

RISK OF THE USE OF FOREIGN WORKER

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ABSTRACT

The use of foreign workers in Indonesia will threat local workers. The increase of foreign worker give bad impact to local worker. The research was conducted using qualitative approach. The result showed that local government did not monitore the working period and local worker quality development, therefore the existance of local worker will be threatened with the increasing amount of foreign worker.

Keywords : *foreign worker, risk, local worker*

BACKGROUND

Economic development requires investation and workers both local and foreign workers. The purpose of using foreign workers are to meet the needs of skilled and professional workforce who cannot be filled by Indonesian workers and accelerate the national development process by accelerating the transfer of science and econology (science and technology) and increasing foreign investment as a support for development in Indonesia.¹ The use of foreign labor also occurs in Kotawaringin Barat Regency, with the increase number of foreign workers in each year. This increase will threaten the local workforce so that it can lead to an increase in unemployment and social conditions. The problem in this study is the implementation of the use of foreign workers in Kotawaringin Barat Regency and the risk analysis of the threat of foreign workers to local workers in Kotawaringin Barat Regency. These problems will be discussed in this study using a qualitative approach.

The use of foreign workers in Indonesia is related to the quality of human resources (HR) of local workers. The quality of human resources in the workforce is inseparable from the quality of education. The quality of Indonesian human resources is in the low category, and the low quality of human resources is also due to the low quality of education.

¹ Mariana, Budi Yanuar., Suharno dan Nurul Hidayah. 2017. Perlindungan Hukum Terhadap Penggunaan Tenaga Kerja Asing Pada PT. Lingua Munda Surakarta. *Seminar Nasional dan Call for Paper UNIBA 2017*. ISBN : 978-979-1230-40-7

According to Law No 13 Year 2013, Foreign Worker is foreign person who hold visa and has intention to work Indonesia.² According to Local Regulation of Kotawaringin Barat District, foreign worker is visa holder who has an intention to work in Kotawaringin Barat District.³

Foreign workers in Indonesia are employed in accordance with the provision that a business entity wishes to use foreign workers.⁴ The application process of foreigners who wish to enter the territory of Indonesia for work purposes must apply for visas and requirements which must be completed from the Ministry of Manpower or from the relevant agencies, upon approval the foreigner shall enter through the Immigration Check. Foreign worker is granted a 30-day period for the Limited Stay Permit Card, if more than the specified time it will be subject to overstay and will be considered whether the residence permit will be approved or not by the Directorate General of Immigration.⁵

The use of foreign workers has limited time ie the use of foreign workers can be done for 5 (five) years and can be extended in accordance with labor market conditions.⁶ Similar rules are also imposed on occupations that may be occupied by foreign workers in the categories of livestock, agriculture and fisheries⁷. According to the rules, only directors and commissioners can be renewed after the term of employment, while the positions of experts and managers can not be extended after the end of the employment period. The objective of the regulation is to limit the working period of foreign workers and to protect the local worker with the effort of developing the quality of local manpower and technology transfer.

The objective of regulating foreign workers in terms of the legal aspects of employment is to ensure and provide decent employment opportunities for Indonesian citizens in various fields and levels. Therefore, in employing foreign workers in Indonesia should be done through strict mechanisms and procedures starting from selection and licensing procedures to supervision.⁸

² Article 1 Point 13 Law No 13 Year 2013 About Employment

³ Article 1 Kotawaringin Barat District Regulation No. 17 Year 2013 About Retribution Permit Extension of Employment of Foreign Workers

⁴ Article 3 Regulation of the Minister of Manpower and Transmigration of the Republic of Indonesia Number 12 Year 2013 Concerning Procedures for the Use of Manpower, Employers of Foreign Workers

⁵ *ibid*

⁶ Article 12 Regulation of the Minister of Manpower No. 16 of 2016 on Amendment of Regulation of the Minister of Manpower No. 35 of 2015 on Foreign Workers

⁷ Decree of the Minister of Manpower of the Republic of Indonesia Number 12 Year 2015 Concerning Position Occupied by Foreign Workers in Agriculture, Forestry and Fishery category.

⁸ Agusmidah, 2010. *Hukum Ketenagakerjaan Indonesia, Dinamika dan Kajian Teori*. Ghalia Indonesia, Bogor, hal. 47.

