlemen or agents, who often encourage migrants to circumvent the policies set by the government of host and home country to maintain de-facto circularity, has a significant impact on migrants. At present, neither Malaysia nor Indonesia has established clear governance that would control this often exploitative and illegal activity. Chapter 3 evaluates the existing theories of migration for their relevance in understanding the de-facto circular migration in the context of Indonesia and Malaysia. While the study does not seek to try to develop a general theory of migration it attempts to provide tools for the understanding of the de-facto circular movement between 1980 and today (chapter 6) and explore circular migration as a possible policy for the future which, with good governance, could establish stronger developmental impacts for Indonesia and the individual migrant (chapter 9).
At the micro level, the migrants, their characteristics, the determinants of their intentions and their linkages to family and community in both countries are discussed in detail in chapters 5, 7 and 8. The overall perspective assures that developmental impacts are not seen in isolation. It is a migrant-centred approach which sees at the heart of the migration process the need to confirm the rights of the individual worker as well as the necessity for the migration flow to contribute positively to the development of both Indonesia and Malaysia.

While the study is cross-sectional, it attempts to draw a picture of the entire migration process, from intention to migrate to the imagined outcome of the migration. Classifying migrants by intentions (chapter 4), it seeks to be informed by the dynamics of the whole migratory experience, wherever it may end. It also (chapter 9) seeks to put forward policy suggestions particularly suited to the context of this migratory flow.

3.8 Conclusion

This chapter has presented the theoretical approaches to circular migration, the issues of implementing a successful circular migration programme in the South-east Asia region in general, and Malaysia specifically, and the potential developmental benefits circular migration offers to the home country, the host country and the migrants. Circular migration itself is a process that consists of various aspects of migration: return migration, social and economic linkages at the host and home countries, the influence of governments and institutions, individual and familial decision-making. More recent migration theories, especially transnationalism and social network theory, offer perspectives that allow an understanding of
circular migration. Combined with a developmental perspective, this understanding leads to the possibility of seeing a policy of circular migration as a practical solution that offers “win-win-win” to the migrants, the host country and the home country.

The theory of transnationalism offers a framework for this study which correlates to the nature of circular migrants who maintain back-and-forth movements between, and involvement in, both the home and the host country. Although this theory understands the social changes, it does not take into account the political and structural limitations and appears to be more applicable to high-skilled mobile professional workers who make the globe their home. Therefore the theory will be used cautiously in analysing the circular migration of low-skilled Indonesians to Malaysia.

The evolution and development of the nation-state has been identified as an important caveat to migration policies in the South-east Asia region. Malaysia’s contested national identity and existing inequalities make it a country still in the process of building its nationhood. Despite the fact that there is a pattern of de-facto circular migration between Indonesia and Malaysia, the process of legalising this through policy is a process that may be beyond the will of the national agenda of Malaysia. The countries that welcome circular migration have developed efficient and transparent governance that encompasses the rights and welfare of the migrant.

Newland (2009) has identified the factors conducive to such a policy, such as multiple portable visas, extended contracts and programmes for returned migrants. Without these conditions, conditions that are not as yet present in Malaysia, the pattern will retain its de-facto status, exhibiting the factors of negative circularity. Such factors, while they may at first
sight still suggest a positive impact for the host and home countries, will, according to the developmental perspective, never truly be win-win-win while issues of human development are not addressed. Policies and theories that view migrant’s capabilities and well-being, as pivotal as suggested by Sen (2000), are necessary. In the case of low-skilled workers, this is not just about economic gain but also about questions of well-being, justice and human rights.
Chapter 4. Research Methodology

4.1 Introduction

The research methods needed for reflecting patterns of temporary and circular migration have begun to be understood and elaborated more deeply in the last decade (Vertovec 2007; Hugo 2009a). However, the focus of research has usually been on describing permanent migration patterns and processes (Berninghaus and Seifert-Vogt 1988; Khraif 1992; Stilwell et al. 2003; Baláz et al. 2004; Bauer and Sinning 2005). The possibility of any single migration becoming a circular one in the future and the complexity of the movement itself (which involves multiple moves, maybe spanning many years, with each stay of varying duration) make it difficult to research circular migration patterns (King 2000; Oxfeld and Long 2004). While accurate research on circular mobility behaviour requires both immigration and emigration data, there are only a few countries (Australia being one) in the world which give equal importance to the collection of data for both departures and arrivals (Thomas-Hope 1999; Carling 2002a; Khoo et al. 2008; Wickramasekara 2011).

The trends and patterns are easier to establish for documented workers (through this information alone). Yet, the increasing complexities involved in even their movements make the precise nature of their circular migration patterns difficult to be depicted through this information alone. Undocumented migration too, though of great political concern, remains under researched and beyond the grasp of official statistics (Donato and Armenta 2011). In the case of Malaysia, there is a paucity of official statistics on all forms of migration and, even
more so, emigration patterns (Kanapathy 2008b; Hugo 2011a). This chapter seeks to contribute to the knowledge of research methods applicable to circular migration studies generally and, specifically, to assist in future data collection techniques involving international labour migrants in Malaysia. It is also hoped that this research will help fill the gap in evidence-based knowledge of international migration in Asia (Hugo 1998; Asis and Piper 2008). The mixed method technique, encompassing a survey, in-depth interviews and secondary data, has been adopted to achieve the objective. The survey technique employed is cross-sectional and restricted in its data to informants from two selected states in Peninsular Malaysia.

This chapter begins by addressing the epistemological issues, while laying out the reasoning behind the adoption of a mixed method technique. The three sources of data used are then discussed, with an evaluation of the available secondary data and an exposition of the in-depth interview technique employed. It then looks at the central source of the study which is the survey, examining its methodology and the analytic methods that were subsequently applied. The validation techniques exercised in maintaining the quality of the data collected are also discussed throughout this chapter. The chapter ends with an analysis of the survey data collected in order to develop nine categories of migrants which are subsequently used throughout the study.

### 4.2 Epistemological Issues

It is important to note the particular background of this researcher as it goes towards explaining both her interest and understanding of some of the complexities of the migration
process. Her father had a history of migration. He was born in Malaysia to Indian parents who discontinued their trading business in Malaysia and returned to India due to World War II and the Japanese invasion of Malaysia. Having spent 10 years in India he then returned to Malaysia at the age of 14 as a child labourer, to help support his family after the sudden demise of his father. The researcher’s mother, as a young bride, arrived in Malaysia as a result of their arranged marriage. The researcher grew up in a family with extensive ties and networks in both Malaysia and India. In addition to this, the researcher helped her father in running a sundry shop in a suburb where many of the customers were migrant workers. She has a vivid memory of learning Indonesian and Bangladeshi languages by identifying items in her father’s shop in the 80s and 90s. Her three siblings have Indian and Sri Lankan spouses who go through the annual migratory rituals of renewing visas and stamping passports. As Baxter and Eyles (1997, p. 505) point out, it is important not to overlook the possible influence of the researcher’s migratory experience, as well as her academic career, empirical knowledge and gender, in assessing the epistemological base and research methodology of this study.

The evidence collected in this study relies heavily on a survey and interviews conducted by the researcher. It then accepts the testimony of the migrant as true. Issues of epistemology related to bias and validity, arise using this methodology (Creswell and Clark 2007). Questions arise around issues as to whether the researcher is an “insider” or an “outsider”. The respondents in this study are Indonesian citizens, in their twenties and thirties, with a low level of education, mainly from small villages and employed in low-skilled sectors. The researcher, obviously, is an outsider to the respondents in terms of their social, cultural, political and lived
world (Iosifides 2003, p. 442). However, most of the undocumented and documented workers willingly shared their experiences and considered the researcher as an insider\(^8\) due to an obvious immigrant background and constantly used the words “*kita sama*”, which mean “we are the same”, in answering questions. In contrast, the permanent residents were watchful of their responses as they considered her as an outsider and at times associated her with the Malaysian government\(^9\). The position of the author as a doctoral candidate from a university in a developed nation, and the helpful enumerators of Indonesian origin, built a non-threatening and helpful image of the researcher.

### 4.3 Mixed Method Technique

The mixed method technique is suggested as the most appropriate research design where research requires a single dominant research method but depends also on other techniques to clarify the results of the dominant method and improve the reliability and validity of the study (Johnson and Onwuegbuzie 2004; Morse 2004; Gray 2009; Small 2011). The technique adopted in this study involved in-depth interviews and secondary data which are used to supplement data collected from the principal research method which is the survey, as shown in Figure 4.1. The benefit of mixed method technique was seen when in-depth interviews (with 28 key persons) assisted in formulating and designing the questionnaire for the survey (Greene

---

\(^8\)A researcher who is an insider, belonging to the group under research, utilizes their personal experience to gain further insight: they already have knowledge of their respondents (Mullings, 1999).

\(^9\)It was gathered that the Malaysian authorities make regular visits often looking to arrest the migrants who own fake permanent residency cards.
et al. 1989, p. 196). The results from survey data were compared and contrasted with secondary data to draw conclusion.

**Figure 4.1 Mixed Method Methodology Employed in this Research**

International migration studies with a transnational focus have extensively used the mixed methods techniques (Singleton 1999; Carling 2002b). In Malaysia, most international migration studies were based on secondary data (Dorall 1987; Hugo 1993; Kassim 1998; Pillai 1999; Healey 2000; Kassim 2000; Abubakar 2002; Liow 2003; Amatzin 2004; Kaur 2005; Narayanan and Lai 2005; Omar 2005; Peters 2005; Kassim 2005b) and, less commonly, in-depth interviews (Tharan 1989; Wong and Anwar 2003a; Dannecker 2005). Studies employing survey techniques have been rare (Devi 1986; Kassim 1987b; Darul Amin 1990;
Abdul-Aziz 2001). This research hopes to add to the examples of research using a mixed method techniques in international labour migration studies of Malaysia.

4.3.1 Published and Unpublished Secondary Data

Secondary data, which is readily available, both published and unpublished, was used throughout this study from a variety of sources (Carling 2002b; Gorard 2003, p. 13; Babbie 2004; Neuman 2006). While most published data was obtained through government reports (see later), access to much unpublished data was gained during in-depth interviews with major stakeholders. The data collected provided an understanding of the background of the research and the context for this study. Secondary data also assisted in confirming or contradicting the results from this survey and to realise the limitations of this research. There are three major sources of international migration data in Malaysia: Department of Statistics, Department of Immigration Malaysia and other administrative agencies.

4.3.1.1 Department of Statistics Malaysia (DOSM)

The Department of Statistics Malaysia (DOSM) is the central authority responsible for collecting and disseminating census data in Malaysia. Census data is one of the major sources of population data in Malaysia but it provides limited information concerning the nature of international migration in Malaysia. Since independence, Malaysia has carried out a total of five population and housing censuses (in 1970, 1980, 1991, 2000 and 2010). The census in 2000 was the first to use the “de jure”\textsuperscript{10} method instead of the “de facto”\textsuperscript{11} method used in

\textsuperscript{10} The “de jure” is a method in which respondents are enumerated according to their place of usual residence.
previous censuses (DOSM March 2004). The “de jure” method includes usual residents who are temporarily absent on the night of the census but are legal residents at the census location (Bilsborrow et al. 1997; Bell and Ward 2000). The “de jure” method is more likely to exclude undocumented migrants, as they do not have a legal residence (IOM 2010a).

A minimum stay of at least six months in Malaysia in the census year is used as the deciding factor for one to qualify as a participant using the “de jure” method. In Malaysia, censuses in 2000 and 2010 were carried out on the 5th of July 2000 and 6th July 2010. The timing of the censuses (during the 1st week of the seventh month in any year) makes it easier to identify those who have spent at least six months in Malaysia. Furthermore, an additional question in the census identifies those who have been away at the time of the census but are not expected to be away for more than six months in the census year.

Census 2000 is the first census to include non-Malaysian citizens12 who had stayed, or intended to stay, in Malaysia for six months or more in the year of census. As shown in Table 4.1, while many long-term residents who are away temporarily (for less than six months) have been included, those who are away for a longer duration (more than six months) have been excluded from the census. In other words, the census failed to record the long-term absentees and permanent departures of migrants (both citizens and non-citizens) (Kanapathy 2008c).

11 The “de facto” is a method in which respondents are enumerated according to the place where they are on census night.

12 Non-Malaysian citizens refer to those who are not Malaysian citizens (Department of Statistics, 2001). This may include both the foreign born and local born.
Table 4.1 Scope of Data on Migration in Malaysia (Based on Census 2000 and 2010)

<table>
<thead>
<tr>
<th>Who is included?</th>
<th>Who is excluded?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Those who have been in Malaysia or intended to be in Malaysia at least 6 months in the year of census. Examples include:</td>
<td>Those who stayed in the country less than 6 months in the year of census.</td>
</tr>
<tr>
<td>• Persons commuting across the Malaysian border (e.g. Singapore and Thailand) for work or studies but maintaining usual residence within Malaysia;</td>
<td>Examples include:</td>
</tr>
<tr>
<td>• Malaysians who were away overseas as tourists, on short-term study or attending conferences/seminars or on business;</td>
<td>• Malaysian citizens and permanent residents who were away or intended to be away from the country for six months or more in the year 2000 because of work, studies etc.;</td>
</tr>
<tr>
<td>• Expatriates and other foreign workers (including housemaids) as well as their family members;</td>
<td>• Malaysian military, naval and diplomatic personnel and their families who were staying outside Malaysian; and</td>
</tr>
<tr>
<td>• Foreign long-term visitors and students;</td>
<td>• Foreigners such as tourists, businessman and the like who stayed or intended to be in Malaysia for less than 6 months.</td>
</tr>
<tr>
<td>• Foreign military, naval and diplomatic personnel and their families staying in the country except for those who had diplomatic immunity and wished to be excluded; and</td>
<td></td>
</tr>
<tr>
<td>• Persons without permanent homes and were found along footways, etc.</td>
<td></td>
</tr>
</tbody>
</table>

Source: DOSM 2010; DOSM March 2004

In 2010, almost 1.4 million Malaysians, which is 5 per cent of the total population, are reported as living abroad and they may have been excluded from the census (Hugo 2011a; 2011b). This will result in a large discrepancy in the number of people recorded between decennial censuses, especially if the departures and returns are high. Furthermore, the censuses did not seek information on the length of time away, purpose of absence and country of destination for any of the migrants. Such partial reporting may cause failures in any policies relying on census data.

As shown in Table 4.2, in Census 2000, combined with the information on citizenship, the usual residence of respondents (on the 5th of July 2000 and five years prior to that) was
solicited to derive the rate and scale of incoming international migrants (DOSM March 2004). This is the only information within the census that could shed some light onto the possible form of international migration.

### Table 4.2 Areas of Migration Covered in Malaysian Population Censuses

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnicity</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Citizenship</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Birthplace</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Period of Residence in Malaysia</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Period of Residence in Present Locality</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Place of Last Previous Residence</td>
<td>X</td>
<td>✓</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Reason for Migration</td>
<td>X</td>
<td>✓</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Place of Residence Five Years Ago</td>
<td>X</td>
<td>X</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Place of Residence One Year Ago</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Year of First Arrival in Malaysia</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Kasim undated; DOSM 2010

The lengthy interval of five years was insufficient to record migrations less than this duration. Beginning in Census 2010, DOSM have included a question measuring change in usual residence for a period of one year (DOSM 2010). Thus, from Census 2010, the location of household member was obtained at four points in time: birthplace, usual residence in 2005, 2009 and 2010. On this basis, it captures more “mover-stayer” patterns than before. One such pattern could be that of a circular Indonesian contract worker, who has Indonesia as the birthplace, Malaysia as the residence in 2005 and 2010 and Indonesia as a residence in 2009, which indicates that the migrant has completed at least one migration cycle. The Census 2010 thus provides more insights into the extent of repeat and circular movement than previous censuses.
DOSM, in a note accompanying the census reports, clearly warns the limited coverage of non-Malaysian citizens and calls for the cautious use of data (DOSM 2001). Turnover of enumerators, locked condominiums, absences of respondents during the day and the lack of co-operation among some respondents are suspected as having limited the number of respondents in Census 2010 (DOSM 2011a). Furthermore, censuses do not track undocumented workers and unable to detect false\textsuperscript{13} reporting of migrants (Sadiq 2005; Hugo 2011a). While census participation in Malaysia is encouraged, it is not compulsory. To date, the censuses have been governed by Census Act 1960, with a fine of MYR100 for the giving of false information (DOSM 2010).

In addition to this lack of coverage, data discrepancies have also been reported as a common problem found in international migration data, as most of this data is collected for administrative purposes (Zlotnik 1987). The total number of non-Malaysian citizens reported in Census 2000 differed by 158,036 cases from the total shown in Kanapathy’s paper (2008c, p. 339) which was based on unpublished statistics from the DOSM in the same year, as shown in Table 4.3. Moreover, the data reported by Kanapathy (over half a million are listed as foreign workers and about 11,000 more as expatriate workers) reports an under-count of 197,348 migrant workers compared to the 807,096 workers reported by the Department of Immigration Malaysia in 2000. The inclusion of “other” as a category in data presented by DOSM, as shown Table 4.3, also limits the usefulness of the data.

\textsuperscript{13} Migrants self report all the information on censuses. No legal documents are checked and therefore there is a possibility for all respondents to give false information.
Table 4.3 Breakdown Numbers of Non-Malaysian Citizens

<table>
<thead>
<tr>
<th>Type of Migrants</th>
<th>2000 (Unpublished data found in Kanapathy 2008)</th>
<th>Census 2000 Published Report</th>
<th>Unpublished Data, DOIM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Resident</td>
<td>290575</td>
<td>Not Available</td>
<td>Not Available</td>
</tr>
<tr>
<td>Expatriate</td>
<td>11037</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Visitor</td>
<td>79521</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Student</td>
<td>24565</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Worker</td>
<td>598711</td>
<td>807096</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>222329</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1226738</td>
<td>1384744</td>
<td>-</td>
</tr>
</tbody>
</table>

Age structure analysis is often used to check discrepancies in census data (United Nations, 2011). An increase in number between two decennial censuses is expected in the 0 to 9 years age group (and maybe 10 years, which include those who were born in the same year after census day), as a result of new births. According to United Nations Statistics Division (2011, p. 16), “in the absence of sharp changes in fertility or mortality, significant levels of migration or other distorting factors, the enumerated size of a particular cohort should be approximately equal$^{14}$ to the average size of the immediately preceding and subsequent cohorts”. However, they also suggest that “(s)ignificant departures from this ‘expected’ ratio indicate either the presence of census error in the census enumeration or of other factors”. The comparison, as shown in Table 4.4, between the Malaysian censuses in 2000 and 2010 indicate that the highest gain has been in the 20 to 29 age bracket and that the highest loss has been in the 30 to 59 age bracket indicating possible data discrepancies.

$^{14}$ The age ratio for a particular cohort to the average of the counts for the adjacent cohorts should be approximately equal to 1 or 100 (if multiplied by a constant of 100) (United Nations Statistics Division, 2011)
Table 4.4 Differences in Total Malaysian Citizens ('000) and Non-Malaysian Citizens by Age Structure between 2000 and 2010

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>23,275</td>
<td>21,890</td>
<td>1,385</td>
<td>28,334</td>
<td>26,013</td>
<td>2,321</td>
<td>5,059</td>
<td>4,123</td>
<td>936</td>
</tr>
<tr>
<td>0-4</td>
<td>2,613</td>
<td>2,504</td>
<td>109</td>
<td>2,427</td>
<td>2,291</td>
<td>136</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>5-9</td>
<td>2,647</td>
<td>2,558</td>
<td>89</td>
<td>2,668</td>
<td>2,521</td>
<td>146</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10-14</td>
<td>2,492</td>
<td>2,426</td>
<td>66</td>
<td>2,733</td>
<td>2,604</td>
<td>130</td>
<td>120</td>
<td>100</td>
<td>22</td>
</tr>
<tr>
<td>15-19</td>
<td>2,367</td>
<td>2,268</td>
<td>99</td>
<td>2,836</td>
<td>2,641</td>
<td>195</td>
<td>189</td>
<td>83</td>
<td>106</td>
</tr>
<tr>
<td>20-24</td>
<td>2,087</td>
<td>1,875</td>
<td>212</td>
<td>2,836</td>
<td>2,474</td>
<td>380</td>
<td>344</td>
<td>48</td>
<td>314</td>
</tr>
<tr>
<td>25-29</td>
<td>1,921</td>
<td>1,665</td>
<td>256</td>
<td>2,711</td>
<td>2,286</td>
<td>425</td>
<td>344</td>
<td>17</td>
<td>327</td>
</tr>
<tr>
<td>30-34</td>
<td>1,800</td>
<td>1,609</td>
<td>191</td>
<td>2,125</td>
<td>1,843</td>
<td>282</td>
<td>38</td>
<td>(33)</td>
<td>70</td>
</tr>
<tr>
<td>35-39</td>
<td>1,705</td>
<td>1,565</td>
<td>140</td>
<td>1,917</td>
<td>1,703</td>
<td>214</td>
<td>(4)</td>
<td>38</td>
<td>(41)</td>
</tr>
<tr>
<td>40-44</td>
<td>1,487</td>
<td>1,399</td>
<td>89</td>
<td>1,773</td>
<td>1,623</td>
<td>149</td>
<td>(28)</td>
<td>15</td>
<td>(42)</td>
</tr>
<tr>
<td>45-49</td>
<td>1,169</td>
<td>1,120</td>
<td>48</td>
<td>1,607</td>
<td>1,510</td>
<td>97</td>
<td>(98)</td>
<td>(54)</td>
<td>(44)</td>
</tr>
<tr>
<td>50-54</td>
<td>919</td>
<td>888</td>
<td>31</td>
<td>1,368</td>
<td>1,306</td>
<td>62</td>
<td>(120)</td>
<td>(93)</td>
<td>(27)</td>
</tr>
<tr>
<td>55-59</td>
<td>617</td>
<td>601</td>
<td>16</td>
<td>1,065</td>
<td>1,029</td>
<td>36</td>
<td>(104)</td>
<td>(91)</td>
<td>(13)</td>
</tr>
<tr>
<td>60-64</td>
<td>551</td>
<td>538</td>
<td>13</td>
<td>824</td>
<td>799</td>
<td>24</td>
<td>(95)</td>
<td>(89)</td>
<td>(6)</td>
</tr>
<tr>
<td>65-69</td>
<td>347</td>
<td>338</td>
<td>8</td>
<td>538</td>
<td>523</td>
<td>15</td>
<td>(78)</td>
<td>(77)</td>
<td>(1)</td>
</tr>
<tr>
<td>70-74</td>
<td>264</td>
<td>257</td>
<td>7</td>
<td>410</td>
<td>399</td>
<td>10</td>
<td>(141)</td>
<td>(139)</td>
<td>(2)</td>
</tr>
<tr>
<td>75+</td>
<td>290</td>
<td>278</td>
<td>12</td>
<td>479</td>
<td>461</td>
<td>19</td>
<td>133</td>
<td>122</td>
<td>10</td>
</tr>
</tbody>
</table>

*The numbers were derived based on differences with the same age cohort between the two censuses.

Source: DOSM 2000; 2011

The age ratio for Malaysian citizens, as shown in Figure 4.2, shows variations for all age groups. The significant change in the size of the Malaysian citizens in the 15 to 49 age bracket in 2010, compared to previous decades may have been due to an enumeration error, as emigration rates and mortality rates among Malaysian citizens is negligible in this age group.

Furthermore, it was found that the differences are not caused by international migration, as

\[
\frac{\text{AR}_x}{\text{P}_x} \times 100 = \frac{\sum \text{P}_x - \sum \text{P}_x + 5}{\sum \text{P}_x + \sum \text{P}_x + 5} \times 100
\]

\[
\frac{\text{AR}_x}{\text{P}_x} = \text{The age ratio for the age group } x \text{ to } x+4 \\
\frac{\text{P}_x}{\text{P}_x + 5} = \text{The enumerated population in the age category } x \text{ to } x+4 \\
\frac{\text{P}_x + 5}{\text{P}_x} = \text{The enumerated population in the adjacent lower age category} \\
\frac{\text{P}_x + 5}{\text{P}_x} = \text{The enumerated population in the adjacent higher age category}
\]

15 Age ratio for the age category x to x+4 is calculated based on the formula below:
the age structure analysis for non-Malaysian citizens shows no extreme change in number in 2010 when compared to 2000.

Despite the various limitations in methodology, the published data consist of aggregate data which provides a wealth of information in understanding the sex, age structure, marital status, level of education and geographical concentration of non-Malaysian citizens. The data, based on Census 2000, was used to draw the following information on non-Malaysian citizens:

- 58.3 per cent were born in Indonesia, 16.4 per cent were born in The Philippines, 5.3 per cent were born in Bangladesh, 2.8 per cent were born in Thailand and 17.3 per cent were born in other countries.
- 43.6 per cent are females.
- Almost 60 per cent of both the males and females are between the ages of 20 and 39
- Approximately 67 per cent live in urban areas.
• 82 per cent are Muslims and 10 per cent are Christians.
• 61 per cent are employed. Of these, 29 per cent are employed in low-skilled elementary occupations, 25 per cent are employed as skilled agricultural and fishery workers and 22 per cent as plant and machine operators. 82 per cent worked as employees.
• Almost 23 per cent have never attended school and among those who attended 47 per cent had a maximum of primary education.

In addition to census data, DOSM also publishes annual migration reports (DOSM 2006; DOSM 2009). These reports provide estimates of population movements at a state level, indicating that the focus is on internal migration and not international. The survey only covers those residing in private living quarters in Malaysia and therefore excludes the places where international migrant workers are more likely to be found living, such as in hostels, squatter homes and construction sites. To qualify as a participant, the members of a household should have lived in the residence for a period of at least three months. The time limit also prohibits the inclusion of mobile economic migrants who move around for work. This data offers no information on international migration stock\textsuperscript{16} or flow\textsuperscript{17}.

\textsuperscript{16} Migration stock is defined as “the number of migrants residing in a country at a particular point in time” and one has to “be engaged, is engaged or has been engaged in a remunerated activity in a State of which he or she is not a national” to qualify as a migrant (International Organization for Migration 2004: 41).

\textsuperscript{17} Migration flow is defined as “the number of migrants counted as moving or being authorized to move, to or from a country to access employment or to establish themselves over a defined period of time” (International Organization for Migration, 2004:41).
Another report that provides some information on the scale of international migration in Malaysia is the Labour Force Survey Report produced annually by DOSM which presents the annual data on the characteristics of the labour force based on monthly surveys (DOSM 2008a; DOSM 2011c). It includes the labour force participation rates of non-Malaysian citizens by age group, sex and educational attainment. While previously the reports were published with frequencies and percentages, in 2010 they have been given in percentages only. This limits any further comparisons to be made other than what is presented in the report. Again, this survey does not differentiate international migrants by country of birth or type of visa.

There are various other industry-based reports (agriculture, construction, manufacturing, services) published by DOSM. While these reports provide the scale and patterns of workers in the sectors, they do not provide any break down of local or foreign workers. Some of the surveys are known for reporting differing figures. For example, the construction survey reported a higher number of foreign workers when compared with the labour force survey and the number issued by Department of Immigration Malaysia in the 90s (Narayanan and Lai 2005). Narayanan and Lai (2005) believe that the lack of access to contractors who hire migrant workers in the construction industry, seasonal characteristics of the industry and the large of number of illegal migrant workers in this sector may have lead to the data discrepancy.

As with many countries in Asia (Asis and Piper 2008), Malaysia, for varying reasons, does not allow free public access to the data collected. However, since 2000, academics and researchers with proof of identity have been able to purchase a two per cent sample of Census 2000 data at
an individual level. The two per cent data used in this study was made up of 435,000 respondents of whom 21,246 were foreign born and among them 59 per cent (12,554) were Indonesian born. However, there were no further details available concerning the citizenship, status and type of visa held by these respondents, thus limiting its usefulness.

4.3.1.2 Department of Immigration Malaysia

The Department of Immigration Malaysia (DOIM), under the Ministry of Home Affairs, is responsible for issuing visas to all migrants entering Malaysia through the legal routes. This includes expatriates, foreign workers, students, tourist and others (see chapter 2 for details on these categories). While it is possible that DOIM has been collecting a large amount of data, it has published only one report, the 2006 Annual Report, which is unavailable to the public. The report contains information concerning the annual stock and flow data on those who came to Malaysia as expatriates and the annual stock data on low/semi-skilled migrant workers by sector of employment and country of origin (Kanapathy 2008c). This data is collected based on issued work permits and, therefore it does not include undocumented migration. Data from this report was obtained with a formal request to DOIM for this research. Unpublished data concerning migrant workers, by sector and country of origin, was made available for the years between 1997 and 2011. The aggregate data did not allow breakdown of documented migrant workers by any other demographic variables.

As with many countries the immigration department in Malaysia does not trace any individual emigration data of Malaysians or migrants (Zlotnik 1987; Kanapathy 2008b). While the time of exit and the details of the person who exits Malaysia by visa types may be retrieved from
immigration records, these do not indicate the country of destination, the purpose of the trip, the anticipated duration of the trip and whether the migrant intends a permanent or circular departure. However, DOIM has a biometric system which contains both photo identification and fingerprint details for Malaysian passport holders (since 2010) and all visitors (since June 2012). It is thought that this system could possibly indicate emigration patterns as well (Klimowicz May 22, 2012).

The DOIM makes public announcements as to the number of migrant workers or tourists who might have overstayed at an aggregate level, often providing the numbers by countries of origin (The Star May 15, 2012). The department also releases information on the number of illegal immigrants who have taken advantage of any amnesty programs or have been apprehended. These give some indication of the scale of undocumented migration in Malaysia.

4.3.1.3 Other Administrative Agencies

Data on migrants in general, and contract migrant workers specifically, can be sourced through various ministries and departments (both government and non-government) in Malaysia. The type of information collected by various ministries and selected organisations is summarised in Table 4.5. The Ministry of Home Affairs (which includes the Departments of Immigration and National Registration and the Malaysian Royal Police) has a vast amount of further data. The National Registration Department (NRD) is the unit responsible for the registration of birth, death, adoption, marriage, divorce and citizenship status. Malaysian citizens and permanent residents are required to report and register any status change with Malaysian embassies (under the care of Ministry of Foreign Affairs) either locally or abroad.
Table 4.5 Ministries/Organisations and Type of Migration-Related Information Collected

<table>
<thead>
<tr>
<th>Ministry / Department</th>
<th>Item / Type of Migration Related Information Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government Sources</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Home Affairs / Foreign Affairs (National Registration Department) | - Birth [child’s details (sex, date of birth, place of birth, time of birth, vital statistics) and parents’ details (marital status, ethnicity, religion, citizenship, occupation)]
|                                                      | - Death [sex, date of birth, identification card number, ethnicity, race and religion and details of the cause of death and the time of death of the person who died]
|                                                      | - Adoption [child’s details (sex, date of birth, place of birth, citizenship status) and parents’ details (birth and adoptive parents’ marital status, ethnicity, race and religion, occupation)]
|                                                      | - Identification card [applicant’s date of birth, sex, gender, address, religion, ethnicity, race, marital status and place of birth]
|                                                      | - Marriage and divorce [applicants’ date of birth, sex, gender, address, religion, ethnicity, race, marital status, place of birth, place of usual residence, previous spouse’s details (if any) and applicant’s father’s name]
|                                                      | - Citizenship [applicant’s sex, date of birth, place of birth, marital status, ethnicity, religion, occupation, status as a permanent resident / citizen prior to application, date of first arrival in Malaysia, details of children, parents, spouses (if any)]
| Ministry of Home Affairs (Royal Malaysian Police) | - Offender’s details (sex, date of birth, marital status, address, religion, ethnicity and citizenship) and type of crime committed |
| Ministry of Human Resources | - List of companies (which included the information on the companies, their addresses and the number of foreign workers approved) that have made applications to employ documented workers |
| Ministry of Health | - Patient’s details (sex, date of birth, marital status, address, religion, ethnicity and citizenship) and types of health issues
|                                                      | - Medical test details of those who are applying for a work permit and renewal of a work permit (sub contracted to a private organisation called FOMEMA Corporation) |
| Ministry of Education | - Student’s details (sex, date of birth, marital status, address, religion, ethnicity and citizenship) and types of courses pursued and course related details |
| Ministry of Tourism Malaysia | - Country of origin of tourists by year of arrival |
| The National Population and Family Development Board, Ministry of Women, Family and Community Development | - Large and small scale survey data (usually confidential) |
| **Non-government Sources** |                                                      |
| Tenaganita Sdn Bhd\[^{18}\] | - Data on abuse (personal details and case details – includes data on violence against workers, employment related issues (too many hours, no pay, poor working conditions)) |
| National Union of Plantation Workers (NUPW)\[^{19}\] | - Data on union members (personal and employment details, type of insurance, coverage, work related accidents, issues with employers) |

Source: Various Ministry Websites, Personal Communication and Published Reports

\[^{18}\] Tenaganita Sdn Bhd is a Malaysian NGO that promotes the rights of women, refugees and migrants.
\[^{19}\] NUPW is a union, established in 1955 with a membership of 50,000, representing the employees in the agriculture and plantation sectors, especially in the palm and rubber industries. It is the only union in Malaysia which includes migrants as members.
The National Population and Family Development Board (under the Ministry of Women, Family and Community Development) is currently the main unit carrying out specific research on the migrant worker population. The information collected by all the organisations concerning ethnicity, religion and citizenship offers some information on migrants and their activities in Malaysia. However, this information does not provide the entire picture. For example: NRD may not be able to track down the births of children in remote areas, among the illiterate, children born outside wedlock and children born to “illegal” parents (Sadiq 2005); the Ministry of Human Resources may not have an exhaustive list of companies that employ migrant workers, as the list may not be updated with new approvals or may exclude those who have stopped employing migrant workers (personal communication).

Data was also retrieved from various local and international newspapers, both government owned and privately owned, case studies, discussion papers, research papers from higher learning institutions and publications by international organisations, such as the United Nations (UN) and the International Organization for Migration (IOM). It should also be possible to gather data concerning economic migrants through employers’ and agencies’ records. However, this process is difficult and the data not always made available.

Data was also drawn from sources in Indonesia, especially through publicly available web sources. Data on the Indonesian labour force and the breakdown by gender, wages and sector was drawn from the Department of Labour Force and Transmigration Indonesia. Population statistics were drawn from Badan Pusat Statistik (BPS), Indonesia.
The various secondary data sources available differed in their accuracy. While international organisations attempted to maintain stringent accuracy in reporting, the Malaysian ones, with their gaps and inconsistencies, were not always transparent. Ang (2010, p. 2) indicates that this data is often used for ideological purposes in Malaysia to shore up the concept of “Malaysianness” and to foreground the needs of the “Bumiputera” group. Wimmer and Glick Schiller (2002, p. 308) refer to this phenomenon as “methodological nationalism”, a notion which refers to the assumptions of agenda of the nation-state, which influences the social scientist’s ability to produce accurate knowledge. Whether deliberate or not, methodological nationalism impedes the true reporting of information. However, limitation in data is not unusual in Malaysia, where authorities have withheld the ethnicity component in many published reports. DOSM has also been accused of manipulating the census for political reasons, especially in areas concerning ethnicity (Sadiq 2005, p. 109). The direction of DOSM and their data collection techniques also confirms the claim made by Hugo (2006) that some countries attempt to hide their dependency on foreign workers. Most estimates of the number of undocumented workers are expected to be under-represented, as reporting the actual number may make the policy planners appear weak (Kassim 1987b; Pillai 1999). The number of permanent residents and their details are kept confidential by the Home Ministry and it is not made available to the public even for academic purposes. Nevertheless, the data collected from the secondary sources assisted in planning the survey technique adopted for this study and in framing questions concerning the scale and composition of migration.
4.3.2 In-depth Interviews

Liamputtong and Ezzy (2005, p. 71) find that in-depth interviews help discover “the subjective meanings and interpretations that people give to their experiences”. As stated the interviews with various government officials and key persons influencing Malaysia’s migration policies (from the Ministry of Human Resources and Labour Department Peninsular Malaysia, Ministry of Human Resources) assisted in understanding the political background, policy makers’ viewpoints, current assessments of the situation and also provided access to unpublished data from the ministries. A letter recognizing the importance and contribution of this research was received after an interview with the Labour Department, which was then used to recruit other respondents for in-depth interviews. An interview with a key person at the Department of Labour Force, High Commission of Indonesia in Malaysia provided some contextual background concerning Indonesia.

The in-depth interviews with representatives from the Malaysian Trade Union Congress (MTUC)\textsuperscript{20}, National Union of Plantation Workers (NUPW), the Federation of Malaysian Manufacturers (FMM)\textsuperscript{21}, Malaysian Palm Oil Association (MPOA)\textsuperscript{22}, Human Rights Commission of Malaysia (SUHAKAM)\textsuperscript{23} and Tenaganita Sdn Bhd helped to gain information concerning unions, rights of migrant workers, employment issues and the role of migrant workers within sectors.

\textsuperscript{20} MTUC, established in 1958, is a national trade union centre in Malaysia. It has some concern for migrant workers and their issues.
\textsuperscript{21} FMM, established in 1968 represents the manufacturing sector and hosts 2000 manufacturing companies of varying sizes in Malaysia.
\textsuperscript{22} MPOA, established in 1999, represents rubber and palm growers in Malaysia.
\textsuperscript{23} SUHAKAM, Malaysia’s independent Human Right Commission, was established in 1999 and its goal is to assist government to maintain fundamental rights of human rights, including that of migrants.
In-depth interviews were also carried out with a number of employers of migrant workers (a restaurant owner, a human resource executive of a manufacturing company, and a plantation executive). During telephone calls to employers, the researcher was consistently told to refer to those who were higher up in the hierarchy of the organisation. It seems many are reluctant to talk about the employment of migrants and related issues. The referral technique was used to recruit the employers after almost none replied to 100 invitations (phone calls and letters) for participation. The employers offered insight into the hurdles, benefits and disadvantages of employing migrant workers, while the employees shared their pre- and post- migration experiences. However, the majority of the government and non-government officials, contacted by telephone, gave their full support and co-operation. The participants selected represented various aspects of international migration in Malaysia. Eighteen migrant workers, representing various sectors, were recruited using the convenience method.

A semi-structured flexible interview\textsuperscript{24}, as shown in Appendix 3, was used. The length of time for interviews ranged between 30 minutes and one hour. Most of the in-depth interviews were carried out prior to the survey (during January and February 2009). The interviews assisted in validating the research and the pre-set questionnaire and also provided an opportunity to the researcher to overview the study area.

\textsuperscript{24} A list of general questions based on themes was prepared. Respondents were asked generally about the themes as well as asked the explicit questions.
4.3.3 Survey

The survey, an economical instrument, allows the researcher to work closely with respondents and probe, explain and produce quantifiable data by covering a large number of respondents within a short time (Carling 2002b; Neuman 2006; Creswell and Clark 2007). It is also an appropriate tool for a cross sectional study, a study carried out at a particular point in time (Fawcett and Arnold 1987; Babbie 2004; Bryman 2004; Nardi 2006).

4.3.3.1 Selection of Study Area

As explained in Chapter 1, this study focuses on Peninsular Malaysia. Selangor and Federation of Kuala Lumpur (geographically close), two of the top three migrant-recipient states within Peninsular Malaysia, as shown in Table 4.6, were selected as the study area in this research. In 2010, Selangor contained almost one-third of the non-Malaysian citizen population in Peninsular Malaysia and the Federal Territory of Kuala Lumpur one-tenth (DOSM 2001; 2011d). The concentration of industries and business activities in these states provides ample opportunities to migrant workers and the presence of existing migrant networks continues to attract migrant workers in large numbers (Kassim 1987b; Spaan et al. 2002). Due to time and budget constraints, the state of Johor, which is located in the far south of Peninsular Malaysia, which ranks as the second highest recipient of migrants in Peninsular Malaysia, has been excluded from this study.
Table 4.6 Non-Malaysian Citizens Living in Various States in Peninsular Malaysia (in Per cent), Census 2000 and 2010

<table>
<thead>
<tr>
<th>State</th>
<th>Census 2000</th>
<th>Census 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selangor</td>
<td>27.0</td>
<td>32.4</td>
</tr>
<tr>
<td>Johor</td>
<td>21.8</td>
<td>20.9</td>
</tr>
<tr>
<td>Federal Territory of Kuala Lumpur</td>
<td>13.4</td>
<td>12.0</td>
</tr>
<tr>
<td>Pulau Pinang</td>
<td>7.0</td>
<td>6.9</td>
</tr>
<tr>
<td>Pahang</td>
<td>7.9</td>
<td>5.7</td>
</tr>
<tr>
<td>Perak</td>
<td>5.5</td>
<td>5.3</td>
</tr>
<tr>
<td>Negeri Sembilan</td>
<td>4.6</td>
<td>4.4</td>
</tr>
<tr>
<td>Kedah</td>
<td>3.7</td>
<td>5.3</td>
</tr>
<tr>
<td>Kelantan</td>
<td>3.0</td>
<td>2.5</td>
</tr>
<tr>
<td>Melaka</td>
<td>3.3</td>
<td>2.6</td>
</tr>
<tr>
<td>Terengganu</td>
<td>2.3</td>
<td>1.4</td>
</tr>
<tr>
<td>Perlis</td>
<td>0.5</td>
<td>0.4</td>
</tr>
<tr>
<td>Federal Territory of Putrajaya*</td>
<td>0.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Total in Peninsular Malaysia</td>
<td>691,062</td>
<td>1,303,754</td>
</tr>
<tr>
<td>Proportion of Peninsular’s Non-Malaysian Citizens (NMC) Over Total NMC in Malaysia</td>
<td>49.9</td>
<td>56.2</td>
</tr>
</tbody>
</table>


Source: DOSM 2001; March 2004; 2011

Figure 4.3 highlights the various districts in Kuala Lumpur and Selangor with their administrative boundaries. Since 2000, the number of non-Malaysian citizens has grown in all administrative boundaries. The larger circles of Klang, Petaling, Kuala Lumpur and Gombak are the major employers of workers in the construction and manufacturing sectors, while the other districts offer jobs in the plantation and agriculture sectors.
4.3.3.2 Sampling Methodology

The population for this study is Indonesian labour migrants who are categorised as being of three statuses: documented migrant workers, undocumented migrant workers and permanent residents; all are citizens of Indonesia, aged 18 years and over, first arrived in Malaysia prior
to 2007 and working in the low-skilled sectors or MYR 2500 or below per month in Kuala Lumpur and Selangor. First arrival prior to 2007 was deemed an important characteristic so as to identify migrants who had some experience within Malaysia and would therefore be almost at the end of their first contract cycle (that is, having lived and worked in Malaysia for at least two years at the time of survey in 2009). Only those who are at least 18 years old at the time of the survey were interviewed. This coincided with the minimum age set by the Malaysian government.

