

Managing Foreign Workers in Southeast Asian Countries

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Abstract: *Countries such as Philippine and Indonesia are not only become the contributors in foreign workers in Southeast Asia region but to the other parts of the world. For that, governments of both countries are always encouraging their citizen to migrate to another country in order to stabilize the economy by reducing the unemployment and remittance send by their citizen that working at overseas. Malaysia and Thailand are among main importers of semi skilled and unskilled foreign workers especially from regional countries. Meanwhile, Singapore is more on importing skilled workers and put on high requirement in engaging semi skilled or unskilled workers. This paper will look through the phenomenon of foreign workers in Southeast Asia countries such as Indonesia, Philippine, Malaysia, Thailand and Singapore especially in administrative and regulation aspect on those countries.*

Keywords: *Public Administration, Public Policy, Foreign Workers, Southeast Asia*

Introduction

Migration was occurred in the early history of mankind, even though, migration terminology was introduced in government policy when the existing modern

country put on serious focus towards delimitation, security and welfare of people (Kurus, 2004; 331). The movement of people from one country to another has become a common social development process particularly in the structural of world economic. The development gives indirect impact in the context of economy especially to individual, exporter countries and foreign workers importer countries. This movement also considered as migration either in the context of international, regional and internal. The form of migration also occurred in many forms like permanent, labour and temporary migration (Mohd Na'eim Ajis et.al, 2009: 313; Ramasamy, 2004: 208)). According to United Nation (2002), population in Southeast Asian was increasing after the World War II from 178 million in 1950 to 522 million people in year 2000. The growth is connected to various aspects such as increasing of birth rate, decreasing of death and also development of migration process to Southeast Asia. During European occupation in Southeast Asia, Chinese immigrants have dominated most of the regions compared to immigrants from Arab, India and Persian. The presence of Chinese cannot be avoided and they were concentrated in cities and harbors. Meanwhile, the greatest growth in Asian international migration has involved the nonpermanent movement of people for contract labour. Temporary labour migration has its historical roots in 'contract coolie' systems initiated by colonial powers during the 19th century (Hugo, 2004; 30-32).

Migration factor always related to economical aspects such as high rate of poverty and unemployment, but in some cases the migration occurred because of factors such as wars, natural disasters and internal political turbulence in source country (ILO, 1998). Foreign workers are the important work force in economy development whether to importer or to foreign work force exporter country. This is because their contribution is not only give an impact to importer country economy development but also give a huge contribution to their home country economic welfare especially in preventing unemployment problem. Besides, political stability will be occurred, when people enjoying better economic welfare. Southeast Asia countries like Philippine and Indonesia were so desperate to send their

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people to find a job overseas especially in Southeast Asia region. Because of that, both countries are always established a policy or regulation to encourage the migration of their people to get a job at overseas. Roles play by Southeast Asia countries such as Thailand, Singapore and Malaysia are more focus as importer country especially among semi skilled and unskilled foreign workers. But for Singapore, hiring foreign workers is more focused on professional or skilled workers and they will be considered as asset of the country. That is why that republic is willing to offer citizenship to that group for them to live in the country and help to boost domestic economy and solve the insufficiency of people in Singapore. Moreover, because of economic factor and the development of education in those countries, most of their people have no interest to involve in certain sectors and they made the decision to migrate to another country. By that, the contribution of foreign workers especially semi and unskilled workers from those three countries have the characteristic of substitutes, they have been hired to replace the empty space that have been left by local people because they are not interested in certain sectors and not for something permanent. As a result, foreign workers role in Southeast Asia countries is to give significance economic impact especially to make sure the successful of planned economy activities of by importer countries and at the same time it will help to prosper the economy of their home country.

The Concept of Labor Migration

Asian countries were considered as the major contributors of foreign immigrants especially in employment sector in this world. Generally, the admission of foreign workers has always related to three assumptions: there is economic liberalization, unequal to economy opportunity and ineffective border enforcement. Therefore, foreign workers can be considered as a social process that has correlation with issues such as market economy situation, transnational labour supply, alteration policy of importer countries and an act of foreign workers right (Motoko Shuto, 2006; 205-206).