According to Syarif in Mariana.et al⁹, there are so many foreign workers use and can be avoided due to the following factors, namely the presence of foreign workers in relation to investment, lack of local worker skill, Insufficient availability of qualified Indonesian workers to perform the available work, use of sophisticated machines that needs expert workers, contain high risk, so it needs special expert that can not be fulfilled by local worker and business development needs expert.

Based on the importance of the use of foreign workers in Indonesia, there are several steps that must be followed to develop human resources quality. According to Arifin and Fauzi¹⁰ the steps to develop human resource quality are as follow

- a. Quality and placement of workers in accordance with the needs of the company.
- b. Qualifications of employees required by the company.
- c. Establishment of welfare, promotion and termination programs.
- d. Estimating the needs of future employees.
- e. Estimating the economic conditions in general.
- f. Monitoring the progress of employment laws.
- g. Providing employee opportunities in terms of education and training
- h. Managing employee mutations.
- i. Arranging pensions and termination of employment.

Employee development is aimed and beneficial to companies or organizations, employees, consumers, and communities who consuming goods or services produced by companies or organizations. The nature of employee development goals is as follows,¹¹ namely work productivity, efficiency, destruction, accident, service, morale, carrier, conceptual, leadership, reward and customers.

Human resource development for local workers need high commitment of factory owner. Therefore, the low commitment of factory owner will give high risk for local workers and government. According to Anoraga¹² risk is divided into 4 (four) items as follow: risk is

⁹ Mariana, Budi Yanuar., Suharno dan Nurul Hidayah. 2017. *Perlindungan Hukum Terhadap Penggunaan Tenaga Kerja Asing Pada PT. Lingua Munda Surakarta. Seminar Nasional dan Call for Paper UNIBA 2017.* ISBN : 978-979-1230-40-7

¹⁰ Arifin, Johar dan A. Fauzi. 2007. *Aplikasi Excel dalam Aspek Kuantitatif Manajemen Sumberdaya Manusia.* PT. Elex Media Komputindo. Jakarta, hal. 65.

¹¹ Hasibuan, SP, M. 2007. *Manajemen Sumber Daya Manusia, Edisi Revisi.* Cetakan Kesepuluh. Bumi Aksara, Jakarta, hal. 78.

¹² Anoraga, Pandji., 2004. *Manajemen Bisnis,* Edisi ke 3. Rineka Cipta, Jakarta, hal. 107

the possibility of an opportunity loss, risk is uncertainty, risk is the dissemination of actual results of expected results, and risk is the probability of matching the expected outcome of the expected result.

Based on the opinion of Anuraga, the risks that occur in the use of foreign workers can not be eliminated because of the needs of companies in order to improve the nation's economy. Therefore, to minimize risk occurrence, risk management is required. According to Ramli,¹³ risk management is an integral part of the ongoing management process within the company or institution of an enterprise to know, analyze and control risk in each company's activities in order to obtain greater effectiveness and efficiency. Risk management is carried out through a number of sequential activities as follows:¹⁴ risk identification, risk analysis, risk plan, and risk supervision.

RESULT AND DISCUSSION

1. The implementation of foreign worker in Kotawaringin Barat District

The use of foreign worker in Kotawaringin Barat District is increasing in each year. In 2017, there were 58 (fiftyeight) foreign worker in Kotawaringin Barat District. Refer to Article 3 of Man Power Ministry Rules No. 16 Year 2016 About Amandment of Man Power Ministry Rules No. 35 Year 2015 About Foreign Worker, it is mentioned that employers who use 1 (one) foreign worker are required to use 10 (ten) Indonesian workers, except for the positions of members of the board of directors, members of the board of commissioners, or members of the Board of Trustees, members of the board, members of the supervisor; temporary foreign worker, is emergency and impresario. However, the regulation is not in accordance with the implementation of the use of foreign workers in Kotawaringin Barat District, because it does not fulfill to the amount of local labor absorbed.

According to Head of Employment Placement and Expansion of Employment Opportunities, Nining Agustina in the interview on April 13, 2018, she said that the use of foreign workers employed by private companies in Kotawaringin Barat District is used to meet the needs of experts in various fields according to educational background and experience. Foreign worker planned to trained local worker in Kotawaringin Barat District. This is as stated in Article 12 Man Power Ministry Rules No. 16 Year 2016 About

¹³ Ramli, Soehatman. 2010. *Pedoman Praktis Manajemen Risiko*. PT. Dian Rakyat, Jakarta, hal. 99.

¹⁴ Basyaib, Fachmi. 2007. *Manajemen Risiko*. Grasindo. Jakarta, hal. 108.