The lack of a sampling frame (a list of all members of a population) is a common problem found in international migration research. It is impossible to ensure the representativeness of samples in the absence of a sampling frame (Scheaffer et al. 1996; Tryfos 1996; Neuman 2006). It was decided that non-probability sampling techniques were more appropriate in selecting samples for this research, given the constraints surrounding this study. These included the concerns of undocumented migrants who do not wish to be traced or identified, outdated data on the scale of permanent residency and the lack of data in areas of concern for all migrants. Although there is a possibility that the non-probability sampling techniques could undermine the reliability and validity of the study (Doherty 1994), as argued by Massey (1986, p. 681), it may still offer "a way of understanding and interpreting the social processes that underlie the aggregate statistics". Considerable attention was given to ensure that the samples are highly representative of the population in this research, as researchers, such as Carling (2002b, p. 3), have shown that validity is increased when data collected "represent the conceptual variables of the analysis in a satisfactory way".
In researching the determinants and consequences of return migration (which is the term he uses that is closest to circular migration) at the country of destination, Bilsborrow (1997, pp. 256-257) recommends a survey targeting the individual migrants or households or both. Individual migrants, the commonly used unit in social research (Babbie 2004; p. 94), were identified as more appropriate than the members of a household as the migrant households in Kuala Lumpur and Selangor were expected to contain migrants with homogeneous characteristics (those who lived in employer provided-accommodation), contain non-migrant households (the domestic workers who lived with their Malaysian employers) and have a highly flexible household membership (those who shared accommodation only during the night). Thus interviewing the members of a household was expected to provide a narrow sample.

Convenience sampling was the most used technique in this research. This technique allowed a high level of flexibility, whereby samples were selected based on availability and convenience to both researchers and respondents (Nardi 2006). The Indonesian workers were readily identified due to their physical appearance. They were approached at usual gathering sites: Indonesian housing settlements, Indonesian restaurants, businesses, night markets, shopping malls, bus/taxi stands, the Indonesian High Commission in Kuala Lumpur and during Indonesian festivals. The snowball sampling technique, whereby respondents are gathered by referral method (Fink 2003; Babbie 2004; Gray 2009), was used to locate members in a unique population. For example, the domestic workers, who often worked within a private premise and were not able to talk in public places due to work commitments, were approached using their friends. These workers, once approached, often introduced their friends and families who
worked in the same neighbourhood or other locations. Furthermore, this technique was also employed to identify permanent residents who lived separately from their work places with their families. This method also increased the ease of the respondents, knowing their friends had felt confident to refer them, and facilitated good interviews.

The legal status (documented, undocumented, permanent residents) and the employment sectors (construction, manufacturing, agriculture, plantation, domestic worker, services and others) were identified as variables of utmost importance to this research. The quota sampling technique allows respondents to be selected to represent the specific characteristics of a population proportionally (Doherty 1994; Babbie 2004). However, due to limited information on the population characteristics, quotas were used as indicators of direction of samples rather than as setting limits in this study. It was decided that at least one hundred migrant workers be recruited from each sector and each status. This was also to fulfil a statistical rule-of-thumb which suggests that at least 30 cases in each sample group are needed to produce a valid cross table analysis (Fink 2003). Large samples allow explanation of the differences in variables being studied and statistical analysis, even after samples are lost in the attrition process due to errors such as non-response and incompletion (Gorard 2003). To avoid a clustering effect, not more than six respondents were recruited from the same category, such as a company (working for the same employer) or accommodation (living in same units). With the excellent collaboration of a local university in Malaysia, funding agencies and a team of enthusiastic enumerators, responses from 858 respondents were collected, of which 56 per cent (481) were from documented workers, 21 per cent (180) from undocumented workers and 23 per cent (197) from permanent residents.
Table 4.7 shows the number of respondents interviewed by employment sectors. Almost half of the total respondents were from the services and the construction sectors. A large numbers of undocumented workers, and considerably large numbers of permanent residents, are employed in these sectors. As the Federal Territory of Kuala Lumpur and the state of Selangor, being highly industrialised, do not offer many jobs in the agriculture and plantation sectors. Due to the small sample size of the agricultural workers, it was decided that the agriculture sector would be merged with the plantation sector for further analysis.

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>Quota</th>
<th>Number of Respondents Interviewed</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>100</td>
<td>11</td>
<td>1.3</td>
</tr>
<tr>
<td>Construction</td>
<td>100</td>
<td>210</td>
<td>24.5</td>
</tr>
<tr>
<td>Domestic Work</td>
<td>100</td>
<td>120</td>
<td>13.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>100</td>
<td>124</td>
<td>14.5</td>
</tr>
<tr>
<td>Plantation</td>
<td>100</td>
<td>102</td>
<td>11.8</td>
</tr>
<tr>
<td>Services</td>
<td>100</td>
<td>211</td>
<td>24.5</td>
</tr>
<tr>
<td>Others</td>
<td>100</td>
<td>80</td>
<td>9.5</td>
</tr>
<tr>
<td>Total</td>
<td>858</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

In terms of quota, it was only possible to validate the representativeness of the samples by statuses and sectors for documented workers. Table 4.8 presents the distribution of documented respondents interviewed in the survey and unpublished data on the number of migrant workers employed in the year 2007. When the sample is compared with the reported number of migrant workers employed, the samples in this study over-represent the services
and manufacturing sector and under-represent all other sectors, especially plantation and agriculture sectors.

**Table 4.8 Documented Migrant Respondents by Sectors**

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Number of documented workers in 2007*</th>
<th>Percentage of documented workers in 2007</th>
<th>Number of documented respondents interviewed</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>99563</td>
<td>8.5</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>214490</td>
<td>18.2</td>
<td>83</td>
<td>17</td>
</tr>
<tr>
<td>Domestic work</td>
<td>300957</td>
<td>25.6</td>
<td>115</td>
<td>24</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>209362</td>
<td>17.8</td>
<td>98</td>
<td>20</td>
</tr>
<tr>
<td>Services</td>
<td>40466</td>
<td>3.4</td>
<td>82</td>
<td>17</td>
</tr>
<tr>
<td>Plantation</td>
<td>311625</td>
<td>26.5</td>
<td>94</td>
<td>20</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td>2#</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1176463</strong></td>
<td><strong>100</strong></td>
<td><strong>481</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: *Unpublished data from Department of Immigration, Malaysia and 2009IMW survey

# Respondents who have permit but found working in the “Others” sector

The prevalence of undocumented migrant workers in the total population was estimated using the number of the rare population in the total population (Kalton and Anderson 1986). In comparison to the prevalence rate reported in 2009 (37.5 per cent), the prevalence rate of undocumented migrants in this survey was almost 10 per cent lower. In other words, the research may have underrepresented the number of undocumented migrant workers. However, since the data obtained was analysed from the total percentage within each sector and status, the study’s results are found to be reliable.

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25 Prevalence of undocumented migrant workers, \[ p = \frac{M}{N}, \] M= rare population and N= total population. In terms of undocumented migrants, the numbers reported in 2009 indicated the presence of 1.2 million undocumented and 2.1 million documented migrant workers in Malaysia (NST, 2009). Using this information, it was found \[ p = \frac{1.2}{3.2} = 37.5\% . \]
4.3.3.3 Preparatory Work for Data Collection

Research Ethics

The preparatory work for field work began with the process of seeking ethical clearance which was obtained in October 2008 from the Human Research Ethics Committee of The University of Adelaide. The entire fieldwork was carried out in collaboration with the Department of Statistics, Faculty of Economics, University of Malaya, where the researcher was previously a staff member. Letters of application seeking collaboration were sent to that department two months prior to the commencement of the fieldwork. The collaboration provided funding, physical facilities and documents that enabled the smooth implementation of the fieldwork. Approval to carry out the research as a student from a university outside Malaysia was gained through this collaboration from the Economic Planning Unit (Malaysia). Attachment with a local university played a very important role in communicating with, and obtaining data from, government agencies. In addition to the University of Malaya, funding for this study also came from The University of Adelaide and the Australian Population Association.

The research did not involve any minors or elderly as it included only the working age population. Stringent measures were taken to ensure the issues of confidentiality, anonymity and informed consent during the research. The tools used to ensure this were the Participant Information Sheet (Appendix 4) and the Informed Consent Form (Appendix 5). The former was read to the participants at the beginning of the survey and the latter required a signature from participants before engaging in the survey. While most respondents provided written approval a few, due to their illiteracy, provided verbal agreement. All the forms were in
Bahasa Indonesia. The forms contained identification information of the researcher, the institution, guarantee of confidentiality, right to withdraw and other information deemed necessary to ensure the rights of participants, as listed by Sarantakos (2005) and Winchester (1996).

The inclusion of undocumented workers in the study made the survey “sensitive”, a term used when studying members of the public who are involved in illegal activities (Gray 2009). After assessing the ethical challenges faced in the collection and reporting of data concerning undocumented workers, the researcher, as an academic worker, and as suggested by Duvell et al. (2009, p. 231), took an independent position in this analysis while maintaining high ethical standards in protecting the rights of respondents. A migrant’s status was determined by the migrant’s statement, with no recourse to visa checking. The respondents may have misled the researcher with the answers to this question. However, the researcher had neither the authority nor the permission to check and verify their documents. Furthermore, if verification were requested it had the potential to cause uneasiness and unwillingness to continue. The respondents were always reminded that they could refuse to answer any of the questions, including the question on their status in Malaysia.

In terms of data analysis, all respondents were given a random identification number. It was clearly indicated that the research would not identify any information to an individual and that all information collected were treated confidentially.


**Questionnaire and Pilot Testing**

The structured interview technique was adopted with the assistance of a questionnaire. This technique, where the same set of questions is repeated to many respondents, was selected mainly due to its merit of being able to produce quantifiable answers (Patton 2001). After an in-depth-interview with a member of the Indonesian High Commission in Kuala Lumpur revealed that most low-skilled workers from Indonesia had low levels of education and had little or no facility with the English language, it was decided that the entire survey would be carried out in Bahasa Indonesia.

Pilot testing, to clarify the entire research design (Robson 2002), was deemed necessary prior to the actual survey. The piloting process, in addition to testing the questionnaire, the enumerators and their skills, included the preparation of dummy tables which predicted possible answers (Oppenheim 1992). Three pilot tests were carried out in stages. The first phase aimed to ensure the completeness, wording and appropriateness of the language of instruction and also to estimate the time taken to conduct the questionnaire.

The questionnaire was translated using a technique known as “back translation” (Neuman 2006), whereby the questionnaire is initially translated from English to Bahasa Indonesia and then from Bahasa Indonesia to English, by two different translators. The translators, one from Java and the other from Sumatra, exhibited some differences in wordings and interpretations. After undergoing several revisions, a final draft questionnaire in Bahasa Indonesia was formulated. Questions were then coded carefully and were put into a database using Predictive Analytics Software 18 (PASW) by SPSS. Following this, the researcher carried out a pilot
study consisting of five documented and five permanent residents to identify potential cultural and language differences, given that, the researcher spoke a very similar language (Bahasa Malaysia). This process identified that the respondents had a high tendency to give single word answers and consequently a “why” question was added to selected questions to elicit an explicit reason for certain decisions. The next stage involved, six pre-trained enumerators interviewing three respondents each. Based on the results of the pre-tests and a debriefing of the enumerators, final adjustments were made to the questionnaires, concerning wording and length.

The final version of the questionnaire (see Appendix 6) contained fourteen sections, as shown in Table 4.9. Except for Section E, which requires information from only permanent residents, all other sections are completed by all respondents. The questionnaire aimed to collect a wide range of information on migrants. The data collected was expected to highlight the differences in characteristics and the resultant socio-economic impacts of permanent and circular migrants.

*Organizing and Training Interviewers*

Six fieldwork assistants were recruited to provide assistance in locating and organizing the interviews and also rotated in accompanying the researcher into the field. All of these were Indonesian citizens, male and pursuing tertiary education at various higher learning institutions in Kuala Lumpur and Selangor. These international students were highly motivated and enthusiastic. The timing of the fieldwork, which fell during a three month semester break, enabled their fullest involvement. They worked for a maximum of 20 hours a
week and were fully remunerated for their contributions. A short three-hour training session was found to be sufficient, as the interviews were mainly carried out in the researcher’s presence.

Table 4.9 Summary of Content of Questionnaire

<table>
<thead>
<tr>
<th>Section</th>
<th>Section Title</th>
<th>Information Sought</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Personal Particulars</td>
<td>Details on demographic characteristics such age, gender and educational status also legal status of respondent.</td>
</tr>
<tr>
<td>B</td>
<td>Marriage, Children, Family and Networks</td>
<td>Information on marital status and, if married, the status of the spouse and any children. Information on organisational and personal networks in the host and home countries.</td>
</tr>
<tr>
<td>C</td>
<td>Living Arrangement</td>
<td>Type of living quarters and housing arrangement, including number of housemates and their ethnicity.</td>
</tr>
<tr>
<td>D</td>
<td>Migration History</td>
<td>Information on the first migratory experience to Malaysia (mode of arrival, conditions fulfilled to undertake travel as a migrant, the help received, aims of migration).</td>
</tr>
<tr>
<td>E</td>
<td>Permanent Residency</td>
<td>The process of obtaining permanent residency (application lodging, granted and the cost) and help received.</td>
</tr>
<tr>
<td>F</td>
<td>Current/Recent Work</td>
<td>Details of type of work, sector of employment, work schedule and wages earned.</td>
</tr>
<tr>
<td>G</td>
<td>Finance and Remittance</td>
<td>Information on money remitted, its recipient and indication of usage; respondents’ banking facilities in the host country.</td>
</tr>
<tr>
<td>H</td>
<td>Mobility Patterns</td>
<td>Details of trips made home, the length of stay and the purposes. Also information on anyone accompanying them.</td>
</tr>
<tr>
<td>I</td>
<td>Human Capital Development</td>
<td>Type of language and other skills gained at the host nation and their expected usefulness upon returning home.</td>
</tr>
<tr>
<td>J</td>
<td>Future Intention</td>
<td>Details on intention to stay or return. The information gathered from this section was used to classify migrants into different types (i.e. circular, permanent and undecided migrants).</td>
</tr>
<tr>
<td>K</td>
<td>Health</td>
<td>Details on the types of support received when faced with health issues.</td>
</tr>
<tr>
<td>L</td>
<td>Comparison between Home and Host Country</td>
<td>Details on the preference to live and work (home country vs. host country)</td>
</tr>
<tr>
<td>M</td>
<td>Policies/Law</td>
<td>Respondents’ awareness of the policies and laws regarding the employment of migrant labour.</td>
</tr>
</tbody>
</table>

4.3.3.4 Fieldwork

The entire fieldwork was carried out over a period of four months in Malaysia, from March to July 2009. The survey in this study was administered through face-to-face interviews, a
method considered costly and time consuming, yet necessary for interviewing respondents with low levels of literacy (Gorard 2003; Gray 2009). This method, as suggested, also helped to achieve a response rate well above 85 per cent and minimised the “don’t knows” and “no answers” (Babbie 2004). The opportunity to probe deeper when necessary also allowed the researcher to gather more contextual information. Throughout the research, only one respondent became suspicious and verbally abusive despite being showed numerous letters of identification. In this situation, the survey was terminated immediately.

A minimum of two enumerators travelled with the researcher for each scheduled session during the first month. The researcher and enumerators carried out their interviews simultaneously. The researcher then checked the completed questionnaires for errors and ‘no-answer’ questions. In some instances, when it was not feasible for the researcher to interview a respondent (if the respondent used too many colloquial expressions or was too inhibited by someone of another ethnicity), the enumerators carried out interviews, with the researcher observing. During the second month, having gained sufficient experience, the enumerators carried out some sessions on their own while the researcher concentrated on data entry. Regular weekly meetings were carried out to discuss any problems and to return completed questionnaires.

As discussed previously, both convenience and snowball techniques were used to recruit respondents. However, in the case of plantation workers, it was nearly impossible to recruit them randomly at the usual places where Indonesian workers gathered, as almost all plantation workers were located remotely, and with their employers doing most of the documentation work, there movement beyond their workplace was limited. Therefore, other methods were
employed to find respondents in this sector. The National Union for Plantation Workers (NUPW), a union for plantation workers (both Malaysians and non-Malaysians), makes visits to work sites on a weekly basis, to discuss problems faced by the plantation workers. With their assistance, the researcher attended their weekly meetings and carried out interviews with migrant workers, as shown in Plate 4.1. Despite the long hours spent in travelling, this method proved to be an excellent technique for recruiting migrant workers from this sector. The snowballing technique was also highly effective in recruiting domestic workers from a particular area, as most of them knew each other and were happy to pass on names.

**Plate 4.1 Interviewing Plantation Workers**

![Plate 4.1 Interviewing Plantation Workers](image)

**NOTE:**
This figure/table/image has been removed to comply with copyright regulations. It is included in the print copy of the thesis held by the University of Adelaide Library.

Source: 2009IMW survey

### 4.4 Data Entry, Cleaning and Analysis

The researcher had set up the database prior to the commencement of the fieldwork and tested it with data from the pilot survey. Data was subsequently entered on a daily basis for the first
two hundred questionnaires. Two data entry assistants provided by the university in Malaysia were trained and employed. Data cleaning was then conducted, checking the frequency of all the variables. Twelve questionnaires from the pool of permanent residents were removed from the analysis as these respondents had arrived in Malaysia prior to 1980s and were refugees. The dataset gathered from this study was named 2009 Indonesian Migrant Worker (2009IMW) survey data.

Predictive Analytics Software 18 (PASW) by SPSS is the main software used to analyse the data gathered in the survey. As stated earlier, the data collected from in-depth interviews with major stakeholders was used to enhance the findings from the survey. The analyses from the data sources were carried out simultaneously (Creswell and Clark 2007).

The data analysis began with a univariate analysis (single variable analysis) of all dependent and independent variables. Univariate statistics, such as mean and median, were produced for numeric variables. Frequency and cumulative frequencies were analysed for the categorical variables. When there are missing values, analyses were carried out without any replacements and actual sample sizes were reported. These analyses provided a summary picture of the key variables (Gray 2009) and assisted in identifying the outliers. Bar and pie charts were used to illustrate selected categorical variables. This was followed by cross tabulation, a technique in which an association between categorical variables is analysed using tables (Norusis 2008). Rosenberg’s (1968) technique of controlling selected socio-demographic variables to study the underlying patterns is applied throughout this study.
4.5 Classification of Migrants by Status and Type

The 858 migrants interviewed in this research are divided into three categories based on their intentions, following the concept of mobility transition developed by Zelinsky (1971, p. 236) (see chapter 1). The migrants with intentions to stay permanently in Malaysia are classified as permanent migrants and those who do not intend to stay (but intend to return) are classified as circular migrants. Those who are unsure of their intentions are classified as undecided migrants. Table 4.10 summarises the major characteristics of the nine groups of migrants by their intention and their legal status. This table will act as the guideline for the understanding of the nine categories of migrants in this study.

As shown in Table 4.11, at least three quarters of the respondents interviewed in this study had no intention to stay permanently in Malaysia. This proportion is consistent with similar studies. Devi reported (1986, p. 175), in a survey involving 75 Indonesian migrant workers, that 80 per cent expressed their intention to return, while 20 per cent were undecided. Wong and Anwar (2003b) found that from 100 Acehnese interviewed 70 per cent intended to return to Indonesia while the rest were unsure. Similarly, in a study of 256 migrants working on one particular estate in Malaysia, mostly undocumented, 90 per cent preferred their lifestyles back home and did not intend to live in Malaysia (Mako 1997). In sum, the 2009IMW survey indicates that most Indonesian workers are not intending to settle permanently in Malaysia, in contrast to the assumptions of neoclassical theory which suggests that all migrants intend to stay permanently (Greenwood 1985; Molho 1986; Massey et al. 1993; Arango 2004).
<table>
<thead>
<tr>
<th>Types</th>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
| Circular Migrants    | Circular   | • These migrants hold legal visas and work permits to work in Malaysia.  
|                      | Documented | • They fulfil the requirements of IMM13 Visa.  
|                      |            | • They are not intending to stay permanently in Malaysia.  
|                      |            | • They may make further work trips to Malaysia, either legally or illegally, before returning home permanently.  
|                      |            |                                                                                                                                              |
|                      |            | • These migrants do not hold legal visas and work permits to work in Malaysia.  
|                      |            | • They do not fulfil the requirements of IMM13 Visa.  
|                      |            | • They are not intending to stay permanently in Malaysia.  
|                      |            | • They may make further work trips to Malaysia, either legally or illegally to Malaysia before returning home permanently.  
|                      |            |                                                                                                                                              |
|                      |            | • These migrants hold permanent residency status.  
|                      |            | • They are not intending to stay permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons.  
|                      |            |                                                                                                                                              |
|                      | Undocumented | • These migrants hold legal visas and work permits to work in Malaysia.  
|                      |            | • They fulfil the requirements of IMM13 Visa.  
|                      |            | • They are intending to stay permanently in Malaysia.  
|                      |            | • They do not have any legal rights to stay or work permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons. However, they will always return to Malaysia.  
|                      |            |                                                                                                                                              |
|                      | Undocumented | • These migrants do not hold legal visas and work permits to work in Malaysia.  
|                      |            | • They do not fulfil the requirements of IMM13 Visa.  
|                      |            | • They are intending to stay permanently in Malaysia.  
|                      |            | • They do not have any legal rights to stay or work permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons. However, they will always return to Malaysia.  
|                      |            |                                                                                                                                              |
|                      |            | • These migrants hold permanent residency status.  
|                      |            | • They are intending to stay permanently in Malaysia.  
|                      |            | • They have the legal rights to stay or work permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons. However, they will always return to Malaysia.  
|                      |            |                                                                                                                                              |
| Undecided Migrants   | Undecided  | • These migrants hold legal visas and work permits to work in Malaysia.  
|                      | Documented | • They fulfil the requirements of IMM13 Visa.  
|                      |            | • They are unsure of their intentions to stay permanently in Malaysia.  
|                      |            | • They do not have any legal rights to stay or work permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons.  
|                      |            |                                                                                                                                              |
|                      | Undocumented | • These migrants do not hold legal visas and work permits to work in Malaysia.  
|                      |            | • They do not fulfil the requirements of IMM13 Visa.  
|                      |            | • They are unsure of their intentions to stay permanently in Malaysia.  
|                      |            | • They do not have any legal rights to stay or work permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons.  
|                      |            |                                                                                                                                              |
| Undecided Migrants   | Undecided  | • These migrants hold permanent residency status.  
|                      | Permanent  | They are unsure of their intentions to stay permanently in Malaysia.  
|                      | Residents  | They have the legal rights to stay or work permanently in Malaysia.  
|                      |            | • They may make visits to the home country for various reasons.  
|                      |            |                                                                                                                                              |
Table 4.11 Intent to Stay: Sample Respondents

<table>
<thead>
<tr>
<th>Intention to Stay Permanently</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>639</td>
<td>74.4</td>
<td>Circular Migrants</td>
</tr>
<tr>
<td>Yes</td>
<td>101</td>
<td>11.8</td>
<td>Permanent Migrants</td>
</tr>
<tr>
<td>Not Sure / Do Not Know</td>
<td>118</td>
<td>13.8</td>
<td>Undecided Migrants</td>
</tr>
<tr>
<td></td>
<td>858</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: 2009 Indonesian Migrant Workers survey (2009IMW survey)

The typology of circular, permanent and undecided is further qualified by whether the migrant is documented, undocumented or a permanent resident. This identifies nine groups of migrants, three by each status and three of each type, as outlined in Table 4.12. These nine groups will be used throughout this study. The 2009IMW survey shows documented and undocumented migrants are more likely to be circular migrants. Permanent residents are more likely to be either permanent or undecided migrants.

Table 4.12 Migrants by Status and Type

<table>
<thead>
<tr>
<th>Types</th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Documented</td>
<td>Circular Documented</td>
<td>416</td>
<td>65</td>
</tr>
<tr>
<td>Undocumented</td>
<td>Circular Undocumented</td>
<td>146</td>
<td>23</td>
</tr>
<tr>
<td>Permanent Residents (PR)</td>
<td>Circular Permanent Residents</td>
<td>77</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>639</td>
<td>100</td>
<td>101</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

This analysis also highlights some challenges to policy makers in Malaysia. Theoretically, while permanent residents are expected to stay permanently, documented workers are
expected to return at the end of their contracts and undocumented workers are not expected to come at all. However, the 2009IMW survey finds that nearly half of permanent residents (45 per cent) do not intend to remain permanently, while some documented (6 per cent) and some undocumented (9 per cent) respondents have intentions to stay permanently in Malaysia.

4.6 Conclusion

This study used a combination of quantitative and qualitative techniques to achieve its objectives. While secondary data and the in-depth interviews with key stakeholders assisted in laying the foundations for the research, the main data for the study was obtained through a cross-sectional survey which employed face-to-face interview techniques. The combination of methods eliminated possible inaccuracies, which would arise from employing a single technique, with information from various sources providing a rich data set and a form of triangulation. This migrant-centred approach in data collection (as mentioned in chapter 1), is consistent with the approach recommended by circular migration researchers, which focuses on the potential for human development (see throughout).

The survey data was gathered from 858 usable questionnaires of which more than half are documented workers, with approximately one-fifth being undocumented workers and the rest are permanent residents. Using Zelinsky’s (1971, p. 236) definition of intention, it was found that three quarters of the migrants in this study are classified as circular migrants, with one-tenth as permanent migrants and slightly more than one-tenth being undecided migrants. The documented and undocumented migrants are more likely to be circular migrants while the
permanent residents are more likely to be permanent and undecided migrants suggesting a relationship between the legal status and migrants’ intentions.

Chapter 5 further analyses the migrants in this research by looking at their migration differentials, their place of origin, the factors that motivated them to leave Indonesia and travel to Malaysia and investigates the circumstances in which some have chosen to be, or subsequently become, undocumented and others who have obtained their permanent residency.
Chapter 5.  Migration Differentials, Motivations and Strategies: Circular Vs Permanent Migration

5.1 Introduction

The characteristics of migrants differ from one country to the other, shaped partly by the host and the home country’s policies and the individual migrant’s choices (Chiswick 2000; Constant and Massey 2002; Constant and Massey 2003; Constant and Zimmermann 2003a). When migrants find policies too proscriptive or administratively difficult, they may still attempt migration in an undocumented capacity. In fact, undocumented migration occurs on a substantial scale in Southeast Asia (Battistella 2003).

Although, international migrants have played and will continue to play a significant role in Malaysia’s development (Hugo 2011a), little care has been given to understanding the details of these migrants. Publicly available data provides very limited coverage of international migration (see Chapter 4) and does not include the undocumented workers. Although some empirical research has analysed the characteristics of the international migrants (Devi 1986; Darul Amin 1990; Lee 1993; Eki 2002), none have yet attempted to differentiate their characteristics by status (documented, undocumented, permanent residents) or by type. Such an analysis would assist in understanding how migration is selective of particular groups and the relationship between migrants’ characteristics and their intentions.

This chapter begins with an analysis of age, sex, marriage and education differentials, aiming to develop a profile of migrants by status and type based on the 2009IMW survey. It then
looks at the factors that have motivated migrants to leave Indonesia and choose Malaysia as a country of destination. The origin of the migrants and the circumstances that have influenced them to become undocumented or obtain permanent residency is then explored. The migration differentials and other characteristics of the migrants in the 2009IMW study contribute to understanding the pattern of Indonesian migration to Malaysia and provide significant information relevant to Malaysia’s future migration management policies, especially the potential to include circular migration as a preferred policy for documented workers.

5.2 Migration Differentials

Migration differentials relating to age, gender, marital status and education of the 858 Indonesian labour migrants interviewed in this study are analysed. Questions of why and how these differentials arise are then explored.

5.2.1 Sex

It has been noted by many that there has been a “feminisation” of international migration with a large percentage (almost half) of Asian international migrants now being women (IOM 2005; Piper 2005a; Brooks and Devasahayam 2011; Cristaldi and Darden 2011). Seventy percent of Indonesia’s out-going migrant population is female (Ariffin 1993; Raharto 2007; World Bank 2008; IOM 2010a), despite it being generally considered “haram” (forbidden) (Lindquist 2010). Table 5.1 draws on the 2009IMW survey data of 858 respondents to show the gender ratio by status of migrants. The overall ratio of 159 males for every 100 females found in the survey is not consistent with the general trend of feminisation of migration in Asia and indicates a higher male ratio than the Census 2000 statistics among non-Malaysian
citizens (129 males to 100 females). Examining sector of employment, time of arrival and status offers an explanation as to why the gender of Indonesian migrants to Malaysia does not, at this point in time, follow the current trend.

Table 5.1 Migrants by Gender and Status

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
<th>Male to Female Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Documented</td>
<td>265</td>
<td>50.3</td>
<td>216</td>
<td>65.3</td>
</tr>
<tr>
<td>Undocumented</td>
<td>134</td>
<td>25.4</td>
<td>46</td>
<td>13.9</td>
</tr>
<tr>
<td>Permanent Resident</td>
<td>128</td>
<td>24.3</td>
<td>69</td>
<td>20.8</td>
</tr>
<tr>
<td>Total Respondents</td>
<td>527</td>
<td>61</td>
<td>331</td>
<td>39</td>
</tr>
<tr>
<td>Non-Malaysian Citizens*</td>
<td>780354</td>
<td>56</td>
<td>604420</td>
<td>44</td>
</tr>
</tbody>
</table>

Source: *DOSM 2001 and 2009IMW survey

According to the 2010 Malaysian labour force survey (DOSM 2011c, pp. 46-48), males comprise 90 percent of workers in construction, 76 percent in agriculture and plantations, and 66 percent in the manufacturing sector. When combined, these four sectors employed more than 70 percent of the total number of international migrant workers and 80 percent of the Indonesian migrant workers in 2011 (unpublished data from the Department of Immigration, Malaysia). Similarly, as shown in Table 5.2, the 2009IMW survey shows a very high male to female ratios in the construction (2525 males to every 100 females) and plantation sectors (3666 males to every 100 females). If these sectors were to continue to dominate the Malaysian economy and continue to be selective of gender, then there will continue to be a higher proportion of males to females (both local and international) employed in Malaysia.
Table 5.2 Migrants by Gender and Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Male No.</th>
<th>Male %</th>
<th>Female No.</th>
<th>Female %</th>
<th>Total No.</th>
<th>Total %</th>
<th>Male to Female Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Work</td>
<td>1</td>
<td>1</td>
<td>119</td>
<td>99</td>
<td>120</td>
<td>14</td>
<td>0.8</td>
</tr>
<tr>
<td>Construction</td>
<td>202</td>
<td>96</td>
<td>4</td>
<td>210</td>
<td>25</td>
<td>2525</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>62</td>
<td>50</td>
<td>62</td>
<td>50</td>
<td>124</td>
<td>14</td>
<td>100</td>
</tr>
<tr>
<td>Plantation</td>
<td>110</td>
<td>97</td>
<td>3</td>
<td>3</td>
<td>113</td>
<td>13</td>
<td>3666</td>
</tr>
<tr>
<td>Services</td>
<td>93</td>
<td>44</td>
<td>118</td>
<td>56</td>
<td>211</td>
<td>25</td>
<td>79</td>
</tr>
<tr>
<td>Others</td>
<td>59</td>
<td>74</td>
<td>21</td>
<td>26</td>
<td>80</td>
<td>9</td>
<td>280</td>
</tr>
<tr>
<td>Total</td>
<td>527</td>
<td>61</td>
<td>331</td>
<td>39</td>
<td>858</td>
<td>100</td>
<td>159</td>
</tr>
</tbody>
</table>

Source: 2009IMW Survey

However, there is a current trend towards increased reliance on domestic services, where nearly all workers are female migrants, and if this were to continue the gender balance of the Malaysian international labour force will soon alter. Whether these workers will be from Indonesia though, and whether it alters the male dominance of Indonesian workers, is dependent on both the Malaysian and Indonesian governments’ policies related to domestic workers. The Indonesian government has recently imposed a ban on sending domestic workers to Malaysia to commence in 2017 and the Malaysian government too continues to reduce its reliance on Indonesia as its major source country of migrant workers, for this sector (Migration News July 2011).

When the survey data was controlled for year of arrival by status, the gender ratio for documented respondents who have arrived since 2005 suggested a strong feminisation of migration, with 64 males for every 100 females interviewed. It can therefore be stated that the recent migration flow from Indonesia contained more females than males, reflecting the current trend in Asia.
The undocumented migrants had the highest male ratio and the documented migrants, the lowest. Undocumented workers are not included in the census data and it is known that male workers are more likely than the females to undertake illegal travel to Malaysia (Hugo and Bohning 2000; Raharto 2007; Asis and Piper 2008; Keban 2000). The gender ratio for undocumented migrants, as shown in Table 5.1, indicates the presence of almost three males for every one female. The sex ratio between male and female is further increased with the inclusion of permanent residents, reflecting the fact that the majority of the permanent residents originally travelled to Malaysia without documents. This is because about 35 per cent of the permanent residents in this study applied for permanent residency prior to 1984, which is when the Medan agreement, aiming to regulate migrant workers from Indonesia, was signed (Kassim 2006a; Kanapathy 2008a).

However, while males dominate the undocumented category, a significant number of females also travel illegally, often accompanying their spouses (Dorall and Paramasivam 1992). Thirty-four of the 46 undocumented females in the 2009IMW study are married. Eighty-eight per cent of these had their spouses residing in Malaysia and 30 per cent are married to Malaysian citizens or permanent residents. Almost half of these travelled to Malaysia illegally to accompany their spouses.

There are a few international studies that analyse the gender differences between circular and permanent migrants (Constant and Zimmermann 2003a; Vadean and Piracha 2009). In a survey of 7280 migrants from Albania, females were found to be less likely to become circular migrants and more likely to be permanent migrants (Vadean and Piracha 2009). Data from the German Socioeconomic Panel also showed males as circulating more than females (Constant
and Zimmermann 2003a). The 2009IMW study also indicates the influence of gender on the intention of migrants. Within the circular migrants males predominate, while females predominate amongst the permanent migrants, as shown in Table 5.3. Marriage has been cited as the reason for many female migrants to undertake permanent migration (Vadean and Piracha 2009; Ananta et al. June 2001), its influence being discussed later in the chapter.

Table 5.3 Migrants by Type and Sex

<table>
<thead>
<tr>
<th></th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Respondents</td>
<td>527</td>
<td>331</td>
<td>858</td>
</tr>
<tr>
<td>Type of Migrants</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Circular Migrants</td>
<td>76.7</td>
<td>71.0</td>
<td>74.5</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>9.1</td>
<td>16.0</td>
<td>11.8</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>14.2</td>
<td>13.0</td>
<td>13.8</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

5.2.2 Age

One of the key differentials of migration is age (Bell and Ward 2000). The age pattern is often analysed from both the current age and age at first migration. Age is calculated based on the date of birth provided by respondents. The respondents in the 2009IMW survey are characterised by strong age selectivity. As shown in Table 5.4, the majority of the migrants in the 2009IMW survey are below 45 years of age. The clustering of migrants in the young adult age groups (between 20 and 34 years) is stronger within the documented and undocumented migrants than the permanent residents. The permanent residents, on average, are almost 13 years older than the documented and undocumented workers. All the permanent residents in this study arrived in Malaysia prior to 1993 at an average age of 23, and therefore there are no
recent migrants in this category (the awarding of permanent residency came to an abrupt end in the 1990s (Wong 2009)).

Table 5.4 Age Group of Migrants by Status (in Per cent)

<table>
<thead>
<tr>
<th>Age</th>
<th>Documented Migrant</th>
<th>Undocumented Migrant</th>
<th>Permanent Resident</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-19</td>
<td>0.2</td>
<td>14.4</td>
<td>1.0</td>
<td>0.1</td>
</tr>
<tr>
<td>20-24</td>
<td>12.9</td>
<td>33.9</td>
<td>3.6</td>
<td>10.5</td>
</tr>
<tr>
<td>25-29</td>
<td>32.0</td>
<td>33.9</td>
<td>1.0</td>
<td>25.9</td>
</tr>
<tr>
<td>30-34</td>
<td>26.4</td>
<td>25.0</td>
<td>13.2</td>
<td>20.3</td>
</tr>
<tr>
<td>35-39</td>
<td>12.7</td>
<td>12.8</td>
<td>1.0</td>
<td>12.8</td>
</tr>
<tr>
<td>40-44</td>
<td>10.6</td>
<td>10.0</td>
<td>25.9</td>
<td>14.0</td>
</tr>
<tr>
<td>45-49</td>
<td>3.7</td>
<td>2.2</td>
<td>33.0</td>
<td>10.1</td>
</tr>
<tr>
<td>50-54</td>
<td>1.0</td>
<td>0.6</td>
<td>9.6</td>
<td>2.9</td>
</tr>
<tr>
<td>55 and above</td>
<td>0.4</td>
<td>1.1</td>
<td>12.7</td>
<td>3.4</td>
</tr>
<tr>
<td>Total No. of Respondents</td>
<td>481</td>
<td>180</td>
<td>197</td>
<td>858</td>
</tr>
<tr>
<td>Average Age of Respondents</td>
<td>31</td>
<td>32</td>
<td>45</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

The variations in age can be traced to restrictions set by the host country, Malaysia. The age requirement set, as agreed in the “The Memorandum of Understanding Regarding Recruitment of Foreign Workers”, signed between the Indonesian and Malaysian governments in Bali on May 10, 2004, ensures migrant workers are recruited between the ages of 18 and 45 (Rupert 1999). The migrants recruited through legal channels (documented) “fulfilled” these requirements and tend to be young. The overall younger average age of undocumented migrants in the 2009IMW survey may have been influenced by their status as more than one-third (38 per cent) of these workers initially arrived as documented workers.

26 Falsification of age is common among Indonesians who undertake migration to Malaysia (to fulfil Malaysian government’s age requirements) as Indonesia lacks official documents to verify age of their citizens (Azizan and Naidu January 17, 2010).
The migration process is usually initiated early in a person’s working life and is often influenced by parents and community, often before starting one’s own family (Lauby and Stark 1988; Bell and Ward 2000). As shown in Table 5.5, irrespective of their legal status the majority of migrants in the 2009IMW survey were less than 24 years old at their first migration to Malaysia. Almost 9 per cent of permanent residents were under 15 years at the time of their first migration, as they came to Malaysia as dependent children of migrants.

**Table 5.5 Age at First Migration by Status (in Per cent)**

<table>
<thead>
<tr>
<th>Age</th>
<th>Documented Migrant</th>
<th>Undocumented Migrant</th>
<th>Permanent Resident</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;15</td>
<td>1.5</td>
<td>6.1</td>
<td>8.6</td>
<td>4.1</td>
</tr>
<tr>
<td>15-19</td>
<td>19.1</td>
<td>19.4</td>
<td>28.4</td>
<td>21.3</td>
</tr>
<tr>
<td>20-24</td>
<td>39.3</td>
<td>41.1</td>
<td>37.1</td>
<td>39.2</td>
</tr>
<tr>
<td>25-29</td>
<td>18.9</td>
<td>17.8</td>
<td>13.7</td>
<td>17.5</td>
</tr>
<tr>
<td>30-34</td>
<td>11.0</td>
<td>8.3</td>
<td>8.6</td>
<td>9.9</td>
</tr>
<tr>
<td>35-39</td>
<td>6.4</td>
<td>3.9</td>
<td>3.0</td>
<td>5.1</td>
</tr>
<tr>
<td>40-44</td>
<td>2.9</td>
<td>2.8</td>
<td>-</td>
<td>2.2</td>
</tr>
<tr>
<td>45 and above</td>
<td>0.8</td>
<td>0.6</td>
<td>0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Total No. of Respondents</td>
<td>481</td>
<td>180</td>
<td>197</td>
<td>858</td>
</tr>
<tr>
<td>Average Age at First Migration</td>
<td>24</td>
<td>23</td>
<td>21</td>
<td>22</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

A study by Dorall and Paramasivam (1992) shows that undocumented migrants were more often younger males who are willing to risk travelling illegally, while older undocumented migrants were more likely to be females who undertook illegal travel to join their husbands. Similarly, in the 2009IMW survey as shown in Table 5.6, the gender differences in the age distribution are particularly marked for undocumented migrants and permanent residents. The majority of undocumented males in the survey are found to be
younger than their female counterparts. More than 50 per cent of the married undocumented females are the spouses of Malaysian permanent residents and citizens. These female migrants are working without the permits required by the Malaysian government (The Star July 13, 2010). There is more than double the number of female permanent residents within the 30 to 39 years age bracket. These women may be the spouses of older men, or they may have arrived initially as dependent children.

<table>
<thead>
<tr>
<th>Age (years)</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>19-29</td>
<td>44</td>
<td>47</td>
</tr>
<tr>
<td>30-39</td>
<td>44</td>
<td>33</td>
</tr>
<tr>
<td>40-49</td>
<td>11</td>
<td>18</td>
</tr>
<tr>
<td>50-59</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

| Total No. of Respondents | 265 | 216 |

Research suggests that younger migrants are more likely to circulate than older migrants (Bedford 1973; Vertovec 2007). Similarly, the majority of both female and male circular migrants are found to be in their 20s in the 2009IMW survey, with permanent migrants and undecided migrants being older.