Goss and Linquist (1995) contended that people will make a decision to maximize their income. They will choose to migrate to another country and normally they will get a better job especially in salary aspect compared to their own country. Hence, unequal payment and economic development in regional countries will stimulate and enhance the migration of labour to another country in the region. According to Hicks (1932) in *Wage Differential Theory*, migration happened because of the different payment in region and there is a different in supply and demand of labour between countries. It indicates the country that has high level of labour supply relatively has low level of wage; meanwhile the country that has low level of labour supply has high level of wage. As a result, the migration occurred from country that has low level of wage especially Third World Countries to Developed Countries or from rural areas to urban areas within a country.

Meanwhile, Harris & Todaro (1970) stated that rationally it is a high priority for a man to put on action to migrate because of the different of salary and job opportunity in one country, even though the truth is unknown. This is because most of Asia countries always encourage their local people to migrate to another country so they can increase the economy of certain country through remittance (Massey *et. al*, 1993). According to Davanzo (1981), a reason for a people to migrate because they believe the benefit they will get from the cost they spend to migrate. It is included directly or indirectly costs such as transportation, cost for finding a job, health, family, friends and etc. Besides, migration of labour in not only limited to semi skilled and unskilled workers, but it involved of skill transmission from one country to another country. Amin (1974) stated that migration can be considered as a transmission of existing positive values from a worker especially skilled worker to another country. This is because the migrated workers possessed higher productivity and education from developing countries. As a specialist from oversea, they can influence the working environment and strengthen the level of economic of importer country.

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Policies and Management of Foreign Workers in Southeast Asian Countries

The Philippines

In 1906, a group of first Filipino workers landed in Hawaii Archipelagos to work in sugarcane and pineapple farms. At that moment, Filipinos did not encountered any difficulty to enter United States because in 18th century Philippine is still their colony. Because of that, more Filipinos migrated to California, Washington, Oregon and Alaska to work as agricultural labour. When the changing of season happened where agricultural industry has to stop, the particular foreign workers will shift to another job offer in the city such as waiter and bus driver (Asis, 2006). Since 1970s, Philippine encountered the migration involving high skilled group such as physician, teacher, sea captain, mechanic, engineer and more. This phenomenon was motivated by a high demand of labour from Middle East countries and brings to the existent of contract foreign workers. With a legitimate migration law and encouragement from Philippine's government, total sum of Overseas Filipino workers (OFW) has increased dramatically from 214,590 people in 1980 to 791,000 in 1998. In 1990s technology and communication booming has triggered the migration of workers from Philippine in electronic, computerization and design (Alburo and Abella, 2002).

In 1970s, record for per capita income of Filipinos was overtook by Thailand, meanwhile in 1980s Philippine was overtook by Indonesia. Philippine has less developed economy among the countries in ASEAN region. Among the factors that caused the instability of economy were political crisis that happened in the country including the incident of Aquino assassination in 1983 and the sacked of Marcos in 1986. This matter has brought the biggest economic shrink in Philippine history, where GDP per capita has dropped almost 20 percent in 1985 to 1986. The political turbulence has brought Philippine to the worst economic crisis and need to recover slowly. In 1990s, Philippine economic development was back on track under Ramos administration

such as ban on import was abolished and reduction of tariff was implemented in Philippine free trade pattern. Even though Philippine has succeeded in manage its monetary crisis, but the economy performance was still unsatisfied as result of slow and loose political environment. To recover the failure of economic policy, Philippine government has taken a step to encourage their people to migrate. This particular action successfully help the economic growth with the total sum of remittance almost USD10 billion in 2005, that is 10 percent of Philippine GDP (Hafer and Kutan, 2003).

