# ANALYSIS OF THE EFFECT OF THE DEVELOPMENT FOR FOREIGN COMPANIESIN INDONESIA AND ITS IMPACT ON OPPORTUNITIESFOR USE AND LOCAL LABOR

# <sup>1</sup>ABUBAKAR.ISKANDAR, <sup>2</sup>R. AKHMAD MUNJIN, <sup>3</sup>MARIA FITRIAH

<sup>1.2</sup>State Administration Study Program, Djuanda University, Bogor Indonesia
<sup>3</sup>State Administration Major, Djuanda University, Bogor, Indonesia
E-mail: <sup>1</sup>abu1958@yahoo.com, <sup>2</sup>akhmad munjin@unida.ac.id, <sup>3</sup>maria fitriah@yahoo.co.id

Abstract - The development of foreign companies in Indonesia, opening up employment opportunities for foreign and local workers, has positive and negative influences. The entry of foreign workers is complementary to local workers, in the production process, the entry of foreign workers makes local workers more productive at work because of the transfer of knowledge and transfer of jobs to local workers so that they can do the work they carry, one foreign worker can be accompanied by 10 people local power. This means that the presence of a foreign company is positive because it accommodates local workers and vice versa. The purpose of the study is: explaining foreign workers who have expertise accompanied by 10 local workers for the transfer of knowledge and transfer of jobs, analyzing foreign workers and local workers who have skill workers and unskill workers, and describe foreign workers and local workers who work in foreign companies. The approach used is descriptive, correlational analytic, and developmental. The population is foreign workers and local workers, while the sampling is 233 people. The types of data are primary and secondary. Data collection methods are interviews, Focus Group Discussion and documentation. Data were analyzed through qualitative and quantitative analysis. The results showed that education with age 307 \*\* means that the relationship between education level and age is very close. The relationship between marital status and age -197 \*\* means that the relationship between marital status and age is very close. Relationship between sex and country of origin 133 \* means the relationship between sex and country of origin is quite close. The relationship between marital status and education 132 \* means that the relationship between education level and marital status is quite close. The relationship between the country of origin and education is .245 \*\* means that the relationship between education and the country of origin is very close. The relationship between the country of origin and education -.149 \* it means that the relationship between marital status and country of origin is quite close

Keywords - Age, Education, Marital Status, Sex

### I. INTRODUCTION

### 1.1. Background

The role of foreign companies in Indonesia in economic development is very important because it has advantages in accelerating development due to the development of the industrial sector. The industrial sector can play a key role as a development engine because it has a value of excellence compared to other sectors because the value of embedded capital is very large. By having a very large capital, the company has the ability to absorb a large workforce as well, both men and women, married or single, both foreign and domestic workers. The company also has the ability to create added value (value added creation) from every input or basic material processed. Against the development of foreign companies in Indonesia, can open employment opportunities for Foreign Workers and Indonesian Workers, and can have a positive or negative influence in a country like Indonesia. For example, the influx of singers is complementary to local workers, in the production process or substitution, the entry of foreign workers makes local workers more productive at work because of the transfer of knowledge and transfer of jobs to local workers so that they are able to do the work they carry, one worker experts from abroad were accompanied by

10 local workers. This means that the presence of foreign companies is positive because it can accommodate local workers. Conversely, if a foreign company that develops in Indonesia when accepting labor, contains an element of discrimination, it means that politically only accepts foreign workers where the company is from, only accepts male workers while female workers are ignored, accepting unmarried workers rather than those already married, so that there is a growth of labor in certain dimensions on the one hand while on the other hand there is no growth of labor in the company viewed from a demographic and social, political perspective. In the end it will swell labor on demographic and socio-political factors on the one hand, whereas on the other side from the demographic aspect, social politics will rise up and be dense, which results in marginalizing one party, for example a foreign party or an Indonesian party. With the existence of discrimination, of course, sacrificing local workers or vice versa foreign workers, resulting in unemployment. For example unemployment in Indonesia currently reaches 7.01 and is difficult to reduce (BPS, 2017) [1].