Lee et al. (2011, p. 148), describe the relationship between age and repeat migration as taking an inverted U-shape. Based on a study of 379 Thai migrant workers abroad, they find the workers to be increasingly involved in repeat migration until the age 40, when it then declines. A cross tabulation of the 2009IMW survey data, as shown in Table 5.7, confirms a similar pattern for the documented and undocumented migrant workers. However, a different pattern
is found in the permanent residents. Permanent residents who are above 40 indicate that their intention is to be circular or undecided migrants. This could be due to the fact that, having achieved their economic goals, these migrants are now more flexible, willing to make back-and-forth trips between home and host country, being comfortable and “at home” in both. Furthermore, these migrants have the legal documents that allow them to be circular, permanent, or undecided in their migration intention.

### Table 5.7 Age Group of Migrants by Status and Type

<table>
<thead>
<tr>
<th>Type</th>
<th>Status</th>
<th>20-29</th>
<th>30-39</th>
<th>40-49</th>
<th>50 and above</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Circular Migrants</td>
<td>Documented</td>
<td>72.1</td>
<td>70.9</td>
<td>49.6</td>
<td>21.4</td>
<td>65.0</td>
</tr>
<tr>
<td></td>
<td>Undocumented</td>
<td>27.1</td>
<td>25.1</td>
<td>14.4</td>
<td>3.6</td>
<td>22.9</td>
</tr>
<tr>
<td></td>
<td>Permanent Resident</td>
<td>.8</td>
<td>4.0</td>
<td>36.0</td>
<td>75.0</td>
<td>12.1</td>
</tr>
<tr>
<td></td>
<td>Total No. of Respondents</td>
<td>258</td>
<td>227</td>
<td>125</td>
<td>28</td>
<td>638</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>Documented</td>
<td>47.8</td>
<td>41.4</td>
<td>13.5</td>
<td></td>
<td>27.7</td>
</tr>
<tr>
<td></td>
<td>Undocumented</td>
<td>43.5</td>
<td>17.2</td>
<td>2.7</td>
<td>8.3</td>
<td>16.8</td>
</tr>
<tr>
<td></td>
<td>Permanent Resident</td>
<td>8.7</td>
<td>41.4</td>
<td>83.8</td>
<td>91.7</td>
<td>55.4</td>
</tr>
<tr>
<td></td>
<td>Total No. of Respondents</td>
<td>23</td>
<td>29</td>
<td>37</td>
<td>12</td>
<td>101</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>Documented</td>
<td>61.3</td>
<td>53.6</td>
<td>4.4</td>
<td>7.1</td>
<td>31.4</td>
</tr>
<tr>
<td></td>
<td>Undocumented</td>
<td>22.6</td>
<td>21.4</td>
<td>6.7</td>
<td>7.1</td>
<td>14.4</td>
</tr>
<tr>
<td></td>
<td>Permanent Resident</td>
<td>16.1</td>
<td>25</td>
<td>88.9</td>
<td>85.7</td>
<td>54.2</td>
</tr>
<tr>
<td></td>
<td>Total No. of Respondents</td>
<td>31</td>
<td>28</td>
<td>45</td>
<td>14</td>
<td>118</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

#### 5.2.3 Marriage

Migrant workers in the low-skilled sectors are not allowed to marry in Malaysia during their contract period and are prohibited from bringing their families to reside or work in Malaysia (DLFPM November 2006). Although these regulations are seen to contradict basic human rights (Article 16 of United Nations Human Right Declaration) (United Nations Undated),
such regulations are common in Asia, especially for the low-skilled migrant workers. In
Singapore too, low-skilled migrant workers are not allowed to marry Singaporean citizens or
permanent residents during their contract period (Rahman 2005; Piper 2005b) and both
Malaysia and Singapore deport female low-skilled migrant workers who are found pregnant
(Devasahayam 2010).

Indonesians are known to marry at a younger age than other Southeast Asian populations
(Jones and Gubhaju 2009; Jones 2010). The median age at first marriage of Indonesian women
is 19.5 years (World Health Organization 2003b). The median age for Indonesian men at first
marriage is 25 years (UNFPA 2006). At the time of interview, almost 75 per cent of the
migrants in the 2009IMW survey were above the median age at first marriage in Indonesia and
almost 70 per cent of these migrants reported being married, as shown in Table 5.8. Almost all
permanent residents are married as these are also significantly older. More undocumented
migrants are married than documented migrants (see later).

<table>
<thead>
<tr>
<th>Table 5.8 Migrants by Marriage and Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documented</td>
</tr>
<tr>
<td>No. of Respondents</td>
</tr>
<tr>
<td>Single</td>
</tr>
<tr>
<td>Married</td>
</tr>
<tr>
<td>Divorced/Widowed/Separated</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

As shown in Figure 5.1, more males in the 2009IMW survey are currently married, while a
higher percentage of females are either single, divorced, separated or widowed. While it is
possible that some women may have postponed their marriages or been separated after undertaking migration, single mothers are said to undertake migration as a way to support their families (Reichert and Massey 1979; Khoo et al. 1984; Cerrutti and Massey 2001). In an interview with an employment agency in Malaysia, it was indicated that single mothers are preferred as domestic workers, due to their experience with children and their high commitment to earning a living to support their children back in Indonesia.

**Figure 5.1 Migrants by Marriage and Sex**

Source: 2009IMW survey
Seventy-eight respondents in the 2009IMW survey (excluding those who got married to Malaysian citizens and permanent residents) reported getting married in Malaysia. As has been said, low-skilled migrants are prohibited from getting married during a contract in Malaysia (DLFPM November 2006). As the couples definitely could not have registered their marriage legally in Malaysia, it may have been a mutual decision to maintain an informal marriage or their union may have been solemnised by people in their community. Some of these marriages are known as “support”, or “football marriages”, seen as lasting only for the duration of a migrant’s stay in Malaysia (Spaan 1994, p. 101).

Migrants are prohibited from bringing their families to reside or work in Malaysia (DLFPM November 2006). Despite this, one-third of married documented workers and half the married undocumented workers in the 2009IMW survey have their spouses living in Malaysia. However, only 77 per cent of spouses of permanent residents reside in Malaysia (see later). Eighty-five per cent of the migrants who have their spouses living in Malaysia are employed in the construction, services and others sectors. Migrants working in these sectors have higher flexibility in finding housing (see chapter 7) which allows them to maintain a regular family life, despite the restrictions on family reunion and childbirth imposed on low-skilled migrant workers in Malaysia. A few couples came individually as documented workers to Malaysia and reunited with each other, finding employment with the same employer or two employers located near to each other.

Table 5.9 shows the percentage of those who have never-married for both documented and undocumented workers by gender and age. Permanent residents have been excluded from the analysis as there were so few unmarried in the sample. A comparison between the data from
this study and the 2005 Indonesian Inter-censal Survey for the never-married respondents shows differences. Compared to the 2005 Indonesian Inter-censal Survey, there were fewer male respondents in the 20 to 24 age cohort and more males in the 25 to 29 age cohort in the 2009IMW survey who were never married. Almost 80 per cent of the male workers in the 20 to 24 age cohort in the 2009IMW survey are found employed in the construction sector (half documented and half undocumented) and all those who are married stated Malaysia as the location of their marriage. More than 60 per cent of the workers in the 25 to 29 age cohort are documented workers, with more than half being employed in sectors where the possibility of meeting a female colleague is either minimal or non-existent (such as plantation and manufacturing). For the male workers in the 20 to 29 age cohort, the status of migrant and the sector of employment were found to have contributed to the variance between the Inter-censal Survey and the 2009IMW survey data. It is also likely that migration to Malaysia has delayed the marriages of males in the 25 to 29 age cohort.

**Table 5.9 Percentage Never Married by Gender and Age**

<table>
<thead>
<tr>
<th></th>
<th>Indonesian Inter-censal Survey 2005 (a)</th>
<th>2009IMW survey(b)</th>
<th>The differences (a-b)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>15-19</td>
<td>98.5</td>
<td>90.8</td>
<td>-</td>
</tr>
<tr>
<td>20-24</td>
<td>81.8</td>
<td>51.4</td>
<td>76.2</td>
</tr>
<tr>
<td>25-29</td>
<td>41.5</td>
<td>19.7</td>
<td>56.9</td>
</tr>
<tr>
<td>30-34</td>
<td>14.5</td>
<td>8.1</td>
<td>17.8</td>
</tr>
<tr>
<td>35-39</td>
<td>5.7</td>
<td>4.3</td>
<td>1.9</td>
</tr>
<tr>
<td>40-44</td>
<td>2.6</td>
<td>2.6</td>
<td>0.0</td>
</tr>
<tr>
<td>45-49</td>
<td>1.4</td>
<td>2.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Source: BPS 2005; 2009IMW survey
A larger variance is noted between these two datasets for females. The percentage of females never married in this study is very high, in both the 20 to 24 and 25 to 29 age groups. However, this trend is not unique to this dataset, as Jones and Gubhaju (2008, p. 3) noted an increasing trend of women remaining single, especially in the 25 to 29 age cohort, using the Indonesian Inter-censal Survey Data. Migrating internationally for work reasons seemed to have delayed the marriages of female migrants in this age group. It has been reported that in Indonesia it is more acceptable for single females to migrate than females who are married or have children (Hugo 2002).

Bell and Ward (2000, p. 98) explain that major life events, such as marriage and family formation and dissolution, may influence some of the decisions of migrants. Single migrants, usually young, have strong commitments to their home country often having been supported by their family to undertake migration (Lauby and Stark 1988; Bell and Ward 2000). These migrants will remit more and return regularly to consume the wages at the home country with parents (Wong and Anwar 2003b). All migrants in the 2009IMW survey, as shown in Table 5.10, conform to this trend. The circular migrants, both male and female, are found to be mostly single, while permanent migrants, both male and female, are more likely to be married. Divorced or widowed or separated males are also more likely to be permanent migrants while divorced, widowed or separated females are more likely to be undecided migrants. The divorced or widowed or separated without having to consider their spouse, may make the decision to circulate or stay permanently based on the location of their children. Most of the females in this group have been separated, with their children living in Indonesia, while the males are mostly widowers with grown up children.
Table 5.10 Migrants by Gender, Marital Status and Type

<table>
<thead>
<tr>
<th>Gender</th>
<th>Type</th>
<th>Single</th>
<th>Married</th>
<th>Divorced/ Widowed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Male</td>
<td>Circular Migrants</td>
<td>85.2</td>
<td>74.0</td>
<td>62.5</td>
<td>76.7</td>
</tr>
<tr>
<td></td>
<td>Permanent Migrants</td>
<td>5.2</td>
<td>10.4</td>
<td>12.5</td>
<td>9.1</td>
</tr>
<tr>
<td></td>
<td>Undecided Migrants</td>
<td>9.6</td>
<td>15.6</td>
<td>25.0</td>
<td>14.2</td>
</tr>
<tr>
<td></td>
<td>No. of Respondents</td>
<td>135</td>
<td>384</td>
<td>8.0</td>
<td>527</td>
</tr>
<tr>
<td>Female</td>
<td>Circular Migrants</td>
<td>84.1</td>
<td>66.7</td>
<td>63.9</td>
<td>71.0</td>
</tr>
<tr>
<td></td>
<td>Permanent Migrants</td>
<td>6.8</td>
<td>21.3</td>
<td>8.3</td>
<td>16.0</td>
</tr>
<tr>
<td></td>
<td>Undecided Migrants</td>
<td>9.1</td>
<td>12.1</td>
<td>27.8</td>
<td>13.0</td>
</tr>
<tr>
<td></td>
<td>No. of Respondents</td>
<td>88</td>
<td>207</td>
<td>36</td>
<td>331</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

As shown in Table 5.11, among the married low-skilled workers in the 2009IMW survey, circular migrants are more likely to be married to Indonesian nationals\(^{27}\), while permanent and undecided migrants are more likely to be married to Malaysian citizens or to Malaysian permanent residents. These results confirm the findings of Gmelch (1983, p.49) who, in a study of return migrants, found that those who were married to locals were least likely to return home.

Table 5.11 Migrants by Nationality of Spouse and Type

<table>
<thead>
<tr>
<th>Sample Size</th>
<th>Malaysian Citizen</th>
<th>Malaysian Permanent Resident</th>
<th>Indonesia</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Circular Migrants</td>
<td>41.7</td>
<td>34.5</td>
<td>75.9</td>
<td>100</td>
<td>71.4</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>41.7</td>
<td>25.5</td>
<td>12.4</td>
<td>-</td>
<td>14.2</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>16.7</td>
<td>40.0</td>
<td>11.7</td>
<td>-</td>
<td>14.4</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

\(^{27}\) Those who are not holding Malaysian citizenship or Malaysian permanent residency but are holding Indonesian citizenship.
If a spouse is present at the host country, studies show that the migrants are more likely to settle permanently at the host country (Massey 1987b; Constant and Massey 2003; Lindstrom and Saucedo 2007). Consistent with this, Kanaiaupuni (2000) shows that circular migration usually happens when the spouse resides in the country of origin. The 2009IMW survey confirms these observations. An analysis of the location of the migrants’ spouses indicates that 51 per cent (300) of spouses are residing in Malaysia, 48 per cent in Indonesia and one per cent in neighbouring countries. It was found that the spouses of circular migrants are more likely to be in the home country and the spouses of both permanent and undecided migrants are more likely to be in Malaysia, as shown in Figure 5.2.

**Figure 5.2 Migrants by Country of Residence of Spouse and Type**

![Diagram](source: 2009IMW survey)
Marriage and family commitments are often quoted as the reason for women opting to become permanent migrants (Vadean and Piracha 2009). It has been established that women who migrated permanently within Indonesia often did so for purposes of marriage (Ananta et al. June 2001, p. 33). Similarly, Albanian women migrated permanently to accompany their spouses, undertaking the role of caring for their family and children (King et al. 2006). The male Albanians, however, often circulated alone as bread winners attempting to provide for the family. The 2009IMW survey confirms this result, whereby more than half the female migrants who intend to be permanent migrants migrated in order to accompany their husbands. A third of males who intended to be permanent migrants moved in order to be with their wives.

5.2.4 Education

Hugo (1993, p. 51) argues that the flow of migrants from Indonesia to Peninsular Malaysia is not a loss of skill to Indonesia (based on level of education). Two surveys carried out in the 90s confirmed this, with almost 70 per cent of Indonesian migrant workers interviewed in Malaysia having only primary education or no education at all (Dorall and Paramasivam 1992; Mantra 1999b). The results from the 2009IMW survey, as shown in Table 5.12, reports a much smaller percentage (43 per cent) as having only primary or no education at all. It is interesting to note that the highest percentage with tertiary qualifications is among the undocumented workers. The skill profile of migrant workers, in terms of education, does not differ very much between the documented and undocumented workers in this study, unlike the flow of Mexican migration to the USA in which the undocumented migrant workers have lower education than those with documentation (Massey and Espinosa 1997).
**Table 5.12 Migrants by Level of Education and Status**

<table>
<thead>
<tr>
<th>Status of Migrants</th>
<th>Type of Migrants</th>
<th>Age Cohort</th>
<th>Other Researches</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Documented</td>
<td>Undocumented</td>
<td>Permanent Migrants</td>
</tr>
<tr>
<td>Sample Size</td>
<td>481</td>
<td>180</td>
<td>197</td>
</tr>
<tr>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>No Schooling</td>
<td>2.1</td>
<td>1.1</td>
<td>2.5</td>
</tr>
<tr>
<td>Primary 1-6 Years</td>
<td>33.5</td>
<td>35.6</td>
<td>65.0</td>
</tr>
<tr>
<td>Lower Secondary</td>
<td>30.6</td>
<td>36.7</td>
<td>19.3</td>
</tr>
<tr>
<td>Upper Secondary</td>
<td>32.8</td>
<td>22.8</td>
<td>11.2</td>
</tr>
<tr>
<td>Diploma &amp; Tertiary</td>
<td>1.0</td>
<td>3.9</td>
<td>2.0</td>
</tr>
<tr>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

*The rate of employment in Indonesia by Level of Education from the Indonesia Labour Force Survey 2005

Source: 2009IMW survey*
As shown in Table 5.12, age plays an important role in the level of education obtained by migrants of varying statuses. Those in the 40 and above age cohort are most likely to have only primary education while those who are aged below 29 are most likely to have secondary education. Slightly more than two-thirds of permanent residents in the 2009IMW survey had only primary or no education at all. These migrants are mostly above 40. The efforts to improve the quality of education in Indonesia and the introduction of compulsory education to the end of junior secondary (Year 9) in the 1990s has contributed to the higher levels of education among younger Indonesians (ILO 2012; World Bank Aug 2004).

As shown in Table 5.12, it is important to note that the migrants in the 2009IMW survey are better educated than the overall Indonesian labour force in 2005 (BPS 2006). The high unemployment rate among senior high school graduates in Indonesia, coupled with wages not keeping pace with educational attainment (there being little difference between holding a primary or a secondary school certificate) seems to have motivated those with secondary education to migrate to Malaysia. Furthermore, those who complete a higher level of education are generally from more middle class families, who are more likely to be able to afford the cost of migration of their family members (ILO 2012).

Males and females in the 2009IMW survey have similar levels of education; however, differences are noted in the level of education of migrants across employment sectors. Eighty-two per cent of those who are employed in the manufacturing sector have at least a lower secondary qualification. A personal communication with a human resource manager of a multinational manufacturing company in Malaysia supported these findings, where it was said
that “we only hire someone with secondary qualifications as they need to operate some machinery and they must understand some technical terms”. However, in Malaysia, again, these migrants did not get higher wages than others in the low-skill sector (see Chapter 8).

In terms of type, circular migrants, being younger and having benefitted from Indonesia’s reformed education system, were found to be higher educated than both the permanent and undecided migrants in the 2009IMW survey.

5.3 Motivations for Migration

Throughout history people have chosen to migrate in the hope of economic gain. The availability of employment, wage differences and the differences in cost of living remain as significant factors motivating migrants to cross borders (Hugo 1982; 1983; Ley and Kobayashi 2005; World Bank 2008). In addition, women also give factors such as meeting new people, gaining new experiences and avoiding societal pressure (such as demands for having to explain relationship breakdowns) as reasons for migration (Williams and Widodo 2009).

When migrants in the 2009IMW survey were asked why they left their home country, work opportunities were rated as the main factor for almost 90 per cent of the respondents, across all statuses. Five per cent migrated with the explicit intention of making Malaysia home while one per cent followed their spouses. The remaining four per cent migrated for diverse reasons such as further studies, tourism, to find a spouse, to be reunited with extended family members or were lured by agents.
As shown in Table 5.13, in choosing Malaysia as their country of destination, approximately one-third of all types in the 2009IMW survey stated the presence of relatives; one-third gave geographic proximity and cultural similarities (as discussed in Chapter 2) as their primary reason for choosing Malaysia; and another third stated other reasons, such as low migration costs, high wages and low entry requirements. Documented migrants within the study noted that restrictive entry requirements prohibited them from selecting other countries, such as Singapore or the Gulf countries, where they would be required to be conversant in English or Arabic and hold certain educational qualifications. The spread of primary reasons for the choice of Malaysia as the country of destination indicates the influence of both push and pull factors in drawing Indonesians to Malaysia.

<table>
<thead>
<tr>
<th>Reason for Choosing Malaysia as Destination</th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Geographical Proximity</td>
<td>167</td>
<td>26.1</td>
<td>21</td>
<td>20.8</td>
</tr>
<tr>
<td>Presence of Relatives</td>
<td>211</td>
<td>33.0</td>
<td>35</td>
<td>34.7</td>
</tr>
<tr>
<td>Cultural, religious, language similarities</td>
<td>98</td>
<td>15.3</td>
<td>18</td>
<td>17.8</td>
</tr>
<tr>
<td>*Other</td>
<td>218</td>
<td>34.1</td>
<td>36</td>
<td>35.6</td>
</tr>
</tbody>
</table>

*High Wages/lower entry cost and requirements/Followed spouse/relative
Source: 2009IMW survey
5.4 Origins of Migrants

Migrants in this study came from 24 of the 33 provinces in Indonesia. However, almost 65 per cent came from Java, with a half of those from East Java. This is not surprising, as migration from Java to Peninsular Malaysia has been well-established for more than a century (Bahrin 1965; 1967; Hugo et al. 1988; Kaur 2004a; 2005).

In terms of status, migrants from East Java made up 42 per cent of documented, 47 per cent of undocumented and 67 per cent of permanent residents in the 2009IMW survey. East Java, Central Java, North Sumatra, West Sumatra, West Nusa Tenggara and Jambi were the six most represented provinces, as shown in Figure 5.3. The results from this study are consistent with the relationship between province of birth of migrants and their likelihood to travel to Peninsular Malaysia, as reported by Hugo (1993) said to travel to Peninsular Malaysia. As shown in Figure 5.4, when types of migrants are analysed by province of birth, similar pattern to that of status is indicated. In terms of type, almost half of the migrants came from East Java.

The migration flow to Peninsular Malaysia has long been dominated by those from Sumatra and this is reflected in those who obtained permanent residency when it was offered during the 1980s. The close proximity between Sumatra (which includes North Sumatra and Jambi) and Peninsular Malaysia also means that there is a high degree of undocumented migration as shown in Table 5.14.
Figure 5.3 Province of Birth by Status

Source: 2009IMW survey
Figure 5.4 Province of Birth by Type

Source: 2009IMW survey
As shown in Table 5.14, 2009IMW survey shows that the majority of migrants from West Nusa Tenggara are documented migrants. A personal communication with a representative from Indonesian Embassy in Kuala Lumpur indicated that an agreement between the governor of West Nusa Tenggara and a large conglomerate which owns more than half the plantations in Malaysia has resulted in the recruitment of a high number of male documented workers from that province. The limited number of employers in the plantation sectors (the sector is dominated by just a few companies) coupled with the distance between West Nusa Tenggara and Peninsular discourages the undocumented migration of workers. It is important to note that 80 per cent of the workers from West Nusa Tenggara are employed in the plantation sector. Almost half the migrants from this province had been in Malaysia for less than five years at the time of interview in 2009, within their first cycle of migration. However, the majority of the other half, despite having been in Malaysia for more than five years, has retained their status and type as circular documented migrants, clearly indicating the success of this sector in managing its migrant workers.

Table 5.14 Migrants by Province of Birth and Status

<table>
<thead>
<tr>
<th>No. of Respondents</th>
<th>East Java</th>
<th>Central Java</th>
<th>North Sumatra</th>
<th>West Nusa Tenggara</th>
<th>Jambi</th>
<th>West Sumatra</th>
<th>Other Provinces</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documented</td>
<td>48</td>
<td>79</td>
<td>51</td>
<td>90</td>
<td>32</td>
<td>21</td>
<td>65</td>
<td>56</td>
</tr>
<tr>
<td>Undocumented</td>
<td>20</td>
<td>11</td>
<td>34</td>
<td>10</td>
<td>32</td>
<td>25</td>
<td>25</td>
<td>21</td>
</tr>
<tr>
<td>Permanent Resident</td>
<td>32</td>
<td>10</td>
<td>15</td>
<td>-</td>
<td>36</td>
<td>54</td>
<td>10</td>
<td>23</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey
The 2009IMW survey data, as shown in Table 5.15, indicates that the migrants from West Nusa Tenggara are more likely than others to become circular migrants while the migrants from Jambi are more likely than others to be permanent and undecided migrants. The migrants from West Nusa Tenggara, who are 90 per cent documented, have the support from trade unions and employers to maintain back-and-forth movement between Malaysia and Indonesia and intend to remain as circular migrants. The majority of migrants from Jambi are undocumented migrants and permanent residents and their status has shaped their intentions to become permanent or undecided migrants.

Table 5.15 Migrants by Province of Birth and Type

<table>
<thead>
<tr>
<th></th>
<th>East Java</th>
<th>Central Java</th>
<th>North Sumatra</th>
<th>West Nusa Tenggara</th>
<th>Jambi</th>
<th>West Sumatra</th>
<th>Other Provinces</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Respondents</td>
<td>416</td>
<td>123</td>
<td>68</td>
<td>49</td>
<td>41</td>
<td>28</td>
<td>133</td>
<td>858</td>
</tr>
<tr>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Circular Migrants</td>
<td>73</td>
<td>83</td>
<td>79</td>
<td>94</td>
<td>37</td>
<td>54</td>
<td>78</td>
<td>74</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>13</td>
<td>6</td>
<td>10</td>
<td>-</td>
<td>29</td>
<td>25</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>15</td>
<td>11</td>
<td>10</td>
<td>6</td>
<td>34</td>
<td>21</td>
<td>10</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

5.5 Migration Strategy

The classification of migrant workers in the 2009IMW survey as documented, undocumented or permanent residents is an indication of their legality and their strategies. Migrants who have undertaken the documented route would have fulfilled all requirements, as outlined and discussed in detail in chapter 2. However, the migrants who have used either undocumented
routes or have obtained permanent residency have done so through various ways. The migration strategies used by the undocumented workers and permanent residents remain understudied. This section explores the unique experiences of these migrants.

5.5.1 Undocumented Migrants

Studies conducted in the last two decades indicate the presence of a substantial number of undocumented migrants in Malaysia (Mantra 1999a; Kassim 2000; Abdul-Aziz 2001; Kassim 2005b; Kanapathy 2008a). As discussed in chapter 2, the categories of undocumented migrants includes those who cross the Malaysian border clandestinely, those who misuse valid visas and those who defy the requirements of the IMM13 visa (including over stayers), including those who are found working for employers or sectors other than those stated in the work permit (Kassim 2000). In a survey of 526 Indonesian return migrants from Malaysia, Mantra (1999b) discovered that every single migrant had used illegal methods in their first entry to Malaysia. In another study, Abdul-Aziz (2001, p. 7) found almost 15 per cent of 1342 Bangladeshi construction workers interviewed admitted to switching to the construction sectors from their nominated sector of work. In addition to this, there are migrants who break their contracts when they leave an employer who refuses to pay them or who takes advantage of them in other ways (see next chapters) (Piper 2005a). All these studies show that using illegal methods to arrive in Malaysia, or to continue to stay in Malaysia, is neither a new nor a rare phenomenon among low-skilled workers.
During field work the researcher had no legal right to look at migrant’s documents for verification of their status and usually employers held the passports of their workers. Consequently, the undocumented status of the migrants in this study has been established by the migrant’s answer to a question as to whether they had valid documents to work in Malaysia. The 2009IMW survey shows that 21 per cent (180) of migrant workers interviewed claimed to be undocumented workers, with 55 per cent of these in Malaysia for the first time.

Among the 481 who considered themselves as being documented workers it was then found that 32 worked in sectors other than the one stated on their permits, 94 did not complete a medical test upon arriving in Malaysia (in which case these workers could not have obtained a work permit as this is a compulsory pre-requisite), and a further 33 did not have a calling visa prior to arriving in Malaysia. These 33, who arrived without a calling visa, would be considered undocumented entrants, despite them claiming to have a valid permit. There are two possible explanations for this. Firstly, these migrant workers may have been the product of regularisation processes (pardoning and legalising illegal workers) carried out irregularly by Malaysian authorities. Secondly, they may have been among those who came in on a tourist visa and proceeded to seek employment, as Malaysia allowed this briefly in 2004 in an attempt to overcome severe shortages of workers (Kanapathy 2008a). In sum, in addition to 180 self-confessed undocumented workers, an additional 150 workers identifying themselves as documented actually did not fulfil all requirements. This would mean that 40 per cent of the total migrants interviewed would actually be in the undocumented migrant category. In fact, the actual number of undocumented migrant workers may be even higher as some
undocumented workers may not have mentioned their actual status for the fear of being reported or arrested. However, in this study figures relating to status remain as those indicated by the migrants.

Of the 180, who admitted to being undocumented, 146 provided additional information as to their status. As shown in Figure 5.5, 56 per cent originally entered Malaysia on a tourist/social visa (five of them were married to Malaysian citizens or permanent residents) and then worked and/or overstayed; 41 per cent have overstayed their work permits (further investigation indicates that some had expired permits and some had left their employer before the expiry of their permit); one per cent have entered the country without a passport; one per cent has abused their visa (found working in the low-skilled sector with a student visa); and one per cent had a calling visa only. The figures in this sample do not replicate those of Wong and Anwar (2003b), whose research involving 100 irregular migrants, found entry without any documents as the most common situation (54 per cent) while 44 per cent entered the country on a social visit pass and overstayed28. Social visit passes are often issued to the immediate family members of expatriates or international students in Malaysia.

As discussed by Kanapathy (2008a), over half of the undocumented migrants in this study originally entered the country lawfully, under varying visa conditions, and after arrival they broke the conditions; migrants use legal entry to perform illegal work or to suit their purposes.

28 Social visit passes are often issued to the immediate family members of expatriates or international students in Malaysia.
Overstaying tourist or social visas has been the most common method of initiating undocumented migration, especially since the introduction of the visa-on-arrival in September 2006. More than half of those who came under this visa have overstayed (Kanapathy 2008a). It is also evident from the 2009IMW survey data that more than half of those who travelled as tourists to Malaysia for their current period of employment had previously worked in Malaysia. However, there are some migrants in this study who had initially had full documentation who then chose to overstay their visas.

**Figure 5.5 Types of Undocumented Migrant Workers (n=146)**

Eighty-two per cent of the total undocumented migrant workers are circular migrants, while the rest are evenly made up of permanent (9 per cent) and undecided migrants (9 per cent). Eleven of the undocumented workers had previously been deported but were again back working in Malaysia. Tourist or social visas have been the most common mode of entry used
by all type of undocumented migrants. Forty-six per cent of circular, 36 per cent of permanent and 50 per cent of undecided undocumented migrants originally used tourist or social visa to travel to Malaysia.

5.5.2 Permanent Residents

The requirements by the Department of Immigration restricts permanent residency to the family members of Malaysian citizens, explicitly to the spouse and children below six years of age of Malaysian men (DOIM 2009). Therefore, foreign male spouses do not even qualify for permanent residency in Malaysia (see Chapter 2). Often foreign-born spouses of Malaysian’s have to wait for many years to obtain their permanent residency. However, in the 1980s for various reasons, many Indonesians were uncharacteristically granted permanent residency within a short time of their arrival (Darul Amin 1990; Sanooaung September 6, 2009; Malaysiakini September 20, 2011). This anomaly is said to have ended in 1995 (Wong 2009).

A total of 197 (23 percent of the total) low-skilled Indonesian permanent residents were interviewed in the 2009IMW survey. Thirty-nine per cent of this group intend to continue to be circular migrants (intending to return permanently to Indonesia in the future), 33 per cent are undecided in their intentions and 31 per cent intend to remain as permanent migrants in Malaysia, meaning that just one-third is firm in their decision to stay permanently in Malaysia. This warrants further research so as to identify the reasons as to why many are intending to return or are unsure of their intention. The permanent residents first arrived in Malaysia between 1980 and 1993. Eight-five per cent lodged their application for permanent residency
between 1980 and 1989 and 78 per cent received their permanent residency status during that time. Forty-four per cent lodged their application for permanent residency in the same year as they arrived, while another 34 per cent did so the following year. Ninety-eight per cent waited one year or less to receive their permanent residency.

<table>
<thead>
<tr>
<th>Year of First Arrival</th>
<th>Year when Application for PR was Lodged</th>
<th>Year When PR Was Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>1980-1984</td>
<td>90</td>
<td>45.7</td>
</tr>
<tr>
<td>1985-1989</td>
<td>95</td>
<td>48.2</td>
</tr>
<tr>
<td>1990-1994</td>
<td>12</td>
<td>6.1</td>
</tr>
<tr>
<td>After 1995</td>
<td>2</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>197</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Information from various sources indicated that the awarding of permanent residency was not restricted to migrants who had family in Malaysia. About half of the permanent residents, however, received information concerning availability of permanent residency from family members already in Malaysia. Twenty-four per cent had information from friends or colleagues and seven per cent from agents in Malaysia. Three permanent residents were advised by their employers to submit their applications. In sum, while it is impossible to identify whether these migrants obtained their permanent residency using legal or illegal methods, there appears to have been a shifting or wavering of criteria for some migrants in some situations, despite the very restrictive policies in place.
5.6 Conclusion

This chapter has looked at the migration differentials of 858 Indonesian migrants according to status and type. While more males have historically undertaken migration to Malaysia, the recent flow of documented workers consists of more females, indicating a trend towards feminisation of the migration flow to Malaysia. Undocumented workers are most commonly single males, while a smaller proportion of undocumented females are married. Generally speaking, the flow of migrants to Malaysia has been selective by age, with most migrants aged between 25 and 34 years. Recently arrived migrants have higher education levels than those who arrived before 1990, mainly due to an improvement in the Indonesian education system.

As summarised in Table 5.17, circular migrants and permanent migrants are differentiated by gender, with circular migrants being overwhelmingly males and permanent migrants with marginally more females. Circular migrants are also younger, while there is a group of older permanent residents who intend to continue being circular.

| Table 5.17 Migration Differentials of Permanent, Circular and Undecided Migrants in the 2009 IMW Survey |
|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Sex | Males | Circular Migrants | Permanent Migrants | Undecided Migrants |
| Age | Younger (in their 20s) | Older (40 years and above) | Older (40 and above years old) |
| Marital Status | Single | Married and Divorced/widowed or separated males | Divorced/widowed or separated females |
| Location of Spouse | In the home country | In the host country | In the host country |
| Level of Education | Secondary | Primary or no education | Primary or no education |
Marriage status also divides circular and permanent migrants, with those intending to circulate being mostly single while those aspiring to permanency are more likely to be married. Circular migrants’ spouses are more likely to be in Indonesia while those who are permanent have their spouses with them in Malaysia. The circular migrants, being younger and having benefitted from Indonesia’s reformed education system, are found to be higher educated than the permanent and undecided migrants.

The next chapter explores the de-facto circular migration patterns migrants maintain between Malaysia and Indonesia and the hows and whys of this flow.
Chapter 6. The Structure of Transnational Mobility

6.1 Introduction

Many migrants maintain back-and-forth movement between the home and the host country. This back-and-forth movement is termed as circular migration by Newland (2009) and others (Agunias and Newland 2007; Wickramasekara 2011) when it is facilitated by government policies. When it occurs at the will of the migrant, outside of government implementation, then it is termed “de-facto” circulation. Circular migration, legitimised or de facto, may be either positive or negative depending on the conditions in which it takes place.

The back-and-forth movement between migrants’ home countries and their host countries are maintained for various reasons and under various circumstances. In the first phase of the international migration process, the migrant may lack information and be uncertain of possible outcomes. However, as they gain experience, migrants may make multiple moves, especially when the benefits are found to outweigh the costs (Kau and Sirmans 1976; DaVanzo 1983; Massey and Espinosa 1997). Even when a migrant’s initial objectives have been achieved, for some by attaining their economic or social goals, for others by obtaining the right to stay permanently in the host country, new objectives may require further moves (Eversole and Shaw 2010, p. 187).
Within the global perspective of transnationalism, these back-and-forth movements have become an important part of migration study (Portes et al. 1999; Agunias and Newland 2007). The continuous financial and emotional ties, built and maintained by migrants through repeat moves, are argued to allow them to live in both worlds, but encouraging the migrants’ eventual successful reintegration in the home nation (Portes et al. 1999; Thomas-Hope 1999; Cassarino 2004; Duval 2004; Oxfeld and Long 2004). However, at the centre of a policy of circular migration is the ability of the migrant to have on-going entry to the labour markets in both the home and host countries (Barber et al. 2005; Hugo 2005b; Agunias 2007; Agunias and Ruiz 2007; Dayton-Johnson et al. 2007; Newland et al. 2008).

The study of this back-and-forth pattern is difficult, with the problems of collecting data on multiple moves and the lack of longitudinal data (Taylor 1986; King 2000; Oxfeld and Long 2004; Taylor and Bell 2011). Because few countries record information concerning arrival and departure, destination and intended duration of time away, determining the nature of transnational moves is not usually possible. As has been said, Malaysia does not keep these records. Nor does it encourage a pattern of circular migration, thereby making the circulation largely de-facto. The fact that there is a sustained stream of undocumented migration between Indonesia and Malaysia further adds to the difficulty in assessing these migration patterns. Therefore, no picture could accurately be developed without extensive surveys or in-depth interviews. The 2009IMW survey, however, is migrant-centred, not discriminating between the statuses of workers and based on the testimonies of the migrants. It, therefore, has far more data available than passports and visas indicate. Using surveys and in-depth interviews (see
chapter 4), this chapter attempts to capture the dynamic flows and linkages that exist within this migration stream.

The chapter begins by analysing the patterns of back-and-forth movements, the purposes of the movement and the factors facilitating and hindering the movement from the perspective of both home and host countries. The financial costs to the migrant are briefly outlined. The impacts of these visits on both sending and receiving countries are also discussed. The knowledge gained in outlining this de-facto circular migration is hoped to add to emerging empirical knowledge on transnational mobility. It is also hoped that it will contribute to an understanding of the existing situation within the Indonesian-Malaysian migration stream which may eventually assist in the establishment of a positive pattern of circularity within a policy of circular migration between the two countries. Such a policy would be migrant-centred and facilitate the development of both Indonesia and Malaysia, assisting the positive dimensions of circularity.

6.2 Defining Trips / Visits / Back-and-forth Moves / De-facto Circularity

Newland (2009, p. 9), in discussing the iterative dimension of circular migration, suggests that one departure and one return (a cycle or a round trip) be referred to as a trip. These trips (initiated in the home country) are differentiated from visits (initiated in the host country) which are returns to the home country made during a trip. Brown and Bell (2005, p. 8) suggest that migrants generally make many back-and-forth movements consisting of both trips and
visits. However, Brown and Bell (2005), also believe that there might be an overlap between the trips and visits made by migrants.

While all these moves maybe circular in nature (as they involve a cycle of departure and return), in this chapter they will be specified as either de-facto circularity, back-and-forth movements, trips or visits. There are several reasons for this. They are not to be termed “circular migration”, as this term is reserved for a policy and pattern of migration regulated by employers and the state which is initiated with the co-operation of the migrants and both nation-states, a situation which does not exist in Malaysia. However, these patterns do fit the characteristics of “de-facto circular migration”, which occurs at the migrant’s own will rather than being facilitated by employers or government (Newland 2009).

6.3 Number of Back-and-Forth Moves/Trips/Visits

In the 2009IMW survey, migrants were asked the number of migratory efforts (visit/trip) they have made to Malaysia from Indonesia. As shown in Figure 6.1, almost one-third have made more than one trip to Malaysia indicating a repeat rate of 33 per cent. This rate lies between the repeat rate of 60 per cent found in a study of Filipino migrants and seven per cent reported in a study of Bangladeshi migrants in Singapore (Rahman 2005; POEA 2010). Studies have observed that there is a relationship between the repeat rate and the type of employment: the repeat rate is higher for migrants working in the sectors which allow them to form close connections with their clients (such as domestic work and services industries) (Parrenas 2001a). Filipino migrants are largely employed in these sectors (Jaymalin 2009; Agunias
2011), the Bangladeshi migrants in Singapore (Rahman 2005; Piper 2005b) and the Indonesians in the 2009IMW survey are predominantly employed in the non-service industries (70 per cent of the total) where workers do not build close connections with their employers and are easily replaced.

As suggested by Brown and Bell (2005, p. 8), these numbers of repeat migrations should be viewed cautiously as they are possibly influenced by both the selection of the sample and length of observation. Furthermore, it has been found that the likelihood of making additional trips are influenced by the number of trips already taken, the age at first migration and possibly the status of the migrant (Massey 1986; Lee et al. 2011).
Table 6.1 shows the number of trips migrants in the 2009IMW survey have made between 1980 and 2007 by status of migrants. The majority of the migrants who have made only one trip to Malaysia have moved either between 1980 and 1989 or after 2000. Malaysia’s tightening of migration policies and the financial crisis in Asia, throughout the 1990s seemed to have reduced the number of trips made in this decade (Kanapathy 2008a).

Table 6.1 Number of Trips Migrants have Made by Year of First Arrival and Status

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>All Migrants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only once</td>
<td>95</td>
<td>81</td>
<td>48</td>
<td>31</td>
<td>57</td>
<td>70</td>
<td>86</td>
<td>100</td>
<td>67</td>
</tr>
<tr>
<td>2 Trips</td>
<td>3</td>
<td>11</td>
<td>25</td>
<td>32</td>
<td>26</td>
<td>25</td>
<td>12</td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>3 Trips or More</td>
<td>2</td>
<td>8</td>
<td>26</td>
<td>36</td>
<td>18</td>
<td>5</td>
<td>2</td>
<td>-</td>
<td>13</td>
</tr>
<tr>
<td>No. of Respondents</td>
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<td>105</td>
<td>64</td>
<td>99</td>
<td>251</td>
<td>96</td>
<td>146</td>
<td>6</td>
<td>858</td>
</tr>
<tr>
<td>Documented Migrants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only once</td>
<td>36</td>
<td>29</td>
<td>58</td>
<td>73</td>
<td>87</td>
<td>100</td>
<td>-</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>2 Trips</td>
<td>20</td>
<td>25</td>
<td>34</td>
<td>27</td>
<td>24</td>
<td>12</td>
<td>-</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>3 Trips or More</td>
<td>80</td>
<td>39</td>
<td>37</td>
<td>15</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>No. of Respondents</td>
<td>5</td>
<td>36</td>
<td>68</td>
<td>181</td>
<td>70</td>
<td>115</td>
<td>6</td>
<td>481</td>
<td></td>
</tr>
<tr>
<td>Undocumented Migrants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only once</td>
<td>100</td>
<td>40</td>
<td>44</td>
<td>35</td>
<td>53</td>
<td>62</td>
<td>81</td>
<td>-</td>
<td>55</td>
</tr>
<tr>
<td>2 Trips</td>
<td>20</td>
<td>38</td>
<td>29</td>
<td>23</td>
<td>27</td>
<td>13</td>
<td>-</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>3 Trips or More</td>
<td>20</td>
<td>18</td>
<td>35</td>
<td>24</td>
<td>12</td>
<td>6</td>
<td>-</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>No. of Respondents</td>
<td>1</td>
<td>5</td>
<td>16</td>
<td>31</td>
<td>70</td>
<td>26</td>
<td>31</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>Permanent Residents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only once</td>
<td>94</td>
<td>87</td>
<td>92</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>91</td>
</tr>
<tr>
<td>2 Trips</td>
<td>3</td>
<td>11</td>
<td>8</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>3 Trips</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>No. of Respondents</td>
<td>90</td>
<td>95</td>
<td>12</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>197</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey
As shown in Table 6.1, the documented migrants who have made multiple trips have clearly been in Malaysia longer than the undocumented migrants who have made multiple trips evenly across all time periods. Unlike documented migrants, who may have to complete each contract period (often lasting three years or more) before commencing their next trip, the undocumented migrants, who are not bound by contracts, are able to make more frequent back-and-forth moves. The permanent residents have made a maximum of three trips (number of migratory efforts), all prior to (as permanent residency has not been an option since 1995 for low-skilled workers (Wong 2009) (see chapter 2)). It is important to note that these migrants, having become permanent residents, may still have made many visits home, but these are no longer seen as efforts to migrate.