Philippine Overseas Employment Administration (POEA) has classified Filipinos migration into two conditions whether seabased or landbased. For landbased workers covered all kinds of jobs including housemaid to manager. Meanwhile, seabased workers mainly involved ship operation such as navigation, engineering and equipment. In late 1970s and early 1980s, Middle East became major destination for Overseas Filipino Workers (OFW). The main reason for this situation was the fast growth of construction sector and it was assisted by oil industry that already generated high income for that region. At the end of 1980s and 1990s almost 90 percent of Filipino workers have worked in Middle East and Asia. In 1987, 71.2% OFW worked in Middle East and 23.7% to Asia. Because migration has become the major contributor for Philippine economic development, government has introduced Republic Act 8042 or the Migrant Workers and Overseas Filipinos Act 1995 to provide benefit protection to Filipino workers overseas including those families that have been left behind. This act will provide protection to OFW that was exploited or abused overseas and their right as a worker will be protected (Ogena, 2004:297-300). In year 2004, there were about 8.1 million people, less than 10 percent from 85 million Filipinos working in at least 200 countries. Since 30 years ago, 'migration culture' has developed among Filipino to work overseas. A survey has been conducted in year 2002 stated one out of five Filipino has a tendency to migrate oversea (Asis, 2006). Research in year 1998 showed the migration among Filipinos occurred whether permanently or temporarily way. The places where Filipinos choose to migrate permanently are North America (United States of

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America and Canada) and Oceania (Australia), while migration in Middle East and Asia are temporarily (Aburo and Abella, 2002).

Among the major factors that encourage Filipinos to migrate to other countries is limited job opportunity within the country. Research found most of the migrated workers are among graduates. Oil crisis that happened in year 1973 was the reason of high volume of labour migration with high scale from Philippine to another country. At that time, Philippine economic status was unable to develop according to development of population in the country and as a result, unequal between labour supply and demand occurred and then the unbalance of wage rate. Unsustainable economic development, instability of economic between the territories, increasing population, increasing of unemployment and low rate of salary in the market are the reasons Philippine government encourage its citizen to migrate oversea. At the beginning, this encouragement was only for temporary period, but at the same time when the demand in Middle East and East Asia were high, this situation continued (Asis, 2006).

Thailand

For centuries, migration has become a common thing in Thailand. Thailand is an exporter and an importer country in Southeast Asia. This situation occurred when foreigners came to Thailand and at the same time local people took the decision to leave their hometown. Among the bigger groups of migration came to Thailand were businessmen and labours from China during 18th and 19th century. In year 1909, around 162,505 Chinese were migrated to Bangkok to set up business and involved with offered job. Besides, there were several minor ethnics migrated to Thailand for trade and tried to avoid natural disasters and as the result, this circumstances made them shared the same elements of religion and culture with locals. Moreover, during that period, there was no borderline to limit their territories in each state, so there was free movement along the borderline (Chalamwong, 2004).

Before this, Thailand was among the rich natural resources countries and this was the reason why there were less local people migrate to another country. But, slow response by the locals to participate in certain sectors such as agricultural, mining and construction were the undeniable reason for foreign workers inflow. This situation continued until early 20th century and when the foreign workers seems to dominate all the jobs in Thailand, in 1907, King Rama V has introduced an act called Qualities Immigrants Act to cancel numbers of immigrants admission especially from China from entering the country. As a result, the number of immigrants was dropped dramatically from 10,000 people coming to Thailand to 200 people annually (Sonthisakyothin, 2000).

Thailand has their Immigration Act since 1950 and Foreign Workers Act since 1978. Those acts have put a line only for professional workers from another country to get the jobs without the limitation, while semi skilled and unskilled workers are not allowed because of national security reason. Since the war in neighbor countries occurred, Thailand becomes the destination for refugees especially from Indochina. Furthermore, this situation has increased the number of undocumented foreign workers and unskilled workers. Moreover, in late 1980s and early 1990s, Thailand economic performance showed a very encourage development and the successful of high educational policy made the locals uninterested to work in 'cheap' jobs. This situation made most of Thailand businessmen to hire illegal immigrants from Myanmar, Laos and Cambodia to cover the empty space especially in agricultural and fishing sectors (Chalamwong, 1998 & 2004). Since 1970s there were Thai people to migrate overseas looking for a job. The immigrants were among the professional who wanted to try their luck to get a job in United States of America as it is said it will offer them a sufficient amount of payment. Meanwhile, in 1980s the migration of Thais was focused to Middle East because of high economic development of that region during that particular moment (www.unesco.org/shs/most).

