

Transforming the care economy through impact investing case study:

Fair Employment Foundation



The Care Economy
Knowledge Hub

the-care-economy-knowledge-hub.org



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FOREWORD

Vital for our society to function, the care economy – domestic work and caring for children, elderly people, and people with disabilities – as it is now, operates as one of the most pervasive structural barriers to women’s economic autonomy and gender equality.

Across the world care work is mostly done by women and girls, who perform three-quarters of unpaid care work. Representing more than 11 percent of total global employment, paid care work is also a significant source of employment, particularly for women. However, these jobs are poorly paid, in positions that fall outside of formal employment structures, and insecure due to ingrained gender and racial biases and the work’s perceived value. The precariousness of paid care work and the unequal distribution of unpaid care work restricts women’s time and mobility, as well as their equal participation in social, economic, and political life. And this dynamic is unlikely to change without collective action. The climate crisis is increasing the demand for care and domestic work globally, while the COVID-19 pandemic generated a [care crisis](#) that exacerbated pre-existing gender inequalities.

Both formal structures and informal structures (norms) hold care economy inequalities in place. Gendered norms also shape national policies on how care work is recognized and valued, and how the responsibilities between families, governments, and the private sector are distributed.

While public investment and policies must be at the core of the solution, a renewed role for the private sector is crucial. Announced as a [commitment at the Generation Equality Forum](#), in 2021 Canada’s International Development Research Centre (IDRC) and the Open Society Foundation’s impact investment arm, the Soros Economic Development Fund (SEDF), launched an [action-oriented research initiative to help Transform the Care Economy through Impact Investing](#) (TCEII). Through this partnership, IDRC continues to build on its commitment to transform the care economy and mobilize finance for gender equality.



Erin Tansey



Catherine Cax



Since its launch, a global consortium of partners has built an [extensive knowledge and evidence base](#) to mobilize capital and impact investment to address the care economy's challenges in emerging markets. The program is now launching a collection of 20 case studies on care economy social innovations and impactful businesses, which complements 59 business profiles and mapping of 165 market-based solutions operating in emerging markets in Latin America, Africa, and Asia. The [TCEI program](#) also involves care-economy businesses incubation and acceleration, research on regulatory frameworks and policies, awareness raising, and industry policy dialogues.

As we witness growing momentum and understanding of the urgency of addressing the care crisis, we hope these case studies on pioneering companies will help advance concrete strategies to move from awareness to action. These case studies help to demonstrate viable and impactful business models, ranging from building social security infrastructure to labor-saving products and services. They offer a unique and nuanced understanding of the businesses' theories of change and impact journeys. The case studies also help to share the lessons these innovators have learned on their pathways to scale, and it is our hope that they will attract more capital into the care economy for deepened impact.

We invite you to read this collection of case studies and engage with them, and the other resources and tools developed by the TCEI program, to mobilize investment into the care economy.

Together we can advance [towards a care society](#) where social innovation, entrepreneurship, and investment can be part of the solution for economic justice globally.

Erin Tansey

Sustainable and Inclusive Economies
Director
International Development Research
Council

Catherine Cax

Managing Director, Investments
Soros Economic Development Fund

INTRODUCTION

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia, and Latin America, women spend between 3 to 5 times as many hours on unpaid care and domestic work as men. This represents 80% of a household's total hours devoted to unpaid care work.

Care economy enterprises can help recognize, redistribute, reduce, and reward - also known as the 4 Rs - unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.



Reward: Products, services, and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

The Care Economy Knowledge Hub - the research pillar of the Transforming the Care Economy Through Impact Investing Program - aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities.

A curated set of 20 business case studies, of which this case study is one, has been researched and written between October 2021 and January 2024. The case study businesses were selected out of a set of 165 businesses that were mapped between October 2021 and August 2022, and then a further 59 that were profiled between September 2022 and May 2023. They present a wide variety of different ways in which care work can be recognized, rewarded, reduced, and redistributed, from different sectors and different geographies, from different stages of the growth journey and different business models, from different products and services and different impact pathways. Each case study was

written based on extensive desk-based research, including a literature review; a review of key business documents; a series of deep conversations with founders, CEOs, and key staff; and impact-focused qualitative research with 8 - 15 consumers of business products and services.

Each case study starts with a 1-page executive summary that provides “at a glance” information on the business and Section 1 provides an introduction. Section 2 describes the ecosystem within which the business operates. The business deep dive can be found in Section 3. Section 4 presents an impact deep-dive, including customers’ own experiences of the care economy solution, and a unique set of qualitative impact data. Section 5 outlines the business’s future plans in their look forward.

Shifting attention towards and investment in the care economy is one of the single most important actions that policy makers, investors, and community leaders can take to achieve gender, racial, and climate justice. We hope that these case studies contribute to the much-needed transformation in our economic and social systems.

**Rebecca Calder**

Principal Investigator, Transforming the Care Economy Through Impact Investing
Co-Founder and Co-CEO, Kore Global

This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they are jointly supporting this action research program to help transform the care economy through impact focused business and investment. This case study is a joint research product, developed by a consortium led by Kore Global, including Intellectap, Core Woman, Busara, Sagana, and Volta Capital. Copy editing and graphic design were done by Big Blue Communications.

This particular case study should be cited as follows:

Intellectap, Busara Center for Behavioral Economics, Kore Global. (2024). *Transforming the care economy through impact investing: Fair Employment Foundation case study*. Kore Global, International Development Research Centre, and Soros Economic Development Fund

1 - EXECUTIVE SUMMARY

Fair Employment Foundation (FEF) is the parent organization for an integrated set of market solutions to prevent forced labor among migrant domestic workers across Asia by addressing deficiencies in the recruitment system. The migration process is complex, with different actors and touch points throughout training, recruitment, and placement, making migrant workers vulnerable to exploitation. FEF and its subsidiary entities, collectively known as “Fair”, engage with and influence multiple levers in multiple geographies from the sending countries (Philippines and Indonesia) to the receiving countries (Hong Kong, Singapore, and Malaysia) to drive change in the recruitment industry. Established in 2014, Fair comprises a Hong Kong-based social enterprise recruitment agency for domestic workers (Fair Employment Agency Limited – henceforth FEA); a Philippines-based non-profit and government-accredited training center that provides job and life skills training for Filipino workers (Fair Employment Training and Assessment Center Inc. – henceforth FTC); and Honest Jobs, an impact investment entity for accelerating the growth of mission-aligned enterprises in the region.

This case study focuses on FEA and FTC. Both operate independently but share the same mission of making migrant worker recruitment ethical by eliminating worker debt often accrued by the workers during their training and recruitment. Understanding both entities' work is essential to learning about solutions that can eliminate forced labor. FEA has enabled the safe and debt-free placement of 8,324 migrant domestic workers in Hong Kong since 2014, and FTC has trained 979 domestic workers since 2016. For both entities, the majority of workers are women. FEA revenue was US\$913,313 in 2022. It is looking for US\$200,000 in grants in 2024 to cover management overhead and invest in marketing, sales capacity, and expanding work with Indonesian workers in Hong Kong. FTC has an annual operating budget of US\$220,000 for its domestic worker training program.¹ It seeks to fundraise an additional US\$40,000 in grants to set up a new life skills training program to reach other vulnerable workers in adjacent sectors.






FEA and FTC at a glance at a glance

Established	FEA (2014), FTC (2016)
Country of operations	Hong Kong and the Philippines
Offerings	FEA: Debt-free job placement for domestic workers and responsible matching and high-quality client care for employers in Hong Kong. FTC: Government-accredited training for domestic workers; life skills training for migrant workers.
Reach	FEA: 8,324 domestic workers placed into jobs debt-free since inception. FTC: 979 domestic workers trained and assessed; 997 migrant workers trained in life skills for successful overseas employment; 60 master trainers trained (train the trainer program).
Staff	30 full-time staff
Revenue	FEA generated approximately US\$913,313 in 2022 from sales revenues. US\$615,000 was raised in grants for all Fair entities, of which US\$208,000 was for FTC and US\$115,000 for FEA (2023).
External Funds to date	US\$4.9 million
Leadership	Vivian Gee, Chief Executive Officer
Contact for partnerships	vivian@fairgroup.org
Website	www.fairgroup.org , www.fairagency.org , www.fairtraining.org

2 - ECOSYSTEM

2.1 Philippines: statistical snapshot

 <p>Demographic information</p>	<p>Total population (World Bank, 2022): 115 million</p> <p>Female population (World Bank, 2022): 49.2% of the total population i.e. 56 million</p> <p>Urban & rural population (World Bank, 2022): Urban (48%) Rural (52%)</p> <p>Population in different age segments (% of total population) (Statista, 2021):</p> <ul style="list-style-type: none"> • 0–14 years: (31%) • 15–64 years: (64%) • 65 and above: (5%)
 <p>Unpaid care work</p>	<p>Proportion of daily time spent on unpaid domestic care work (Oxfam, 2021):</p> <ul style="list-style-type: none"> • Women and girls spend 11 hours on unpaid care and domestic work, 3–4 times what men spend.
 <p>Social & economic</p>	<p>Literacy level (Global Gender Gap Report, 2021):</p> <ul style="list-style-type: none"> • Women (98.2%) Men (98.1%) <p>Poverty (World Bank, 2021):</p> <ul style="list-style-type: none"> • 18.1% of the total population in the Philippines lived in extreme poverty less than (US\$2.15 a day). This translates to 19.9 million poor people. <p>Migration:</p> <ul style="list-style-type: none"> • There are 6 million Filipino overseas workers, the highest number of emigrants in Southeast Asia and the ninth highest globally. Almost half of the migrants of Southeast Asian origin (11.7 million) are women. (IOM, 2020). Remittances as a percentage of GDP for the Philippines was 9.31%. (Global Economy, 2021). <p>Forced labor (ILO, 2022):</p> <ul style="list-style-type: none"> • The Asia-Pacific area has the most forced laborers, at 15.1 million. <p>Gender-based violence (PNDHS, 2017):</p> <ul style="list-style-type: none"> • 17% of women have ever experienced physical violence, 5% have experienced sexual violence, and 1 in 4 women ever-married have experienced spousal violence since age 15.



Women's work,
labor, and
entrepreneurship

Labor force participation (% of the total labor force) ([World Bank](#), 2021):

- Total: 56.5%
- Women: 44.0% | Men: 68.8%

Unemployment ([World Bank](#), 2021):

- Total: 3.8%
- Women: 3.8% | Men: 3.1%

Women entrepreneurship

- Licensed SME ownership ([Investing In Women](#), 2022): Women: 60%
- Senior management roles held by women ([P&A Grant Thornton](#), 2022): 39%
- Firms with women-majority ownership, % firms ([Global Gender Gap Report](#), 2022): 29.90%

Gender gap index score ([Global Gender Gap Report](#), 2022):

- Total: 0.783 (0=unequal, 1=equal)

Financial inclusion ([Financial Inclusion Survey](#), 2019):

- Women aged 15+ with a bank account: 32.9%

2.2 Context analysis²

Macro context in the Philippines

In 2021, the total population of the Philippines was 114 million.³ The female labor force participation in the Philippines, at only 44%, is the lowest among all Southeast Asian countries (compared to 70% in Vietnam and 52% in Indonesia).⁴ Thirty-eight percent of all workers in the labor force are in vulnerable forms of employment, with no formal work arrangements or access to social protection.⁵

Since the 1980s, there has been a large-scale exodus of Filipino women due to globalization, lack of local economic opportunities, and demographic shifts.⁶ Domestic workers from the Philippines, Indonesia, and Thailand often migrate to high-income countries, such as Hong Kong and Singapore, in search of economic opportunities for themselves and their families. As of 2020, out of 6 million Filipino emigrants, over 1.71 million were contract workers working overseas, and 59.6% were women.⁷ There are 116,467 female Filipino domestic workers in Hong Kong.⁸

Care economy context

The migrant recruitment system exposes female domestic workers to forced labor,⁹ trafficking, and debt bondage. In 2016,

about 24.9 million people were affected by forced labor globally, more than half (16 million) of which were in the private economy (imposed by private individuals, groups, or companies in all sectors except

the commercial sex industry).¹⁰ Privately imposed forced labor affects more women than men: 9.2 million (57.6%) women compared to 6.8 million (42.4% men).¹¹ The scale of forced labor among international migrant domestic workers is severe. Domestic workers are the most vulnerable of all adult workers: 24% of adult workers who experience forced labor are domestic workers.¹² ¹³ A study conducted with migrant female domestic workers in Southeast Asia showed that 77% of workers had experienced forced labor.¹⁴