The number of moves is likely to be influenced by the migrant’s age at first migration (Lee et al. 2011). Migrants who make their initial migration at a young age are more likely to make more trips than those who make their first migration at a later age. The almost perfect bell curves, as shown in Figure 6.2, indicate the relationship between age and the number of trips the 2009IMW survey migrants have made to Malaysia, including their first arrival. The trips migrants make increase as they age, but peaking in the 30 to 34 years age bracket. The average age of documented and undocumented workers in the 2009IMW survey is 31, indicating the possibility that these migrants may make further trips before retiring.
In terms of status, while Massey and Espinosa (1997) found in their study of Mexican migrants that those with documents made a higher number of repeat moves between the USA and Mexico, the 2009IMW survey indicates that the undocumented migrants are more likely to be involved in repeat migration (45 per cent of the undocumented, 30 per cent of the documented and nine per cent of the permanent residents). The higher costs of undertaking documented migration in Malaysia, the easy access to illegal routes, unscrupulous agents and accumulated migratory skills, as well as flexible employment, may have assisted more undocumented migrants to be involved in repeat migration than the others. It is also important to note that the migrants may have had a change in status (for example documented to undocumented and vice versa) while making each back-and-forth move.
The circular and undecided migrants are found more likely to have made more multiple moves than the permanent migrants. Of the circular migrants 37 per cent have been to Malaysia more than once. The repeat rate for undecided migrants is 25 per cent and for permanent migrants is 20 per cent. The circular migrants, consistent with their intention, reflected their commitment to their home country with more return trips, the back-and-forth movements being a part of their strategy to achieve their migration goals.

The socio-demographic characteristics of the 2009IMW survey migrants, summarised in Table 6.2, show that more than one-third of the migrants interviewed are multiple movers\textsuperscript{29}, with single migrants more likely to be multiple movers than married ones, and males slightly more likely than females. Multiple movers are also more likely to be employed in the plantation sector, with almost 70 per cent of the workers employed in this sector being aged between 25 and 39, corresponding to the peak age group in which migrants undertake multiple moves (as discussed earlier). Unlike in other sectors, where migrants are spread across all age categories, the physical strength required to work in this sector means the migrants work fewer cycles and stop in their 40s. Only seven per cent of workers in this sector are above the age of 45. The 2009IMW study also shows that the sector employs predominantly males (97 per cent) who are also more likely to make more trips. Moreover, the on-going demand for experienced documented workers in this sector and the support from unions allows migrants to make

\textsuperscript{29} Those who have made at least two or more trips.
multiple trips without fear of being unable to find jobs in the future in Malaysia (restrictions by sectors are further discussed at the end of this chapter).

Table 6.2 Socio-demographic Characteristics of First and Multiple Movers

<table>
<thead>
<tr>
<th></th>
<th>First Movers</th>
<th>Multiple Movers</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>65.7</td>
<td>34.3</td>
<td>527</td>
</tr>
<tr>
<td>Female</td>
<td>68.6</td>
<td>31.4</td>
<td>331</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>24.0</td>
<td>76.0</td>
<td>223</td>
</tr>
<tr>
<td>Married</td>
<td>65.0</td>
<td>35.0</td>
<td>591</td>
</tr>
<tr>
<td>Divorced/Widowed/Separated</td>
<td>54.5</td>
<td>45.5</td>
<td>44</td>
</tr>
<tr>
<td><strong>Occupational Sectors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>68.6</td>
<td>31.4</td>
<td>210</td>
</tr>
<tr>
<td>Domestic Work</td>
<td>69.2</td>
<td>30.8</td>
<td>120</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>70.2</td>
<td>29.8</td>
<td>124</td>
</tr>
<tr>
<td>Plantation/Agriculture</td>
<td>53.1</td>
<td>46.9</td>
<td>113</td>
</tr>
<tr>
<td>Services</td>
<td>67.8</td>
<td>32.2</td>
<td>211</td>
</tr>
<tr>
<td>Others</td>
<td>70.0</td>
<td>30.0</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>573</td>
<td>285</td>
<td>858</td>
</tr>
<tr>
<td><em>(Per cent)</em></td>
<td>66.8</td>
<td>33.2</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

The multiple movers in the 2009IMW survey have made at least three trips to Malaysia, as shown in Table 6.3. The undecided undocumented migrants made the most number of trips. The number of trips made by documented and undocumented workers gives some indication of the number of contract periods (each contract equals 3 years) that are necessary to fulfil their migration goals. From this data, it would seem, that longer contract periods open to multiple returns would suit the aspirations of these migrants.
Table 6.3 Average Number of Trips/Visits Made by Multiple Movers by Status and Type

<table>
<thead>
<tr>
<th>Status</th>
<th>Documented Migrant</th>
<th>Undocumented Migrant</th>
<th>Permanent Residents</th>
<th>Average by Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circular Migrants</td>
<td>2.67</td>
<td>2.84</td>
<td>2.33</td>
<td>2.71</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>3.00</td>
<td>2.00</td>
<td>2.11</td>
<td>2.50</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>2.76</td>
<td>3.67</td>
<td>2.33</td>
<td>3.00</td>
</tr>
<tr>
<td>Average by Type</td>
<td>2.69</td>
<td>2.91</td>
<td>2.22</td>
<td>3.00</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Age at first migration, the effect of the length of time since first migration, and status changes in between trips have not been included in analysing the 2009IMW survey data. Even though there may be biases as a result of this, it is thought that the information gathered may prove useful for Malaysian and Indonesian policy planners in determining lengths of contracts and possible numbers of contracts necessary for migration goals to be attained.

6.4 Purpose for Trips or Visits

Migrants’ visits to the home country may occur for various reasons as migrants may be both pushed from the host country and/or pulled towards home (Chapman and Prothero 1983). King (2000, p. 14) summarises the possible reasons for migrant returns into four major categories: economic (end of contract, unemployment, better wages at home, desire to invest savings); social (homesickness, difficulty to integrate, desire to improve status); family life cycle (retirement, parental ties, marriage, children’s education); and political (government policies at both sending and receiving countries). Bell and Ward (2000, p. 94) categorise migrants’ moves as being either production-driven (to earn a living) or consumption-driven (to consume earnings). Visits used for holidays, shopping, family visits and medical issues are
seen as consumption-related reasons while business travel and seasonal work are seen as production-related reasons. Unexpected trips home have been seen prompted by poor health, marriage, divorce, festivals and overseeing home renovation (Basch et al. 1994). However, migrants also return to make use of opportunities in the home country. An example of this can be seen in the period immediately following the tsunami of 2004 when many undocumented Acehnese returned home from Malaysia, hoping to find jobs created by massive incoming foreign aid (Savage and Harvey 2007).

Using Bell and Ward’s (2000, p. 6) suggested guideline of asking the most important reason influencing their decision to return to the home country for each of the three most recent visits made, three-in-four 2009IMW survey migrants, as shown in Table 6.4, gave social (to visit family/friends, to have a holiday, to celebrate Lebaran Eid-al-fitr (see below)) and life cycle reasons (to get married, to have a baby, to retire). The presence of immediate family members (especially children, parents and spouse) in the home country encourages the migrants to visit home (Gmelch 1980; Ong 1993; 1997; Brettell 2000; Reynolds 2010), while the presence of family in the host country is known to reduce the likelihood of a migrant’s visit to the home country (Lindstrom 1996). Except for two per cent of the permanent residents and one per cent of the undocumented migrants in the 2009IMW survey, all others had immediate family members residing in Indonesia. Therefore, it is likely that almost all migrants would have visited their family members during their visits home, even if it is not stated as their main reason for travel home. However, the permanent residents, more than the others, stated family as their primary reason for their visits.
Table 6.4 Reasons for Last 3 (or less) Return Trips/Visits to the Home Country by Status

<table>
<thead>
<tr>
<th>Reason</th>
<th>Documented Migrant</th>
<th>Undocumented Migrant</th>
<th>Permanent Resident</th>
<th>Total No. of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Visit Family/Friends</td>
<td>50</td>
<td>51</td>
<td>82</td>
<td>62</td>
</tr>
<tr>
<td>To Have a Holiday</td>
<td>18</td>
<td>10</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>To Celebrate Lebaran Eid-al-fitr</td>
<td>11</td>
<td>3</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>To Get Married</td>
<td>8</td>
<td>10</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>To Get a Permit</td>
<td>9</td>
<td>10</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Deported</td>
<td>1</td>
<td>8</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>To Work at Home / To Retire</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>To Have a Baby</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>No. of Responses</strong></td>
<td><strong>585</strong></td>
<td><strong>196</strong></td>
<td><strong>462</strong></td>
<td><strong>1243</strong></td>
</tr>
<tr>
<td><strong>Per cent of Respondents Who have Made at least one visit Home since first Arrival</strong></td>
<td><strong>70%</strong></td>
<td><strong>64 %</strong></td>
<td><strong>89%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Indonesian migrants often return home to celebrate *Hari Raya Idul Fitri*, as it is known in Malaysia, or *Lebaran Eid-al-fitr* in Indonesia, at the end of fasting month of Ramadan (Hugo 1982). Some migrants in Malaysia are known to return every *Lebaran* for two or three weeks (Guinness 1990). The documented migrants in the 2009IMW survey have listed this annual occasion as one of the most important reasons to return home. Migrants explained that this festival brings friends and families together and therefore saves travel costs. However, such visits end up being costly as many expect a gift.

As was mentioned above, migrants have been reported to make visits home for reasons related to transitions in the family life cycle, such as marriage or the birth of a child (Guo et al. 2011). All documented low-skilled workers are prohibited from getting married in Malaysia and female workers must undergo an annual pregnancy test and are immediately deported if found
to be pregnant (DLFPM November 2006)). Approximately eight per cent of the visits by documented and 10 per cent by undocumented workers in the 2009IMW survey were made home to get married. One per cent of the total visits by the documented and undocumented were made to give birth. Despite the high level of restrictions, the migrants continue to integrate important aspects of their family life into their migration process. However, the fact that these migrants are soon back in Malaysia for work, leaving their newborns or spouses, highlights how family separation is a significant negative consequence of migration (see Chapter 7).

Nine per cent of documented migrants’ visits and 10 per cent of undocumented migrants’ visits are permit-related. It is possible to renew contracts and permits through current employers while in Malaysia, on condition that the migrant continues employment with them. However, if the migrant wishes to change employer or, if they are undocumented, they want to apply for documentation, then they must return to Indonesia to initiate this process.

In addition to all the above reasons, migrants may return to Indonesia if they take up any amnesty that may be offered or if they are discovered without documentation and are deported. There have been occasional amnesty programmes offered by the Malaysian government which allow undocumented migrants to return home or seek legal status with their employer’s support. The illegal Indonesian who is seeking an amnesty to return is required to pay a fine of MYR 1,000 (as a penalty for entering the country illegally or staying without proper permits), cover the cost of their return to Indonesia and provide fingerprints (Migration News March 1996). However, the cost and the fear of being fingerprinted (preventing the re-
entry of deported workers using false identities) discourages many illegal migrants from applying for these amnesties (Suryanarayana June 24, 2011). The amnesties offered by the Malaysian government, in the hope of reducing undocumented workers, actually encourage migrants’ expectations that such amnesties will be offered (there is a general belief that they will be offered immediately before Lebaran) and syndicates producing fake identities have reduced the effectiveness of the programmes (Kanapathy 2008a; Shah December 9, 2011; Migration News March 1996). However, there were no amnesties offered in 2009.

Seventeen migrants in the 2009IMW survey had previously been deported, eleven of these being still undocumented, while six had obtained documentation before returning. Kanapathy (2006, p. 8) has reported that deported migrants may change their identities and travel with new documents in order to avoid harsh punishment.

In the category of other reasons for return trips, as shown in Table 6.4, health issues, a death in the family, homesickness, accompanying a returning spouse, or bringing in a spouse were the reasons listed. This means that nearly all trips were made for social and family-related reasons. Only one migrant indicated that a visit was made home to establish a business. While others may have been involved in investment activities, they have not indicated this as their main reason for a trip. It can be deducted from this that only rarely are trips made in order to establish economic investments.

Return migration is seen as the final trip a migrant worker makes back to the home country where they then settle permanently (Vadean and Piracha 2009). One per cent of the return
visits in the 2009IMW survey were, at the time taken, seen as return migration (as the migrants made their last visit to Indonesia with an intention to retire). Subsequently however, these decisions were reversed and the migrants were again back in Malaysia for work. This suggests either a lack of economic opportunities for them in Indonesia or a failure to integrate back into their communities.

There is a relationship between a migrant’s status, type and the reasons for visits home and whether the visits are carried out voluntarily or involuntarily. The purposes of migrants’ visits home are compared between the nine categories of migrants, as shown in Table 6.5. Less than half the returns made by permanent undocumented migrants were to visit family or friends or for a holiday. Regardless of type, marriage was the reason for more undocumented migrants. According to respondents, the undocumented migrants often brought their spouses back illegally to Malaysia. If their intention is to settle permanently, they find it easier to bring their spouses and other family members at the beginning of their migratory cycle. Circular migrants of all type returned home to deliver their babies, clearly exhibiting on-going commitment to Indonesia. Visits home for festivals were made more by documented migrants.

The purposes given for trips back to Indonesia by the migrants in the 2009IMW survey confirm King’s (2000, p. 14) claim that non-economic factors are most likely to be the reasons for migrants’ return visits. This reflects the importance of continuing cultural and emotional ties in the home country, especially for those who are intending to return permanently to their home country. While migrants made return trips home for various reasons, the majority of the
trips back to the host country were made for economic reasons as stated by more than ninety percent of the migrants interviewed in the 2009IMW survey.

### Table 6.5 Purpose of Visits by Status and Type of Migrants

<table>
<thead>
<tr>
<th>Purpose of Visit</th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Docum.</td>
<td>Undocum.</td>
<td>PR</td>
<td>Docum.</td>
</tr>
<tr>
<td>To Visit Family/Friends or To Have a Holiday</td>
<td>67</td>
<td>63</td>
<td>89</td>
<td>71</td>
</tr>
<tr>
<td>To Celebrate Hari Raya/Lebaran</td>
<td>9</td>
<td>0</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td>To Get Married</td>
<td>9</td>
<td>11</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>To Get a Permit</td>
<td>11</td>
<td>10</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>To Have a Baby</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Deported</td>
<td>1</td>
<td>9</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>4</td>
<td>7</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>No. of Visits</td>
<td>159</td>
<td>15</td>
<td>21</td>
<td>496</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

### 6.5 Duration and Timing of Visits

Attending to the temporal dimension of circular migration is important in understanding the pattern (Newland 2009). The length of time migrants is present and absent from the host country has implications for both countries. Through studying the temporal dimension, as it exists in this de-facto situation, policy makers can learn about time spans that will reflect the needs of both the employers and the migrants. Ideally, time spent back in the home country should not be long enough for the migrants’ accumulated knowledge, skills and social networks to be forgotten. However, migrants need sufficient time back home in order to stay connected with their community, thus making their eventual return home more likely.
Figure 6.3 shows that migrants of all statuses are usually spending between three weeks and three months per visit in the home country (indicated by the gradient of the graph). The permanent residents spent the shortest time away in Indonesia, while the undocumented migrants, on average, spent the most time away (with a wider spread of absences). It is likely that the conditions in the sectors in which the undocumented migrants are employed (most often in construction, services and other sectors), and the fact that they usually have no contract and, therefore, the flexibility to find re-employment, probably allowed them to have longer absences from the host country. While the permanent residents, with their declared (work and family) commitments to the host country, take briefer holidays.

Figure 6.3 Cumulative Length of Absence from the Host Country by Status

![Figure 6.3 Cumulative Length of Absence from the Host Country by Status](image)

Source: 2009IMW survey

As shown in Figure 6.4, the length of time migrants spent back in the home country differed between circular, permanent and undecided migrants. The circular migrants were more likely to spend between three weeks and a month during each visit, but had a wider spread of time
spent away. Circular migrants who returned home in order to get a new contract or work permit spent a longer duration (3 to 36 months – depending on whether it is a new permit or a renewal) than migrants who returned for family visits or holidays (one month or less). On the other hand, the permanent and undecided migrants are more likely to spend between three weeks and one month during their visits home, visiting family and friends and/or having a holiday. It is possible, therefore, to establish a relationship between the length of stay in Indonesia, the migrant’s legal status and type and their purpose for the journey are important.

Figure 6.4 Cumulative Length of Absence from the Host Country by Type

Source: 2009IMW survey

King (1978, p. 177) describes various timings for migrants’ trips to the home country as being periodic, regular, weekly, monthly, or seasonal. In the 2009IMW survey there was the periodic return visit to the home country for the annual celebration of festivals by many of the migrants and, for those in the plantation sector, there was a seasonal return during the months of November and December. Any possible earnings in this sector during the rainy season are very low, with the heavy rain stopping palm fruit harvesting (which usually brings additional
income related to the weight of the fruit). However, not all workers return during this season, as there are various other constraints (discussed later in the chapter). Documented migrant workers are employed at any time throughout the year; similarly their contracts either end or are terminated throughout the year and, therefore, there is no clear timing of trips home for these workers.

6.6 Piggyback Travellers

Experienced migrants, who are familiar with the system and route, are known to play the role of informal agents by assisting the movement of new workers into Malaysia (Mantra 1999b, p. 14). This has been termed “piggybacking”.

Six hundred and fifty-one respondents provided details of their last visit home and information on whether they departed Malaysia alone or accompanied, and whether they returned alone or accompanied. Those who travelled home alone and returned accompanied fit the category of “piggyback travellers”. As shown in Table 6.6, the circular and undecided migrants are the most likely to travel home alone and return accompanied, while permanent migrants are the least likely to do so. The influence of status is also seen here, whereby those who piggybacked fellow migrants are more likely to be documented and undocumented workers. While permanent residents most often travelled accompanied to Indonesia, as a family, the male permanent residents often returned to Malaysia alone, leaving spouses and children to have a longer visit. Documented workers most often brought friends who had tourist visas back to Malaysia, while the undocumented migrants brought family or friends through illegal routes.
This suggests that most of the piggybacked migrants are likely to have joined the labour force as undocumented workers.

Table 6.6 Migrants who Departed Malaysia Alone or Accompanied and Returned to Malaysia Alone or Accompanied

<table>
<thead>
<tr>
<th>Type of Migrants</th>
<th>Arrived Alone</th>
<th>Arrived Accompanied</th>
<th>Total %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Circular Migrants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departed Alone</td>
<td>95.4</td>
<td>26.2</td>
<td>74.6</td>
</tr>
<tr>
<td>Departed Accompanied</td>
<td>4.6</td>
<td>73.8</td>
<td>25.4</td>
</tr>
<tr>
<td>No. of Respondents</td>
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<td>141</td>
<td>469</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departed Alone</td>
<td>97.2</td>
<td>7.0</td>
<td>48.1</td>
</tr>
<tr>
<td>Departed Accompanied</td>
<td>2.8</td>
<td>93.0</td>
<td>51.9</td>
</tr>
<tr>
<td>No. of Respondents</td>
<td>36</td>
<td>43</td>
<td>79</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departed Alone</td>
<td>93.1</td>
<td>15.6</td>
<td>59.2</td>
</tr>
<tr>
<td>Departed Accompanied</td>
<td>6.9</td>
<td>84.4</td>
<td>40.8</td>
</tr>
<tr>
<td>No. of Respondents</td>
<td>58</td>
<td>45</td>
<td>103</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Of the 47 migrants who travelled to Indonesia alone and returned to Malaysia accompanied, more than half returned with friends, one-third with their family members, and one-sixth with members of their villages or unknown people. While these 47 migrants make up only about 5.5 per cent of the total interviewed, if it is at all representative and applied to the almost 1.8 million Indonesian workers in Malaysia, it translates into a figure of almost 99,000 people piggy-backed, a significant inflow of mainly undocumented migrants comes directly as a consequence of workers who are travelling back-and-forth between Indonesia and Malaysia.
6.7 Factors Influencing Moves between the Home and the Host Nations

Migrants’ moves home may be either facilitated or hindered by factors within the host and the home countries (Findley 1994). An obvious example of this can be seen in the situation of Acehnese migrants working in Malaysia at the time of the disastrous 2004 tsunami. Some wanted to return home to work in reconstruction but were in the first year of their contract in Malaysia, still paying off placement debts and, therefore, had no money for the trip. Some Acehnese were illegal migrants who lacked documents to travel safely while still others were unable to obtain permission from their employers to return home (Savage and Harvey 2007, p. 23).

The migrants in the 2009IMW survey were asked to identify factors that either helped or hindered their decisions to return home. As shown in Figure 6.5, both employment and financial issues are identified as the most important factors in determining visits home by 95 per cent of the migrants. Financial factors here refer to all the costs migrants would possibly incur in undertaking a journey back home, such as exit visas, travel costs, costs of purchasing gifts and expenses at home. Employment factors refer to whether or not employers would grant leave and/or facilitate migrants’ return visits.
Employers are required to bear the cost of either a single or two-way trip at the end of each contract period of their migrant workers (two years for domestic workers and three years for all other sectors). However, employers of permanent residents and undocumented workers have no responsibility to these workers for travel allowances. A one-way ticket is required to be provided when migrants’ contracts are not renewed or terminated or when the migrant worker is no longer seeking employment. However, these requirements are not regulated and employers often leave migrants to bear the costs of all return fares. The documented workers often do not demand such rights as they fear the possibility of losing jobs and permits. It was observed that the migrants in the domestic work and plantation sectors were usually able to get
their employers to fund their tickets. When employers of domestic workers’ wished the worker to continue working for them, they would cover the costs. Support from the union for plantation workers helped workers in this sector to get their trips funded. However, migrant workers rarely received any financial assistance for emergency visits, such visits being possible only if the migrant can raise their own funds and have approved leave from their employers. During the fieldwork, two migrants spoke of not being able to return upon the death of their parents due to their inability to cover the cost of travelling and the refusal of support from their employers.

Costs of travel take up a significant proportion of a migrant’s wages and vary greatly depending on whether legal or illegal routes are taken. Those without documents or visas will resort to illegal and relatively inexpensive methods (Hugo 1993, p. 47). A one-way illegal return trip to Indonesia cost around MYR 400 in 2003 (Wong and Anwar 2003b). Usually migrants leave from illegal jetties that exist in both Indonesia and Malaysia (Kassim 1987b, p. 271). The illegal migrants wishing to return legally may obtain an exit passport, which is issued by the Indonesian embassy in Malaysia, costing MYR 750 (Wong and Anwar 2003b). Although, the travels costs between Malaysia and Indonesia are considered to be low (due to geographical proximity) compared with other migrant source countries in the region, it is still a significant proportion of a migrant’s wage.

The travel between Indonesia and Malaysia involves no risk for those with valid visas, permits and other documents. These migrants can either use various budget airlines or ferries to travel between the two countries. Flights are available from 20 different locations in Malaysia to 20
different arrival points in Indonesia (airlines from Malaysia). At least eight ferry routes are available, as shown in Figure 6.6, costing around MYR 170 for a return trip\(^\text{30}\). The majority of the ferries and flights depart daily.

Migrants incur other expenses while at home. In the 2009IMW survey, 338 migrants spent on average MYR 1634 during their visit. For a documented domestic worker who earns a monthly wage of approximately MYR 600, this amount is the equivalent of three months wages. Some migrants spent more than what they had initially planned, especially when friends and families turn up to visit and borrow money. Some of them organise a “majlis kesyukuran”, a celebration in thanks for their safe trip before returning to Malaysia for work. Migrants, who had recently returned to Malaysia after a short trip back home, generally regretted these trips because of their costs. Expenses incurred during these trips often push migrants into further debt or drain their savings (see in-depth interview).

**In-depth Interview:**

An example of this is Surya’s experience: To create a positive image of her work as a domestic worker in Malaysia, Surya borrowed a gold chain and a set of bangles from her friend, who worked as a domestic worker in a neighbouring unit, to wear on her visit home. However, her family (who did not know that she did not own them) persuaded her to pawn the jewellery to raise money for other expenses. Surya now pays monthly MYR 100 (15 per cent of her monthly wages) to her friend and thinks it will take two years before she has repaid her debt. Surya is not intending to return home for at least another three years, when she will return permanently. However, her debt may mean she returns with no savings.

Source: 2009IMW survey

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\(^{30}\) The return rate between Malacca and Dumai and Port Kelang and Dumai is MYR 170 for an adult and MYR 85 for a child. The single rate is MYR 110 for an adult and MYR 55 for a child.
Figure 6.6 Sea and Air Routes Between Malaysia and Indonesia

Source: www.malaysiairlines.com; www.airasia.com; www.worldportsource.com
Issues related to employment are listed as the second most important factor in influencing migrants’ visits home. While some migrants leave their jobs voluntarily (especially in the case of undocumented workers) in order to return, others risk losing their jobs whenever they leave as their contracts may not be renewed (mostly documented workers). Furthermore, documented workers are not given annual leave. However, leaving a job in order to make a temporary home trip is not unusual in Malaysia among migrant workers (Wong and Anwar 2003b). With experience and knowledge the migrants do not fear finding new jobs; they leave one job, visit Indonesia, return to Malaysia and find another job, either legally or illegally.

When migrants return home, to overcome problems associated with their temporary absences, some migrants have adapted a “relay” system in which workers find their own temporary or permanent replacements for their positions with their employers (Hugo 2003). The replacement (who may be an existing or a new migrant worker) may then become an undocumented worker. This is another situation that Malaysia needs to address in its employment of migrant workers.

Table 6.7 presents the number of migrants in the 2009IMW survey who have experienced a loss of their job as a result of trips made home. From a total of 197 migrants who answered the question, 61 per cent admitted to losing their jobs as a result of their visit home. The circular migrants (mostly undocumented and documented) are more likely than the others to lose their jobs. It must be taken into consideration that there is a high possibility that the migrants who have lost their jobs answered this question more than those who did not.
As shown in Table 6.8, the 2009IMW survey shows that the circular migrants are most likely to have spent between two and three consecutive years in the same occupation in Malaysia, while permanent and undecided migrants have been employed in their current occupations for six or more years. Based on these findings, two conclusions may be drawn. Firstly, that those who are rotating between home and host countries, each term consisting of approximately three years, are more likely to remain as circular migrants. Secondly, that those who stay longer in Malaysia are more likely to consider a permanent stay, as suggested by Bohning (1972).

A relationship is noted between the length of employment and the status of migrants. The 2009IMW survey shows undocumented workers as more likely to have been in their current position for one year or less, while documented workers are more likely to have
been in their current jobs for between two and three years. Undocumented workers may avoid staying in the same job for fear of being caught and deported due to their migration status. Furthermore, employers may not be willing to reserve jobs while the migrant is on a trip home and this forces the migrant into finding a new employer.

A “safety valve” in the host country assist migrants in decision-making and allow extended stays back in the home country (Thomas-Hope 1999). Permanent residency and dual-citizenship are examples of safety valves. Migrants in the US use their green cards as a seasonal pass to commute between the USA and other countries freely (Reichert and Massey 1979; Mines and Massey 1985). Dual citizenship is also a mechanism which allows free circularity (Vertovec 2007). In Malaysia, the permanent residency status provides multiple accesses. However, there has been no move toward allowing dual citizenship.

The cost of employing a new migrant is MYR 10,000 and, when employing a migrant with an existing permit, MYR 800 for renewal fees. Employers usually opt for renewing the permit of workers who have agreed to continue employment before allowing them to return home. Sometimes a worker does not return as planned, or returns legally (using the renewed permit) to work for another employer (illegally). As a consequence, the employment agencies in Malaysia, recommend that employers of domestic workers withhold MYR 1000 of the migrant’s salary when they return home. This money acts as a safety valve for the employer, ensuring the successful return of the migrant, while the renewed permit acts as a safety valve to the employees who are assured a job upon return. In the event that the migrant worker decides not to return, then the permit renewal fees will
be deducted from this amount and the balance (of MYR 200) will be returned to the worker. However, this is situation is not the case for workers in other sectors. Thus, there are migrants who must return home to renew their permits or visas. In some cases, migrants contact their employer at the end of their holidays and seek help to renew their work permits. Other methods used to return to work in Malaysia include finding new employers, registering with employment agencies in Indonesia and using illegal methods of entry and employment.

In addition to these financial and employment related issues migrants also indicated that issues with agents (often referred to as “calos”) stopped them from returning home. Agents play an role in facilitating migrants’ travel to Malaysia, both documented and undocumented (Hugo 1993; Spaan 1994) (see also chapter 7). They also act as money-lenders if the migrants are unable to fund their travels (IOM 2010a). Ten migrants in the 2009IMW survey listed these agents as a major factor hindering their trips home, as they were indebted to them. The migrants feared that upon return, the agents, (some are village locals) would demand their debts to be paid immediately. Agents are also known to wait at the gateways set up in airports for returning foreign workers (which supposedly facilitate and support the returning migrants but where NGOs claim that migrants are subject to extortion) (Lindquist 2010; Migration News January 2010). In order to avoid his agent, one migrant in the 2009IMW survey, who had worked for six years in Malaysia, said he travelled home in business class (on a budget airline) wearing a suit and landing at the international airport. The migrants are often intimidated at various stages of their migration cycle by various parties, such as agents, government officials, polices, bank employees and others who extract fees, sometimes at exorbitant rates (Sukamdi et al. 2004).
6.8 Conclusion

This chapter aimed to capture the periodicity and the purpose of the Indonesian migrants’ circular mobility patterns. It is evident from this study that Indonesian migrants in Malaysia maintain what Newland (2009) and others have defined as a de-facto circular migration. In terms of status, the undocumented migrants have made more repeat trips than the others. In terms of type, the circular migrants have made more return trips than the others. The highest number of back-and-forth moves was made by single, men, between the ages of 25 and 39 and employed in the plantation sector. The majority of the return visits home, most often lasting between three weeks and three months, are made for social rather than economic reasons.

As no other studies like this have been carried out, it is not possible to say whether this survey’s participants travel more or less than other such migrants. These migrants were often early in their migratory careers and are a part of a migratory culture (Tirtosudarmo 2009), so it is likely that the number of back-and-forth movements made will greatly increase as they age.

While difficulties and insecurities associated with employment and high financial costs could be said to challenge the capacity of Indonesian migrants to make trips and visits home, it does not keep them from maintaining their pattern of de-facto circularity. The migrants, in doing this, are constantly engaged in transnational activity. This activity, while it forges linkages and networks across two countries, does not necessarily make these migrants “transmigrants” (Castles and Miller 2009, p. 33). These workers lack the element of choice and flexibility necessary to the evolving picture of this transnationalist life style.
where dual nationality, permanent residency, portable welfare rights, flexible work contracts and simplified entry and exit procedures facilitate mobility.

By focusing on the social field of the migrant, a field that overlaps two nations, the study also allows the effects of the migrants’ moves on those in the same social field to be seen. Thus by looking at the purposes of their journeys and who accompanied them in both directions, the study begins to construct a picture of the lived experience of the migrant (see chapters 7 and 8). This gives an indication of the need for flexibility into the construction of a policy of circular migration and also gives an indication of how migration spreads throughout social field. Through this analysis, which focuses on the iterative and temporal dimension of migration, a clear picture of a de-facto pattern of circular migration is established. That this pattern exhibits the qualities of negative circularity will be explored further in the next chapter which looks at both human and social capital of migrants.
Chapter 7. Social Strategies, Linkages and Impacts of Circular and Permanent Migration

7.1 Introduction

The consequences of migration are often categorised into social and economic impacts. The economic impact of migration has been widely studied (see chapter 8), while the social impact is less well understood and the phenomena is difficult to measure systematically (Carrington et al. 2007). Levitt and Lamba-Nieves (2011:2), for example, believe cultural and social remittances are at least as important as the economic, if not more, as “the ideas and practices migrants bring with them actively shape who and what they encounter in the countries where they move, which then shapes what they send back”. Social remittances are defined as the process of sending and taking ideas, information, knowledge, skills and attitudes individually and collectively from the host country to the home country (Levitt and Nyberg-Sorensen 2004).

Any full assessment of the impacts and development resulting from circular migration necessarily entails an investigation of all the components of the migration process and would preferably include longitudinal studies that encompass at least a few cycles of migration. The 2009IMW survey, being a cross-sectional survey, is limited in its capacity to capture broad social impacts but is able to use individual experiences from the survey and fieldwork observations. Secondary materials have also been used to gauge the human and social capital of migrants. A framework, as outlined by Carrington et al (2007), has been adapted to provide the foundation for this chapter, as shown in Figure 7.1. The
component factors of human and social capital and capabilities have been modified and augmented to fit this study.

As shown in Figure 7.1, social impacts have been divided into human capital and social capital. Human capital is the sum of the investments that may increase the worth of individuals (Carrington et al. 2007, p. 25). Here, it is divided into employment, which includes both on-the-job and language skills as well as the investment in the general well-being of the migrant, which includes physical and mental health, housing conditions and living environment. Social capital refers to the relations of trust, co-operation and mutual aid that are fostered by linkages and networks which provide the underpinnings of effective social engagement (Carrington et al. 2007, p. 48). This capital should be
transferable, able to be called upon in any situation or place. The capital is seen as positive where there are multiple linkages that facilitate support and cooperation for the migrants and the community; negative where there are few linkages and little support for the individual and social divisiveness in the community. Here, social capital is divided into social networks (family and community, personal and organisational) and issues of social justice and crime. The government, media, community and agents significantly influence the social effects of migration. The overall social impact is considered positive when life experiences, capabilities and freedoms are expanded; negative when there are elements of inequality, discrimination, deprivation, exploitation and oppression (Sen 1992; 2000).

This chapter begins with a broad analysis of the influences of government and media in forming public attitudes toward migrants and is followed by a discussion on the role of the agents. The chapter continues with an analysis of social and human capital, as presented in Figure 7.1. In taking a broad developmental perspective, this chapter hopes to indicate the actual and potential social impact of circular and permanent migration of low-skilled workers on all stakeholders.

7.2 Government / Media / Public Attitudes towards Migrants and Agents

The influence of government and media in shaping the public’s attitudes is discussed throughout this research (especially see Chapter 3). As shown in Table 7.1, negative media headlines are common, portraying migrants as the “villain”, and calling on the government to take control. During the last decade crimes involving migrants have received high media coverage. However, the percentage of crimes committed by all migrants is not significantly high, ranging between 1 and 2.3 per cent of the total crimes reported in Malaysia
Other negative migrant-related issues reported in the media centre on migrant welfare and health costs, illegality and the failure of government policy. These negative attitudes and experiences compromise Malaysia’s social fabric and a migrant’s positive identity within the community, challenging the social developmental potential to both the migrant and host country.

**Table 7.1 Media Reports on Migrants and Related Issues**

<table>
<thead>
<tr>
<th>Article Title</th>
<th>Issues</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illegal migrant shot in robbery bid</td>
<td>Crime</td>
<td>The Star February 21, 2007; Hamid March 20, 2009; The Star May 12, 2012; Selvarani and Vijaindren may 25, 2008</td>
</tr>
<tr>
<td>Over 30,000 foreign women are runaways</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maid for trouble</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Police nab 2878 prostitutes; many are duped foreigners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Migrant workers being lured, exploited and abused: Amnesty</td>
<td>Migrant Welfare / Exploitation / Abuse</td>
<td>Veera Pandiyan 2009; The Daily Star April 19, 2009; NST January 28, 2010; Cruz June 12, 2009; The Star March 24, 2010</td>
</tr>
<tr>
<td>Bangladeshi tortured to death in Malaysia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nirmala Bonat case: housewife found guilty</td>
<td></td>
<td></td>
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<tr>
<td>Maid abuse in Malaysia: tortured souls in our homes</td>
<td></td>
<td></td>
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<tr>
<td>I saw employer hit her with broom</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only a small percentage of domestics are abused</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,571 detainees died in past nine years</td>
<td>Illegal Migration</td>
<td>The Star March 24, 2009</td>
</tr>
<tr>
<td>Bad experience with FOMEMA</td>
<td>Failure of Government</td>
<td>Iszahanid June 21, 2009; The Star Feb 20, 2008; The Star January 16, 2010</td>
</tr>
<tr>
<td>Crackdown on agencies which ill-treat foreign workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bil hospital warga asing RM 12.8 juta (Medical bills of foreigners – MYR 12.8 million)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return of diseases linked to foreign workers</td>
<td>Health</td>
<td>Cruez December 28, 2009; The Star June 22, 2009; Bernama May 20, 2009</td>
</tr>
<tr>
<td>Migrants bringing in malaria to Malaysia</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

While there are so many Indonesian low-skilled workers seeking to migrate internationally for economic purposes there is, associated with them, an economy centred on the process: migration itself is a money-making industry. Indonesia regards its workers as a “strategic non-oil export commodity” and in its 2004 legal framework covering Indonesian migration...
it describes “the recruitment, employment, and post-employment of overseas workers” as “business entities” (Yue 2008:p.124). Jones (2000), in her book entitled “Making Money off Migrants: The Indonesian Exodus to Malaysia”, details the various abuses of migrants and criticises the governance of migrants in both Malaysia and Indonesia. Kimura (2011:p.13) also sees that both countries seem to be either unable or unwilling to control these activities. As with the attitudes of government, the media and the public, the costs of agents, both registered and not, are not simply economic: the agents contribute to the social impacts of migration.

Various kinds of brokers, middlemen and agents (known as calo, taikong/tekong, tauke and mandor) have established well-known networks in both Malaysia and Indonesia, with the power to manipulate and exploit the migration process (Hugo 1993). Approached in their small villages by local agents with connections to either registered or unregistered companies, potential migrants are often given false information (Ford 2005). According to Ford (2005:p.13), “practices such as falsification of identity, deprivation of liberty, overcharging and even extortion, are common”. While this process is exploitative of the migrant at home, it also has an enormous impact on their identity once in Malaysia, where their uncertain legal status allows employers to take advantage of the worker’s insecurities: providing only the lowest wages, demanding long working hours and allowing poor and/or unsafe working conditions. As a result of initial misinformation given by agents, some migrants spend their life in Malaysia in fear of imprisonment and/or deportation.

Thirty-five migrants in the 2009IMW survey stated that they had been cheated by agents. Twenty-eight of these are documented migrants and the others are currently
undocumented. As shown in Table 7.2, the migrants were given false promises and have been cheated in terms of their wages and job responsibilities or have been abandoned. Such incidences are not rare and they often make the headlines in the media (The Star Feb 20 2008; The Star March 24, 2010). While the experiences of migrants often involves losing money in agent costs and the promise of inflated wages, the exploitation resulting in migrants not having correct documentation means that they become legally vulnerable.

Table 7.2 Experiences of 2009IMW Survey Migrants with Agents

<table>
<thead>
<tr>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I was cheated by the agent, and I paid MYR 200 to the police”.</td>
</tr>
<tr>
<td>“I came to Peninsular with an agent and then I was abandoned with no job”</td>
</tr>
<tr>
<td>“I have had all the problems and I got the help of tekong (an illegal agent) to enter Malaysia again”.</td>
</tr>
<tr>
<td>“I reported the agent to the Indonesian Embassy”.</td>
</tr>
<tr>
<td>“During training, the calo (agents in Indonesia) gave more work hours and never reduced it”.</td>
</tr>
<tr>
<td>“Cheated by an agent, was promised a job in different sector but then was sent to a furniture shop”.</td>
</tr>
<tr>
<td>“I am not going to rely on an agent again”. “I have given money to a third party to renew a permit but have not seen them since”.</td>
</tr>
<tr>
<td>“It took a year for the agent to deliver the permit”.</td>
</tr>
<tr>
<td>“The agent in Indonesia offered a high income but the Malaysian agent offered a lower income”.</td>
</tr>
<tr>
<td>“My loan was only Indonesian Rupiah 5 million (MYR 1760) but I had to pay back MYR 2100”</td>
</tr>
<tr>
<td>“The salary was not as much as the agent promised”</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

The negative effects on the low-skilled migrants’ overall identity and life experiences may be caused by various aspects of the migration network, including governments, agents at the host country, agents in the home country, moneylenders and even family members (Rashid 2012). These dimensions form the “background” experience of the migrants. The following section will explore the specific human and social capabilities of migrants in relation to development.
7.3 Human Capital and Capabilities

7.3.1 Employment

As work is a major part of their life in the host country, economic migrants may gain various forms of human capital through their employment. When migrants return to their home country it is expected that there will be a transfer of knowledge and skills learned (McHugh 1984; Ahlburg and Brown 1998; Carrington et al. 2007). In situations when the human capital earned in the host country is irrelevant to the home country, then migrants are more likely to return to the host country for re-employment (McCormick and Wahba 2001). In such cases, the eventual return of migrants to their home country may only occur at retirement age, making little contribution to the social development of their home country during their active working lives. However, low-skilled migrants are often involved in jobs described as “dead-end jobs with no prospects for skill training or personal development” (Piper 2010, p. 403). Skilled migration is more likely to result in positive developments for the home country, such as in the temporary migration of nurses who add value to their expertise while they are away and return to contribute to the health system at home (Haour-Kripe and Davies 2008).