As a result, most of the rural people especially in agricultural based as their economy activity will face

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seasonal unemployment and high in labour supply and it created poverty. In early 1960s, almost 60 % of Thailand population lives below the poverty line. But, this situation decreased in late 1960s to 40 %, 27 % in 1990 and 13 % in 1998 (Soonthornhdada, 2001). While in 2004, estimated about 10 % of people in Thailand were under extreme level in poverty line. High number of poverty has become a main pressure for youth to migrate to overseas and looking for a job. In year 1993, Department of Job Recruitment has recorded 137,950 Thais have signed their contracts overseas (Tamagno E., 2008).

At the beginning, Thai migration workers only focused in Middle East and there were estimated more than 95 percent of migration happened in year 1980 and 1982. Then, the number fall around 10 percent or about 20 thousand people in 1995 compare to 1982 in about 114 thousand. As a result, most of them migrated to East Asia and Southeast Asia countries. But then, after the economic depression in the middle of 1980s and because of monetary crisis, most of the countries like Japan, Taiwan and Hong Kong firms were preferred to hire cheap labour. This situation has made Thai semi skilled and unskilled workers to involve in 3D job such as dirty, dangerous and difficult in those countries. Among the major receivers of Thai workers after 1988 were Singapore, Brunei and Taiwan that showed higher increase of number up to 89 percent in 1995 and 1997 (Tsai and Tsay, 2004).

Indonesia

Indonesia is one of the main exporters for work force in the world other than Mexico, Philippine, China and India. In 1969 until 1994, around one million Indonesian have left their country to find a job in foreign country. Countries like Saudi Arabia, Malaysia and Singapore have become popular destination for almost 90 percent of migrated Indonesian because of wage factor, destination and cultural similarities (Shela Morgan, 2006). But the official data about overseas Indonesian workers was not accurate because most of them preferred to use illegal channel. For example in year 1997, statistic showed their overseas workers were about 305,774

people, meanwhile Indonesia illegal immigrants in Malaysia were estimated around one million people (Tsai and Tsay, 2004). Economic slowdown, unemployment and poverty were among the factors contributed to Indonesian to migrate overseas. According to Suyanto (2004), between 1997 till 2004 total of unemployment was increased from 4.18 million to 11.35 million people and most of them involving young generation.

The flow of Foreign Direct Investment (FDI) into a country will be profitable to a country especially in development aspects and then it will stimulate the economic growth. The experience from countries like South Korea, Malaysia, Thailand and China showed the presence of FDI will give positive impacts for a country. For that, after 1966 the government of the republic has done a research on the existence of priority within economic and political aspects. Other than needs of foreign capital and technology expertise along with attempted to recover the credibility of republic, government has tried to give support by providing the facilities in existing FDI policy. As a result, in 1967, Indonesian government has introduced Foreign Investment Law (FIL) containing multiple incentives for investors to get their support to invest in Indonesia. Without FIL, Indonesia under Suharto leadership which was called New Order (1968 – 1998) will unable to recover their country weak economic performance. For that, foreign financial support and flexibility on foreign investors will become important factors for country economic recovery (Balasubramania, Salisu, and Sapsford, 1996).

Indonesia was the second largest country that received FDI in ASEAN after Singapore. According to Gamatmeltoft (2002) in between 1990 – 1999 total international resources coming into Indonesia were FDI (30 %), international aid (24 %), remittance (8 %) and private capital flow (38 %). But since the last four decades, inconsistency of government attitude towards FDI has worsened the economy of Indonesia. The attitude of inconsistency to the domestic economy and oil income has caused unstable FDI policy that is between liberal and tight. As the result from this inconsistency policy, the foreign capital flow was dropped

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dramatically especially in 1970s that was USD\$542.4 million in 1974 to USD\$221 million in 1976 and continued to drop to 167 million in 1977 (Tsai and Tsay, 2004). In addition, unequal between supply and worst spending aggregate during world economic depression especially at the end of 1970s, middle of 1980s and at the end of 1997 had caused the increasing number of unemployment. This situation was occurred when there was no foreign investors came to Indonesia to create job opportunities for their high population. For that, in year 1998 and 1999, the situation has forced the Indonesian government to accept loan offered by International Monetary Fund (IMF) to get the access to Extended Fund Facility (EFF) to support that republic economic activities caused by the crisis (Andreas Limongan, 2001).