Recruitment practices at each stage of migration (pre-migration, recruitment, and return) make female domestic workers more vulnerable to forced labor. Before migrating, an aspirant migrant domestic worker connects to a sub-recruiter who links the worker to an employment agency for a fee. Typically, the worker cannot afford this fee and is forced to borrow in order to pay the agency. The job that the worker gets through this process is often not vetted or matched by the employment agency to ensure the right fit for the worker and the employer. Employment agencies collude with private training agencies to get paperwork for the migrant worker certifying skills, even if the skill training is of substandard quality. Many workers agree to contracts that they do not understand. Debt-led recruitment is rampant among female domestic workers. In an Indonesian study, 91% of the sample reported going into debt at the time of recruitment.¹⁵ Workers often pay US\$1,400–2,000 to these employment agencies, and as they do not have money

to pay the fees, domestic workers take loans at 40–50% interest annually from moneylenders who have partnerships with employment agencies, resulting in debt bondage and forced labor. Domestic workers may also experience other forms of exploitation, including excessive overtime, poor living conditions, withholding of wages, confiscation of identity documents, threats of dismissal, threats of denunciation to authorities, and, in the worst cases, physical or sexual violence.¹⁶ Thirty-one percent of domestic workers report that they cannot advocate for fair treatment, even if there is abuse.¹⁷

Recently, countries have begun enacting laws to protect migrant domestic workers. The Philippines has regulations to protect migrant workers from high recruitment charges, including a ban on charging placement fees to the workers. In January 2017, the Labor Department in the Philippines introduced the Code of Practices to regulate employment agencies, outlining key legal rules, such as preventing excessive charges, requiring fair practices, complying with immigration laws, and not withholding job seekers' items such as passports and bank cards. In Hong Kong, migrant domestic workers are covered under the same protection as other workers, including minimum wages, annual leave, rest days, sick time, and termination payments.¹⁸ While these measures have a significant impact, they have yet to eliminate forced labor.

Market opportunity

In high-income countries such as Hong Kong, there is a high demand for migrant

domestic workers due to population aging and the high cost of local labor.¹⁹ In 2018, approximately 15% of households in Hong Kong employed a migrant domestic worker. Hong Kong residents aged 65 or older will increase from 1.48 million in 2021 (20% of total population) to over 2.37 million by 2036 (31% of total population).²⁰ According to the Labor Department of Hong Kong, of the 460,000 migrant domestic workers needed by 2030, 180,000 will be for elderly care.²¹

The Hong Kong government has established procedures for foreign workers, making it easier for employers to hire workers as long as employers fulfill the conditions set in the labor contract.²² Hong Kong has seen an increase in the number of recruitment agencies that cater to this increased demand for caregiving services. The number of employment

agencies has increased from around 2,365 in 2014 (42% providing services for migrant domestic workers) to 3,309 at the end of 2021 (with 46% providing migrant domestic worker services).²³ At the same time, there is a high demand for migrant workers from other advanced economies across Asia, including Singapore, Taiwan, South Korea, Japan, and Malaysia.

With the recent government regulations and increased awareness about workers' rights, there is increased demand for recruitment agencies that offer fair and transparent recruitment. Employers are increasingly demanding (and willing to pay for) quality recruitment agencies that understand their family's specific needs and match workers accordingly. Ethical recruitment agencies, such as FEA, offer market solutions to facilitate the safe and transparent migration of domestic workers.



Domestic workers are much more vulnerable to forced labor conditions for several reasons. The majority of domestic workers are women, and women are more likely to get into debt than men in order to secure employment. Also, domestic workers work in private households, away from the public eye. Situations of abuse are under-reported. It's not like you have a powerful brand that is exerting pressure across the corporate supply chain in order to uphold human rights. Domestic work within private households is by nature a fragmented space. We are dealing with individual employers.

Vivian Gee, CEO, Fair Employment Foundation



3 - BUSINESS DEEP DIVE

3.1 Business headline

FTC is a non-profit, government-accredited training center in the Philippines that provides pre-migration training to domestic workers. The training curriculum, which includes cooking, cleaning, and appliance usage, is based on specifications set by the Technical Education and Skills Development Authority (TESDA), which manages and supervises technical education and skills development in the Philippines. FTC conducts National Certificate II (NCII) training for domestic workers who want to work overseas. Additionally, FTC provides life skills training that covers topics such as adjusting abroad (culture and lifestyle education, dealing with homesickness, managing family and relationships back home), financial education, rights education, and professionalism (communication skills, handling difficult situations, presentation, and attitude).

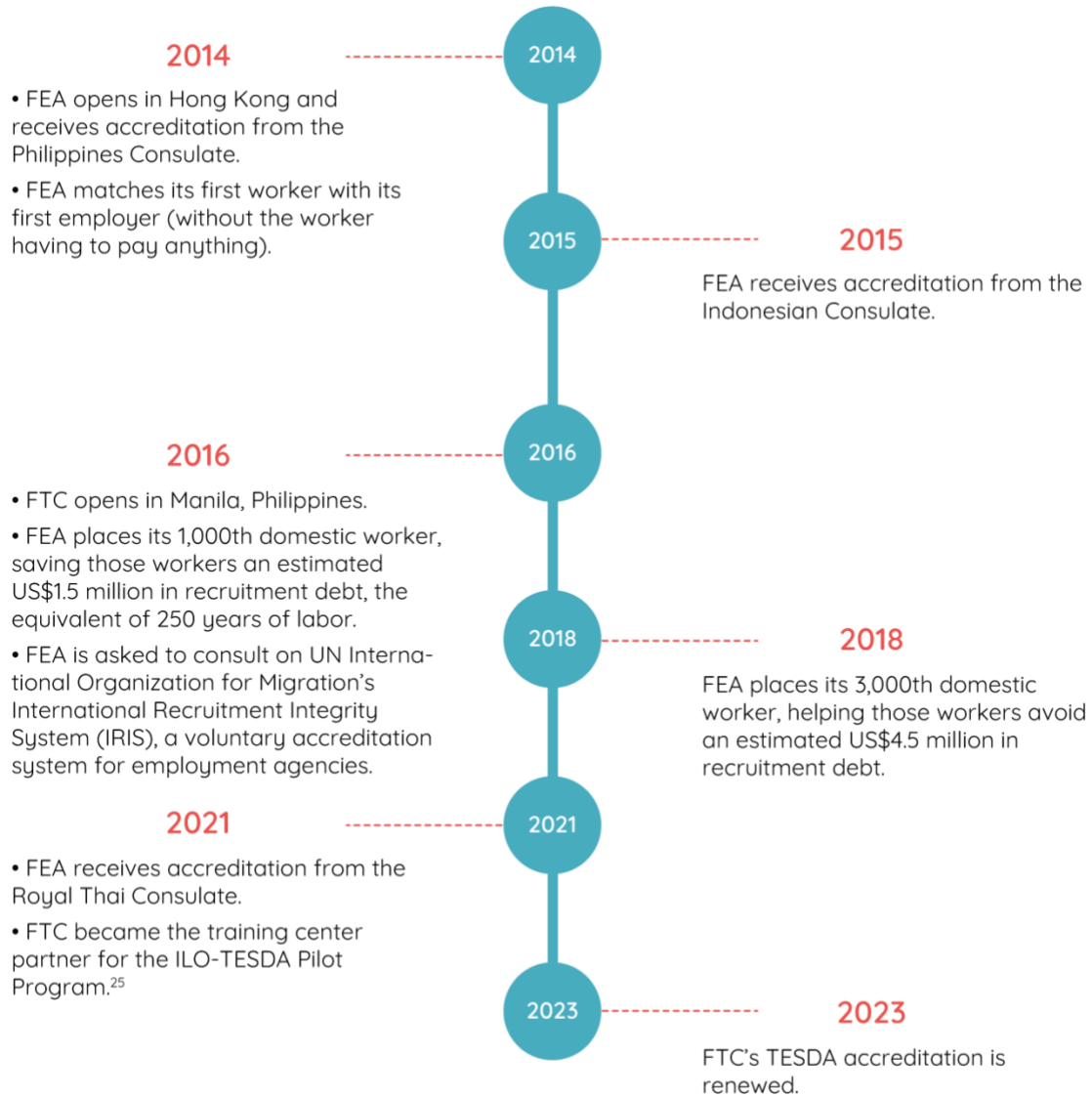
Fair Employment Agency (FEA) is a non-profit, ethical recruitment agency in Hong Kong that provides employment opportunities to migrant domestic workers from the Philippines, Thailand, and Indonesia. FEA offers various services to employers (private households), including matching and vetting domestic workers, visa processing and other paperwork, and contracting services. At FEA, the cost of hiring and workers' immigration is fully borne by the employers and not the workers, a rare feature in the migrant recruitment industry. FEA offers several packages customized to employers' needs. Households can identify workers independently and involve FEA in undertaking immigration paperwork, or households can use FEA to perform all services, including identification of workers. FEA provides fair and transparent pricing for employers, with no hidden costs. FEA ensures that all the placements adhere to guidelines set by the Immigration Department related to employment of foreign domestic workers. First-time Filipino workers must undergo training in the Philippines before they migrate, and FEA recommends that they go through FTC to fulfill this requirement. FEA also facilitates the placement of domestic workers who have worked in Hong Kong for years with necessary certification from the Philippines and may not be required to undergo additional training.

FEA's competitive advantage is that it is the only licensed ethical recruitment agency in Hong Kong to work with Indonesian workers. Indonesian workers represent almost 50% of migrant domestic workers in Hong Kong and are the preferred eldercare service providers, as they undergo mandatory language training before leaving Indonesia and are therefore more likely than their Filipino counterparts to speak Cantonese. FEA is among the few ethical recruitment agencies offering full-service placement of workers, providing a wider range of services to employers than ethical counterparts. FEA is listed among the top 10 agencies in Hong Kong for Filipino domestic workers. As per internal measurement, 90% of employers would recommend FEA to a friend, and 95% of workers report job satisfaction. FEA also

makes a bigger impact in the space in addressing the debt issue among workers as it works with first-time workers, who are most vulnerable to financial exploitation.

FTC is one of the few accredited NCII training centers in the Philippines in which workers receive high-quality job training at no cost. In addition, FTC provides life skills training to ensure that workers succeed in their lives abroad. Domestic workers trained at the FTC have lower termination rates (an internal study shows that FTC termination rates are less than 15% compared to the 30-40% in the industry). FTC's pre-migration training program is deemed the gold standard by the International Labor Organization (ILO),²⁴ boosting the training center's reputation and unlocking more partnerships. FTC provided technical assistance and contributed to revising the government training regulations in the Philippines. Based on recent successful pilots, FTC intends to expand its life skills training to other industries that deploy vulnerable migrant workers, including seafaring, fishing, and factory work.

FEA and FTC's journey²⁵



3.2 Founder story

Founder of FEA



Tammy Baltz, Founder & Director, FEA

FEA was co-founded by Tammy Baltz in Hong Kong in 2014, along with 2 other co-founders, David Bishop and Scott Stiles, who have since moved on to pursue other opportunities. Prior to founding FEA, Tammy worked as a certified public accountant at PricewaterhouseCoopers and as a Systems Application and Products consultant in the US, Europe, and Asia. Tammy was also actively involved as a volunteer in Hong Kong with an organization supporting domestic workers through legal aid. During her time in Hong Kong, Tammy learned about forced labor issues and the role of recruitment fees in debt bondage among domestic workers. Tammy observed that many organizations and NGOs provided crisis intervention and financial literacy, but did not address the root of the issue: workers were being exploited upstream during recruitment. Tammy and her other co-founders shared a vision to address the issue through a market-based solution that would be more sustainable. The solution was FEA, a recruitment agency providing fair and transparent hiring services to employers and workers.



By 2016, as we worked through the agency, we learned that workers were not fully equipped to handle the work and new environment. They often did not know what to expect and would quit their jobs or be terminated by the employer prematurely because of poor training and mismatched expectations. It soon became clear that we should intervene pre-departure, helping prepare workers for their jobs and life overseas from the home country.

Vivian Gee, CEO, Fair Employment Foundation



As the FEA team began work with migrant domestic workers, it became clear that workers needed additional support and training before going to their host country. Tammy met Jennifer Meehan, now on Fair's Board of Directors, who at the time worked with Grameen Foundation as the Global Programs and Asia Regional CEO. Jennifer had rich experience working on microfinance with marginalized communities in Asia and could relate to the implication of recruitment fees-induced forced labor. Jennifer was instrumental in helping set up FTC in 2016. Tammy and Jennifer focused on developing a training approach that equipped workers with technical and life skills to adapt to a new place.