A lack of planning in both the home and host countries potentially causes the “loss-loss-loss” of migrants’ accumulated skills; loss to migrants, the home country and the host country. Narayanan and Lai (2005) report that the Indonesian migrants in the construction sector (predominantly unskilled upon arrival) accumulate skills via on-the-job training in Malaysia. However, they are then loss to Malaysia which bears the burden of training costs and loses its investments; returning migrants may not be able to find a job that fits their
new skills (as in Indonesia’s almost half the working population are employed in the agricultural sector (BPS 2006)). Nevertheless, it is implied that for the successful transfer of skills both ways, from home to country of destination and vice versa, cooperation and thorough planning is required from both countries (Adi 1987; Constant and Zimmermann 2003b). In the 2009IMW study, some migrants managed to gain on-the-job training skills and language skills.

7.3.1.1 On-the-job Training Skills

Only 7.7 per cent of the 2009IMW survey migrants stated that they had attended any training while they were in Malaysia, including computer skills, safety instruction for construction workers (organised by the Construction Industry Development Board (CIDB) in Malaysia), cooking, driving, leadership course, net making, machine operation, health and safety courses, plastering and cutting plywood and others. Most of the training was designed to assist workers to settle into their jobs, rather than to upgrade skills, being given in the induction period or at the beginning of employment. Almost all of this training was received by documented workers.

Migrants in the domestic work sector receive basic guidance in household chores (the use of electrical appliances, such as an iron, vacuum cleaner, electric stove, washing machines and dryers), for a week from their agencies. While Chin (1997, p. 367) found that female workers employed in the domestic work sector could not apply these skills upon return, Raharto et al. (1999, p. 154) reported a gain in experience from travelling abroad by returning female workers from Sabah to East Flores. Only a small percentage of domestic workers in the 2009IMW survey thought their work experience would be useful upon
return to Indonesia. However, workers in this sector who learn English or Mandarin in their employment situation, coupled with their work experience, are ready for “step migration”. Paul (2011) defines step migration as a process in which migrants move from one country to another, usually from a country with lower entry restrictions to one with higher requirements. According to Paul (2011), the Filipino workers in Singapore used their spare time to accumulate training and skills through the Philippines Overseas Employment Agency (POEA). This helps them to move into more selective, and financially rewarding, countries of destination.

The 2009IMW survey, manufacturing sector workers were initially rotated through various jobs and finally placed in a section where their productivity per hour is the highest. They received on-the-job training from supervisors or senior workers. Workers in the plantation sector are trained to perform the specific tasks of their jobs, for example to prune palm leaves or cut palm fruits, usually by their more experienced fellow-migrants.

Despite the limited job training that migrants in the 2009IMW survey received and the low level of skill involved in their employment, when asked if they thought that their work experience would either definitely or possibly be useful to them in their home country, approximately one-third valued their experience positively. As shown in Figure 7.2, those employed in the manufacturing and construction sector thought their work experience would be most useful upon return. These sectors offer migrants some technical expertise and in some cases even certificates acknowledging their skills. A large number of plantation workers interviewed also saw their experience as potentially useful for employment in the plantation sectors in Kalimantan, Indonesia.
There is little importance placed on upward skill mobility for these low-skilled migrant workers. According to an official from the Federation of Malaysian Manufacturers (FMM), the Ministry of Human Resources Malaysia requires migrant workers who wish to extend their work permit into a sixth year (that is, beyond the normal allowable five year period and to a maximum of 10 years) to acquire a foreign worker skill certification from the Ministry of Human Resources (Kanapathy 2008c). The *Majlis Latihan Vokasional Kebangsaan* (literally translated as Certificate of National Vocational Training) is valid for three years, costing MYR 500 and paid by the employer. Modules covered in this certificate are communication skills, Malaysian culture, workplace safety and health. Employers are required to put in an application form with details of the total number of foreign and local workers in the company, the basic salary of the foreign worker, job function and type of machinery operated by the foreign worker and the importance of the
foreign worker to the company. However, not all contract workers are able to obtain this extension as the application must match the skill shortages listed by the Ministry at the time of the application. The entire process, including the short course, takes up to two months. The official also pointed out that this certificate does not assist with promotion for the migrants, as Malaysian policy assures more skilled positions are kept for the locals. However, most companies do not renew their workers’ permits beyond the stipulated five years.

7.3.1.2 Language Skills

Familiarity with the language in the host country is generally considered a great advantage to migrants (Duany 2002; Glorius and Friedrich 2006; McHugh and Challinor June 2011). Generally functional bilingualism is seen as a necessity for migrants who travel back-and-forth (Duany 2002). Those who intend to stay longer tend to invest their human capital in assimilating into the host country; migrants not wishing to, or unable to, assimilate are less likely to master the language of the host society (Dustmann 1999; Takenoshita 2007). However, little effort is required of Indonesians as Bahasa Malaysia31 (or Malay) and Bahasa Indonesia both originate from an Austronesian root and are highly similar (Gray and Jordan 2000), the Indonesian language being known as “Malay” until 1930 (Alisjahbana 1949). Indonesians in Malaysia, consequently, have a comparative advantage over migrant workers from other source countries.

31 Bahasa Malay is the national language in Malaysia. However, English, Chinese (Mandarin and Cantonese) and Tamil languages are also widely spoken.
As expected, all migrants interviewed in the 2009IMW survey were able to converse in Bahasa Malaysia, as shown in Table 7.4. While research shows that mastery of the host country language usually contributes to higher wages (Takenoshita 2007), knowledge of Bahasa Malaysia does not generally result in any financial gain to Indonesian workers in Malaysia. In the domestic work sector Indonesian workers are highly preferred due to their language ability (and cultural and religious affiliations, yet they are not rewarded financially for this skill.

Fluency in English is highly regarded in Malaysia. Only three per cent of the migrants interviewed in the 2009IMW survey are able to speak any English, as shown in Table 7.3, most of these being in the manufacturing and services sectors. More permanent migrants have some facility with English.

<table>
<thead>
<tr>
<th>Table 7.3 Languages Spoken by Type of Migrants (Per cent of the Total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total No. of Respondents</td>
</tr>
<tr>
<td>--------------------------</td>
</tr>
<tr>
<td>Bahasa Malaysia</td>
</tr>
<tr>
<td>English</td>
</tr>
<tr>
<td>Chinese (Mandarin)</td>
</tr>
<tr>
<td>Tamil</td>
</tr>
</tbody>
</table>

Migrants often learn the language used commonly in their work environment (Rahman 2005). The one per cent of migrants in the survey who spoke Tamil are all documented domestic workers with Tamil speaking employers. Those who spoke Chinese languages gained their skill in both the construction and domestic work sectors. While the knowledge
of a further language may help domestic workers who plan to use the skill to find a job in Singapore (which generally pays higher wages than Malaysia), it is presumed that the ability to speak additional languages is not an advantage to the migrants who are returning to Indonesia.

### 7.3.2 Migrant Well-Being

Migrant well-being and personal security are central to the social dimension of migration (Rahman 2009; Piper 2009b). Simmons’s (1985, p. 126) place-utility dimensions which assesses a migrants’ happiness with both their work place and place of living in the country of destination and compares that to their feelings about their home country situation, were used to indicate the overall well-being of migrants in this study. Simmons (1985:129) expects that migrants who are not happy at the country of destination will continue to circulate, returning ultimately to their home country which they scored higher in the place-utility dimension. Migrants in the 2009IMW survey were asked whether they thought they were happier overall in Indonesia or Malaysia. As shown in Figure 7.3, the survey results are consistent with Simmons’s findings, whereby the circular migrants selected Indonesia as the place that made them happier while the permanent migrants selected Malaysia. The undecided migrants often did not discriminate between the two countries and rarely found Indonesia preferable. Migrants’ well-being is further assessed through the health and housing conditions of migrants.
7.3.2.1 Health

The ASEAN Committee on the Implementation of the Declaration on the Protection and Promotion of the Rights of Migrant Workers (ACMW) in 2008, called for a focus on, among other things, occupational safety and the health of migrant workers among member countries (ASEAN 2009). Consistently, the Workmen Compensation Act in Malaysia requires employers to provide medical care and payment of costs for work-related injuries. However, it was not made a compulsory pre-requisite for employing a migrant worker, as in Singapore. Therefore, the medical care migrants receive depends on employers’ goodwill. Only recently, (after a significant number of abuses) through a bi-lateral agreement with Malaysia, Indonesia made it compulsory for all domestic workers (only) to have insurance coverage which includes health care benefits.
While the migrant workers’ health care in Malaysia is an on-going issue in the media and public, it is not from the point-of-view of the migrant’s well-being. The workers have been accused of contributing to the increase in public medical expenditure in Malaysia (Kananatu 2002). Although, unpaid medical bills by foreign patients have increased steadily from MYR 3.4 million in 1995, to MYR 12.8 million in 2008 (Iszahanid June 21, 2009), the cost which is one per cent of the total expenditures of Ministry of Health in 2008 (Ministry of Health 2008), is not out of proportion when compared to the size of migrant workforce, which stood at almost 10 per cent of Malaysia’s labour force.

In an attempt to maintain a healthy population, Malaysia screens migrant workers’ health at various stages: prior to migration (at the home country), in the first three months upon arrival in Malaysia and annually as a requirement to renew their permits. They are tested for about 15 major diseases, as shown in Table 7.4. In 2007, compulsory medical examinations of documented migrant workers, reported an estimated 3.2 per cent of 1.3 million workers tested as unfit. Migrants have been blamed for the re-entry of malaria and tuberculosis into Peninsular Malaysia (Ministry of Health 2004). Pregnancy has also been included as an additional criterion for women to be declared unfit to work in Malaysia, undermining the rights of migrant females. The unfit workers, and any pregnant women, are deported immediately (even when their health issues have arisen while in Malaysia). Those who use illegal routes and the permanent residents do not undergo such medical examinations.
Table 7.4 “Unfit” Migrant Workers According to Type of Diseases in Peninsular Malaysia and Sabah, 1998-2005 & 2007

<table>
<thead>
<tr>
<th>Diseases Screened</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2007*</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV/AIDS</td>
<td>0.7</td>
<td>0.6</td>
<td>0.9</td>
<td>1.0</td>
<td>1.4</td>
<td>1.5</td>
<td>1.3</td>
<td>1.5</td>
<td>1.6</td>
</tr>
<tr>
<td>TB</td>
<td>7.8</td>
<td>8.6</td>
<td>11.4</td>
<td>15.8</td>
<td>14.5</td>
<td>12.5</td>
<td>12.3</td>
<td>15.7</td>
<td>39.8</td>
</tr>
<tr>
<td>Syphilis</td>
<td>14.9</td>
<td>17.7</td>
<td>14.4</td>
<td>8.2</td>
<td>7.4</td>
<td>8.7</td>
<td>8.4</td>
<td>8.4</td>
<td>6.7</td>
</tr>
<tr>
<td>Hepatitis B</td>
<td>68.6</td>
<td>56.2</td>
<td>52.0</td>
<td>44.3</td>
<td>51.0</td>
<td>52.2</td>
<td>50.1</td>
<td>42.8</td>
<td>26.1</td>
</tr>
<tr>
<td>Psychiatric Problems</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Pregnancy</td>
<td>5.3</td>
<td>4.9</td>
<td>5.8</td>
<td>4.9</td>
<td>5.6</td>
<td>3.6</td>
<td>3.9</td>
<td>5.2</td>
<td>5.6</td>
</tr>
<tr>
<td>Others</td>
<td>2.6</td>
<td>12.0</td>
<td>15.5</td>
<td>25.8</td>
<td>19.8</td>
<td>21.4</td>
<td>23.9</td>
<td>26.3</td>
<td>19.8</td>
</tr>
<tr>
<td>Total Unfit (’000)</td>
<td>24.0</td>
<td>14.0</td>
<td>11.0</td>
<td>9.0</td>
<td>8.0</td>
<td>19.0</td>
<td>25.0</td>
<td>38.2</td>
<td>41.6</td>
</tr>
<tr>
<td>Percentage Unfit</td>
<td>4.4</td>
<td>2.6</td>
<td>2.0</td>
<td>1.8</td>
<td>2.2</td>
<td>2.6</td>
<td>2.8</td>
<td>3.3</td>
<td>3.2*</td>
</tr>
<tr>
<td>Number Tested (’000)</td>
<td>566</td>
<td>545</td>
<td>526</td>
<td>500</td>
<td>403</td>
<td>716</td>
<td>909</td>
<td>1,158</td>
<td>1,300*</td>
</tr>
</tbody>
</table>

*an estimation, source: (Edwards 12th April, 2009)

As shown in Table 7.4, eight per cent of the total workers screened in 2007 were found to have sexually transmitted diseases (syphilis and HIV/AIDS) (Selvarani and Vijaindren May 25, 2008). Within Malaysia, male migrant workers are routinely stigmatised by the locals and branded as “womanisers”. It is difficult for them to approach local women and forming relationships with them is highly discouraged (Wolffers et al. 2002; Dannecker 2005). Some migrant workers use the service of sex workers while they are in Malaysia and research shows that Bangladeshi migrant workers who seek the services of sex workers for the first time when in Malaysia are not aware of and/or did not take precautions against, sexually transmitted diseases (Wolffers et al. 2002; Dannecker 2005). This is of concern as a National Behaviour Survey indicates that more than 5 per cent of sex workers in Malaysia have AIDS (UNGASS 2008). In addition, there are migrants who travel illegally to work as sex workers in Malaysia and other women who get duped by agents into these jobs (Yeoh July 15, 2009; Zolkepli March 17, 2008; Yeoh March 24,
Almost nine thousand foreign sex workers were detained throughout Malaysia in 2009, 15.5 per cent being from Indonesia (Hamid March 20, 2009).

As suggested by UNDP (2009), the access to health care differed by the status of migrants and sector of employment. Furthermore, the 2009 IMW survey also showed that medical access depended on the location of migrant’s work place. The permanent residents, with their legal right to reside in Malaysia, had full access to all medical benefits offered to Malaysian citizens. In the plantation sector, most workers have access to a health clinic located near their work place and living quarters which provides treatment for minor conditions. These workers are also given options to have private insurance packages organised by the union for plantation workers. In the manufacturing sector, employers usually provide medical care through private clinics. Those in the domestic sector are covered by the Compensation Act and now have insurance coverage which includes health care benefits.

However, for many in the 2009 IMW survey, cost and confidentiality were major issues of concern in accessing health care. Generally, except for plantation and domestic workers, migrant workers bore high medical costs themselves. In some instances employers paid bills which were then deducted from their monthly salary. Private clinics cost around MYR30 per visit (which includes medicines), around 3 to 6 per cent of a documented worker’s monthly salary (between MYR 500 and 1300) and 79 per cent used private clinics when they had health issues in order to maintain some confidentiality.

When faced with occupational injuries (10 per cent of the total in the 2009 IMW survey), 66 per cent had their medical costs paid by their employers, 22 per cent paid their own and
12 per cent had their needs met by a combination of resources. Eighteen per cent had lost their jobs after the accidents. Among those who lost their jobs, 50 per cent were in the construction industry. During the interviews, the documented and undocumented migrant workers expressed fear of losing their jobs if they were sick and needed to take leave. They therefore concealed any sickness from their employers and sought medical treatment from private clinics.

Through the stringent application of health checks, initially and then annually, the government is seen to be safeguarding Malaysia’s population. However, there are no policies to improve or ensure that migrants stay healthy and free from occupational hazards during their working life in Malaysia. While the majority of Malaysians (in the low-skilled sector) receive medical benefits, migrant workers are without policies to ensure this basic right.

7.3.2.2 Housing

Living conditions in the host country effect the quality of life migrants enjoy (World Health Organisation 2003b). Kassim (2000) has found that the living conditions of migrants is related to the sector in which they are employed and their status. Most (91 per cent) of the domestic workers in the 2009IMW survey, being documented, lived with their employers in houses with at least three bedrooms, reflecting the lifestyle of Malaysians with sufficient income to employ a domestic worker. The domestic workers either had their own small room or shared with others. They had access to good basic amenities, similar to their employers and, consequently, lived in better conditions than most other migrant workers. Just six per cent of domestic workers lived in flats independently. These migrants
enjoyed a higher freedom than most workers in this sector and some had family members living with them.

Fifty-five per cent of construction workers, both documented and undocumented, lived at the construction site they worked on, in makeshift shacks called “kongsi”, which literally means “sharing”, as shown in Plate 7.1. These are usually constructed from scrap materials available at the construction sites and lacked basic amenities of water and sewage. The shacks are only used for storing items and sleeping, with cooking being done outside. Other facilities are shared between a few shacks. These shacks of approximately 100 square feet house five to eight migrants.

**Plate 7.1 “Kongsi” at a Construction Site**

Source: 2009IMW Fieldwork

In the manufacturing sector, flats (42 per cent) and hostels (16 per cent) are the most common form of accommodation. Flats are low-cost living units with an area of between
600 and 750 sq feet, with two or three bedrooms and facilities (Omar 2008). The rent ranged from RM300 to RM400 monthly. The flats, which are suitable for a family of four, usually housed six or more workers. These flats were the preferred option for those who did not receive accommodation from their employers. Another 15 per cent, of mainly undocumented workers in the manufacturing sector, lived in *kongsi*. Manufacturing timber products, these migrants built *kongsi* in the forests where they lived and worked. The majority of the plantation workers live in housing estates or quarters (as shown in Plate 7.2) provided by their employers. Each unit, consisting of one bedroom, a kitchen and a bathroom, would house three to five workers.

**Plate 7.2 Accommodation Provided for Plantation Workers**

![Plate 7.2 Accommodation Provided for Plantation Workers](image)

Source: 2009IMW Fieldwork

In the plantation sector, the migrant workers usually shared accommodation with workers from their own country and their units were located far from that of the locals and
settlements. These migrants also have difficulty in getting access to resources that would improve their quality of life (see below).

### In-depth Interview: Living Condition

Wibawa is a young man who has been in Malaysia for two years. He does not mind the work and he actually feels fortunate to have a job. However, he hates his leisure hours. He shares his quarters with 3 other workers and they do not have a television. He has to buy one if he wants it. Although he and his colleagues are interested in playing sports, they do not own a football and they were told to keep the noise level down when they did organise some games. Although Wibawa and his friends could buy some sports equipments on their own, they think that it is their employers’ responsibility. Wibawa enjoys craft work and was making some money doing that prior to his migration.

Source: 2009IMW survey

More than one-third of workers in the service sector and those who worked in the “others” sector in the 2009IMW survey lived in flats. An additional one-third of these sectors lived in wooden houses in villages which often had one or two bedrooms, with kitchen and bathroom facilities.

In order to save as much as possible economic migrants, in most cases, try to keep their living expenses to a minimum and often stay in accommodation provided by their employers. In sum, while the migrants often had housing provided for them, its basic nature, location and the necessity to share with others did little to add to their quality of life.

### 7.4 Social Capital and Capabilities

Social networks provide migrants with social capital, norms and social trust, usually in the form of knowledge (migration-specific capital) passed on by former migrants (Massey 1987b; Boyd 1989; Massey et al. 1993; Massey and Espinosa 1997; Palloni et al. 2001).
This migration-specific capital assists new migrants to reduce the costs and risks associated with migration. Furthermore, the strength of ties and networks influences a migrant’s decision to either return home or to circulate between host and home countries (Gmelch 1980; Ong 1993; Brettell 2000; Constant and Massey 2003; Neil 2003; Reynolds 2010). Social capital is important for poorer migrants who are often dependent on their social networks to survive their migratory journey (Rashid 2012). Although there are various forms of networks connecting migrants to non-migrants, Boyd (1989) summarises these into two forms: personal and organisational. The personal network consists of family, friends and community ties while the organisational network consists of distant members of networks, such as recruiters and agents (see earlier this chapter).

### 7.4.1 Family

It is well known that many migrants maintain relationships with family and friends in both home and host countries (Schiller et al. 1995). In the 2009IMW survey, as shown in Table 7.5, almost 65 per cent of the migrants had some family members (including spouse, children, parents, siblings) working or residing in both Malaysia and Indonesia at the time of interview. The permanent residents, having arrived in Malaysia in the 1980s, and being first generation immigrants, now have the most number of family members split between the host and home countries. However, the documented and undocumented workers also had their family members split between the host and the home country, the undocumented migrants having more of their social networks split than the documented migrants, who had slightly more family members in Indonesia.
Table 7.5 Location of Family Members by Status

<table>
<thead>
<tr>
<th></th>
<th>Documented Migrants</th>
<th>Undocumented Migrants</th>
<th>Permanent Resident</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Respondents</td>
<td>481</td>
<td>180</td>
<td>197</td>
<td>858</td>
</tr>
<tr>
<td>Malaysia Only</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Indonesia Only</td>
<td>48.2</td>
<td>1.1</td>
<td>2.0</td>
<td>.7</td>
</tr>
<tr>
<td>Both Malaysia and Indonesia</td>
<td>51.8</td>
<td>68.3</td>
<td>92.9</td>
<td>64.7</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

The likelihood that a migrant will stay permanently in the host country has been found to be high with the presence of family in the host country (Lindstrom 1996; Massey and Espinosa 1997; Pinger 2007). Consistent with this, the 2009IMW survey discovered that permanent or undecided migrants are more likely to have their immediate family members in Malaysia or spread between Malaysia and Indonesia, while circular migrants are more likely to have all their family in Indonesia, as shown in Figure 7.4.

Figure 7.4 Location of Family Members by Type

Source: 2009IMW survey
As discussed in chapter 5, almost 69 per cent of the migrants interviewed in the 2009IMW survey are married. The spouses of permanent migrants are more likely to reside in Malaysia while spouses of circular migrants are more likely to reside in Indonesia. It has been reported that in addition to the presence of a spouse at home, the presence of children in the home country is also known to influence a migrant’s decision to return home (Steiner and Velling 1992). Of the 575 respondents in the 2009IMW survey who had children (the average being 2) almost two-thirds of the children are residing in Indonesia, as shown in Table 7.6. The majority of the permanent migrants have their children living with them in Malaysia, while 83 per cent of circular migrants had left their children in Indonesia. A further analysis reveals that, among undecided migrants, only the permanent residents are more likely to have their children in Malaysia, while both documented and undocumented undecided migrants are more likely to have their children living in Indonesia.

<table>
<thead>
<tr>
<th>Table 7.6 Location of Children by Type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>No. of Respondents</strong></td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td><strong>Malaysia</strong></td>
</tr>
<tr>
<td><strong>Indonesia</strong></td>
</tr>
<tr>
<td><strong>Both Countries</strong></td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

The findings on the location of the children correlated closely with the location of spouses in the 2009IMW survey, as discussed earlier. These figures confirm the suggestion that permanent migrants have their principal family members with them in Malaysia, while
circular migrants have their family members mostly at home. The undecided migrants, except for those who have the legal right to a permanent stay (such as permanent residents), at this point in time, have their children in Indonesia. It should be noted, however, that a number of permanent residents still have their children living in Indonesia (due to education and the presence of grandparents). While the implication here is that the home country is more likely to benefit through remittances if the spouses or children are located there, the migrants would be likely to gain migration-specific capital with the presence of family and networks at the host country (discussed later). Issues related to separation, often a negative consequence of migration, are lessened when a migrant has their partner and children with them (see later in this chapter) (Lahaie et al. 2009; Ukwatta 2010).

7.4.1.1 Staying in Contact: Phone Calls and Emails

The improvements in technology and communication in recent decades has facilitated migrants to maintain transnational lives through the formation of transnational networks spanning both home and host countries (Vertovec 1999; de Haas 2010). Information circulates between home and the host country through letters, phone calls and emails (Rahman 2005; Piper 2009a). Lower telecommunication costs allow more frequent and intimate communication.

The two largest private telecommunication service providers in Malaysia, namely Maxis and Digi, offer prepaid telephone calls to Indonesia (0.35 MYR/min and 0.20 MYR/min respectively). The government-owned Celcom has introduced a package targeting the large number of Indonesian migrants in Malaysia (0.22 MYR/min) (Hunt September 27, 2007).
Digi is the most widely used service, as it offers credit transfer to Indonesia, allowing the families in Indonesia to initiate the call at Malaysian rates. Most of the ferries travelling between Indonesia and Malaysia advertise this company, as shown in Plate 7.3. Learning of the best and cheapest services becomes part of the “knowledge capital” that migrants gain from more experienced migrants when they first arrive in Malaysia.

Plate 7.3: Digi Logo on a Ferry (Route Indonesia – Malaysia)

The methods and frequency of contact, between migrants and family and friends in Indonesia, were investigated in this study. Only four respondents, two undocumented migrants and two permanent residents, did not maintain any form of communication with family or friends at home. The two permanent residents no longer had any family in Indonesia while the two undocumented migrants chose not to be in contact with their families and friends.
While the majority of migrants kept in touch with phone calls, one person wrote letters and two maintained email contact as well as phone calls. On average, circular migrants made six phone calls per month to Indonesia, permanent migrants made four calls and undecided migrants made five calls. Males made five calls while females made four, with a higher percentage of male respondents having spouses in Indonesia. Those whose spouse was in Indonesia made seven calls a month, while others made five. In terms of sectors, domestic workers made four calls, while workers in the other sectors seven calls a month. The working conditions of domestic workers, largely confined to the house and with strict supervision by employers, probably would have limited the number of calls made home.

As discussed earlier, the frequency of calls to the home country is a reflection of the continued strength of the home country social network. As shown in Figure 7.5, the circular migrants are more likely to show their commitment to their home country, by being in contact more often than the permanent migrants who made the least frequent calls, with 82 per cent calling five times or less in a month.

![Figure 7.5 TelephoneCalls per Month by Type](image)

Source: 2009IMW survey
7.4.1.2 Migration-specific Capital

Social network and transnationalism theories have introduced the concept of “migration-specific capital”, acknowledging the importance of social capital and its benefits to the migrant (Massey 1987b; Massey et al. 1993; Massey and Espinosa 1997). This capital includes social connections and experiences which provide assistance in finding jobs and accommodation and reduce the risks and costs of migration (Hugo 1999; Hugo 2000). Finding employment and a place to stay are among the major difficulties migrants face as soon as they arrive in a new country. As depicted in Table 7.7, in the 2009IMW survey, 62 per cent of permanent migrants and 60 per cent of undecided migrants received help from family and friends in Malaysia in finding their first employment. The established networks also assisted migrants in finding their first accommodation in Malaysia. Half of the circular migrants, however, relied on agents to find their first employment. It is important to note that two-thirds of circular migrants are documented migrants and 63 per cent of circular migrants are first movers. In relation to status, slightly more than half of the undocumented migrants and permanent residents in the 2009IMW survey had the support of family and friends in finding their first jobs and accommodation, while documented migrants depended on the help offered by agents and employers to find their first jobs and accommodation.
Table 7.7 Source of Assistance to Find First Employment and Accommodation in Malaysia by Type

<table>
<thead>
<tr>
<th>Sources of Help to Find First Employment</th>
<th>Sources of Help to Find First Accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Circular Migrants</td>
</tr>
<tr>
<td>Number of Respondents</td>
<td>634</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Self</td>
<td>5.8</td>
</tr>
<tr>
<td>Family/relatives in Malaysia / Indonesia</td>
<td>15.0</td>
</tr>
<tr>
<td>Friends in Malaysia / Indonesia</td>
<td>19.9</td>
</tr>
<tr>
<td>Employer</td>
<td>9.6</td>
</tr>
<tr>
<td>Agent</td>
<td>45.4</td>
</tr>
<tr>
<td>Calo</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

7.4.1.3 Family Separation

The Global Commission of International Migration (2005, p. 17) clearly indicates that the separation of family members is amongst the negative outcomes of temporary migration programmes. Temporary migration policies often forbid family members from accompanying migrants to the host country. By prohibiting the entry of families, host countries often use families as “bond” to ensure the migrant’s eventual return home (Newland 2009). However, it is possible that a migrant will initially arrive alone and then proceed to use loopholes in the host country’s policy, or bring in family members illegally. A documented migrant worker who marries another documented migrant worker during his/her tenure may have found a legal way to stay in the host country with a spouse, while a migrant who brings his family using a tourist visa and then has them overstay has illegally reunited with his/her family. It is important to note that not just the documented
and undocumented migrants suffer through family separation, as most permanent residents will still have some or most of their relatives in their home country.

It has been argued that migration adversely affects the stability of marriages, especially for women (Hugo 2002). In a study of female domestic workers in the Middle East, Adi (1996) reported a higher incidence of divorce among migrant households than among non-migrant households. The 2009IMW survey results indicates that only three per cent of the migrants were either divorced or separated, with most of these being circular documented female migrants in the domestic work sector (60 per cent). Exactly half of the marriages broke down after the workers migrated. The in-depth interviews below indicate that the separations were often instigated by the spouse left behind and show that returning home frequently does not stop separations.

In-depth Interviews:

1. Cinta is young lady from Java. She was married at 16 to a man who was 40. She had a child when she was 17. Cinta sold beetle leaves to raise money and she wants her son to be educated. Her husband was unemployed and frequently left her while looking for employment, not returning for months. When Cinta was offered a job as a domestic worker when she was 25, he was not happy. One year after Cinta left for Malaysia to work, leaving her son under the care of her parents, he started verbally abusing and threatening her on the phone. He blamed her for their son’s poor grades and he was not happy that he had no control of Cinta’s remittances. The husband has taken their son to his parents’ house and has stopped all communication with Cinta. Cinta now considers herself as single but she is not worried about what the future holds for her. Her focus is to educate her son.

2. Sari went home for a holiday and found her husband with a new wife and her children very close to his new wife. Although she was heart-broken and considers herself not his wife, she continues to remit to her husband. She said that, being in her late 40s, she might not be able to find anyone. She wants to do whatever possible to keep her children close to her. She believes that by remitting to her husband she can continue her relationship with her children.

Source: 2009IMW survey
It is widely suggested that the absence of parents results in migrants’ children suffering from academic, behavioural and emotional problems (Parrenas 2001a; Lahaie et al. 2009; Ukwatta 2010; The Jakarta Post July 30, 2011; The Star May 9, 2012). Skeldon (2011, p. 59), drawing from the Child Health and Migrant Parents in South-East Asia (CHAMPSEA) Project, reports that the migrant families with fathers abroad were less disadvantaged than those with mothers abroad. While frequent visits of parents to the home country may reduce these problems, this also impacts on savings and is unlikely to eradicate the problem. The 2009IMW survey shows that of the 375 respondents with children in Indonesia more than half have left their children in the care of their spouse, one-third with their parents or in-laws, with the remainder no longer being minors. Given the trend toward the feminisation of the flow of migrants to Malaysia, it is likely that increasingly more children will be left behind in Indonesia (this is assuming that Indonesia continues to allow its women to go to Malaysia) (see chapter 5).

At this point in time and based on the 2009IMW survey, it was not possible to conclude if circular migration reduces family separation and its consequences, as suggested by Newland (2009). However, it is widely accepted that when both the parents and their children are present in the host country more positive benefits are likely to accrue to both the family and their community.

7.4.2 Community Groups

Migrants abroad often join some sort of hometown associations, enabling collective social linkages (Levitt and Lamba-Nieves 2011). Well-organised associations, while closely knitting together members from particular locations, also bring developmental benefits to
the host country in improving health, education, economic standards, public infrastructure and others (Orozco and Lapointe 2004; Orozco and Welle 2005a).

In the 2009IMW survey, less than 10 per cent of the migrants belong to some kind of association. The majority of those who have joined a community group in Malaysia are permanent residents. Table 7.8 summarises the nature of these associations, centred on geographical, ethnic or religious affiliations. However, most of these associations offered help only when migrants approached them rather than proactively approaching migrants. Some of the members of these associations met once a month. The community groups are known to arrange for a “gotong-royong” (effort by many) for house building and repairs and informal religious classes to members and nearby migrants (Kassim 1987a). The experience of being confronted with a new environment is eased when the migrant is able to join with others in a similar situation, forming a diasporic community.

Another form of community association is the trade union. The few migrants involved in these in the 2009IMW survey are all documented workers from the plantation sector who have joined the National Union for Plantation Workers (NUPW), a Malaysian-based formal union in the plantation sectors which includes migrant workers, despite the fact there is an ongoing debate concerning migrant workers participating in unions. The other sectors did not facilitate migrants to join trade unions, with the general support for unions among Malaysians being only 10 per cent of Malaysia’s workforce (MTUC 2009). Employers are not supportive of union activity and there is also no government support (Wickramasekara 2002; Piper 2005b).
Table 7.8 Type of Home Town Associations in the Study Area

<table>
<thead>
<tr>
<th>Name of HTA</th>
<th>Nature</th>
</tr>
</thead>
</table>
| PASOMAJA (Paguyuban Solidaritas Masyarakat Jawa) (The Javanese Association) | • Established in 2007  
• Registered with Indonesian Embassy in Malaysia  
• Approximately 1800 members and mostly Javanese (Including Baweanese and Madurese)  
• Help to protect domestic workers from abuse (by acting as the intermediary between the agent and the worker); offer help to migrants who wish to return home; offer assistance to return the body of migrants who die while in Malaysia and other assistance |
| PERMAI (Persatuan Masyarakat Indonesia) (The Association for Indonesian Community) | • Established in 2007  
• All Indonesians in Malaysia are considered as members  
• Plays similar role as PASOMAJA, offers help to migrants with issues  
• Collects data on Indonesian migrants |
| IPMI (IKatan Pekerja Muslim Indonesia) (The Indonesian Muslim Association) | • Similar functions as other associations  
• Religious activities |
| PBM (Persatuan Bawaean Malaysia) | • A sub-division of PASOMAJA  
• For the members from Bawaean Island who are mostly permanent residents  
• Mostly religious gatherings |

Source: 2009IMW survey

The limited activities and membership of associations indicate the lack of attention paid to community groups in maximizing the benefits of migration to migrants and the countries, sending and receiving. Such efforts could be initiated by both the host and the home country. In Southeast Asia, The Philippines has established a benchmark in managing its citizens working abroad. Through The Philippines Overseas Employment Administration (POEA), a government agency, it follows specific policies on migration, sets targets and ensures efficient transfers of remittance. The POEA, based on the Migrant Workers and Overseas Filipinos Act of 1995 Republic Act number 8042, offers good protection to its overseas workers. Filipino workers are offered numerous courses in the host country during their days off by the Philippines Embassy (Piper 2005a). Such courses are hoped to
supplement migrants’ skills for their return to the Philippines. Furthermore, migrants who are retrenched and return to the Philippines are eligible for grants to obtain training in opening a small business (Migration News April 2009). Such programmes encourage and support migrants to return even if they failed to achieve their migration goals. A community-based newspaper for Filipinos abroad (*Tinnig Filipino*) publishes stories of successful return migrations and encourages migrants to return home at the end of their migration journey (Tyner 1999). In recent years online media, such as Facebook, also has been used for this purpose. Some of these methods (depending on migrants’ literacy rate, accessibility to technology and willingness to learn) can be applied to keep the low-skilled migrants connected and interested in the affairs of the home country. At this point in time Indonesian low-skilled workers in Malaysia are more likely to be represented by NGOs than hometown associations (Jones 2000).

### 7.5 Conclusion

This chapter explored human capital and social capital to understand the social impacts of circular and permanent migration. The chapter began by looking at key factors that may contribute to the developmental benefits of migration. Migrants in Malaysia generally experience various negative social effects with much of the potential for them to expand their life experiences, capabilities and freedoms, as described by Sen (1992), being challenged. Most of these migrants see their work in Malaysia as an economic opportunity and accept the limitations imposed by the social conditions once there. Their human and social capital in Indonesia may expand as a consequence of their international migration, but not necessarily. Within Malaysia, however, government and media attitudes combine to strengthen community attitudes that curtail human development. The important
contribution to the economy made by migrants is not recognised and their shortcomings are magnified. The lack of government supervision of agents, at both ends and on both sides of the migration process, often adds to the negative experience of migrants.

Human capital was assessed through the skills migrants gained in their work places and their general well-being at the host country. Skills development and the well-being of the low-skilled workers seem not to be the concern of policy planners in either the host or home country. Less than 10 per cent of migrants in the 2009IMW survey received any formal training, and one-third indicated that the work experience acquired in Malaysia would be likely to result in a gain when they returned home. The majority of the documented and undocumented workers had poor access to health care facilities and inadequate housing.

The 2009IMW data indicates that almost all migrants gained social capital through their social networks both at the host and home country. The commitments of circular migrants were more toward the home country and the reverse is evident among permanent migrants. Migrants stayed in touch with their families via telephone calls and circular migrants maintained more frequent communication with their immediate families than others. While community groups are present in the host country, they play a passive role, being socially oriented rather than educating migrants in their rights and have few members.
In sum, this study indicates that only the migrants who are permanent residents are experiencing positive social impacts. However, the cross sectional data collected from the 2009IMW is limited in its capacity to measure long-term impacts on the migrant and their communities. The existence of a strong anti-migrant environment within Malaysia, evidenced in both its policies and community attitudes, does not maximise the developmental potential of migration. The next chapter looks at the economic linkages of the low-skilled migrants and its impacts on the home and the host country.
Chapter 8. Economic Strategies, Linkages and Impacts of Circular and Permanent Migration

8.1 Introduction

International migration, when not as a result of warfare or seeking political asylum, is largely concerned with the potential for economic gain, with perceived and/or real differences between the home and host countries’ economies (Constant and Massey 2002; Constant and Massey 2003; Commission of the European Communities 2005a). The host country can benefit from the presence of migrants who fill labour market shortages and do jobs the locals are unwilling to do. The country of origin, migrants and their families benefit through employment opportunities, the wages earned\(^{32}\) and remittances\(^{33}\) repatriated. Remittances can bring positive economic impacts not only to the particular migrant households but more broadly to the total economy through multiplier effects, increased consumption, savings and investments (Rodriguez and Tiongson 2001; Neil 2003; Amuedo-Dorantes and Pozo 2006; Ratha 2007; de Haas 2010). However, the economic impacts may not all be positive and equally distributed between home countries, host countries and the migrants. The impact may vary according to the type of migration

\(^{32}\) In this research wages and remittances are measured in MYR which refers to Malaysian ringgit. The currency conversion used in this chapter is fixed at one million Indonesian Rupiah (IR) to MYR 352.23, which means one IR equals to 0.000353232 Malaysian Ringgit and 1 Malaysian Ringgit equals 2831 IR. One US Dollar is set at MYR 3.

\(^{33}\) Remittances are defined as the amount of money sent by migrants to their home country. It includes compensation payments (which includes pensions and disability payments) and the value of goods sent (International Monetary Fund, 2006). However, in this study the term remittances refer to only the amount of money sent by migrants to their home country.
that takes place (whether circular, permanent or undecided) and the status of migrants (documented, undocumented and permanent residents).

Migrants’ return intentions may influence the types of economic activities and linkages migrants’ maintain, including the types of jobs they undertake, the wages earned and the amount of money remitted. Researchers agree that international migrants with the intention to return home are more likely to remit more, whilst those who intend to stay permanently at their destination are more likely to remit less (Galor and Stark 1990; Merkle and Zimmermann 1992; Durand et al. 1996; Dustmann 1997; Massey and Akresh 2006; Pinger 2007; Adams Jr 2009; Dustmann and Mestres 2010; Collier et al. 2011). However, Massey and Akresh (2006) suggest that the circulating migrants may be shuttling between their host and home countries to maintain their assets rather than accumulating them at any one of the locations. The influence of return intentions on remitting behaviour is also observed in studies concerned with internal migration. Hugo (1982, pp. 74-75), in a study involving internal movements of West Javanese, found that those who circulated, remitted more than those who have moved permanently to a new region.

Glytsos (1997, p. 422) discusses differences in remitting behaviour of migrants and examines aims, means, purposes and types of recipients, as shown in Table 8.1. Glytsos sees the remittances from permanent migrants as a by-product of migration while remittances from temporary migrants are seen as the main product of migration. In other words, temporary migrants may tend to migrate with an aim of maximizing remittances while this may not be the ultimate goal of those who undertake permanent migration.
According to neoclassical economic theory, migration occurs where the nominal wages in the country of destination are higher than in the country of origin (Massey et al. 1993; Massey et al. 1998). However, permanent migration may only occur when the real wages are higher in the country of destination than the home country. This is because the bulk of consumption for permanent migrants occurs within the host countries. Therefore, they need higher real wages to sustain their cost of living (Glytsos 1997). The temporary or circular migrants, however, may postpone consumption until returning home where the cost of consumption is lower. There may also be the reverse effect of wages influencing intentions, whereby those who earned less, or fail to achieve their target real wages, may intend to return while those who earn higher wages may remain at the host country (Brownell 2010).

<table>
<thead>
<tr>
<th>Temporary Migration</th>
<th>Permanent Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aims</strong></td>
<td>Improve living</td>
</tr>
<tr>
<td><strong>Means</strong></td>
<td>Consumption</td>
</tr>
<tr>
<td><strong>Recipient of remittances</strong></td>
<td>Part of family (close relatives)</td>
</tr>
<tr>
<td><strong>Nature of Remittance</strong></td>
<td>Required, desired</td>
</tr>
</tbody>
</table>

Source: Glytsos 1997, p. 421

The theory of transnationalism, which emphasises migrants’ networks and relationships with others (Schiller et al. 1992), explains that migrants continue to remit as part of their commitments and obligations to the members of their network (de Haas 2010). According to Orozco (2005c) transnational migrants are likely to maintain economic linkages between
home and host countries in five ways: transfers of money, tourism, transportation, telecommunication and nostalgic trade\textsuperscript{34}. These have become known as the 5T’s. Orozco believes that while remittances alone are sufficient to create developmental impacts, the combined macro effects of the 5T’s are greater.