Besides, Indonesian government has encouraged the migration among its citizen to overseas in order to settle the imbalance between labour demand and supply in that country. The high population with imbalanced economic growth in their home country was the reason why this group had to find another alternative in order to survive. Migrate or try to grab the available job in the region such as Malaysia, Singapore, Brunei and other countries in another region like Middle East was the easiest way to solve Indonesia problem. Unemployment is one of the major causes that have created political and social instability. This matter has been considered in 1997 during worldwide monetary crisis so it can lighten up the burden carried by the country (Azizah Kassim, 1986). Actually there were two reasons to send Indonesian workers overseas: to overcome unemployment and to get foreign exchange through remittance. These two reasons were important because it can help them to recover from economic depression and it will bring stability to Indonesian politic. After the economic crisis in 1997, Department of Indonesia Manpower (TKI) has recorded total amount of unemployment in 1999 was 36 million or 38 percent of total Indonesian labours (Firdausy, 2001).

Indonesia government realized the importance of local labours migration especially to get high scale income

through remittance. But then, if we studied from total Indonesian workers migration aspect there are lots of problems occurred. This because the low quality of Indonesian labours and the difficulties to get competitive wage in importer country among the problems the government should solve. So to give a significance impact to economy of the country, Indonesian government acted by set a policy and law to increase the quality of labours and then will produce skilled workers. Various skill programs have been carried out by the government to ensure the labours will have specific skill before send them out. Step taken by the government has gained support and good cooperation from importer country to hire foreign labours from Indonesia. As a result, government always gives their support to local people to find a job overseas so it can give an income to government and then give an impact to the living standard among locals (Adi Rianto, 1995). With that, the government action to export the labour was appropriate action because it will reduce high domestic labour supply and increasing living standard. For example a labour from Indonesia working in Malaysia will increase his country's economy by sending the remittance back to Indonesia. High income from overseas can manage their living standard compared to life as unemployment back in their country. This will bring benefit to Indonesia government to reduce the gap of income among their citizen between rural and urban areas.

Malaysia

The Malaysian economy is showed it encouraging development in 1990 to 1997 that is before Asia financial crisis. With the concerned steps taken by the government such as pegged the currency was the reason in Malaysia economic recovery and continued at the full employment level. This encouragement in economic growth has increased the need of employment in various sectors and indirectly led to admission of foreign labours from different countries to Malaysia. This phenomenon can be monitored when total of foreign workers in 1997 was 627, 426 people and in 1998 it was dropped to 395, 140 people because of economic depression. But after 1998, number of admissions of foreign increased in 1999 (409, 660), 2000 (807, 096), 2001(849,

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829) and 2002(1,067,529). This situation showed that Malaysia has recovered from crisis and caused many sectors to offer jobs in Malaysia. Among the economic sectors that facing the insufficient of labours are agricultural, construction, services and manufacturing (Jabatan Imigresen Malaysia, 2008; Hidayat Purnama, 2002).

The admission of foreign workers into Malaysia is generally using two ways: legal admission through registered foreign workers agencies under Malaysian Immigration Department and illegal admission through unregistered illegal agencies. According to International Labour Organisation (ILO), Malaysia has critical admission of illegal immigrations among ASEAN countries. This phenomenon happened because of the country strategic geographic location through sea and close to other ASEAN countries (Labour and Man Power Report, 1984). Foreign labours in Malaysia been divided into three groups that are: First, non residents group contains multi ethnics that stay in Malaysia and possessed red identification card. Under Employment Restriction Act 1968, this group unable to work unless they have the work permit produced by Labour Ministry. Second, foreign skilled workers contain professionals in technical and administration fields. Third, foreign labours entered the country illegally. This group also known as *Pendatang Asing Tanpa Izin* (PATI) and most of them working in agricultural and construction sectors (Jamal Ali, 2003).