As we came to understand better the vulnerability of workers to forced labor conditions through our work at FEA, we noticed training fees were being charged by agencies as another way of exploiting workers. We also saw the need to specifically address the high termination rates, especially among first-time workers. Seeing the quality of training centers we had visited, we wondered if a new kind of holistic training, one that prepared migrants not just for work, but life abroad, could dramatically reduce early termination rates. The answer was a resounding yes – and that was the genesis of FTC. At FTC, like FEA, we do not charge any fees to workers.

Jennifer Meehan, Fair Board Member, and Fair Training Center Co-Founder



The issue of recruitment fees was widespread among migrant workers across Southeast Asia. Tammy and the team attempted to create a sending country ethical recruitment agency in the Philippines but realized quickly that local enterprises were better situated to address the problem, given their connections and understanding of the local business environment. Honest Jobs, an impact investment agency, was created by Fair Employment Foundation in order to invest in these local enterprises. Through Honest Jobs, Fair was able to replicate its ethical recruitment model by investing in, mentoring, and providing hands-on advisory support to mission-aligned companies in other countries. In 2021, Joanne Oswin, current Fair Board Member and retired Chief Operating Officer for PwC China, helped support the launch of Honest Job, which has since invested in 2 licensed ethical recruitment agencies, Pinkcollar in Malaysia and Goodhire in Singapore. Vivian Gee, the CEO of Fair Employment Foundation, explains how Honest Jobs is helping to create a stronger ethical ecosystem that is achieving market impact.



Through Honest Jobs, Fair is customizing individual market strategies to the local context by investing in local, mission-aligned recruitment actors. Creating a constellation of like-minded ethical players across the region is critical to driving overall market change in the long-run.

Vivian Gee, CEO, Fair Employment Foundation



3.3 Business model

	FEA	FTC
 Customer segment	<p>FEA’s customer segments include:</p> <p>Employer households: in Hong Kong looking to employ migrant domestic workers for household support and family care needs, including childcare and eldercare.</p> <p>Filipino, Thai, and Indonesian migrant domestic workers looking to work in Hong Kong or looking to continue work in Hong Kong. These workers are either relocating from the sending country or are already in Hong Kong on an existing contract. Ninety-five percent of the migrant domestic workers are Filipino, and the remaining are of Indonesian and Thai origin.</p>	<p>FTC’s customer segments include:</p> <p>Migrant domestic workers in the Philippines who need to be accredited in NCII domestic worker training before leaving the country for overseas employment.</p> <p>Migrant workers placed by other employment agencies or working at other companies who could benefit from life skills training to ensure successful overseas employment.</p>



Value proposition

The value proposition is its ethical recruitment process that ensures employers receive workers aligned to their needs, increasing employer-satisfaction, job satisfaction and job retention for the workers. FEA facilitates a variety of recruitment services customized to employers' needs.

1. Full placement service: FEA finds a worker based on specific requirements of an employer. Services include vetting and matching of workers, documentation preparation and processing, and post-deployment client care services for the duration of the employment relationship (up to 2 years).




2. Direct hire service: Direct hire is when an employer finds a worker by themselves (either workers based in Hong Kong or overseas) and only requires FEA to process paperwork. FEA's service includes documentation preparation and processing, standard medical examination, employment contract notarization, visa support, post-deployment consultation services for 2 years, and customized guides on hiring and managing domestic workers for employers.

FEA enables Filipino, Thai, and Indonesian migrant domestic workers to obtain jobs with decent work conditions (as mandated in the Standard Employment Contract).²⁶ The entire cost of hiring and immigration is covered by the employer. The placed workers also receive post-placement support. FEA often refers first-time workers to FTC for training. About half of domestic workers trained through FTC are placed by FEA.

FTC conducts NCII domestic worker training through a curriculum accredited by the Philippines's Technical Education and Skills Development Authority (TESDA). The trained workers are assessed by TESDA and receive an Overseas Employment Certification, an essential document for immigration. FTC also includes an innovative life skills training curriculum, which includes financial literacy, professionalism, cultural adaptation, and rights education.

FTC has also successfully provided life skills training for seafarers and fishers. The life skills training is customized for migrant workers in other sectors according to their needs. FTC has also developed train-the-trainer modules to increase its impact.

 <p>Competitive advantage</p>	<p>FEA’s differentiation lies in its quality relationships with employers and workers. There are low job termination rates, and 90% of employers still employ workers sourced through the FEA a year after hiring them.</p>	<p>FTC offers training programs accredited by TESDA. The training offered by FTC has been designated Gold Standard training by the ILO, Philippines, for pre-migration training. According to an internal study, FTC has been able to reduce the termination rate of first-time domestic workers in the first 3 months of work from 30-40% to below 15%.</p>
 <p>Channels & key partnerships</p>	<p>Many of FEA’s clients - domestic workers and employers - come from recommendations and word of mouth. FEA has a website where customers can learn more about hiring packages and pricing. Fair Employment Foundation also conducts Fair Hiring and Managing Sessions at companies to raise awareness, through which employers learn about FEA.</p>	<p>Workers hear about FTC through other workers, FEA, and other partner agencies.</p>
 <p>Customer relationships</p>	<p>Placement: FEA provides timely updates and support throughout placement processing. This includes assistance with navigating processes such as documentation for the visa and mandatory insurance, picking up the worker from the airport to meet the employers, and helping with the appointment at the Hong Kong immigration agency.</p> <p>Post-Placement: FEA provides client care services to workers and employers for the duration of the employment contract (up to 2 years) and also offers contract-renewal services. FEA has a worker welfare officer who checks in with each worker every quarter.</p>	<p>FTC places trainees into cohorts during training; many develop strong bonds with each other and maintain relationships of informal accountability in cases where they go to the same host country.</p>

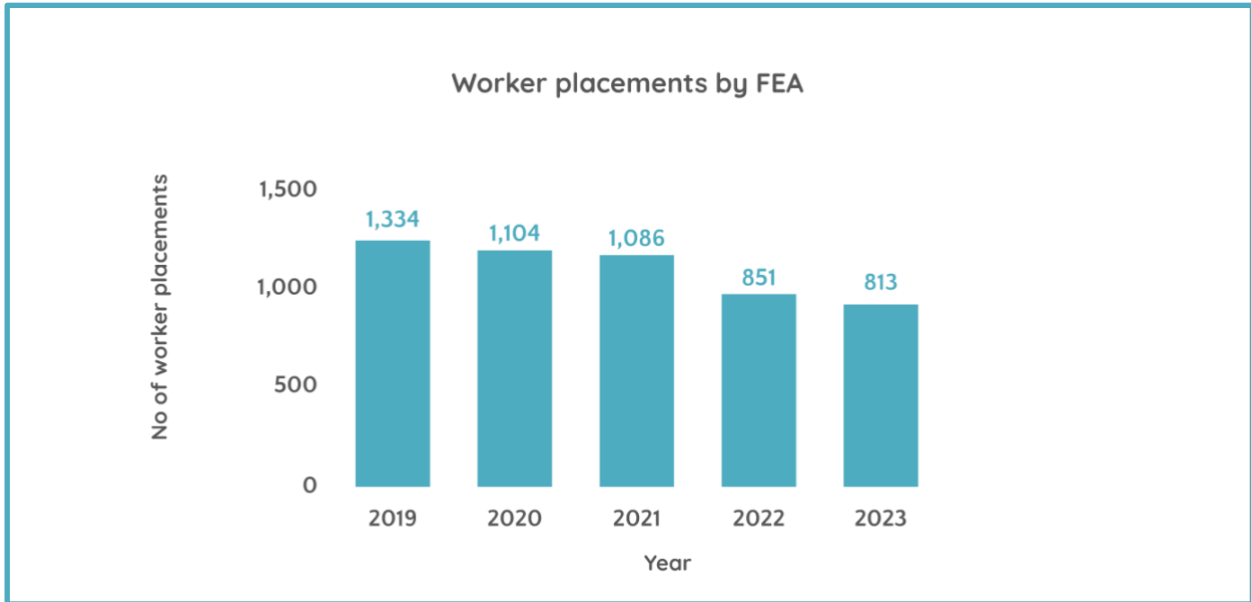
 <p>Pricing and payment methods</p>	<p>Pricing of FEA services for the employers: FEA follows an employer-pays model, by which workers are not charged, and employers bear the full cost of recruitment. Compared to other agencies, FEA is slightly above the average market pricing. Unlike many agencies that do not reveal their pricing details upfront and have hidden costs, FEA has a transparent pricing package.</p>	<p>FTC: FTC’s training services are made available to migrant domestic workers free of charge. Trainees, however, have to pay the assessment fees. During in-person training, FTC also provides dormitory accommodations on a first-come, first-serve basis, prioritizing workers outside Metro Manila.</p>
 <p>Revenue streams</p>	<p>Eighty percent of FEA’s revenue is from business operations. The remaining 20% is through grant support.</p>	<p>FTC is a non-profit training center. It is entirely grant funded.</p>
 <p>Cost structure</p>	<p>The majority of the cost is personnel cost and the direct cost of processing worker placements (both fixed and variable costs).</p>	<p>Most of the cost is personnel and training facility costs (fixed costs).</p>

3.4 FEA’s and FTC’s growth story

FEA was established in 2014 and broke even in 2018. It is currently 80% self-sustaining (as of late 2023). FEA’s financial goal is to become 100% self-sustaining by 2026. FTC is grant funded and intends to reduce dependence on donor funding through establishment of a new income-generating entity in 2024.

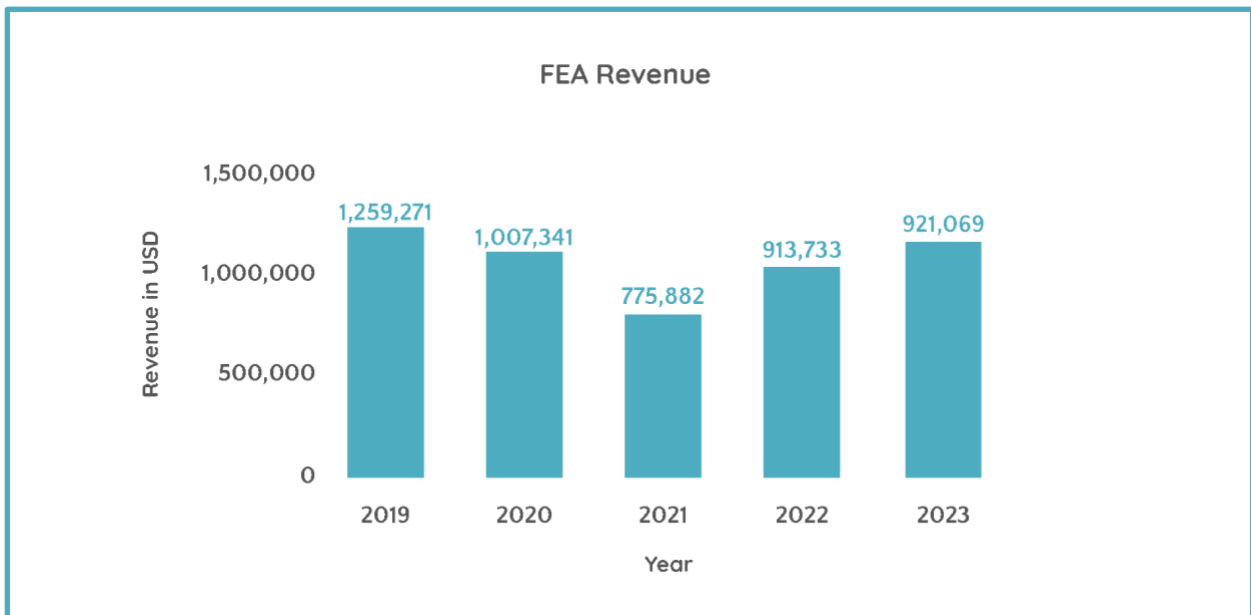
3.4.1 FEA’s worker placement:

FEA has placed 8,324 migrant domestic workers since its inception. The entity faced market disruptions due to incidents, such as the social unrest in Hong Kong in 2019 and the COVID-19 pandemic from 2020 to 2022. FEA’s operations have stabilized in 2023.