Studies comparing economic linkages and their impacts often focus on differences in gender and status of migrants (Borjas 1989; Donato et al. 1992; Gammage 2006). Only a small number of studies look at the differences in remittances between permanent and temporary or circular migrants (Glytsos 1997; Bauer and Sinning 2005; Brownell 2010; Dustmann and Mestres 2010). Even then, the research in this area still lacks empirical support.

Eversole and Shaw (2010, p. 175) identified three categories of factors that help to understand the differences in the dynamic of remittances and the transnational economic linkages migrants maintain at the level of household, spanning between home and host countries. The factors are: the nature of the migrant’s employment, their remitting behaviour and the use of the remittances at the country of origin, as shown in Figure 8.1. This provides the framework for this chapter.

\textsuperscript{34} Nostalgic trade refers to goods manufactured in the home nation and made available in the host nation due to high demands.
This chapter commences with an analysis of the nature of migrants’ pre- and post-migratory employment and wages. The chapter continues by exploring remitting behaviour, including the amount remitted, the frequency of remittances and the use of remittances. The chapter seeks to determine if there are differentiating economic linkages and impacts created by circular and permanent migrants.

8.2 Employment: Pre- and Post- Migration

This section looks at the nature of migrants’ employment prior to migration and post migration. Post migration employment, however, examines only their current employment.
even though migrants may have had various jobs since arriving in Malaysia. The section ends with an analysis of the wages migrants earn in their current employment.

8.2.1 Pre-Migration Employment

The employment sector in Indonesia can be divided into formal and informal sectors (Cuevas et al. 2009). Those in full-time employment or with a fixed salary make up the formal employment sector and are usually skilled or semi-skilled workers (Nazara 2010). The informal sector consists of workers in small scale production or unregistered enterprises consisting of both paid and unpaid workers, employed as casual or seasonal workers (International Labour Organization 2008; Cuevas et al. 2009). This sector also provides employment to many women with low levels of education and who have no other employment opportunities. Workers in this sector are not entitled to benefits, such as holidays, medical benefits and insurance coverage, and are not bound by labour legislation and taxation. The informal sector provides employment to almost 70 per cent of workers in Indonesia (Nazara 2010, p. 22). Known as the “ruang tunggu” (or waiting room), the sector provides temporary employment to many Indonesians who are attempting to get jobs in the formal sectors (Nazara 2010, p. 7).

There is a positive correlation (r=0.572) found between the percentage of those who are in informal employment and the poverty level by provinces in 2009 in Indonesia, indicating that provinces with a high percentage of informal employment will also have a high level of poverty (Nazara 2010) (as shown later in Table 8.6). With only a third of Indonesians in formal employment, migration to Malaysia as low-skilled workers offers an opportunity to earn higher wages. The lack of employment benefits offered in Malaysia may not bother
these migrants as they may not have received any in the informal sectors in Indonesia. The migration of workers to low-skilled sectors in Malaysia reduces the percentage of informal employment in Indonesia and, therefore, indirectly reduces the poverty level.

The 2009IMW survey found that prior to migrating 69 per cent of migrants were in some kind of employment, 23 per cent were still at school and the rest were either unemployed or homemakers, as shown in Table 8.2. Women made up 73 per cent of the latter. Circular migrants were more likely than permanent and undecided migrants had some employment prior to migration.

Table 8.2 Pre-Migratory Employment Status

<table>
<thead>
<tr>
<th></th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Migrants</td>
<td>639</td>
<td>101</td>
<td>118</td>
<td>858</td>
</tr>
<tr>
<td>Employment</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>School</td>
<td>74.6</td>
<td>56.4</td>
<td>51.7</td>
<td>69.3</td>
</tr>
<tr>
<td>Unemployed / Housewife</td>
<td>7.7</td>
<td>7.9</td>
<td>5.1</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Almost 11 per cent of permanent and undecided migrants were below the age of 15 at the time of their first migration, often still completing their basic education. Almost two-thirds of circular migrants had some previous employment. The influence of status is seen here whereby 65 per cent of the circular migrants are documented workers who fulfilled the minimum age requirement. Given that 31 per cent of migrants have not been employed prior to their first migration, their employment in Malaysia is their first labour market experience. If the migration has been positive and they are able to significantly improve
their standard of living and also contribute to their families, there are possibilities that these migrants may continue to circulate.

The 2009IMW survey shows, in terms of pre-migratory occupations, all but one per cent of all workers were found employed as casual, seasonal or unpaid work, without any employment benefits, in the informal sectors. As shown in Figure 8.2, within this sector 40 per cent are unpaid farm workers, working on their own farms or assisting their parents, with just a few assisting friends or relatives. According to Chin (1997), this is the most common form of employment in the rural areas in Indonesia, especially for women. Fourteen per cent of the 2009IMW survey migrants were employed in the services sector as cleaners, drivers, hairdressers and others. Another 14 per cent more were in small businesses and petty trades selling various food, fruits, clothes, beetle leaves, tea dust, brooms and other items. The remaining workers were employed in the fishing industry, manufacturing, plantations, domestic work and other sectors. Only five migrants had worked in the formal sector prior to migration (see later).

![Figure 8.2 Pre-migratory Work Experience (n=588)](image)

Source: 2009IMW survey
The 2009IMW survey finds that 23 per cent of those with work experience in Indonesia were subsequently employed in a similar sector in Malaysia, as shown in Table 8.3. Among these, almost 60 per cent of those who had had pre-migratory work experience in agriculture (including fishing sector) and plantation work found employment in similar sectors in Malaysia. However, according to some migrants in this sector, the tasks they performed in Malaysia were more difficult than their work in Indonesia. Workers in the manufacturing sector were the next most likely to have employment matching their pre-migratory experience. However, in all other sectors, the employment match was below 25 per cent, highlighting the fact that almost 75 per cent in those sectors are not using their pre-migratory skills in Malaysia. Although this indicates the lack of importance placed on matching skills and experiences in the low-skilled sectors, the data should be interpreted with caution as it is hard to measure the skills gained or lost in this sector (discussed in chapter 7). The easily learnt skills are neither seen as important by the migrants in finding employment nor are they a priority of the host and the home country in matching skills.

Table 8.3 Number and Percentage of Respondents in Similar Current Employment as Pre-Migratory Employment

<table>
<thead>
<tr>
<th></th>
<th>1st employment upon migration was in the same industry as pre-migratory experience</th>
<th>No. of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Construction</td>
<td>19</td>
<td>12.1</td>
</tr>
<tr>
<td>Domestic Work</td>
<td>9</td>
<td>10.8</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20</td>
<td>27.4</td>
</tr>
<tr>
<td>Plantation</td>
<td>53</td>
<td>59.6</td>
</tr>
<tr>
<td>Services</td>
<td>23</td>
<td>17.8</td>
</tr>
<tr>
<td>Others</td>
<td>11</td>
<td>22.0</td>
</tr>
<tr>
<td>Total</td>
<td>135</td>
<td>23.2</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey
8.2.2 Post-Migration Employment

International economic migrants are highly motivated to look for employment that allows them to achieve their migratory objective (Massey and Espinosa 1997). However, the policies of the host country (to safeguard employment opportunities of their own people) may restrict migrants to employment in specific sectors. In Malaysia, documented low-skilled workers are restricted to employment in a few selected sectors (construction, domestic work, manufacturing, plantation (including agriculture) and services). The undocumented workers, in addition to working in the sectors reserved for migrant workers, often look for employment in any sectors located in remote regions where they may avoid the regulations and work illegally (Kanapathy 2008a).

The 2009IMW survey indicates that the domestic work (98 per cent) and plantation (89 per cent) sectors primarily employ documented workers, as shown in Table 8.4. However, in the 1980s, these two sectors employed largely undocumented workers (Devi 1986; Hugo 1993; Wong and Anwar 2003b). As shown in Table 8.4, the undocumented workers in the 2009IMW survey are more likely to be employed in the construction, services and “others” sectors. This indicates a change in the sectors most likely to employ undocumented workers. While government policies in the last three decades may have been effective in controlling undocumented workers in some sectors, it is unable to stop them from seeking employment in other sectors. Permanent residents are more likely to be employed in the services sector and as petty traders in the “others” sector. Higher wages (discussed later in the chapter) and more flexible work hours are favoured by both the undocumented migrants and permanent residents. The flexible work hours allow these workers to maintain a more regular family life (see chapter 7).
Several international studies report the influence of the type of employment on the circular behaviour of migrants (Vadean and Piracha 2009; Lee et al. 2011). Migrants in seasonal jobs, such as farming and construction, are more likely to return home during down time and thus be involved in repeat migration. However, in the 2009IMW survey, it is not seasonality, but the policies and regulations of the sectors in which migrants are employed which are more likely to influence circulation behaviour. As shown in Table 8.5, circular migrants are the large majority (three-quarters and more) in the domestic work, manufacturing and plantation sectors. Permanent and undecided migrants are most likely to be found in construction, services and “others” sector. In fact, these are the three sectors that employ a significant number of undocumented workers. The permanent migrants who are employed in the manufacturing and plantation sectors are mostly undocumented workers who are employed in the wood factories, processing plywood and planks (located in forests) and those who work for small plantation owners (who are also in remote locations).
Table 8.5 Sector of Employment by Type

<table>
<thead>
<tr>
<th>No. of Respondents</th>
<th>Construction</th>
<th>Domestic Work</th>
<th>Manufacturing</th>
<th>Plantation</th>
<th>Services</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>210</td>
<td>120</td>
<td>124</td>
<td>113</td>
<td>211</td>
<td>80</td>
<td>858</td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Circular Migrants</td>
<td>73.8</td>
<td>89.2</td>
<td>83.9</td>
<td>88.5</td>
<td>62.1</td>
<td>52.5</td>
<td>74.5</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>8.6</td>
<td>3.3</td>
<td>9.7</td>
<td>2.7</td>
<td>19.9</td>
<td>27.5</td>
<td>11.8</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>17.6</td>
<td>7.5</td>
<td>6.5</td>
<td>8.8</td>
<td>18.0</td>
<td>20.0</td>
<td>13.8</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

8.2.2.1 Wages

The migrant workers in the 2009IMW survey earned an average monthly income of MYR 997 (approximately US $332), ranging from the minimum monthly wage of MYR 200 (approximately US $67) to the maximum of MYR 2500 (approximately US $833). Although it is possible to work in the low-skilled sectors in Malaysia and earn more than MYR 2500 monthly, such workers have been excluded in this study so as to fulfil the definition of the low-skilled sector in Malaysia, as explained in chapter one. The average income earned by the 2009IMW survey migrants almost matched the average income per capita of a Malaysian, at MYR 1168, derived from the 2009 Household Income Survey (DOSM 2011b). Furthermore, the average wages earned by the migrants in the 2009IMW survey is three to four times higher than the reported mean income earned in the informal sectors in Indonesia in 2009 (Nazara 2010). In fact, most migrants who travel to Malaysia are known to experience a gain in their wages. For example, the female Indonesian workers in the low-skilled sector in Malaysia experience an approximate increment in monthly income of between US $80 to $130 dollars, compared with their actual or potential income if they had stayed at home (Tan and Gibson 2010). Thus, from the
perspective of both the home and host countries, migrants in the 2009IMW survey have experienced monetary gain by undertaking migration to Malaysia.

It is known that the nominal wage differences between home and host countries partly influences the decision to migrate (Massey et al. 1993; Massey et al. 1998). It is also known that the Indonesian migrant workers earn lower wages at home than in Malaysia (Hugo 1993, p. 54). Comparing the average wage migrants earned working in Malaysia with the minimum wage earned in the six provinces most represented by respondents in the 2009IMW survey indicates the extent of the differences, as shown in Table 8.6.

**Table 8.6 Indonesian Economic Characteristics and Wages Differences Compared to Malaysia**

<table>
<thead>
<tr>
<th>Province</th>
<th>Poverty Level (%)</th>
<th>Employment in Informal Sector (%)</th>
<th>Unemployment (%) (in million)</th>
<th>*Minimum Wages at the Province (Indonesian Rupiah)</th>
<th>Minimum Wages at the Province in (MYR)</th>
<th>Current Average Monthly Wages (MYR)</th>
<th>* Difference in Wages (MYR) (% Gain in Wages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Java</td>
<td>16.7</td>
<td>65.8</td>
<td>6.24 (1.26)</td>
<td>570,000</td>
<td>201.34</td>
<td>1071.78</td>
<td>791.66 (432%)</td>
</tr>
<tr>
<td>Central Java</td>
<td>12.0</td>
<td>64.2</td>
<td>7.12 (1.23)</td>
<td>575,000</td>
<td>203.11</td>
<td>933.09</td>
<td>729.98 (359%)</td>
</tr>
<tr>
<td>Jambi</td>
<td>11.5</td>
<td>63.0</td>
<td>5.91 (0.07)</td>
<td>800,000</td>
<td>282.59</td>
<td>1039.23</td>
<td>756.64 (268%)</td>
</tr>
<tr>
<td>North Sumatera</td>
<td>22.8</td>
<td>72.2</td>
<td>9.55 (0.57)</td>
<td>905,000</td>
<td>319.67</td>
<td>903.21</td>
<td>583.54 (182%)</td>
</tr>
<tr>
<td>West Nusa Tenggara</td>
<td>9.5</td>
<td>67.3</td>
<td>5.20 (0.11)</td>
<td>832,500</td>
<td>294.06</td>
<td>678.02</td>
<td>331.46 (231%)</td>
</tr>
</tbody>
</table>

Source: *NAKERTRANS 2009; #Nazara 2010; @ calculated from 2009IMW survey data

Migrants in East Java and Central Java, the regions with the highest percentage of provincial unemployment, gain the most by migrating to Malaysia. Migrants from these regions potentially earn four times their Indonesian wages as a result of migration. The minimum increment has been for the migrants from North Sumatra; even then, these migrants doubled their wages by travelling to Malaysia. It is important to note, however, that some of the migrants may have earned similar or more at home and their disposable
wages may not be as high as in the home country. Nevertheless, migration to Malaysia remains as an important source of income for Indonesians.

It can be noticed that the differences in monthly wages earned by migrants existed at various levels. The differences in wages between genders may occur due to women performing less-skilled tasks which earn them lower wages (Takenoshita 2007; Eversole and Shaw 2010). As shown in Table 8.7, the male migrant workers in this study earned almost MYR 500 monthly (or 41 per cent) more than the females. The average monthly income of domestic workers as reported in the 2009IMW survey is MYR 528, the lowest average monthly income identified in this study. A domestic worker’s annual wage averages at almost MYR 6300 in this study, almost MYR 2000 more than the amount reported by The IOM (2010a). However, domestic workers do not have to pay for food and accommodation.

The gender discrimination in wages in fact existed across all sectors. The highest differences were found in the construction sector and the lowest in the plantation sector ranging from MYR 200 to MYR 600 more for males than females. Nevertheless, although discrimination in wages may exist between genders, the jobs provide an excellent opportunity to previously unemployed females (almost 70 per cent of females were unemployed before coming to Malaysia) and it contributes significantly to the amount remitted to Indonesia. Overall, the construction and “others” sectors paid the highest wages per month and the domestic work sector paid the least, as shown in Table 8.7. The wage differences between sectors are partly influenced by the migration status. Permanent
residents worked in the two highest paid sectors. This is reflected in the average wages earned by migrants in terms of their status.

Table 8.7 Summary Statistics of Monthly Wages by Selected Characteristics

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>Mean *</th>
<th>Median*</th>
<th>Minimum*</th>
<th>Maximum*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>517</td>
<td>1184</td>
<td>1100</td>
<td>400</td>
<td>2500</td>
</tr>
<tr>
<td>Female</td>
<td>326</td>
<td>700</td>
<td>600</td>
<td>200</td>
<td>2500</td>
</tr>
<tr>
<td><strong>Sectors</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>203</td>
<td>1391</td>
<td>1400</td>
<td>500</td>
<td>2500</td>
</tr>
<tr>
<td>Domestic Work</td>
<td>120</td>
<td>528</td>
<td>500</td>
<td>350</td>
<td>1000</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>124</td>
<td>978</td>
<td>905</td>
<td>350</td>
<td>2500</td>
</tr>
<tr>
<td>Plantation</td>
<td>112</td>
<td>827</td>
<td>800</td>
<td>400</td>
<td>1500</td>
</tr>
<tr>
<td>Services</td>
<td>208</td>
<td>870</td>
<td>775</td>
<td>400</td>
<td>2500</td>
</tr>
<tr>
<td>Others</td>
<td>76</td>
<td>1314</td>
<td>1000</td>
<td>200</td>
<td>2500</td>
</tr>
<tr>
<td><strong>Status</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undocumented</td>
<td>178</td>
<td>984</td>
<td>900</td>
<td>400</td>
<td>2500</td>
</tr>
<tr>
<td>Documented</td>
<td>480</td>
<td>862</td>
<td>800</td>
<td>350</td>
<td>2100</td>
</tr>
<tr>
<td>Permanent Resident</td>
<td>185</td>
<td>1359</td>
<td>1500</td>
<td>200</td>
<td>2500</td>
</tr>
<tr>
<td><strong>Type</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Circular Migrants</td>
<td>631</td>
<td>951</td>
<td>900</td>
<td>350</td>
<td>2500</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>95</td>
<td>1064</td>
<td>800</td>
<td>200</td>
<td>2500</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>117</td>
<td>1186</td>
<td>1000</td>
<td>400</td>
<td>2500</td>
</tr>
<tr>
<td>Overall Total</td>
<td>843</td>
<td>997</td>
<td>900</td>
<td>200</td>
<td>2500</td>
</tr>
</tbody>
</table>

*rounded to the nearest number
Source: 2009IMW survey

Documented migrant workers in this study earned the lowest average monthly wages and the permanent residents the highest, as shown in Table 8.8. Confirming Piore’s (1979) findings, the documented migrants in this study are temporary migrants with access to a limited and well-defined set of jobs. Migrants within the regulated sectors are unlikely to receive wage increments, earning a fixed monthly income. In fact, the documented workers in this study earned only MYR 212 monthly more than that reported by Zehadul et al.
(1999) in a survey of 300 migrant workers in Penang, Malaysia a decade ago despite the increase in the cost of living over the years. On the other hand, the undocumented migrants are able to change to jobs which assists them to achieve higher target earnings and may supports their intention to stay permanently in Malaysia (without being forced to return at the end of their contracts). In contrast to claims of undocumented workers being lower paid than their documented counterparts (Todaro 1986), the undocumented workers in the 2009IMW survey earned almost MYR 122 (monthly) more than the documented workers.

### Table 8.8 Average Monthly Wages (MYR) by Type and Status (trimmed mean)

<table>
<thead>
<tr>
<th></th>
<th>Undocumented</th>
<th>Documented</th>
<th>Permanent Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circular Migrants</td>
<td>947.1</td>
<td>830.0</td>
<td>1474.4</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>972.2</td>
<td>914.5</td>
<td>1122.8</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>1032.4</td>
<td>881.2</td>
<td>1368.5</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

A number of observations emerged from the analysis of average wages earned according to type and status, as shown in Table 8.8. The permanent migrants earned higher wages than the circular migrants and the permanent residents earned higher wages than both undocumented and documented migrants.

Temporary migrants focussing on economic goals, are known to work for an extended period and are more likely than permanent migrants to work illegally in order to achieve their economic objectives (Vadean and Piracha 2009). This study confirms this finding, as shown in Table 8.9. Documented migrants of all statuses worked between one and two hours more per day than permanent residents. Circular documented migrants worked the most number of hours per day and undecided permanent residents worked the least number of hours per day. The circular documented migrants also worked the most number of days
per month. The results are largely influenced by the sectors in which migrants are employed. The domestic workers worked 14 hours a day and, almost all, 30 days per month. Thus those with documentation are more likely to experience higher negative effects than the others. At least economically, documentation does not provide benefit.

Table 8.9 Comparison of Work Hours and Wages by Status and Type

<table>
<thead>
<tr>
<th></th>
<th>Undocumented Migrants</th>
<th>Documented Migrants</th>
<th>Permanent Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours Worked per Day</td>
<td>8.5</td>
<td>10.2</td>
<td>8.5</td>
</tr>
<tr>
<td>Days Worked per Month</td>
<td>26.1</td>
<td>26.7</td>
<td>26.5</td>
</tr>
<tr>
<td>Average Salary per Hour (MYR)</td>
<td>4.1</td>
<td>3.0</td>
<td>6.3</td>
</tr>
<tr>
<td></td>
<td>8.6</td>
<td>9.5</td>
<td>8.6</td>
</tr>
<tr>
<td></td>
<td>25.5</td>
<td>25.1</td>
<td>26.2</td>
</tr>
<tr>
<td></td>
<td>4.3</td>
<td>3.7</td>
<td>4.8</td>
</tr>
<tr>
<td></td>
<td>9.1</td>
<td>10.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>26.8</td>
<td>26.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.2</td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>25.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Wages earned by migrant workers is seen as an important dimension of policy making (Athukorala and Devadason 2011). There are both positive and negative impacts for the host country, home country and the migrants. Migrant workers have been shown to negatively impact on the growth of unskilled worker’s wages in Malaysia (Athukorala and Devadason 2011).

8.3 Remittances

Remittances are an economic linkage migrants maintain with members of their home country. Hugo (July 1983) characterises Indonesian’s as having strong family loyalty, readily assuming the need to contribute economically as soon as they begin waged employment, a characteristic strongly evident in the 2009IMW survey in which 94 per cent
of the migrants interviewed sent remittances back to Indonesia during the previous year. This is higher than number of migrants who have stated economic reasons as the primary factor motivating their migration, indicating that even migrants who travelled for non-economic reasons (such as those following spouses or other family members) have remitted in 2008. However, while the percentage remitted is high for all migrants, there is some relationship found between remitting behaviour and migrant status. As suggested by Hugo (2005a), documented migrants of all type are the most likely to assist their families back in their home country.

In the 2009IMW survey, 97 per cent of all circular migrants remitted, with around 83 per cent of permanent migrants and 86 per cent of undecided migrants also doing so. Those who did not remit were more likely to be permanent undocumented migrant workers and permanent migrants who are permanent residents, as shown in Figure 8.3. The permanent undocumented workers may have legal issues in remitting. However, the permanent migrants who are also permanent residents may be in the phase of “remittance decay”, a process in which the remittances sent to the home country decline due to migrants increasing assimilation into the host society (Neil 2003; Lucas 2005; Ruhs 2006; Eversole and Shaw 2010). Furthermore, when a worker intends to stay in Malaysia permanently, it is likely that extended family members may have themselves migrated to Malaysia to join them, thus cancelling the need to remit.
8.3.1 Patterns and Scale of Remittances

Most migrants in the 2009IMW survey remitted regularly, but at varying frequencies, with the majority of migrants remitting every two or three months. Circular migrants remitted the most number of times per year (7 times) and permanent migrants the least number of times (5 times), as shown in Table 8.10. The circular permanent residents remitted the most number of times and permanent migrants who are permanent residents remitted the least number of times. It is often assumed that the frequency may not indicate the migrant’s lack of commitment to remitting, as some prefer to remit smaller amounts regularly, while others prefer to remit larger amounts but on an occasional basis or as needed. In this study a correlation test between frequency of remittances and amount remitted in 2008 indicates an average positive relationship (r = 0.55). This shows that, in the 2009IMW survey, those who remitted frequently remitted a higher amount than those who remitted less frequently.
Table 8.10 Frequency of Remittances by Type in 2008

<table>
<thead>
<tr>
<th>Type</th>
<th>Average Number of Times Remitted</th>
<th>Status</th>
<th>n</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circular Migrants</td>
<td>7</td>
<td>Documented</td>
<td>400</td>
<td>6.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Undocumented</td>
<td>134</td>
<td>6.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>75</td>
<td>7.7</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>5</td>
<td>Documented</td>
<td>26</td>
<td>5.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Undocumented</td>
<td>13</td>
<td>4.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>45</td>
<td>4.3</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>6</td>
<td>Documented</td>
<td>37</td>
<td>6.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Undocumented</td>
<td>15</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>47</td>
<td>6.3</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Migrants were asked the total amount they remitted in 2008. As shown in Table 8.11, the mean amount was MYR 3657 (US $1219) which translates into approximately US $102 per month per migrant. On average, migrants have remitted one-third of their wages earned in Malaysia in 2008. As depicted in Table 8.11, circular migrants remitted almost double the average remittances of permanent migrants and slightly more than the amount remitted by the undecided migrants. Permanent migrants, as expected, having expressed an interest to stay in the host country, remitted the least. Circular migrants see themselves clearly as committed to their family in Indonesia, while maintaining a routine of working in Malaysia. Permanent migrants, now being integrated in Malaysia, are likely to have close family with them. Undecided migrants may be saving money both in Malaysia and Indonesia while deciding where to settle.
Table 8.11 Average Amount Remitted (MYR) in 2008 by Type

<table>
<thead>
<tr>
<th>Type</th>
<th>N</th>
<th>Overall Mean Remittances (MYR)</th>
<th>Status</th>
<th>N</th>
<th>Mean</th>
<th>Monthly Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circular Migrants</td>
<td>588</td>
<td>3919</td>
<td>Documented</td>
<td>386</td>
<td>3780</td>
<td>315</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undocumented</td>
<td>128</td>
<td>4041</td>
<td>337</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>74</td>
<td>4429</td>
<td>369</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>82</td>
<td>2442</td>
<td>Documented</td>
<td>24</td>
<td>2620</td>
<td>218</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undocumented</td>
<td>13</td>
<td>2839</td>
<td>237</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>45</td>
<td>2178</td>
<td>182</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>99</td>
<td>3111</td>
<td>Documented</td>
<td>37</td>
<td>3306</td>
<td>276</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undocumented</td>
<td>15</td>
<td>3540</td>
<td>295</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>47</td>
<td>2711</td>
<td>226</td>
</tr>
<tr>
<td>Overall Total</td>
<td>769</td>
<td>3657</td>
<td></td>
<td></td>
<td></td>
<td>305</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Circular migrants who have permanent residency status remit more than any other group. As permanent residents are generally able to earn more than other groups and as a correlation test (r=0.30) indicates a weak positive relationship between wages earned and the amount remitted, their higher income is likely to be the reason for their higher remittances. Also, the fact that they still see themselves as circular indicates the likelihood of close relatives still living in Indonesia (see chapter 7). The results are consistent with the findings of Merkle and Zimmerman (1992) who found that a migrant worker’s return intention is positively related to remittances. Their research, involving foreign workers in Germany, indicated that those who intend to return home saved and remitted more than those who do not.

The scale of a migrant’s remittances is measured in the proportion of their wages remitted. As shown in Table 8.12, the average migrant remitted 32.2 per cent of their wages. This is
lower than the estimated 45 per cent reported by the Bank of Indonesia for all migrants (Hernandez-Coss et al. June 2008). The patterns in the proportion remitted are similar to the patterns found in the amount remitted: circular migrants remitted the most and permanent migrants the least. Nevertheless, variation is noted in terms of proportion of wages remitted by status. Within each type, the documented migrants remitted the largest proportion while the permanent residents remitted the lowest. The location of the family and familial obligations could be one of the reasons for the differences. Glystos (1997) has suggested that the reason for (documented workers) remitting more is possibly due to their attempt to increase target saving within a fixed period and because they have a larger proportion of family members still living in the home country. This is confirmed by the findings in the 2009IMW survey.

**Table 8.12 Proportion Remitted in 2008 (Total Remittances over Total Wages)**

<table>
<thead>
<tr>
<th>Type</th>
<th>N</th>
<th>Overall Mean Proportion of Remittance over wages</th>
<th>Status</th>
<th>n</th>
<th>Proportion Remitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circular Migrants</td>
<td>566</td>
<td>35</td>
<td>Documented</td>
<td>375</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undocumented</td>
<td>122</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>69</td>
<td>24</td>
</tr>
<tr>
<td>Permanent Migrants</td>
<td>74</td>
<td>20</td>
<td>Documented</td>
<td>23</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undocumented</td>
<td>13</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>38</td>
<td>16</td>
</tr>
<tr>
<td>Undecided Migrants</td>
<td>97</td>
<td>26</td>
<td>Documented</td>
<td>37</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undocumented</td>
<td>14</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Permanent Residents</td>
<td>46</td>
<td>19</td>
</tr>
</tbody>
</table>

**Total** 737 32.2

Source: 2009IMW survey

It has been observed in other research that women remit more of their wages than men, due to higher expectations and commitments (Tacoli 1999, p. 672). As shown in Table 8.13, although men in the 2009IMW survey remitted MYR 852 (US$284) more than women, in
terms of proportion, their remittances were 7 per cent lower than the women’s. While the men receive higher wages, they also may have had higher expenses than the women who, in the 2009IMW survey, are mainly employed as domestic workers and therefore have most of their expenses, especially accommodation costs, borne by their employers, leaving them to save and remit most of the income (Kanapathy 2008c).

<table>
<thead>
<tr>
<th>Table 8.13 Mean and Proportion of Remittances by Selected Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Sex</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Marital Status</td>
</tr>
<tr>
<td>Single</td>
</tr>
<tr>
<td>Married</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Sectors</td>
</tr>
<tr>
<td>Construction</td>
</tr>
<tr>
<td>Domestic Work</td>
</tr>
<tr>
<td>Manufacturing</td>
</tr>
<tr>
<td>Plantation</td>
</tr>
<tr>
<td>Services</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Status</td>
</tr>
<tr>
<td>Undocumented</td>
</tr>
<tr>
<td>Documented</td>
</tr>
<tr>
<td>Permanent Resident</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Chin (1997), based on a study involving Indonesian and Filipino female workers in the domestic work sector, found those workers remitted at least one-third of their monthly salaries home. Similarly, in the 2009IMW survey, as shown in Table 8.13, migrants in this sector remitted the highest proportion of their wages, an average of 50 per cent. However,
male workers in the plantation sector remitted almost 39 per cent of their wages. These workers are usually provided with accommodation and work in geographically remote areas, without any avenues to spend. Thus, workers in the domestic and plantation sectors remit a higher proportion of their wages. Furthermore, the majority of these are documented workers and documented workers have been shown to remit more. Regardless of the sector in which migrants are employed and their gender, all circular migrants remitted a higher proportion of their wages than permanent and undecided migrants.

As shown in Table 8.13, married migrants in the 2009IMW survey remitted almost MYR 400 more than all the others. Dustmann and Mesters (2010, p. 65) find migrants remitted 10 per cent higher when they had their spouses in the country of origin and 14 per cent higher when children were left behind with their spouse. Lee et al. (2011, p. 145) also find a positive relationship between remittances and the presence of spouse and children in the country of destination in a study of 379 repeat migrants from Thailand. Similarly, in the 2009IMW survey those who had spouses at home remitted 16 per cent more than those who had their spouses in Malaysia (22.9 per cent). While those who had children in Indonesia remitted 27 per cent of their wages, those who had both spouses and children remitted 40 per cent of their wages. The proportion remitted by those who had members of their family of procreation at home was higher than those who did not. These patterns remained the same irrespective of the type of migrant, as shown in Table 8.14. In sum, in addition to type, the location of the spouses and children play a significant role in influencing the amount and proportion of wages remitted home. The country of origin receives higher remittances if families are left behind.
Research shows that younger migrants, especially those who come with the assistance and approval of the family, remit more than the older migrants (Wong and Anwar 2003b). In this study, the respondents under 40 years of age remitted an average of 33 per cent of their wages, while those aged between 40 and 49 years old remitted 23 per cent and those aged 50 and above remitted 23 per cent. However, when residence of spouse is considered, it is found that the majority of those aged 50 and above are permanent residents who have their spouses and families residing in Malaysia.

In summary, in exploring the relationship between remittance flows and the type of migrants, the circular migrants benefitted the country of origin most by remitting larger amounts, especially the married circular migrants with spouses and children at home. Given that there are approximately 1.3 million Indonesian migrants in Malaysia, as presented in chapter 5, and that 75.5 per cent of these are circular migrants, the following calculations may be made: If all circular migrants remitted MYR 3919 on average per annum, as reported in this chapter, that would result in a total remittance of MYR 3550 million per year to Indonesia.
8.3.2 Use of Remittances

In some families in Indonesia remittances make up almost 66 per cent of the household income (Eversole and Shaw 2010). A study by IOM (2010a), highlights the fact that although Indonesian migrants and their families are not totally dependent on the remittances, the money received was still mostly spent on daily expenses. Most studies concerning low-skilled migration find that migrants make unproductive investments and spend much in conspicuous consumption (Thomas-Hope 1986; Byron and Condon 1996; Barrero et al. 2009). However, Tan and Gibson (2010) and Eki (2002) argue otherwise. Their research, involving Indonesian workers in Malaysia, shows higher incidences of remittances being used for accumulating assets rather than being spent on daily consumptions.

Parinduri and Thangavelu (June 16, 2008) questioned the notion of productive investments or investments with multiplying effects. Using the Indonesia Family Life Survey (IFLS) in 1997/98 and 2000, they found that the households receiving remittances spent 14 per cent more than those that did not receive remittances. The assets of those receiving remittances increased by 35 per cent. They have shown that remittances actually contribute to an increase in spending related to housing, electronics, savings, jewellery, durable goods and furniture but not in health, education or recreation. Sometimes migrants were able to improve their houses internally and yet the house could be in an unhealthy location. Overall, Parinduri and Thangavelu (June 16, 2008) indicate that even when a immigrant’s consumption and savings increased they often did not perceive that they had improved their standard of living.
In the 2009IMW survey migrants were asked how they thought remittances were used at home. Seventy-five per cent thought most of their remittances went on household consumption, as shown in Table 8.15. Half of them assumed some money remitted is either saved or invested in live stock and business. They also thought that money was spent on educational expenses for children and siblings, housing expenses, repaying debts and assisting older parents. The ways in which the remittances are used is similar to those observed in Rahman’s (2005, p. 76) study of Bangladeshi unskilled workers in Singapore.

### Table 8.15 Use of Remittances by Type

<table>
<thead>
<tr>
<th></th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
<th>Total</th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample Size</td>
<td>617</td>
<td>84</td>
<td>101</td>
<td>802</td>
<td>1376</td>
<td>132</td>
<td>167</td>
<td>1675</td>
</tr>
<tr>
<td>Proportion within Total Remitted</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Household Consumptions</td>
<td>76.2</td>
<td>72.6</td>
<td>58.4</td>
<td>73.6</td>
<td>34.2</td>
<td>46.2</td>
<td>35.3</td>
<td>35.2</td>
</tr>
<tr>
<td>Saving / Investment</td>
<td>65.0</td>
<td>31.0</td>
<td>40.6</td>
<td>58.4</td>
<td>29.1</td>
<td>19.7</td>
<td>24.6</td>
<td>27.9</td>
</tr>
<tr>
<td>Children's Education Expenses</td>
<td>42.1</td>
<td>23.8</td>
<td>27.7</td>
<td>38.4</td>
<td>18.9</td>
<td>15.2</td>
<td>16.8</td>
<td>18.4</td>
</tr>
<tr>
<td>Housing Expenses</td>
<td>19.6</td>
<td>15.5</td>
<td>15.8</td>
<td>18.7</td>
<td>8.8</td>
<td>9.8</td>
<td>9.6</td>
<td>9.0</td>
</tr>
<tr>
<td>Repaying Debts</td>
<td>10.5</td>
<td>7.1</td>
<td>6.9</td>
<td>9.7</td>
<td>4.7</td>
<td>4.5</td>
<td>4.2</td>
<td>4.7</td>
</tr>
<tr>
<td>Assisting Elderly Parents</td>
<td>5.2</td>
<td>2.4</td>
<td>8.9</td>
<td>5.4</td>
<td>2.3</td>
<td>1.5</td>
<td>5.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Siblings’ Education Expenses</td>
<td>3.7</td>
<td>2.4</td>
<td>5.0</td>
<td>3.7</td>
<td>1.7</td>
<td>1.5</td>
<td>3.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Others</td>
<td>.6</td>
<td>2.4</td>
<td>2.0</td>
<td>1.0</td>
<td>.3</td>
<td>1.5</td>
<td>1.2</td>
<td>.5</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Differences in the usages of remittances are noticed between type of migrant, as shown in Table 8.16. Permanent migrants remit the most to assist their families with household consumption, with almost half the permanent migrants remitting for this reason. Thus, permanent migrants in this study, having most of their family of procreation at the host country, seemed to be assisting with the day-to-day to lives of their parents, siblings and relatives with their remittances. Permanent migrants also remitted more for housing consumption.
expenses, which includes expenses related to building or renovating their houses. Use of remittances on renovation or building of houses is said to produce multiplier effects as such tasks increase the productivity at the local level by providing employment (Durand et al. 1996).

Circular migrants in the 2009IMW survey remitted more than others for the purposes of savings and or investment, for children’s educational expenses and for repaying debts. The higher percentage of remittance sent for the purpose of children’s education by circular migrants is strongly influenced by their having children of school age in Indonesia. Of the 332 respondents who had children pursuing some education in Indonesia, 86 per cent were children of circular migrants. Seventy per cent of the migrants between the ages of 40 and 44 years remitted most for this purpose. Moreover, a higher number of single parents remitted for their children’s education. In terms of gender, females more than males remitted for their children’s and siblings’ education costs. According to Thomas-Hope (1986) and Leinbach and Watkins (1998), the financing of education is considered a progressive form of investment whereby, although the migrants do not see any immediate benefits, it is expected to bring generational change.

Repaying debts, assisting old parents and siblings’ (especially younger siblings’) educational expenses are other important uses of the 2009IMW survey migrants’ remittances. Debts were mainly paid by documented migrants who had borrowed money from agents, families or relatives to finance the trip to Malaysia. Almost 61 per cent of migrants who are repaying debts are migrants who arrived after 2002 and almost half of these are first movers. Undecided migrants remitted the most for the purpose of assisting
elderly parents and siblings’ educational expenses. These migrants were more likely to be above 40 years old. Saving for occasions such as festivals, marriage and memorial services for late parents and medical expenses are listed as some of the other uses of remittances.

As suggested by Glytsos (1997), the use of migrants’ remittances differed by their type. Circular migrants in this study portray the behaviour of temporary migrants and mainly remit to improve the living conditions for the migrant and family back home. In addition to household consumption, investment in education of children and savings were found to be the more important uses of remittances for these migrants. The permanent migrants, with the intentions to leave the home country for the host country, remitted to improve the circumstances of family left behind. Some of the permanent migrants, probably having already helped to improve the living standard of the family at home, are found to support siblings’ education. The remittances from undecided migrants, however, were used for basic consumption as well as savings.

8.3.3 Recipients of Remittances

In this study, of the total 800 respondents who remitted in 2008, almost half sent their remittance to their parents, 26 per cent to spouses, 10.3 per cent to siblings, 9.6 per cent to children and 5.8 per cent to others (consisting of in-laws and their families), with one respondent remitting to his own bank account at home. Single migrants remitted more to their parents (88 per cent), while married migrants remitted to either their spouses (38 per cent) or parents (34 per cent). The circular migrants are most likely to remit to their spouses, while permanent migrants and undecided migrants remitted to their siblings, as shown in Figure 8.4.
In terms of marital status, single circular migrants in the 2009IMW survey remitted mostly (89 per cent) to their parents while married circular migrants (47 per cent) remitted to their spouses. Both married permanent and undecided migrants remitted to their parents and siblings. The location of the spouse seemed to play an important role in influencing the choice of the recipient of remittances. Amongst the spouses who resided in Indonesia, 75 per cent of spouses of circular migrants, 45 per cent of spouses of permanent migrants and 74 per cent of spouses of undecided migrants received remittances. Male respondents remitted more to their female spouses (34 per cent) than the female respondents to their spouses (13 per cent). Female respondents remitted more to their children (16 per cent) and
siblings (13 per cent). Among the circular migrants, 56 per cent of males remitted to their female spouses, compared with only 27 per cent of females who remitted to their male spouses. Although, research shows married spouses are expected to remit to their partners (Vanwey 2004; Piotrowski 2008), not all in the 2009IMW survey confirmed to this expectation.

The purpose of remittances also influenced the choice of the receiver of the remittance in the 2009IMW survey. Parents were the main receivers when the money was sent for siblings’ educational expenses and siblings were the most important recipients for those who remitted to assist old parents. Agents were the main recipients for those who remitted to repay debts. Most remittances for the education of migrants’ children were received by the children themselves.

Being able to control the usage of remittances at home is argued as an important benefit of circular migration (Vertovec 2007). The circular migrants, with their intention to return, are expected to invest and save for their future consumption in the home country. The migrants who travel back-and-forth to their home also have tighter control over the amount remitted and its usage. However, there are migrants who have limited access to home due to lack of travel documents (in the case of undocumented migrants), work commitments, banking facilities and knowledge and financial constraints. Such migrants have to depend on others to manage their remittances. There is some reportage of abuses of remittances. It has been suggested that the male spouses left behind may waste away money received from their partners on gambling, prostitution or even in marrying a second wife (The Jakarta Post July 30, 2011). The following in-depth interviews indicate some of the values
and complications surrounding a migrant’s life experience and the usages to which remittances are put.