In 1960s, there was no mechanism and clear structure on how to employ unskilled or semi skilled workers to Malaysia. At the same time, employers were allowed to hire foreign workers informally using middlemen or agents from countries like Indonesia and Thailand. By that, regional migration system was more on tight cultural and religion relationship between source country and importer country (Kaur, 2008). In 1969, new regulation about employment was introduced and was known as Employment Act 1969 (Restriction and Work Permit). It used to give permit to foreign workers and stay in Malaysia in flexible way. But most of the employers, foreign workers and their family had misused the act by stayed illegally in Malaysia. This situation continued until 1970s where government did not

care about them because they have been considered as temporary stay and they will definitely return to their home country (Abdul Zehadul Karim *et. al*; 1996). At that moment, there was shortage of workers especially in agricultural, and government has taken steps to identify the admission of foreign workers to Malaysia. Since then, law on foreign workers kept changing from time to time whether became loose or tight according to circumstances and manpower sector need by the country. For that, the changing policy can be considered as a tool used by government to control the admission of foreign workers to Malaysia (Kaur, 2008).

In 1981, government has announced an act about law in formation of foreign workers agency. This act was to speed up the foreign worker employment process, where employer did not have to go to source country to get the employee. Besides, in 1984 Medan Agreement was signed between Malaysia – Indonesia government in setting up a mechanism and labour supply to Malaysia. In this agreement, Indonesia agreed to supply labour in 6 categories that Malaysia need especially in farming sector and housemaid. After that agreement, Malaysian government has signed several agreements with countries in the region such as Philippine for housemaid, while Thailand and Bangladesh for workers in construction and agricultural sectors (Azizah, 1998; Atukorala, 2006; Kanapathy, 2004).

Policy of foreign workers employment that has been practiced by Malaysia during 1990s was to solve insufficient semi skilled and unskilled workers problem in certain sectors. Because of Malaysia fast growth economic situation at that time, even making a step in signing the agreements were unable to stop the admission of PATI to Malaysia. For that, in 1991 government has introduced new regulation called Legalization Process or *proses pengampunan*. Under this new act, every employer that hired illegal immigrant need to register and validate their status in 6 months or they will face legal action and will be fined RM 10 thousand for each illegal immigrant they hired. But this process was too complex because to validate PATI status, employer needs to send them back to their home country and hired them through proper channel. This situation will bring difficulties

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and increased employer cost especially to manage a big scale of foreign workers (Kanapathy, 2004).

Singapore

Industrial rapid development based on export at the end of 1960s and 1970s has caused high demand for foreign labours increased in Singapore. From 1974 to 1984 total jobs are 114 thousand compared to 1984 to 1994 only 74, 400 jobs stated. Because of that, from 1970 to 1980 total admission of foreign workers to Singapore has increased from 21 thousand (3.2 %) to 80 thousand people (7.4 %). According to Statistic Department of the country, non resident population has increased from 131, 820 in 1980 to 331, and 264 in 1990. Meanwhile in year 2000 the number is doubled to 754, 524 people and in 2009 there estimated one million people. In 1980 they estimated at 46 % foreign workers in manufacturing sectors, 20 % in construction sectors and 9 % in domestic sector. From year 1980 to 1990, estimated around 85 % of unskilled foreign workers was hired in construction, manufacturing, community services and social. But, steps in regionalizing and relocated operation of local and multinational companies in overseas have increased the retrenchment of manpower especially in manufacturing sector. Besides, with the improvement in manufacturing operation, it has managed to increase the demands of high skilled labours compared to semi skilled or unskilled (Yen ad Piper, 2009 & Hui, 1997).