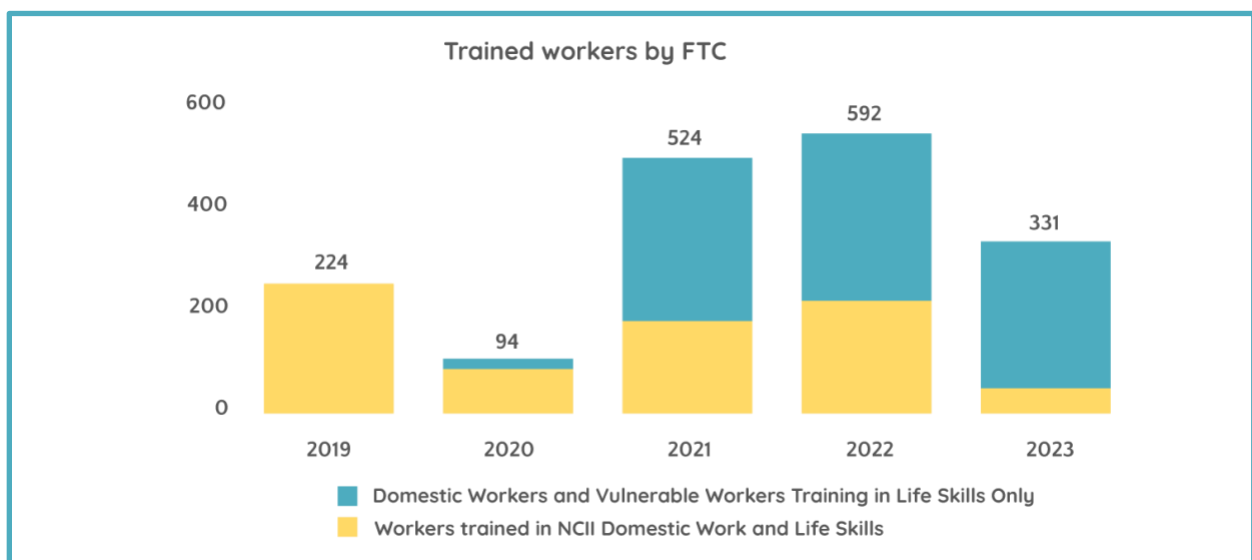
3.4.2 FEA's earned revenue:

FEA's revenue increased steadily from its inception in 2014 until 2019. While the entity faced challenges in 2020 and 2021 due to COVID-19 and extended lockdown in Hong Kong, it stabilized revenue in 2022 and 2023. FEA increased pricing in 2022.



3.4.3 FTC customer growth:

FTC has been steadily increasing the number of domestic workers trained in NCII and life skills training over the years, except in 2020 during COVID-19. In 2021, FTC introduced online training that increased the number of workers trained in life skills and NCII (National Certificate II). Recent partnerships with Philippines Transmarine Carriers and the ILO have allowed FTC to expand its impact to reach seafarers and fishers, respectively. In 2023, FTC could not conduct NCII training for 7 months due to procedural delays in the TESDA renewal process. FTC explored new opportunities and expanded life skills training programs for other vulnerable workers in adjacent industries. In 2023, FTC also trained 60 trainers to provide life skills training to fishers and 224 domestic workers from partner agencies.



3.5 People and governance

FEA and FTC are committed to gender justice and strive to achieve this not only through their service offerings but also through their people and governance structure, practices, and policies.

2X Criteria ²⁷ FEA	2X Criteria FTC
<ul style="list-style-type: none"> • 1 out of 3 (33%) founders is a woman. • 100% of senior leadership (executive level/ C-suite positions) are women. • 2 out of 4 (50%) board members are women. • 90% of full-time employees are women. 	<ul style="list-style-type: none"> • 2 out of 3 (67%) founders are women. • 50% of senior leadership (executive level/ C-suite positions) are women. • 4 out of 6 (67%) board members are women. • 90% of full-time employees are women.
<p>FTC and FEA are gender-transformative organizations.²⁸</p>	

There are nearly 30 staff and 6 volunteers and interns across Fair. FTC staff includes 2 management staff, 4 training and curriculum-focused staff, 3 center and facility-focused staff, and 1 administrative officer. FEA staff includes 4 administrative and operations officers, 1 client care officer, 4 processing team consultants, 2 management staff, 5 recruitment consultants, 1 marketing and communications officer, and 1 finance and accounting manager. FTC and FEA also receive additional resourcing support from FEF, including oversight from the CEO as well as fundraising help from the development director.

3.6 Support received to date

Facilitated by FEF, FTC, and FEA have received both financial and in-kind support from several funders in the last 5 years. Key funders include:

Financial	
Global Fund to End Modern Slavery (GFEMS)	The fund provided US\$1 million in grants to scale the recruitment services by FEA and training programs by FTC.
Macquarie Group Foundation	The foundation provided approximately US\$595,000 toward operational support for FEF, and for the entities incubated, including FTC and FEA.
Manan Trust	The trust has provided US\$460,000 for general operating support and FTC operations.
Peery Foundation	The foundation provided approximately US\$400,000 for enabling technologies and organizational scale-up.
HKEX Foundation	The foundation is providing approximately US\$115,000 for FEA recruitment operations, localization of services, and integration of a financial literacy module in the worker preparation curriculum.
Non-financial	
Individual volunteers	Individual volunteers have provided legal guidance and training support.
Companies and organizations	A few companies and organizations have donated hardware and event space.
In-kind and financial contributions	FEA has a worker boarding house that has received in-kind and financial contributions.

<p>Corporate partners</p>	<p>FTC has also received help from corporate partners in producing higher-quality training videos through its employee engagement and volunteerism program.</p>
<p>Hong Kong government</p>	<p>FEA recently upgraded its usage of Salesforce through a technology voucher program administered by the Hong Kong government.</p>

3.7 Key business drivers and challenges to growth

FEA and FTC foresee certain business drivers for its growth and have also identified challenges to growth.

<p>Key business drivers</p>	
<p>Ecosystem</p>	<p>Increased demand for eldercare workers in Hong Kong: In Hong Kong, the elderly population (aged 65 and over) is projected to increase from 20.5% in 2021 to 27.6% in 2031.²⁹ The projected increase in the elderly population signifies greater demand for elderly care services from both paid (migrant domestic workers and skilled caregivers) and unpaid (from family members). Indonesian domestic workers in particular are well-suited for eldercare, because they are more likely to pick up the language of their host country, in this case, Cantonese in Hong Kong. English (or any second language) is not widely learned in Indonesia, so Indonesian migrant workers are often forced to pick up a second language when working abroad. Working with Indonesian domestic workers to provide elderly care services is promising for FEA for 2 main reasons. First, while there are few other ethical recruitment options and support for hiring and managing migrant workers in Hong Kong, FEA to date is the only ethical recruitment agency accredited to place Indonesian domestic workers. Secondly, FEA has an opportunity to make a bigger impact by working with Indonesian domestic workers, who are more vulnerable than their Filipino counterparts in Hong Kong. A study with female migrant domestic workers showed that Indonesian respondents were significantly more likely to have experienced indicators of forced labor overall (91% versus 62% of Filipino respondents).³⁰</p> <p>Safe migration-focused legislation by the government: Laws and schemes protecting migrant workers' rights and safe migration have been instrumental in promoting market solutions by FEA. For instance, in Hong Kong, there are clear hiring policies for migrant domestic workers (the Hong Kong Employment Ordinance) and well-laid provisions on workers' wages, annual leave, rest days, sick time, and termination payments. Further, in the Philippines, the government enforced legislation banning placement charges from workers. Although workers continue to pay placement fees, growing awareness, policy enforcement, and the growth of ethical recruitment agencies working with Filipino workers, like FEA, has decreased average worker placement fees. In the future, FEA will benefit from similar reforms and enforcement</p>

	<p>from other jurisdictions or countries. In 2023, the Indonesian government announced that they would enforce the zero fees charged to workers policy. If the policy is enforced, FEA can accelerate its impact by helping more Indonesian workers.</p>
Operational	<p>Support from Fair entities offering complementary expertise: FEA and FTC work synergistically to prepare and place workers. Although FTC does not exclusively train FEA workers, many FEA first-time workers or workers requiring certification receive their training and NCII certification through the FTC. In addition, the Fair Employment Foundation raises awareness of ethical recruitment among employers, businesses, and governments, which indirectly benefits FEA.</p> <p>Shift to online training during COVID-19: FTC benefited from the digital shift during the pandemic. COVID-19 lockdowns impacted the vocational training courses traditionally held in person. When the Philippine government explored options for online training programs, FTC built and integrated online mediums and content. FTC partnered with TESDA and ILO to pilot a 12-day domestic work training program combining 10-day online and 2-day offline training modules, a shift from earlier in-person training of 28 days. Currently, FTC is working with a corporate partner to develop improved training videos. FTC has recently integrated a Learning Management System (LMS) application that works in low bandwidth settings. Workers from remote regions can access the training courses instead of traveling to Manila. By leveraging technology, FTC can scale its impact and reach more workers at a low cost.</p>

Challenges to growth	
Different policies and laws across jurisdictions	The organizations face processing time delays and bureaucratic hurdles, due to the lack of standardized labor migration regulations across sending and receiving countries. The legal framework safeguarding migrant workers in the Philippines is well-established due to its long experience sending workers overseas. On the other hand, Indonesia has yet to create and enforce clear policies and processes. Indonesia has adopted the Migrant Workers Protection Law to increase protection for migrant workers. However, this law does not cover provisions for the right to movement, the right to days off, or a maximum number of working hours.
Legal policies impeding Hong Kong as an attractive destination for migrant workers	The Hong Kong government has yet to create a new visa to allow skilled caregivers (except for Mainland Chinese caregivers) to work in Hong Kong. Paid foreign caregivers today still apply to come to Hong Kong under domestic worker visas. However, this puts skilled caregivers in the same category as household support, which has lower wages. Skilled care workers from sending countries, such as Indonesia and the Philippines, are increasingly migrating to countries such as Germany, where they receive better compensation.
Country context of different sending countries	FEA has to manage challenges associated with varying contexts in sending countries. The training needs of workers from Indonesia and the Philippines vary. Indonesian workers generally come in with lower levels of education and English language proficiency. As a result, the training period for Indonesian workers is longer (4-6 months) than that of their Filipino counterparts (18 days). A longer training period creates a challenge as employers do not want to wait 4-6 months to hire workers from Indonesia.
Financial challenges	Fair organizations face challenges in raising philanthropic funding for scaling impact and managing overhead, as there is a limited pool of funders who are interested in investing in migrant labor solutions. Funders supporting migration prioritize refugees or asylum seekers; alternatively, corporate funders, in particular, are focused on labor issues within their respective supply chains. As Fair works primarily with domestic workers employed by private employers, i.e. households, it has faced difficulty in attracting corporate funders that are keen to support initiatives within their business settings. Fair seeks to partner with more companies through the ESG (environmental, social, governance) and DEI (diversity, equity, and inclusion) lens.