# 1.2. Research Purposes

Based on this background the research objectives are: (1) Explain the Opportunities of Foreign Workers and

Indonesian Workers who Work in Foreign Companies; (2) Analyzing the Demographic and Social Political Characteristics of Job Opportunities in Foreign Companies; (3) Explain the Views of Foreign Workers and Indonesia Against the Development of Foreign Companies

# II. MATERIALS AND METHODS

#### 2.1. Research Sites

The primary research locations were 11 foreign companies in the provinces of Southeast Sulawesi, East Java and Riau Islands. potential foreign companies and foreign and local workers who work there. While the secondary location of the study is within the Immigration and Manpower Department ..Based on preliminary data that gives direction that this research can be carried out in foreign companies in the three provinces. Complete field data collection is planned for June 2019 - October 2019

# 2.2. Research Approach

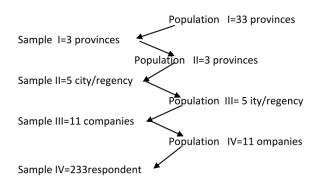
The approach used in this research is descriptive, correlational analytic, and developmental.

# 2.3. Population and Sample

Population is a generalization area that consists of: objects / subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2010) [7]. The population that is the object of this research are all foreign workers or local workers in foreign companies in three provinces with 11 companies. The sampling technique in this study is two or more phases as follows

- a) Because this research is national in scope, the first population is 33 provinces in Indonesia
- The first sample (3 provinces) is used as the second population, which consists of 3 provinces, namely Southeast Sulawesi, East Java and Riau Islands
- c) The second population was taken by five cities / districts as samples, namely Kendari City, Konawe Regency, Surabaya City, Malang City and Batam City.
- d) Then the second sample (5 cities / districts) is made as the third population. From this third population, 11 companies were distributed in the five cities / districts as the third sample.
- e) The third sample (11 companies) was made as the fourth population, namely PT Yanagi, PT DSSP Power, PT Obsidian Stainless Steel, PT Virtu Dragon Nickel Industry, Spins Indonesia Prosperous
   Foundation, PT

- SinarMentariGemilang, Wesley Foundation, Charis Foundation, PT Excelitas Technologies, PT Kemet Electronics Indonesia, and PT Ciba Vision
- The fourth population is then used as the fourth sample. The fourth sample was taken by foreign workers and local workers totaling 233 respondents, then all the identities of selected respondents were recorded. The fourth element of the sample will be investigated as an element of research Schematically the steps above according (Palte, 1978) [4] are described as follows:



Examples in this study are foreign workers and local workers who work in 11 foreign companies in Kendari City, Konawe Selatan Regency, Surabaya City, Malang City and Batam City. The five regencies / cities were chosen as research locations purposively based on the number of foreign and local workers in various categories of citizenship according to data obtained at the Provincial and Regency / City Manpower Offices. Furthermore, each company was chosen by several employees purposively taken from the results of the 2018 data collection. Each company was taken as sample employees by 20 samples distributed in 11 companies, namely foreign and local workers, so the total sample was 233 sample employees. Sampling is done proportionally (proportional stratified random sampling). The advantage of using this method is that (a) can represent all companies, (b) can compare one company with another company. The size of the samples taken from each company is not balanced, because each foreign company does vary quantitatively. Therefore, researchers determine for themselves how much percentage is taken to represent each company proportionally. Based on the theory of sampling that if all possible random samples of size n are taken without recovery from a finite population of size N which has a middle value and standard deviation, the distribution of sample withdrawals for the mean sample mean will approach the normal distribution with the middle value and standard deviations (Walpole, 1995) [10] .This proposition can approach the truth if the measurement results shown by the independent variables approach normal

No	Regency/City	Companies	Number of samples
1	Kendari City	PT Yanagi Histalaraya	14
2	Konawe Regency	PT.DSSP Power	17
		PT.Obsidian Stain less Steel	26
		PT.Virtu Dragon NikelIndustri	26
3	Surabaya City	Yayasan Sejahtera Spins Indonesia	21
4	Malang City	PT.SinarMentariGemila	29
		YayasanPendidikan Wesley	20
		YayasanPendidikanChar is	20
5	Batam City	PT.Excelitas Technologies	20
		PT.Kemet Electronics Indonesia	20
		PT.Ciba Vision	20
	Total	11 Companies	233