<table>
<thead>
<tr>
<th>In-depth Interviews: Positive and Negative Remittances Experiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Razik has been working really hard in this plantation sector for the last 4 years. This is his second trip. He visited his village last year. He had been sending money regularly to his wife. When he went home last he did not see any progress and there was no money left. He has been remitting to his brother since his last trip. He just found out that his wife has left him and she has taken their daughter along. Now, He is feeling angry and does not know what his next plans are. He is feeling too embarrassed to go home.</td>
</tr>
<tr>
<td>2. Mamut is currently in his fourth trip to Malaysia. He has worked in the plantation sector for almost 12 years now. The first time when he came, he just wanted to stay in Malaysia for three years. He was able to renovate his house in the village during his first trip. When he returned home for the first time, he realised there was nothing much he could do there and came back to Malaysia. His second son was born while he was in Malaysia. His wife built a small shop on their land in the village, using the money earned during his second and third trips. He believes that this is his last trip. He is planning to return home permanently at the end of next year. The money he is earning currently will be used to buy things for the shop and for “rainy” days. He misses home all the time. His children are young. He might return to Malaysia to work if they want to pursue higher studies.</td>
</tr>
<tr>
<td>3. Yati has been in Malaysia for almost 6 years now, working as a domestic worker mainly caring for an elderly man. This is her second trip to Malaysia. Her separation from her husband, who was abusive, motivated her to travel to Malaysia. Her family had no clue of her migration until she informed them after almost one year after she arrived in Malaysia. Yati’s daughter is married and her son is in the higher secondary school, which is the highest anyone has attended in her family. While the separation from her husband is not legalised, she is not keen on getting back to him. With the money earned in Malaysia, she has refurbished her house with partitions (6 rooms) and has started hostel service for children who come to the town for further education with the help of her sister. She is thinking of working in Malaysia one more year before she goes home. When asked why she is not planning to stay until the end of her son’s tertiary education, she said that will be too long to catch up with what is left behind. Furthermore, she said her son will start a diploma on a part-time basis while working part-time as well. She has saved some money for him, and her daughter may be able to help too. In addition, she also has her rental business.</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey
The experiences shared above indicate that a higher number of back-and-forth movements between home and host countries may encourage more successful outcomes, as has been suggested by de Haas (2005). Migrants appear to accumulate the knowledge of how to make the best use of remittances so that they have more significant multiplier effects with each migratory experience. Furthermore, when plans do not go well, migrants alter their strategies. De Haas suggested that the policies that are supportive of circular migration are necessary to assist migrants in maximizing the effects of remittances sent back to home countries.

8.3.4 Medium of Remittances

Migrants can either remit money regularly or return home with savings. According Durand et al. (1996: p. 259), both methods “are interrelated behaviours that represent different ways of accomplishing the same thing: repatriating earnings”. These methods require the support of a good financial infrastructure both at home and in the host country. A study concerning Mexican migrants found that the choice of the method of remittances depended on factors such as easy accessibility, availability of travel documents and knowledge of banking facilities (Amuedo-Dorantes and Pozo 2005). Both home and host countries prefer money to be sent through formal channels. However, the requirements needed to use the formal channel and the high transaction fees in Malaysia often prohibit and/or discourage migrants from using this channel.

35 Formal channels are bank and non-bank remittance service providers as listed by Bank Negara (http://www.bnm.gov.my/index.php?ch=257&pg=818)
Migrants in the 2009IMW survey were questioned as to which of the above methods they used to remit money from Malaysia to Indonesia. As shown in Figure 8.5, banks, travelling friends or relatives, money changers\(^{36}\), the migrant himself/herself and a few other methods are listed as mediums used to remit money to Indonesia. The most common method is the use of a money changer, an informal\(^{37}\) method available to migrant workers in Malaysia. The bank is the second most common method. However, a report by IOM (2010a) indicates that, at the receiving end, almost 89 per cent of remittances in 2009 were received through formal channels, such as Bank Negara Indonesia (52 per cent), Bank Republic Indonesia (20 per cent) and Western Indonesia (17 per cent). This does not contradict the importance of the informal transactions as most go untraced.

![Figure 8.5 Medium Used for Remittances in Malaysia (n=769)](image)

Source: 2009IMW survey

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\(^{36}\) Money changers use the Hawala system. There are 875 money changers in Malaysia (The Star, December 10, 2009). The Hawala system transfers the money from country of destination to country of origin via a network of Hawala brokers. When a migrant approaches a money changer in Malaysia and pays the amount of money to be remitted to the broker, the broker contacts his network at the destination and informs them of the transaction. The broker in Indonesia then sends the money to the recipient. In the Hawala system, the money actually does not leave the country.

\(^{37}\) Informal channels encompass money changers, friends/relatives and other methods other than defined as a formal channel.
In Malaysia, contract workers are able to open an account with a bank only if they have a valid passport, work permit and are accompanied by their employers. Furthermore, to date, it is not compulsory for employers to open a bank account for their migrant workers. However, migrants who actually had a bank account feared for the safety of their money in the bank. For example, almost all documented workers in the plantation sector had a bank account which they emptied and remitted as soon as they were paid as they feared losing the money. The following presents the experience of a plantation worker in managing his remittances (as told).

<table>
<thead>
<tr>
<th>In-depth Interviews: Migrants’ Experience with Banking Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I don’t like to keep the money in the bank. We go to the city on our pay day. Our employer provides the transport to get to the city. Most of us clear our accounts immediately. We remit if we have a sufficient sum after allocating some for our household expenses. Our ATM cards get stolen and someone I know had his money stolen from the bank. We are not very smart, we keep the number with the card. Sometimes, your close friends know your numbers, like birthdays of your children and etc. We stay with so many people and work on shifts so it is very hard to keep the card with us all the time. Also, when you keep the money in the bank, and when you want to remit, you cannot go to the city alone. Some gangsters will stop and ask for money. Your friends are always with you and they sometimes let other people know that you keep money in the bank. That’s how everybody knows. Sometimes, when we have less work, when there is too much rain and we don’t make money then we play “Kutu”. We make a group of 4 to 5 people, people we know very well, like friends from village. We give our money to one person in the group and let him remit for the month. The kutu allows us to remit every 4 to 5 months a bigger amount to home”.</td>
</tr>
<tr>
<td>Source: 2009IMW survey</td>
</tr>
</tbody>
</table>

The availability of money changers in large numbers, their long opening hours, the low cost of transactions and the speedy delivery of money make them the preferred method for remittance among documented (59 per cent) and undocumented migrants (60 per cent) in the 2009IMW survey. However, permanent residents use the formal channel of banks (45 per cent) more than the money changers (27 per cent). There were no significant
differences found in terms of the method of remittance and the type of migrants. Migrants, especially the documented and undocumented workers, also use people from their home village who visited them. Money is remitted through these people, who may charge a certain percentage which is usually lower than the bank.

8.3.5 Property Ownership in the Home and Host Country

Ahlburg and Brown (1998), in a study involving 982 Tongans and Samoans in Australia, reported a significant positive relationship between the expectation to receive homeland inheritance and the intention to return home. In other words, the ownership of a property or possibility of owning a property at the country of origin encourages migrants’ return to the home country (Taylor et al. 1996a; Taylor et al. 1996b). Furthermore, Durand et al. (1996), in a study of Mexican migrants, showed that those who owned properties at the country of origin are also more likely to remit than those who does not.

Table 8.18 indicates the distribution of ownership of assets (such as land, buildings (mainly houses) and businesses), both in Indonesia and Malaysia. Across all type, more than 60 per cent of migrants in this study owned land in the home country. This is not surprising as most children in Indonesia usually inherit some property under Islamic law (Lev 1962). However, the influence of the intention of migrants is noted in house ownership. More circular migrants had houses in Indonesia than permanent and undecided migrants. The reverse is seen in terms of land and house ownership in Malaysia. While the permanent residents are eligible to buy properties in Malaysia, the others, as foreigners (effective 1 January 2010), are only eligible to purchase a property valued at more than MYR 500,000. This high threshold set for the minimum value of property foreigners are
allowed to own gives no opportunity for house ownership amongst migrant workers in the low-skilled sector who earn low wages. All migrants who owned either land or a house in Malaysia the 2009IMW survey are therefore permanent residents. Among these, the ownership of these assets was higher for permanent and undecided migrants than circular migrants.

Table 8.16 Location and Type of Assets Owned by Type of Migrants

<table>
<thead>
<tr>
<th>Location of Assets</th>
<th>Type of Assets</th>
<th>Circular Migrants</th>
<th>Permanent Migrants</th>
<th>Undecided Migrants</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Malaysia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>1</td>
<td>0.2</td>
<td>8</td>
<td>7.9</td>
<td>12</td>
</tr>
<tr>
<td>House</td>
<td>4</td>
<td>0.6</td>
<td>16</td>
<td>15.8</td>
<td>19</td>
</tr>
<tr>
<td>Business</td>
<td>15</td>
<td>2.3</td>
<td>8</td>
<td>7.9</td>
<td>5</td>
</tr>
<tr>
<td>Indonesia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>386</td>
<td>60.4</td>
<td>64</td>
<td>63.4</td>
<td>71</td>
</tr>
<tr>
<td>House</td>
<td>395</td>
<td>61.8</td>
<td>56</td>
<td>55.4</td>
<td>54</td>
</tr>
<tr>
<td>Business</td>
<td>50</td>
<td>7.8</td>
<td>8</td>
<td>6.8</td>
<td>58</td>
</tr>
<tr>
<td>Overall Total by Type</td>
<td>639</td>
<td>100</td>
<td>101</td>
<td>100</td>
<td>118</td>
</tr>
</tbody>
</table>

Source: 2009IMW survey

Businesses or micro enterprises are often set up by migrants in the home country as a strategy to sustain employment and income upon return (Eversole and Shaw 2010). In terms of business ownership, while 7.8 per cent of circular migrants and 6.8 per cent of undecided migrants in the 2009IMW survey have established some businesses in Indonesia, permanent migrants had none. However, the low percentage of business ownership among circular migrants indicates that only a few are planning immediate return or have considered business as a strategy to sustain income upon returning home. However, whatever investments a migrant makes at home will be a contribution to the home country’s economy.
8.4 Economic Impact on Malaysia

The predominant economic impact of international labour migration and Malaysia is its acquiring of a compliant work force that has been and is willing to work for low wages and in poor conditions, and is easily put off in times of economic downturn (or even during seasonally quiet) conditions. This has allowed for rapid economic growth and the building of Malaysia’s infrastructure (Narayanan and Lai 2005).

Migration itself has its own economy in Malaysia, as has been mentioned in chapter 7. A significant amount of money is made from migration (Jones 2000), through various bureaucratic and intermediary agents (both legitimate and not), the visa and permit taxes and levies placed on international labourers. During a recent amnesty programme 1.06 million undocumented international migrants registered to become legal workers, generating MYR 1.5 billion for Malaysia, at an average of MYR 1500 per person (The Star May 15, 2012). Obviously, this revenue is not raised when migrants stay undocumented.

As yet there are no figures released by the government indicating the contribution of migrants to the GDP. However much media attention is given to the costs incurred by the government by wages. While migrant healthcare costs are often seen by the media as a drain on the health budget (see chapter 7), the fact that 14 per cent of the Malaysian workforce are migrants is overlooked. Undocumented migrants at the detention centres are said to cost the Malaysian government an exorbitant amount of money. A more insidious potential cost is the low wages received by migrants which, when combined with their strong desire to save money for remittances, keeps them living in poor conditions, a growing component of Malaysia’s urban poor (Economic Planning Unit 2005).
8.5 Conclusion

This chapter presents the economic linkages and impacts of the Indonesian low-skilled migrants to Malaysia. Data collected through the 2009IMW survey indicates that almost all migrants remain connected to their country of origin by maintaining varying types of economic linkages at varying levels. The linkages and the impacts differed by migrant status and type. The migrants in this study gained positively from wages earned and Indonesia, as the home country, gained from remittances repatriated. The permanent residents, males and those who are employed in the construction sector earned higher wages than the rest.

While all migrants remitted, the documented migrants of all types remitted more than undocumented migrants and permanent residents. The percentage of circular migrants remitting was highest and they remitted a higher average amount than the undecided migrants who remitted more than the permanent migrants. When amount remitted is seen as a factor of amount earned, the highest remitters are, females, workers in the domestic sector, those aged below 40 years and those who were married with their spouse and children in the home country. In addition to household consumption, the remittances sent by circular migrants, as suggested by Glytsos (1997), were used for the education of children and savings. Permanent migrants sent a smaller proportion of their wages to support family left behind, with more going towards household consumption and support of siblings’ education. The undecided migrants’ use of remittances was similar to that of circular migrants. While circular migrants remitted more to their spouses, other types remitted more to their siblings, a decision which was highly influenced by the location of the spouse and the intended use of the remittance.
In sum, it can be concluded that the behaviour of circular, permanent and undecided migrants are consistent with the tenets of New Economics of Labour migration theory and the perspective of transnationalism. The circular migrants in remitting a larger proportion of their wages, confirmed their preference for earning at the host country and consuming at the home country, indicating a higher level of attachment to the home country, consistent with their intention to return home. As indicated by de Haas (2010), migrants in this study have been contributing to the development of Indonesia collectively through their remittances, reducing under- and unemployment by migrating to Malaysia. While the gain for the individual migrants may vary from one to another, most migrants in this study contributed significantly to their household income through their remittances. Development for migrants and Indonesia is also evident through investment in housing and education. Malaysia, on the other hand, seemed to have an unlimited number of migrant workers to support its economy which is currently dependent on the supply of low-skilled, low-wage earning workers.

Malaysia gains a large, easily disposable workforce, willing to undertake employment in “dangerous, difficult and dirty” areas for low-wagers and poor conditions. Profitability for employers in maintained. The next chapter concludes this study and presents policy recommendations.
Chapter 9. Conclusion and Implications

9.1 Introduction

Circular migration has been presented as a strategy to overcome problems associated with the permanent migration of low-skilled migrants and provide a “win-win-win” situation: to the migrants, the host country and the home country (Newland 2009; Wickramasekara 2011). However, in Southeast Asia, the possibility of developing a strong policy supporting circular migration is hampered by the lack of empirical studies. As a result of an extensive analysis of data collected from 858 low-skilled Indonesian migrants working in Peninsular Malaysia in 2009, this study has assembled empirical evidence on their characteristics and mobility patterns. The study identified distinguishing features of migrants by their intentions and their status. However, across all these features is an overriding similarity as these migrants are all working in low-skilled jobs and, mainly, without the rights of citizens. Living and working in a host country that does not allow low-skilled labour migrants to become citizens, or even permanent residents, that has a government, media and population which does not embrace the large migrant worker population necessary for their economic development, demands policies that prioritise human welfare. Taking into consideration such constraints, and using the indications from migrants’ intentions, their characteristics, the “de-facto” circular mobility patterns the migrants have maintained and their implications of “negative circularity”, this study hopes to identify ways to encourage government supported legal circular migration programmes, which Newland (2009) describes as ones that will facilitate the “positive” effects of
circular migration. In addition, permanent migration programmes are also suggested as a long-term strategy open to government for low-skilled workers.

This chapter summarises and briefly discusses the findings of the study in relation to the research objectives. Some of the implications for policy makers and planners, as well as for migration theory, are spelt out and finally some suggestions regarding further research needs and approaches are put forward.

9.2 Major Findings

The overarching aim of this study has been to analyse the patterns, causes and consequences of both circular and permanent migration as practiced by low-skilled Indonesian labour migrants who have arrived in Peninsular Malaysia since 1980. In order to meet this aim six research objectives were established.

9.2.1 Trends and Patterns of Indonesian Labour Migration to Peninsular Malaysia

The first objective was to identify the trends and patterns of Indonesian labour migration to Peninsular Malaysia. The census data offered inadequate information, so the flow of Indonesians to Malaysia in recent decades was identified through extensive published and unpublished data (chapter 4).

The migratory movement between Indonesia and Malaysia has historical and cultural roots and there is a continuing economic disparity between the two nations (chapter 2). Historically, migrants from Indonesia arrived largely as indentured labourers and traders to Peninsular Malaysia. Although some returned, many remained and assimilated as Malays into the Malaysian population. Since the 1980s, the Indonesian flow to Peninsular
Malaysia has consisted mainly of documented and undocumented low-skilled workers, making up at least half of the total documented international migrant flow to Malaysia. At least one million Indonesians (making up almost 7 per cent of Malaysia’s working population) are currently estimated to be employed in the low-skilled sectors in Malaysia. While, the Indonesians are employed in six major sectors, during the last decade the construction, plantation and domestic work sectors have recruited the largest number of Indonesians. The Indonesians make up at least 70 per cent of the total migrants employed in these three sectors. However, in more recent years the proportion of documented workers from Indonesia has been gradually reduced as Malaysia continues to increase the number of its source countries and attempts to reduce its over-reliance on a single country (chapter 2).

Permanent residency for some low-skilled workers was allowed for a period in the 80s and briefly in the 90s. Thereafter, only the foreign spouses of male Malaysian citizens have had legal access to permanent residency. There were approximately 300,000 permanent residents, including many Indonesians, in Malaysia in 2000 (Kanapathy 2008c). Throughout the last decade, Malaysia has continued to be one of the highest recipients of undocumented workers in the Southeast Asia region, with an estimated one million undocumented workers and Indonesians making up the largest proportion of this undocumented flow (chapter 2).

The scale and the nature of the flow of migrant workers to Peninsular Malaysia differ from Sarawak and Sabah. The Peninsular receives the largest number of migrants from at least 13 countries and that flow consisted predominantly of economic migrants who have
travelled with and without documents to work in the low-skilled sectors. However, the migration to Sabah consisted mainly of refugees from Indonesia and the Philippines. The majority of these migrants stay permanently and there are now almost half a million second generation stateless migrants in Sabah. The flow to Sarawak is relatively new and small in scale consisting predominantly of documented migrants.

The survey data identified a number of distinctive characteristics of the migration (chapter 5). Firstly, the recent migratory flow consists of more females than males, indicating a “feminisation” of the Indonesian flow to Peninsular Malaysia, a trend consistent with the rest of Asia and expected to continue (IOM 2005; Piper 2005a; Cristaldi and Darden 2011). More than half the documented and undocumented workers were concentrated in the prime early workforce age groups, being between 25 and 34 years of age, while the permanent residents were found to be in the 40 to 49 age bracket. More than half of all migrants had first migrated to Malaysia at the average age of 24. Almost two in three migrants reported being married. While more males were found to be married than females, more females than males were found to be separated, widowed or divorced. It was also found that recently arrived migrants had an improved education profile than those who had arrived earlier. A relationship between age and education level was identified, whereby younger migrants (below 29) were more likely to have experienced secondary and higher education while the older migrants (40 and above) were more likely to have had only primary or no education at all.

Clearly, Indonesian workers are an important component of Malaysia’s low-skilled labour force, rarely as citizens, sometimes as permanent residents and commonly as both
documented and undocumented workers. The numbers of migrant workers are still growing and the various estimates and discrepancies in reporting clearly indicate that the reported figure is only a fraction of the total movement. As long as Malaysia continues to need labour, international migration will persist between these two neighbouring countries with large economic differences and an historic relationship, as suggested by the neoclassical and world systems theories (Massey et al. 1993).

9.2.2 The Characteristics of Circular, Permanent and Undecided Migrants

None of the available published and unpublished data on Indonesian migrants in Peninsular Malaysia have focused on the migrants’ intentions, to either stay or return, as an indicator of the pattern of migration. Using Zelinsky’s (1971, p. 276) definition of circular migrant as one who lacked “any declared intention for permanent or long-lasting change in residence” (chapter 1), it was found that almost three-quarters of the migrants interviewed in the 2009 Indonesians Migrant Worker Survey (2009IMW survey) are circular migrants who have no intention to stay permanently in Malaysia, while one-tenth are permanent migrants, who intend (either legally or illegally) to stay in Malaysia and the rest (approximately one-seventh) are undecided (chapter 4).

The high proportion of Indonesian low-skilled migrants intending to circulate in this study contradicts the assumptions of neoclassical theories that migrants intend to migrate permanently (Greenwood 1985; Molho 1986; Massey et al. 1993; Arango 2004). More importantly, it coincides with the goals of Malaysia, which are not in favour of migrants settling permanently (Hugo 1997; Castles 2003). The intention to circulate also eliminates the concern of “brain or brawn” drain which may result from migrants not returning to
Indonesia (Castles and Miller 2009). Although one-in-ten documented and one-in-five undocumented migrants are either intending to stay permanently in Malaysia or currently undecided, almost one-in-three of the migrants who have permanent resident status are intending to return to Indonesia eventually. While this requires further research, it strongly suggests the possibility of many Indonesian migrants opting to become circular migrants if circular migration were introduced as a policy.

Circular migrants within this study are distinguishable from the permanent and undecided migrants. Permanent migrants are more likely to be female and circular migrants are more likely to be males. Although most circular migrants are young, there is a group of circular migrants who are also permanent residents and above 50 years old. These older migrants, with legal rights to stay in Malaysia, however, are still indicating their commitment to Indonesia. Some younger documented and undocumented migrants are intending to stay permanently in Malaysia, irrespective of the Malaysian policy which prohibits the low-skilled migrants from staying permanently.

Circular and permanent migrants also differed in terms of marital status, which is consistent with other findings in this field, with circular migrants more likely to be single and permanent migrants more likely to be married (Vertovec 2007). The single migrants often returned to Indonesia due to their obligations to their parents. The nationality and the location of spouse have some influence on a migrant’s intention. Migrants married to Indonesian citizens, are more likely to be circular while those married to Malaysian citizens or Malaysian permanent residents are more likely to be permanent or undecided migrants. Most married circular migrants have their spouse living in Indonesia while
permanent and undecided migrants are more likely to have their spouses living with them in Malaysia. More permanent female migrants migrated to accompany their spouses in Malaysia. The circular migrants, being younger and having benefitted from Indonesia’s reformed education system, are found to be more highly educated than the permanent and undecided migrants.

The circular migrants who are documented are mostly employed in the domestic and plantation sectors, while permanent and undecided migrants of all types are predominantly found in the construction, services and “others” sectors. Table 9.1 summarises the characteristics of circular, permanent and undecided migrants.

### Table 9.1 Characteristics of Circular, Permanent and Undecided Migrants

<table>
<thead>
<tr>
<th></th>
<th>Circular Migrant</th>
<th>Permanent Migrant</th>
<th>Undecided Migrant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Status</strong></td>
<td>More likely to be documented or undocumented migrant</td>
<td>More likely to be permanent resident</td>
<td>More likely to be permanent resident</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>More likely to be male</td>
<td>More likely to be female</td>
<td>Both males and females</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td>Younger (in their 20s)</td>
<td>Older (40 years and above)</td>
<td>Older (40 years and above)</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td>If married, most likely to have Indonesian citizen spouse</td>
<td>Most likely to be married and if married, most likely to be married to Malaysian citizen or permanent resident</td>
<td>Most likely to be married and if married most likely to be married to Malaysian citizen or permanent resident</td>
</tr>
<tr>
<td><strong>Location of Spouse</strong></td>
<td>Spouses often remained in Indonesia</td>
<td>Most likely to have spouse residing in Malaysia</td>
<td>Most likely to have spouse residing in Malaysia</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>Most likely to have secondary or higher education</td>
<td>Most likely to have primary or no education</td>
<td>Most likely to have primary or no education</td>
</tr>
<tr>
<td><strong>Sector of Employment</strong></td>
<td>Most likely to be employed in the plantation and domestic work sector</td>
<td>Most likely to be employed in the construction, services and &quot;others&quot; sectors</td>
<td>Most likely to be employed in the construction, services and &quot;others&quot; sectors</td>
</tr>
</tbody>
</table>

The analysis of the characteristics of Indonesian migrants according to type shows the profile of the migrant who is, or intending to be, more likely to participate in circular or permanent migration. At this point in time, the migrants themselves are largely defining the pattern irrespective of Malaysian policies. By carefully looking at these results Malaysia can see what is occurring within its migration population. An analysis of the
characteristics of all types of migrants, indicates that the pattern of circular migration is the one chosen by the majority of migrants.

### 9.2.3 The De-facto Mobility Patterns

De-facto circular migration refers to back-and-forth movement maintained by migrants at their own will rather than being facilitated by employers or government (Newland 2009). It has been seen that this mobility between Indonesia and Malaysia has been occurring for centuries. Malaysia recruits migrants on a contract (for a maximum period of five years) to work in their low-skilled labour force, and does not facilitate back-and-forth movement of these migrants between the two countries during the contract, is contract renewal actively encouraged. However, the migrants have developed their own mobility patterns between these two countries. These pattern have all the characteristics of what Newland (2009, p. 26) calls “negative circularity”. That is, the conditions in the migrant’s homeland make employment unlikely; once in the host country occupational mobility is highly restricted and it is difficult to accumulate meaningful savings; the host country does not allow for any other pattern of migration. Added to this, conditions within Malaysia do not allow for the ready acceptance of migrants into the community. However, the social pull of networks in the home country, as understood from the perspective of transnationalism, and the economic pull in the host country, as suggested by the neoclassical and new economy of labour migration theories, have kept the migrants moving back-and-forth between Indonesia and Malaysia (Massey et al. 1998; Arango 2004).

It is evident from the 2009IMW survey that Indonesian migrants maintain both legal and illegal de-facto mobility. Almost one-in-three of the migrants has been to Malaysia more
than once, with undocumented migrants having made more repeat moves than others. The frequency of moves is related to the length of time since the migrant first migrated and their age at first migration. The longer it has been since the initial migration and the younger the migrant was at the time of the initial move the more likely they are to have made back-and-forth trips. Circular migrants have made more repeat moves, consistent with their intentions, and reflecting their ongoing commitment to their home country. Single men between the ages of 25 and 39 and employed in the plantation sector, have made the most moves. As this sample contains a large number of young migrants in their initial work contract, as time goes by, these same migrants are likely to make more back-and-forth moves.

Three-quarters of the return visits home, most often lasting between three weeks and three months, are made for social, rather than economic, reasons. Visiting family, having a holiday and celebrating a festival are the major reasons stated by migrants who have made trips home. The documented and undocumented migrants visited for both family reasons (such as to get married or to deliver a child) and economic reasons (such as to get a permit). The majority of the visits made by the permanent residents were social visits to family and friends in the home country. All of these visits reflect the migrants’ attempts to maintain linkages and networks across two countries. The strength of linkages and networks means that new undocumented migrants sometimes arrive in Malaysia accompanying an existing migrant (documented or undocumented) who is returning after a period in Indonesia (chapter 7).
9.2.4 Social and Economic Linkages and Impacts

The migration of low-skilled workers to Malaysia has resulted in both positive and negative social and economic impacts to the migrants, the host country and the home country. Although the gain for the host country and the home country is clearly positive, the impacts and the linkages, both economic and social, varied. Having migrated to Malaysia mostly in the last three decades, almost all the migrants in the 2009IMW survey maintained some form of social and economic linkages with their home country. The social linkages and their impacts are analysed from the perspective of human and social capital, while the economic linkages and impacts looked at migrants’ employment patterns in Malaysia, their remitting behaviour and the use of their remittances in Indonesia.

The term “low-skilled” sector is not a misnomer in Malaysia, as the sector fails to provide, as suggested by Sen (1992), life experiences, capabilities and freedoms that are necessary to allow migrants to maximise developmental social impacts. The Malaysian government, media and community do not actively develop the positive potential benefits of migrants. In fact, poor governance of agents, lack of positive media reports, lack of access to health care and poor working conditions, all contribute to the negative image migrants have in Malaysia and increase problematic aspects of their lives. While all the migrants are affected by these issues, the permanent residents, of all types, are least likely to be affected by the negative effects compared to the documented and undocumented migrants. The right to stay legally in Malaysia allows the permanent residents to seek better work conditions and to change jobs and employers when the work situation is not in their favour. Unfortunately, the 2009IMW survey shows (chapter 7) that the low-skilled migrants acquired few skills that may have been useful upon returning home.
The majority of migrants in this study had family members in both the host and home countries, an indicator of their transnational social linkages. The documented, more than undocumented migrants and permanent residents, and circular migrants, more than permanent and undecided migrants, lived separately from their spouse and children. The circular migrants, as suggested by Hugo (2003), maintained a higher social commitment to their home country and the permanent and undecided migrants to the host country.

In contrast to the more ambivalent social impacts of Indonesian migration, the stakeholders in this study have established positive economic linkages with overall financial gain (chapter 8). Migration to Malaysia has offered employment to many migrants from the informal sector in Indonesia, especially female workers, with higher wages than what they would earn at home. While the permanent migrants earned higher wages, the circular migrants remitted more. As suggested by Glytsos (1997, p. 421), circular migrants, by sending a larger proportion of their wages, indicated a preference for consumption at the home country. Their remittances are used for activities with higher multiplying effects with investment in education of children and savings, while the permanent migrants’ smaller remittances often supported the extended family members left behind with day-to-day expenses. The undecided migrants’ use of remittances was similar to that of circular migrants. All migrants who had a spouse and/or children at home remitted more than the others. As suggested by other research, the circular migrants, who have the intention to return home, are more inclined to maintain economic linkages with the home country and therefore create more positive impacts in the home country than the permanent and undecided migrants (Glytsos 1997; Dustmann and Mestres 2010; Collier et al. 2011). The 2009IMW survey also highlights the lack of any additional financial gain for being
documented compared to those who travelled illegally. The study shows that the circular documented migrants earned the least income and worked the most hours. The documented migrants also remitted more than other migrants, with ongoing financial commitments to their home country.

It is evident from the study that the positive economic benefits for Indonesia, Malaysia and the individual migrant continue to facilitate the migration flow. However, the lack of social gain may eventually force Indonesia to stop sending migrant workers to Malaysia, especially if there is demand for their labour in other countries. Thus, if Malaysia wants to continue to benefit from migrants who share close cultural and historical ties, it is important to be proactive and look for methods that will maximise the benefits of migration to all stakeholders.

9.3 Policy Initiatives and Implications

Vision 2020, created by Dr Mahathir Mohammed, hopes to see a fully developed Malaysia in all dimensions of its national life (see chapter 7) (Economic Planning Unit 2005, p. 8). This Vision 2020, however, does not place any importance on the migrant population which, during the last decade, has made up between 14 and 20 per cent of Malaysia’s labour force. There is a need for Malaysia to firstly acknowledge the contribution that low-skilled international migrants make to its economy. In recognising its demographic challenges (see chapter 1), in accepting itself as a nation founded on the colonial experience which depended on the integration of Indian and Chinese into its native population (see chapter 2 and 3), it can more fully become a democratic and developed nation. This study sees that sound immigration policies will help achieve Malaysia’s vision.
of becoming a democratic and developed nation. Policies that “combat the dark vision of migration as a ‘security threat’, and protect the sense of hope and possibility which migratory movements have always contained” are at the base of such an approach (Morris-Suzuki 2007, p. 170). Malaysia’s contested national identity and existing inequalities need to be addressed in order to facilitate these migration policies (Boon-Kheng 2004, p. 1). However, policies that acknowledge migrant’s rights, capabilities and well-being, as suggested by Sen (2000), are extremely important for Malaysia to achieve its vision as a developed and a democratic nation. These policies would then produce the “development-development-development” to migrants, the host country and the home country, the goal of world’s best practice policies.

9.3.1 Migration Policies

Through an analysis of a segment of the Indonesian low-skilled labourers in Malaysia and the current theoretical frameworks for understanding international migration, this study puts forward a suggestion to improve the existing de-facto circular migration maintained by migrants (negative circularity as described by Newland (2009)), to one that is policy-based and facilitated by the government (positive circularity), migrants’ rights being taken into account. Furthermore the study also recommends the possibility of permanent migration schemes.

Newland (2009) has identified multiple portable visas, extended contracts and programmes for returned migrants among the factors conducive to the development of a successful circular migration policy. Such mechanisms are expected to provide migrants repeat access to the labour market and facilitate return migration. This is argued to provide migrants an
opportunity to gain and/or maximise positive economic and social benefits, allowing frequent visits with family left behind without the fear of being denied re-entry to the labour market (GCIM 2005; Agunias 2007; Agunias and Newland 2007; Agunias 2008; Newland et al. 2008; Newland 2009).

Chapter 6 indicates that migrants make multiple trips and often attempt to increase the duration of their stay in the host country in order to achieve their migration goals. Chapter 8 shows that migrants make only slight financial gains during their first trip as it usually takes approximately half of their legal period of stay to pay their migration debts. Therefore, to provide migrants with an opportunity to earn higher financial rewards, to ensure migrants’ timely return home and to facilitate legal migration, long-term multi-entry visas are highly recommended (Barber et al. May 2005). These visas are one of the options for the successful implementation of circular migration policies recommended by many circular migration policy planners and researchers (Commission of the European Communities 2005a; Agunias 2007; Agunias and Ruiz 2007). Unlike the current system in which migrants renew their permits annually for a maximum of 5 years, such visas should allow migrants to work until the maximum age restriction set by the Malaysian government at 45 (DLFPM November 2006).

Migrants holding multi-entry visas could be allowed to choose their employers while still being limited to sector of employment and/or geographic location in which they are employed (for example either limiting them to a state or a zone of employment). This would entitle migrants to change their positions if they were dissatisfied. This would then reduce the circular migrants’ chances of being exploited, part of the concern expressed by
Vertovec in introducing circular migration as a policy (2007, p. 6). Furthermore, the policy will ensure Malaysia’s sectoral needs for migrant workers are satisfied and at the same time it will stop the infiltration of migrant workers into non-reserved sectors and assure that there is no increase in unemployment among locals.

Instead of adding to the vicious cycle of forcing some migrants to return and recruiting other new migrants, existing migrant workers should be given priority to fill vacancies for migrant workers. This can be done through the Ministry of Human Resources which currently maintains a list of employers in need of migrant workers (see later).

Migrants are generally known to return home at the end of their journey if they succeed in their migration goals (Cerase 1974). Migrants can be encouraged to return, as suggested by Agunias (2006), by offering both material and non-material incentives. All obstacles to return, either temporarily or permanently should be removed (Newland et al. 2008). This is to ensure that the migrants do not suffer a high level of family separation, allowing them to maintain their commitments with the home country (Haour-Kripe and Davies 2008).

Pathways to permanent residency or citizenship should be initiated. To be a democratic, developed country in today’s global community is to be open to accepting non-nationals into its population as full citizens. However, in resisting permanent entry, as discussed in chapters 2 and chapter 3, Malaysia contributes to the increase in permanent illegal settlers. However, the policies need to be sensitive to Malaysia’s ethnic structure. Migrants may be selected based on their commitment to Malaysia, years worked in Malaysia and compliance with the laws and regulations required by Malaysia during their stay. The immediate family should also be able to relocate with the migrants in this scheme. Pilot
initiatives could be started with migrant workers in the plantation sector in Malaysia, which already has well-established contractual arrangements and experience in facilitating permanent residency from the 1980s.

Liberal democracies are defined not just by the policies they enact for their own citizens but also by their attitudes towards non-citizens within their territory. In allowing the possibility of permanent settlement of migrants, Malaysia would be taking a stand within the international community and helping to curb illegal settlement. Given the strong commitment most of the migrants in the 2009IMW survey had towards their homeland, this research would suggest that large numbers of Indonesians would not be hoping to become permanent settlers.

9.3.2 The Role of Home Country Representatives / Associations

Migrants face difficulties and hurdles with their journey beginning at the home country. The home country representatives, such as the Indonesian embassy, should ensure the welfare of their migrants while overseas. The work of the Philippines Overseas Employment Administration (POEA) in ensuring the welfare of its migrants should be replicated. As explained in chapter 7, POEA, a government agency with representatives in destination countries, ensures the welfare of Filipino citizens (Piper 2005a). While abroad, migrant workers are offered an opportunity to participate in courses during their off-days, learning skills for future use. This assists migrants to return with some skills, even if they did not acquire specific on-the-job skills. POEA also ensures that the Filipinos are well-informed of their rights, with a thorough knowledge of the migration process including methods for transferring remittances (Piper 2005a). The active role of the high commission
or embassy can also reduce the number of migrants duped into travelling illegally. The high commission or embassy representatives should represent migrants when faced with legal issues while overseas. It is also highly recommended that Indonesia develop a database of all their citizens working in Malaysia and regularly monitor their activities and welfare.

The embassies and high commissions can ensure the welfare of migrants, while the community and members of hometown associations can create opportunities and knowledge to empower migrants. This includes imparting knowledge on a personal level to the migrants and fostering a sense of responsibility to the development of the home country (Piper 2009b). Indonesia has begun to work on programmes that motivate, train and retain returned migrant workers (BNP2TKI 2012; Bukhori June 26 2012). Small business ideas and ventures, remittances and savings through co-operatives are being introduced to both return and new migrants (BNP2TKI 2012; Bukhori June 26 2012). Successfully returned workers are recruited to train departing and newly returned migrants. The implementation of such programmes should be a national concern and such training should begin in the migrant’s home country. This is expected to assist migrants to develop clear migration goals, set targets and aims so as to return to create developmental benefits for the home country.

9.3.3 Human Welfare

Migrants and their welfare should be the focus of new migration policies. Efforts must be made to change laws and perceptions that criminalise migrant workers. As explained in chapter 7, the existence of a strong anti-migrant environment within Malaysia, evidenced
in both its policies and community attitudes, does not maximise the developmental potential of migration.

The migrant workers must be accorded the minimum standards accorded to the Malaysian citizens under the Employment Act 1955, such as equal wages, a maximum limit of work hours, the provision of overtime work, paid rest days, paid holidays, annual leave and paid sick leave. Migrant workers should be offered written contracts of services stipulating the agreed terms and conditions of employment. The well-being of migrants, coupled with the knowledge gained, will influence migrants’ effectiveness in the use of their capital earned abroad and the possibilities of them transforming their life upon return (Cerase 1974, p. 261). Stricter laws should be imposed on employers or officials who are found to break the law. This means that immigration policies must not be seen in isolation from other policies of a nation-state: they must be embedded within a socio-political system that upholds the equal rights of all within its boundaries. While citizens may have more privileges, non-citizens should be given full support. The key to the implementation of such policies is strong social and political will and sustained good governance.

Despite the cultural, language and religious affiliations that exist between Indonesia and Malaysia, poor governance and an attitude to low-skilled workers that sees them as nothing more than labour, cheap and disposable, continues to make Indonesian workers into third class citizens. Although they prop up the Malaysian economy, taking jobs rejected by the locals, they are seen by the locals as scavengers not worthy of equal pay or basic living standards rather than as willing workers contributing to the nation. When migrants are
living on the periphery of the society, unsure of their rights and vulnerable to exploitation, the social fabric of the nation is also exposed and becomes vulnerable.

Therefore, policy makers in Malaysia should focus on ensuring migrant welfare and improving their conditions, allowing for the development of skills and experience that will be useful upon their returning home. Indonesia, as said earlier, should collaborate through its embassy and offices in Malaysia to organise activities that ensure migrants are staying connected and not socially excluded. Furthermore, Indonesia should stop seeing their emigrants as “non-oil commodities” (Yue 2008, p. 124) and work with Malaysia to ensure their welfare. Although Indonesia has become concerned with attitudes towards and treatment of their female workers, it is highly recommended that they extend this concern to all their low-skilled workers (Migration News July 2011).

9.3.4 ASEAN

In addition to ensuring the welfare of migrants, long-term policies need to be developed with the co-operation of both receiving and sending countries. However, the unequal power between sending and receiving countries may force the poorer sending country to accept policies which do not comply with human rights (Wickramasekara 2002; Wickramasekara 2011). This is where the role of regional co-operation through ASEAN is important in facilitating an awareness of co-responsibilities and co-development and building policies that do not allow low-skilled workers to be treated unfairly. ASEAN, since 2004, has recognised the temporary migration of low-skilled workers as an area requiring further investigation and co-operation (Manning and Bhatnagar 2004; Thanh and Bartlett 2006), and in 2007 it adopted the Declaration on the Protection and Promotion of
the Rights of Migrant Workers by its member countries. This sets out the duties and responsibilities of both labour-sending and receiving countries with the aim to protect migrant workers.

Although ASEAN has taken steps to view and plan migration as a regional issue rather than a purely national one, as suggested by Cremona (2008), the implementation of migration policies are still in the form of bi-lateral agreements between member countries. Thus, often the weaker or poorer countries are forced to compromise the welfare of their citizens for extra income through remittances. In such instances, regional policies (blanket polices) would assist in ensuring equity between member countries in recruiting and sending workers (ADB 2008). It would also stop countries who employ large numbers of international workers from changing source countries, rather than upgrading their policies, whenever they are confronted by the rights of migrants.

9.3.5 Comprehensive Policies and Centralised Management

There is a need for strategic and comprehensive policies for the governance of migrant workers. At present, policies in Malaysia are often ad-hoc responses to particular circumstances. The following are some recommendations for policy making.

At present, migrants who adhere to all the legal requirements of Malaysian migration policies may still end up being accused by officials of being illegal. With their passports and permits being held by employers they have no proof of their identity until their employers verify their legality (see chapter 2 and 7). However, with the introduction of the biometric system, explained in chapter 4, it is hoped that the migrants’ statuses are updated
and upgraded in real time. With this system in place, it is hoped that legal migrants are not left waiting for employers to provide proof of their legality.

Migrants are regularly taken into custody, deported, caned, imprisoned or fined for overstaying. The harsh punishments have been heavily criticised by various human rights associations and non-governmental organisations (Jones 2000). However, even the harsh punishments fail to stop migrants from travelling undocumented. Migrants seemed to have learned to wait for the amnesties offered by the Malaysian government in order to return home. Even the Illegal Immigrant Comprehensive Settlement Programme, introduced in 2011, has many flaws including reliance on agents (Shah December 9, 2011). There were many cases of migrants and employers cheated in the process of legalising migrant workers. Given the importance of immigration to Malaysia, it is highly recommended that Malaysia handles the hiring of migrant workers and any related issues directly and not through the services of intermediaries. There is a need for this process to be centralised, maybe being placed under the governance of the Economic Planning Unit Malaysia. An identified lack of coordination between the Ministry of Home Affairs, Ministry of Human Resource and Ministry of Health complicates the management of migrant workers and offers opportunities for unscrupulous intermediaries who make migrants and, at times, employers, victims.

9.4 Implications for Theory and Research

9.4.1 Theoretical Implications

Neoclassical migration theories concentrated on the economic differences between the host country and the home country, while more recent theories associated with the transnational
perspective, emphasise the agency of the migrant and their social networks in initiating and maintaining back-and-forth movements (Lee 1966; Schiller et al. 1992; Massey et al. 1998). Neoclassical theories are often concerned with large scale low-skilled workers, while social network and transnationalism theories often focus on highly-skilled mobile workers who maintained global lives, able to be at home anywhere in the world. Furthermore, these theories do not integrate the political and structural limitations migrants have to face in being transnational (Schiller 1997; Hardwick 2000). As Massey et al. (1998) and Arango (2000) have suggested, none of the migration theories on their own are able to explain the various complexities of international migration, either circular or permanent.