4 - IMPACT DEEP DIVE

4.1 The impact theory of change of the enterprise

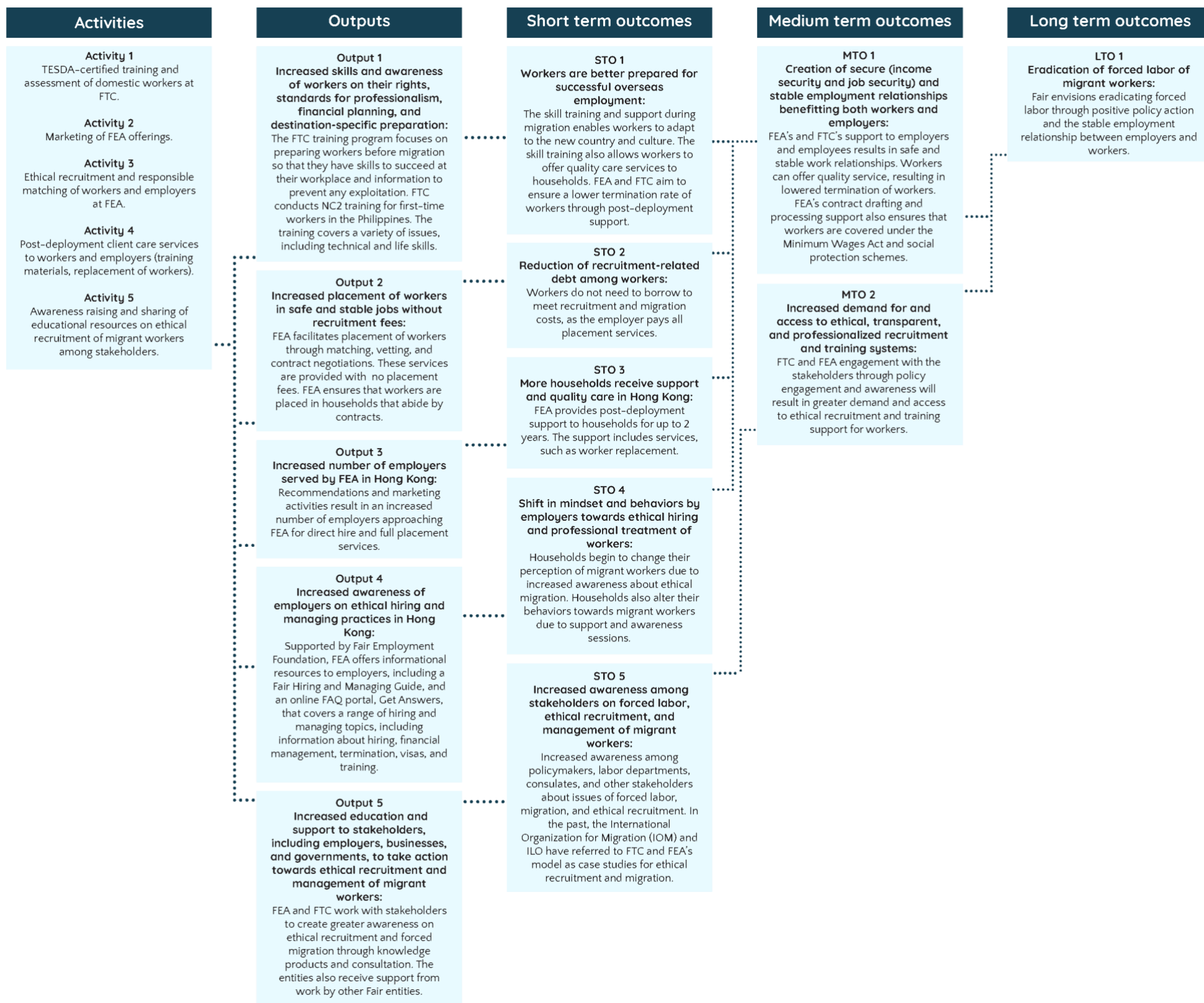
Mission statement

Fair's mission is to build market solutions to end the forced labor of migrant workers across Asia.

Theory of change

The theory of change to reward domestic workers is through the eradication of forced labor. The theory of change presented below integrates offerings by FTC and FEA.

Pathway to reward domestic workers through FEA and FTC





4.2 Current impact and measurement practices

FEA and FTC have a robust system to collect and learn from data. Each entity has internal metrics that are tracked every month.

FEA

Business Data:

FEA collects placement and retention data. FEA sends client satisfaction surveys to employers and workers 2 months after the worker's deployment. FEA also checks in with the worker quarterly through a worker welfare officer.

Impact Data:

- **Placement fees reduction:** FEA tracks the amount of placement fees saved. To do this, FEA takes the lowest historical average recruitment fee paid by a worker (US\$700) and multiplies it by the number of placements made by the agency to estimate the total amount of placement fee reduction enabled by FEA.
- **Stable employment:** At the worker's level, FEA measures the termination rates of domestic workers 3 months after the worker placement.

FTC

Business Data:

FTC collects information on the number of workers trained. FTC has recently begun to track baseline data on household poverty levels and measure progress towards financial goals set by the trainees during training.

Results to date:

- Number of domestic workers trained and certified in NCII by FTC: 979 (2016–2023)
- Number of workers placed into jobs debt-free by FEA in Hong Kong: 8,324, resulting in US\$5.83 million savings by workers who would otherwise have gone into recruitment-related debt.

Policy changes

- FTC's work through the Domestic Work pilot program led TESDA to upgrade its standard to shorten their training hours from 218 hours to 147 hours, while adding requirements around soft skills training.
- FEA has helped the Philippines Consulate to revise its employment contract standards to include worker protections for dangerous activities like window cleaning



In future, FTC would like to collect more evidence on the impact of life skills training programs. FTC intends to monetize its training services for companies and agencies employing migrant and low-skilled workers in other sectors (i.e. apart from domestic workers). The impact data will help FTC create a compelling value proposition and develop a revenue-generating product.

Challenges:

- FTC and FEA do not have a dedicated resource for impact measurement. The entities rely on publicly available information and public reports from think tanks and international organizations to gauge market or industry-level impact.
- FTC and FEA face challenges in collecting information from migrant workers as they are people on the move. It is difficult to track impact data because migrant workers change countries and jobs (and contact numbers) relatively often.

4.3 Domestic workers' own experiences of the solution

Understanding the social context, emotional needs, preferences, and barriers faced by migrant workers enrolled with FEA and FTC is key for potential investors to understand where the business excels and where it has room to grow. The following sections provide insights into the foundation of the business' market success and its impact on the lives of the migrant workers, with the aim of helping investors make informed investment decisions.

To inform this analysis, the research team conducted 8 in-depth interviews with migrant workers who use both the FEA and FTC platform to gather insights into their lived experiences and realities.³¹³² This section presents the results of the qualitative impact deep dive, starting with a snapshot of the migrant workers, followed by an examination of different types of workers or "personas" and their relocation journey working to Hong Kong. This section concludes with a qualitative overview of impact, as experienced by migrant workers in their daily lives.

4.3.1 Domestic workers' snapshot

FEA's workforce in Hong Kong consists of international migrant domestic workers from Thailand, Indonesia, and the Philippines.³³ They provide services in households, hotels, and institutions, including childcare, elderly care, care for people with disabilities, and housekeeping.³⁴

The Filipino migrant domestic workers represent a mature and experienced

workforce, sharing a common demographic profile. Their age ranges from 26–52, with an average age of 37, and only a few above 50 years old. The majority of those interviewed are married, while a few are either unmarried or divorced. Typically, they provide for 3–4 family members back in the Philippines, usually including children, spouses, and other family members, indicating significant family obligations.



About half of the workers have a senior high school degree, while over half have pursued further education, including bachelor's degrees or vocational training. They also have basic financial literacy skills necessary for managing their earnings in Hong Kong and sending remittances back to their families in the Philippines as migrant workers.

The workers' monthly income varies from HK\$3,200 to HK\$6,630 (US\$409–US\$847),³⁵³⁶ averaging HK\$ 5047 (US\$647). They typically work 24 days per month and are paid monthly. Almost all workers reported receiving their salary without delay, and the majority noted that their current earnings exceed their previous salaries in the Philippines. The average salary reported by the workers is higher than the minimum wage in Hong Kong for domestic workers which is HK\$4,730 (US\$605).³⁷ Only a small minority reported earning wages lower than this. Regarding household income, the majority of workers reported figures between 25,000PHP–40,000PHP (US\$447–US\$716), whereas only a few reported household income either below 25,000PHP (US\$447) or above 40,000PHP (US\$716). This suggests that the wages earned by these workers constitute a significant portion of their family's income back in the Philippines.

These workers underwent comprehensive training, both online and

in-person, at the Fair Training Center in the Philippines.³⁸ This 18-day training program equips them with vital skills ranging from financial literacy, including budgeting, savings, and managing expenses to practical knowledge in operating modern household equipment like washing machines. They also receive training in essential domestic tasks such as cooking and cleaning. Additionally, the program focuses on life skills, including stress management, adapting to life abroad, and cultivating positive relationships with employers. The training not only improved their professional skills but also provided them with greater clarity on their personal needs, desires, and life priorities.

Workers typically learn about FTC through recommendations from previous employers or friends affiliated with the organization. Many choose to join FTC driven by the availability of free training and free job placement given its affiliation with FEA, the potential of higher wages as a result of debt prevention, and the opportunity to work for respectable families that provide good treatment. This combination of professional training and supportive work environments has led to a notable increase in the workers' self-esteem and sense of worth as the majority feel that their work is more valued compared to their previous jobs.



4.3.2 Domestic workers' personas

The qualitative research revealed 2 distinct domestic worker personas based on their experiences:

- ❖ **The Experienced Migrant:** This persona represents workers seasoned in international employment. Their decision to affiliate with FTC is driven by the benefits of higher income, timely payments, and placement in respectable work environments. These workers, equipped with skills through Fair Training sessions, are adept in both child and elderly care. Their extensive experience not only makes them professional workers but also strategically adept at maximizing their income by effectively balancing regular and overtime hours.
- ❖ **The First-Time Migrant:** This persona represents those new to international work. Initially skeptical about leaving their families to work in a foreign country, these workers gradually recognize the advantages, particularly the ability to provide financially for their families back home, ensuring a sustainable lifestyle. The training sessions offered by FTC are instrumental in their adaptation and skill development during their domestic work tenure.

These distinct personas are created through a qualitative understanding of domestic workers' characteristics, motivations, beliefs, and behaviors. Each persona is descriptive, actionable, and unique reflecting challenges and awareness of the benefits they receive since their affiliation with FEA. Thus, these personas offer a snapshot into why and how domestic workers choose to affiliate with FTC and FEA. By understanding these nuances, the business team can better tailor their services to resonate with and cater to the domestic workers' needs.

Below is an in-depth examination of these 2 distinct personas.



Rosalinda's Bio

Rosalinda, a 45-year-old care and domestic worker, brings extensive experience in domestic tasks, including early child care development. A married mother of 3 children aged 18, 15, and 11, she has always sought employment that ensures a stable and adequate income for her family.

Currently employed by a family in Hong Kong through FEA, Rosalinda has been working there for the past 9 months. She works 8–11 hours per day for 6 days a week, earning her HK\$4,730 per month (US\$608).

Rosalinda Correa The Experienced Migrant

Demographic Information *(of the persona she represents)*

Age: 40–50 years

Marital status: Married

Children: 3 children, 2 below 18 years

Education: High school baccalaureate program likely to have pursued an educational course

Monthly Income: HK\$4730 (US\$608)

Last Job: Domestic Worker in Dubai

Current Job: General housekeeping and care services *(Care for children as well as newborns)*

Motivation

With over 15 years of experience in domestic work, Rosalinda's career includes a 2-year stint in Dubai with a family, facilitated by a different organization. Her transition to FEA was recommended by her previous employer due to their relocation to the USA, which Rosalinda deemed too distant from her home. Seeking employment closer to her home country, she found FEA's offer appealing.

Rosalinda's adaptability in diverse work environments and her effective income management strategy are noteworthy. Her strategy includes a calculated balance between her regular hours and overtime work to optimize her income, while maintaining a sustainable work-life balance. She credits FTC for broadening her skills in early child development and appreciates the organization's assistance with all necessary paperwork for her relocation. The monthly income and benefits, including health insurance provided by her clients in Hong Kong, are significant improvements compared to her last job. The 2-year contract offers her a peace of mind and timely salary payments. This allows Rosalinda to manage her finances effectively, save, budget, and support her family in the Philippines.

In Dubai, I cared for a family with a young child... Having worked in various countries, I found navigating Hong Kong straightforward. My experience working abroad, especially the 2 years in Dubai, has made me comfortable with the idea of moving to different countries for work.

The Experienced Migrant, 45 years old

Rosalinda's perception of the benefits that she receives:

- The contract provided by her employer offers Rosalinda a sense of satisfaction and confidence, detailing all aspects of her employment, especially relocation. FEA's management of all necessary paperwork for her move to Hong Kong, and the higher income compared to potential earnings in the Philippines, are key benefits. Additionally, the contract ensures her health needs are met, including hospital visits or days off when needed.
- Rosalinda's work week consists of 6 days, spanning 8–11 hours each day, from Monday through Saturday. She has an arrangement for overtime compensation with her employer, usually required for extra childcare during nights or early mornings, with overtime ranging from 1–3 hours per day.
- On her days off, Rosalinda dedicates her time to reconnecting with her family in the Philippines.
- As her family's primary earner, with her husband holding a low-income job in a local Filipino factory, Rosalinda manages her family's budget and finances. She saves sufficiently to send money back home each month, supporting her children's education and basic needs.
- Rosalinda exhibits a strong ability to adjust to new environments and work settings, as evidenced by her successful migration for work in various countries, including Dubai and Hong Kong.
- Her capacity to handle the challenges of working abroad, especially while being away from her family, demonstrates a high level of resilience.