Table 1: Sample Calculation Results in 11 Foreign Companies in 2019

The importance of this proposition is mainly to make conclusions about the estimator of the sample which according to the central proposition follows or approaches normal functions, if the sample is large enough if n goes to infinity. This proposition in practice already applies if n>30, because in this situation the value of the Table t for a particular alpha will be close to the value of a normal table (Supranto, 2000) [8]

# 2.4. Types of Data and How to Collect

Data in this study are primary data and secondary data. Primary data is taken directly from the respondent, while secondary data is taken from other relevant agencies. Whereas the data is collected through:

### a. Interview

Interview based on a questionnaire. Questionnaire is a data collection technique that is done by giving a set of questions or written statements to respondents to answer. Questionnaire is an efficient data collection technique when researchers know with certainty the variables to be measured and know what can be expected from respondents (Sugiyono, 2010) [7]

### **b** Observation

According to (Ritzer, 1992) [6] said that the observations made were mainly to understand the intersubjective and intrasubjective realities of social actions and interactions. The lightest technique is observation that is exploratory. This technique is most subjective in nature and its use is closely related to the actual observation plan. Observation techniques are usually used primarily to observe the actual behavior, and objects that can be seen and touched, For example, observation of the products produced by a company,

observation of company facilities and infrastructure, schools and other services.

#### c. Documentation

Documentation is looking for data about things or variables that are records of events that have passed, documents are usually in the form of writing, drawings, sketches, and others. Data collection techniques as a complement to observation techniques. The documentation method used by researchers is to collect data through specific records, both soft and hard copy, photo shoots from Focus Group Discussions, photos of company facilities and infrastructure, interviews with resource persons and others.

### d. Focus Group Discussion (FGD

Focus Group Discussion, a discussion forum directed by involving foreign stakeholders to obtain input, opinions, suggestions, and questions concerning foreign workers and local workers in foreign companies. In this Focus Group Discussion, it is expected to obtain input in the form of models and strategies for managing foreign and local workers in foreign companies in order to obtain the commitment of accountable, transparent, objective and fair company owners.

#### e. Participation

Participation is the participation of stakeholders in helping data collection in a number of foreign companies in 11 companies. This participation is very important considering the formal relationship between the Manpower Office and foreign companies is supervisory so that data that is difficult to achieve, can be obtained through supervisors of foreign companies and acts as a guide to get the right and correct data.

# 2.5. Data analysis

Data analysis in this study is the analysis of flow models, correlational analysis, and stakeholder perceptions analysis.

# 2.5.1. Design Model Flow Analysis Components of Data

Design the design flow model components of data analysis using descriptive-qualitative analysis, which is pursued by applying content analysis techniques through data reduction, data display, and drawing conclusions / verification simultaneously (Miles and Huberman, 1992). [2]. Qualitative analysis like this is called flow model analysis. Data reduction is defined as the process of selecting, focusing on simplifying, abstracting, and transforming rough data arising from field notes, then which dimensions and indicators are coded, which ones are discarded, which ones are used, which ones are compiled by foreign elements, and which ones are summarized. in such a way that the

final conclusions can be drawn and verified to give the possibility of drawing conclusions. Presentation of data used in the form of narrative text as the core of the analysis in this study, which is supported by presentations in the form of tables and figures.

# 2.5.2. Correlation Analysis Design

Correlation analysis can be interpreted as a relationship, which aims to see the pattern and closeness of the relationship between two or more variables. The direction of the relationship between the two variables can be divided into (1) Direc correlation (positive correlation), which is a change in one variable followed by another variable regularly with the same direction of movement, (2) Inverce correlation (negative correlation) that is a change in one variable followed by a variable the other regularly with the opposite direction of movement, (3) Zero correlation is the direction of the relationship between the two irregular variables (ArifPratisto, 2004) [5]. Based on the above understanding, the Product Moment correlation technique can be used in this study with the following formula:

$$\begin{split} &n\sum x_{i}y_{i}-\left(\sum x_{i}\right)\left(\sum y_{i}\right)\\ &r_{xy}=\sum x_{i}^{2}-\left(\sum x_{i}\right)^{2}\left\{ n\sum y_{i}^{2}-\left(\sum y_{i}\right)^{2}\right\} ...1)\\ &\text{Where:}\\ &r_{xy}\quad :\text{Correlation Coefficient}\\ &n\quad :\text{Number of Samples}\\ &x_{i}\quad :\text{Item Score}\qquad y_{i}\quad :\\ &\text{Total Score}\\ &\left(\sum x\right)^{2}\quad :\text{Square of TotalItem Score}\\ &\sum x^{2}\quad :\text{Number of ItemsSquaredScore}\\ &of Squares of TotalScore \end{split}$$