In foreign workers policy, Singapore government seems to use selective approach in order to gain economy, social and politic goals of the country. Basically, the policy will allow hiring skilled and professional workers, and not semi and unskilled foreign workers. But the pressured from various parties especially employers to the need of semi and unskilled foreign workers in moving the economic activities have made the government to review and amend few times the policy. In year 1965 to 1968, migration was allowed only to gather the family and no semi and unskilled workers were allowed to work. This is because the government found that the local labour forces were enough to support domestic demands. In addition, in Singapore economy in year 1960s

was categorized as slow developed, low payment rate and political unstable. So, more Singaporean migrated to overseas to grab better job opportunities. From 1968 until end of 1970s era, unskilled foreign workers recruited especially from Peninsular of Malaysia to encounter the shortage of manpower especially in construction and manufacturing sector. At the end of 1970s, because of Malaysian unskilled workers were hard to get, the employers were allowed to hire foreign workers from untraditional sources such as Indonesia, Bangladesh, India, Sri Lanka and Thailand (Pang, 1994).

But then, in 1981 the government has suggested to terminate the unskilled manpower service except in housemaid, construction and shipping sectors. Government stated that high dependency to unskilled foreign workers will affect productivity of developments and technology in domestic manufacturing sectors. The policy has given successful boost to Singapore economy, even with limited foreign resources. This situation has given a confident to the government to introduce innovative immigration policy that is price mechanism combination with employment quota in managing foreign workers. Because of that, in 1987, Singapore government has introduced new policy to manage the admission of foreign workers that matched to local labours demand. To realizing this policy, government has used two main approaches that are monthly levy and setting the quota of employment for employers in allowed sectors. Levy will allowed the employers to get foreign workers with the same price as local workers. For example in foreign housemaid sector, employers need to pay around S\$200-S\$295 to government every month. This situation will protect the local workers right because the employers need to pay high sum of money in order to hire foreign workers. Employment quota moved smoothly whereas employers can hired foreign workers if the post was unable to fill in by local people (Yenn and Piper, 2009; Athukorala, 2006), but the policy cannot resist the high demands of foreign workers among Singapore employers when in 1995, 300 thousand blue collar foreign workers were hired to work in Singapore job market (Business Time, January 5 1996). In addition, there were 50 thousand foreign workers involved in high

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level field such as supervising, management and professional posts. In 2000, Singapore has opened 607 thousand job opportunities for skilled foreign workers (Abella, 2004).

Since independence in 1965, Singapore has seen to maintain its liberal policy in order to get skilled foreign workers that can integrate with local society. A skilled worker with certain amount of income is allowed to marry local woman or can bring his family to migrate to Singapore. Foreign workers salary act that been categorized as skilled workers faced several amendment that was in 1996 is S\$1,500 but after May of 1996 it was increased to S\$2,000 and now S\$2,500. For them under 50 years old, they can apply for Permanent Residency (PR) including their family after 6 months. Meanwhile, for those that have possessed bachelor degree can apply for citizenship after 2 years of PR and for those that did not have bachelor degree but they have skill needed by the country, they can apply for citizenship after 5 years of PR. After July of 1989, this liberal policy was widening up when more migration especially from China and Hong Kong have come to Singapore after the Tiananmen Square incident. By that, new regulation was introduced to set the new requirement need to be fulfilled in order to receive grant of permanent resident there are at least possessed secondary education, minimum S\$1,500 of monthly income and 5 years working experience. Businessman that invests S\$1 million can apply for PR or less than S\$1 million but the project has received approval by Economic Development Board (EDB) (Hui, 1997).

For that, in August 2006, Prime Minister Lee Hsien Loon during his speech in Independence Day of the country declared that Singapore will continually depends on foreign workers by motivate them to work or live in this republic. This statement is made after the government worried about lacked of child birth rate and effect on country future especially in economic and social aspect. As a result, prime minister generally suggested migration approach can be used to solve the insufficient of birth rate in long term and not only focused on insufficient of labours. In Singapore, 'foreign people' has two different meanings, whether it is

professional workers and have high income or students from foreign country. Government will produced Working Pass for foreign people that earned minimum pay of S\$2,500 monthly. In Singapore they are included in this category and considered as foreign talent or *bakat asing* and in 2006, 65 thousand foreigners were in this category. In differ, 'foreign workers' in Singapore was referred as semi skilled or unskilled foreign workers. For that particular reason, government will grant Employment Permit to employers to hire foreigners to work in Singapore. In 2006, 135 thousand male foreign workers were hired in construction sectors. Meanwhile, 160 female foreign workers were hired to work as housemaids. By that, in 2006 there were 580 thousand Employment Permit holders produced by the government and there is 9 times more than Employment Pass holders (Yenn & Piper, 2009).