Amandment of Man Power Ministry Rules No. 35 Year 2015 About Foreign Worker, that plans for the use of foreign workers may be made for 5 (five) years and may be extended in accordance with labor market conditions.

However, the regulation is restored to the policies of each company because in reality there are still many companies that employ foreign workers regardless of the duration of the planned use of foreign workers.

The implementation of foreign workers uses in Kotawaringin Barat District inline with Regulation of the Minister of Manpower and Transmigration of the Republic of Indonesia No. 12 Year 2013 About Manpower Procedures. However, the problem of foreign workers uses in West Kotawaringin district indicated low commitment of the company owner who recruited foreign worker. The company owner does not conduct the transfer technology through employee development, does not recruit local worker due to the low quality education, low skill and work experience.

According to Head of Employment Placement and Expansion of Employment Opportunities, Nining Agustina in the interview on April 13, 2018, Kotawaringin Barat District has a high risk in foreign workers using because the company owner does not consider the work opportunity of local worker. Moreover, local government also does not provide warning or strict supervision on private companies that have foreign labor users. Thus, the existence of regulations both national and regional regulations can not increase the commitment of companies that use foreign workers in accordance with the restrictions on the rules.

2. Risk analysis of foreign worker using in Kotawaringin Barat District

Based on the description of the risks of foreign worker use, it can be seen that the use of foreign workers also has a negative impact on the number of unemployed in Kotawaringin Barat District. As described above, the use of foreign workers is inevitable along with the advancement of the times and market demand, but the use of foreign workers should be able to provide space for local labor. The use of foreign workers also increases the potential for economic inequality between foreign workers' income and local workforce, as foreign workers are rewarded higher than local labor.

Based on the risk factors on foreign workers use in Kotawaringin Barat District, it can be analyzed the risk as the following.

1. Risk Identification

Risk analysis is conducted by considering the risks that will occur in the use of foreign workers in Kotawaringin Barat District. the risk that can be identified as follow;

a. Unemployment Factor

The use of foreign workers has an impact to the unemployment number, because the use of foreign workers will decrease work opportunity of local workers. According to data of unemployment number in Kotawaringin Barat District, there were 2.642 unemployment people in 2015. The number of unemployment number increased 2.2% to 2.200 people in 2016, and increased to 2.814 people in 2017. The number were contradictive to the use of foreign worker in Kotawaringin Barat District that always increased in each year. In 2015, there were 50 foreign workers who worked in Kotawaringin barat District. The number increased from 53 people in 2016 to 58 people in 2017. Therefore, it can be concluded that the unemployment number in Kotawaringin Barat District were getting higher in each year, and decreased the work opportunity for local workers.

b. Income and economy imbalance in community of Kotawaringin Barat District

Earnings on labor will cause the economic effects of society. Local people are hired in accordance with the minimum payment number. This is in contrast to foreign workers who get higher rewards, it will improve the quality of life of foreigners who exist in Kotawaringin Barat District.

Risk Analysis

The risk of foreign worker use is described in the following chart.