# 2.5.3. Analysis of Respondents' Perception Analysis

 $(\sum y)^2$ : Squares of TotalScore

Concerning questions about stakeholder perceptions the Likert scale is used at intervals of 1-5. Because the assessment criteria use a Likert scale (Muller, 1992) [3], the following formula is used:

From the Likert scale assessment criteria, the values and assessment criteria are formulated as in table 3 belowFrom the Likert scale assessment criteria, the values and assessment criteria are formulated as in table 3 below

Value	Assessment Criteria	Remarks
4,3–5	Very Helpful	A
3,5–4,2	Help	B
2,7–3,4	Neutral	C
1,9–2,6	Not Helpful	D
1 – 1,8	Very Unhelpful	E

**Table 2 Ratings for Questionnaire** 

Furthermore, it is analyzed with the Weight Mein Score (WMS) analysis technique, with the following formula

#### Where:

M=	Obtaining	interpretive	numbers	(Media	/
Num	bers) $f = Fre$	quency of ans	wers	X	=
Weig	ghting $\sum = 1$	n	=		
Num	ber of respon	ndents			

### III. RESULTS

# 3.1. Opportunities for Foreign Workers and Indonesian Workers in Foreign Companies

To obtain data on employment opportunities for foreign workers as well as Indonesian workers in 11 companies in a representative manner, verification is carried out by researchers through several steps, namely: (1) Data on foreign and Indonesian workers is taken based on citizenship status in the Provincial Manpower Office, (2) Data from the Provincial Manpower Office, compared with data from the District / City Manpower Office to check the truth of data from the Provincial Manpower Office and Regency / City Manpower Office, (3) If it occurs mismatch between data from the Provincial and Regency / City Manpower Office, the researcher directly checks data from the company, assuming that data from the District / City Manpower Office is also obtained from the Provincial Manpower Office, (4) Data from the Provincial Manpower Office just trusted, because it was then checked back data from the company diba compare with reports from each company, (5) Comparison of data from the Provincial Manpower Office with reports from each of these companies is then taken in full and available as a basis for labor market opportunities seized by foreign workers and Indonesian workers, (6) If there is a match between the data from the Provincial Manpower Office and the Regency / City Manpower Office and reports from each company, then the data is used as potential workforce in the company. Regency / City Workers and verification results can be seen in the following table

No	Provinces	Regency/City	Companies	Foreign p	ower			Local power		
				M	F	Σ	М	F	Σ	
1	Southeast Sulawesi	Kendari	PT.Yanagi	1	-	1	12	1	13	
		Konawe	PT.DSSP Power	49	-	49	110	-	110	
			PT.Obsidian Stainless Steel	423	51	474	3531	125	3656	
			PT.Virtu Dragon NikelIndustri	409	26	435	4008	345	4353	
2	East Java	Surabaya	Yayasan Sejahtera Spins Indonesia	7	3	10	28	13	41	
		Malang	PT. SinarMentari	1	-	1	24	4	29	
			Yayasan Wesley	5	6	11	28	15	43	
			YayasanCharis	9	-	9	27	14	41	
3	Riau Islands	Batam	PT. ExcelitasTech nologies	2	-	2	260	119	379	
			PT.KemetElectronics Indonesia	2	-	2	280	117	397	
			PT.Ciba Vision	2	-	2	1000	300	1300	

Table 3: Overall Employee Data Collection for 2018 by Researchers and Verifications