Alma's Bio

Alma, a 35-year-old single mother with a 13-year-old child, works as a domestic worker in Hong Kong. She embarked on this journey after completing a 15-day intensive training course with FTC. Her duties primarily include general housekeeping tasks. Learning about FTC through a friend, she was drawn to the organization for its promise of a better income.

Alma's work week in Hong Kong is 6 days, with Sundays reserved for rest. Her daily work hours average around 8 hours, resulting in a monthly income of about HK\$4600 (US\$589).

Alma Caldoza The First-Time Migrant

Demographic information

Age: 35 years old

Marital status: Equally likely to be married or separated

Children: 1 child, below 18 years

Education: University Degree in Social Sciences

Monthly Income: HK\$4600 (US\$589)

Last Job: Part-time worker providing general housekeeping services

Current Job: General housekeeping

Motivation

Initially introduced to FTC by a friend, Alma was motivated to join due to the free training for domestic workers, the prospect of higher income, and the opportunity to work with respectable families. While she had reservations about living and working in a different country, particularly concerning her child's well-being, FTC's training in lifestyle adaptation, financial management and remittance procedures to the Philippines provided her with the necessary skills and confidence.

Her previous employment involved low and irregular pay and challenging employer relationships. Now, she feels her work is more valued. Content with her regular income, Alma does not work overtime, allowing her sufficient time to rest and connect with her family back home.

Initially apprehensive about relocating to a foreign country, Alma had concerns about the language barrier and lifestyle differences. FTC's training greatly assisted her in adjusting to life in Hong Kong. Having been there for 3 months, she has adapted well to the local lifestyle and successfully sends money back to her family in the Philippines each month.

It was quite difficult for me to adjust at first because it was my first time working abroad. So I had to adjust. I only go out and enjoy my rest days once a week. At night, I also have some free time which is when I call my family back in the Philippines to catch up and to know how they are doing.

Part-Time Worker, 37 years old

Alma's perception of the benefits she receives:

- Despite initial reluctance about moving to a new country with an unfamiliar language and lifestyle, Alma greatly appreciates FTC's training as she understands how she benefited from it.
- Since joining her current job and relocating to Hong Kong, Alma's income has significantly increased compared to her earnings in the Philippines. This has enabled her to make more calculated financial decisions, save effectively, and send a substantial amount of money home to support her child.
- With Alma separated from her husband, her mother has taken on the responsibility of caring for her child in her absence.
- Alma works about 8 hours a day for 6 days a week. She has most evenings and all of Sunday free, which she spends connecting with her family or attending church services every Sunday morning. She rarely works overtime.
- Alma values her personal time and prioritizes maintaining a balance between her work and personal life.
- By not working overtime, Alma ensures she has time to connect with her family back home and engage in social activities, such as attending church services. This highlights her strong family ties and commitment to her social and spiritual life.










4.3.3 Journey maps








The personas are illustrative of how different care worker groups make decisions and take up the services offered by the FTC and FEA. In the section, journey maps are used to add additional detail to describe the step-by-step emotional experience that domestic workers undergo from first awareness of Fair, training experience, support with job acquisition, and their current job experience.

Journey maps are a visual representation of the highs and lows experienced by current domestic workers as they access and use the services of the FTC and FEA. In this way, journey maps can help the FEA identify opportunities for improvement and ensure that the needs, wants, and constraints of various domestic worker segments are considered in the expansion and refinement of their services or reach.

The engagement with FTC typically begins with an introduction to its services. Job seekers often learn about FTC through recommendations from employers and family members. However, those who secure employment directly via personal networks are usually directed to FTC by those employers, who are using FEA, in those cases for which training requirements need to be fulfilled. Domestic workers submit their necessary documents to FTC, leading to their enrolment in the NC2 training program. Prior to departure, workers in the Philippines receive extensive pre-migration training, preparing them for a smooth transition. Once in Hong Kong, FEA assists them in connecting with potential employers and maintains regular contact to ensure their safety. The workers appreciate both FTC and FEA for providing a pathway to financial independence and quality employment opportunities in the sector.

Table 1: Journey map of domestic workers who use FTC and FEA

Stage	 Activities	 Domestic worker goals	 Emotions	 Barriers	 Levers
Awareness of FTC	<p>Domestic workers currently looking for jobs typically learn about FTC through personal connections, including recommendations from their employers, family members, or friends.</p> <p>Direct hires – workers who have secured employment in Hong Kong via personal networks – learn about FTC’s training from their employers, who require them to complete the training prior to their relocation.</p>	<p>To understand employment requirements and obtain necessary training and support for successful employment in Hong Kong.</p>	 Determined, anxious	<p>Limited online visibility: The majority of domestic workers learned about FTC through recommendations and referrals, while a relatively small proportion discovered it through online platforms.</p>	<p>Existing information networks: Domestic workers readily gather information about FTC from their existing networks, notably through recommendations from employers, family, and friends.</p>
Application and selection for FTC training	<p>Interested workers submit necessary documents to the FTC. These documents can be submitted online or in-person at FTC’s offices.</p> <p>Required documents include:</p> <ul style="list-style-type: none"> • Passports • Birth Certificates • IDs • Medical certificates • School records 	<p>To submit all the required documents for effective recruitment into the trainee program.</p>	 Interested, curious,	<p>Initial uncertainty in recruitment process: Domestic workers often have limited information about the recruitment process and rely heavily on communications from FEA.</p>	<p>Streamlined recruitment: The recruitment process becomes smoother once workers submit all necessary documents. The FTC team then promptly informs them about successful recruitment and schedules training dates. They appreciate the flexibility of submitting documents either online or in-person at their offices.</p>

Stage	 Activities	 Domestic worker goals	 Emotions	 Barriers	 Levers
Pre-migration training	<p>Domestic workers selected by FTC for relocation to Hong Kong, as well as direct hires, receive comprehensive pre-migration training, which includes NC II and life-skills training. This covers financial management, emotional management, and essential dos and don'ts for working in Hong Kong.</p> <p>It includes both in-person sessions lasting 2 weeks and online sessions conducted over 5 days.</p>	To acquire the essential skills for proficient domestic work and familiarize themselves with the work expectations and culture in Hong Kong.	 Excited but nervous, challenging	<p>Technical and connectivity barriers: Accessing virtual training sessions can be hindered by the lack of laptops or stable internet connections, posing a significant challenge for some workers.</p>	<p>Provision of free training services: FTC offers free training services to migrant workers, removing the financial barriers. However, workers are required to cover the cost of obtaining their training certification, from TESDA³⁹</p>
Relocation to Hong Kong	Both FTC and FEA assists the workers in making travel arrangements, which includes flight ticket booking and airport pick-up by the potential employer in Hong Kong.	To start a new working life in a foreign country and earn a sustainable living.	 Excited but anxious, nervous	<p>Anticipation and cultural adjustment concerns: While workers are enthusiastic about embarking on their new journey in Hong Kong, they also experience anxiety about adapting to the distinct cultural norms and lifestyle in a foreign country.</p>	<p>Comprehensive support from FEA: To ease the transition, FEA provides extensive logistical support for the migrant workers. This includes arranging flight tickets and coordinating with potential employers to ensure smooth airport transfers upon arrival in Hong Kong.</p>

Working life

Domestic workers start their employment in the employers' household.

To diligently perform the assigned duties in the household, foster a positive relationship with the employer, and maintain strong connections with family back in the Philippines.



Happy but worried sometimes

Work-life balance: Some workers face long working hours due to the demands of their roles in their employers' households, often resulting in their rest and personal time being compromised.

Concerns for families back home: Despite the satisfaction of being able to financially support their families, workers frequently express concerns about the well-being of their children in the Philippines. There's a prevailing wish among them to be physically present to care for their children.

Homesickness and limited social connections: The significant distance between the Philippines and Hong Kong exacerbates feelings of homesickness among workers. This geographical separation makes maintaining close connections with their families challenging, often leading to a sense of isolation.

Achieving financial independence: Domestic workers report that FEA has been instrumental to achieve financial independence. This newfound financial confidence enables them to adequately support their families, a feat that was challenging prior to their association with FEA.

Fair treatment: A majority of workers report fair treatment by their employers. Even in instances of complaints, they directly communicate to resolve issues effectively.

Guaranteed rest days for personal time: Most workers are granted rest days, providing them with essential downtime. They often utilize this time to connect with their families in the Philippines, predominantly through phone calls.

Family support: Domestic workers benefit from considerable support from their spouses and other family members in the Philippines. Despite the physical distance, they continue to play an active role in important family decisions back home, with their opinions and perspectives being valued and included in these discussions.

Stage	 Activities	 Domestic worker goals	 Emotions	 Barriers	 Levers
Post-employment Life	Domestic workers keep in touch with the FEA even after starting employment in Hong Kong.	To maintain regular communication with FEA, providing updates on their status and seeking support when necessary.	 Satisfied		Ongoing support from FEA: FEA maintains regular contact with the workers, frequently checking in to inquire about their well-being and to offer support.

4.3.4 FTC's and FEA's impact

This section presents the impact of Fair on domestic workers and their recruitment system including the migration process. This information is based on qualitative interviews with Fair employees, while quotes are the workers' own words.

All domestic workers have experienced a notable improvement in their lives since they began working in the households in Hong Kong. This shift has positively influenced their economic status, instilled a greater sense of pride, and boosted their self-confidence. They report an increase in income and an overall improvement in living conditions, benefiting not only themselves but also their families back in the Philippines.

Qualitative evidence of theory of change

Long-term outcomes LTO1: Eradication of forced labor of migrant workers.

- Access to good quality jobs:** The majority of care workers, when inquired about the quality of their current employment, perceive it positively. On a scale of 1-4, where 1 is extremely poor quality and 4 is excellent quality, most workers rated their job as a 3, indicating a high level of satisfaction with their work conditions. Additionally, in assessing their overall life satisfaction since their placement by FEA, many expressed high levels of contentment and satisfaction with their lives.

"My definition of good quality work hinges on the trust and care the employer shows towards their worker. To me, if you're doing quality work, it's reflected in your employer's trust and how they care for you. It's about the treatment you receive as a worker. And yes, I believe my current job is of good quality. My employer trusts and treats me well."

The First-Time Migrant, 26 years old

- Smooth migration process:** Domestic workers highlighted that their decision to use FEA was primarily driven by the organization's professionalism and comprehensive management of the migration process. They noted receiving support from the initial planning stages of their journey to Hong Kong through to their arrival. Upon landing in Hong Kong, they were warmly received by their employers or FEA staff. Additionally, the workers appreciated that all associated costs and requirements for the move were effectively handled between the employer and FTC and FEA.

"I did not have to do anything. They (FTC) trained us and gave us tips on how to survive here. They referred us to their counterpart here in HK which is the FEA and their staff fetched us at the airport."

The First-Time Migrant, 35 years old

"[FTC took care of] almost everything. They processed all our required documents for travel except for the travel permit to get to Manila and travel outside because of the pandemic. We had to secure that from our municipal hall."

The Experienced Migrant, 45 years old

- Affordability of using FTC and FEA services:** FTC and FEA stand out from other recruitment agencies as it offers its services to migrant workers free of charge. All workers interviewed confirmed that they did not pay any fees for their services. Their only expenses were for obtaining the TESDA training certificate and some personal documents. All other costs, including those typically associated with recruitment and travel, were covered by their employers. As a result, the domestic workers incurred no additional costs while seeking employment.



“Yes, I have paid 1500PHP (US\$27) for my TESDA certificate but the training itself was paid for by my employer.

The Experienced Migrant, 41 years old

“FEA and FTC offer free support and training, which my employer considered better than the previous agency they found, which demanded a placement fee of 18,000PHP (US\$322). We were both surprised by this fee, so we decided to look for another agency. That’s when my employer discovered FEA, which was more appealing because they didn’t require any payment.”

The First-Time Migrant, 32 years old

- **Improvements in family support and lifestyle in the Philippines:** Despite the challenges of being physically distant from their families, they overwhelmingly reported a marked improvement in their capacity to support their families, especially their children. They are not able to comfortably afford essentials, a significant change from their previous situation. For many, being able to finance their children’s education is an important aspect of this employment.

“There is a trade-off due to my geographical distance from my children. While I can’t be there for them physically, this sacrifice allows me to provide for them financially in a better way. Now, my children can afford or have access to what they need, unlike in the past.”

The First-Time Migrant, 35 years old

“With my work here, I can better support the education of my children.”