Discussion and Conclusion

Migration development in Southeast Asia was started after World War II, where the population in Southeast Asia has rapidly increase because of European occupation and the economic activities run by the colonials. In addition, the migration happened at that time especially from China, Arab, India and other South Asia countries has made Southeast Asia becoming multiracial region. Most of the migration happened among ASEAN countries involving with the group of semi skilled or unskilled workers. The group migration occurred because of several factors such as lacked of job opportunity, unstable condition of home country, high payment of salary injection in foreign country and migration policy of certain countries. Every country in ASEAN will have positive or negative impact from the admission of foreign workers. For ASEAN country like Thailand, Singapore and Malaysia, the admission of unskilled workers is required in order to replace insufficient of local manpower that has not interested in certain job fields. This admission was motivated by economic in enhancing the development and create the prosperity in the countries.

Role of ASEAN countries towards the development of labour migration is showed in two forms that are as source country or foreign worker exporter (Indonesia, Philippine,

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Myanmar, Vietnam and Cambodia) and importer countries of foreign workers such as Singapore, Malaysia and Thailand. But most of the foreign workers exported by those countries are from group of professional workers. This group migration always happened as individual initiative to gain better income. Men or labours always been considered as one of the factors besides capital and technology in the free market. By that, they will try to grab something that can give them better reward according to their contributions. According to Harris & Todaro (1970) a person rationally will migrate if they believed they will get better pay and benefits more than their can get in their home country. This is why most of the Asia countries will motivate their citizen to migrate and bring home a remittance as a source of family income.

In foreign workers management aspect, most of the Southeast Asia countries have implemented several of policies and regulations. Those policies are connected to the role of the particular country in migration issue whether they are exporter or importer country or both. Countries like Philippine and Indonesia is using liberal approaches and always encourages their citizen to migrate outside the country. For example, Philippine, the government has introduced Republic Act 8042 or Migrant Workers and Overseas Filipinos Act 1995 to prepare interest protection to the Filipinos working in overseas including their family in Philippine. This condition has showed how serious the government to encourage their citizen to migrate so they can help the government to maintain their economic stability and to solve problem like unemployment. Moreover, most of the foreign workers will send remittance to their home country and indirectly will help the country to enhance domestic economic activities from household expenditure using the money. For this reason, it is not surprising if both countries are always encourage their citizen to migrate to other countries in order to get a job and solving the uncertainty of source countries.

Countries like Thailand, Malaysia and Singapore are playing a role of foreign workers importer country in

Southeast Asia region in order to move their planned economic activities. Thailand and Malaysia have the tendency to hire semi skilled and unskilled foreign workers, while Singapore is more focused on foreign professional or skilled workers. Apart of being importer country for foreign workers, some of the citizens from those particular countries have migrated to another country which they believe will give the higher return. Besides, the development of education and demand of high salary are among the major factors for migration of local people to other countries. Because of that, government in these three countries did not have a choice unless they have to hire foreign workers for certain sectors such as manufacturing, services, farming, construction and housemaids to ensure the economic will not affected. To make sure there is no shortage in certain sectors, the government from particular countries has created cooperation between regional source countries such as Medan Agreement that was signed in 1984 between Malaysia and Indonesia. Besides for economy purposes, migration can be connected to improve a population in a country so it can stimulate economic and social activities. For that, government of Singapore has voiced out to attract group professional foreign workers to live in that country. That is clear for us that foreign workers migration phenomenon is difficult to avoid especially when most of the country in the world today are more focus to maximize their economic development. Even the world is getting hi-tech, but roles of human resources are still important especially in particular sectors and traditional. Shortage of human resources in a country will cause the development of foreign resources in order to cater domestic employment demands.

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