# 3.2. Demographic and Socio-Economic Characteristics Example

### **3.2.1.** Gender

The results of the study show that as much as 30.9 percent of foreign workers who are male who work at PT. Obsidian Stainless Steel and women 23.5 percent. While 19.1 percent of male foreign workers who work

at PT.SPSP Power and women as much as 23.5 percent of female foreign workers who work at PT. Virtu Dragon Nickel Industry. While local male workers who work at PT. SinarMentariGemilang as much as 22.2 percent while 20.4 percent of women who work at the Indonesian Prosperous Prosperous Foundation. In detail can be seen in the following table

No	Companies		Fo	reign power			Local power				
			M		F		M				
		n	%	n	%	n	%	n	%		
1	PT Yanagi Histalaraya	1	1,5	0	0,0	12	12,1	1	2,0		
2	PT.DSSP Power	13	19,1	0	0,0	4	4,0	0	0,0		
3	PT. Obsidian Stainless Steel	21	30,9	4	23,5	0	0,0	1	2,0		
4	PT. Virtu Dragon NikelIndustri	9	13,2	4	23,5	13	13,1	0	0,0		
5	Yayasan Sejahtera Spins Indonesia	4	5,9	2	11,8	5	5,1	10	20,4		
6	PT. SinarMentariGemilang	1	1,5	0	0,0	22	22,2	6	12,2		
7	YayasanPendidikan Wesley	5	7,4	4	23,5	7	7,1	4	8,2		
8	YayasanPendidikanCharis	8	11,8	1	5,9	8	8,1	3	6,1		
9	PT. Excelitas Techno logies	3	4,4	0	0,0	17	17,2	0	0,0		
10	PT. Kemet Electronics Indonesia	2	2,9	0	0,0	6	6,1	12	24,5		
11	PT. Ciba Vision	1	1,5	2	11,8	5	5,1	12	24.5		
	Total	68	100	17	100	99	100	49	100		

Table 4. Distribution of Examples Based on Gender

## 3.2.2. Marital Status

The results showed that 32.0 percent of foreign workers who were married at PT. Obsidian Stainless Steel and unmarried as many as 50.9 who work at PT

Virtu Dragon Nickel Industry. While 17.8 percent of local workers working at PT. SinarMentariGemilang are married, and unmarried as many as 27.3 percent of unmarried local workers work at the Spins Indonesia

Prosp	perous Foundation. The de	tails can	be seen ii	n the	followi	ng table					
No	Companies	Foreign power				Local power					
		Ma	rried	Not N	larried	N	1arried	Not N	1arried		
		n	%	n	%	n	%	n	%		
1	PT Yanagi Histalaraya	1	1,3	0	0,0	11	8,1	2	18,2		
2	PT.DSSP Power	15	20,0	2	16,7	5	3,7	0	0,0		
3	PT. Obsidian Stainless Steel	24	32,0	2	16,7	0	0,0	0	0,0		
4	PT. Virtu Dragon	7	9,3	6	50,9	13	9,6	0	0,0		
	NikelIndustri										
5	Yayasan Sejahtera Spins	4	5,3	0	0,0	14	10,4	3	27,3		
	Indonesia										
6	PT. SinarMentariGemilang	0	0,0	1	8,3	24	17,8	1	9,1		
7	YayasanPendidikan Wesley	10	13,3	0	0,0	10	7,4	0	0,0		
8	YayasanPendidikanCharis	7	9,3	2	16,7	10	7,4	1	9,1		
9	PT. Excelitas Techno logies	2	1,7	1	8,3	17	12,6	0	0,0		
10	PT. Kemet Electronics	2	1,7	0	0,0	16	11,9	2	18,2		
	Indonesia										
11	PT. Ciba Vision	3	13,3	0	0,0	15	11,1	2	18,2		
	Total	75	100		100	35	100	11	100		

Table 5.Distribution of Examples Based on Marital Status

### 3.2.3. Age

The results of the study show that as many as 27.0 percent of the average age of foreign workers are at the age of 41-45 years, while 22.0 percent of the average age of local workers are at the age of 26-30 years. Overall, the average age of foreign workers and local workers who work in foreign companies is 41-45 years old (20.6 percent). The details can be seen in the following table