The Experienced Migrant, 45 years old

Medium-term outcomes

MTO1: Creation of secure and stable employment relationships benefitting both workers and employers.
MTO2: Increased demand for and access to ethical, transparent and professionalized recruitment and training systems.

- **Growing demand for FTC and FEA:** The majority of workers discovered FTC through personal networks, such as friends or family members already involved with the organization. This prevalent word-of-mouth referral highlights how personal recommendations significantly contribute to the growing demand for agencies like FTC and FEA. Meanwhile, a smaller group of workers were drawn to FTC through online advertisements on platforms like Facebook, leading them to apply and start training online. As workers become more aware of FEA and the benefits it provides, the demand for such ethical recruitment organizations is likely to increase, making fair and ethical practices a reality for migrant domestic workers.

“My friend is the one who told me to join the Fair, she said that it was really helpful to her and she introduced me to one of the trainers who told me to join the training session.”

The First-Time Migrant, 26 years old

- **Stable employer-employee dynamics:** Domestic workers have expressed a sense of safety and respect in their current workplace in Hong Kong, with some even mentioning being treated like family by their employers. They received clear instructions on their tasks, ranging from cooking specific meals to timing for bathing and feeding children, and maintaining house cleanliness. There have been no reported instances of complaints or disagreements between the employers and workers, indicating a stable working relationship.

“They [found] me a good employer... I’m just really enjoying and thankful. They tell me what to do during the day and I do it. I even take care of the children when they tell me to and I really enjoy it.”

The Experienced Migrant, 52 years old



Short-term
outcomes

STO1: Workers who are better prepared for successful overseas employment.
STO2: Reduction of recruitment- related debt among workers.
STO3: More stable households receiving support and quality care in Hong Kong.
STO4: Shift in mindset and behaviors by employers towards ethical hiring and professional treatment of workers.
STO5: Increased awareness among stakeholders on forced labor, ethical recruitment and management of migrant workers.

- **Improved earnings:** Domestic workers report that their earnings from working abroad in Hong Kong exceed what they would make in the Philippines. With a current monthly income of around HK\$5,047, they are able to save, cover their living expenses in Hong Kong, and still send a substantial amount back to their families. The remittances are primarily used for household expenses and funding their children's education.

"I am grateful and thankful because it has helped me become more professional and it has helped me take good care of the kids that I am raising. The certificates can help you for example get a good payment because the employer will see that you are a professional."

The First-Time Migrant, 36 years old

"I currently earn HK\$6,630. This is higher than my previous job in the Philippines as a cashier in a gasoline station."

The Experienced Migrant, 40 years old

- **Ensuring worker well-being through emotional and stress management training:** The workers report that the additional training provided by FTC, particularly in stress and emotional management, has effectively prepared them for their new working life in Hong Kong. Despite facing challenges like loneliness, homesickness, and isolation, they feel that this training has equipped them with the necessary skills to manage such emotions. Beyond professional skill development, the workers believe this aspect of the training has significantly contributed to their well-being.

"Yes, it was helpful because I have managed my depression while working in Hong Kong and I have become more mature in terms of my decisions and emotions. Stress management was very helpful in my case. As a result of this training, I became more patient and understanding."

The Experienced Migrant, 36 years old

"I think I remember we had an orientation on emotional management. They taught us how to cope up with homesickness and that you can reach out if you have any problems at work. They taught us to always reach out to them and tell them."

The First-Time Migrant, 32 years old

- **Workers feel supported:** Workers expressed appreciation for the regular check-ins from FEA. They value the attention FEA gives by inquiring about their work conditions and overall well-being. For migrant workers, the sense that someone is actively looking out for their interests and welfare is particularly meaningful.

"Yes, from time to time they send us a message and check on us. Every 3 months, [FEA] checks on us if we are still in HK or what our condition is here in HK. That's really one good thing with them because they get and give updates even after the training."

The Experienced Migrant, 45 years old

- **High satisfaction with FTC and FEA:** All the workers interviewed rated their experience with FTC and FEA an average of 3.8 out of 5. They expressed feeling respected and appreciated by their employers, with many enjoying their work environment. It is likely that the occasional bouts of homesickness, and the desire to be with their families, influenced the overall satisfaction ratings for FTC and FEA, a factor beyond the control of both organizations.



"I feel I'm well appreciated by my employer here. They always tell me that they are very grateful that I'm working for them."

The Experienced Migrant, 41 years old

- **Leisure time and activities:** Domestic workers typically have a 6-day work week as is standard in Hong Kong, with daily hours ranging from 8–11 hours. Their evenings and Sundays are free. During these periods, many workers choose to connect with their families back home via phone calls, keeping in touch and catching up on each others' lives. On Sundays, while some enjoy socializing with friends, others, especially those who are not yet well-acquainted with many people, often visit places of worship, like churches. To enhance their social life and sense of community, FEA could consider facilitating connections between new workers and groups such as Overseas Filipino Workers, helping them to integrate more easily into social networks.

"I only go out and enjoy my rest days once a week. At night, I also have free time. I usually call my family back in the Philippines during my free time."

The Experienced Migrant, 45 years old

"I usually meet with friends only during the day off and pray in church."

The Experienced Migrant, 40 years old

"Sometimes I meet with friends and my aunts. We go out to the parks. We have organizations here who are OFWs [overseas foreign workers] from the Philippines like the Benguet Association. So we get together sometimes. We have some meetings or special occasions to meet each other."

The First-Time Migrant, 32 years old

Outputs

- O1:** Increased skills and awareness of workers on their rights, standards for professionalism, financial planning, and destination-specific preparation.
- O2:** Increased placement of workers in safe and stable jobs without recruitment fee.
- O3:** Increased number of employers using FEA for workers hiring in Hong-Kong.
- O4:** Increased awareness of employers on ethical hiring and managing practices in Hong Kong.
- O5:** Increased education and support to stakeholders, including employers, businesses, and governments, to take action towards ethical recruitment and management of migrant workers.

- **Worker benefits and satisfaction:** The workers expressed satisfaction with their benefits. A typical work schedule includes a 6-day work week, with Sundays generally reserved as a rest day. Additionally, they are entitled to 7 days of paid annual leave, which they have the option to convert into cash if unused. While most workers believe they have access to sick leave benefits, many have not utilized them yet and are unclear about the specific details. A few have independently enrolled in the Social Security System (SSS) in Hong Kong, managing the contributions themselves. Furthermore, most workers reported receiving the necessary equipment for their job, improving their work efficiency.

"I have annual leave. In fact, I went home to the Philippines some time in February. I have 14 days of annual leave. In my first contract, they paid for those days because I haven't used them since the pandemic."

The Experienced Migrant, 36 years old

"They provide me with cleaning materials, household items, toiletries and other things."

The First-Time Migrant, 35 years old

- **Comprehensive training by FTC:** FTC provided extensive training to domestic workers, equipping them with essential skills for adapting to life in a new country, understanding the local lifestyle, and settling into Hong Kong. The training program was multifaceted; it covered not only basic domestic skills like household chores, cleaning, and cooking but



also educated them about their rights as workers. A significant part of the training that was particularly appreciated by the workers focused on financial and emotional management. They learned effective strategies for saving money, various investment options, and efficient methods to remit funds back home.

“I learned to operate new equipment like the washing machines here in Hong Kong, which is different from what we have in the Philippines. The training also covered clothes segregation and distinctions. Additionally, I also learned how to save money, and interact with my employer, all of which I’ve applied in my work here.”

The Experienced Migrant, 52 years old

“The training on beddings was particularly enjoyable and informative. It’s not something we typically learn in the Philippines, but it’s a standard practice here in Hong Kong. I learned a lot from that part of the training.”

The First-Time Migrant, 35 years old

“The first 15 days online were more on financial literacy, conditions of work in Hong Kong, and we were being prepared emotionally when relocating to Hong Kong and the coping mechanisms during the first 3 months.”

The Experienced Migrant, 45 years old

5 - LOOK FORWARD

5.1 Growth and sustainability plans

FEA and FTC are considering the following paths to growth and scalability for the period 2023-2026:

 <p>Expansion to the elderly care segment and recruitment of more Indonesian workers</p>	<p>FEA plans to increase offerings to the elderly care market segment in Hong Kong and recruit and place more Indonesian domestic workers to fill this need. Hong Kong has a significant aging population that will continue to grow. It is estimated that by 2046, 1 in every 3 Hong Kong people will be elderly.⁴⁰ The Indonesian worker market is a growth area that can meet the growing elderly care market. It is estimated that Indonesian workers represent 44% of migrant domestic workers in Hong Kong and only constitute 5% of FEA placements today. Indonesian migrant workers are also a high impact segment because Indonesians are more vulnerable to debt-led recruitment than their Filipino counterparts. However, this segment is currently a loss-making operation because the training period from the sending country is lengthy, coupled with more complex processing requirements. Further, FEA has yet to reach economies of scale for this segment.</p>
 <p>Creation of a digital platform</p>	<p>FEA is also exploring the creation of a digital platform that will allow workers and employers to post their needs and profiles and make their own potential matches. FEA intends to investigate the strategic alignment and benefits of this model.</p>
 <p>Expansion of life skills training program</p>	<p>FTC intends to scale life skills training services for vulnerable migrant workers in other industries and is exploring offering these services through another non-profit entity. FTC has demonstrated the uniqueness and relevance of its life skills program and has successfully piloted it with other migrant workers such as fishers and seafarers. FTC would partner with companies and other agencies willing to pay for this training on behalf of their workers. FTC would scale the training through train-the-trainer modules.</p>
 <p>Build the employer support initiative</p>	<p>Fair Employment Foundation is exploring the creation of an employer orientation curriculum online to provide practical information for first-time employers.</p>

5.2 Ask of investors and stakeholders

Financial needs

FEA: FEA is looking for US\$200,000 in grants in 2024 to cover management overheads and to invest in marketing, sales capacity, and expanding impact on Indonesian workers. FEA plans to invest more in marketing efforts, both offline and online, to increase its visibility for employers and workers so that it does not rely solely on word-of-mouth recommendations.

FTC: FTC seeks US\$220,000 in grants for its domestic worker training program. To set up the new life skill training entity, FTC is looking for an additional US\$40,000. FTC is exploring project-based consultancies to reduce its dependence on donor funds, over time. Furthermore, FTC will deploy some of its staff on a part-time project in the life skills entity to manage the costs.

Fair Employment Foundation is the main driver for fundraising across the Fair entities and can accept grants to sub-grant to its subsidiaries, FEA and FTC. The Foundation creates an enabling environment for Fair entities to operate through awareness, stakeholder engagement, fundraising, resource materials, and knowledge products to support employer mindset

shifts. Fair Employment Foundation is looking for US\$300,000 in grants to guide, coordinate, and drive the strategy of its entities.

Impact measurement for Fair entities: Fair seeks US\$300,000 to develop a more robust system of impact measurement to track worker progress through a tech-enabled impact measurement system. This includes the application of the Poverty Probability Index (PPI®) to help gauge the economic baseline of FTC trainees and the ultimate impact of training over a period of time.

Non-financial needs

Fair requires legal advice and research support on aspects such as laws, rules, and policies related to migration across multiple jurisdictions. Fair also requires support to integrate technology across its operations to improve organizational efficiency and market reach. Another key non-financial need area at Fair is professional and leadership development opportunities for staff. FEA has been receiving pro-bono support from leadership coaches for its managers. Occasionally, FEA seeks professional support from translators and communication experts.

5.3 Lessons learned

FTC and FEA have played a pivotal role in addressing the issue of forced labor among domestic workers. FTC and FEA operate in complex environments, across multiple geographic jurisdictions, laws and regulations, and entrenched malpractices in the recruitment industry. Through FTC and FEA, domestic workers have been able to upgrade their skills, work in safe work conditions, increase income and reduce debt. Fair's insights are highly relevant to the issues of migrant caregivers, who are playing an increasingly significant role in countries with limited supply of local paid care workers amid increased demand.

Migrant workers' vulnerability to exploitation and forced labor can emerge right at the onset of their employment journey. Fair's holistic approach to work on worker training, job placement, on-the-job support, and advocacies help workers to be aware of their rights and work in safe conditions. Continuous support from FTC and FEA and the opportunity to network with other workers have reduced exploitation. FTC' and FEA's models are unique in that the 2 entities work with the same target group, supplement each other's work and impact, share common strategies, and yet work independently. Fair Employment Foundation's role is crucial as the anchor entity to keep the mission-aligned, mobilize resources and amplify impact.