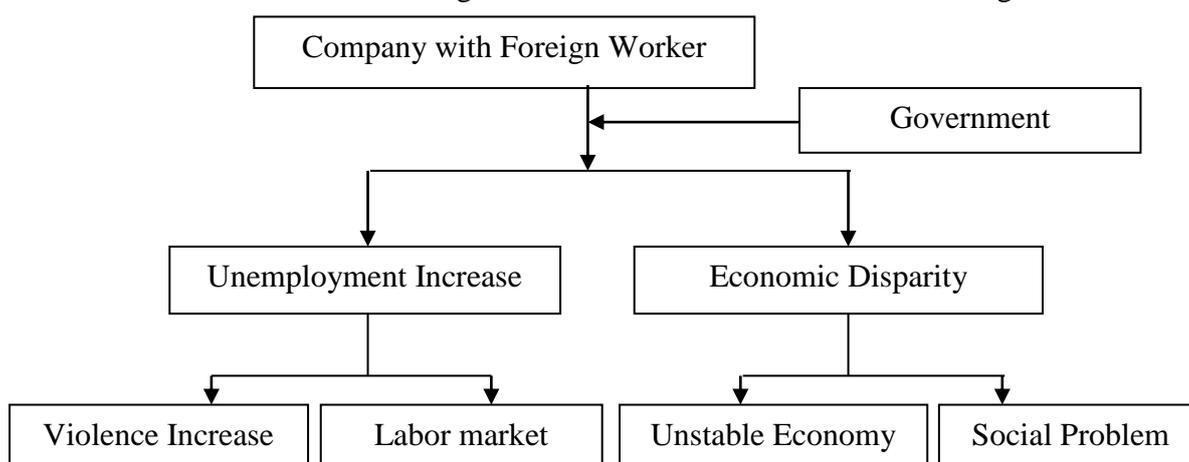


Figure 1. Problem Analysis in Foreign Worker Use

Based on the analysis of Figure 1, it can be seen that the problem occurs if the company uses foreign workers. The increased use of foreign workers and a lack of supervision and firm commitment on local labor using will increase the number of unemployed. Increased unemployment will increase the number of crimes and labor market imbalances in Kotawaringin Barat District. Issues concerning the use of foreign workers also have an impact on economic disparities, resulting in an unstable economy and social problems.

The unstable economy is due to increased unemployment will decline the economy sector. This is different from the number of foreign workers who come to Kotawaringin Barat District with high income. Furthermore, it will result in social problems of society.

2. Risk Plan

Risk planning is undertaken to schedule activities to solve the risk of foreign workers' use. The problem solving chart is as follows.

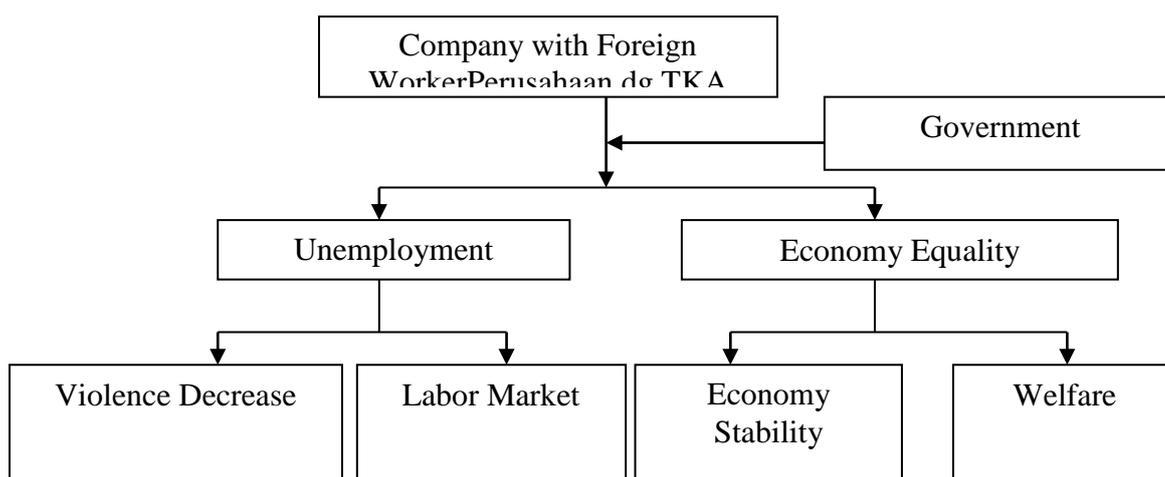


Figure 2. Policy Tree Problems of Using Foreign Workers

Based on the policy tree Figure 2, it can be seen that the risk analysis on the use of foreign workers can reduce the negative factors that may arise from the use of foreign workers in Kotawaringin Barat District.

To obtain more accurate analysis results in foreign worker use, this research was conducted with qualitative approach. The qualitative analysis can be quantified based on the value scale. Rensis Likert is an advocate of value scale approach. A commonly used value scale between 1-5. In determining the actual issue one can choose one tool in analytical techniques such as with Urgency, Seriousness, Growth (USG) or with Problem Priority Matrix.

USG is one tool to arrange priority sequence of issues to be solved. How to determine the level of urgency, seriousness, and the development of issues by determining the scale of values 1 - 5 or 1 - 10. Issues that have the highest total score is a priority issue. For more details, urgency, seriousness, and growth can be described as follows.

- a. *Urgency* = how urgent the issue should be discussed is related to the time available and how hard the time pressure is to solve the problem that caused the issue.
- b. *Seriousness* = how serious the issue needs to be addressed is linked to the consequences that arise with the problem-solving delay that raises the issue or the consequences that cause other problems if the issue-of-issue issue is not solved. It should be understood that under the same circumstances, a problem that can cause other problems is more serious than a stand-alone problem.
- c. *Growth* = how likely those issues to be developed are linked to the possibility that the issue of cause of the problem will be worse if left unchecked. The matrix used to classify issues is as follows.