Amount	Foreign power		Local	power	Total			
	n	%	n	%	n	%		
< 20	0	0,0	0	0,0	0	0,0		
20-25	1	1,4	5	3,1	6	2,6		
26-30	9	12,2	35	22,0	44	18,9		
31-35	8	10,8	22	13,8	30	12,9		
36-40	16	21,6	28	17,6	44	18,9		
41-45	20	27,0	28	17,6	48	20,6		
46-50	13	17,6	26	16,4	39	16,7		
> 50	7	9,5	15	9,4	22	9,4		
Total	74	100	159	100	233	100		

Table 6. Distribution of Examples by Age

# 3.3. Analysis of Socio-Political and Demographic **Factors of Foreign and Local Workers**

Analysis of socio-political and demographic factors of Foreign Workers and Indonesian Workers and their impact on employment opportunities in foreign companies developing in Indonesia can be used Product Moment Correlation (Pearson) analysis. Product Moment Correlation (Pearson) is a correlation analysis for parametric statistics. The analysis can be explained below

## Interpretation

The correlation coefficient between Education Level and age is .30 \*\* meaning that the relationship between education level and age is very close. The correlation coefficient is positive (+), meaning that the relationship between age and level of education is one-sided so that if the worker is adequately educated with a productive age, he will have the opportunity to work in a foreign company. The sign \*\* indicates that the correlation coefficient is significant at 99 percent confidence level

The correlation coefficient between marital status and age is -197 \*\* meaning that the relationship between marital status and age is very close. The correlation coefficient is positive (+), meaning that the relationship between age and marital status is unidirectional so that if the worker is not married with a productive age, he will have the opportunity to work in a foreign company. The sign \*\* indicates that the correlation coefficient is significant at 99 percent confidence level. The correlation coefficient between sexes and countries of origin is .133 \* meaning that the relationship between genitals and countries of origin is quite close. The correlation coefficient is positive (+), meaning that the sex relationship with the country of origin is in the same direction so that if the worker is male from any country, he / she will have the opportunity to work in a foreign company. The \* sign indicates that the correlation coefficient is significant at 95 percent confidence level

The correlation coefficient between marital status and education level is .132 \* means that the relationship between education level and marital status is quite close. The correlation coefficient is positive (+), meaning that the relationship between marital status and education level is one-sided so that if the worker is not married with an adequate level of education, he will have the opportunity to work in a foreign company. The \* sign indicates that the correlation coefficient is significant at 95 percent confidence level

The correlation coefficient between the country of origin and the level of education is .149 \* meaning that the relationship between marital status and the country of origin is quite close. The correlation coefficient is positive (+), meaning that the relationship between the country of origin and the status of marriage is unidirectional so that if the worker is from any country and is not married, he will have the opportunity to work in a foreign company. The sign \*\* indicates that the correlation coefficient is significant at 95 percent confidence level

Correlations									
	Variable	Age of Worker	Gender	Level of Educati on	Marital Status	Country of Origin			
Age of Worker	Pearson Correlation	1	120	.307**	197**	031			
	Sig. (2-tailed)		.068	.000	.003	.635			
	N	233	232	233	233	233			
Gender	Pearson Correlation	120	1	052	021	.133°			
	Sig. (2-tailed)	.068		.431	.747	.043			
	N	232	232	232	232	232			
Level of Education	Pearson Correlation	.307**	052	1	132*	.245**			
	Sig. (2-tailed)	.000	.431		.044	.000			
	N	233	232	233	233	233			
Marital Status	Pearson Correlation	197**	021	132*	1	149*			
	Sig. (2-tailed)	.003	.747	.044		.023			
	N	233	232	233	233	233			
Country of Origin	Pearson Correlation	031	.133*	.245**	149 <sup>*</sup>	1			
	Sig. (2-tailed)	.635	.043	.000	.023				
	N	233	232	233	233	233			

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

# 3.4 Foreign and Indonesian Workers' Views on the Development of Foreign Companies

The View of Foreign Workers and Indonesia Towards the Development of Foreign Companies by using a Likert scale (Muller, 1992) [3], ranging from very helpful to very unhelpful. In detail you can see the Likert scale below

Based on the formula above, the number 3.7 can be interpreted as a number that shows helping workers to improve foreign welfare while working as a worker in a foreign companyis in category B