Following Newland’s (2009) application of the term “negative circularity”, it may be more accurate to refer to migrants in the 2009IMW survey as participating in “negative transnationalism”, where low-skilled labourers are marginalised across the globe. Thus, in order to generate a positive transnationalism, this study then suggests the need for the integration of economic, cultural, political and legal freedoms for the low-skilled migrants.

The migrants in the 2009IMW survey are identified primarily as “low-skilled” workers, and form a part of what has become known as the “global proletariat”, where cheap labour from underdeveloped countries (mainly south-north) moves to accommodate demand in developed countries. The low-skilled workers’ needs may differ from skilled workers. While both may want to establish economic and social linkages with the host country, the low-skilled may be more inclined to establishing higher levels of economic, rather than social needs. Taking this into consideration, the concept of “levels of transnationalism”,

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based on the status and types of migrants, needs to be integrated into existing theories of transnationalism. A combined “transclassical” theory is expected to better explain the economic and social need of low-skilled migrant workers, justifying the importance of circular migration to the low-skilled as much as the high-skilled.

Furthermore, while the theories focused on what initiates and perpetuates migration, no theory places migrant well-being or human welfare at its centre (Sen 1992; Massey et al. 1998). When an emphasis is put on human development the mechanisms of rights and responsibilities comes into focus, one that gives equal validity to the migrant, their home country and their host country. Whatever pattern(s) of migration is being investigated, human welfare needs to be at its heart in order to limit exploitation, a must for Malaysia which aspires to be a developed nation.

9.4.2 Implications for Data Collection

Malaysia has been working on improving the collection of its migration data. Although there are multiple sources of migration data available, currently it takes time and effort to collate a database which provides a comprehensive understanding of the international migratory flow to Malaysia. Even then, the currently available data excludes data on emigrating migrants which is necessary for understanding migrants’ circular behaviour (chapter 4). There is a need for improvement in the coverage, quality, timeliness and methods of dissemination of migration data to ensure the three wins for stakeholders.

The border collection method listed by the United Nations (1998, p. 32) as one of the important sources of international migration data is cumbersome but provides “actual moves with a high degree of accuracy, in terms of timing, mode of transport and place”. As
discussed in chapter 4, Malaysia has extended the automated biometric verification technology to all visitors. The visitors’ personal particulars, along with their finger prints, are collected at entry and exit by The Department of Immigration Malaysia. It is believed that the system will produce a large amount of data. This longitudinal data, when both exit and entry data are matched, as is now done in Australia, will allow a better understanding of net migration (Pink 2007). The data collected from this system (such as length of stay during each visit, number of visits, seasonal effects if there are any) can be used to plan future circular labour migration programmes. The biometric system could be implemented across all ASEAN members to better predict the flow of migrant labour in this region and to provide data for future regional planning.

Data collected at borders may help to understand all forms of legal circularity (tourist, workers, students, those who are on social visas, permanent residents and others). However, it will not indicate additional departure details (such as the country of destination, the purpose of the trip and intended duration of time away), nor whether the migrant has undertaken a permanent or circular departure and it, of course, cannot provide any data on undocumented migration. Thus, as suggested by the United Nations (United Nations 1980), surveys may be employed to investigate specific details of migrants. These techniques may provide far more in-depth data than those collected at the border.

Data collected from various sources should be maintained at a centralised database which will be able to match migrants’ entry and exit data with data collected from other sources (as explained in chapter 4). Examples of this would be data collected from migrants on their permit approvals, visa extensions and medical records which could be linked,
bringing together data from various sources. Such information is expected to improve the quality of data collected and make the data more useful to policy planners. Furthermore, using an internationally recognised method to collect data will foster data exchanges and benefit the country of origin (United Nations 1980). Despite Malaysia’s structural dependency on migrant workers, as yet there is no specialised research centre for migration studies. Such a centre should be established and made responsible for providing input to policy makers.

In terms of timeliness and dissemination, while data may be collected from regular sources (such as the census), data collected from more frequent sources (border data for example) should be analysed and made available to policy makers and academic researchers for further research. The data should be transparent and all components (including ethnicity) should be made available.

9.5 Limitations of the Study

Some limitations to this study are identified. As the conceptual framework was developed based on the intention of migrants to stay or return, there is the possibility that intention may not predict actual behaviour or migrants may change their intentions at any time. Nevertheless, this study is the first to provide valuable data on Indonesian migrants in Malaysia and their intentions. The data gathered from the study may provide valuable knowledge for future research.
Secondly, due to the cross-sectional technique used in this study, it is not possible to measure the long-term economic and social impacts of both circular and permanent migration. Thirdly, the data collected was supplied verbally by the migrants themselves: no legal documents were checked. So there is the possibility that migrants may have misrepresented both their legal status, either knowingly or unknowingly. Fourthly, the study focussed on migrants already in the host country and not in the home country: it is possible that their intentions would differ according to their place of interview. Fifthly, the research was migrant-centred: the employers and policy makers were not strongly represented first hand. Also, the study involved low-skilled workers who were not use to expressing their opinions or having many options in their lives, nor were they use to participating in interviews with in-depth questions. Finally, while the results from this study described the nature of a de-facto circular migration pattern existing between Indonesia and Malaysia, due to the paucity of studies on circular migration as an enacted policy, the results were mainly compared with studies from European nations and other developed countries with open attitudes towards migration generally. Some of these limitations will always be a part of migration studies, while others may be addressed by future research.

### 9.6 Recommendations for Future Research

It is recommended that a longitudinal study be carried out, following a number of circulating migrants throughout their working life, noting the factors related to each migratory cycle and the social and economic impacts of each cycle. Such a study could then be used to assess the similarities and differences between permanent and circular or “one-shot” migration.
This study has been carried out in the host country and the social and economic impacts were measured based on migrants’ answers about their experience. It is recommended that for a full assessment of the social and economic impacts of circular migration, a study needs to be made of the home community from which the migrant has come and where the migrant’s family is still residing. The role of the agents in the migration process also needs to be further analysed. Where governance is not strong and numerous intermediaries are employed throughout the process exploitation may easily arise.

Given that Indonesia has a culture of migration, a study on multi-generational trends and patterns could also take into account a more explicit examination of the impact of migration on the children of migrants.

9.7 Conclusion

This chapter has summarised the major findings of this study and its implications. This study has shown the nature, causes and consequences of circular migration between Malaysia and Indonesia. It has been found that a pattern of de-facto migration, at the migrants own will, has been taking place, with many of the aspects of negative circularity. The study accepts that Malaysia is not yet ready to allow permanent migration of low-skilled workers. However, it shows clearly that with good governance, and good working relationships between the two nations, a pattern of positive circularity could be facilitated. In addition to helping to overcome the issue of undocumented migration, this positive circularity is expected to maximise the developmental benefits for the Indonesian migrants and the two nations of Malaysia and Indonesia. It could provide a test case of the possible
‘win-win-win’ offered by policy theorists concerning programmes of circular migration. Given the close historical, geographical and cultural similarities between these two nations and their pivotal roles in ASEAN, such a policy between Indonesia and Malaysia, facilitating workers to partake in the benefits of transnational economic activity could become a partnership of co-development.
## Appendices

### Appendix 1: A Summary of Migration Policies in Malaysia

<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>1968</td>
<td>• Work permit is required for non-citizen workers</td>
</tr>
<tr>
<td>1969</td>
<td>• Employment Act 1969 was enacted (restriction and work permit)</td>
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<tr>
<td>1981</td>
<td>• Law allowing the establishment of legal recruitment agencies</td>
</tr>
<tr>
<td>1982</td>
<td>• The first committee responsible for the recruitment of foreign workers were established <em>(disbanded in 1995)</em></td>
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<tr>
<td>1984</td>
<td>• Medan Agreement – bilateral agreement between Indonesia and Malaysia for the supply of workers to agriculture/plantation sector at first then extended to domestic work sector <em>(was cancelled in 1986)</em></td>
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<tr>
<td></td>
<td>Recession in 1985</td>
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<tr>
<td>1985</td>
<td>• Memorandum of understanding with The Philippines for domestic workers</td>
</tr>
<tr>
<td>1986</td>
<td>• Memorandum of understanding with Bangladesh to recruit plantation workers and Thailand for plantation and construction workers</td>
</tr>
<tr>
<td>1989</td>
<td>• PPTII – Programme “Pemutihan Pekerja Tanpa Izin Indonesia” literally translated “the whitening of illegal workers” – A programme to legalise undocumented workers <em>(postponed twice)</em></td>
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<tr>
<td></td>
<td>• A new scheme was introduced. Employers are required to pay a deposit of 250 dollars which will be used to deport the workers who break their contracts.</td>
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<tr>
<td></td>
<td>• Migrants workers were to be recruited directly from Indonesia and not through contractors for plantations</td>
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<td>1991</td>
<td>• A 5 year programme named Registration, recruitment and enforcement programme was introduced only in Peninsular</td>
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<tr>
<td></td>
<td>• Policy to equalise wages of foreign workers to that of locals</td>
</tr>
<tr>
<td></td>
<td>• Levy was introduced</td>
</tr>
<tr>
<td></td>
<td>• Ops Nyah 1 – a programme to stop illegal entry to Peninsular Malaysia</td>
</tr>
<tr>
<td></td>
<td>• Formation of a Cabinet Committee on foreign labour</td>
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<tr>
<td>1992</td>
<td>• Ops Nyah II – a programme to detect illegal migrants within Peninsular Malaysia</td>
</tr>
<tr>
<td></td>
<td>• Formation of the Committee for Foreign Workers at the Ministry of Human Resources <em>(disbanded in 1994)</em></td>
</tr>
<tr>
<td>1994</td>
<td>• A one-stop agency was developed to improve the formal recruitment of foreign workers <em>(The agency was dissolved in 1997)</em></td>
</tr>
<tr>
<td>1995</td>
<td>• A ban on Malaysian agencies to recruit migrant workers directly except for domestic work sector</td>
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<tr>
<td></td>
<td>• Revised Levy</td>
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<tr>
<td>1996</td>
<td>• Programmes for irregular workers</td>
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</tbody>
</table>
|      | • Employers were encouraged to recruit workers from 9 detention
<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
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</thead>
<tbody>
<tr>
<td>1996</td>
<td>Hari Raya Amnesty for Indonesian Illegal workers for a period of 3 months (October to December 1996) – Illegal migrant workers from Indonesia were allowed to return if they paid a compound of RM 1000 each, get their temporary work permits and get their own travel tickets.</td>
</tr>
<tr>
<td>1996</td>
<td>Amnesty was extended to Feb 1997</td>
</tr>
<tr>
<td>1996</td>
<td>Ops Nyah II was launched to weed out illegal workers</td>
</tr>
<tr>
<td>1996</td>
<td>Expansion of detention Centres (MYR 10 Million allocated)</td>
</tr>
<tr>
<td>1997</td>
<td>Appointment of Department of Foreign Workers under the Immigration Department for recruitment of foreign workers</td>
</tr>
<tr>
<td>1997</td>
<td>An amendment to immigration act to incorporate harsher penalties to control the increasing number of undocumented workers</td>
</tr>
<tr>
<td>1997</td>
<td>Introduction to Work permit system</td>
</tr>
<tr>
<td>1997</td>
<td>Foreign Workers’ Medical Examination Monitoring Agency (FOMEMA) was established</td>
</tr>
<tr>
<td>1997</td>
<td>Foreign Worker Regularisation Programme in Sabah</td>
</tr>
<tr>
<td>1997</td>
<td>Total ban on all new recruitments due to economy crisis</td>
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<tr>
<td>1998</td>
<td>The 1959/63 Immigration Act was amended to include clauses to curb illegal migration</td>
</tr>
<tr>
<td>1998</td>
<td>A freeze on foreign labour recruitment: permits were not renewed and more amnesty programmes were introduced</td>
</tr>
<tr>
<td>1998</td>
<td>Annual Levy was raised for selected sectors (levy was reduced later)</td>
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<tr>
<td>1998</td>
<td>Imposed conditions for the employment of domestic workers. Employers are required to fulfil income criteria.</td>
</tr>
<tr>
<td>1998</td>
<td>A mandatory Employee Provident Fund (EPF) was introduced in 1998 for all migrant workers except for domestic workers. Migrant workers were expected to contribute 11 per cent of their wages and employers 12 per cent to the fund. (EPF was abandoned in 2001)</td>
</tr>
<tr>
<td>1998</td>
<td>Foreign Worker Regularisation programme in Sabah to weed out illegals</td>
</tr>
<tr>
<td>1999</td>
<td>Freeze on foreign workers were lifted</td>
</tr>
<tr>
<td>1999</td>
<td>Reduction in annual levy</td>
</tr>
<tr>
<td>2001</td>
<td>Ban on the intake of workers from Bangladesh to mainly as a result of some clashes between the workers and some locals</td>
</tr>
<tr>
<td>2001</td>
<td>Reduced duration of work permit from a maximum of 5 to 3 years (was reintroduced in 2008 with a 3+1+1 years scheme)</td>
</tr>
<tr>
<td>2002</td>
<td>Hire Indonesians Last Policy</td>
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<tr>
<td>2002</td>
<td>Low-skilled workers who have been certified by the National Vocational Training is able to extend their stay for further 5 years (maximum of 10 years)</td>
</tr>
<tr>
<td>2002</td>
<td>Another amendment was made to the Immigration Act 1959/63 with harsher penalties for undocumented workers including employers and owners or tenants of buildings</td>
</tr>
<tr>
<td>2002</td>
<td>Approval for workers from Uzbekistan, Kazakhstan and</td>
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<tr>
<td>Year</td>
<td>Events</td>
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</tbody>
</table>
| 2004 | - Malaysia Indonesia MOU (LAW No. 39/2004) which allows Malaysian employers to hold workers passports and other documents for safe keeping  
- Foreign workers have to undergo a compulsory two-week training programme on language, customs and Malaysian lifestyle |
| 2005 | - Levy was revised for the third time |
| 2006 | - Ministry of Home Affairs approved and regulated labour outsourcing companies – Employers recruiting less than 50 workers are to recruit their workers through labour outsourcing companies  
- Malaysia and Indonesia signed a standard contract for Indonesian domestic workers in Malaysia |
| 2007 | - Launch of I-Kad, identification card issued for foreign students, expatriates and documented migrant workers in Malaysia (delay in issuing the card) |
| 2008 | - The director general of Department of Immigration Malaysia and 10 officials were arrested for receiving bribe  
- A crackdown against illegal migrant workers in Sabah |
| 2009 | - Ban on recruiting new foreign workers (allowed recruiting of foreign workers later in the year) |
| 2010 | - A crackdown on illegal workers scheduled around Chinese New Year and postponed to a later date  
- A new MOU between Malaysia and Indonesia agreeing on a day off for the domestic workers and allowing them to keep their own passports. No agreement on minimum wages |
| 2011 | - Indonesian governments moratorium against Malaysia on the issues of domestic workers  
- MOU for Domestic Workers from Indonesia, agreed on a day of in a week and will be compensated for the worked day  
- No agreement on minimum wage (however, the Indonesian government has stated MYR 700 as the minimum wage to be paid and compulsory insurance policies for domestic workers) (agreed on the minimum wages later in the year)  
- Fixed agency fees through direct recruitment (possible elimination of agencies in Indonesia)  
- The Illegal Immigrant Comprehensive Settlement Programme (6P) which aims to register 1.2 million illegal migrants has been launched. |

### Appendix 2: Number of Documented Migrant Workers in Malaysia by Country of Origin, 1985-2011

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<td>600</td>
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<td>2482</td>
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<td>14330</td>
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<td>Vietnam</td>
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Source: Kassim 1998; Ariffin 2001; DOSM 2008a; DOIM unpublished data
Appendix 3: In-depth Interview Question Sheet

Before we start I would like to remind you that there are no right or wrong answers in this discussion. We are interested in knowing what you think, so please feel free to be frank and to share your point of view. It is very important that we hear your opinion.

**Context**

1. First of all, how did you get interested in working with issues related to migrants in Malaysia?
2. How long have you been involved in the area related to Indonesian migrants in Malaysia?
3. What is your contribution in the area of international immigration in Malaysia?

**Statistics**

4. Do you have / are you aware of any statistics on international / Indonesian migrants in Malaysia?
   a. Do these statistics cover: age, gender, marital status, education, province of origin breakdown – departing Indonesia / present in Malaysia?
   b. Is there any break down by types (permanent residents, temporary residents/contract workers, undocumented migrants)?
   c. Could you explain the type of jobs and industries migrants are involved in Malaysia?

**Definition**

5. What do you mean by “low-skilled” / “semi-skilled” / “unskilled” migrant workers?
6. What do you think of the contract workers / undocumented migrants / permanent residents in Malaysia?
   a. Can you differentiate between the categories of migrants?
   b. What are the proportions of the categories above in Malaysia?
   c. In your opinion, what are the gains and/or losses to the home country / the host country / to the migrants?
   d. Do you think we have sufficient policies to handle migrant workers?
   e. What policies are needed to overcome the problems?
   f. Do migrants face any constraints due to their status?

**Arrival and departure patterns**

7. Would you be able to share some information on migrants’ arrival and departure patterns, the modes used to reach Malaysia, and then to return to Indonesia?
8. What do you think of about migrants’ circular mobility patterns?
   a. How frequently do migrants visit their relatives in Indonesia?
   b. How long do migrants stay when they return home?
   c. When migrants return to Malaysia, do they bring someone else with them?
   d. Do you think Malaysia has a system / methods adequate to track such movements?

**Networking and Social Links**

9. Do you think migrants they keep in touch with their family regularly?
10. Do you think migrants maintain strong family ties?

Legal

11. In your experience, are the Indonesian workers protected by the law?

Future Intention

12. What do you think the future of Indonesian migrants will be in Malaysia?
   a. Do you know what their future plans are?
   b. Do you have any records of how many migrants actually overstay?
   c. Of migrants who have returned, what do you think were the factors that lead to this decision?

Remittance

13. Are you aware of any remittance patterns between Malaysia and Indonesia?

Others

14. What do you think are the major problems the Indonesian migrants face in Malaysia?
15. What are the migrants’ living arrangements? And do they differ according to the status of the migrants?
16. Do migrants have proper health coverage in Malaysia? What sort of health issues do the migrants normally face?
17. Do you anything about the migrants’ religious activities?
18. Are there any establishments or associations for people of Indonesian origin here in Malaysia?
19. What do you think is going to happen to the aging population of Indonesian migrants in Malaysia? Especially among the undocumented worker population?

My contribution

20. What do you think could be my contribution to the issue of Indonesian migration in Malaysia?

Contacts

21. Could you give me the names of any other key people in this area of study who would be willing to be interviewed?

Let’s summarise some of the key points from our discussion. Do you want to add anything further? Do you have any questions you would like to ask me?

We are really grateful for your contributions in the study. Thank you for taking the time to talk to us!!
Appendix 4: Participant Information Sheet

2009 Indonesian Migrant Workers (2009IMW) Survey in Peninsular Malaysia

My name is Balambigai Balakrishnan; I am undertaking research as part of my PhD programme in Human Geography at the University of Adelaide under the supervision of Professor Graeme Hugo. I am conducting this survey as a part of my PhD research. This research aims to gain an understanding of the characteristics and intentions of Indonesian migrants in Malaysia. The survey includes questions about the motivations, activities and future intentions of Indonesians in Malaysia. The knowledge gained from the analysis of survey results will in turn provide insight as to what the outcome of movement between Malaysia and Indonesia may be for Malaysia, for Indonesia, and for the people moving between these countries. Thus, I would like to invite you to contribute to my study by being a participant.

This face to face interview takes **45 – 60 minutes** to complete and requires your fullest co-operation. I will be reading the questions and possible multiple choice answers to you. I will mark your answers with a tick (√ ) your answers for questions with options and while listening, record your answers for questions with open space.

The study is completely confidential and whatever is reported in the study will not identify you in any way. You do not have to answer all questions and you can withdraw from the project at any time. Your responses will not be able to be traced to any individual and all steps will be taken to protect your privacy. All analysis of responses will be undertaken at an aggregate and not an individual level. Once the survey data has been analysed, all results will be made available at your request. Access to the questionnaires and data collected is restricted to my supervisor and me. Participation in the survey is completely voluntary. Please be sure not to include any personal and/or confidential information in any open-ended questions that may personally identify you.

I would also like to interview a number of individuals in relation to the findings of the survey. If you are interested in participating further, please express your interest during the personal interview and provide me with your contact details. I will contact you at a later date to arrange a mutually convenient time for an in depth interview.

Please do not hesitate to contact me if you have any questions or wish to obtain more information about this study. Once again, thank you very much for your time. I am extremely grateful to you for taking the time to complete this questionnaire.

Sincerely,

Balambigai Balakrishnan
PhD Candidate
Discipline of Geographical and Environmental Studies
The University of Adelaide,
Adelaide SA 5005, Australia
Phone: +61 8 8303 6415 or +61 450 458 217
Phone (Malaysia) : 00603 8733 4658
Email: balambigai.balakrishnan@adelaide.edu.au

Professor Graeme Hugo
Professor of Geography,
Discipline of Geographical and Environmental Studies,
The University of Adelaide,
Adelaide SA 5005 Australia
Phone: +61 8303 3996 or +61 8303 3900
Email: graeme.hugo@adelaide.edu.au

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Appendix 5: Participant Consent Form

THE UNIVERSITY OF ADELAIDE HUMAN RESEARCH ETHICS COMMITTEE
STANDARD CONSENT FORM
FOR PEOPLE WHO ARE PARTICIPANTS IN A RESEARCH PROJECT

1. I, ………………………………………………………………… (please print name) consent to take part in the research project entitled: Indonesian migration to Malaysia since 1980: Causes and Consequences

2. I acknowledge that I have read the attached Information Sheet entitled: Indonesian migration to Malaysia since 1980: Causes and Consequences

3. I have had the project, so far as it affects me, fully explained to my satisfaction by the research worker. My consent is given freely.

4. Although I understand that the purpose of this research project is to improve the policies on migration in Malaysia, it has also been explained that my involvement may not be of any benefit to me.

5. I have been given the opportunity to have a member of my family or a friend present while the project was explained to me.

6. I have been informed that, while information gained during the study may be published, I will not be identified and my personal results will not be divulged.

7. I understand that I am free to withdraw from the project at any time.

8. I am aware that I should retain a copy of this Consent Form, when completed, and the attached Information Sheet.

………………………………………………………………………………………………...
(signature) (date)

WITNESS

I have described to ………………………………………………………….. (name of participant) the nature of the research to be carried out. In my opinion she/he understood the explanation.

Status in Project: ………………………………………………………………………

Name: ………………………………………………………………………………….

…………………………………………………………………………………………...
(signature) (date)
Appendix 6: Questionnaire

2009 Indonesian Migrant Workers (2009IMW) Survey in Peninsular Malaysia

Please ask these questions to screen respondents’ eligibility to participate in this survey:

a. When did you first come to Malaysia? if before 1980 or after January 2007

b. Year of birth If after 1991

Please end this questionnaire.

Terminate the interview by saying “Thank you very much for your participation”

c. Citizenship If not an Indonesian citizen

d. What is your current occupation?

Low-skilled sector (if unsure check whether monthly income is below MYR 2500 monthly)

If not in the low-skilled sector

Proceed with the survey.
Date of Interview

Time Interview Starts

Time Interview Ends

Please fill in the answers or tick (√) the suitable answers.

Section A: Personal Particulars

1 Sex:
   ☐ Male   ☐ Female

2 Religion:
   ☐ Islam   ☐ Buddhist
   ☐ Christian ☐ Others
   ☐ Hindu

3 Place of Birth?
   Province..................Kabupaten..................Kecamatan.............Desa:.............

4 Where did you live last in Indonesia before moving to Malaysia?
   Province..................Kabupaten..................Kecamatan.............Desa:.............

5 What is your highest level of education?  _______________

6 Where did you complete your last level of education?
   a. Indonesia
   b. Malaysia
   c. Others: Please specify: ............................

7 What is your current marital status?
   ☐ Single
   ☐ Married (year: .........................)
   ☐ Divorced (year: .........................)
   ☐ Widowed (year: .........................)
   ☐ Separated (year: .........................)

8 Where do you live currently?     Town..........................State.................................

9 Which of the following documents are you holding currently (multiple response)
   ☐ Work Permit (in which industry: __________________________)
   ☐ PR Identification card
   ☐ Others: Please Specify: ..................................................
   If none of the above, can you explain your status further?
   ........................................................................................

Section B: Marriage / Children / Family and Networks

10 If you are married,
   a. Where did you get married?
      ☐ Malaysia   ☐ Other
      ☐ Indonesia

   b. Status of your spouse
      ☐ Malaysian citizen
      ☐ Malaysian PR
      ☐ Indonesian Citizen
      ☐ Other

   c. Current residency of your spouse
      ☐ Malaysia (Please state: Whether your spouse travelled before/after/same time as you)
      ☐ Indonesia
      ☐ Other
11 If you have children,
   a. Number of children : ..............
   b. Where do your children live?
      ☐ In Malaysia (how many: .......................)
      ☐ In Indonesia (how many: ......................)
      ☐ Others (how many: ............................)
   c. If you have children in school, state the number, level of education and type of school

<table>
<thead>
<tr>
<th></th>
<th>In Malaysia</th>
<th>In Indonesia</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Primary School</td>
<td>................</td>
<td>................</td>
</tr>
<tr>
<td>☐ Lower Secondary</td>
<td>................</td>
<td>................</td>
</tr>
<tr>
<td>☐ Higher secondary</td>
<td>................</td>
<td>................</td>
</tr>
<tr>
<td>☐ Diploma</td>
<td>................</td>
<td>................</td>
</tr>
<tr>
<td>☐ University</td>
<td>................</td>
<td>................</td>
</tr>
<tr>
<td>☐ Others</td>
<td>................</td>
<td>................</td>
</tr>
</tbody>
</table>

d. Are you facing any problems in schooling your children in Malaysia? If yes, please provide details.
   How are you planning to / how did you overcome the problem?

12 Tick family members/close relatives who are PR Citizen/live/work in Malaysia currently?
   ☐ Father
   ☐ Mother
   ☐ Sister (how many: .........................)
   ☐ Brother (how many: ..........................)
   ☐ Others (how many: ...........................)

13 List any family members who have worked in Malaysia and returned home since?

14 Do you have any family members living in Indonesia?
   ☐ Yes
   ☐ No (proceed to the next question)

15 Tick all the modes you use to communicate with your family in Indonesia.
   ☐ Do not communicate at all (go to next question)
   ☐ Email
   ☐ Phone
   ☐ Other (Please specify: ..............................................)
   a. How often do you communicate with them? .................... month

16 Are you a member of any association in Malaysia? If yes, which association?

   a. What sort of activities do you do with the association mentioned above?

17 What sort of help do you offer other Indonesian migrants?
   ☐ Assisting with finding accommodation
   ☐ Assisting with finding employment
   ☐ Others: Please Specify..............................
   ☐ Nil
18 Did you cast a vote in the 2009 election?
   a. Yes
   b. No
19 Do you follow the news on Indonesian politics?
   a. Yes
   b. No

Section C: Living Arrangement
20 Current living arrangement
   a. The type of dwelling
      □ Flats
      □ Terrace house
      □ 2 storey / Semi D
      □ Kongsi / makeshift shared
   b. The ownership of the dwelling
      □ Own
      □ Rent
      □ Family/Friends
      □ Employer
      □ Others
   c. How many people live with you?
      □ 1
      □ 2
      □ 3
      □ 4
      □ 5
      □ More than 5
   d. What is their citizenship? (can tick multiple answers)
      □ Malaysia
      □ Indonesia
      □ Others
   e. What is your relationship status with your housemates? (can tick multiple answers)
      □ Family
      □ Friends
      □ Others

Section D: Migration History
21 If you have worked/lived abroad, other than Malaysia, please provide details.

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Duration of the stay</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   a. How long did you spend in Indonesia after your last trip as mentioned above before coming to Malaysia? Years: ................ Months: ..................
22 Prior to coming to Malaysia:
   a. What were you doing?
      □ Working
      □ Unemployed
      □ Schooling (go to next question)
   b. What was your last occupation? ........................................
   c. How many days did you work in a month in your last job? .......................days
   d. How much did you get paid on average in a month in your last job: Rupiah ...........................
23 The first time moving to work / live in Malaysia:
   a. What was the purpose of your first move to Malaysia?
      □ To work
      □ To live
      □ To get married
      □ Forced to leave the country
      □ Others (Please specify: ........................................)
b. Why did you choose Malaysia as your choice of destination? (Choose one most appropriate answer)
   ☐ Close proximity
   ☐ Had relatives/friends working here
   ☐ Many similarities to my home country
   ☐ Others (Please specify: ........................................................)

c. Who helped you with your travel? .....................................................
   ☐ Family (in Malaysia / Indonesia)
   ☐ Friends
   ☐ Agents
   ☐ Others (Please specify: ........................................................)

d. Did you have a calling visa when you first came?
   ☐ Yes ☐ No

e. Did you have a permit when you first came?
   ☐ Yes ☐ No

f. Did you use an agent (tekong)?
   ☐ Yes ☐ No
   If yes, provide some details of the tekong:
   ..................................................................

g. Did you have a medical check-up prior to coming to Malaysia?
   ☐ Yes ☐ No

h. Did you have a medical check-up immediately after arriving in Malaysia?
   ☐ Yes ☐ No

i. Who helped you to find your first accommodation in Malaysia?
   ☐ Self ☐ Family/Relatives in Malaysia
   ☐ Friends in Malaysia ☐ Employer
   ☐ Agent
   ☐ Others (Please specify: ............)

j. Who helped you to find your first job in Malaysia: ............................
   ☐ Self ☐ Family/Relatives in Malaysia
   ☐ Friends in Malaysia ☐ Employer
   ☐ Agent
   ☐ Others (Please specify: ........................................................)

k. How long did you plan to stay in Malaysia when you first came? Years: .................

l. Did you plan to become a permanent resident when you first came to Malaysia?
   ☐ Yes ☐ No

m. Provide details of your first job in Malaysia

<table>
<thead>
<tr>
<th>Type of job (description)</th>
<th>Location/state</th>
<th>Duration (years)</th>
<th>Why did you leave?</th>
<th>Average monthly income (MYR)</th>
</tr>
</thead>
</table>

Section E: Permanent Residency

24 The following questions are related to your status as PR:
   a. Which year did you register for permanent residency status? Year of registration:
      ..............................................................
   b. Which year were you awarded with permanent residency status? Year: .....................
   c. Who provided you information on PR application / awarding of PR?
      ☐ Self
      ☐ Family
      ☐ Agents
      ☐ Others: Please specify: ..............................
d. Who assisted you with your PR application?
   - [ ] Self
   - [ ] Family
   - [ ] Agents
   - [ ] Others: Please specify: ............................

e. Did you have to pay in the process of getting PR?
   - [ ] Yes
   - [ ] No

f. Is there anyone in your family who has applied for a PR, but was unsuccessful? Can you provide some details?
   ..............................................................................................................................................................
   ..............................................................................................................................................................
   ..............................................................................................................................................................

g. Can you explain the stages and the process you went through in obtaining your PR?
   ..............................................................................................................................................................
   ..............................................................................................................................................................

Section F: Current / Recent Work

Answer all questions in this section based on your current or most recent job.

25 Which of this best explains your status?
   - [ ] Employer
   - [ ] Employee
   - [ ] Own account worker
   - [ ] Unpaid family

26 Explain the nature of the organisation / business.
   ..............................................................................................................................................................

27 Who owns the business?
   - [ ] Self
   - [ ] Family (please specify: .............................)
   - [ ] Others (please specify: ........................................)

28 Which of these best describes the sector in which you are/were involve/involved?
   - [ ] Agriculture
   - [ ] Construction
   - [ ] Domestic worker
   - [ ] Manufacturing
   - [ ] Plantation
   - [ ] Services
   - [ ] Others (please specify: .....................................)

29 Please describe your current job responsibilities.
   ..............................................................................................................................................................

30 How did you get this job?
   - [ ] Family / relatives in Malaysia
   - [ ] Family / relatives in Indonesia
   - [ ] Agent from Malaysia
   - [ ] Agent from Indonesia
   - [ ] Friends
   - [ ] Others (Please specify: .....................................)

31 When did you start working in your current job? Year: .................

32 How many days do/did you usually work in a month? Days: .....................

33 How many hours per day do/did you work on average? Hours: ............... 

34 How much are/were you paid for this work on average per month including over time? MYR: .....................

35 If you have a contract, state the duration of the contract: ..................... years
36  Tick the benefits you get/got from your employer?
☐ Medical care
☐ Insurance
☐ Housing with bills paid
☐ Housing only
☐ Subsidised food or other consumer goods
☐ Transport
☐ ............... days of paid leave per year
☐ Other, specify: .................

37  Do you currently do any other part-time/weekend jobs in addition to the above?
☐ Yes
☐ No (Go to next question)
   a. What is this other work? Please describe the job, nature and frequency of doing it:
   ........................................................................................................................................
   ........................................................................................................................................
   b. How much did you earn on average per month for this work? MYR ................. per month

Section G: Finance and Remittances

38  Do you remit money to your home country?
☐ Yes
☐ No (go to next question)
   a. How many times did you remit in 2008? ................. times
   b. How much have you remitted in total in 2008? .................
   c. How did you remit your money in 2008:
      ☐ Bank
      ☐ Post
      ☐ office
      ☐ Friend / Relative
      ☐ Migrant (own his/her own)
      ☐ Money Changer
      ☐ Others: Please Specify: ..........
   d. Whom do you normally send the money to? (only one answer)
      ☐ Parents
      ☐ Children
      ☐ Spouse
      ☐ Siblings
      ☐ Others (Please state: .................)
   e. In your knowledge, how has the money has been used in the last five years or less? (multiple answers)
      ☐ Household consumption
      ☐ Building new / renovating house
      ☐ Repaying debts
      ☐ For children’s education
      ☐ For Saving
      ☐ Others (please specify: .........................................................)

39  Do you own any land buildings, house, business or vehicles? (tick the appropriate box)

<table>
<thead>
<tr>
<th></th>
<th>In Malaysia</th>
<th>In Indonesia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Car</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motorcycle</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Have you done any of the following since arriving in Malaysia?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bought a land back home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bought / Build/Renovated a house back home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Able to educate my family members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Able to send money back home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Able to pay my loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Able to borrow money to the others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Able to save for future</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A pilgrimage (Haj)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Section II: Mobility Patterns

41 How many times have you travelled to Malaysia to work/live? ........................................

42 If this is not your first time, provide details of your last three trips to Malaysia

<table>
<thead>
<tr>
<th>Year of Entry to Malaysia</th>
<th>Year of Exit</th>
<th>Reason</th>
<th>Duration of Stay in Indonesia</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

43 During your last trip, did you go alone or were you accompanied?

☐ Went alone
☐ Accompanied (who did you go with: ........................................)

44 When you returned from Indonesia in your last trip did you come back alone or accompanied?

☐ Came back alone (Go to next question)
☐ Accompanied (who did you come back with: ........................................)

45 When is your next trip planned to Indonesia?

☐ In less than 3 months
☐ 3 months - but less than 6 months
☐ 6 months- but less than a year
☐ One year - but less than 2 years
☐ 2 years or more
☐ No plans yet

46 Please provide details of the problems you face/faced in visiting your home country, if there are any:
........................................................................................................................................................................
........................................................................................................................................................................

Section I: Human Capital Development

47 Did you do any courses in Malaysia?

☐ Yes (what course: .......................... when: ......................... paid by: employer / self/ others )
☐ No

48 Tick the languages spoken in Malaysia in which you can communicate

<table>
<thead>
<tr>
<th>Ability to Communicate</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Well</td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td></td>
</tr>
<tr>
<td>Nil</td>
<td></td>
</tr>
</tbody>
</table>

Bahasa Malaysia
English
Chinese Languages
Tamil
49 Did you receive any on-the-job training in Malaysia?
   ☐ Yes  ☐ No (go to next question)
   a. Did that help you improve your job or your earnings?
      ☐ Yes  ☐ No

50 Do you think, the skills you have learned in Malaysia will be useful for you, if you returned to Indonesia?
   ☐ Yes  ☐ Maybe  ☐ No

Section J: Future Intention

51 Are you planning to stay in Malaysia permanently?
   ☐ Yes  ☐ No  ☐ Not sure
   a. If yes, what is/are the reason/s? (can tick more than 1)
      ☐ I am married to a Malaysian
      ☐ I do not have any relatives at home
      ☐ Easy to find a job here / there is no job at home
      ☐ Others (Please specify: ...............)
      ☐ Not sure
      ☐ Do not know

Section K: Health

52 If you are ill, where do you and/or your family members get your treatment? (can tick more than 1)
   ☐ Government hospital / Clinics
   ☐ Private hospital / Clinics
   ☐ Traditional medicine
   ☐ Self medicine
   ☐ Others (please specify: ........................................)

53 Have you had accident/s while working in Malaysia?
   ☐ Yes (how many: ......................)
   ☐ No (go to next question)
   a. If yes, did you ever lose your job?
      ☐ Yes  ☐ No
   b. Who paid for the treatment/s? (multiple ticks are allowed)
      ☐ Self
      ☐ Employer
      ☐ Others (please specify: ........................................)

Section L: Comparison between Home and Host

54 Please answer the following questions on what you think about conditions in Malaysia and Indonesia.

<table>
<thead>
<tr>
<th>Question</th>
<th>Malaysia</th>
<th>Indonesia</th>
<th>Same</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have more friends</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have more relatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am happy to live/stay here</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Easy to find job</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better Pay</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low cost of living</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This is a better place for my family</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working here gives me more prestige</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Section M: Policies and Laws

55 Tick any of the problems you have had in the past or are currently facing?
   - Cheated by an agent
   - Problems with the police
   - Problems with immigration
   - Has been deported
   - Detained / imprisoned

56 If you ticked any of the above please, provide the nature of the problem and what you did to overcome the problem.
   ........................................................................................................................................................................
   ........................................................................................................................................................................

57 Are you aware of Malaysian laws governing immigration issues? Provide details.
   ........................................................................................................................................................................
   ........................................................................................................................................................................

58 Are you aware of Malaysian Amnesty/regularisation programmes, such as Ops Nyah, Ops Dandan? Have you used any of the programmes to get yourself regularised? Please provide some details.
   ........................................................................................................................................................................
   ........................................................................................................................................................................

59 Please list any problems you face in Malaysia and what sort of assistance you think you might need.
   ........................................................................................................................................................................
   ........................................................................................................................................................................

60 What sort of assistance do you think you need from the Indonesian government?
   ........................................................................................................................................................................
   ........................................................................................................................................................................

We are really grateful for your contributions in the study.
Thank you for taking time to talk to us!!
Appendix 7: Number of Crimes Committed by Foreigners, 1992-2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Indonesians</th>
<th>Filipinos</th>
<th>Others</th>
<th>Total Crimes Committed by Foreigners</th>
<th>% of Crimes Committed by Indonesians from Total crimes committed by Foreigners</th>
<th>% of Crimes Committed by Foreigners</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>710</td>
<td>618</td>
<td>5</td>
<td>1333</td>
<td>53.3</td>
<td>1.8</td>
</tr>
<tr>
<td>1993</td>
<td>848</td>
<td>875</td>
<td>23</td>
<td>1746</td>
<td>48.6</td>
<td>2.2</td>
</tr>
<tr>
<td>1994</td>
<td>472</td>
<td>274</td>
<td>11</td>
<td>757</td>
<td>62.4</td>
<td>1</td>
</tr>
<tr>
<td>1995</td>
<td>932</td>
<td>1165</td>
<td>74</td>
<td>2171</td>
<td>42.9</td>
<td>2.7</td>
</tr>
<tr>
<td>1996</td>
<td>1066</td>
<td>922</td>
<td>31</td>
<td>2019</td>
<td>52.8</td>
<td>2.3</td>
</tr>
<tr>
<td>1997</td>
<td>752</td>
<td>802</td>
<td>45</td>
<td>1599</td>
<td>47.0</td>
<td>1.3</td>
</tr>
<tr>
<td>1998</td>
<td>1326</td>
<td>897</td>
<td>162</td>
<td>2385</td>
<td>55.6</td>
<td>1.5</td>
</tr>
<tr>
<td>1999</td>
<td>2378</td>
<td>1354</td>
<td>238</td>
<td>3970</td>
<td>59.9</td>
<td>2.3</td>
</tr>
<tr>
<td>2000</td>
<td>2219</td>
<td>1011</td>
<td>258</td>
<td>3488</td>
<td>63.6</td>
<td>2.1</td>
</tr>
<tr>
<td>2001</td>
<td>2169</td>
<td>814</td>
<td>381</td>
<td>3364</td>
<td>64.5</td>
<td>2.1</td>
</tr>
<tr>
<td>2002</td>
<td>2066</td>
<td>686</td>
<td>361</td>
<td>3113</td>
<td>66.4</td>
<td>2.1</td>
</tr>
<tr>
<td>2003</td>
<td>3211</td>
<td>700</td>
<td>284</td>
<td>4195</td>
<td>76.5</td>
<td>1.8</td>
</tr>
<tr>
<td>2004</td>
<td>2192</td>
<td>762</td>
<td>537</td>
<td>3491</td>
<td>62.8</td>
<td>2.2</td>
</tr>
<tr>
<td>2005</td>
<td>1947</td>
<td>718</td>
<td>443</td>
<td>3108</td>
<td>62.6</td>
<td>2</td>
</tr>
<tr>
<td>2006</td>
<td>2122</td>
<td>922</td>
<td>451</td>
<td>3495</td>
<td>60.7</td>
<td>1.9</td>
</tr>
<tr>
<td>2007</td>
<td>1984</td>
<td>1069</td>
<td>590</td>
<td>3643</td>
<td>54.5</td>
<td>1.7</td>
</tr>
<tr>
<td>2008</td>
<td>2235</td>
<td>1816</td>
<td>831</td>
<td>4882</td>
<td>45.8</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Source: Unpublished Data, The Royal Policy Department of Malaysia
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