Table 1 USG Matrix

No	ISU	U	S	G	Total
1	Issue A				
2	Issue B				
3	Issue C				

The way used to fill the above matrix is by using Focus Group Discussion (FGD). FGD is one of research method by Irwanto¹⁵ that FGDs are a process of gathering information about a specific problem that is very specific through group discussion. In other words, FGD is a process of gathering information rather than through interviews, not individuals, and not free discussions without specific topics. FGD methods include qualitative methods, such as other qualitative methods (direct observation, indepth interview, etc.). FGDs and other qualitative methods are actually more appropriate than quantitative methods for a study aimed at "to generate theories and explanations." In

¹⁵ Irwanto. 2010. *Focus Group Discussion (FGD) : Sebuah pengantar Praktis*. Yayasan Obor Indonesia, Jakarta, hal. 78.

this regard, the matrix filling in the preparation of this strategy will be carried out using FGDs attended by official employment agencies, company owners and labor unions

Problem solving of foreign workers' use is still limited by several things both internally and externally. Internal issues related to employment recruitment and personnel development issues as well as firm commitment in using local labor as escort of foreign workers. The external problem is related to the weakness of government supervision in reviewing the working period of foreign workers and the development done by the company after hiring foreign workers.

Based on the policy tree illustrated in Figure 2, it can be concluded that in order to achieve social welfare in Kotawaringin Barat District, it is necessary to solve the labor problem as the primary key of the district economic booster. The strategy to solve problem should be conducted in 3 (three) items as follows.

- a. Company which use foreign worker must undertake employee development for local workers.
- b. Government supervision of foreign worker employment review.
- c. Human resource planning in Kotawaringin barat District

The three strategies are chosen to run as a priority. The strategy is used as a tool to promote alternative by using USG (Urgency, Seriousness and Growth). Urgency explains how important the strategy of foreign labor usage in Kotawaringin Barat District. Seriousness discusses how serious the strategy to focus on improving social welfare in the community. Growth discusses the impact that will occur if the use of foreign workers in Kotawaringin Barat District do not evaluated for problem solving. In the context of discussion on the strategy of problem solving of foreign workers use in Kotawaringin Barat District, the answers obtained by the FGD participants are as follows.

Table 2 USG Matrix as Problem Solving Strategy on Foreign Workers use in Kotawaringin Barat District

	ISU	U	S	G	Total	Rank
1	Employers of foreign workers are required to develop local employees	4	4	2	10	II
2	Government supervision of foreign worker employment review.	5	4	3	12	I
3	Human resource planning	5	2	1	8	III

	in Kotawaringin Barat District					
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Based on the results of FGD answer, it can be obtained that priority of problems solving is based on the total number of total scores. The priority sequence on the strategy of the use of foreign workers in Kotawaringin Barat District is as follows.

- a. Government supervision of foreign worker employment review.
- b. Employers of foreign workers are required to develop local employees
- c. Human resource planning in Kotawaringin Barat District

The strategy begins with maximizing the government's role in overseeing the review of foreign workers employment and the development of local workforce by companies employing foreign workers. Then, the strategy should be followed with the use of foreign workers to educate or pass on knowledge to the local workforce. The supervision of foreign workers by the government can be done by increasing the supervision budget of companies employing foreign workers.

Supervision conducted by the government will lead to enforcement of rules for companies that employ foreign workers in terms of human resource development through training to improve the quality of human resources of local workers. Furthermore, the employment problem in Kotawaringin Barat District can be solved by using human resource planning. Planning can be conducted by communicating between the government, workers and companies. Issues concerning the use of foreign workers can be conducted with supervision as discussed in the previous section. The role of government can be conducted with risk control, starting from the foreign workers' recruitment, development of local human resources and the review of working period.

CONCLUSSION AND SUGGESTION

The conclusion and suggestion of this research are as follow.

- a. The use of foreign workers in private companies in Kotawaringin Barat District has not yet complied with the regulation regarding employment and employee development. This will have an impact on increasing unemployment, social inequality and other social problems.

- b. The use of foreign workers may cause adverse impacts or threats or risks to the viability of local labor. Therefore, the government must play a role in supervision. Supervision is conducted by supervising the work period and the development of local workforce.

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