No.	Alternative Answers	f	(x)	f (x)	$M = \frac{\sum f(x)}{\sum f(x)}$
					n
1.	Very Helpful	54	5	270	879/233
2.	Help	74	4	296	
3.	Neutral	98	3	294	
4.	Not Helpful	8	2	16	3,7
5.	Very	3	1	3	
	Unhelpful <b>Jumlah</b>	233		879	

# IV. DISCUSSION

# 4.1.Comparison of Prior Research with Current Research

Research conducted by Adam NugrahaNasution (2017) on the Effect of Foreign Workers on Labor Conditions in Indonesia, shows that prior to the entry into force of the ASEAN Economic Community in

early 2015, the Indonesian people were being held by foreigners by the influx of thousands of foreign workers to the level of workers, especially those from China who enter the territory of the Republic of Indonesia and work in various large-scale projects in all parts of Indonesia. This is a real impact of the results of bilateral cooperation and the Indonesian government with China which has the potential to disrupt the stability of security, social, political culture and the economy of the Indonesian nation. The findings of this study indicate that the government's efforts to bring in foreign investment to accelerate the pace of national economic growth provide positive and negative effects on the development of local workforce opportunities. The policy change in Permenaker No. 16 of 2015 concerning procedures for the use of foreign workers and the application of visa-free policies to 169 countries asimg led to real changes and resulted in the expansion of employment opportunities for foreign workers domiciled in Southeast Asia to be free to work in Indonesia, while the absorption of the workforce was still poor . Realization of an increase in foreign investment variables is expected to be able to increase foreign national economic growth and absorption of a broader local workforce to achieve economic growth and increase income per capita. The Indonesian government's dependence on investors and foreign capital loans to accelerate the speed of the economy in Indonesia is very influential on policy rolled out. However, the Indonesian Government should be careful in making policies and prioritize the integrity of the Republic of Indonesia so that the negative effects arising from the results of a cooperation between the government and foreign countries do not damage the rich natural resources of the country. the human power of the Indonesian people and their Meanwhile. Research conducted researchers is not about the influx of Chinese workers in several companies in Indonesia and their effects on Indonesian workers, but what researchers do is how much foreign workers and Indonesian workers have the opportunity to compete in the labor market of several foreign companies in Indonesia, both from America, China, Japan and others. Then try to analyze factors, age, education, genius, marital status and the country of origin of the relevant workforce. It is intended to see whether or not there is discrimination against foreign workers and local workers who work in the company. The results showed that there was no discrimination of foreign workers or local workers, except based on the knowledge and competence of the relevant workers. So if the previous researchers only saw bilateral cooperation between China and the Government of Indonesia, what the current researcher saw was the impact of the Indonesian government's multilateral cooperation with a number of countries such as America, Japan and others, which would not potentially disrupt the stability of the Indonesian

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

nation because has been regulated through applicable legislation.

#### 4.2. Generalization of Research Results

This study can be generalized because the sample is representative, namely in the eastern part of Indonesia one province is taken, Southeast Sulawesi province with four foreign companies ,, in the Central part of Indonesia one province is taken, namely East Java Province with four foreign companies, and in the western part Indonesia is taken one province namely Riau Islands province with three companies, making it possible to be representative for Indonesia because Indonesia is a large country that has 34 provinces

### 4.3. Alternative Explanations

by Research conducted NasriBachtiar and RahmiFahmi (2011) on the influence of foreign workers on economic growth and employment opportunities, shows that the entry of foreign workers into the labor market in a country can have a wide influence on the country's economic development. Even so, there are still differences of opinion among economists regarding the impact of the influx of foreign workers on economic growth, employment opportunities, and the prevailing wage rates for local workers. The difference mainly comes from four aspects, namely: (1). Whether the entry of foreign workers is complementary to local workers, in the production process or is substitution, (2) whether the entry of foreign workers makes local workers more productive at work or vice versa, (3) whether the education and skills possessed by foreign workers are higher than local workers or vice versa, (4) labor mobility and regulations in force in the country concerned.