Fair's work highlights the significance of supportive public policies, laws and regulations to mitigate forced labor and promote fair working conditions. The provisions in the Philippines to ban recruitment-related fees from workers and enforce compulsory pre-departure training have not only created a positive impact on workers but also served as a key business driver for organizations such as FEA and FTC.

One of the prime focuses of FTC and FEA is workers' well-being. Insights from customers show that emotional management is the main challenge when working in a new country. As domestic workers migrate without their families, there is a dearth of emotional and social support. In this situation, FTC and FEA's focus on building emotional resilience through training programs and post-deployment support assume greater importance. The life skills training by FTC is impactful and a model that can be replicated in other industries and roles, including for those who offer unpaid care service for family members requiring significant support, such as persons with special needs.

Fair's model also posits questions about the role of migrant worker families as carers. When domestic workers migrate, other family members care for the children and other dependents. There is scant information and data about the other carers, their challenges, and changes in familial relationships, particularly those among migrant parents and their children.

5.4 Recommendations for policymakers, investors, and entrepreneurs

FEA and FTC aim to support migrant domestic workers through training, placement, and post-placement support. The issues faced by migrant workers are complex. Action from policymakers, investors and entrepreneurs will further boost the impact of FTC and FEA.



Policymakers

Enact schemes and laws to attract a skilled workforce: Policymakers need to ensure that their local economies remain attractive for migrant workers. Policymakers should adopt measures to draft immigration laws and policies that recognize the care workers' skills so that advanced skills such as childcare and elderly care are fairly recognized and compensated.

Enact and enforce laws to protect migrant workers: Policymakers of the sending and receiving countries, particularly those with limited laws and schemes, should draft policies to safeguard migrant workers' rights. The legislation by the Philippine Government to ban placement fees for migrant workers, and the guidelines by the Hong Kong Labor Department on work conditions for foreign domestic workers are positive legal regulations that countries can adopt.



Investors

Support through patient capital: Investors should offer patient capital for ethical recruitment models. The market for ethical recruitment is complex as it also involves bringing about systemic changes at the policy level and changes to employer mindsets, both of which take time. Investors should engage with enterprises and organizations to understand the contextual challenges and bottlenecks to devise financial instruments accordingly. In the short term, grant support will be critical to continue to build the ethical recruitment market, not just in Southeast Asia but also beyond.

Highlight the concept and importance of the care economy: Most investors have yet to learn about the care economy. Issues such as the rights of migrant workers receive limited attention. Limited understanding can restrict collaboration, partnerships, and investments. Enterprises and investors should explore and build a unified narrative and language around the care economy, offering a clear business case, like the topics of climate change and climate action have. A clear understanding of the issue area, a unified set of metrics, and a policy agenda are in development and forthcoming. Funders and enterprises should participate in awareness raising, multi-stakeholder engagements, knowledge exchange, and business accelerators with a focus on the care economy.



Entrepreneurs

Adapt solutions to local contexts: Entrepreneurs should explore and adopt diverse approaches to solve complex problems. FEA's and FTC's work shows that enterprises should customize their solutions to align to different contexts. FEA started as a placement agency in Hong Kong but realized the significance of working with workers before their departure, so FEF set up FTC as a separate entity in the sending country. Enterprises must be open to ideas and learning and engage with people and partners from different backgrounds and experiences. FEA and FTC have gained from professionals from diverse industries and partners, including ILO, government, for-profit entities and corporations.



ENDNOTES

¹ Currently covered through the end of 2024.

² The context analysis focuses on the Philippines from where the bulk of women workers migrate.

³ The World Bank. (2021). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=PH>

⁴ Cabegin, E. C. A., & Gaddi, R. S. (2019). *Determinants of female labor force participation in the Philippines*. Pasig City: NEDA Philippines.

⁵ ILO. (2023). Informal Economy in the Philippines. <https://www.ilo.org/manila/areasofwork/informal-economy/lang--en/index.htm>

⁶ UN Women. (2015). *Filipino Women in International Migration Situation Analysis, Policy Context and International Mechanisms*. <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2016/Filipino-Women-International-Migration.pdf>

⁷ Mapa, D. S. (2022). *2020 Overseas Filipino Workers (Final Results)*. Philippine Statistics Authority. <https://psa.gov.ph/statistics/survey/labor-and-employment/survey-overseas-filipinos>

⁸ SEEFAR. (2019). *Making Migration Work Understanding forced labour amongst migrant domestic workers in Asia*. <https://www.macquarie.com/assets/macq/about/community/macquarie-group-foundation/global-grant-making-focus/making-migration-work-seefar-report.pdf>

⁹ ILO's definition on the forced labor of adults is: 'work for which a person has not offered him or herself voluntarily (concept of "involuntariness") and which is performed under the menace of any penalty (concept of "coercion") applied by an employer or a third party to the worker. The coercion may take place during the worker's recruitment process to force him or her to accept the job or, once the person is working, to force him/her to do tasks which were not part of what was agreed at the time of recruitment or to prevent him/her from leaving the job. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_182096.pdf

¹⁰ ILO. (2017). *Global Estimates of Modern Slavery: Forced Labor and Forced Marriage*. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_575479.pdf

¹¹ ILO. (2017). *Global Estimates of Modern Slavery: Forced Labor and Forced Marriage*. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_575479.pdf

¹² Followed by construction (18%), manufacturing (15%), and agriculture and fishing (11%).

¹³ ILO. (2017). *Global Estimates of Modern Slavery: Forced Labor and Forced Marriage*. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_575479.pdf



¹⁴ SEEFAR. (2019). *Making Migration Work Understanding forced labour amongst migrant domestic workers in Asia*. <https://www.macquarie.com/assets/macq/about/community/macquarie-group-foundation/global-grant-making-focus/making-migration-work-seefar-report.pdf>

¹⁵ SEEFAR. (2019). *Making Migration Work Understanding forced labour amongst migrant domestic workers in Asia*. <https://www.macquarie.com/assets/macq/about/community/macquarie-group-foundation/global-grant-making-focus/making-migration-work-seefar-report.pdf>

¹⁶ ILO. (2017). *Global Estimates of Modern Slavery: Forced Labor and Forced Marriage*. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_575479.pdf

¹⁷ Farsight. (2016). *Modern Slavery in East Asia*. <https://www.docdroid.net/3OifC9v/farsight-modern-slavery-in-east-asia-pdf#page=3>

¹⁸ SEEFAR. (2019). *Making Migration Work Understanding forced labour amongst migrant domestic workers in Asia*. <https://www.macquarie.com/assets/macq/about/community/macquarie-group-foundation/global-grant-making-focus/making-migration-work-seefar-report.pdf>

¹⁹ Experian and Enrich Hong Kong. (2019). *The Value of Care: Key Contributions of Migrant Domestic Workers to Economic Growth and Family Well-being in Asia*. https://enrichhk.org/sites/default/files/2019-09/FINAL-English_Press-Release_Value-of-Care-Report1_0.pdf

²⁰ Census and Statistics Department, Hong Kong. (2021). Hong Kong 2021 Population Census – Summary Results. https://www.censtatd.gov.hk/en/data/stat_report/product/B1120106/att/B11201062021XXXXB01.pdf

²¹ Experian and Enrich Hong Kong. (2019). *The Value of Care: Key Contributions of Migrant Domestic Workers to Economic Growth and Family Well-being in Asia*. https://enrichhk.org/sites/default/files/2019-09/FINAL-English_Press-Release_Value-of-Care-Report1_0.pdf

²² Cortes, P., & Pan, J. (2013). Outsourcing household production: Foreign domestic workers and native labor supply in Hong Kong. *Journal of Labor Economics*, 31(2), 327–371.

²³ The Government of the Hong Kong SAR. (2022). *Press Releases*. <https://www.info.gov.hk/gia/general/202201/19/P2022011900232.htm>

²⁴ Fair Training Center. (2023). *Our trainings*. <https://www.fairtraining.org/our-trainings>

²⁵ The International Labor Organization (ILO) [Integrated Programme on Fair Recruitment \(FAIR\) Project](#), in collaboration with the [Technical Education and Skills Development Authority \(TESDA\)](#) and the [Fair Training Center \(FTC\)](#) piloted a 12-day domestic work training programme (which combined a 10-day online and a 2-day offline set of training modules) during the pandemic, to enable domestic workers to complete their deployment requirements for work abroad.

²⁶ The Standard Employment Contract (ID 407) is the only contract acceptable by the Immigration Department whenever an application is made by an employer to employ a domestic helper from abroad. <https://www.immd.gov.hk/eng/forms/forms/fdhcontractterms.html>

²⁷ 2X criteria can be found [here](#).

²⁸ Businesses were assessed on a 21-point scale, with scores of 0–7 being gender unintentional, scores of 8–14 being gender intentional, and 15–21 being gender transformative.

²⁹ Census and Statistics Department, Hong Kong. (2021). *2021 Population Census – Summary Results*. https://www.censtatd.gov.hk/en/data/stat_report/product/B1120106/att/B11201062021XXXXB01.pdf



³⁰ SEEFAR. (2019). *Making Migration Work Understanding forced labour amongst migrant domestic workers in Asia*. <https://www.macquarie.com/assets/macq/about/community/macquarie-group-foundation/global-grant-making-focus/making-migration-work-seefar-report.pdf>

³¹ The research team conducted 8 in-depth interviews with domestic workers. These workers were selected from a list provided by Fair Employment and fulfilled the following criteria: female trainee graduates from low-income households, who were either directly hired or fully placed by FEA, and had migrated from the Philippines to Hong Kong. The domestic workers for the interview were selected through purposive sampling to ensure diversity in age, socio-economic status, and experience. An interview guide was used to ensure consistency in the questions asked, although some follow-up questions were added as necessary to explore topics in more detail. The interviews were conducted in Filipino, audio-recorded and transcribed verbatim for analysis. The data collected from these interviews was analyzed thematically in NVivo to identify key themes and patterns in participants' responses. Given the small sample size and purposive sampling, one of the limitations of our analysis is that it might not be representative of the different socio-demographics of all domestic workers affiliated with Fair Employment.

³² Initially, the research team aimed to conduct 12 interviews, but the case study relies on only 8 interviews. The difficulty in securing the final 4 interviews was multifaceted, particularly due to the remote nature of the research. Workers were often unavailable during pre-agreed interview times. Additionally, as the initial outreach about the research was conducted via SMS to workers in Hong Kong from the Philippines, it's possible that some did not receive the invitation to participate. Despite multiple attempts, the research team had to conclude data collection with only 8 interviews.

³³ For this case study, we exclusively interviewed workers who migrated from the Philippines to Hong Kong as Filipino workers are the majority of workers engaged with FEA in Hong Kong. Therefore, readers should exercise caution when generalizing these insights to workers from other countries.

³⁴ All the domestic workers interviewed for this case study were working for private households.

³⁵ US\$1 = HK\$7.8246 <https://fred.stlouisfed.org/series/EXHKUS> (as of October 19, 2023).

³⁶ Domestic workers reported their earnings in HK\$ and reported their household income in PHP. In Section 3.3, earnings are primarily reported in HK\$, along with their equivalent US\$ values.

³⁷ The Hong Kong Government raised the minimum wage for domestic workers by 3 percent from HK\$4,730 to HK\$4,870 per month, effective for contracts signed post 30th September, 2023. The qualitative interviews for this case study, however, were conducted in July 2023. Hence, we have referenced the previous minimum wage rate of HK\$ 4,730. Retrieved from: [Increase in Minimum Allowable Wage and food allowance for foreign domestic helpers](#)

³⁸ While not every care worker who engages with FEA undergoes FTC training, all workers interviewed for this case study reported receiving it. This group includes those with prior work experience abroad in countries like Dubai, Singapore, and Taiwan, who were seeking jobs after returning home. It also includes individuals who secured employment in Hong Kong through personal networks, with their employers facilitating their FTC training in the Philippines. However, none of the workers interviewed were locally hired in Hong Kong prior to their current employment.

³⁹ Technical Education and Skills Development Authority (TESDA), which manages and supervises technical education and skills development in the Philippines. Retrieved from <https://www.tesda.gov.ph/>

⁴⁰ Census and Statistics Department. (2023). *Hong Kong population projections for 2022–2046*. https://www.censtatd.gov.hk/en/press_release_detail.html?id=5368#:~:text=Excluding%20foreign%20domestic%20helpers%2C%20the,people%20will%20be%20an%20elderly.



COREWOMAN