Many studies have found that the entry of foreign workers into the labor market into a country has a negative impact on economic growth, employment opportunities and wage rates, but these studies ignore the education, skills and geographic mobility of local workers. In reality, local workers who work in certain industries will move from one type of work to another if the level of wages and facilities received at the new place of work is much better than the previous job. In a study that takes into account the mobility of this workforce found the opposite situation, namely the influx of foreign workers has a positive impact on economic growth, employment opportunities, and the level of wages received by local workers. The estimation results of the Cobb-Douglas production function show foreign energy that professional foreign labor and supervision techniques have a positive and significant role in the growth of the output of the chemical industry, and chemical goods (ISIC 35), basic metal industry (ISIC 36), metal industry design, machinery and equipment (ISIC 38), as well as the food, drink and tobacco industries (ISIC 31). Meanwhile, the results of tests of the manufacturing

industry demand function for professional foreign workers and supervision techniques from Indonesia in Malaysia show foreign relations complementary to local capital and labor in the same category. Furthermore, the estimation results of the local labor wage function show that foreign workers in various skill categories have a negative relationship with the local wage level. The implication of this finding shows that foreign migrants from high-altitude originating from Indonesia are still needed in the development of industries in Malaysia, but at the same time their presence, especially low-rank local laborers, decreases the level of income received by local workers. To reduce the dependence of industrial development on foreign workers in Malaysia, imports of unskilled and semi-skilled workers will be reduced in the future. Therefore, the delivery of local labor services to Malaysia in the future should be prioritized for workers with high income.

### 4.4. Strong and Weak Aspects of this Research

The strong aspects of this study are the level of authenticity that was designed through scientific methods including research designs, populations and samples, types of data, data collection techniques, and data analysis techniques. While the weak aspect of this research is that it still has some research limitations including time, cost, variables, dimensions, indicators and parameters

# 4.5. Practical Implications of Research Results

The practical implications of the results of this study are that after being analyzed by foreign workers and local workers who are not have a job to improve foreign welfare, then with the development of foreign companies in Indonesia, the opportunity to work in foreign companies is obtained as long as they have adequate educational qualifications to seize the labor market in a number of foreign companies, so as to prevent higher unemployment in Indonesia.

### 4.6. Further Research

It was realized that this study could not be carried out in a complete plenary of 34 provinces because of limited time, manpower and costs, so that further research was needed by multiplying the sample

# 4.7. Research Recommendations

To measure how much employment opportunities are seized by local workers in a number of foreign companies in Indonesia, the recommendations given to be applied by the government of the Republic of Indonesia are to comply with (Law No. 13 of 2003) [9] regarding employment, it is explained that one person accompanied by 10 local workers, there must be a transfer of knowledge and a transfer of jobs. Therefore, a foreign worker must provide job training to 10 local workers. Job training is the overall activity to give, obtain, improve foreign energy, and develop work competence, productivity, discipline, attitude

and work ethic at certain skill levels and expertise in accordance with the levels and qualifications of position or occupation. In addition, foreign workers must master foreign languages, especially Indonesian so that it is easy to communicate between foreign workers and local workers. If foreign workers do not meet the demands of the law, there is no need to bring in foreign workers who are skilled, and able to speak foreign languages, especially Indonesian.

### V. CONCLUSION

The conclusions of this study are as follows: (1) Results of data collection of foreign workers and local workers by the Provincial ManpowerOffice and Regency / City Manpower Agency and the results of the verification of researchers prove that hundreds and even thousands of foreign and local workers seize the labor market in a number of foreign companies in Indonesia; (2) Correlation analysis shows that the correlation between education level and worker age is .307 \*\* means that the relationship between education level and age is very close .. Correlation analysis between marital status and age is -. 197 \*\* meaning the relationship between marital status and age is very tightly. The correlation number between sex and the country of origin of the worker is .133 \* meaning the relationship between the sexes and the country of origin of the worker is quite close. Correlation analysis between marital status and education level is .132 \* means that the relationship between education level and marital status is quite close. Correlation analysis between the country of origin of the worker and the level of education is -.149 \* meaning that the relationship between marital status and the country of origin of the worker is quite close; (3)Likert scale analysis of workers' views on foreign companies is at 3.7, or "B", which can be interpreted as a number that shows that with the presence of foreign companies in Indonesia helping workers to improve their foreign welfare while working as workers in foreign companies

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